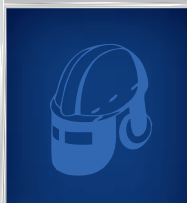
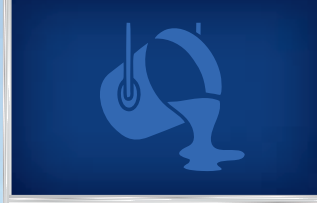


Golden Year of India's Industrial Growth



ANNUAL REPORT

2021-22





SAIL Celebrates Azadi ka Amrit Mahotsav



SAIL Celebrates Azadi ka Amrit Mahotsav



SAIL Celebrates Azadi ka Amrit Mahotsav





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



CREDO

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

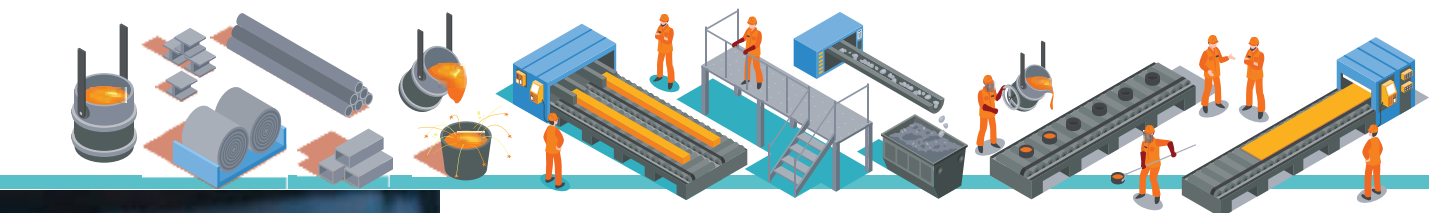
WE UPHOLD HIGHEST ETHICAL STANDARDS IN CONDUCT OF OUR BUSINESS.

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

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

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





LETTER TO SHAREHOLDERS	8
HIGHLIGHTS	12
BOARD OF DIRECTORS	20
AUDITORS & BANKERS	22
TEN YEARS AT A GLANCE, VALUE ADDED/APPLIED & SHARE HOLDING PATTERN	23
BOARD'S REPORT	29
MANAGEMENT DISCUSSION AND ANALYSIS REPORT	53
STANDALONE FINANCIAL STATEMENTS	66
INDEPENDENT AUDITORS' REPORT	131
COMMENTS OF C&AG ON STANDALONE FINANCIAL STATEMENTS	151
SECRETARIAL AUDIT REPORT	154
CORPORATE GOVERNANCE REPORT 2021-22	157
CERTIFICATE ON CORPORATE GOVERNANCE	170
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR) FY 2021-22	171
CONSOLIDATED FINANCIAL STATEMENTS	195
INDEPENDENT AUDITORS' REPORT	268
COMMENTS OF C&AG ON CONSOLIDATED FINANCIAL STATEMENTS	281
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES (FORM AOC-1)	284
PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186	286
PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO	287
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES	292
PRINCIPAL EXECUTIVES	295
NOTICE	296



Letter to Shareholders...



Dear Shareholders,

The year 2022 marks the completion of 75 glorious years of independence for our Country. It is an extraordinary milestone in the journey of modern India which assumes further significance in the light of India's preparedness to gravitate forward into India 2.0. The 'Azadi Ka Amrit Mahotsav' celebrations commemorating the milestone of India@75 have set the tone for everyone to mobilize and focus on Atmanirbhar Bharat. A self-reliant India will not only provide greater opportunities of progress to the citizens but it will also offer a platform for sustainable development and inclusive growth for the society at large.

At this point, it is my honor to once again apprise you of the achievements of your Company for the Financial Year 2021-22. The year gone by has been a year of extreme volatilities. Countries around the world including India had to weather fresh waves of new variants of COVID19. As the markets started to claw back their ways, the economy was faced with fresh challenges towards the end of the fiscal in the form, geo-political conflict between Russia and Ukraine. While having catastrophic effect on global economy, these events impacted the domestic steel industry in terms of raw material security, demand and supply imbalance, logistics & supply-chain disruptions, inflationary pressures, etc.

While all these developments were taking place, India was going ahead steadily with its massive vaccination drive against COVID19.

As we breach the incredible 200 crore mark within a short span of one and half years, the efforts put in by the frontline corona warriors need special applause.

Also, the Government must be commended for envisioning, planning and executing this when it all seemed a distant dream to others.

However, despite all the hurdles and challenges, your Company delivered a resilient performance by capitalizing on the opportunities as and when the same arose. Your Company performed in sync with the overall performance of the domestic steel industry by leveraging the general buoyancy in the economy to the fullest.

On the production front, your Company posted its best ever production performance by producing 18.733 million tonne(MT), 17.366 MT and 16.897 MT of Hot Metal, Crude Steel and Saleable Steel respectively during FY'22 registering a growth of 7%, 7% and 12% respectively over previous best. In addition to this, your Company also achieved its yearly best performance in respect of Techno-economic parameters like Coke Rate, CDI Rate and Specific Energy Consumption owing to better capacity utilisation of bigger Blast Furnaces (BFs), optimisation of BF operations and enhanced usage of CDI.

To meet the ever-evolving requirement of the market, your Company has been continuously taking several initiatives for the development of newer products.

During FY'22, 11 new Steel Products were developed which are expected to strengthen the Country in strategic areas such as railway, infrastructure & construction, defense, etc. Some of these products have been developed from the newly commissioned production facilities, the most prominent among them being R-260 grade and 60E1 profile Rails, DMR 301 Plates, LHB Axles, Cable Armour Quality (CAQ) Wire Rods, High Carbon Wire Rod in HC82B, High Silicon Cold Rolled Coils for electrical applications, Wide Parallel Flange Beam WPB200 for Railway Sleepers, TMT Fe550D HCR and Fe600 for infra and construction sectors, high strength coated galvanized products for agriculture & solar industry, etc. Further, a large number of new initiatives were undertaken across all the Plants for process improvements, with special emphasis on productivity & quality improvement, product development & commercialization, energy conservation and automation.

The efforts made by your Company bore the fruits in the form of the highest ever sales of 16.152 MT during FY'22 which is a growth of 8% over the previous best.

Your Company has commanded a leadership role for decades in the domestic sector. With the addition of new capacities, SAIL continues its efforts to not only expand its sales volumes in the domestic sector but also increase its presence in the global markets. New markets are regularly explored to



provide new channels for exports. Export sales of 1.353 MT during FY'22, marked the third consecutive year when your Company crossed the 1 MT mark in exports.

During FY'22, about 5.89 lakh tonnes of TMT bars were supplied in Retail. To meet the expectations and demands of the retail sector, SAIL is expanding its 2-Tier and 1-Tier distribution network across India which will further strengthen our position in the B2C space. With a view to facilitate procurement of TMT bars to retail customers, SAIL has introduced an e-sales platform by the name of "SAIL SURAKSHA". The popularity of your Company's branded products like "SAIL SeQR" for TMT bars and "NEX" for structural have been continuously growing in the market. To popularize these brands, your Company has been organizing physical as well as virtual meetings with user groups like architects, builders, civil engineers, structural designers, end consumers, etc.

Your Company is actively involved in promotion of the steel usage in the Country. While undertaking sales through its Distributor/Dealer Network, various outdoor/indoor media campaigns are being regularly done for brand promotion as well as to promote steel usage. Apart from servicing the regular customers, your Company is also making efforts to tap the potential of rural India for which regular workshops are conducted under its rural outreach program "Gaon Ki Ore". Despite the challenges from COVID, during FY'22, 130 such workshops were conducted across the Country. In the MSME segment, SAIL, under the aegis of "Mission Poorvodaya" programme of the Government of India, has introduced an incentivisation scheme "Ispati Ilakon ka Vikas – SAIL ke Saath" for the development of MSMEs based in the districts in which its Integrated Steel Plants are located. Around 142 MSMEs have joined under the Scheme till FY'22.

SAIL has been the preferred choice of steel for the nation since its inception. SAIL steel has strengthened the Infrastructure Projects including projects of Strategic Importance to India.

Carrying on the legacy, SAIL has supplied a significant quantity of steel to projects like Power, Road, Rail, Airport & Port Infrastructure, Metro Rail, Irrigation & Drinking Water, Fertiliser Industry, Oil & Gas Sector, etc., the major projects being Regional Rapid Transport System, Delhi Meerut Expressway, Eastern Dedicated Freight Corridor Corporation, Western Dedicated Freight Corridor Corporation, HPCL Rajasthan Refinery Limited Barmer, Bullet Train Project from Ahmedabad to Mumbai for National High-Speed Railway Corporation Limited, India's longest river road bridge of 19 km at Dhubri to Foolbari over river Brahmaputra, etc.

On the raw materials front, your Company delivered its best ever performance by mining iron ore of about 34.15 MT during FY'22.

The requirement of other inputs like coal and fluxes was met partially through production from captive sources at 0.88 MT and 1.89 MT respectively. However, as the Country has very low production of Coking Coal as compared to the demand,

it is being imported by the domestic steel producers including your Company in order to bridge the gap between the requirement and indigenous availability and to improve the quality.

The year gone by saw your Company enter for the first time into the elite club of Indian Companies having a turnover above ₹1 lakh crore.

The turnover of ₹ 1.03 lakh crore during FY'22 saw an astronomical growth of more than 50% over the previous best of ₹ 68452 crore achieved during FY'21. The increase in turnover coupled with improved operational performance helped the Company achieve its highest ever numbers in terms of profitability. Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) at ₹ 22364 crore, Profit Before Tax (PBT) at ₹ 16039 crore and Profit After Tax (PAT) at ₹ 12015 crore grew by 63%, 40% and 59% respectively over the previous best.

The improvement in profitability provided added momentum to the thrust already being put on improving the leverage position. During FY'22, your Company reduced its debts by ~₹ 22000 crore from ₹ 35350 crore (non-Ind AS) as on 31st March 2021 to ₹ 13386 crore (non-Ind AS) as on 31st March 2022.

The Company decided to share the benefits of outstanding financial performance with its investors and paid Interim Dividend twice during the year at 40% and 25% of the face value.

Further, the Board of Directors of your Company has recommended another 22.50% towards the Final Dividend for the year. The cumulative dividend at 87.50% is the highest ever for any financial year. With improvement in profitability and liquidity, the Company seized the opportunity to meet some of the long pending aspirations of other key stakeholders viz., the employees. The Company settled the wage revision as well as long pending pension liability for the employees.

Your Company has been undertaking several projects of strategic importance for its growth and sustenance.

During the FY'22 three major facilities were commissioned in SAIL Plants which includes a 3.2 MTPA Hot Strip Mill at Rourkela which will ensure competitive product quality & enriched product range. Secondly, a new Slab Caster with associated facilities in SMS-I at Bokaro which phased out obsolete Ingot casting route with continuous casting of steel and thirdly, installation of "1X250 MW Thermal plant" at Rourkela was commissioned by NSPCL, a 50:50 JV of SAIL and NTPC. Apart from this, your Company has also been taking steps for installation of the 4th Caster at SMS-III of Bhilai.

Your Company's Corporate Social Responsibility (CSR) objectives have been defined in compliance with the concerned statutes which includes the Companies Act, 2013



and rules framed thereunder as well as the DPE Guidelines. Your Company focuses its CSR activities in various areas of national priority viz., Education, Health, Skills Development, Women Empowerment, Assistance to Divyangs and Sr. Citizens, etc. During FY'22, SAIL has incurred an expenditure of more than ₹94 crore on CSR.

Your Company continued to play a proactive part in the collective fight against COVID19.

SAIL activated a scaled response towards management of COVID19 at its Plants, Units, Mines and Townships to ensure the health and safety of its employees and all other persons working at the sites. Arrangements have been made for touch-free hand sanitizers, spraying disinfectants, using digital thermal recorders, etc. SAIL Plants and Units, distributed food, medicines, face masks, aprons, gloves, etc. to the vulnerable and needy sections of society.

SAIL Hospitals manned by highly qualified doctors and other para-medical staff worked round the clock. SAIL Hospitals earmarked ~1000 dedicated COVID19 beds with oxygen support and 129 ICU beds with ventilator support given the surge in cases, created 600 beds Quarantine Facilities and developed COVID19 testing facilities like RAT, RTPCR, TRU-NAT in coordination with the respective State Governments. Further, SAIL Plants have setup separate Jumbo COVID19 Care facilities equipped with gaseous oxygen through dedicated pipelines from the Plants.

During Q1, when Healthcare Infrastructure was faced with a severe shortage of Liquid Medical Oxygen(LMO), your Company rose to the occasion and supplied over 1.3 lakh Metric Tonnes of LMO to different States of the Country through Railway Oxygen Express from the facilities in SAIL Plants. In line with the Country's vaccination drive, your Company also undertook the initiatives of vaccination of its employees, their families and other people working at Plants/Units as well as in the vicinity.

SAIL's efforts as a responsible corporate citizen and partner in Nation Building have been recognized in several forums in the form of awards and accolades won by your Company. To name a few, during the year your Company has the prestigious Golden Peacock Environment Management Award for the year 2021 in the Steel Sector by the Institute of Directors while the employees of SAIL also won accolades like Prime Minister's Shram Awards (31 employees won 6 awards for the year 2018) and Vishwakarma Rashtriya Puraskar (52 employees won 11 awards for the year 2018).

As a responsible corporate citizen, your Company has drawn its environmental vision in consonance with the Corporate Environmental Policy, which not only addresses the need for compliance with stipulated norms but also emphasises striving to go beyond.

While the SAIL Plants and Mines operate their processes without disturbing the ecological balance, they have also been taking all appropriate measures to restore and

rehabilitate the degraded ecosystem and maintain and enhance biodiversity. These include ecological restoration of mined-out areas, fresh plantation, bio-sequestration of CO₂, enhancing utilization of wastes, utilization of renewable energy sources, etc. Structured plantation programmes are being carried out every year in the SAIL Plants and Mines. More than 3.6 lakh saplings were planted during the FY'22, taking the cumulative plantation by SAIL to 21.5 million.

SAIL Plants and Mines are efficiently operating the pollution control devices/facilities and maintaining them regularly through revamping/ refurbishing/ revitalization and also upgrading them. As a result of these efforts, all the sustainability parameters like Solid Waste utilisation, Specific Water Consumption, Specific PM Emission Load, Specific Effluent Discharge, Specific Effluent Load, etc. have showed improvement with respect to previous year.

With an ambition for promotion of circular economy & improvement of environmental footprint, SAIL has signed an MoU with ICAR-IARI for participating as an industrial partner & part finance Ministry of Steel facilitated project of "Development of steel slag based cost-effective eco-friendly fertilizers for sustainable agriculture and inclusive growth".

In line with the Government of India's enhanced ambitions at COP26, your Company has re-affirmed its commitment to substantially reduce CO₂ emission and increase the share of renewable/ non-conventional energy by 2030 as well as to achieve net zero emission by 2070. Further, actions are taken to achieve the long-term goal of "Zero Liquid Discharge" across all SAIL Plants through adequate treatment and recycling of effluent being discharged through the outfalls at the Plant boundary.

As a part of the All India Co-ordinated Research Project for "Combating Desertification by enhancing vegetation cover and people livelihood in degraded dry lands and deserts of India", SAIL engaged "Institute of Forest Productivity, Ranchi" for eco-restoration of mined out area and waste dumps separately for Kiriburu Iron Ore Mines and Meghahatuburu Iron Ore Mines. Further, to add to the natural wealth of the Country, SAIL developed "Bio Diversity Park-Vasundhara" and "Ispat Nandan Vihar" spreading over a landscape of 409 acres at DSP and an area of 1.5 acres at RSP respectively.

A responsible corporate always maintains and conducts business in a transparent manner. The Company has adopted the Vigil Mechanism for conducting affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of the Company and Directors on the Board of the Company are covered under this Mechanism.

Your Company is committed to the highest standards of Corporate Governance in line with its vision and credos.

In this connection, your Company follows the philosophy of ensuring transparency, disclosures and reporting that not



only conform to laws, regulations and guidelines including the Companies Act, 2013, SEBI (LODR) Regulations, 2015, DPE guidelines, etc. but also go beyond. Your Company promotes ethical conduct throughout the Organization with the primary objective of enhancing shareholders' value. The same reflects in the policies of the Company which ensure transparency, accountability, disclosures and reporting.

In line with the National Steel Policy 2017, your Company has formulated its VISION 2030 whereby it is envisaged to enhance the crude steel capacity significantly. As our leverage position has improved, your Company has started working on the land bank study for the next phase of expansion.

Your Company is also proactively working for adopting digital transformation which is a prerequisite in today's world of the dynamic business environment.

SAIL has embarked on the Digital Transformation journey by adopting Industry 4.0, which is transforming companies through data-led intelligent operations. Your Company has also formulated IT Roadmap outlining the IT vision for the Organisation.

As mentioned earlier, the economic scenario post-COVID19 Pandemic has been quite volatile. The advent of COVID19 saw the projections being revised downwards quite sharply by agencies across the globe. Contrary to the same, the economies showed a much faster recovery. However, the fresh waves of COVID have been hindering economic progress intermittently. As normalcy was slowly setting in, factors like inflationary pressures, the Russia-Ukraine war, slowdown in countries like China, and tightening monetary policies have again made the projections go haywire. IMF in its World Economic Outlook published in July 2022 has projected the World growth outlook for the CY 2022 and 2023 at 3.2% and 2.9% respectively, which is a sharp decline from 6% achieved in CY2021 majorly on account of lower growth in the advanced economies. The Advanced Economies are projected to grow at 2.5% and 1.4% during CY 2022 and 2023 respectively, again a far cry from 5.2% achieved during CY2021. The emerging market and developing economies will also be bearing the brunt but are expected to outperform their advanced counterparts by growing at 3.6% and 3.9% during CY2022 and 2023 respectively. India is expected to grow at 7.4% and 6.1% during CY2022 and 2023 respectively which is again a reduction from 8.7% achieved for CY2021 but enough to retain the tag of being amongst the faster growing major economies.

As far as the steel demand is concerned, the general problems affecting the world economy have had a major negative impact on the global steel demand as financial market volatility and heightened uncertainty is undermining investment. The Russia-Ukraine war in particular has caused great distress for the steel industry as it has led to

major disruptions in the supply chain, both upstream and downstream. The first half of CY 2022 has seen a decline of about 5.5% in the crude steel production over the previous year with all major Steel producing Countries barring India registering a negative growth. India on the other hand has recorded a growth of 8.8% in the crude steel production. The Short Range Outlook published by the World Steel Association in April'22 has projected growth at 2.2% during CY2023. However, the outlook for 2023 is based on the assumption that the Russia-Ukraine war will come to an end during the course of 2022.

The Indian steel industry has performed quite well post COVID19 mainly from the demand created by investments in infrastructure projects as part of the economy revival measures by the Govt. The infra sector spendings are expected to drive the growth in coming year. The auto segment which has been relatively disappointing, due to the global semi-conductor shortages has now started showing signs of revival. Accordingly, as per WSA, the Indian Steel Industry is projected to fare better than its counterparts with growth rate of 6% in CY2023.

Your Company believes that building trust will enhance its reputation and boost the confidence of its investors & stakeholders. In line with this, SAIL has been proactively and regularly sharing key information with all stakeholders through the use of different communication channels. I take this opportunity to inform you that pursuant to the circulars from the Ministry of Corporate Affairs, the 50th Annual General Meeting (AGM) of the Company is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) providing our far spread shareholders an opportunity to attend the AGM, which otherwise was difficult as per the earlier practice requiring physical presence.

In the end, I take this opportunity to thank all the shareholders for their continued trust and support. I must also thank our valued Customers, trusted suppliers, the Central and State Governments and our talented employees, who have always stood by the Company and contributed to the progress of SAIL. I specially convey my thanks to the Ministry of Steel, whose continuous guidance and support especially during challenging times made it possible for the Company to deliver this commendable performance. I also thank all other stakeholders who have contributed internally and externally to the improved performance of the Company. I look forward to the continued support and unflinching trust they have placed in us.


 (Soma Mondal)
 Chairman

Place: New Delhi

Dated: 5th September, 2022



PERFORMANCE HIGHLIGHTS OF SAIL 2021-22



- ↑7% y-o-y Hot metal production
- ↑8% y-o-y Crude steel production
- ↑12% y-o-y Saleable steel production



- ↑16% y-o-y Iron ore production

Techno-economics improvement



- ↓ 2% y-o-y
Coke rate



- ↑ 12% y-o-y
CDI rate

Techno-economics



Techno-economics

- ↓ 1%
Specific energy
consumption

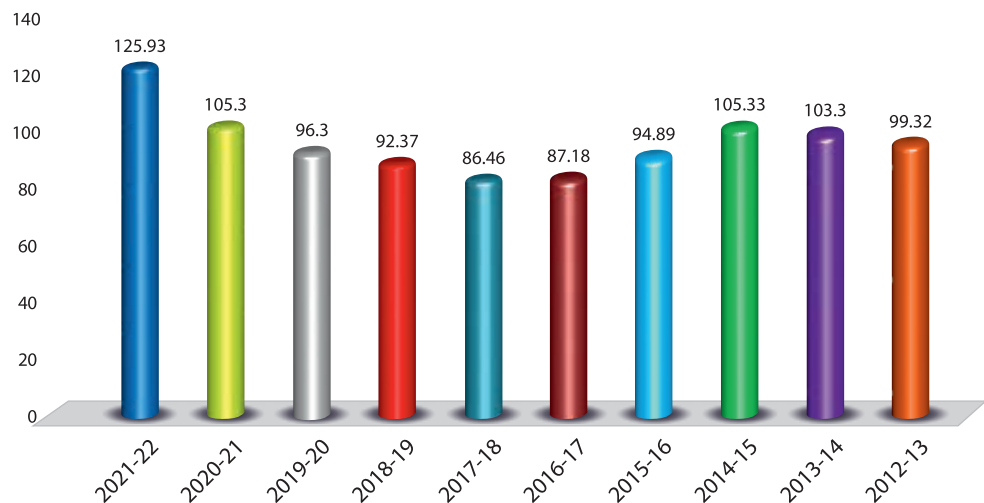
Financial Performance

- ↑ 68% y-o-y
Turnover
- ↓ 74% y-o-y
borrowings
- ↑ 46% y-o-y
CAPEX
- ₹ 3614 crore
dividend
declared in
2021-2022

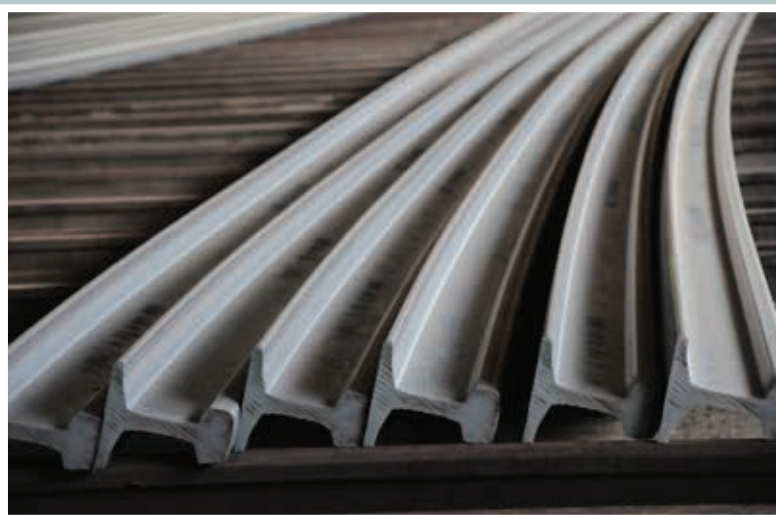
NET WORTH

per share of ₹10

(₹ in crore)



Product Development



- R-260 grade rails
- New profile - 60E1 rails
- Trial rolling of Head Hardened rails (1175 HT)

- Import substitute DSP-ASP-VISL LHB Axles



- High Strength Galvanized Sheets with Higher Zinc coating

Modernization & Expansion:

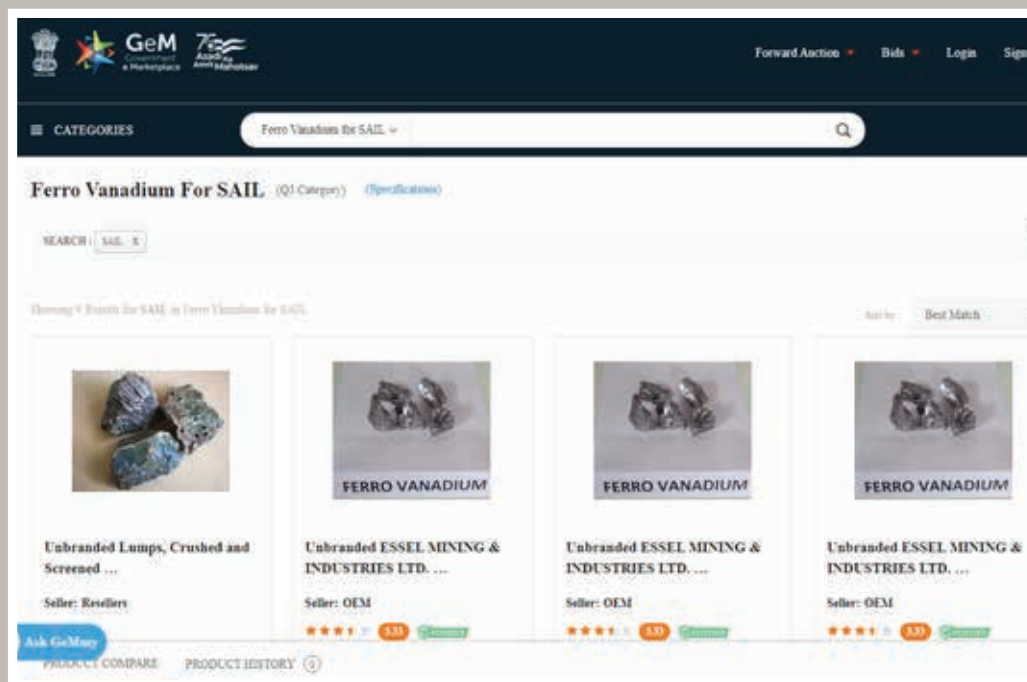


- Test commissioning of 3 MTPA Hot Strip Mill at Rourkela Steel Plant



- 1 x 250 MW Thermal Power Plant at RSP by NSPCL, a 50:50 JV of SAIL and NTPC

Transparency



- With procurement worth ₹ 4,614 crores, SAIL emerged as the topmost buyer on GeM amongst CPSEs

Contribution in fight against COVID19:

- Supplied 130000 tonnes of Liquid Medical Oxygen (LMO)
- Set up separate Jumbo CoVID Care facilities equipped
- Contribution of ₹ 50 crore made to PM Cares Fund



Awards



- 31 SAIL employees awarded with Prime Minister's Shram Awards for the performance year 2018
52 SAIL employees were awarded with Vishwakarma Rashtriya Puraskar for the performance year 2018.

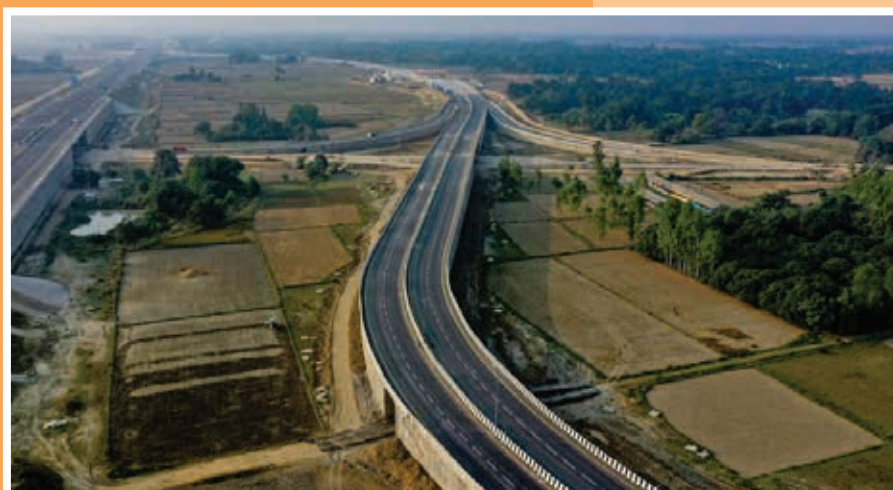


- Golden Peacock Environment Management Award for the year 2021 for sustainable and environmentally responsible steel making

SAIL steel is everywhere, in every sphere



- Supplied steel to Central Vista, Delhi, Mumbai, Ahmadabad High Speed rail, Delhi-Meerut RRTS, Polavaram Irrigation project, Kaleshwaram Irrigation Project, Purvanchal Expressway, several Metro Rail Projects across the country and many more projects of national importance



BOARD OF DIRECTORS

As on 5th September, 2022

Chairman
SMT. SOMA MONDAL

FUNCTIONAL DIRECTORS

SHRI ANIRBAN DASGUPTA

Director in-charge (Bhilai Steel Plant)

SHRI AMARENDU PRAKASH

Director in-charge (Bokaro Steel Plant)

SHRI VIJENDLA SRINIVASA CHAKRAVARTHY

Director (Commercial)

SHRI ATANU BHOWMICK

Director in-charge (Rourkela Steel Plant)

SHRI BRIJENDRA PRATAP SINGH

Director in-charge (Burnpur and Durgapur Steel Plant)

SHRI ANIL KUMAR TULSIANI

Director (Finance)

SHRI KRISHNA KUMAR SINGH

Director (Personnel)

SHRI ARVIND KUMAR SINGH

Director (Technical, Projects & Raw Materials)

GOVERNMENT DIRECTORS

SMT. SUKRITI LIKHI

Additional Secretary and Financial Advisor,
Ministry of Steel, Government of India

SHRI ABHIJIT NARENDRA

Joint Secretary,
Ministry of Steel, Government of India

INDEPENDENT DIRECTORS

SHRI N. SHANKARAPPA

SHRI ASHOK KUMAR TRIPATHY

SHRI KANHAIYA SARDA

SMT. NEELAM SONKER

SHRI SAGI KASI VISWANATHA RAJU

DR. GOPAL SINGH BHATI

PROF. (DR.) K. JAYAPRASAD





SMT. SOMA MONDAL



Smt. Sukriti Likhi



Shri Abhijit Narendra



Shri N. Shankarappa



Shri Anirban Dasgupta



Shri Amarendu Prakash



Shri Ashok Kumar Tripathy



Shri Kanhaiya Sarda



Smt. Neelam Sonker



Shri Sagi Kasi Viswanatha Raju



Dr. Gopal Singh Bhati



Shri Vijendra Srinivasa Chakravarthy



Shri Atanu Bhowmick



Shri Brijendra Pratap Singh



Prof. (Dr.) K. Jayaprasad



Shri Anil Kumar Tulsiani



Shri Krishna Kumar Singh



Shri Arvind Kumar Singh

STATUTORY AUDITORS

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

COST AUDITORS

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

SECRETARIAL AUDITORS

M/S. AGARWAL S. & ASSOCIATES
COMPANY SECRETARIES

REGISTERED OFFICE

ISPAT BHAWAN

LODI ROAD, NEW DELHI-110003
PHONE: 24367481; FAX: 24367015
WEBSITE: WWW.SAIL.CO.IN, EMAIL: SECY.SAIL@SAIL.IN
CIN: L27109DL1973GOI006454

BANKERS 2021-22

1. AXIS BANK LIMITED	9. KOTAK MAHINDRA BANK LIMITED
2. BANK OF INDIA	10. PUNJAB NATIONAL BANK
3. BANK OF BARODA	11. RBL BANK LIMITED
4. CANARA BANK	12. STATE BANK OF INDIA
5. HDFC BANK LIMITED	13. UNITED OVERSEAS BANK
6. ICICI BANK LIMITED	14. UNION BANK OF INDIA
7. IDBI BANK LIMITED	15. YES BANK LIMITED
8. INDUSIND BANK LIMITED	



Ten Years At A Glance

FINANCIAL HIGHLIGHTS

for the year ended 31st March, 2022

(₹ in crore)

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Gross sales	102805	68452	61025	66267	58297	49180	43294	50627	51866	49350
Net sales	102805	68452	61025	66267	56893	43866	38471	45208	46189	43961
Earnings before interest, tax and depreciation (EBITDA)	22364	13740	11199	10283	5184	672	(2204)	5586	5909	5621
Depreciation	4274	4102	3755	3385	3065	2680	2402	1773	1717	1403
Interest & Finance charges	1698	2817	3487	3155	2823	2528	2300	1454	968	748
Profit / (Loss) before exceptional items	16392	6821	3957	3743	(703)	(4536)	(6906)	2359	2266	3470
Exceptional items: Gain / (Loss)	(353)	58	(787)	(405)	(56)	(315)	(101)	-	959	(229.3)
Profit / (Loss) before tax (PBT)	16039	6879	3171	3338	(759)	(4851)	(7008)	2359	3225	3241
Provision for tax / (income tax refund and deferred tax)	4024	3029	1149	1159	(277)	(2018)	(2986)	266	608	1070
Profit / (Loss) after tax (PAT)	12015	3850	2022	2179	(482)	(2833)	(4021)	2093	2616	2170
Dividends	3614	1157	-	207	-	-	-	826	834	826
Equity Capital	4131	4131	4131	4131	4131	4131	4131	4131	4131	4131
Reserves & Surplus	47887	39364	35647	34021	31583	31879	35065	39374	38536	36894
Net Worth (equity capital and reserves & surplus)	52017	43495	39777	38152	35714	36009	39196	43505	42666	41025
Total Loans	17284	37677	54127	45170	45409	41396	35141	29898	25281	21597
Net Fixed Assets	73657	67600	69019	61359	58612	50285	45926	36169	26771	16777
Capital work-in-progress	4017	8878	8752	16014	18395	23275	24927	29196	33651	35891
Current Assets (including short term loans)	28674	31976	40918	32249	29638	25545	24304	28482	26891	27616
Current Liabilities & Provisions	39318	25908	22066	23632	24068	21486	18992	16338	15212	13012
Working Capital (current assets less current liabilities)	(10644)	6068	18852	8617	5570	4060	5312	12145	11679	14604
Capital Employed (net fixed assets + working capital)	63013	73668	87871	69977	64182	54345	51238	48314	38450	31381
Market price per share (in ₹) (as at the end of the year)	98.55	78.80	23.05	53.75	70.20	61.20	43.00	68.35	71.40	62.35
Key Financial Ratios										
EBITDA to average capital employed (%)	32.72	17.01	14.19	15.33	8.75	1.27	(4.28)	12.88	16.90	17.48
PBT to Net Sales (%)	15.60	10.05	5.20	5.04	(1.33)	(11.06)	(18.22)	5.22	6.98	7.37
PBT to average capital employed (%)	23.47	8.52	4.02	4.98	(1.28)	(9.19)	(13.62)	5.44	8.39	10.08
Return on average net worth (%)	25.16	9.25	5.19	5.90	(1.34)	(7.53)	(9.72)	4.86	6.13	5.37
Net worth per share of ₹10	125.93	105.30	96.30	92.37	86.46	87.18	94.89	105.33	103.30	99.32
Earnings per share of ₹10	29.09	9.32	4.89	5.27	(1.17)	(6.86)	(9.74)	5.07	6.33	5.25
Price-earning ratio (times)	3.39	8.45	4.71	10.19	(60.19)	(8.92)	(4.42)	13.48	11.28	11.87
Dividend per share of ₹10	8.75	2.80	-	0.50	-	-	-	2.00	2.02	2.00
Effective dividend rate (%)	8.88	3.55	-	-	-	-	-	2.93	2.83	3.21
Debt-Equity (times)	0.33	0.87	1.36	1.18	1.27	1.15	0.90	0.69	0.59	0.53
Current ratio (times)	0.73	0.68	1.85	1.36	1.23	1.19	1.28	1.74	1.80	2.12
Capital employed to turnover ratio (times)	1.63	0.93	0.69	0.95	0.91	0.90	0.84	1.05	1.35	1.57
Working capital turnover ratio (times)	(9.66)	11.28	3.24	7.69	10.47	12.11	8.15	4.20	4.40	3.38
Interest coverage ratio (times)	9.56	2.86	1.83	1.79	0.58	(0.65)	(1.91)	1.80	2.31	2.58
Dividend payout ratio (%)	30.08	30.04	-	9.48	-	-	-	39.45	31.91	38.06

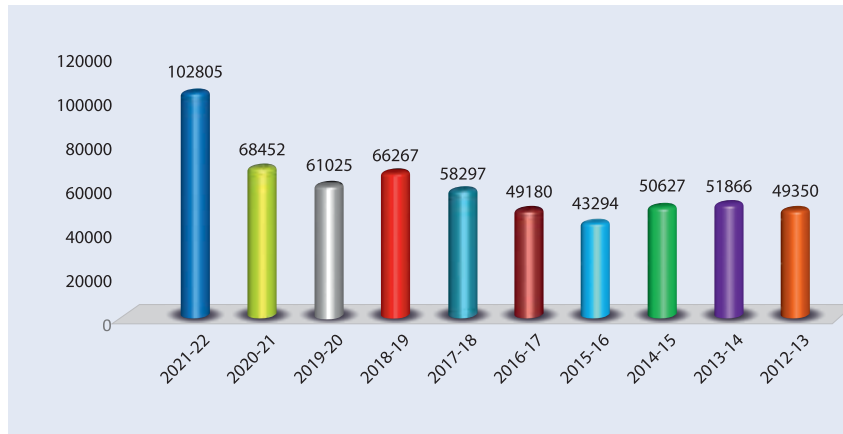
PRODUCTION

Item	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Hot Metal	18733	16582	17438	17513	15982	15726	15721	15413	14447	14266
Crude Steel	17366	15215	16155	16266	15020	14496	14279	13908	13579	13417
Pig Iron	564	584	570	480	270	495	642	634	223	214
Saleable Steel	16896	14602	15147	15069	14074	13867	12381	12842	12880	12385
- Semi Finished Steel	3171	3797	2995	3169	2610	3170	3054	3007	2760	2422
- Finished Steel	13724	10805	12152	11900	11464	10697	9327	9835	10120	9962



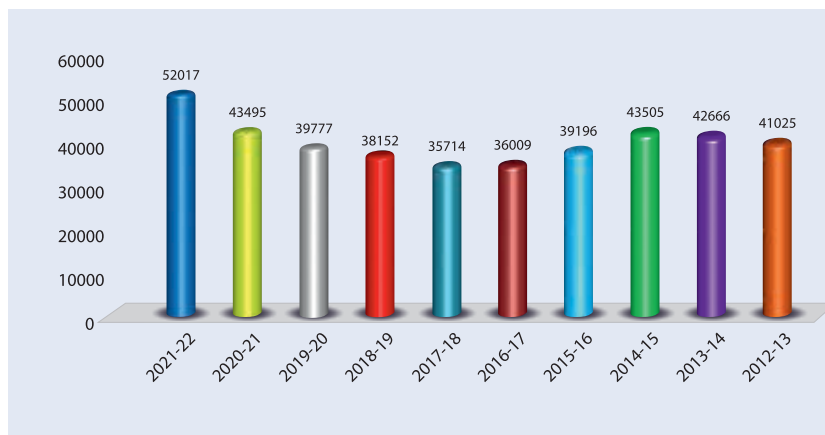
Ten Years At A Glance

FINANCIAL HIGHLIGHTS



GROSS SALES

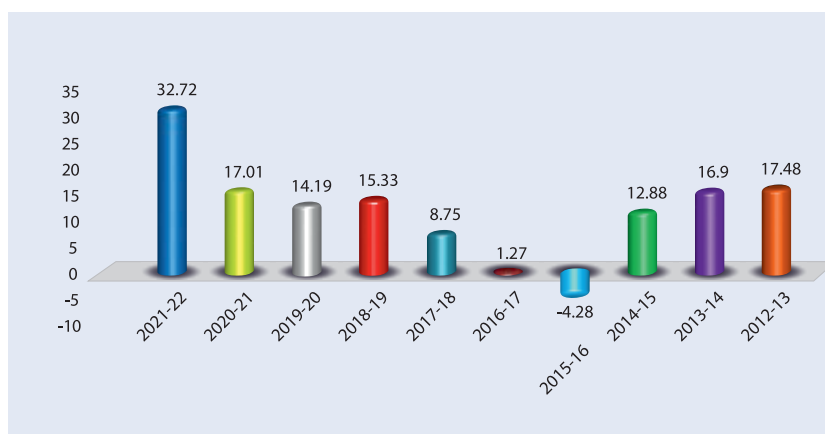
(₹ in Crores)



NET WORTH

(Equity capital and reserves & surplus)

(₹ in Crores)

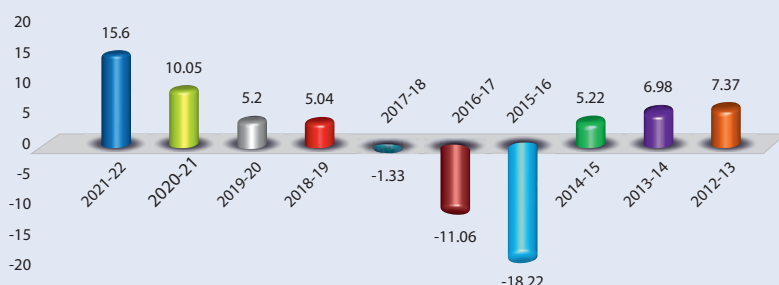


EBITDA TO AVERAGE CAPITAL EMPLOYED

(in %)

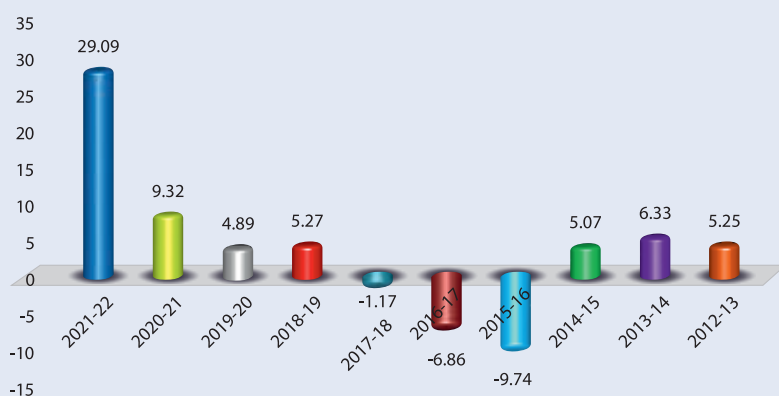


KEY FINANCIAL RATIOS



PBT TO NET SALES

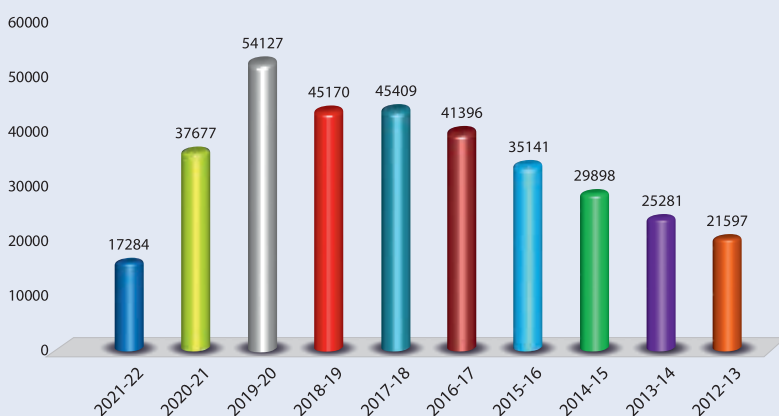
(in %)



EARNING

per share of ₹10

(Amount in ₹)

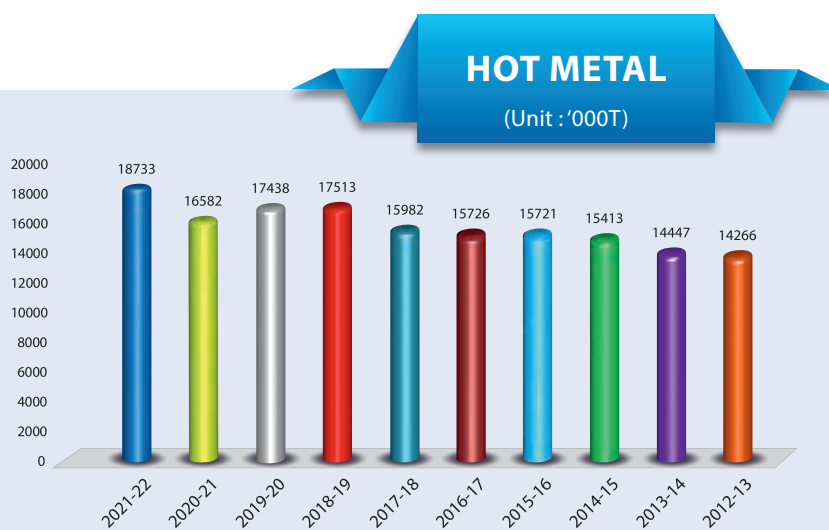


BORROWINGS

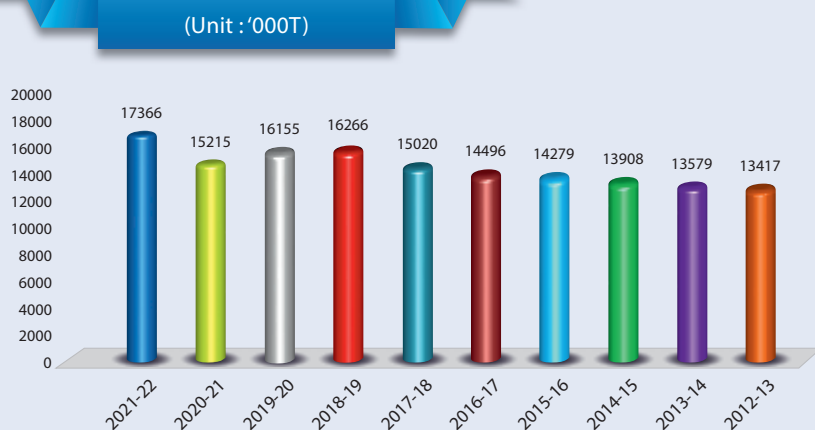
(₹ in Crores)



PRODUCTION



CRUDE STEEL



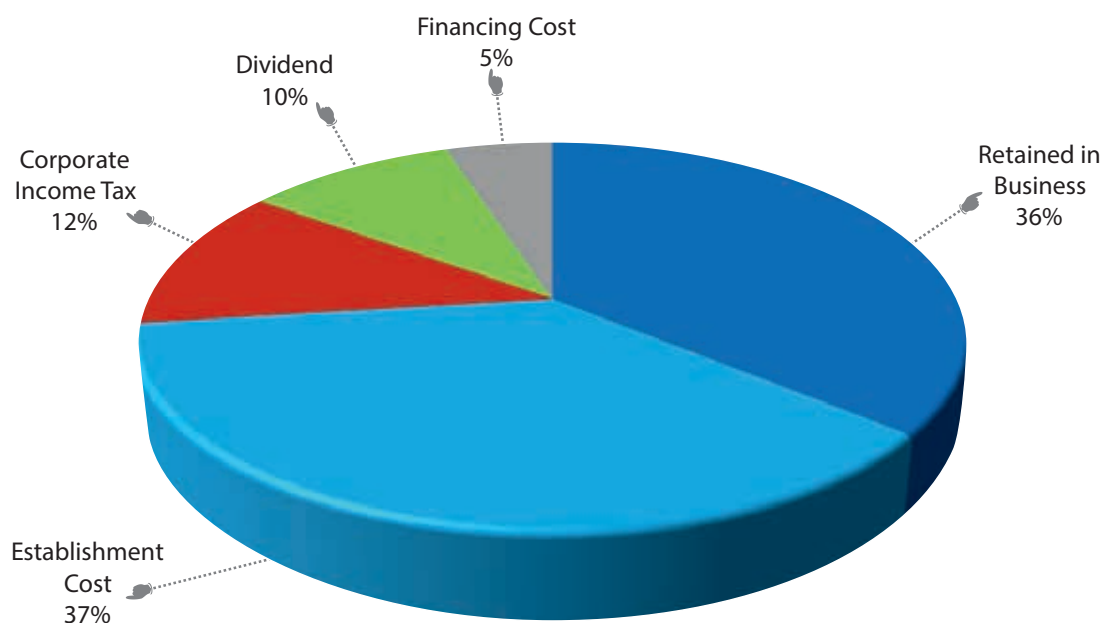
PRODUCTION

PRODUCTION



VALUE APPLIED

(in %)

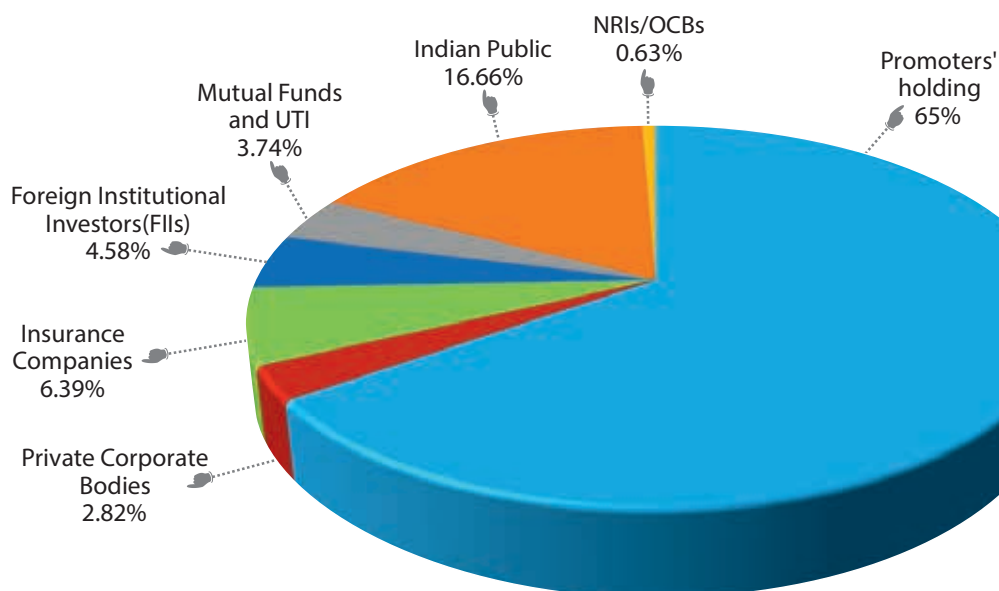


(₹ in crore)

For the year	2021-22	2020-21
Value of own production	103643	64589
Other Revenues	1647	1509
Less: Cost of Raw Materials	42776	23136
Stores and Spares	4486	3631
Power and Fuel	6967	5709
Freight Outward	2669	2076
Other Operating Cost	13534	7301
Total value added	34858	24245
Establishment Cost	12846	10446
Financing Cost	1698	2817
Dividend	3614	1157
Corporate Income Tax	4024	3029
Income Retained in Business		
Depreciation	4274	4102
Bonds Redemption Reserve	-553	-291
Balance of Profit	8954	2984
Total Value Applied	34858	24245



SHAREHOLDING PATTERN



As on 31st March, 2022

S.No.	Category	Holders	No. of Shares held	% age of Shareholding
A.	Promoters' holding			
	- Indian Promoters v.i.z., the GOI	1	2684714550	65.00
	- Foreign Promoters			
2	Persons acting in Concert #			
	Sub-Total	1	2684714550	65.00
B	Non-Promoters Holding			
3	Institutional Investors			
a	Mutual Funds and UTI	37	154465775	3.74
b	Banks & Financial Institutions	14	4435902	0.11
c	Insurance Companies	20	264039123	6.39
d	Foreign Institutional Investors (FIIs)	168	189160430	4.58
	Sub-Total	239	612101230	14.82
4	Others			
a	Private Corporate Bodies	3719	116651252	2.82
b	Indian Public	1450834	687952196	16.66
c	NRIs/OCBs	12094	25877584	0.63
d	GDR	2	110990	0.00
e	Any other (IEPF)	1	3117487	0.08
	Sub-Total	1466650	833709509	20.18
	GRAND TOTAL	1466890	4130525289	100.00

BOARD'S REPORT

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

The Board of Directors has the pleasure of presenting the 50th Annual Report of Steel Authority of India Limited (SAIL, the Company) together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2022.

A. FINANCIAL REVIEW

Financial Results

(₹ crore)

Sl. No.	Particulars	Standalone Year ended	
		31 st March, 2022	31 st March, 2021
		Audited	Audited
1	Income		
	(a) Revenue from operations	103473.32	69110.02
	(b) Other income	1042.03	1011.69
	Total Income	104515.35	70121.71
2	Expenses		
	a) Cost of materials consumed	42776.46	23136.17
	b) Changes in inventories of finished goods, work-in-progress and by-products	(284.99)	4268.58
	c) Employee benefits expense	12846.24	10445.94
	d) Finance costs	1697.88	2817.14
	e) Depreciation and Amortisation expenses	4274.17	4102.00
	f) Other expenses	26813.46	18531.28
	Total Expenses	88123.22	63301.11
3	Profit before Exceptional items and Tax	16392.13	6820.60
	Add / (Less): Exceptional items	(353.41)	58.43
4	Profit before Tax	16038.72	6879.03
	Less: Tax expense		
	Current tax		12.05
	Deferred tax	4023.68	3016.96
	Total Tax expense	4023.68	3029.01
5	Net Profit for the period	12015.04	3850.02
	Other Comprehensive Income (OCI)		
A	(i) Items that will not be reclassified to profit or loss	(87.22)	374.16
	(ii) Income tax relating to items that will not be reclassified to profit or loss	22.77	(93.63)
6	Total Comprehensive Income for the period	11950.59	4130.55

Your Company achieved the best Sales Turnover of ₹1,02,805 crore during the Financial Year (FY) 2021-22, which is higher by 50% as compared to corresponding period of last year (CPLY). During the FY 2021-22, there has been significant improvement in the performance of the Company mainly

on account of increase in Saleable Steel Production (16%), NSR of Saleable Steel (41%), improved Techno-Economic parameters, lower Power usage, and Increase in Saleable Steel Sales Volume (8%). The profit has further improved due to higher sale of Pig Iron on account of increased prices, higher sales of Secondary products, higher dividend income and lower interest charges, etc. During FY 2021-22, the Company has achieved highest ever EBITDA, Profit Before Tax and Profit After Tax.

Your Company continued its thrust on judicious fund management with timely repayment of loans including interest, advance planning and action for fund raising, etc. to meet our growth objectives. The relentless efforts in this regard has resulted in significant reduction in the borrowings of the Company during the FY 2021-22 which was ₹17,284 crore as on 31st March, 2022 vis-à-vis ₹37,677 crore as on 31st March, 2021 (INDAS). Resultantly, the debt equity ratio of the Company as on 31st March, 2022 improved to 0.33:1 from 0.87:1 as on 31st March, 2021. The Company has hedged the foreign currency risk on Buyers' Credit and External Commercial Borrowings. The net worth of the Company increased to ₹52,017 crore as on 31st March, 2022 from ₹43,495 crore as on 31st March, 2021.

Two instalments of Interim Dividend of 40% and 25% i.e. ₹4.00 per equity share and ₹2.50 per equity share were declared in October, 2021 and March, 2022 respectively. The Board of Directors of your Company has further recommended a Final Dividend of ₹2.25 per equity share, subject to approval of Members in the ensuing Annual General Meeting of the Company, i.e. total dividend for FY 2021-22 being 87.50% on equity share capital of the Company. Further, no amount has been transferred to general reserve during the year under review.

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

B. OPERATIONS REVIEW

Safety

Your Company is committed to the safety of its employees and the people associated with it including, those living in the neighbourhood of its Plants, Mines and Units. SAIL Safety Organization (SSO) monitors and guides the Safety Promotional and Fire prevention activities undertaken at different Steel Plants/Units/Mines/Stockyards. SSO formulates and prepares appropriate Safety Policies, Procedures, Systems, Action Plans, Guidelines, etc. and follows up for their implementation and thereby helps in providing Accident-free Work Environment. Plants are ISO-45001 certified, which is an advanced Safety Management System and as a compliance to this, Hazard Identification and



Risk Assessment (HIRA) has been done for most of operation & maintenance activities and appropriate control measures have been implemented to bring the risk to acceptable limits.



Safety aspects have been incorporated in Standard Operating & Maintenance Procedures (SOPs & SMPs) which helps in integrating safety with operations and maintaining necessary technological discipline. System of conducting safety audits and inspections is in vogue and observations complied at the earliest. Prioritising safety foremost, the Company has engaged Safety Management Consultant for Safety Culture Transformation, at its Plants in Bhilai, Rourkela and Bokaro and is in the process of being followed up in other Steel Plants. Consistent efforts are also being made by Plants and SSO for competence building in the area of Safety Management through regular HRD interventions, LEO workshops, webinars, etc. on areas of concern covering Heads of Shops, Line Managers, Safety Personnel and Trade Union leaders. System of imparting safety induction and on-the-job training to contract workers prior to start of jobs, exists in all Plants and Units. Benefits of technology are leveraged by extensive utilization of IT in the area of Safety Management, by way of web portals for sharing important information, safety suggestions, etc. Good Safety Practices prevailing in the Plants & Units and other industries are captured and circulated among all for horizontal deployment, knowledge sharing and bringing improvement. A multi-disciplinary Safety Engineering Departments exists in each of the Steel Plants and Mines to look into their safety needs. The emphasis is on Systematic Approach to Safety Management. SSO is also managing the secretariat of the Joint Committee on Safety, Health & Environment in the Steel Industry (JCSSI), a bipartite forum which addresses Steel Plant Safety, Health & Environment issues with active involvement of management and central & plant level trade unions and provides guidelines to the member organizations. Acknowledging the importance of Safety, the activities and measures undertaken are reviewed at the highest level by the Board Sub Committee on Health, Safety & Environment.

Operations

The Financial Year (FY) 2021-22 began in the midst of the second wave of Covid pandemic, resulting into localized restrictions & lockdowns and manpower shortage at Plant locations. The impetus obtained at the close of the

previous financial year got affected, adversely affected the Q-1 performance of FY 2021-22. However, in spite of lower production in Q-1, buoyant market conditions, coupled with focused approach on ramping up of new units, catapulted the production levels to new heights during the FY 2021-22 and all-time best records were achieved in the production of Hot Metal, Crude Steel and Saleable Steel and many other areas of operation.



During FY 2021-22, SAIL achieved Hot Metal, Crude Steel and Saleable Steel production of 18.733 MT, 17.366 MT and 16.896 MT respectively. In addition to this, your Company also achieved, yearly best performance in respect of Techno-economic parameters like- Coke Rate, CDI Rate and Specific Energy Consumption owing to focus on increasing capacity utilisation of bigger Blast Furnaces (BF), optimisation of BF operations and enhanced usage of CDI.

The Research and Development Centre for Iron & Steel (RDCIS) of the Company provided innovative technological inputs to different Plants of SAIL, with special emphasis on productivity and quality improvement, product development and commercialization, energy conservation and automation. The continuous activities in respect of product development have led to development of 11 new Steel Products during FY 2021-22. Some of these products have been developed using the newly commissioned production facilities viz., Bar & Rod Mill and Universal Rail Mill at Bhilai Steel Plant; Medium Structural Mill at Durgapur Steel Plant; New Plate Mill at Rourkela Steel Plant; Cold Rolling Mill-III at Bokaro Steel Plant; Wire Rod Mill at IISCO Steel Plant.



At Bhilai Steel Plant (BSP), SMS-III achieved its best ever production of 2.73 MT, surpassing the previous best of 2.21



MT achieved in the previous FY. The Plant produced highest ever Saleable Steel at 4.67 MT, surpassing the previous best of 4.57 MT achieved in the year 2010-11. The year witnessed a new challenge thrown by the Indian Railways in terms of demand for new grade (R-260) and new profile (60E1). Commercial production of R-260 Grade 60E1 Rails was started at both the Universal Rail Mill (URM) and the Rail and Structural Mill (RSM), with first rake being dispatched on 25th April, 2021 from URM. RSM also started regular production of R260/60E1 from May, 2021. During FY 2021-22, about 9.6 lakh tonnes of R260/60E1 Prime Rails have been produced. The improvement in production from new Bar and Rod Mill (BRM) at 7.2 lakh tonnes registered growth of 87% compared to 3.8 lakh tonnes produced in previous financial year.

Crude Steel at 2.23 MT, surpassing the previous best of 2.09 MT achieved in the FY 2020-21. Further, supply of newly developed WDG4 Loco Wheels to Indian Railways continued and 2146 Wheels were supplied in FY 2021-22.

Rourkela Steel Plant (RSP) registered highest ever production of Hot Metal at 4.34 MT, Crude Steel at 3.99 MT and Saleable Steel at 3.67 MT, surpassing the previous best production of Hot Metal at 3.84 MT, Crude Steel at 3.66 MT and 3.33 MT achieved in the year 2018-19. The New Plate Mill also recorded highest ever production at 9.29 lakh tonnes, surpassing the previous best of 8.74 lakh tonnes achieved in the year 2019-20. The new Hot Strip Mill-2 (HSM-2) has been commissioned in March, 2022.



Durgapur Steel Plant (DSP) recorded highest ever production from its new Medium Structural Mill (MSM) at 4.37 lakh tonnes in FY 2021-22 against 2.94 lakh tonnes during 2020-21. On similar lines, the Plant recorded the best ever production of



Bokaro Steel Plant (BSL) registered the highest ever production at Hot Strip Mill (HSM) at 3.91 MT, surpassing the previous best of 3.68 MT achieved in the year 2018-19. Similarly, Cold Rolling Mill (CRM-III) also recorded highest ever production at 6.52 lakh tonnes, surpassing the previous

best of 4.78 lakh tonnes achieved in the year 2020-21. BSL also achieved highest ever Finished Steel production at 3.83 MT, surpassing the previous best of 3.63 MT achieved in the year 2018-19.

At IISCO Steel Plant (ISP), Crude Steel production at 2.23 MT and Saleable Steel production at 2.16 MT were highest ever, surpassing the previous best of 2.08 MT and 2.09 MT respectively, achieved in the year 2019-20. The new Wire Rod Mill (WRM) at 4.65 lakh tonnes, surpassed the previous best of 4.12 lakh tonnes achieved in the year 2019-20 and Bar Mill at 6.50 lakh tonnes also surpassed the previous best of 6.32 lakh tonnes achieved in the year 2019-20.



Power

Your Company has always strived to maximize and optimise its captive power potential in view of reliability of power supply as well as availability of power at optimum cost. During the FY 2021-22, about 61% of the total requirement of 1368 MW was met from the captive Power Plants. With an objective to optimize the cost, SAIL has been actively procuring power through open access route since such opportunity was introduced in Electricity Act, 2003. Continuing the legacy, this year too, SAIL Plants procured about 480 Million Units

of power through Open Access route which also included Green (renewable) power procured through Short Term Open Access. Your company was able to save about ₹121 crore in FY 2021-22 by procuring cheaper power through Open Access route.

With the objective to enhance the share of captive power and ensure supply of reliable power at optimum cost to expansion projects, the new captive power facility of 250 MW at Rourkela Steel Plant has been commissioned in March, 2022. Further, your Company is in the process of installing new captive power facility of (2x20) MW capacity at Durgapur Steel Plant by NTPC-SAIL Power Company Limited (NSPCL), a Joint Venture Company of SAIL & NTPC Ltd.

Your Company has always been focussed on its approach towards achieving better performance parameters with respect to usage of power purchased from utilities and maximize the rebates and incentives available in the power tariff for achieving higher load factor, power factor, etc. During FY 2021-22, ₹144 crore was received as incentives and rebate in the power tariff from grid utilities.

Besides above, optimization of electricity consumption in various steel making processes is major thrust areas of SAIL Plants for lowering the power consumption per tonne of saleable steel production. As a responsible corporate house, your Company has given adequate emphasis on development and usage of renewable power sources with focussed approach on Roof Top Solar (RTS) Power Plants. A Capacity of 6115 kWp of Roof Top Solar power plants has already been installed across SAIL Plants and Units. Further, installation of 820 kWp capacity rooftop solar plants is in progress at various Plants/ Units of the Company across the Country and installation of 19 MWp capacity floating solar plants over cooling ponds is envisaged at Plants of the Company.



Raw Materials



During the FY 2021-22, total requirement of iron ore was met from the captive sources. Your Company's captive mines produced about 34.15 million tonnes (MT) of iron ore. However, in case of clean coking coal, out of total requirement, about 1.31 MT was met from indigenous sources (Coal India Limited & captive sources) and for the balance requirement of coking coal (15.92 MT), the Company had to depend on imports due to constraint of availability of required quality, within the Country. In the FY 2021-22, production from the captive collieries of the Company was about 0.88 MT, out of which 0.42 MT was raw coking coal and balance 0.46 MT was non-coking coal. In case of fluxes, 1.89

MT which include around 1.24 MT of limestone and 0.65 MT of dolomite were produced from captive sources. For thermal coal, your Company depends entirely on purchases from Coal India Limited except for small quantity produced from the captive mines.

Selling of Iron Ore from Captive Mines in Open Market

On account of expiry of mining leases of Private Merchant Miners by 31st March, 2020 in the Country, Ministry of Mines, Government of India vide Order dated 16th September, 2019 has entrusted SAIL with the responsibility to make available in the open market, 25 percent of its total mineral production of the previous year. The permission is valid for a period of two years w.e.f. 16th September, 2019.

Further, in another separate Order dated 16th September, 2019, Ministry of Mines, has allowed SAIL to dispose of the old stock of 70 MT of low grade iron fines and ores (including slime) lying dumped across different captive mines of the Company. In this regard, efforts are being made in obtaining approval of respective State Governments and other concerned statutory authorities.

However, in view of delay in grant of permissions by the respective State Governments and Statutory Authorities, Ministry of Mines vide Orders dated 3rd December, 2020 modified the earlier Orders dated 16th September, 2019 and



allowed sale of 25% of the cumulative production in the previous year in a State and also sale of sub-grade minerals lying at different captive mines under intimation to the concerned State Government and Indian Bureau of Mines.

Further, Ministry of Mines, vide Gazette Notification dated 28th March, 2021 amending the MMDR Act, provided that any lessee using mineral for captive purpose, may sell up to 50% of the total mineral produced in a year after meeting the requirement of the end use Plant linked with the Mine, subject to the prescribed conditions.

Accordingly, about 2.504 MT of iron ore was made available in the open market from the Mines in the States of Odisha and Chhattisgarh. However, approvals from Jharkhand State Government are still awaited.

Grant of Environment Clearance (EC)

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

- Bolani Ore Mine on 5th August, 2021.
- Amalgamated Lease (Barsua-Taldih-Kalta) on 25th January, 2022 for ROM capacity of 8.05 MTPA.
- Extension of EC beyond December, 2021 for further 2 years for Rowghat Mine.

Extension/Renewal of Periods of Mining Leases

- Government of Madhya Pradesh has extended the lease period of Right Bank Mining Lease of Kuteshwar Limestone Mine for a period of 20 years w.e.f. 10th June, 2021 and of Left Bank Mining Lease for a period of 10 years from 15th May, 2022.
- Government of Chhattisgarh has extended the lease period of Mahamaya-Dulki Lease of Bhilai Steel Plant for a period of 20 years w.e.f. 4th November, 2021.
- On execution of Lease Deed for 6.9 Sq. Mile lease on 9th September, 2021, Government of Odisha has extended upto 13th November, 2032.

Extension of Lease Periods of Coal Mining Leases of Government Companies

Ministry of Coal vide Gazette Notification dated 1st October, 2021 has notified the Mineral Concession (Amendment) Rules, 2021, wherein, all mining leases granted on or after such amendment to a Government Company for coal or lignite shall be for a period of 50 years. Further, all subsisting mining leases vested or granted to a Government Company before such amendment for coal and lignite shall be deemed to have been granted for 50 years or till 31st March, 2030, whichever is later.

On an application by a Government Company at least 3 months prior to the expiry of the mining leases, the State Government shall extend the period of the mining lease for a further period of 20 years at a time. However, no extension

of period of mining leases shall be granted to a Government Company that has been selected through auction. Further, a provision of deemed extension is also there in case application for extension of mining lease by Government Company at least 3 months prior to the expiry of the mining leases is not disposed of by the State Government.

The aforesaid provisions will facilitate the extension of lease periods of Tasra Coal Mining Lease beyond 30th April, 2022.

Resolution of Surface Lease Ownership Railway Siding of Gua Mine

Lease Agreement for development of Gua railway siding under 36.231 (6.80 + 29.431) acres land for a period of 35 years was finalized on 22nd December, 2021 and Land Leasing Agreement for undisputed 6.80 acres Railway Land was signed with the South Eastern Railways, Chakradharpur on 24th December, 2021. In this regard, an amount of ₹4.23 crore was deposited with South Eastern Railways, Chakradharpur for long term leasing of 6.8 acres Railway land for 35 years to SAIL and construction of railway siding is under progress.

Handing over of 361.295 Ha of diverted forest land under Duargaiburu Mining Leases of Gua Ore Mine

Government of Jharkhand has given its consent on 1st February, 2022 for handing over of diverted forest land of 361.295 Ha of forest land under Duargaiburu Lease of Gua mine and the same will be done in phases.

Reservation of Area for Sand for Stowing for Captive Underground Mines

Ministry of Coal vide letter dated 23rd August, 2021 has intimated Jharkhand State Government about reservation of the collective area of 134.63 Ha under Dungri Ghat, Het Kandra Ghat, Chasnalla Ghat and Tasra Ghat of river Damodar, district Dhanbad for sand for stowing in favour of SAIL. This will help in facilitating the supplies of sand for stowing for its underground coal mining operations.

Sales & Marketing

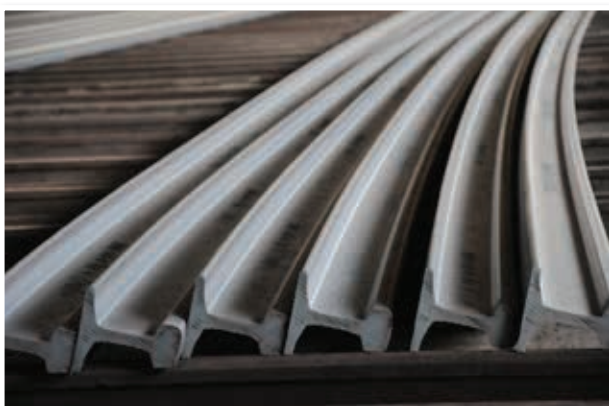


During the Financial Year (FY) 2021-22, your Company achieved its best ever Saleable Steel sales volume of around 16.152 million tonnes (MT), registering a growth of about 8% over previous year and 13% over 2019-20. Continuing its efforts to enhance presence in the international markets, the Company exported about 1.349 MT of various product

categories, gaining access to several new markets, besides retaining existing markets.

The steel business scenario was initially subdued owing to the Global Pandemic circumstances, intermittent lock downs, uncertainties in various geographies leading to difficult market conditions. The situation somewhat improved by the second quarter of the FY 2021-22, and eventually picked up in fourth quarter after a phase of slow-down in third quarter. The Company adopted focused approach for improving its sales volumes, reducing its inventory levels, besides improved price realizations.

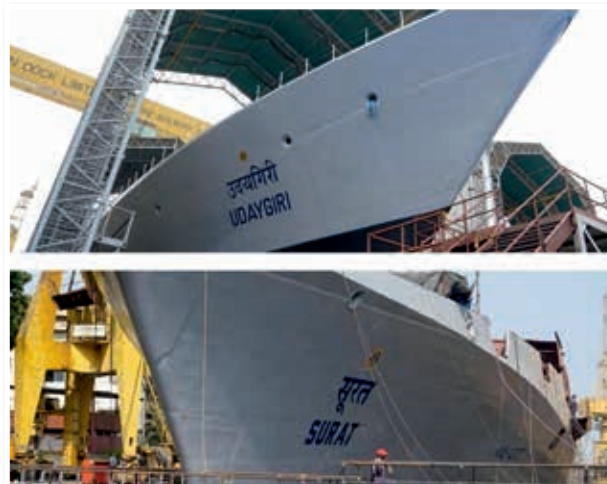
Your Company has been fulfilling the entire demand of steel tracks from Indian Railways for decades. A total of 9.79 lakh tonnes of Rails were supplied to Indian Railways in FY2021-22, the 260m long-rail welded-panel component in the total Rail supply being about 71%, which is highest ever. It may be mentioned that ~ 94.5% of the total Rail supplies to Railways during FY 2021-22 comprised the newly developed R-260 grade in E-1 profile.



SAIL is the only domestic producer catering to the forged steel wheel requirements of Indian Railways. Over the years, a number of wheel profiles have been developed by SAIL, which have substituted imports, thereby, furthering the cause of Atmanirbhar initiative of Government of India. In this regard, all-time best supply of 16529 nos. of WAG9 locomotive wheels to Railways was achieved during the FY 2021-22. Further, your Company has also developed LHB Axle in FY 2021-22, also an import substitution item, and supplied 3872 nos. to Indian Railways. In addition to this, best ever supply of 2146 nos. of WDG-4 Loco wheels, also an import substitution item, was achieved in FY 2021-22.



Your Company's presence in certain critical areas of Defence has been strategically significant with first commercial order for special DMR grade steel plates for underwater applications, received from Indian Navy during FY 2021-22.



Enhancing its efforts towards increasing sales of value added and special quality products to the consumers, included Special grade Wire Rod Coils in EWNr (Electrode Quality), MIG for continuous welding in Auto Segment, Cable Armour Quality for electrical segment, different grades of High Carbon Wire Rod Coils for different applications such as umbrella ribs, cycle spokes, spring used in machines tools, tyre-beads. Further, Wires for rope and conveyors, Core Wire for electric cable, Crimped wire mesh for vibrating screens, HCT 1130 Cr (PC 115) for manufacturing of railway sleepers and electric poles, EN8D / EN8D Cr for bright bar for auto segment, various grades for fastener and general engineering, agriculture, concrete reinforcing mesh, etc. have also been supplied by SAIL during FY 2021-22. Apart from this, with continuous engagement for new grades and products, your Company has developed Wide Parallel Flange Beam WPB200 for Railway Sleepers, TMT Fe550D HCR and Fe600 for infra and construction sectors, high strength coated galvanized products for agriculture & solar industry, CR Silicon for Electrical applications, etc.



The brand "SAIL SeQR" reinforcement bars is growing from strength to strength by clocking 3.78 lakh tonnes during FY 2021-22, which helps in strengthening uniform brand experience in retail channel. Your Company is working

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towards expanding the 2-Tier and 1-Tier distributorship network across India, which will further strengthen our position in B2C space and around 5.26 lakh tonnes of TMT was supplied through the 2-Tier distributor network during FY 2021-22. As a part of supplementing this initiative, online e-portal was launched during 2020-21 enabling the smallest of demand being serviced through the 2-Tier distributorship network, whereby, small consumers/house builders could place orders through the e-portal.

To popularize usage of steel in designing and to boost the “NEX” brand of structural, your Company organized virtual meetings with Plants and Customers, and also participated in virtual workshops with Structural Designers and Structural Engineering groups. IIT Roorkee celebrated their 175th Year, wherein, the Civil Engineering Department organized a ‘Civil Conclave’ in virtual mode, presentations were made on SAIL products, and particularly on “NEX” Structural during the event.

Under "Mission Poorvodaya" Scheme by Ministry of Steel, an Incentivization Scheme – "Ispati Ilakon Ka Vikas-SAIL Ke Saath" was introduced by SAIL for development of MSMEs based in the districts in which its Integrated Steel Plants are located and 142 MSMEs have joined the Scheme.

Further, in line with National Steel Policy, to improve per capita consumption of steel in the Country, around 130 “Gaon Ki Ore” workshops were organised during FY 2021-22 across India for propagating steel usage.



Your Company has been contributing in nation building since inception by servicing the requirement of various Infrastructure Projects and also projects of Strategic Importance. During the year, SAIL has supplied significant quantity of Steel to Power Projects, Road, Rail, Airport & Port Infrastructure Projects, Metro Rail Projects, Irrigation & Drinking Water projects, Fertiliser Industry, Oil & Gas Sector, etc., the major projects being Regional Rapid Transport System, Delhi Meerut Expressway, Eastern Dedicated Freight Corridor Corporation, Western Dedicated Freight Corridor Corporation, HPCL Rajasthan Refinery Limited Barmar, Bullet Train Project from Ahmedabad to Mumbai for National High Speed Railway Corporation Limited, India's longest river road bridge of 19 km at Dhubri to Foolbari over river Brahmaputra, etc.

Your Company has a leadership position in consumer mind space and is striving sincerely to bridge the ever changing expectation gaps with improved services, products and processes.

Public Procurement Policy for Micro and Small Enterprises

As required by the Public Procurement Policy of the Government of India, the information on procurement from Micro & Small Enterprises during Financial Years 2021-22 and 2020-21 is given below:

(₹ in crore)

Particulars	2021-22	2020-21
Total Amount of Procurement	6561.33	3747.22
Total Procurement from MSE	2233.73	1384.31
%age Procurement from MSE	34.04	36.94

Modernisation & Expansion Plan

A capital expenditure of ₹6,013 crore has been incurred during FY 2021-22 against a revised estimate/plan of ₹8,000 crore. Capex planned for the Financial Year 2022-23 is also at ₹8,000 crore. The details of Addition, Modification & Replacement (AMR) Schemes under implementation are given in the Management Discussion & Analysis (MD&A) Report.

C. HUMAN RESOURCE MANAGEMENT REVIEW

Your Company recognizes contribution of its Human Resources in providing it the competitive advantage. The Company has achieved its present level of excellence through investment in its human resource, where skill and knowledge constitute the basis of every initiative - be it technology or



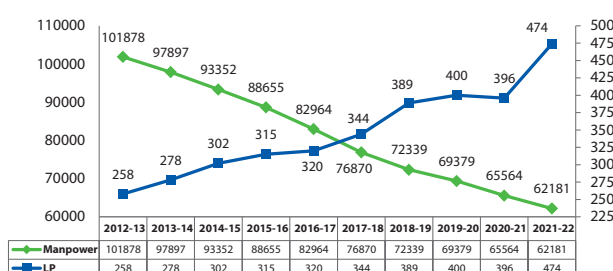
innovation. Developing skills and capabilities of employees to improve manpower utilization and labour productivity is the key thrust area of Human Resource Management (HRM) in the Company.

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

Enhanced Productivity with Rationalized Manpower

Your Company achieved the Labour Productivity (LP) of 474 TCS/Man/Year in FY 2021-22. The manpower strength of the Company was 62,181 nos. as on 1st April, 2022 with manpower rationalization of 3,383 nos. achieved during the year. The enhanced productivity with rationalized manpower could be achieved as a result of judicious recruitments, building competencies and infusing a sense of commitment and passion among employees to go beyond and excel. Trend of enhanced productivity and manpower rationalization since 2012-13, onwards is depicted below:

Manpower & Labour Productivity during last 10 years



Significant Enhancement in Labour Productivity:

From 258 TCS/Man/Year (2012-13) to 474 TCS/Man/Year (2021-22)

Developing Employee Capabilities & Competencies

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

Preparing employees for tomorrow is being given a major thrust for effectively taking up challenges and discharging new roles and responsibilities is being given a major thrust. Overall 32,571 employees were trained against target of 30,458 employees during the Financial Year 2021-22 on various contemporary technical and managerial modules in-spite of the challenges of COVID19 pandemic. The learning and

development continuity of the Organization was maintained through various online interventions, apart from the regular programs and e-learning modules being made available in the in-house e-learning portal, while ensuring adherence to all the protocols and local guidelines for the pandemic.

Harmonious Employee Relations

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

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

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

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

Grievance Redressal Mechanism

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

SAIL Plants/Units are maintaining 3 stage time-tested grievance handling mechanism and employees are given an opportunity at every stage to raise grievances relating



to wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities, etc. Majority of grievances are redressed informally in view of the participative nature of environment prevailing in the Steel Plants/Units. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

261 staff grievances were received during the FY 2021-22 and 19 grievances were pending from previous year, 238 staff grievances have been disposed of during the year, achieving 85% fulfilment.

Further, during FY 2021-22, 584 grievances were received under Centralised Public Grievance Redressal and Monitoring System (CPGRAMS), a National level online system managed by Department of Administrative Reforms and Public Grievance (DARPG), Government of India.

The Status of Grievances received and disposed from 1st April, 2021 to 31st March, 2022 is as under:

S. No.	Particulars	Received (including Brought Forward)	Disposed	Average Time taken for Disposal	Time allowed as per Guidelines
1	Public Grievances	513	489	13	45
2	Appeals	71	68		
	Total	584	557		

Remuneration Policy

In SAIL, pay and other benefits for executives are based on the Presidential Directives issued by Ministry of Steel, Government of India. The current pay revision due from 1st January, 2017 for Executives has been implemented in compliance with Presidential Directive dated 18th November, 2021. In case of Non-executive employees, the wages are finalized/ revised in bipartite forum of National Joint Committee for Steel Industry (NJCS). A Memorandum of Understanding (MoU) has been arrived at and payment of revised Wages, Perks/Allowances, etc. has been implemented after obtaining approval of Ministry of Steel on 18th November, 2021. In terms of notification dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, the provisions of section 197 of the Companies Act, 2013 are not applicable to Government Companies. As such, the disclosures to be made in the Board's Report in respect of overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits are not included in this Report.

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

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

- Establishment of SAIL Steel Plants in economically backward areas has given a fillip to the economic activities, thus, benefiting the population in the peripheral areas with different types of services. Steel Townships developed by SAIL have the best of medical, education and civic facilities and are like an oasis for the local Scheduled Castes, Scheduled Tribes and other population who share the benefits of prosperity and development along with SAIL employees.
- Recruitment of non-executive employees is carried out mainly on regional level and hence, a large number of SCs/STs and other weaker section of the society get the benefit of employment in SAIL.
- Over the years, a large group of ancillary industries have also developed in the vicinity of Steel Plants. This has created opportunities for local unemployed persons for jobs and development of entrepreneurship.
- For jobs of temporary & intermittent nature, generally contractors are engaged for executing job contracts wherein they deploy workmen from the local areas, which again provides an opportunity for employment of local candidates from economically weaker section.

Your Company has undertaken several initiatives for the socio-economic development of SCs/STs and other weaker sections of the society which are mainly as under:

- Special Schools have been started exclusively for poor, underprivileged children at five Integrated Steel Plant locations. The facilities provided include free education, mid-day meals, uniforms including shoes, text books, stationery items, school bags, water bottles and transportation in some cases.



- No tuition fee is charged from SC/ST students studying in the Company run schools, whether they are SAIL employees' wards or non-employees' wards.
- Free medical health centres for poor have been set up at Bhilai, Durgapur, Rourkela, Bokaro and Burnpur (Gutgutpara) providing free medical consultation, medicines, etc. to the peripheral population mainly comprising of SC/ST and weaker sections of society.
- SAIL Plants have adopted tribal children. They are being provided free education, uniforms, text books, stationery, meals, boarding, lodging and medical facilities for their

overall growth at residential hostels, Saranda Suvan Chhatravas, Gyanodaya Hostel and an exclusive Gyan Jyoti Yojana for the nearly extinct Birhor Tribe.

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



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

- Your Company follows Presidential Directives on Reservation for Scheduled Castes and Scheduled Tribes in the matter of recruitments and promotions. As on 31st March, 2022, out of total manpower of 62181, 10408 belong to SCs (16.73%), 9678 belong to STs (15.56%).
- Liaison Officers have been appointed as per Presidential Directives for due compliance of the Orders and instructions pertaining to reservation for SCs/STs/OBCs at Plants/Units of SAIL.
- SC/ST/OBC Cell is functioning in all the main Plants/Units. A member belonging to SC/ST community is associated in all Departmental Promotion Committees (DPCs)/ Selection Committees. A sufficiently senior level officer of SC/ST category is nominated for the purpose as per the level of the Recruitment Board /Selection Committees/ DPC.
- Out of the total manpower of 62181, number of OBC is 9692, which is 15.58% of the manpower. Liaison officers have been appointed for due compliance of orders and instructions pertaining to reservation for OBC at Plants/ Units.
- Internal workshops are conducted at regular intervals through an external expert for Liaison Officers for SC/ ST/OBC and other dealing officers of SAIL Plants/Units to keep them updated on the reservation policy for SC/ST/ OBCs and other related matters.
- Plants/Units of SAIL have SC/ST Employees' Welfare Associations which conduct regular meetings with Liaison Officers on implementation of reservation policy & other issues. In addition, an Apex level umbrella body namely SAIL SC/ST Employees Federation also exists in SAIL to represent the issues of SC/ST Employees in a coordinated manner.

Implementation of Right to Information Act, 2005

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

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

Awareness Programs/Workshops on 'Obligation of Public Authorities under RTI' have been organised across Plants/ Units and Information Commissioner has been present in most of these programs. Further, awareness programmes on the RTI Act are also held at Plants & Units.

SAIL received a total of 3,153 applications and 483 appeals under the Act during the Financial Year 2021-22 and all of them have been disposed of within the stipulated time frame under the Act. CIC has also taken up 100 cases and most of these cases were disposed-off in favour of the Company.

Since enactment of the Act, SAIL has received a total of 50,020 applications and 7,588 appeals upto 31st March, 2022, which were disposed of within the stipulated time. Out of these, 1040 cases were taken up by the CIC and most of these cases were disposed-off in favour of the Company.

Citizen Charter

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

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

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

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

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

Your Company has set up Internal Complaints Committees in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. These Committees have been set up to redress complaints, if any, received regarding sexual harassment. All employees of the Company are covered under these Rules. The details of sexual harassment complaints received and disposed of during the year 2021-22 are as under:

Particulars	No. of Complaints
Number of complaints pending as on 1 st April, 2021	2
Number of complaints received in 2021-22	3
Number of complaints disposed of during 2021-22	4
Number of complaints pending as on 31 st March, 2022	1

D. AWARDS & ACCOLADES WON DURING THE YEAR

Your Company has won the following awards during the Financial Year 2021-22:

- 6 Prime Minister's Shram Awards (involving 31 employees) for the year 2018.
- 11 Vishwakarma Rashtriya Puraskar (involving 52 employees) for the Performance Year 2018.
- Prestigious Golden Peacock Environment Management Award for the year 2021 in the Steel Sector by the Institute of Directors.
- Rourkela Steel Plant bagged the Energy Conservation Award in the Eastern Region ENCON Award 2021 in the competition held by the Confederation of Indian Industry (CII), on 5th November, 2021.
- Kiriburu Iron Ore Mines (KIOM) and Meghataburu Iron Ore Mines (MIOM) under the Jharkhand Group of Mines of SAIL, Bokaro Steel Plant, received 5-star rated awards for sustainable Mining practices and all round performance in the Iron Ore category at the 5th National Conclave on Mines & Minerals. KIOM was awarded for the year 2017-18 & 2018-19 and MIOM for the year 2018-19 and 2019-20. The award was received by Chairman, SAIL from Union Minister of Coal, Mines and Parliamentary Affairs in a award ceremony held in New Delhi on 23rd November, 2021.
- SAIL was placed 3rd in the Best Industry Category of 3rd National Water Awards organised by the Ministry of Jal Shakti, Department of Water resources, River

Development and Ganga Rejuvenation in January, 2022.

- SAIL achieved Third Place in the 17th National Awards for Excellence in Cost Management, 2019 in the Manufacturing Category-Public, having Turnover more than ₹10,000 crore.

E. ENVIRONMENT MANAGEMENT

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

Improvement in Emissions and Discharges

SAIL Plants and Mines are efficiently operating the pollution control devices/facilities and maintaining regularly through revamping/refurbishing/revitalization and also up-grading them as and when required, for the purpose of complying with the applicable environmental standards, which are becoming more and more stringent day by day. Concerted efforts have resulted in achieving major improvements during the FY 2021-22 over the last five years in the following areas:

- The Particulate Matter (PM) Emission Load has reduced by more than 20% to 0.59 kg/tcs.
- Specific Water consumption has reduced by more than 14 % to 3.12 m³/tcs.
- Specific Effluent Discharge has reduced by more than 24 % to 1.35 m³/tss.
- Specific Effluent Load has reduced by around 23 % to 0.062 kg/tcs.
- Utilisation of BF Slag has increased by more than 13% to 102.01%.
- BOF Slag Utilisation increased by more than 15% to 68.83%
- Specific CO₂ emission has been reduced by more than 2% to 2.51 T/tcs.
- Total Solid Waste Utilisation has increased by more than 14% to 94.66%

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

Your Company has implemented latest state-of-the-art clean technologies and best available and feasible pollution control facilities in the course of its Modernization and





Expansion Plan and thereafter, in its drive for adoption of cleaner technologies. Some of the major clean technologies are as under:

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

and its use as fuel.

- New Gas-fired boilers for power generation at BSP, DSP and ISP.
- Dog House for secondary emission control at all new Converters. Retrofitting of secondary emission control system is being taken up in phased manner in case of older Converters.
- Installation of energy-efficient LED lights instead of conventional lighting systems at Plants and Units.

New Initiatives

a. Environment friendly disposal of Poly Chlorinated Bi-Phenyls (PCBs) - an environmental pollutant

Bhilai Steel Plant, in partnership with the MoEF&CC and UNIDO, has initiated a project for setting up a disposal facility for Polychlorinated Biphenyls (PCBs), categorized as Persistent Organic Pollutants (POPs) at its site. The project is at final lap of completion. On commissioning, the project will systematically dispose of the PCB wastes accumulated over the years not only in SAIL Plants but also in other industrial establishments across the Country. This unique facility will help the nation in fulfilling its international commitment.

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

Your Company is committed to reduce solid waste generation and maximise its utilisation to achieve 100% and has adopted the "4R's Policy" (Reduce, Recover, Recycle and Reuse) across all its processes. With a view to enhance utilisation of BOF Slag, a R&D project proposal on "Development of Steel Slag

based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth" has been taken up through ICAR-Indian Agricultural Research Institute, under the guidance of the Ministry of Steel. The project will ensure symbiotic growth of steel industry and agriculture.

c. Environment friendly domestic waste processing facility

As a green initiative and in compliance with the "Solid Waste Management (SWM) Rules, 2016", BSP has set up a Solid Liquid Resource Management (SLRM) Centre. The waste is handled in a scientific and hygienic way at the centre. The integrated facility has separate systems for segregation of wastes, converting green waste into manure and turning plastic waste into useful by-products and can handle 50 Tonne of waste every day.

d. Water Conservation Project for Outlet# B&C of BSP

With a view to minimise water consumption as well as to conserve water resource across the Plants, actions have been/are being taken up to achieve the long-term goal of "Zero Liquid Discharge" through treatment and recycling of effluent being discharged through the outfalls at the Plant boundary. In this regard, waste water treatment and recycling facilities at the outlet B&C of BSP have been installed during the financial year 2021-22, as a result of which, around 8250 m³/hr. of effluent after treatment is re-circulated and reused at BSP.

e. Secondary Emission Control System (DOG House) with the Converters of SMS installed at DSP

Secondary Emission Control Systems (DOG Houses) with all the three BOF converters have been set up at Durgapur Steel Plant to control the fugitive emission in and around the shop, thereby, improving working environment significantly.

f. Switching over to LED Illuminating System

Your Company is gradually shifting to more energy-efficient and durable LED lighting system from conventional lighting system in consonance with the Government of India's initiative "Unnat Jyoti by Affordable LEDs for All (UJALA) Scheme". In this respect, more than 1.75 lakh LED lights have already been installed all across the Plants and Units of the Company.

Environmental Management System (EMS) linked with ISO-14001

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

The EMS (ISO-14001) was implemented at all the Plants and the Company is striving to cover all the Mines under its purview to further its commitment towards environment. In the recent years, Barsua Iron Ore Mine, Gua Ores Mine, Kiriburu and Meghahatuburu Iron Ore Mines, Bolani Iron Ore

Mine, Manoharpur Iron Ore Mine, Dalli Iron Mine and thirteen warehouses (Ahmedabad, Hyderabad, Ghaziabad, Faridabad, Vizag, Chennai, Mumbai, Delhi, Durgapur, Dankuni, Bokaro, Bangalore and Kanpur) of CMO have also been ISO 14001 Certified.

Sustainable Development/Eco-restoration Projects

- Restoration and rehabilitation of degraded ecosystem is essential for maintaining and enhancing bio-diversity as well as replenishing the ecosystem services. About 250 acres of old barren overburden dumps and water void in 200 acres of limestone mined out area in Purnapani have been successfully restored to fully functional ecosystems that generate ecosystem services and goods as well as sequester CO₂. The restored ecosystem provides many livelihood options for local people at Purnapani.
- An MOU has been signed in January, 2021 with Institute of Forest Productivity, Ranchi for eco-restoration of mined out area and waste dumps separately for Kiriburu Iron Ore Mines and Meghahatuburu Iron Ore Mines.
- At Durgapur Steel Plant, around 400 acres of land has been transformed into the bio-diversity park named 'Vasundhara' with development of flora and fauna of local species and water body.

Application of Renewable Energy towards a new era



Your Company has implemented many schemes for promotion of renewable energy in its Plants, Mines and peripheral villages/areas. The following solar power projects have already been implemented in recent years:

- 1 MW ground mounted Solar Power Plant connected with electrical grid system of the State Electricity Board at RSP.
- 2 MW grid connected roof top solar power units on various buildings of BSL.
- 0.5 MW roof top solar power units on various buildings of BSP.

Besides, some of the major initiatives undertaken towards implementation of renewable energy projects include setting up of (i) 10 MW Hydel Power Plant at Mandira Dam, RSP, under a Joint Venture initiative with Green Energy Development Corporation of Odisha Limited (GEDCOL) and (ii) 6.145 MW roof top Solar Units on different buildings at the various Plants/Units locations under Ministry of New and

Renewable Energy (MNRE) Scheme, out of which, 2.045 MW roof top Solar Power units have already been installed on various buildings of SAIL Plants & Units.

Plantation

Your Company realizes the role of plantation in overall environmental management initiatives. It is a well-known fact that plants play an important role in balancing the ecosystem and function as a carbon sink. Such plantations are established to foster native species and promote forest regeneration on degraded lands as a tool of environmental restoration. The greenery developed by afforestation adds to the aesthetic environment, which becomes dust and noise barriers and also a natural sink/absorber of CO₂. Keeping the enormous contribution of the plants in mind, SAIL has long been adopting extensive afforestation program religiously in its Plants and Mines since its nascent stage. Giving special thrust for plantation, more than 3.6 lakhs of saplings have been planted during 2021-22. More than 21.5 million saplings have been planted across SAIL Plants and Mines till date.

F. STRATEGIC INITIATIVES OF THE COMPANY

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

• Closure/Exit from non-operational and non-performing Joint Venture Companies and Subsidiary Companies of SAIL:

During the FY 2021-22, SAIL exited from two of the Joint Ventures viz. Abhinav-SAIL JVC and S&T Mining Ltd.

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

EOI bids were opened on 10th September, 2020 and the eligible bidders have been shortlisted. The Confidential Information Memorandum (CIM), Request for Proposal (RFP) and Business Transfer Agreement (BTA) have been issued to the shortlisted bidders. The disinvestment is under process.

Business Excellence Initiatives

Implementation of Management Systems

Most of SAIL Plants/Units are certified to ISO 9000, ISO 14000, OHSAS 18000/ISO 45000, SA 8000, ISO 50000 and ISO 27000 Management Systems. Further, Empanelment of Certification Agencies for the third cycle i.e. 2020-2023 was completed in

March, 2020 for Certification to six Management Systems i.e. ISO 9000, ISO 14000, OHSAS 18000/ISO 45000, SA 8000, ISO 27000 and ISO 50000 and related training. Due to the on-going Covid-19 pandemic, remote external/internal audits as well as on-site audits at some places were conducted for easy transition of existing certifications and maintaining all the Management Systems as per the requirements of the standards.

Information Technology Related Initiative

In today's world of dynamic business environment, your Company has embarked on the Digital Transformation journey by adopting Industry 4.0, which is transforming companies through data-led intelligent operations. Digital Transformation besides aiding in quick decision making, reducing the downtime of the equipment, helping in taking preventive actions, it also assists in creating a smart factory for enhancing productivity and reduce operational cost and strengthen its business processes. Some of the Initiatives accomplished during FY 2021-22 are given below:

- IT Roadmap has been formulated outlining IT vision for the Organisation.
- Integration of despatch of Liquid Medical Oxygen from the respective Plant with Oxygen Digital Tracking System (ODTS) portal of the Central Government, facilitating the online tracking of oxygen tankers, during the COVID19 pandemic.
- To enhance customer satisfaction, Customer Order Tracking System and Customer Self Service Portal have been implemented, which includes registration of complaints, Customer Satisfaction Index (CSI) and printing of invoices and test certificates.
- Your Company successfully implemented the Online system for facilitating the transfer of Pension Funds of on-roll employees to the National Pension Scheme (NPS).
- As a step towards transparency, Corporate Complaint Monitoring portal for Vigilance (SUVIDHA) has been implemented across the Company.
- To take business automation ahead, Unmanned Weighbridge, Automated Vehicle Entry/Exit System and Vehicle Tracking System at warehouse and generation of Predictive NSR based on Marketing Tools have been implemented at Central Marketing Organisation (CMO).
- In continuance of business automation, Manufacturing Execution System (MES) system has been implemented in Bhilai Steel Plant (BSP), which has improved quality, increased productivity and reduced operational maintenance and achieved Level 2 Automation in the key shops.
- Technology is changing by leaps and bounds with the growth of mobile applications and digitization. In this regard, Real Time monitoring of cost of production has been made available with the implementation of the Costing Module of SAP-ERP. Further, it also assists in adopting measures to reduce and optimise the cost.



- System Integration between ERP and M/s. mjunction services limited (auction platform) for transferring Auction details from SAIL Plants and receiving successful Bidder details from M/s. mjunction services limited has been successfully completed.
- To reduce physical movement of persons and documents and faster issue of the Gate Passes with transparency and control, Work-flow based Digital Permanent Gate Pass system for contractual labourers has been implemented successfully.
- As a one stop IT solution for Estate Management Billing, Real Estate Flexible Management Module has been introduced.
- Implementation of System for online Safety Survey and tracking of critical spares.

Corporate Communication

With the constantly evolving business paradigm especially in the post COVID19 pandemic era, disruptive changes in quick succession have become new normal. The dynamic circumstances necessitate increased and effective communication by the business organisations to reach out to their stakeholders and target audiences quickly and efficaciously. Also, today the ways and means of communication have undergone sea change. In such a situation, the role of corporate communications has assumed greater significance to maintain an unhindered flow of Company's communication and information to its stakeholders while delivering the desired message to its target audiences through different channels. The corporate communications also help businesses to promote the culture of creativity and innovation, business excellence, better employee engagement and growth within the Company and to create a positive brand image and connect with the external stakeholders.

The role of corporate communications at SAIL has been evolving in tandem with the emergent requirements and growth trajectory of the Company. The Company focused on creating a vibrant and active connect amongst employees and enhancing the brand image of SAIL through external communication drives. During the year 2021-22, various communication drives were undertaken to ensure better engagement with the stakeholders and target audiences of the Company. New age mediums were leveraged to connect with the stakeholders on a continuous basis. Throughout the year 2021-22, the Company's developments and achievements were regularly circulated across the Organization as well as to the external stakeholders by optimally utilising all communications channels.

The external communication drives were efficiently carried out utilizing a media mix of Company's social media handles, digital media, conventional media like print and electronic, which aided in creating a further robust image of SAIL. The internal communication drives, aiming at improving collaboration and synergy in the Organization, were

successful in achieving larger and better connect across the employees in the Company.

Internal Communication

There is an opportunity in every challenge. As SAIL manoeuvred robustly through the COVID19 pandemic, internal communication in the Company underwent a dynamic transformation wherein both online and physical forms of interactions were carried out throughout the Company. Large scale online interactions with active participation from all levels of management were implemented, creating a platform for sharing best practices and solutions. The award winning in-house journal 'SAIL News' has been redesigned and revamped along with regular production of the Company's audio-visual news capsule 'SAIL Track'. Innovative steel promotional videos and other related videos, entirely developed and produced utilizing in-house resources, were circulated on various internal platforms which have helped employees remain updated with the Steel/Company related developments.

In a measure to ensure larger employee engagement and connect with all the Plants/Units of the Company spread over length and breadth of the Country at one go 'SAIL Gaurav Diwas' on 24th January, 2022, commemorating SAIL's Foundation Day, was also conducted consecutively for the second time through online mode.

External Communications

Your Company maintains a transparent channel with its external stakeholders and the issuance of regular and timely press releases and media information is a testimony of that commitment. Seizing the strength and reach of new age media, SAIL has extensively utilized its various social media handles to regularly promote the achievements and post updates about various developments taking place in the Company. The followership of SAIL's social media handles have organically increased exponentially along with substantial increase in the engagement. As a responsible stakeholder of the steel industry, your Company has taken various unique initiatives including campaigns on 'Switch to Steel' and promoting Steel Usage. These are given regular publicity through its social media and print media. News and information about SAIL has remained available on digital media extensively throughout the year 2021-22. The SAIL's website, which is a repertoire of reliable information about the Organization, has been regularly updated to provide latest information at the click of one button. The website's viewership has also seen a very good growth during 2021-22. Branding activities have been curated to promote the brand 'SAIL' in innovative and effective ways. Through a collaborative approach, the strength of 'The Bureau of Outreach & Communications' (erstwhile DAVP) services have been extensively explored for better and cost effective means for undertaking branding activities whenever possible.

Promoting Government Initiatives

Your Company has been one of the most active participants in celebrating and promoting 'Azadi Ka Amrit Mahotsav'



(AKAM). Focusing on widely popularizing #AKAM to as many as possible, SAIL is publicizing the AKAM campaign through various programs and mediums. The Company is extensively reaching out to its stakeholders, across its Plants and Units, to connect with people for broader citizens' participation and converting AKAM into a 'Janandolan'.



The other initiatives including Aatmanirbhar Bharat, Swachh Bharat, Yoga Day, Water conservation, etc. have also been regularly promoted through various communication drives across the Organisation.

Promoting brand SAIL and steel at large have remained the focus of corporate communications team of SAIL. The synchronized working of all communications teams across SAIL helped in creating stronger communication campaigns for the Organization. Creating improved employee experiences and stakeholders' engagement can be achieved through sustained communication drives and these remain the focus area of the communications team of SAIL.

G. VIGILANCE ACTIVITIES

The objective of SAIL Vigilance is to facilitate an environment enabling people to work with integrity, efficiency and in a transparent manner, upholding highest ethical standards for the organization. To achieve this objective, the Vigilance Department carries out preventive, proactive and punitive actions with greater emphasis in the preventive and proactive functions. Following activities were undertaken during the Financial Year 2021-22:

- To increase vigilance awareness amongst employees, vigilance awareness sessions and workshops were regularly held at various Plants and Units of the Company. A total of 102 workshops involving 1686 participants were organized for enhancing Vigilance Awareness on Whistle Blower Policy, Purchase/Contract Procedures, Preventive Vigilance, Conduct & Discipline Rules, Common Irregularities, System and Procedure followed in SAIL, etc. Amongst these training programmes, forty five dedicated two day Preventive Vigilance training programs were organised during 2021-22, wherein, a total of 829 mid-level executives and 160 fresh entrants of SAIL have been covered.
- Preventive Checks including file scrutiny and Joint Checks were conducted regularly in vulnerable areas of the Company. A total of 2282 preventive checks including

file scrutiny and Joint Checks were conducted at different Plants/ Units.

- Vigilance provides vital inputs to the operating authorities for improving the prevailing systems for bringing about more transparency. Accordingly, thirteen System Improvement Projects (SIPs) were undertaken at different Plants/Units of SAIL.
- 14 cases were taken up for Intensive Examination at different Plants/Units. During these Intensive Examinations, high value procurement/contracts are scrutinized comprehensively and necessary recommendations were forwarded to concerned departments for implementation.
- As per the Guidelines of Central Vigilance Commission, Vigilance Awareness Week was observed in SAIL during 26th October to 1st November, 2021. The week started with administering the Integrity Pledge and reading out the messages of dignitaries on 26th October, 2021 at SAIL Corporate Office as well as in all Plants/Units of SAIL. During the week, Workshops/ Sensitization Programmes, Customers Meet, etc. were organised. Further, events like quiz, essay, slogan & drawing/ poster, debate competition were organized for the employees and their families across SAIL. As outreach measures, various events like Speech/Oratory competition, Essay/Slogan competition, etc. were organized for School/ College Students across various townships of SAIL.
- In an another Participative Vigilance initiative taken up, Ethics Club and Ethics Circle activities were undertaken in different Plants/Units during the FY 2021-22. In order to propagate ethical behavior in the society at large, Ethics Clubs have been formed in the schools of SAIL Townships with the belief that it is essential to create a strong ethical and moral foundation for children to facilitate formation of an ethically sustainable society. During 2021-22, Ethics Clubs of various Schools engaged their students named as 'Young Champions of Ethics', in propagating Ethics / Ethical Values through various programmes / competitions such as Expert talks, Speeches, Songs, Dance, Videos, Drawings, etc. Further, Ethics Circle of Salem Steel Plant also released a booklet on the theme 'Inculcating Ethical Values' for building a strong ethical culture amongst employees with focus being on Integrity, Responsibility, Honesty, Transparency, Team-work, Loyalty, etc.
- It has also been decided to implement the Anti-Bribery Management System (ABMS) in SAIL as per ISO 37001:2016. The Board of Directors has approved the Anti Bribery Management Policy (Vision Statement) and the 1st Phase is being implemented in Corporate Office and Bokaro Steel Plant.
- To bring uniformity and clarity regarding acceptable modes of lodging complaints and processing of the same, a Complaint Handling Policy for SAIL Vigilance has been implemented from 1st January, 2022. The Policy seeks to ensure that complaints about corruption, malpractice or misconduct by officials of SAIL are received, recorded and

acted upon in a manner consistent with the Complaint Handling Policy of CVC.

- The following three thrust areas were identified by SAIL Vigilance:
 - Scrutiny of procurement files within approving powers delegated to CGM & below level executives, with special thrust on powers delegated to dealing officers.
 - Scrutiny of cases of final settlement of dues after superannuation as per extant guidelines / statutory provisions with special emphasis on adherence to prescribed timelines.
 - Scrutiny of Repeat Orders and related quantity variation for orders valuing ₹ 50.00 lakh and more.
- 'Inspiration-Prerna', an in-house publication of SAIL Vigilance is being published regularly. The above publication contains case studies and informative articles to enhance awareness of the readers.
- As on 1st April, 2021, a total of 75 complaints were pending and the closing balance as on 31st March, 2022 was 69. The summary of disposal of complaints during 2021-22 is as under:

Complaints Disposed:

Particulars	Complaints
Closed as found anonymous / pseudonymous (filed in line with CVC Guidelines)	172
Closed as no vigilance angle/allegations not substantiated	219
Referred to other departments	165
Closed with preventive/administrative recommendations	98
Regular Departmental Actions (RDAs) initiated (Include 6 cases of Major Penalty against 8 employees and 10 cases of Minor Penalty against 18 employees)	16
Total Disposed	670

Vigil Mechanism

The Company has adopted Vigil Mechanism for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of the Company and directors on the Board of the Company are covered under this Mechanism. This Mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail the Mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. One complaint was received during the Financial Year 2021-22 and action has been taken thereon.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

The Statutory Auditors' Report on the Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 along with Management's replies thereon is placed at **Annexure-I** to this Report. The comments of Comptroller & Auditor General of India (C&AG) on the Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 under Section 143(6) (b) of the Companies Act, 2013 and the Management's replies thereon are placed at **Annexure-II** to this Report.

COST AUDITORS

The Company is required to maintain cost accounting records at its various Steel Plants as required under the provisions of Section 148 of the Companies Act, 2013. The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s. Chandra Wadhwa & Co., New Delhi; M/s. ABK & Associates, Mumbai; and M/s. R.M. Bansal & Co., Kanpur as Cost Auditors for the Financial Year 2021-22. The Board had fixed a fee of ₹12.12 lakhs plus applicable taxes and reimbursement of out of pocket expenses for conducting the audit of cost records maintained by the Company for the Financial Year 2021-22, which was ratified by the shareholders in the last Annual General Meeting.

SECRETARIAL AUDITOR'S REPORT

In terms of the provisions of Section 204 of the Companies Act, 2013, the Board of Directors has appointed M/s. Agarwal S. & Associates, Company Secretaries, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the FY ended on 31st March, 2022. Secretarial Audit Report is placed at **Annexure-III** to this Report.

With regard to the observation of the Secretarial Auditor, that composition of the Board of Directors of the Company was not as per requirements during the FY 2021-22, it is stated that appointment of Independent Directors on the Board of the Company is made by the Company based on nomination by Government of India. The Company has requested Ministry of Steel, Government of India for nomination of requisite number of Independent Directors including Woman Independent Director on its Board. Consequently, five Independent Directors including one Woman Independent Director have been appointed on Board of the Company during November, 2021 and one more Independent Director has been appointed in April, 2022.

In respect of observation regarding performance evaluation of the Directors not being carried out pursuant to the Regulation 17(10) and 25(4) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is mentioned that Ministry of Corporate Affairs has vide its Notification dated 5th June, 2015 notified the exemptions to Government Companies from the provisions of the Companies Act, 2013 which, inter-alia, provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply



to Directors of the Government Companies. Further, the Ministry of Corporate Affairs vide Notification dated 5th July, 2017 has notified certain amendments in Schedule IV of the Companies Act, 2013 relating to Code for Independent Directors. As per the Notification, in Schedule IV, the clauses relating to evaluation of performance of Non-Independent Directors, Chairperson and Board have been exempted for Government Companies.

CORPORATE GOVERNANCE

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

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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

IISCO-Ujjain Pipe and Foundry Company Limited, a wholly owned subsidiary of the erstwhile Indian Iron and Steel Company Limited (IISCO), was ordered to be wound up by BIFR. The Official Liquidator is continuing its liquidation process.

Your Company has four subsidiary Companies namely, SAIL Refractory Company Limited (SRCL), SAIL Jagdishpur Power Plant Limited, SAIL Sindri Projects Limited and Chhattisgarh Mega Steel Limited.

SRCL is operating the Salem Refractory Unit which was acquired by SAIL from Burn Standard Company Limited on 16th December, 2011. SAIL Jagdishpur Power Plant Limited, incorporated for setting up of Gas based power Plant at Jagdishpur and SAIL Sindri Projects Limited, incorporated for revival of Sindri Unit of Fertilizer Corporation of India Limited have not taken off. SAIL Jagdishpur Power Plant Limited and SAIL Sindri Projects Limited have been Struck-Off from the Register of Companies.

Chhattisgarh Mega Steel Limited was incorporated as a Special Purpose Vehicle with an objective of setting up of an Ultra Mega Steel Project. The project has not taken off.

The Annual Accounts of the Subsidiary Companies and related detailed information shall be made available to the Shareholders of the holding and subsidiary companies, seeking such information at any point of time. Further, the

Annual Accounts of the subsidiary companies are available for inspection by any Shareholder at the Registered Office of the Company and the Subsidiary Companies concerned between 11 AM to 1 PM on working days. A hard copy of the details of accounts of subsidiaries shall be furnished to the shareholders on receipt of written request.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, the duly Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 are placed at **Annexure-VI** to this Report.

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Statutory Auditors' Report on the Consolidated Financial Statements along with the Management's replies thereon is placed at **Annexure-VII** to this Report. The comments of Comptroller & Auditor General of India (C&AG) on the Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 and Management's replies thereon are placed at **Annexure-VIII** to this Report. Further, the statement containing salient features of the financial statements of the Subsidiary, Joint Venture and Associate Companies in the prescribed Form AOC-1 is placed at **Annexure-IX** to this Report.

ANNUAL RETURN

As per the provisions of the Companies Act, 2013, the Annual Return for FY 2021-22 is available at https://www.sail.co.in/sites/default/files/2022-09/SAIL_DRAFT_ANNUAL_RETURN_2021_22.pdf.

BOARD MEETINGS

During the year, 9 meetings of the Board of Directors of the Company were held, the details of which are given in the Corporate Governance Report at **Annexure-IV**, forming part of this Annual Report.

AUDIT COMMITTEE

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

INTERNAL FINANCIAL CONTROL (IFC) AND ITS ADEQUACY

The Company has well established and documented policies and procedures, which are adhered to for transparent, efficient and ethical conduct of business and for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of financial disclosures. Further, the Company has a good corporate governance structure,



and strong management processes, controls, policies and guidelines which drives the organization towards its business objective and also meets the needs of various stakeholders.

Your Company's robust protocols such as independent internal audit, documented policies, guidelines, procedures, regular review by Audit Committee / Board, etc. helps in compliance of Internal Financial Controls under the Companies Act, 2013, SEBI (LODR) Regulations, 2015, etc. The Company is committed to the highest standards of Corporate Governance where the Board is accountable to all stakeholders for reporting effectiveness of Internal Financial Control (IFC) and its adequacy. Corporate Governance has been carried out in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, etc.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

INDEPENDENT DIRECTORS' DECLARATION

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the details of Loans, Guarantees and Investments given during the FY ended on 31st March, 2022 are given in **Annexure-X** to this Report.

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

All the contracts / arrangements / transactions entered by the Company during the Financial Year 2021-22, with the related parties were in the ordinary course of business and on an arm's length basis. The transactions with the related parties have been disclosed in the financial statements. Therefore, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 do not form part of the Report.

DIVIDEND DISTRIBUTION POLICY

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

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

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

RISK MANAGEMENT POLICY

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

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



Currently, the architecture of Enterprise Risk Management in SAIL comprises a well-designed multi-layered organization structure, with each Plant/Unit having its own perceived Risks which are under constant monitoring by the Risk Owners / Risk Champions who frame and implement the mitigation strategy and take it to its logical conclusion. Risk Management Committee of the Plant/Unit Chaired by the Head of the Plant /Unit periodically reviews the risks and its mitigation status and reports the same to Chief Risk Officer (CRO) of SAIL. SAIL Risk Management Committee (SRMC) oversees the Risk Management function in the Company by addressing issues pertaining to the policy formulation as well as evaluation of risk management function to assess its continuing effectiveness. Risks identified by the Risk Champion/Risk Officer are deliberated in the Risk Management Committee and strategy for mitigating such risks is formulated. Roles and responsibility of Board, Audit Committee, SAIL Risk Management Committee, Risk Management Steering Committee, CRO, Risk Officer/Risk Champion related to risk management are defined under the Policy and duly approved by the Board. The Enterprise Risk Management Policy of your Company is uploaded on its website <https://sail.co.in/company/company-policies>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

SAIL's Social Objective is synonymous with Corporate Social Responsibility. Apart from the business of manufacturing steel, the objective of your Company is to conduct business in ways that provide social, environmental and economic benefits to the communities in which it operates. For any organization, CSR begins by being aware of the impact of its business on society. With the underlying philosophy and a credo to make a meaningful difference in people's lives, your Company has been structuring and implementing CSR

initiatives right from the inception. These efforts have seen the erstwhile obscure villages, where SAIL Plants are located, turn into large industrial hubs today.

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

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

CSR initiatives on COVID19

The Coronavirus (COVID19) pandemic has created an unprecedented crisis globally. The nation posed the cumulative risk of COVID19 variants i.e. 'Delta' as well as 'Omicron' which mutated and spread rapidly, causing exponential rise in COVID19 cases. Your Company, as a responsive corporate organization is committed to ensure the health and safety of its facilities/premises, employees at the Plants/Units and all other persons working at the sites. SAIL has activated a scaled response towards management of the pandemic at its Plants, Units, Mines and Townships.



During FY 2021-22, your Company has contributed an amount of ₹50 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund.

SAIL has, during the crucial time, supplied over 1.3 lakh Metric Tonnes of Liquid Medical Oxygen (LMO) to different States of the Country in its endeavour to partner the Government of India in combatting COVID19, through Railway Oxygen Express.

SAIL Plants have setup separate Jumbo COVID19 Care facilities equipped with gaseous oxygen through dedicated pipelines from the Plants viz. 1444 bedded Covid care facilities, in addition to ventilators and ICU beds.

In addition, SAIL Hospitals manned by more than 900 qualified doctors and 1500 para-medical staff to extend round the clock Healthcare, have earmarked 1000 dedicated Covid-19 beds with oxygen support and 129 ICU beds with ventilator support in view of surge in cases, created 600 beds Quarantine Facilities and developed Covid-19 testing facilities like RAT, RTPCR, TRU-NAT in coordination with the respective State Governments. Besides this, arrangements have been made for touch-free hand-sanitizers, water dispensers, spraying disinfectants, using digital thermal recorders at prominent locations, ensuring continuous water supply in all the peripheral villages.

In order to support the vulnerable sections of society, daily-wage earners/ labourers, poor peasants and their families, the SAIL Plants and Units, distributed dry ration packets, Milk packets, Milk powder, Khichdi, routine medicines, daily cooked meals to patients and healthcare workers, sanitary napkins for women, facilitated stitching/distribution of face masks, Aprons and Gloves, etc.



Healthcare: Your Company's extensive and specialised Healthcare Infrastructure provided specialized and basic healthcare to 177 lakh people living in the vicinity of its Plants and Units during the period 2011-2022. In order to deliver quality healthcare at the doorsteps of the needy, regular health camps are being organised in various villages on fixed days for the people living in the periphery of Plants/ Units/Mines. During the FY 2021-22, regular Health Camps have been organized and 5 Mobile Medical Units (MMUs)

extended quality healthcare to about 64,500 villagers at their doorsteps in peripheral areas of Plants, Units and Mines. 24 Primary Health centres at Plants exclusively provided free medical care and medicines to more than 1,25,000 patients, including about 11,300 Covid-19 patients.

Education: To develop the society through education, SAIL is supporting over 77 schools, providing modern education to more than 40,000 children in the steel townships, 19 Special Schools (Kalyan & Mukul Vidyalayas) are benefitting around 4865 BPL category students at integrated steel plants and mines locations with facilities of free education, mid-day meals, uniform including shoes, text books, stationary items, school bag, water bottles, etc., under CSR. More than 441 children from tribal and naxal-affected areas are getting free Education, Accommodation, Meals, Uniform and Textbooks, etc. at Saranda Suvan Chhatravas, Kiriburu; Gyanodaya Chhatravas, BSP School Rajhara, Bhilai; Gyanjyoti Yojna, Bokaro.

Your Company in association with the Akshaya Patra Foundation, is providing Mid-day meals and dry ration kits to around 63,000 students in over 600 Govt. schools in Bhilai and Rourkela.

Women Empowerment & Sustainable Income Generation: Vocational and specialised skill development training targeted towards sustainable income generation has been provided to 223 youths & 1306 women of peripheral villages in areas such as Nursing, Physiotherapy, LMV Driving, Computers, Mobile repairing, Welder, Fitter, Electrician training, Improved agriculture, Mushroom cultivation, Goatery, Poultry, Fishery, Piggery, Achar/Pappad/ Agarbati/ Candle making, Screen printing, Handlooms, Sericulture, Yarn Weaving, Tailoring, Sewing and embroidery, Gloves, Spices, Towels, Gunny-bags, Low-cost-Sanitary Napkins, Sweet Box, Soap, Smokeless chullah making, etc. About 418 youths have been sponsored for ITI training at ITIs Bolani, Bargaon, Baliapur, Bokaro Private ITI and Rourkela, etc.



Connectivity & Water facilities in Rural Areas: Over 79.03 lakh people across 450 villages have been connected to mainstream by SAIL, since its inception, by constructing and repairing roads. Over 8176 water sources have been installed, since inception, thereby enabling easy access to drinking water to over 50 lakh people living in far-flung areas.

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

Support to Divyangs & Senior Citizens: Divyang (children/people) are being supported through provision of equipment like-tricycle, motorized vehicles, calipers, hearing aids, artificial limbs, etc. Your Company supports centres and programmes at its Plants like "Schools for blind, deaf & mentally challenged children" and "Home and Hope" at Rourkela; "Ashalata Kendra" at Bokaro; various programs like "Handicapped Oriented Education Program" and "Durgapur Handicapped Happy Home" at Durgapur; and "Cheshire Home" at Burnpur. Old age homes are being supported at different Plant townships like "Siyan Sadan" at Bhilai, "Acharya Dham" at Durgapur, "Sr. Citizens Home" at Rourkela, etc.



Sports, Art & Culture: SAIL is regularly organizing inter-village sports tournaments, extending support to major National sports events and tournaments. Also, supporting and coaching aspiring sportsmen and women through its residential sports academies at Bokaro (Football), Rourkela (Hockey) - with world class astro-turf ground, Bhilai (Athletics for boys), Durgapur (Athletics for girls) and Kiriburu, Jharkhand (Archery). Cultural events like Chhattisgarh Lok Kala Mahotsav, Gramin Lokotsav are organised every year.



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

Ranchi in Jharkhand.

REPORTING OF FRAUD BY AUDITORS

During the Financial Year 2021-22, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees, which would need mention in the Board's Report.

GENERAL DISCLOSURES

- During the year, the Company has not accepted any deposits under the Companies Act, 2013.
- No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. However, attention of Members is drawn to the statement on contingent liabilities in notes forming part of the Financial Statements.
- During the year, there has been no change in the nature of Business of the Company.
- During the year, no application was made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Shri Shashank Priya, Additional Secretary & Financial Adviser, Ministry of Commerce & Industry, having Additional Charge of Financial Adviser, Ministry of Steel, ceased to be Government Director w.e.f. 22nd April, 2021.
- Smt. Sukriti Likhi, Additional Secretary & Financial Adviser, Ministry of Steel, has been appointed as Government Director w.e.f. 23rd April, 2021.
- Shri Ashok Kumar Tripathy, has been appointed as Independent Director w.e.f. 8th November, 2021.
- Shri Kanhaiya Sarda, has been appointed as Independent Director w.e.f. 12th November, 2021.
- Smt. Neelam Sonker, has been appointed as Independent Director w.e.f. 15th November, 2021.
- Shri Sagi Kasi Viswanatha Raju, has been appointed as Independent Director w.e.f. 16th November, 2021.
- Dr. Gopal Singh Bhati, has been appointed as Independent Director w.e.f. 18th November, 2021.
- Shri Krishan Kumar Gupta ceased to be Independent Director w.e.f. 20th December, 2021.
- Shri Vejendra Srinivasa Chakravarthy, has been appointed as Director (Commercial) w.e.f. 24th December, 2021.
- Shri Amit Sen, Director (Finance) ceased to be Director w.e.f. 31st December, 2021
- Shri Atanu Bhowmick, has been appointed as Director (In Charge-Rourkela Steel Plant) w.e.f. 11th February, 2022.
- Shri Brijendra Patap Singh has been appointed as Director

(In Charge-Burnpur and Durgapur Steel Plant) w.e.f. 19th April, 2022.

- Prof. (Dr.) K. Jayaprasad has been appointed as Independent Director w.e.f. 26th April, 2022.
- Shri Puneet Kansal, Joint Secretary, Ministry of Steel and Director, SAIL has ceased to be Government Director w.e.f. 26th April, 2022.
- Shri Abhijit Narendra, Joint Secretary, Ministry of Steel has been appointed as Government Director w.e.f. 27th April, 2022.
- Shri Harinand Rai, Director (Technical, Projects and Raw Materials) has ceased to be Director w.e.f. 30th April, 2022.
- Shri Anil Kumar Tulsiani has been appointed as Director (Finance) w.e.f. 20th June, 2022.
- Shri Krishna Kumar Singh has been appointed as Director (Personnel) w.e.f. 25th August, 2022.
- Shri Arvind Kumar Singh has been appointed as Director (Technical Projects & Raw Materials) w.e.f. 2nd September, 2022.

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

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

ACKNOWLEDGEMENT

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

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

The Directors of your Company are immensely grateful for the invaluable contribution rendered by every person risking their life and safety to combat the pandemic and deeply regret the loss of human life due to COVID19 Pandemic.

For and on behalf of the Board of Directors


(Soma Mondal)
Chairman

Place: New Delhi
Dated: 5th September, 2022



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

A. INDUSTRY STRUCTURE & DEVELOPMENTS

World Economic Environment

The Global Economy which was reeling under the effects of initial waves of the COVID19 pandemic during H-1 of Financial Year 2020-21, saw a significant improvement in second half of the Financial Year 2020-21. During H-2 of Calendar Year 2021, Economic Outlook for the advanced economies improved on account of strong vaccination drive and massive growth propelling stimulus spending by the respective Governments. US economy roared back to life as once-in-a-century pandemic wound down. Supported by Government's economic stimulus, Americans started spending again, while unemployment came down and Corporate profits surged. China's economy on the other hand faced increasing pressure due to shortages of semiconductors, coal, power, resurgence of COVID19 as well as tightened norms for real estate by the Chinese Government. Europe suffered from supply chain disruptions and the resurgent pandemic risks which dampened its economic recovery.

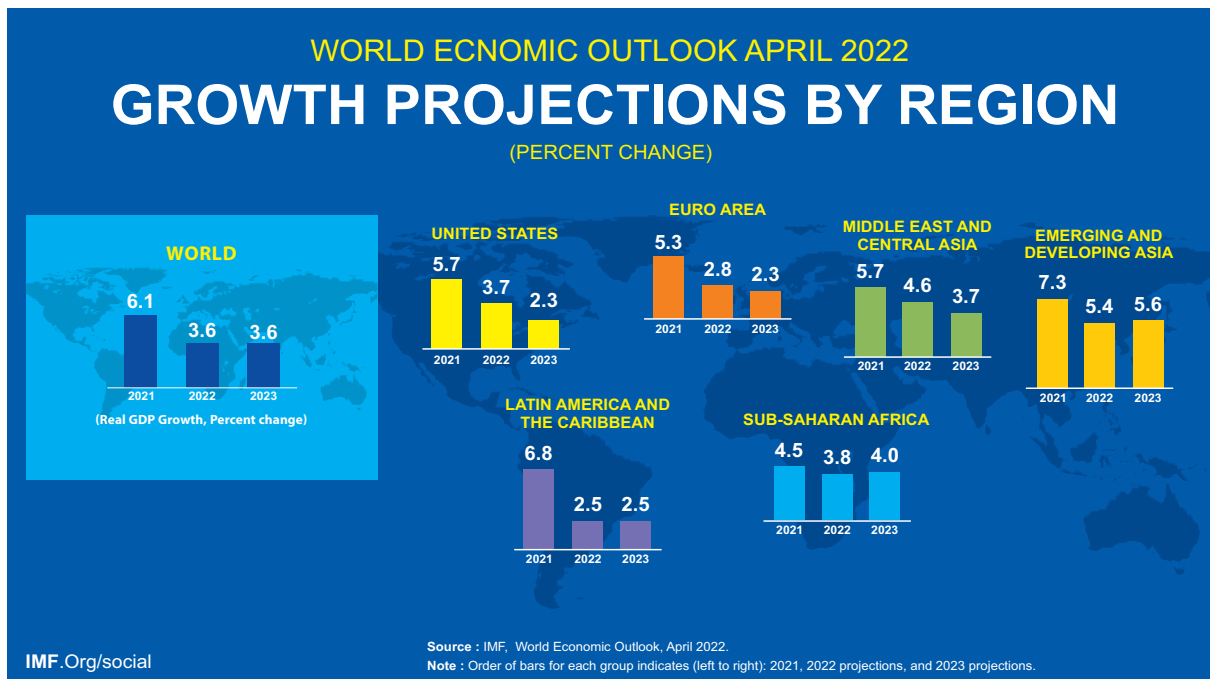
However, as the new Omicron COVID19 variant spread, many countries re-imposed localised restrictions. It rattled the global financial markets and clouded the world economy with uncertainty. The rising energy prices alongwith supply disruptions have lead to higher and more broad-based inflation than anticipated, particularly in the United States, emerging markets and developing economies. Chinese demand, which slowed down in 2021 due to tough action on real estate sector is expected to remain flat as Chinese Government tries to stabilize real estate market.

Simultaneously, customers worldwide started feeling the pinch of high inflation due to shortages of fuel, workers and ships. U.S. consumer prices jumped by 7.5% in January, 2022, being highest in 40 years. EU was also hit by record inflation as energy prices skyrocketed amid the Russia-Ukraine tensions.

Start of Russia-Ukraine war from 24th February, 2022 further deepened the economic challenges. The effects of conflict and sanctions have hit Ukraine, Russia and Belarus directly. But international spillovers via mounting inflationary pressure and interest rates, trade and financial linkages, labour supply and humanitarian impacts, have spread the cascading effects more widely - notably in Europe.

Many of the world's leading economies have raised interest rates to combat inflation, a reflection of supply and demand imbalances, higher energy prices, Ukraine war and China Covid lockdowns. US economy shrank for the 2nd quarter straight during April-June, 2022 on higher inflation and interest rate hike by US Federal Reserve. China's economic growth also slowed down sharply in Q2-2022 to just 0.4% due to Covid lockdowns and persistent pressure from darkening Global outlook. China's property downturn shows little signs of recovery. US Dollar has been on major surge against global currencies, hitting levels not seen in 20 years.

IMF, in the July, 2022 report has projected that world GDP growth in 2022 will be 3.2%, lower by 0.4% from the projections made three months back in April, 2022. Global output contracted in the second quarter of current year, owing to downturns in China and Russia, while US consumer spending slowed down. Several shocks have hit the world economy, already weakened by the pandemic viz. higher-than-expected inflation worldwide—especially in the United States and major European economies, triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting Covid-19 outbreaks and lockdowns; and further adverse spill-overs from the war in Ukraine. Overview of World Economic Outlook Projections is as under:



World Economic Outlook Projections

(GDP Growth Percentage Change)

	Year Over Year		
	Estimate	Projections	
	2021	2022	2023
World Output	6.1	3.2	2.9
Advanced Economies	5.2	2.5	1.4
United States	5.7	2.3	1.0
Euro Area	5.4	2.6	1.2
Japan	1.7	1.7	1.7
Emerging Market and Developing Economies	6.8	3.6	3.9
China	8.1	3.3	4.6
India	8.7	7.4	6.1
Brazil	4.6	1.7	1.1
Russia	4.7	(-)6.0	(-)3.5

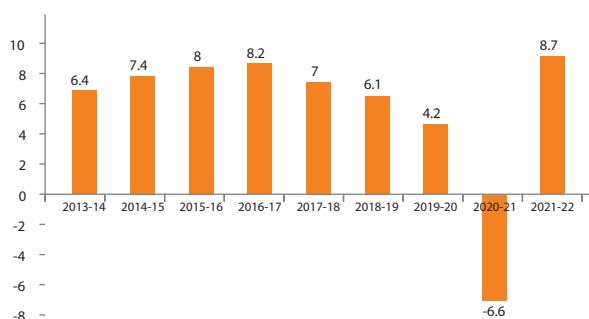
Source: IMF World Economic Outlook Update, July, 2022

Indian Economic Environment

India suffered two critical waves of Covid-19 pandemic during the Financial Year 2021-22, with the first wave hitting the Country in Q1 and the local restrictions interrupted, which was otherwise expected to be a promising economic recovery. The second wave hit in Q4 but its effect was relatively mild, due to strong vaccination of Indian population. To support the pandemic-hit economy, Union Cabinet approved a relief package of ₹6.29 lakh crore. Further, the Union Budget for Financial Year 2022-23 laid stress on strengthening the Infrastructure sector and Capital Expenditure was stepped up by 35.4% to ₹7.50 lakh crore.

Due to Russia-Ukraine war, rising commodity prices, especially of crude oil, will have a strong bearing on India's macro-economic indicators, including current account deficit, foreign exchange rate and inflation. Further, Indian Rupee has depreciated considerably against US\$ and is nearing ₹80/USD. As a result, different international agencies have cut down India's GDP forecast for Financial Year 2022-23 and is now expected to be in the range of 6.9% to 7.8%.

GDP Growth % at Constant Prices-2011-12



Growth in Index of Industrial Production in the Financial Year 2021-22 was 11.3% over the previous year, due to low base of Financial Year 2020-21 on account of Covid-19 pandemic. The growth in the Financial Year 2021-22 when compared with pre-Covid period of Financial Year 2019-20, was only 1.9%. Similarly growth in Sectors like Manufacturing, Capital Goods and Consumer Durables in Financial Year 2021-22, continued

to be sluggish or negative, if compared with the pre-Covid periods. Index of Industrial Production recorded a growth of 12.3% in June, 2022 on year-on-year basis, with manufacturing output showing healthy growth, a reflection of improving demand conditions and easing of supply-side challenges.

India for the first time clocked goods exports worth US\$ 400 bn. in the Financial Year 2021-22. However, the trade deficit widened due to rising imports and stood at US\$192.24 bn.

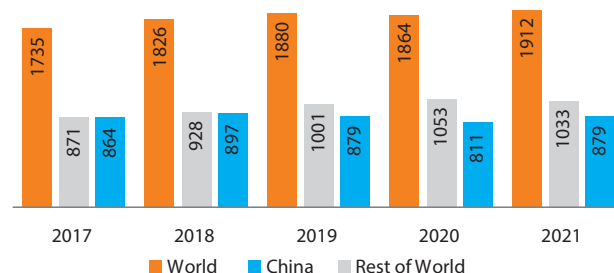
India's total domestic automobile sales in Financial Year 2021-22 were sluggish on account of chip shortage, rising fuel price and rising input costs. India's total domestic automobile sales in Financial Year 2021-22, as per SIAM, were more than 175.13 lakh units, down by 5.94% over last year.

World Steel

In 2021, World Finished Steel demand grew by 2.7% to reach 1833.7 MT. In 2021, recovery from the pandemic shock turned out to be stronger than expected, despite continuing supply chain issues and Covid waves. However, a sharper than anticipated deceleration in China steel demand dampened the overall global Steel demand growth in 2021.

The expectation of a continued and stable recovery from the pandemic has been shaken by the war in Ukraine and rising inflation. The World Steel Association forecasts that steel demand will grow by 0.4% in 2022 to reach 1,840.2 MT.

Annual Crude Steel Production(MT)



Following the Russian invasion of Ukraine in February, 2022, steel prices started shooting up as the conflict between



Russia and Ukraine cut supplies of finished steel and raw material. Both the countries together export around 45 MT of steel annually. European steel companies additionally suffered from a shortage of natural gas.

Top 10 Steel Producing Countries

Rank	Country	2021 (MT)	2020 (MT)	% Change
1	China	1032.8	1064.8	(-)3.0
2	India	118.1	100.3	17.8
3	Japan	96.3	83.2	14.9
4	United States	86.0	72.7	18.3
5	Russia	76.0	71.6	6.1
6	S.Korea	70.6	67.1	5.2
7	Turkey	40.4	35.8	12.7
8	Germany	40.1	35.7	12.3
9	Brazil	36.0	31.0	14.7
10	Iran	28.5	29.0	(-)1.8

Source: World Steel Association

Outlook for Steel Industry

Riding on a positive consumption and demand trend in the steel industry, the outlook appears on the green. WSA forecast 0.4% growth in steel demand reaching to 1,840.2 MT in 2022. The year 2023, assuming that Russia-Ukraine war coming to end in 2022, shall see a further demand growth of 2.2%, to reach a level of 1,881.4 MT. It is also believed that steel demand shall continue to grow, though continuing Covid impact and geopolitical tensions have currently slowed the growth rate. For the future, economic recovery programs across the Globe are expected to drive infrastructure investment and construction activities. The cost push from volatile raw material prices shall continue to remain a concern for the industry and will need to be watched carefully. The need to transition to lower carbon routes of steel production shall drive technological upgradation, innovation and investment across the Globe, as will the increasing demand for electric mobility solutions.

Indian Steel Scenario

As per World Steel Association's April, 2022 Short Range Outlook, India's Finished Steel Consumption, which had touched 106.1 MT in 2021, is expected to reach 114.1 MT in 2022, growth of 7.5% and then to 120.9 MT in 2023, with a growth of 6%. In India, third wave of Covid-19 in early 2022 was short-lived and did not seriously affect economic activities. India's quarterly GDP touched pre-Covid levels in Q3 2021 and growth is expected to normalise gradually, supported by the Government's push for investment and healthy recovery in services. However, the manufacturing sector slowed down as high inflation affected consumer sentiment and investment. In 2022, construction and manufacturing is likely to be supported by spending on infrastructure and a gradual revival in automotive production, with an expected improvement in semiconductor supply. Expected raw material supply constraints in the international market will result in higher domestic mining output and support the capital goods sector. However, the war in Ukraine poses a

renewed risk of supply disruption and inflation, which may impact the RBI's accommodative stance and consumer sentiment.

As per JPC, Indian Finished Steel Exports during the Financial Year 2021-22 were at a record high of 13.49 MT, up by 25.1% as compared to previous financial year. India's finished steel consumption during the year was 105.41 MT, up by 11.1% as compared to CPLY.

To boost production of Specialty Steel in India, Government of India launched a Production Linked Incentive (PLI) scheme, worth ₹6,322 crore. Further, the Government also launched the National Automobile Scrapage Policy to increase domestic availability of scrap.

Domestic prices of steel came down steadily due to imposition of 15% Export Tax by Government of India, falling international steel prices and demand-supply mismatch in domestic market. Many Indian mills opted for maintenance shutdowns on lack of overseas and domestic demand. Coking coal prices which had shot up, also came down due to falling international steel prices.

B. OPPORTUNITIES & THREATS FOR SAIL

Opportunities

- With an accelerated push from the policies proposed by the new Government regarding steel intensive segments such as infrastructure, capital goods and construction, stepping up capital expenditure, the outlook for the steel industry remains bright.
- High export potential to European and South East Asia markets.
- A sharp rebound in growth is expected after the COVID19 pandemic is over and steel demand is expected to remain buoyant.

Threats

- Increased competition from domestic and international steel companies located in India.
- Volatility in Coking Coal Prices and Exchange Rate and rising Crude Oil prices.
- Volatility in Steel Prices.
- Inflationary pressure.

C. RISKS AND CONCERNS

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

The Minerals (Development and Regulation) Amendment Act (The Act) which came into force on 28th March 2021, inter-alia, provides in case the holder of a mining lease fails to undertake production and dispatch within a period of two years after the execution of mining lease or discontinue the production and dispatch for a period of two years, the lease shall lapse on the expiry of the period of two years from the date of execution of mining lease or discontinuance of the production and dispatch,



as the case may be. On account of likely impact of the Act on non-working mining leases of SAIL and its subsidiary company, the matter was taken up with Ministry of Steel in September, 2021 for expediting early executions of the mining leases of the Company on or before March, 2022 and also for early finalization of modification of Management Plan for Sustainable Mining (MPSM) for Saranda Forest in Jharkhand. On intervention of Ministry of Steel, required applications were submitted for each non-operational mining lease to the respective State Governments in March/April, 2022. The Company is suitably pursuing the matter with the concerned authorities.

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

Chiria Mine leases (except already broken up area in Dhobil lease) have been proposed to be "No Mining Zone" in Management Plan for Sustainable Mining (MPSM) in Saranda forest, approved by MoEFCC. Out of the available iron ore resource of about 3.7 billion tonnes (BT) with SAIL, about 42% i.e. 1.6 BT is available at a single location viz. the Chiria Mine in Saranda forest in Jharkhand, which is not only critical for securing input raw material for future expansion but will also take care of ongoing expansion in view of depleting resources at SAIL's other Operating Mines.

It is worthwhile to mention that except Chiria Mine, all other Iron Ore Mines of your Company in Jharkhand are going to be depleted during the period 2026 to 2040. In order to bridge the gap between the iron ore production capacity and its requirement, SAIL has a plan to develop phase wise expansions of Chiria Mines from 7 MTPA to 45 MTPA from 2019-20 to 2040. Beyond 2040, Chiria will be the only iron ore resource left with the Company in Jharkhand which will cater to most of iron ore requirement of Eastern Sector Steel Plants of SAIL. Therefore, early development of Chiria Mines is not only required to meet the demand of steel plants for which expansions has already been made but also for expansion projects of SAIL planned as per National Steel Policy 2017 and SAIL Vision 2030.

On intervention of Ministry of Steel, MoEFCC constituted the Reassessment Committee comprising members of ICFRE, Forest Survey of India, MoEFCC, IIT (ISM) Dhanbad, IIT Kharagpur, Ministry of Mines, Ministry of Coal, Ministry of Steel, and Government of Jharkhand to suggest modifications/amendments in MPSM. However, MoEFCC has informed that on account of the earlier study carried out and an MPSM already in place, there is no need for any reassessment study. The matter is being taken up with the Ministry of Steel. Meanwhile, SAIL is regularly pursuing for extension of lease period of Chiria leases beyond 31st March, 2020.

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

Stage-I Forest Clearance (FC) for development of new mining pits at South and Central blocks of Kiriburu and Meghahatuburu mines was granted in October, 2010 and

Compliance Report was forwarded by Government of Jharkhand for approval of MoEFCC in April, 2016.

However, approval could not be obtained due to initial link up of the grant of FC with the finalisation of Management Plan for Sustainable Mining (MPSM) for Saranda Forest and subsequently, on account of non-suitability of identified Compensatory Afforestation land. Thereafter, Government of Jharkhand in March, 2022 forwarded the compliance report to MoEFCC for grant of Stage-II FC. The matter is being taken up with the Ministry of Steel.

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

On account of the likely shortage of iron ore in the Country, Ministry of Mines, Government of India vide Order dated 16th September, 2019 has entrusted SAIL with the responsibility to make available in the open market, 25 percent of its total mineral production of the previous year. Further, in another separate Order dated 16th September, 2019, Ministry of Mines, has allowed SAIL to dispose off the old stock of 70 MT of low grade iron fines and ores (including slime) lying dumped across different captive mines of the Company. In this regard, efforts were being made in obtaining approval of respective State Governments and other concerned statutory authorities. However, since, SAIL did not receive the necessary approvals from Jharkhand State Government, therefore, only 2.504 million tonnes of iron ore was made available in the open market from SAIL mines in Odisha and Chhattisgarh during FY 2021-22. Efforts are being made for getting clearances from the Jharkhand State Government to commence selling of iron ore from iron ore mines of SAIL in Jharkhand.

- **Revision of Rate of Net Present Value (NPV) of the Forest Land**

In compliance of the Hon'ble Supreme Court Order dated 28th March, 2008, Ministry of Environment Forest and Climate Change (MoEFCC) has revised the rate of Net Present Value (NPV) w.e.f 6th January, 2022 by almost 1.5 times and are applicable to the proposals pending for forest clearance, including (i) Stage-I FC / in-principle approval granted after 6th January, 2022; (ii) Stage-I FC / in-principle approval granted prior to 6th January, 2022 and even after lapse of 5 years; and (iii) Stage-II FC / Final approval not granted due to non-submission of complete compliance of the conditions stipulated in Stage-I FC / in-principle approval. Though, the revised NPV rates are applicable on the pending forest clearance proposals, but Demand Notices received from the Jharkhand State Government on 24th February, 2022 for Kiriburu-Meghahatuburu Leases and Chiria Leases asked SAIL to deposit differential NPV at revised rates for the entire forest land within the mining lease which also includes the area where NPV has already been paid under the FC Act, 1980. Accordingly, MoEFCC was requested in March, 2022 to provide clarification to the Jharkhand State Government and the same is awaited.



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

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

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

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

On account of the outbreak of COVID19 pandemic and consequential lockdown, the matter in respect of both the cases could not be placed on scheduled dates and next date of hearing is yet to be informed.

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

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

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

The matter is being pursued with the Government of India for procurement through Global Tender Enquiry for items having no indigenous availability and are valued upto ₹200 crore.

- **Volatility in Steel Prices may lead to failure in achieving Target Revenue**

Segment specific approach is being adopted for products

being difficult to market and seminars and workshops are being conducted to bring awareness about the products.

To mitigate the threat of increase in low value imports from China and other leading countries leading to imbalance in demand and supply, Government intervention is being sought through industry associations for continuing tariff based redressal for discouraging low value imports.

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

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

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

To evacuate stocks of imported coal from discharge ports, the matter is being continuously taken up with Indian Railways for uniform availability of rakes.

Action is being taken to encourage participation of more Coal Producers/Sellers by aligning with the current market dynamics. Further, new coal producing countries from different geographies like Russia, Mongolia, etc. are also being explored.

D. OUTLOOK

The expectation of a continued and stable recovery for world steel industry from the pandemic, has been shaken by the war in Ukraine and rising inflation. The unending Russia-Ukraine war has changed market dynamics and has led to supply gaps, resulting into widespread volatility in the commodities market and also given rise to inflationary pressures across most economies. India will continue to get opportunities to service the gap, more so since geo-political leanings are currently in favour of the Country. The on-going Russian-Ukraine war crisis has led to IMF downgrading the outlook for the world economy and has cut its forecast for global growth to 3.6% this year. Crude oil prices are likely to persist higher due to sanctions on Russian oil industry, which will lead to higher inflation. The Government of China has pledged to support domestic economy ravaged by Covid lockdowns and plans to infuse massive economic stimulus. It has also taken steps to support its sluggish construction sector, which will provide support to steel consumption.

With regard to Indian economy, even though the growth estimates have been revised downwards, India is expected to be the fastest growing major economy in the world. Withdrawal of Covid restrictions and normalisation of the economy has led to a broad based recovery in most sectors. Infrastructure and manufacturing initiatives by the Government are supportive of growth, and healthy tax collections provide the Government with enhanced



flexibility. Realignment of global supply chains will continue to provide opportunities to grow exports. Outlook for auto sales, especially PVs and M&HCV, remains healthy. Real estate market remains strong despite rising interest rates. Healthy power consumption growth is expected to aid addition of renewables. However, high inflation, energy costs, and rate hikes by the RBI and global central banks will be dampeners to growth.

In addition to the huge scope for growth due to India's comparatively low per capita steel consumption, the pandemic has accelerated some key trends, which will bring about shifts in steel demand on account of Government of India's focus on strengthening domestic manufacturing under 'Atmanirbhar Bharat Abhiyan', introduction of 'Production Linked Incentive Scheme' to encourage the manufacturing in various industries, investment in infrastructure projects, thriving automobile and railways sector, etc.

E. STRENGTHS and WEAKNESSES

Strengths

- Multi located production units give SAIL an edge over other domestic steel players.
- Well established nationwide marketing and distribution network helps in enhancing the reach of SAIL products across the Country.
- Most diversified product range offered by any domestic steel company.
- Availability of land bank at existing Plant/Unit locations for future brown-field expansion.
- Input security - 100 per cent integration in iron-ore.
- The newly commissioned mills are oriented towards products required to cater to the infrastructure development.
- Potential for improving product-mix and reducing cost through operational efficiency and utilization of the new and modernized units.

Weaknesses

- Dependence on external sources for key input i.e. coking coal leads to exposure of the Company to the market risk.
- Ageing employee mix along with a high manpower cost and relatively low manpower productivity.

F. REVIEW OF FINANCIAL PERFORMANCE

1. FINANCIAL OVERVIEW OF SAIL

SAIL achieved sales turnover of ₹1,02,805.13 crore during the Financial Year (FY) 2021-22, which was higher by 50.18% as compared to corresponding period of last year (CPLY) turnover of ₹68,452.34 crore. During the FY 2021-22, the Profit before Tax and after Tax at ₹16,038.72 crore and ₹12,015.04 crore respectively as compared to CPLY Profit before Tax of ₹6,879.03 crore and Profit after Tax of ₹3,850.02 crore. The comparative performance of major financial parameters during the FYs 2021-22 and 2020-21 is given below:

(₹ crore)

Particulars	2021-22	2020-21
Sales Turnover	102805.13	68452.34
Profit Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	22364.17	13739.74
Less: Interest and Finance Charges	1697.88	2817.14
Less: Depreciation	4274.17	4102.00
Profit Before Exceptional/Abnormal Items and Tax	16392.13	6820.60
Less: Exceptional items Gain(-)/Loss (+)	353.41	-58.43
Profit(+)/ Loss(-) before tax	16038.72	6879.03
Less: Provision for taxation	4023.68	3029.01
Profit(+)/Loss(-) after Tax	12015.04	3850.02
Other Comprehensive Income	-64.45	280.53
Total Comprehensive Income (+)/Loss(-)	11950.59	4130.55
Net Worth	52017.14	43495.88
EBITDA to Net sales (%)	21.75	20.07
Return (PAT) on Net worth (%)	23.10	8.85
EBITDA to average capital employed (%)	32.72	17.01
Earnings per share of Rupee 10/- each	29.09	9.32
Debt Equity Ratio	0.33:1	0.87:1
Current Ratio	0.73:1	0.68:1
Debtors' Turnover Ratio (Days)	17	43
Inventory Turnover Ratio (Days)	14.46	9.58
Interest Coverage Ratio(No. of times)	9.56	2.86
Operating Profit Margin (%)	17.60	14.08
Net Profit Margin (%)	11.69	5.62

During the FY 2021-22, there has been significant improvement in the performance of the Company, on account of increase in NSR of Saleable Steel (41%), better Techno-Economic parameters, and power usage. The profit has further improved due to increase in Saleable Steel Sales Volume (8%), higher sale of Pig Iron, Higher sales of Secondary products, higher dividend income, reduction in interest charges, etc. However, the profit has been partially offset by increased coal prices, lower sale of iron ore fines, higher usage of other raw materials, increase in salary & wages on account of implementation of wage revision, increase in royalty rate of iron ore, increased purchased power rates and Ferro-Alloys rates, security expenses, repair and maintenance expenses, stores & spares, depreciation charges, etc.

As compared to CPLY, the decrease in number of days in Debtors' Turnover Ratio was mainly on account of increase in turnover and realisation from debtors. The increased Current Ratio is mainly on account of increase inventory levels as well as reduction in borrowings. Reduction in borrowings has led to lower debt equity ratio in FY 2021-22. Increase in Interest Coverage Ratio is mainly due to lower interest cost on account of reduction in borrowings and higher EBIT.

1.2.1 Cost Control Measures

- Renewed focus on cost reduction, productivity improvement, value addition and quality improvement continued during the year through process improvement and R&D efforts. Besides, strong awareness was created at all levels of operations to control cost in all areas of operation.



- Continuous monitoring of procurement of high value items, maximizing usage of available indigenous coal, maximising use of in-house engineering shops, sale of idle assets, reduction in ocean freight and optimising procurement through centrally purchased items, including negotiations with suppliers for price reduction, were pursued throughout the financial year 2021-22.
- Coal blend optimisation and improvement in operational parameters such as Coke Rate, Coal Dust Injection and Specific Energy Consumption, Concast Production have contributed to cost savings during the year. With an aim to increase the percentage of Production through Concast route, SMS-1 ingot route at BSL has been stopped from June, 2021.

1.2.2 Marketing

Your Company has taken a number of initiatives during the Financial Year 2021-22 aimed at sustaining and consolidating its position as the leading steel producer of the Country.

Further, with a view to widening the options that the Company makes available to customers and to meet their needs for customized or specific application steels, marketing of new products was started in 2021-22, including the following:

- LHB Axle, an import substitution item, was developed and 3872 nos. were supplied to Indian Railways.
- Your Company has enhanced its efforts towards increasing sales of special quality Wire Rod Coils to the consumers. At the new Wire Rod Mill of IISCO Steel Plant, other than mild steel grades for Wire Rod drawing, special grade WRC in EWN (Electrode Quality); MIG for continuous welding in Auto Segment; Cable Armour Quality for Electrical segment; different grades of High carbon Wire Rod Coils for applications such as umbrella ribs, cycle spokes, spring used in machines tools, tyre-beads.
- With continuous engagement for new Grades and Products, your Company has developed Wide Parallel Flange Beam WPB200 for Railway Sleepers, TMT Fe550D HCR and Fe600 for infra and construction sectors, high strength coated galvanized products for agriculture & solar industry, CR Silicon for Electrical applications, etc.

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

- Inspired by the Government's clarion call for "Atmanirbhar Bharat" and "Vocal for Local", SAIL is relentlessly making efforts in developing steels, which can play an important role in these Missions. The new grade of steel developed by Salem Steel Plant "Super Duplex Stainless Steel in SS 32205 Grade" is an effort in this direction. This steel has superior corrosion resistance with higher strength and formability and is mainly imported till now.
- Your Company has introduced Tier-I distributor system to improve system of servicing demand of small consumers, B2B industrial segments and to provide single window servicing of small customers including value added

services. Guwahati and Cochin were the pilot locations where this scheme was introduced w.e.f. July, 2020. As on 1st April, 2022, SAIL has 13 numbers of Tier-1 distributors across the Country, and sales through Tier-1 distributors in FY 2021-22 was 2.26 lakh tonne.

- In order to help build awareness and acceptance of steel usage in rural areas, SAIL has an ongoing rural outreach programme "Gaon Ki Ore". Under the campaign, 130 workshops have been conducted during the financial year 2021-22 across the Country with focus on small consumers, etc.
- Your company has launched its reinforcement bar brand "SAIL-SeQR" in 2019-20. This brand is being promoted as better quality steel for safer homes. This brand is focused to enhance retail presence of SAIL with special emphasis on rural penetration. During the FY 2021-22, the Company has sold about 3.78 lakh tonnes of "SAIL SeQR" reinforcement bars. During the coming years, in addition to contribution to top line value, the brand "SAIL SeQR" is expected to not only meet the quality expectation of the Retail Sector but also to drive brand presence of the Company. During FY 2021-22, Workshops and various promotional meets were organised for promoting the SeQR brand amongst the masses.
- Around 5.26 lakh tonnes of TMT were supplied through the 2 Tier Distributor network during FY 2021-22. 'SAIL Suraksha', the online E-Portal was launched by SAIL during FY 2020-21 to enable the household segment to book materials from any location in the Country.
- Your Company has continued the thrust on the "NEX" brand of structurals, assuring improved performance. Efforts have been made to popularise usage of steel in designing in general and increase usage of "NEX" brand of structural through virtual meetings with customers, webinars and participated in virtual workshop sessions in-house and also by Structural Designers, Architects, etc.
- SAIL has been contributing in nation building since inception by servicing the requirement of various Infrastructure Projects and also projects of Strategic Importance. Continuing the trend in FY 2021-22, your Company supplied significant quantity of Steel to Power Projects, Road, Rail, Airport & Port Infrastructure Projects, Metro Rail Project, Irrigation & Drinking Water projects, Fertiliser Industry and Oil & Gas Sector.
- During the FY 2021-22, your Company has supplied steel to number of Iconic Structures and Projects of National Importance. The major projects include-Regional Rapid Transport System, Delhi Meerut Expressway, Eastern Dedicated Freight Corridor Corporation, Western Dedicated Freight Corridor Corporation, Coastal Road Project Mumbai, NPCIL Fatehabad Haryana, HPCL Rajasthan Refinery Limited Barmer, Bullet Train Project from Ahmedabad to Mumbai for National High Speed Railway Corporation Limited, India's longest river road bridge of 19 km at Dhubri to Foolbari over river Brahmaputra, Lower Subanshri Hydel Project Assam, Mahatma Gandhi Setu in Bihar, Ganga Water Lift in Bihar,



Agartala-Akhaura Rail Link project in Tripura, Guwahati International Airport Assam, AIIMS Guwahati, 111 km long BG Extension project connecting Jiribam-Tupul-Imphal involving 52 tunnels & 149 bridges. SAIL was also one of the major suppliers of steel to Metro Rail Projects in 10 cities across the Country.

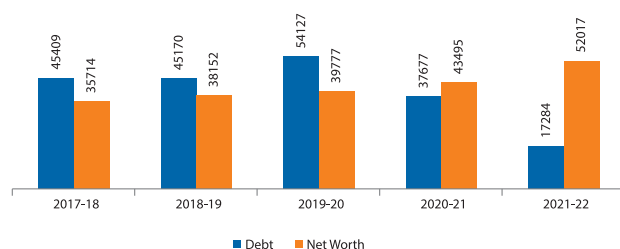
Your Company has the largest marketing network among all steel producers in the Country. As on 1st April, 2022, SAIL's functional network of marketing offices consists of 37 Branch Sales Offices, 4 Customer Contact Offices, 19 Departmental Warehouses and 18 functional Consignment Agency yards. Marketing efforts are further supplemented through SAIL's Retail Channel that reaches the products of mass consumption to remote corners of India.

SAIL has an extensive dealership network comprising of more than 4000 dealers spread across the Country. With 41 Distributors already in place in the 2-tier distribution network as on 1st April, 2022, this channel of retail sales is being further strengthened. SAIL has also introduced Tier-I distributor system to improve the system of servicing demand of small consumers, B2B industrial segments and to provide single window servicing of small customers including value added services and has 13 distributors as on 1st April, 2022. This huge network spread across the Country helps in meeting the requirements of a wide range of customers spread through length and breadth of the Country.

Some other initiatives undertaken by your Company include launching of Incentivisation Scheme for MSMEs to promote Local Industries based in and around our Integrated Steel Plants, wherein 142 MSMEs have joined the SAIL scheme.

1.3 Funds Management

There is reduction in the borrowings of the Company from ₹37,677 crore as on 31st March, 2021 to ₹17,284 crore as on 31st March, 2022 in line with INDAS. The debt equity ratio of the Company as on 31st March, 2022 is 0.33:1 as compared to 0.87:1 in the previous year. The interest and finance charges on operation account during the current year at ₹1,698 crore are lower by ₹1,119 crore over CPLY. The Net-worth of the Company has increased from ₹43,495 crore as on 31st March, 2021 to ₹52,017 crore as on 31st March, 2022. M/s. CARE Ratings, M/s. India Ratings and M/s. Brickwork Ratings, RBI approved credit rating agencies, assigned 'CARE AA- Outlook: Stable', 'India Ratings AA- Outlook: Stable' and 'BWR AA Outlook: Stable' ratings respectively for SAIL's long-term borrowing programme. The trend of borrowings and Net-worth is given as under:



1.4 Contribution to SAIL Gratuity Trust

As per the settlement made towards payment of Gratuity by the Company, an amount of ₹754 crore has been funded by SAIL Gratuity Trust to the Company. The fund size has been at ₹5,936.18 crore as on 31st March, 2022, as per the contributions made by the Company to SAIL Gratuity Trust.

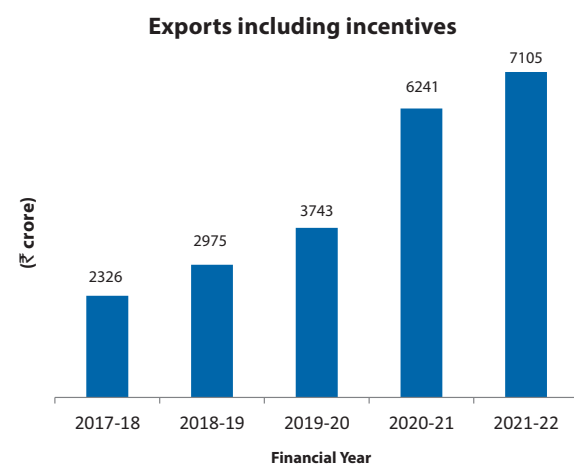
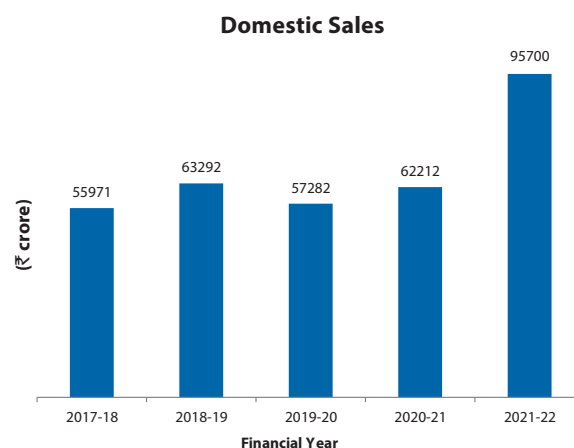
2. ANALYSIS OF THE FINANCIAL PERFORMANCE OF THE COMPANY

2.1 Revenue from Operations

a) Sale of Products

S.No.	Particulars	FY 2021-22	FY 2020-21	Change %
1	Sales of Saleable Steel Products	98004.53	65211.87	50.29
2	Sales of Other Products	4800.60	3240.47	48.13
3	Total Sales Turnover	102805.13	68452.34	50.18

b) Trend of Domestic Sales and Exports



The Company catered to almost the entire gamut of the mild steel business namely, Flat Products in the form of Plates, HR Coils/Sheets, CR Coils/Sheets, Galvanised Plain/Corrugated Sheets and Long Products comprising Rails, Structural, Wire-Rods and Merchant Products. In addition, Electric Resistance Welded Pipes, Spiral Welded Pipes and Silicon Steel Sheets formed part of the Company's rich product-mix. The product category-wise sales turnover during the FY 2021-22 is given as under:



Products Category	% of Sales value
Saleable Steel	
Flat Products (including Pipes & Electrical Sheets) (a)	52
Long Products (b)	38
Integrated Steel Plants – Mild Steel (c = a + b)	90
Alloy & Special Steel Plants - Alloy & Special Steel (d)	3
Total Saleable Steel (e = c + d)	93
Secondary Products (Pig Iron, Scrap, Coal Chemicals, etc.) (f)	7
Total (g = e + f)	100

c) Sale of Services - Service Charges

(₹ crore)

FY 2021-22	FY 2020-21	Change %
24.38	20.57	18.52

Revenue from sale of services increased by about ₹3.81 crore during the current year.

d) Other Operating Revenues

(₹ crore)

FY 2021-22	FY 2020-21	Change %
643.81	637.11	1.05

Other operating revenues increased by about ₹6.70 crore over previous year mainly due to recoveries from social amenities and better realization from sale of empties and sundries.

2.2 Other Income

(₹ crore)

FY 2021-22	FY 2020-21	Change %
1042.03	1011.69	3.00

Other income increased by about ₹30.34 crore over previous year primarily on account of higher interest income and dividend from investments.

2.3 Expenditure

(₹ crore)

Particulars	FY 2021-22	FY 2020-21	Change %
Raw Materials Consumed	42776	23136	84.89
Employee Remuneration & Benefits	12846	10446	22.97
Finance Cost	1698	2817	-39.72
Depreciation	4274	4102	4.19
Other Expenses	26812	18531	44.69

During the FY 2021-22, there has been substantial increase in Raw Materials cost on account of increase in input prices, particularly of imported coal and increase in royalty rate of iron ore. During the year, the Employees' Remuneration & Benefits have increased mainly due to implementation of wage revision provision. There has been a reduction in borrowings, which has led to lower finance cost and an increase in depreciation has been mainly due to capitalization of new facilities. The increase in Other Expenses was on account of higher consumption of stores & spares, power & fuel, repairs & maintenance, freight outward, security expenses, royalty & cess, etc.

2.4 Contribution to Exchequer

During the Financial Year 2021-22, SAIL contributed ₹24,302 crore to the national exchequer by way of payment of taxes and duties to various government agencies.

2.5 Non-Current / Current Assets

(₹ crore)

Particulars	FY 2021-22	FY 2020-21	Change %
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	68363	64115	6.62
(b) Capital Work-in-Progress	4017	8878	-54.76
(c) Right of use Asset	3834	2054	86.65
(d) Investment Property	1	1	-2.75
(e) Intangible assets	1459	1429	2.10
(f) inventories	4559	4236	7.62
(g) Financial Assets			
(i) Investments	1624	1595	1.85
(ii) Trade Receivables			
(iii) Loans	560	636	-12.08
(iv) Other Financial Assets	239	454	-47.36
(h) Deferred Tax Assets (Net)	0	0	
(i) Non current tax assets (net)	294	217	35.17
(j) Other non-current assets	4117	1567	162.77
TOTAL NON CURRENT ASSETS	89067	85184	4.56

(₹ crore)

Particulars	FY 2021-22	FY 2020-21	Change %
CURRENT ASSETS			
(a) Inventories	19569	15272	28.14
(b) Financial Assets			
(i) Trade Receivables	4737	8139	-41.80
(ii) Cash and cash equivalents	60	468	-87.24
(iii) Bank balances other than (ii) above	588	212	177.23
(iv) Loans	43	36	18.34
(v) Other Financial Assets	1341	1477	-9.26
(c) Other Current Assets	2322	4927	-52.87
(d) Assets classified as held for sale	14	17	-17.70
TOTAL CURRENT ASSETS	28674	30549	-6.14
TOTAL ASSETS	117741	115732	1.74

- Property, Plant & Equipment increased by ₹4,248 crore and the Capital Work-in-Progress decreased by ₹4,861 crore on account of Capitalisation of Turbo Blower at Bhilai Steel Plant, Hot Strip Mill at Rourkela Steel Plant and Steel Melting Shop at Bokaro Steel Plant. Further, Right to use Assets includes an addition of ₹2,016 crore under Finance Lease Agreement with M/s. NTPC SAIL Power Company Limited, a Joint Venture between NTPC Limited and SAIL.
- Other Non-Current Assets increased by ₹2,550 crore.
- The inventories increased by ₹4,297 crore mainly on account of increase in raw materials inventory, finished/ semi-finished products inventory, stores & spares inventory.



- Decrease in trade receivables was by ₹3,402 crore mainly on account of realisation from Railways and other debtors.
- Other Current Assets decreased by ₹2,605 crore on account of reduction in Deposits with Government Authorities by ₹2,895 crore.

2.6 Non-Current/ Current Liabilities

(₹ crore)

Particulars	FY 2021-22	FY 2020-21	Change %
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	8136	17907	-54.6
(ii) Lease Liabilities	3606	1819	98.2
(iii) Trade Payables			
(iv) Other Financial Liabilities	1390	1231	12.9
(b) Long Term Provisions	5331	4526	17.8
(c) Deferred tax liabilities (net)	5260	1253	319.7
(d) Other non-current liabilities	2683	440	509.8
Total Non Current Liabilities	26406	27176	-2.8
Current Liabilities			
(i) Borrowings	5250	17701	-70.3
(ii) Lease Liabilities	292	249	17.2
(iii) Trade Payables	16918	8042	110.4
(iv) Other Financial Liabilities	11611	10889	6.6
(b) Other current liabilities	4077	6128	-33.5
(c) Provisions	1170	2040	-42.6
(d) Current Tax liabilities (net)		12	-100.0
Total Current Liabilities	39318	45062	-12.7
TOTAL (CURRENT + NON CURRENT LIABILITIES)	65724	72238	-9.0

- Long term borrowings decreased by 55% and the short term borrowings have decreased by ₹12,451 crore due to improved cash flows from operations.

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

(₹ crore)

Plant/Unit	FY 2021-22	FY 2020-21
Bhilai Steel Plant (BSP)	2272.53	1095.81
Durgapur Steel Plant (DSP)	1070.89	733.07
Rourkela Steel Plant (RSP)	5609.38	2106.36
Bokaro Steel Plant (BSL)	6064.21	2251.50
IISCO Steel Plant (ISP)	635.86	66.51
Alloy Steels Plant (ASP)	-88.11	-101.20
Salem Steel Plant (SSP)	57.76	-127.47
Visvesvaraya Iron & Steel Plant (VISP)	-36.23	-51.33
SAIL Refractory Unit (SRU)	25.92	25.38
Chandrapur Ferro Alloys Plant (CFP)	37.06	-47.22
Raw Materials Division/Central Units	389.45	927.62
SAIL: Profit Before Tax (+)/Loss(-)	16038.72	6879.03

G. MATERIALS MANAGEMENT

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

- Procurement on GeM Portal: In the Financial Year 2021-22, SAIL broad based its procurement of products and

services on Government e-Marketplace (GeM), which enabled the Company to emerge as the topmost buyer amongst CPSEs on GeM with a total procurement value of ₹4,613.80 crore, an exponential increase over the procurement of ₹114 crore in the previous financial year. This was achieved on account of various measures taken throughout the year for boosting the confidence of SAIL buyers on GeM by resolving the logistics issues encountered by them. Further, the key drivers for this achievement have been, regular review by the management of the progress of procurements on GeM, organising training / interactive sessions for SAIL buyers on available / new / upcoming functionalities on GeM, regular meetings with GeM officials regarding difficulties faced by SAIL buyers, vendor onboarding on GeM for which over 19,000 vendor records were shared with GeM, organizing exclusive awareness programs for vendors (refractory / ancillary, etc.) to enhance procurement on GeM, sense of competition among Plants / Units for procurements on GeM.

- SAIL's procurement from MSE's in FY 2021-22 was 34.04% against a target of 25%. SAIL is continuously making endeavors to develop new MSE vendors and provide support to local MSEs by mentoring, training, handholding and providing technical support to such MSEs in their chosen areas of functioning. In this regard, SAIL Plants and Units conducted 27 Vendor Development Programs during FY 2021-22. Online Vendor Development Programs were also conducted especially for SC/ST MSME vendors, to inform them about the opportunities, item requirement and vendor registration procedures in the organization.

H. FOREIGN EXCHANGE CONSERVATION

SAIL's imports are large as compared to the exports, and therefore, the foreign exchange has a larger impact on the Company in terms of the foreign exchange outgo, affecting the Country's foreign exchange reserves.

It has been our endeavour to minimize the imports through domestic substitution wherever possible, and also emphasise on exports. As a result, gradually the Company's export of finished products have been on the increasing trend. One of the major raw materials which SAIL has been importing is Coking Coal. Efforts are being made to use a blended coal mix with increased indigenous coal, which would lead to reducing the dependence on the Imported Coking Coal in order to reduce the outflow of precious foreign currency. Further, measures are being taken to expand the basket/ pool of suppliers for imported inputs/raw materials. The Government of India policy initiative restraining Global tender for projects up to Rs.200 crore, while is expected to provide the domestic participants an opportunity on the one hand, on the other hand it will result in conserving of Foreign Currency. In addition to this, the Company has taken up various initiatives to indigenise the procurement of raw materials and other inputs to the extent they become available to the Company at the commercially acceptable prices/costs and commensurate with the requirements of the technologies adopted by the Company.



I. PROJECT MANAGEMENT

AMR SCHEMES

Besides Modernisation and Expansion Projects, the Addition, Modification & Replacement (AMR) Schemes have also been taken up which are required for management of existing operations and primarily focuses on improving the current level of efficiency and output in incremental measures. AMR Schemes are undertaken for improving or revamping of existing facilities for sustaining the existing operations, balancing / debottlenecking of production processes, improve energy & other resource consumption / services / safety and environment. Replacement includes mostly replacing the existing Plant & Equipment / facility with better performance Plant & Equipment / facility. Accordingly, a number of AMR schemes costing around ₹5,000 crore were under implementation during Financial Year 2021-22 in different Plants of the Company as under:

- Upgradation of Stoves for Blast Furnace No.4, Installation of Cast House Defuming system in Blast Furnace No.7, Setting up of Static Facility for Environmentally Sound Management of Polychlorinated Biphenyls, Installation of Electrostatic Precipitators as replacement of Multi-cyclones for Sinter Plant-II, Treatment & Recycling of Waste water of Outlet-C, and Rebuilding of Coke Oven Battery No.7 & 8 at Bhilai Steel Plant and Modification in washing circuit of CSW Plant of Dalli Mines.
- Power Evacuation for 2x20 MW New Power Plant, Replacement of Converter shells together with Bottom Stirring System & Installation of Secondary Emission Control in all the three Converters of SMS, Installation of 4th Stove in Blast Furnace No.4, Installation of NDT Facilities at Wheel & Axle Plant and Power Augmentation Scheme for new 1250 TPD BOO Oxygen Plant at Durgapur Steel Plant.
- Power evacuation at 220 kV from NSPCL to MSDS-IV, Re-building of Coke Oven Battery No.2 along with augmentation of Coke Handling & Gas Handling Facility, Up-gradation of Effluent Treatment Plant of CO & CCD with ZLD concept, Installation of 4th Slab Caster along with Ladle Furnace at SMS-II and Installation of Treatment System-1 for Implementation of ZLD at Rourkela Steel Plant.
- New Sinter Plant, Rebuilding of Coke Oven Battery No.8, Up-gradation of 6 nos. of Electro Static Precipitators of Lime Kiln, Replacement of Battery cyclones with Electro Static Precipitators in Sinter Plant, Development of alternate system for drawal of raw water from Damodar River from BSL & Township, Replacement of existing RRI (Route Relay Interlocking) System by SSI (Solid State Interlocking) System at SWS (Steel Works Station), Power supply arrangement for proposed 2000 TPD Oxygen, Installation of 2000 TPD Oxygen Plant on BOO Basis and Up-gradation of Automation System of HSM at Bokaro Steel Plant.

Further, out of the above, following projects worth about ₹500 crore have been completed during the year 2021-22:

- Upgradation of Stoves for Blast Furnace-4 at BSP.
- Treatment & Recycling of waste water of Outlet-C at BSP.
- Power Evacuation for 2x20 MW New Power Plant at DSP.
- Replacement of Converter shells together with Bottom Stirring System & Installation of Secondary Emission Control in all the three Converters of SMS at DSP.

J. IN-HOUSE DESIGN & ENGINEERING

Centre for Engineering & Technology (CET), the ISO 9001:2015 certified in-house design, engineering and consultancy unit of SAIL caters to prepare investment proposal for the projects required for sustenance, up gradation, modernization of Plants & Units of the Company. CET provides consultancy for CAPEX projects across the complete value chain of steel business processes from Mines to Finishing. The major area of competency is in Mine Planning, Development and Capacity Expansion of Mines, Mineral Beneficiation, Loading and Transportation, Iron Ore Pelletisation, Material Handling in the area of Mining; Preparation of Investment Proposals and Design & Engineering Consultancy for Sinter Plants, Blast Furnaces with associated facilities like stoves, slag granulation plant, etc. Steel Melting Shops with associated facilities like Ladle Furnaces and Casters in the area of Iron & Steel making, Rolling Mills & Reheating Furnaces, Utilities projects like Zero Liquid Discharge Projects, Oxygen Plant, Power Plant, Pollution Control Projects, Refractory Plants, Automation Projects, Electrical Power Supply & Distribution Projects and Infrastructure Projects, etc. CET has competitive edge of working in brown field projects in SAIL Plants and has also successfully carried out green field projects. CET was the consultant for the state of the art New Hot Strip Mill of Rourkela Steel Plant which was commissioned on 31st March, 2022. CET had prepared the Feasibility Report for the Plant and scrutinized around 10,000 drawings during its engineering.

The current major projects being handled by CET covers many brownfield as well as greenfield projects and include MDO at Tasra, Taldih, Gua; Mineral beneficiation at Bhilai mines; Rebuilding of Coke Oven batteries in BSP, RSP, DSP & BSL; Installation of New Stamp Charged Coke Oven Battery (first such Coke Oven Battery in SAIL); Installation of new stoves for Blast Furnaces in DSP, ISP and BSL; Upgradation of Blast Furnace-3 at DSP; modernization of SMS-I in BSL, RH at BSL, New SMS-III at RSP, installation of 4th caster in RSP, converter shell changing in BSP; Ladle Furnace in ISP; new bar mill in DSP; Refinishing Mill Complex for rails in Universal Rail Mill of BSP; normalizing facility for plates in New Plate Mill of RSP; New Test House for plates in RSP; Non-Destructive Testing facilities for wheels in DSP; Oxygen Plant at RSP, ISP and BSL; Zero Liquid Discharge (ZLD) projects of ISP, DSP and RSP; Power Evacuation Projects at DSP, RSP; Up-gradation of

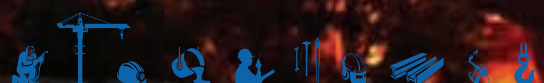


K. RESEARCH & DEVELOPMENT



STANDALONE FINANCIAL STATEMENTS

STANDALONE FINANCIAL
STATEMENTS



Standalone Balance Sheet

As at 31st March, 2022

(₹ in crore)

	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	68362.72	64115.26
(b) Capital work-in-progress	5	4016.72	8878.48
(c) Right of use assets	4a	3834.04	2054.13
(d) Investment property	6	1.06	1.09
(e) Intangible assets	7	1459.35	1429.28
(f) Inventories	7a	4559.16	4236.26
(g) Financial assets			
(i) Investments	8	1624.49	1595.01
(ii) Trade receivables	9	-	-
(iii) Loans	10	559.54	636.45
(iv) Other financial assets	11	239.00	453.99
(h) Current tax assets (net)	13	294.19	216.78
(i) Other non-current assets	14	4117.13	1566.81
		89067.40	85183.54
Current Assets			
(a) Inventories	15	19569.31	15272.04
(b) Financial assets			
(i) Trade receivables	16	4736.83	8138.84
(ii) Cash and cash equivalents	17 (i)	59.76	468.40
(iii) Bank balances other than (ii) above	17 (ii)	588.07	212.12
(iv) Loans	18	43.10	36.42
(v) Other financial assets	19	1340.51	1477.32
(c) Other current assets	20	2322.16	4926.74
		28659.74	30531.88
Assets classified as held for sale	21	14.00	17.01
		117741.14	115732.43
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	4130.53	4130.53
(b) Other equity	23	47886.61	39364.35
		52017.14	43494.88
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	8135.81	17906.57
(ia) Lease liabilities		3606.41	1819.39
(ii) Trade payables	25	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities	26	1390.28	1231.07
(b) Provisions	27	5331.02	4525.89
(c) Deferred tax liabilities (net)	12	5259.93	1253.16
(d) Other non-current liabilities	28	2682.82	439.97
		26406.27	27176.05
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	29	5249.84	17701.46
(ia) Lease liabilities		292.04	249.16
(ii) Trade payables	30	-	-
(a) total outstanding dues of micro enterprises and small enterprises		140.65	103.57
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		16777.36	7938.49
(iii) Other financial liabilities	31	11610.62	10889.11
(b) Other current liabilities	32	4076.75	6127.81
(c) Provisions	33	1170.47	2039.84
(d) Current tax liabilities (net)	34	-	12.06
		39317.73	45061.50
		117741.14	115732.43
TOTAL EQUITY AND LIABILITIES			

Significant Accounting Policies 3

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

For and on behalf of the Board of Directors

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

Sd/-
[Soma Mondal]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

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

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

Sd/-
[B. Vijay]
Partner
M. No. 214678

Sd/-
[Vivek Newatia]
Partner
M. No. 062636

Sd/-
[Neeraj Sharma]
Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Standalone Statement of Profit and Loss

For the year ended 31st March, 2022

(₹ in crore)

	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Income			
Revenue from operations	35	103473.32	69110.02
Other income	36	1042.03	1011.69
Total Income		104515.35	70121.71
Expenses			
Cost of materials consumed	37	42776.46	23136.17
Changes in inventories of finished goods, work in progress and by-products	38	(284.99)	4268.58
Employee benefits expense	39	12846.24	10445.94
Finance costs	40	1697.88	2817.14
Depreciation and amortisation expense		4274.17	4102.00
Other expenses	41	26813.46	18531.28
Total expenses		88123.22	63301.11
Profit before Exceptional items and tax		16392.13	6820.60
Less: Exceptional items	41a	353.41	(58.43)
Profit before tax		16038.72	6879.03
Tax expense			
Current tax		-	12.05
Deferred tax		4023.68	3016.96
Total tax expense		4023.68	3029.01
Profit for the year		12015.04	3850.02
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(112.09)	357.49
Gain and losses from investments in equity instruments designated at fair value through OCI		24.87	16.67
(ii) Income tax relating to items that will not be reclassified to profit or loss		22.77	(93.63)
Other Comprehensive Income/(Loss) for the year		(64.45)	280.53
Total Comprehensive Income/(Loss) for the year		11950.59	4130.55
Earnings per equity share			
Number of equity shares (face value ₹10/- each)		4130525289	4130525289
Basic and diluted earnings per share (₹)	41b	29.09	9.32

Significant Accounting Policies

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

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

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

Sd/-
[**B. Vijay**]
Partner
M. No. 214678

For and on behalf of the Board of Directors

In terms of
For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

Sd/-
[**Vivek Newatia**]
Partner
M. No. 062636

In terms of our report of even date

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

Sd/-
[**Neeraj Sharma**]
Partner
M. No. 502103

Sd/-
[**Soma Mondal**]
Chairman
DIN: 06845389

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

Sd/-
[**Keshaw Kumar Harodia**]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Standalone Statement of changes in equity

For the year ended 31st March, 2022

A. Equity Share Capital

(₹ in crore)

Particulars	Balance as at 1 st April, 2021	Changes in equity share capital	Balance as at 31 st March, 2022
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53
Particulars	Balance as at 1 st April, 2020	Changes in equity share capital	Balance as at 31 st March, 2021
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53

B. Other Equity

Particulars	Reserves and Surplus					Other comprehensive Income - Reserve	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Bond Redemption Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as at 1st April, 2021	1.75	235.10	5095.13	1084.15	32866.56	81.66	39364.35
Profit for the year	-	-	-	-	12015.04	-	12015.04
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	(83.65)	19.20	(64.45)
Total comprehensive income for the year	-	-	-	-	11931.39	19.20	11950.59
Transfer from bond redemption reserve	-	-	-	(553.18)	553.18	-	-
Equity dividend	-	-	-	-	(3428.33)	-	(3428.33)
Balance as at 31st March, 2022	1.75	235.10	5095.13	530.97	41922.80	100.86	47886.61
Balance as at 1st April, 2020	1.75	235.10	5095.13	1375.02	28871.07	68.78	35646.85
Profit for the year	-	-	-	-	3850.02	-	3850.02
Other comprehensive income (loss) for the year (net of tax)	-	-	-	-	267.65	12.88	280.53
Total comprehensive income for the year	-	-	-	-	4117.67	12.88	4130.55
Transfer from bond redemption reserve	-	-	-	(290.87)	290.87	-	-
Equity dividend	-	-	-	-	(413.05)	-	(413.05)
Balance as at 31st March, 2021	1.75	235.10	5095.13	1084.15	32866.56	81.66	39364.35

Significant Accounting Policies

3

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

For and on behalf of the Board of Directors

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

Sd/-
[Soma Mondal]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

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

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

Sd/-
[B. Vijay]
Partner
M. No. 214678

Sd/-
[Vivek Newatia]
Partner
M. No. 062636

Sd/-
[Neeraj Sharma]
Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022

Standalone Cash Flow Statement

For the year ended 31st March, 2022

(₹ in crore)

	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	16038.72	6879.03
Adjustments for:		
Depreciation and amortisation expenses	4274.17	4102.00
Loss on disposal of fixed assets (net)	21.71	37.74
Interest income	(279.11)	(267.97)
Dividend income	(192.99)	(160.81)
Finance costs	1606.92	2822.61
Unrealised loss/(gain) on foreign exchange fluctuations	90.96	(5.47)
Gain on sale of non-current investments	(0.08)	(4.47)
Allowance for doubtful debts, loans and advances	98.24	92.69
Other allowances	258.60	169.26
Unclaimed balances and excess allowances written back	(351.50)	(283.10)
Operating Profit before working capital changes	21565.64	13381.51
Changes in assets and liabilities:		
Trade receivables	3315.92	1617.86
Loans, other financial assets and other assets	288.22	746.40
Trade payable	8875.95	1715.02
Other financial liabilities and other liabilities	2046.07	1760.83
Provisions	(176.33)	102.00
Inventories	(4868.26)	4094.62
Cash flow from operating activities post working capital changes	31047.21	23418.24
Income tax paid (net)	(83.61)	(22.36)
Net cash flow from operating activities (A)	30963.60	23395.88
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital work-in-progress) and intangibles	(3852.18)	(3709.63)
Proceeds from sale/disposal of property, plant & equipment	235.71	143.11
Purchase of current and non-current investments	(4.53)	9.53
Movement in fixed deposits (net)	(737.40)	(2.30)
Interest received	190.75	125.45
Dividend received	192.99	160.81
Net cash used in investing activities (B)	(3974.66)	(3273.03)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings (net)	(9770.76)	(14793.27)
Lease liabilities	(186.23)	(115.48)
Proceeds from short-term borrowings (net)	(12451.62)	(1541.72)
Finance cost paid	(1922.09)	(2944.36)
Dividend paid	(3066.88)	(413.05)
Net cash used in financing activities (C)	(27397.58)	(19807.88)
D. Net change in cash and cash equivalents (A+B+C)	(408.64)	314.97
Cash and cash equivalents at the beginning of the year	468.40	153.43
Cash and cash equivalents at the end of the year	59.76	468.40

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

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

For and on behalf of the Board of Directors

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

Sd/-
[Soma Mondal]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

For Walker Chandiok & Co LLP
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Sd/-
[Neeraj Sharma]
Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Notes to Standalone Financial Statements for the Year ended 31st March, 2022

1. Corporate and General Information

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

These financial statements have been approved by the Board of Directors of the Company and authorised for issue in their meeting held on 23rd May, 2022.

2. Basis of Preparation

2.1 Statement of Compliance

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

2.2 Basis of Measurement

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

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

2.3 Functional and Presentation Currency

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

2.4 Use of estimates, assumptions and judgements

In preparing the financial statements in conformity with Ind AS and company's accounting policies, management is required to make estimates, assumptions and judgements that affect reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures as at the date of the financial statements. The judgements, estimates and underlying assumptions are reviewed on an

ongoing basis. Revisions to accounting estimates are recognised prospectively. Actual results could differ from those estimates.

2.5 Current versus Non-current classification

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Property, Plant and Equipment

3.1.1 Recognition and Measurement

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



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

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

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

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

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

3.1.2 Subsequent Cost

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

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

3.2 Investment Properties

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

3.3 Depreciation

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

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

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

Freehold land is not depreciated.

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

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

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

3.4 Intangible assets

Mining Rights

Mining rights are treated as Intangible Assets and all related costs thereof are amortised using the unit of production basis over the commercially recoverable



reserves. In case the mining rights are not renewed, the balance related cost paid is charged to revenue in the year of decision of non-renewal.

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

Other Intangible Assets

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

Research and development

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

3.4.1 Subsequent Cost

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

3.4.2 De-recognition of intangible assets

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

3.5 Stripping Cost

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

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

The expenditure, which cannot be specifically identified to be incurred to access ore is charged to revenue, based on stripping ratio as per five-year

mining plan for mines, except collieries which is based on project report.

3.6 Impairment of Non-Financial Assets

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

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

3.7 Borrowing costs

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

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

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

3.8 Inventories

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

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

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Minor raw materials - Moving weighted average cost



Stores & Spares - Moving weighted average cost

Materials in-transit - at cost

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

3.9 Government Grants

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

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

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

3.10 Foreign Currency Transactions

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

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

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

taken after 31st March 2016, exchange differences arising on settlement or translation of long term monetary items are recognised in statement of profit or loss.

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

3.11 Employee Benefits

Defined Contribution Plan

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

Defined Benefit Plan

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

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

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

Short Term Employee Benefits

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

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



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

3.12 Revenue Recognition

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

Sale of Goods

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

Marine export sales are recognised on:

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

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

Interest and dividend income

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

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

3.13 Adjustment pertaining to Earlier Years

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

3.14 Claims for Liquidated Damages and Price Escalation

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

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

3.15 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains a lease based on whether the contract conveys the right to control

the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

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

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

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

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

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

Company as a Lessor

Finance leases

Leases which effectively transfer to the lessee substantially all the risks and rewards incidental to ownership of the leased item are classified and



accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

Operating leases

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.16 Non-current assets held for sale

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

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

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

3.17 Mine Closure

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

3.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions and Contingent Liabilities

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

When some or all of the economic benefits required to

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

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

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

Contingent Assets

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

3.19 Income Taxes

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based



on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

3.20 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cheques on hand and demand deposits, together with other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and are subject to an insignificant risk of changes in value.

3.21 Financial Instruments

Recognition, initial measurement and de-recognition

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

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

Classification and subsequent measurement of financial assets

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

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

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

Amortised cost

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

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or that are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

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

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

Classification and subsequent measurement of financial liabilities

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

Embedded Derivatives

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





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

3.24.6 Fair Value Measurements

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

3.24.7 Provisions and Contingencies

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

3.24.8 Mine Closure and Restoration Obligations

Environmental liabilities and Asset Retirement Obligation (ARO): Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

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

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



Notes to Standalone Financial Statements

4: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Disposals / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	354.26	-	(0.04)	354.30	0.81	-	-	0.81	353.49	353.45
- Leasehold land	2.16	-	-	2.16	0.27	0.03	-	0.30	1.86	1.89
Buildings and related equipments	5270.69	15.81	28.95	5257.55	2194.06	116.41	9.79	2300.68	2956.87	3076.63
Plant and machinery										
- Steel plant	93616.63	7715.96	707.46	100625.13	36610.84	3492.55	534.73	39568.66	61056.47	57005.79
- Others - owned	3366.99	138.03	51.84	3453.18	2246.78	126.08	49.58	2323.28	1129.90	1120.21
Furniture and fixtures	144.05	5.11	1.86	147.30	117.87	6.06	1.32	122.61	24.69	26.18
Vehicles	1395.33	44.46	15.41	1424.38	1000.50	69.66	14.57	1055.59	368.79	394.83
Office equipments	61.77	0.94	1.53	61.18	53.05	1.65	1.38	53.32	7.86	8.72
Miscellaneous articles	395.98	25.08	3.64	417.42	261.70	14.94	3.25	273.39	144.03	134.28
Roads, Bridges & Culverts	481.77	56.48	4.67	533.58	355.19	24.73	3.45	376.47	157.11	126.58
Water Supply & Sewerage	721.96	43.64	1.08	764.52	428.72	36.24	1.06	463.90	300.62	293.24
EDP Equipments	448.71	6.70	3.11	452.30	396.00	12.34	2.21	406.13	46.17	52.71
Railway Lines and Sidings	1033.32	18.31	2.96	1048.67	315.25	31.10	2.62	343.73	704.94	718.07
Sub-total 'A'	107293.62	8070.52	822.47	114541.67	43981.04	3931.79	623.96	47288.87	67252.80	63312.58
Figures for the previous year	105064.43	2673.06	443.87	107293.62	40548.33	3733.38	300.67	43981.04	63312.58	
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.89	-	0.01	10.88	-	-	-	-	10.88	10.89
- Leasehold land	-	-	-	-	-	-	-	-	-	-
Buildings and related equipments	833.39	313.47	2.77	1144.09	437.37	34.62	1.23	470.76	673.33	396.02
Plant and machinery - others	199.41	1.83	0.89	200.35	125.26	7.26	0.80	131.72	68.63	74.15
Furniture and fixtures	27.26	1.67	0.42	28.51	22.64	0.99	(0.47)	24.10	4.41	4.62
Vehicles	10.84	0.07	0.04	10.87	9.45	0.23	-	9.68	1.19	1.39
Office equipments	4.32	0.20	0.39	4.13	3.86	0.04	0.32	3.58	0.55	0.46
Miscellaneous articles	244.31	31.25	3.45	272.11	168.60	11.87	3.04	177.43	94.68	75.71
Roads, Bridges & Culverts	149.71	24.79	7.37	167.13	125.45	6.34	6.99	124.80	42.33	24.26
Water Supply & Sewerage	308.26	2.32	0.09	310.49	153.47	7.04	0.08	160.43	150.06	154.79
EDP equipments	11.68	0.92	0.41	12.19	9.69	0.68	0.30	10.07	2.12	1.99
Sub-total 'B'	1800.07	376.52	15.84	2160.75	1055.79	69.07	12.29	1112.57	1048.18	744.28
Figures for the previous year	1771.87	32.01	3.81	1800.07	984.09	74.44	2.74	1055.79	744.28	
C. Property, plant and equipment retired from active use										
Assets retired from active use	58.40	57.76	54.42	61.74	-	-	-	-	61.74	58.40
Figures for the previous year	65.54	29.31	36.45	58.40	-	-	-	-	58.40	
Total ('A'+ 'B'+ 'C')	109152.09	8504.80	892.73	116764.16	45036.83	4000.86	636.25	48401.44	68362.72	64115.26
Figures for the previous year	106901.84	2734.38	484.13	109152.09	41532.42	3807.82	303.41	45036.83	64115.26	



4: PROPERTY, PLANT AND EQUIPMENT (CONTD.)**Note : Allocation of Depreciation of PPE, ROU assets, Intangible assets and Investment property**

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
(a) Charged to Profit & Loss account	4274.17	3755.05
(b) Charged to expenditure during construction	-	2.77
	<u>4274.17</u>	<u>3757.82</u>

(i) Contractual obligations

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

(ii) Land:

- (a) 6105.95 acres (6013.78 acres as on 31st March, 2021) given on lease to various agencies/employees/ex-employees.
- (b) Includes 4148.80 acres (4542.94 acres as on 31st March, 2021) under unauthorised occupation.
- (c) 1770.89 acres (1770.89 acres as on 31st March, 2021) of land which is not in the actual possession, shown as deemed possession.
- (d) ₹55.03 crore is lying under deposits, in respect of land already acquired (₹53.45 crores as on 31st March, 2021) with the District & Sessions Judge, Bokaro during the year 2007 towards compensation payable to land losers.
- (e) Vide Notification of acquisition in the Gazette of India (Extraordinary) bearing No S.O. 1309(E) dated 08.06.2012 and No. S.O. 2484E dated 13.10.2012, National Highway Authority of India Ltd. (NHAI) had acquired 34.471 acres freehold land. Also notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009. Matter is subjudice regarding valuation of the said land.
- (f) 525.43 acres land includes 500 acres land granted by Government of Maharashtra under occupancy rights subject to restrictions agreed upon by the company towards payment of unearned increment on the property transfer as per agreed terms.
- (g) Includes 5.51 acres freehold land out of 21.13 acres land notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009, are under dispute for which no compensation was fixed in favour of RDCIS-SAIL. The compensation for the balance freehold land of 15.62 acres amounting to ₹13.07 crore has been considered in the accounts for the Financial Year ended 31st March, 2020.
- (h) ₹0.06 crore is lying under deposits (in respect of land already acquired) with the District & Sessions Judge, Salem during the year 2013 towards compensation payable to land losers.

(iii) Other Assets:

- (a) Includes 5693 (7906 as on 31st March, 2021), residential quarters/houses under unauthorised occupation.

4a: RIGHT OF USE ASSETS

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
Right of use assets	3971.08	2016.13	2.21	5985.00	1916.95	234.99	0.98	2150.96	3834.04	2054.13
Sub-total 'A'	3971.08	2016.13	2.21	5985.00	1916.95	234.99	0.98	2150.96	3834.04	2054.13
Figures for the previous year	3853.33	117.76	0.01	3971.08	1648.25	268.70	-	1916.95	2054.13	



5: CAPITAL WORK-IN-PROGRESS

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Steel Plants & Units	4160.07	8798.95
Township	64.56	97.07
Ore Mines and Quarries	205.79	247.68
	4430.42	9143.70
Less: Allowances	420.40	400.11
Construction stores and spares	10.88	139.47
Less: Allowance for non-moving items	4.99	5.19
Expenditure during construction pending allocation (Note 5.1)	0.81	0.61
	4016.72	8878.48

5.1: EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION

Opening balance (a)	0.61	2.78
Expenditure incurred during the year		
Employees' Remuneration & Benefits		
Salaries & Wages	96.33	78.01
Company's contribution to provident fund	4.10	3.14
Travel concession	1.77	1.39
Welfare expenses	0.02	0.11
Gratuity	(0.08)	1.14
Other expenses		
Technical consultants' fees & know-how	5.57	1.19
Power & Fuel	35.39	31.29
Other expenses	4.69	6.06
Interest & Finance charges	193.53	549.16
Depreciation	-	2.77
	239.18	590.47
	341.32	674.26
Less: Recoveries		
Interest earned	-	0.01
Hire charges	-	0.08
Sundries	0.08	0.25
	0.08	0.34
Net expenditure during the year (b)	341.24	673.92
Total (a)+(b)	341.85	676.70
Less : Amount allocated to Property, Plant and Equipment/Capital Work-in-progress	341.04	676.09
Balance carried forward	0.81	0.61



6: INVESTMENT PROPERTY

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. BUILDINGS										
Buildings	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06	1.09
Sub-total 'A'	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06	1.09
Figures for the previous year	2.06	-	-	2.06	0.94	0.03	-	0.97	1.09	

(i) Contractual obligations

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

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

	As at 31 st March, 2022	As at 31 st March, 2021
Rental income	1.80	2.27
Direct operating expenses that generated rental income*	-	-
Direct operating expenses that did not generate rental income*	-	-
Profit from leasing of investment properties before depreciation	1.80	2.27
Depreciation	0.03	0.03
Profit from leasing of investment properties	1.77	2.24

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

(iii) Leasing arrangements

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

Within one year	0.29	0.32
Later than one year but not later than 5 years	1.91	2.52
Later than 5 years	-	1.35
	2.20	4.19

(iv) Fair value

Fair value of investment properties as on 31st March, 2022 is ₹27.66 crore (₹26.71 crore as on 31st March, 2021).

(v) Estimation of fair value

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

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



7: INTANGIBLE ASSETS

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. PLANTS, MINES & OTHERS										
Computer Software*	120.12	2.80	0.64	122.28	107.33	4.82	0.91	111.24	11.04	12.79
Mining Rights	1847.77	65.27	(0.02)	1913.06	431.35	33.46	0.01	464.80	1448.26	1416.42
Sub-total 'A'	1967.89	68.07	0.62	2035.34	538.68	38.28	0.92	576.04	1459.30	1429.21
Figures for the previous year	1953.58	14.32	0.01	1967.89	510.24	28.33	(0.11)	538.68	1429.21	
B. SOCIAL FACILITIES										
Computer Software*	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05	0.07
Sub-total 'B'	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05	0.07
Figures for the previous year	0.69	-	-	0.69	0.61	0.01	-	0.62	0.07	
Total ('A'+ 'B')	1968.58	68.07	0.82	2035.83	539.30	38.29	1.11	576.48	1459.35	1429.28
Figures for the previous year	1954.27	14.32	0.01	1968.58	510.85	28.34	(0.11)	539.30	1429.28	

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

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

7a: INVENTORIES - NON CURRENT

(₹ in crore)

	As at		As at	
	31 st March, 2022		31 st March, 2021	
Stores & Spares	-		-	
Raw Material				
Slime	141.25		140.45	
Others	-	141.25	-	140.45
Others - By product				
Iron ore fines (sub-grade)	3976.62		3785.39	
Finished / Semi-finished products				
Slag dump (embedded scrap)	441.29	4417.91	310.42	4095.81
	4559.16		4236.26	



8 : INVESTMENTS - NON CURRENT

	No of Shares		Amount (₹ in crore)	
	As at 31 st March, 2022	As at 31 st March, 2021	As at 31 st March, 2022	As at 31 st March, 2021
Investments carried at cost				
In Subsidiaries				
SAIL Refractory Company Limited	100000	100000	0.05	0.05
SAIL-Jagdishpur Power Plant Limited	-	50000	-	0.05
SAIL Sindri Projects Limited	-	50000	-	0.05
Chattisgarh Mega Steel Limited	37000	37000	0.04	0.04
			0.09	0.19
In Associates (unquoted)				
Almora Magnesite Limited (Face value- ₹100/share)	40000	40000	0.40	0.40
			0.40	0.40
In Joint ventures (unquoted)				
NTPC- SAIL Power Company Limited	490250050	490250050	490.25	490.25
Bokaro Power Supply Company Pvt Limited	124025000	124025000	124.03	124.03
Bhilai Jaypee Cement Limited	98718048	98718048	52.51	52.51
SAIL-Bansal Service Centre Limited	3200000	3200000	3.20	3.20
mjunction services limited	4000000	4000000	4.00	4.00
S&T Mining Company Private Limited	-	18141400	-	18.14
SAIL MOIL Ferro Alloy Pvt. Ltd.	-	100000	-	0.10
International Coal Ventures Pvt. Ltd.	698371832	693759279	698.37	693.76
SAIL-SCL Kerala Ltd.	13017801	13017801	18.75	18.75
SAIL-SCI Shipping Private Limited	-	100000	-	0.10
SAIL RITES Bengal Wagon Industry Pvt. Ltd.	24000000	24000000	24.00	24.00
SAIL-KOBE Iron India Pvt. Ltd.	250000	250000	0.25	0.25
Prime Gold -SAIL JVC Ltd.	4680000	4680000	4.68	4.68
North Bengal Dolomite Ltd (Face value-₹100/share)	-	97900	-	0.98
Romelt SAIL (India) Limited	63000	63000	0.06	0.06
Bastar Railway Pvt Ltd	35232600	35232600	35.23	35.23
NMDC SAIL Ltd	-	24499	-	0.02
SAIL-Bengal Alloy Castings Pvt. Ltd.	-	10000	-	0.01
VSL-SAIL JVC LIMITED	1297780	1297780	1.30	1.30
GEDCOL SAIL Power Corporation Limited	2600000	2600000	2.60	2.60
			1459.23	1473.97
Total (A)			1459.72	1474.56
Investments carried at fair value through other comprehensive income				
Unquoted equity				
TRL Krozaki Refractories Limited	2203150	2203150	61.76	51.35
Indian Potash Limited	720000	720000	102.44	88.26
Haridaspur Paradeep Railway Co Ltd	5000000	5000000	5.28	5.00
Cement & Allied Products (Bihar) Limited	2	2	-	-
Chemical & Fertilizer Corporation (Bihar) Limited	1	1	-	-
Bhilai Power Supply Company Limited	5	5	-	-
IISCO Ujjain Pipe & Foundry Company Limited (under liquidation)#	3000000	3000000	3.00	3.00
UEC SAIL Information Technology Limited*	180000	180000	0.18	0.18
Bihar State Finance Corporation (Face value ₹100/share)	500	500	0.01	0.01
			172.67	147.80



	No of Shares		Amount (₹ in crore)	
	As at 31 st March, 2022	As at 31 st March, 2021	As at 31 st March, 2022	As at 31 st March, 2021
In Co-operative society				
Bokaro Steel Employees' Co.-operative Credit Society	116500	116500	0.12	0.12
Bokaro Steel City Central Consumers' Co-operative Society	250	250	0.00	0.00
NMDC Meghahatuburu Employees' Co-operative society (Face value ₹ 100/share)	25	25	0.00	0.00
DSP Employees'Co-operative society limited (Face value ₹ 100/share)	1377	1377	0.01	0.01
Bolani Ores Employees' Consumer co-operative society limited (Face value ₹ 25/share)	200	200	0.00	0.00
IISCO Employees Primary Co-operative society (Face value ₹ 20/share)	23000	23000	0.05	0.05
			0.18	0.18
Total (B)			172.85	147.98
Grand total (A+B)			1632.57	1622.54
Allowance for impairment in the value of investments			8.08	27.53
Net investment			1624.49	1595.01
Aggregate amount of quoted investments (market value thereof)			-	-
Aggregate amount of unquoted investments			1632.57	1622.54
Aggregate amount of impairment in value of investments			8.08	27.53
			1624.49	1595.01

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

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

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

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
9: TRADE RECEIVABLES - NON CURRENT*		
Considered good - Secured	-	-
Considered good - Unsecured	-	-
Receivables - credit impaired	7.87	7.83
	7.87	7.83
Allowance for bad and doubtful receivables	7.87	7.83
	-	-

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

10: LOANS - NON CURRENT*

Considered good - Secured	-	-
Considered good - Unsecured		
Loan to employees	46.40	58.98
Loan to others	516.34	580.67
Loans - credit impaired	-	-
	562.74	639.65
Less : Allowance for bad and doubtful loans	3.20	3.20
	559.54	636.45

* Receivables include amounts due from Directors - nil (previous year nil).

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



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
11: OTHER FINANCIAL ASSETS - NON CURRENT		
Security deposits	122.06	119.78
Derivative assets	-	190.80
Advance for purchase of shares	3.52	3.52
Claims recoverable	8.07	35.65
Receivable - others	52.27	52.70
Lease equalisation reserve	1.46	0.95
Receivables from employees	1.05	0.07
Bills receivable	58.30	58.30
Loans and advances to related parties (refer note 51.2)	10.53	10.53
Less: Allowance for doubtful related party advances	10.53	-
Fixed deposits with original maturity period more than 12 months	0.24	0.19
	246.97	461.96
Less: Allowance for doubtful receivables	7.97	7.97
	239.00	453.99

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

12 : DEFERRED TAX LIABILITIES (NET)**Tax effect of items constituting deferred tax liabilities**

Related to property, plant and equipment	7471.62	6877.80
Fair value adjustment of investment through OCI	37.29	31.62
	7508.91	6909.42

Tax effect of items constituting deferred tax assets

Amount deductible on payment basis	1238.04	874.75
Losses available for offsetting against future taxable income	133.24	4378.06
Accumulated business losses and unabsorbed depreciation	877.70	403.45
	2248.98	5656.26
Deferred tax liabilities (net)	5259.93	1253.16

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

(₹ in crore)

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



Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2021 are summarized as follows: (₹ in crore)

Deferred tax (assets) / liabilities (net)	As at 1 st April, 2020	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2021
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	11487.79	(4609.99)	-	6877.80
Fair value adjustment of investment through OCI	27.83	-	3.79	31.62
	11515.62	(4609.99)	3.79	6909.42
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	1321.40	(446.65)	-	874.75
Losses available for offsetting against future taxable income	10160.54	(5782.48)	-	4378.06
Tax credit (minimum alternative tax)	1266.57	(1266.57)	-	-
Accumulated business losses and unabsorbed depreciation	846.10	(352.81)	(89.84)	403.45
	13594.61	(7848.51)	(89.84)	5656.26
Deferred tax (assets) / liabilities (net)	(2078.99)	3238.52	93.63	1253.16

The Company is having accumulated losses of ₹529.41 crore (previous year - ₹17395.33 crore) [including accumulated unabsorbed depreciation of ₹529.41 crore (previous year - ₹13834.78 crore)] as on 31st March, 2022 as per the provisions of the Income Tax Act, 1961.

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021

13: CURRENT TAX ASSETS (NET)

Current tax assets

Advance income tax (net of allowance)	294.19	216.78
	294.19	216.78

14: OTHER ASSETS - NON CURRENT

Advances to contractors & suppliers	721.43	527.92
Advances others	-	1.18
Deposit with Government authorities	3438.02	726.23
Prepaid expenses	27.04	13.04
Capital advances	74.97	391.49
Less: Allowance for doubtful capital advances	5.34	386.15
	4256.12	1654.52
Less: Allowance for doubtful other assets	138.99	87.71
	4117.13	1566.81



(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
15: INVENTORIES*				
Stores & spares				
Production	3127.07		2884.68	
Fuel Stores	151.47		212.28	
Others	34.15		27.75	
	3312.69		3124.71	
Add: In-transit	272.69		241.49	
	3585.38		3366.20	
Less: Allowance for non moving/obsolete items	255.62	3329.76	244.88	3121.32
Raw Material				
Raw material**	3551.01		3142.79	
Add: In-transit	5591.96		1885.15	
	9142.97		5027.94	
Less: Allowance for unusable materials	13.77	9129.20	24.68	5003.26
Finished / Semi-finished products				
Finished goods***	4439.26		4196.11	
Work in progress	2397.75	6837.01	2399.45	6595.56
Others - By-products (sub-grade fines)		273.34		551.90
		19569.31		15272.04

*Valued as per accounting policy No. 3.8

**Includes inventories of slime of ₹26.40 crore (previous year - ₹103.71 crore).

***Includes inventories of iron and steel scrap embedded in slag dumps of ₹27.29 crore (previous year - ₹128.21 crore).

16: TRADE RECEIVABLES - CURRENT*

Considered good-Unsecured	4736.83	8138.84
Receivables - credit impaired	260.93	236.88
	4997.76	8375.72
Allowance for bad and doubtful receivables	260.93	236.88
	4736.83	8138.84

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

Refer note 43 and 48.4 - Financial instruments for assessment of expected credit losses.

17 (i): CASH AND CASH EQUIVALENTS

Cash and stamps on hand	0.11	0.08
Cheques in hand	2.91	5.48
Balance with Banks		
Current accounts	56.31	12.51
Term deposits with original maturity upto 3 months	0.41	450.31
Term deposits as per court orders with original maturity upto 3 months	0.02	0.02
	56.74	462.84
	59.76	468.40

17 (ii): BANK BALANCES OTHER THAN 17 (i) ABOVE

Earmarked bank balances	219.79	207.84
Unpaid dividend accounts	6.83	4.11
Dividend account	361.45	-
Fixed deposits with maturity for more than 3 months but less than 12 months	-	0.17
	588.07	212.12



(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
18: LOANS - CURRENT*				
Considered good - Secured		-		-
Considered good - Unsecured				
Loan to employees	43.79		33.11	
Loan to related parties	-		2.80	
Loan to others	1.16	44.95	2.31	38.22
		44.95		38.22
Less: Allowance for bad and doubtful loans		1.85		1.80
		43.10		36.42
* Receivable includes amounts due from Directors - nil (previous year -nil)				
19: OTHER FINANCIAL ASSETS - CURRENT				
Derivative assets		-		63.60
Security deposits	12.70			14.05
Claims recoverable	750.03			746.61
Receivable - others	452.72			472.15
Receivables from employees	21.45			4.82
Amount recoverable from Gratuity Trust		413.04		454.73
Advances to related parties	44.66		44.20	
Less: Allowance for doubtful related parties advances	1.65	43.01	1.39	42.81
		1692.95		1798.77
Less: Allowance for doubtful assets		352.44		321.45
		1340.51		1477.32
20: OTHER ASSETS - CURRENT				
Gold coins in hand		0.14		0.19
Advances to contractors & suppliers	549.79		423.7	
Advance others	1169.67	1719.46	892.84	1316.54
Deposit with Government authorities		125.75		3022.35
Deposits - GST		10.71		1.34
GST receivable-input service		36.45		2.48
GST receivable		298.54		304.96
TDS deducted by customers on GST		0.09		0.01
Prepaid expenses		36.88		68.34
Claims receivable		150.03		142.98
Export incentive receivables		67.70		124.12
		2445.75		4983.31
Less: Allowance for doubtful other assets		123.59		56.57
		2322.16		4926.74
21: ASSETS CLASSIFIED AS HELD FOR SALE				
Assets classified as held for sale		14.00		17.01
		14.00		17.01

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



(₹ in crore)

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

- i) *Represented by current holding of 110990 shares in Global Depository Receipt (GDR) issued in 1996 @ US \$ 29.55 each for an aggregate amount of US \$ 125 million.
- ii) #Includes 3117487 shares (previous year 2824877 shares) transferred to IEPF authority on which the voting rights are frozen.
- iii) All shares rank equally with regard to the repayment of capital in the event of liquidation of the Company.
- iv) The Company does not have a holding Company.

Name of Shareholder	As at 31 st March, 2022		As at 31 st March, 2021	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
President of India	2684714550	65.00	2684714550	65.00
LIC of India	236800137	5.73	382302962	9.26

Name of Promoter	As at 31 st March, 2022		As at 31 st March, 2021		% change during the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
President of India	2684714550	65.00	2684714550	65.00	

23: OTHER EQUITY

(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
Reserves & Surplus				
Capital Reserve				
Opening balance	1.75		1.75	
Additions during the year	-		-	
Less: Utilisation during the year	-	1.75	-	1.75
Securities Premium				
Opening balance	235.10		235.10	
Changes during the year	-	235.10	-	235.10
Bond Redemption Reserve				
Opening balance	1084.15		1375.02	
Transfer from retained earnings	-		-	
Transfer to retained earnings	553.18	530.97	290.87	1084.15
General Reserve				
Opening balance	5095.13		5095.13	
Additions during the year	-		-	
Less: Utilisation during the year	-	5095.13	-	5095.13
Retained Earnings				
Opening balance	32866.56		28871.07	
Add: Net Profit for the year	12015.04		3850.02	
Add: Other comprehensive Income/(Loss)	(83.65)		267.65	
-Remeasurement of gains/(losses) of defined benefit plans				
Add: Transfer from Bond Redemption Reserve	553.18		290.87	
Less: Final dividend paid	743.49		-	
Less: Interim dividend paid	2684.84		413.05	
Less: Transfer to General Reserve	-	41922.80	-	32866.56
Other Comprehensive Income				
Equity Instruments through Other Comprehensive Income				
Opening balance	81.66		68.78	
Change in fair value of FVOCI equity instruments	24.87		16.67	
Deferred tax	(5.67)	100.86	(3.79)	81.66
Total other equity		47886.61		39364.35

Nature and purpose of other reserves

Capital reserve

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

Securities premium reserve

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

Bond redemption reserve

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

Other Comprehensive Income (OCI) reserve

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



24. BORROWINGS - NON CURRENT

(₹ in crore)

					As at 31 st March, 2022	As at 31 st March, 2021
SECURED						
Redeemable Non-Convertible Bonds						
Rate of Interest	Maturity Date	Call/Put option (yr)	Security reference			
9.35%	9-Sep-2026	12/nil	(a)		455.00	455.00
8.80%	26-Oct-2025		(a,b)		42.00	56.00
9.00%	14-Oct-2024		(a)		1000.00	1000.00
8.75%	15-Sep-2024		(a,c)		50.00	50.00
8.70%	25-Aug-2024		(a)		-	300.00
8.30%	3-Aug-2023		(a)		800.00	800.00
8.30%	1-Aug-2023		(a)		1200.00	1200.00
8.35%	19-Nov-2022		(a)		-	1185.00
9.30%	25-May-2022		(a,h)		-	72.00
Total Bonds					3547.00	5118.00
Term Loans from banks						
Rupee loans			(g)		4100.00	10362.50
Foreign currency loans			(g)		-	1904.92
					7647.00	17385.42
UNSECURED						
Foreign currency loan						
1	KFW, Germany		(d)		278.18	308.04
2	Natexis Banque		(e)		6.47	8.95
Steel development fund			(f)		204.16	204.16
					488.81	521.15
Total Non Current Loans					8135.81	17906.57

No loans have been guaranteed by the directors and others.

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

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

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

- Secured by charges ranking pari-passu inter-se, on all the present and future immovable property at Mouje-Wadej of City taluka, District Ahmedabad, Gujarat and Company's Plant & Machinery, including the land on which it stands, pertaining to IISCO Steel Plant (ISP).
- Redeemable in 12 equal yearly instalments of ₹14 crore each starting w.e.f 26th October, 2014. Instalment payable on 26th Oct, 2022 has been shown in current borrowings.
- Redeemable on 15th September of 2024.
- The soft basis of the loan was drawn in 3 tranches stated as 1(a), 1(b) and 1(c) at an interest rate of 8.75% p.a. The Interest on 1(a) is 0.75% p.a and balance 8% is towards meeting Exchange fluctuation (4%) and pollution control schemes (4%). In case of 1 (b) the Interest is 0.75% p.a and balance 8.0% p.a is towards periphery development. Tranche 1(c) has been fully repaid. The principal and interest amount is repayable half yearly. The loan is guaranteed by Government of India.
- The loan is repayable by 2030. The principal and interest is paid half yearly, guaranteed by Government of India.
- Terms of Repayment is to be decided by SDF management Committee.
- Secured by charges ranking pari-pasu on the present and future movable plant and machinery of RSP to the extent of loan.
- Redeemable in 5 equal yearly instalments starting w.e.f 25th May, 2018. Installment payable on 25th May, 2022 has been shown in current borrowings.



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
25: TRADE PAYABLES - NON CURRENT		
Due to micro, small and medium enterprise (refer note 43.2)	-	-
Amount payable to contractors/suppliers/others	-	-
	-	-
26: OTHER FINANCIAL LIABILITIES - NON CURRENT		
Employees related dues	703.70	527.19
Interest accrued but not due on borrowings	449.80	573.20
Other payables	236.78	130.68
	1390.28	1231.07
27: PROVISIONS - NON CURRENT		
Provision for accrued leave liability	3383.61	2945.06
Provision for post retirement medical & settlement benefits	1381.38	1041.46
Provision for long term service award	19.41	15.07
Provision for mines closure	131.58	99.25
Other provisions	415.04	425.05
	5331.02	4525.89
28: OTHER LIABILITIES - NON CURRENT		
Deferred Income*	426.73	439.97
Other payables	2256.09	-
	2682.82	439.97
*Deferred income includes:		
(a) Award conferred by the Prime Minister of India to the Bhilai Steel Plant as best integrated steel plant in India and the earnings from the fund are utilised for the welfare of the employees in Bhilai.		
(b) Central Government grant of ₹294.82 crore for the purpose of upgradation of Ispat General Hospital, Rourkela to Super Speciality Hospital. Out of ₹294.82 crore, the amount equivalent to ₹3.52 crore has been recognised under the head 'other income'. The Company has complied with all the conditions for such grants in line with Ind AS 20.		
29. BORROWINGS - CURRENT		
Secured		
Repayable on demand		
From banks*	3302.98	3504.00
Other loans and advances		
Current maturities of long term debts	1296.86	1851.22
Unsecured		
From Banks	650.00	7250.00
Commercial paper	-	5096.24
	5249.84	17701.46
*Security disclosure for the outstanding short term borrowings as at 31st March, 2022:		
Borrowings from banks are secured, in respect of respective facilities by way of :		
(i) Hypothecation of all current assets		
30: TRADE PAYABLES - CURRENT		
Due to micro, small and medium enterprises (refer note 48.3)	140.65	103.57
Amount payable to related parties	201.10	202.71
Amount payable to contractors/suppliers/others	16576.26	7735.78
	16918.01	8042.06



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
31: OTHER FINANCIAL LIABILITIES - CURRENT		
Employee related dues	262.46	228.14
Interest accrued but not due on borrowings	251.12	479.93
Interest accrued and due on Steel Development Fund loans	280.00	152.00
Other liabilities-debtors banking arrangement	351.34	462.77
Unclaimed matured deposits and interest accrued thereon	1.01	1.01
Security deposits	1698.91	1636.02
Unpaid dividends	368.29	4.11
Payable for capital work	2169.49	2630.09
Other payables*	6228.00	5295.04
	11610.62	10889.11

*Other payables include payables in respect of ex-employees, royalties and performance related pay etc.

32: OTHER LIABILITIES - CURRENT

Income received in advance from customers	1844.34	1836.80
Income received in advance - others	97.46	135.33
Deferred Income*	17.35	12.93
GST payable	1200.06	1168.11
Liability for interest on GST	2.58	0.76
TDS deducted from suppliers on GST	40.94	22.48
Other payables	874.02	2951.40
	4076.75	6127.81

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

33: PROVISIONS - CURRENT

Provision for accrued leave liability	143.45	262.59
Provision for post retirement medical & settlement benefits	221.76	116.15
Provision for long term service award	1.73	2.50
Provision for pollution control	42.02	37.12
Provision for foreign exchange fluctuation	35.91	24.57
Provision for wage revision	-	1183.90
Provision for mine afforestation/restoration etc.	176.43	101.60
Other provisions	549.17	311.41
	1170.47	2039.84

34: CURRENT TAX LIABILITIES (NET)

Opening Balance	12.06	179.50
Add: Provision during the year	-	11.55
Less: Amount paid/transferred during the year	6.20	-
Less: Provision written back during the year	5.86	-
	-	178.99
	-	12.06



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
35: REVENUE FROM OPERATIONS		
Sale of products		
Domestic	95700.30	62211.75
Exports	6988.42	6109.57
Export incentives	116.41	131.02
Sub Total (a)	102805.13	68452.34
Sale of Services		
Service charges	24.38	20.57
Sub Total (b)	24.38	20.57
Other Operating Revenues		
Social amenities-recoveries	318.05	308.26
Sale of empties etc.	106.79	79.74
Sundries	218.97	249.11
Sub Total (c)	643.81	637.11
Total (a+b+c)	103473.32	69110.02
Desegregation of Revenue		
Nature of Goods and Services		
The Company is engaged in the manufacturing of Iron and Steel products and generate revenues from sale of Iron and Steel products and the same is only the reportable segment of the Company.		
(1) Primary Geographical Markets		
Within India	95700.30	62211.75
Outside India	7104.83	6240.59
Total	102805.13	68452.34
(2) Major Products		
Iron and steel	98004.53	65211.87
Other Secondary and by-products	4800.60	3240.47
Total	102805.13	68452.34
Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers receivables which are included in 'Trade Receivables'.		
Trade receivables	4736.83	8138.84
Contract assets	-	-
Contract liabilities	1844.34	1836.80
36. OTHER INCOME		
Interest income		
Loans & advances to other companies	-	0.55
Customers	169.89	141.45
Employees	6.36	8.84
Bank deposits	26.60	1.78
Others	76.26	115.35
Sub Total (a)	279.11	267.97
Dividend income		
Dividend from subsidiaries	5.30	-
Dividend from investments	187.69	160.81
(includes dividend from investments carried at fair value through OCI)		
Sub Total (b)	192.99	160.81
Net gain on sale of investments	0.08	4.47
Other non-operating Income		
Subsidy, relief and concession	0.28	-
Grant-in-aid	4.67	1.15
Allowances no longer required written back	62.75	160.42
Write back of other liabilities	288.75	122.68
Liquidated damages	136.67	119.11
Foreign exchange fluctuations (net)	-	104.17
Others	76.73	70.91
	569.85	578.44
Less: Expenses attributable to non-operating income	-	-
Sub Total (d)	569.85	578.44
Total (a+b+c+d)	1042.03	1011.69



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
37 : COST OF MATERIALS CONSUMED		
Iron ore	9388.84	5217.77
Coal	33761.24	17422.64
Coke	52.06	13.88
Limestone	1764.00	1423.86
Dolomite	710.04	464.39
Ferro manganese	271.32	174.80
Ferro silicon	393.60	224.07
Silico manganese	2002.02	1270.09
Hot rolled stainless steel coils	0.83	1.39
Zinc	128.17	87.78
Aluminium	528.04	292.41
Others	2204.47	1456.70
	51204.63	28049.78
Less: Inter account adjustments	8428.17	4913.61
	42776.46	23136.17

38 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND BY-PRODUCTS**38A : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS****Opening stock**

Finished goods	4506.53	8912.92
Work in progress	2399.45	2478.08
	6905.98	11391.00

Less: Closing stock

Finished goods	4880.55	4506.53
Work in progress	2397.75	2399.45
	7278.30	6905.98
Accretion(-)/depletion to stock (a)	(372.32)	4485.02

38B : CHANGES IN INVENTORIES OF BY PRODUCTS

Sub grade iron ore fines

Opening stock

Iron ore fines (sub-grade)	4337.29	3791.18

Less: Closing stock

Iron ore fines (sub-grade)	4249.96	4337.29

Accretion(-)/depletion to stock (b)	87.33	(546.11)

Less : Reversal of COVID19 impact considered as exceptional items (c)	-	(329.67)

Total Accretion(-)/depletion to stock (a) + (b) + (c)	(284.99)	4268.58

39: EMPLOYEE BENEFITS EXPENSE*

Salaries & wages	9230.60	8074.59
Leave encashment	1163.89	586.53
Company's contribution to provident & other funds	1309.10	1053.85
Travel concession	62.82	19.58
Welfare expenses	845.29	434.16
Gratuity	234.54	277.23
	12846.24	10445.94

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

Expenditure during construction	102.14	83.79

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



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
40: FINANCE COSTS		
Interest Cost		
Foreign currency loans*	135.71	209.32
Non convertible bonds	392.26	474.16
Bank borrowings - working capital	8.57	6.24
Steel development fund loans	3.50	4.08
Other bank borrowings and commercial paper	972.10	2095.93
Other borrowing costs	185.74	27.41
	1697.88	2817.14

*Including foreign exchange fluctuations loss of ₹90.96 crore (As on 31st March, 2021: gain ₹5.47 crore).

Expenditure on Interest & Finance charges not included above and charged to Expenditure during Construction:

Foreign currency loans	1.89	74.71
Non convertible bonds	75.42	88.40
Steel development fund loans - interest	1.10	1.33
Other bank borrowings	115.12	384.72
	193.53	549.16

41: OTHER EXPENSES

Consumption of stores & spares

Consumption	5144.98	4221.90
Less: Departmentally manufactured stores	658.59	590.99
Less: Finished products internally consumed as stores and spares	552.74	404.76
	3933.65	3226.15

Repairs & maintenance

Buildings	253.99	217.32
Plant & machinery	1233.64	1058.09
Others	387.90	354.13
	1875.53	1629.54

Handling expenses

Raw material	594.48	481.39
Scrap recovery	348.00	312.51
	942.48	793.90

Remuneration to auditors

Audit fees	3.05	2.10
Tax audit fees	0.65	0.59
In other services	1.39	1.59
Out of pocket expenses	0.50	0.18
	5.59	4.46

Allowances

Doubtful debts, loans and advances	98.24	92.69
Investments	-	1.58
Stores, spares and sundries	258.60	167.68
Power and fuel	6966.92	5709.46
Freight outward	2669.38	2075.91
Royalty and cess	7060.09	2398.85
Conversion charges	116.87	143.67
Demurrage & wharfage	63.02	36.44
Water charges & cess on water pollution	164.52	145.78
Insurance	74.80	69.87
Postage, telegram & telephone	15.65	15.71
Printing & stationery	9.88	8.30
Rates & taxes	81.70	39.08
Rent	12.75	16.22
Security expenses	745.61	727.17
Travelling expenses	124.64	109.54
Law Charges	23.75	18.23
Training expenses	58.12	45.14
Expenditure on corporate social responsibility (refer note - 49.7)	94.24	47.18
Foreign exchange fluctuations (net)	216.75	-
Loss on sale/scrapping of fixed assets (net)	21.71	37.74
Cost audit fee and reimbursement of expenses	0.09	0.08



41: OTHER EXPENSES (contd...)

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Write-offs - Miscellaneous	-	15.81
Handling expenses - finished goods	192.49	172.47
Commission to selling agents	15.86	14.98
Export sales expenses	140.60	188.50
Miscellaneous	829.93	579.15
	26813.46	18531.28

41a: EXCEPTIONAL ITEMS

Voluntary retirement compensation	-	103.70
Entry tax and other dues	-	167.54
Covid-19 impact reversal of iron ore fines (sub-grade)	-	(329.67)
Others [Refer Note 47.8(a)]	353.41	-
	353.41	(58.43)

41b: EARNING PER SHARE

Profit for the year (₹ in crore)	12015.04	3850.02
Number of equity shares	4130525289	4130525289
Earning per share - basic and diluted (₹)	29.09	9.32
Face value per equity share (₹)	10.00	10.00

42. FINANCIAL INSTRUMENTS**i) Fair values hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	172.85	172.85
Total financial assets	-	-	172.85	172.85
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	254.40	-	254.40
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	147.98	147.98
Total financial assets	-	254.40	147.98	402.38
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

iii) Financial assets and liabilities - for which fair values are disclosed

(₹ in crore)

	Level 1	As at 31 st March, 2022		As at 31 st March, 2021	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial assets					
Loans	Level-3	602.64	837.76	672.87	895.03
Derivative financial assets	Level-2	-	-	254.40	254.40
Equity instruments					
Quoted	Level-1	-	-	-	-
Unquoted*	Level-3	172.85	172.85	147.98	147.98
Total financial assets		775.49	1010.61	1075.25	1297.41
Financial liabilities					
Borrowings (including lease liability)	Level-3	18616.36	18764.70	39344.48	39495.91
Other payables	Level-3	11668.64	11787.70	10452.28	10660.46
Derivative liabilities	Level-2	-	-	-	-
Total financial liabilities		30285.00	30552.40	49796.76	50156.37

* Already at fair value

(iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Fair value of interest swap is determined based on dealer or counterparty quotes for similar instruments.
- Fair value of forward foreign exchange contract and principal swap is determined using forward rate at balance sheet date.
- The carrying value of borrowings bearing variable interest rate are considered to be representative of their fair value.
- The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- Fair value of fixed interest rate financial assets and liabilities carried at amortised cost (including lease obligations) is determined by discounting the cash flows using a discount rate equivalent to market interest rate applicable to similar assets and liabilities as at the balance sheet date.

(v) Unquoted investments:

Fair value estimates of unquoted equity investments are included in level-3 and are based on information relating to value of investee Company's net assets. For investments in co-operative societies, the Company has determined that cost is appropriate estimate of fair value, therefore, there have been no changes on account of fair values.

vi) The following table presents the changes in value of financial instruments measured at fair value using level 3 inputs:

(₹ in crore)

Unlisted equity securities	
As at 31st March, 2020	131.31
Gains recognised in other comprehensive income	16.67
As at 31st March, 2021	147.98
Gains recognised in other comprehensive income	24.87
As at 31st March, 2022	172.85

43. FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

(₹ in crore)

Particulars	As at 31 st March, 2022			As at 31 st March, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments*	-	172.85	-	-	147.98	-
Trade receivables	-	-	4736.83	-	-	8138.84
Cash and cash equivalents	-	-	59.76	-	-	468.40
Other Bank Balances	-	-	588.07	-	-	212.12
Loans	-	-	602.64	-	-	672.87
Derivative financial assets	-	-	-	254.40	-	-
Other receivables	-	-	1579.51	-	-	1676.91
Total	-	172.85	7566.81	254.40	147.98	11169.14
Financial liabilities						
Borrowings (including lease liability)	-	-	18616.36	-	-	39344.48
Trade payable	-	-	16918.01	-	-	8042.06
Other payables	-	-	11668.64	-	-	10452.28
Total	-	-	47203.01	-	-	57838.82

* Investment in equity of joint ventures and associates have been carried at cost as per Ind AS 27 "Separate financial statements" and hence are not presented here.

ii) Risk Management

The Company is exposed to various risks in relation to financial instruments. The Company's financial asset and liabilities by category, are summarised in note 43 (i). The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management is co-ordinated at its headquarters, in close cooperation with the Board of Directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.



A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- Cash and cash equivalents
- Derivative financial instruments
- Trade receivables
- Other financial assets measured at amortized cost

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

a) Credit risk management**Cash and cash equivalent**

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Credit risk related to derivative financial instruments is also managed by only entering into such arrangement with highly rated banks or financial institutions as counterparties. The company diversifies its holdings with multiple counterparties.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees from customers where credit risk is high. The Group, its Joint Ventures & Associate closely monitors the credit-worthiness of the debtors and only sells goods to credit-worthy parties. The Group's its Joint Venture's & Associate's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Company provides expected credit losses based on the following;

Trade receivables

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables.

For descriptive note on trade receivables ageing, refer note 48.4 (B)

Other financial assets measured at amortized cost

Company provides for expected credit losses on "loan advances and other than trade receivables" by assessing individual financial instruments for expectation of any credit losses. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss allowances are disclosed under each sub-category of such financial assets.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity companying based on their contractual maturities for all non-derivative financial liabilities and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in crore)

Contractual maturities of financial liabilities as at 31 st March, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings (including lease liability)	5815.58	2427.08	1374.61	5761.01	15378.28
Trade payables	16190.27	94.68	94.39	538.67	16918.01
Other payables	9495.61	115.65	82.11	289.18	9982.55
Total	31501.46	2637.41	1551.11	6588.86	42278.84
Derivatives					
Derivative liabilities (net settled)	-	-	-	-	-
Total	-	-	-	-	-



(₹ in crore)

Contractual maturities of financial liabilities as at 31 st March, 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings (including lease liability)	20442.47	3668.88	4566.41	12977.14	41654.90
Trade payables	7661.09	264.48	59.63	56.87	8042.07
Other payables	6587.91	82.86	71.73	200.54	6943.04
Total	34691.47	4016.22	4697.77	13234.55	56640.01
Derivatives					
Derivative liabilities (net settled)	-	-	-	-	-
Total	-	-	-	-	-

C) Market Risk

a) Foreign currency risk

Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas borrowing arrangements, which are primarily denominated in US dollars (USD).

To mitigate the Company's exposure to foreign currency risk, non-INR cash flows are monitored and forward exchange contracts are entered into in accordance with the Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken. Forward exchange contracts are mainly entered into for significant long-term foreign currency exposures that are not expected to be offset by other same-currency transactions.

Foreign currency risk exposure:

The Company's significant exposures to foreign currency risk at the end of the reporting period expressed in ₹ crore are as follows:

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	149.70	-	183.03	-
Cash and cash equivalents	-	-	-	-
Other Bank Balances	-	-	-	-
Loans	-	-	-	-
Derivative financial assets (Gross amounts, to hedge borrowings)	-	-	-	-
Other receivables	-	-	-	-
Net exposure to foreign currency risk (assets)	149.70	-	183.03	-
Financial liabilities				
Borrowings	-	310.51	2285.28	343.39
Trade payable	11257.64	84.71	2825.55	351.48
Other payables	179.76	230.10	27.18	75.92
Net exposure to foreign currency risk (liabilities)	11437.40	625.32	5138.01	770.79

Sensitivity

The following table illustrates the sensitivity of profit and equity in regards to the Company's financial assets and financial liabilities and the USD/INR exchange rate and EUR/INR exchange rate 'all other things being equal'. It assumes a +/- 4.65% change of the INR/USD exchange rate for the year ended at 31st March, 2022 (2021: 4.69%). A +/- 5.63% change is considered for the INR/EUR exchange rate (2021: 6.78%). Both of these percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
USD sensitivity		
INR/USD- increase by 4.65% (31 st March 2022)	529.39	-
INR/USD- decrease by 4.65% (31 st March 2022)	(529.39)	-
INR/USD- increase by 4.69% (31 st March 2021)	-	280.02
INR/USD- decrease by 4.69% (31 st March 2021)	-	(280.02)
Euro sensitivity		
INR/EUR- increase by 5.63% (31 st March 2022)	42.40	-
INR/EUR- decrease by 5.63% (31 st March 2022)	(42.40)	-
INR/EUR- increase by 6.78% (31 st March 2021)	-	58.35
INR/EUR- decrease by 6.78% (31 st March 2021)	-	(58.35)

b) Interest rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Long term borrowings are therefore usually at fixed rates. At 31st March, 2022, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates. The Company's investments in bonds all pay fixed interest rates. The exposure to interest rates for the Company's money market funds is considered immaterial. The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2021: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.



i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31st March, 2022, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the company to interest rate risk:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Variable rate borrowing (excluding exposures offset by derivatives)	8052.98	11022.50
Fixed rate borrowing	5332.67	28321.98
Total borrowings	13385.65	39344.48

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Interest rate sensitivity		
Interest rates-increase by 100 basis points	80.53	110.23
Interest rates-decrease by 100 basis points	(80.53)	(110.23)

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the financial assets.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Variable rate deposits/loans	-	-
Fixed rate deposits/loans	1190.71	884.99
Total deposits	1190.71	884.99

c) Price risk

Exposure

The Company is exposed to other price risk in respect of its investment shares of other Companies (see Note 8). The Company does not consider changes in value of its investments in shares as significant, therefore is not exposed to price risks on exposures outstanding on the balance sheet date.

44. Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Net debts	17968.53	38663.96
Total equity	52017.14	43494.88
Net debt to equity ratio	0.35	0.89

Dividends

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Equity shares		
(i) Interim dividend for the year ended 31 st March, 2022 paid as under:	2684.84	413.05
a) 1 st dividend @ ₹4 per equity share for total amount of ₹1652.21 crore		
b) 2 nd dividend @ 2.50 per equity share for total amount of ₹1032.63 crores		
(ii) Final dividend not recognised at the end of the reporting period.	929.37	743.50



45: DETAILS OF ASSETS PLEDGED

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Current		
Inventories and trade receivables (to the extent pledged)	3302.98	3504.00
Non Current		
Plant & Machinery (movable assets) - RSP (to the extent pledged)	4100.00	12267.42
Land at Mouje-Wadej of city taluka, District Ahmedabad, Gujarat and Plant & Machinery - ISP including land on which it stands	3547.00	5118.00

46: EFFECTIVE TAX RECONCILIATION

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Profit before tax	16038.72	6879.03
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	4036.63	1731.31
Adjustment for tax-exempt income/non-deductible expenses	33.00	11.87
Adjustment for difference tax rate items	-	(14.57)
Tax related to earlier years	(45.95)	1288.22
Others	-	12.18
Total adjustments [B]	(12.95)	1297.70
Actual tax expense [C=A+B]	4023.68	3029.01
Tax expense comprises:		
Current tax expense	-	12.05
Deferred tax charge	4023.68	3016.96
Tax expense recognized in Statement of profit and loss	4023.68	3029.01

47.1 CONTINGENT LIABILITIES

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
(i) Claims against the Company pending appellate/judicial decisions :		
a) Excise Duty	5796.98	5498.47
b) Sales Tax on inter-state stock transfers from plants to stockyards*.	1115.62	755.58
c) Other sales tax matters	209.43	561.33
d) Income Tax	957.33	937.96
e) Other duties, cess and levies	9714.52	9238.04
f) Civil matters **	5117.34	4799.57
g) Entry Tax	1793.50	1747.79
h) Miscellaneous **	11401.60	10058.81
* No liability is expected to arise, as sales tax has been paid on eventual sales.		
** includes claims of ₹13.74 crore (as at 31 st March, 2021 ₹13.74 crore), against which there are counter-claims of ₹13.74 crore (as at 31 st March, 2021 ₹13.74 crore).		
(ii) Other claims against the Company not acknowledged as debt:		
a) Sales Tax	88.72	119.23
b) Duties, cess and levies	376.12	323.12
c) Civil Matters	165.34	6.94
d) Miscellaneous #	2695.28	3437.47
# includes claims of ₹NIL crore (as at 31 st March, 2021 ₹100.94 crore, against which there are counter-claims of ₹NIL crore (as at 31 st March, 2021 ₹103.95 crore).		
(iii) Disputed income tax/service tax/other demand on joint venture companies for which company may be contingently liable under the joint venture agreement.	48.86	61.63
(iv) Bills drawn on customers and discounted with banks.	39.84	255.35
(v) Price escalation claims by contractors/suppliers and claims by employees.	309.34	336.32



- 47.2 a)** The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11.11.2016, has upheld the constitutional validity of levy of Entry Tax Acts enacted by various States and has laid down principles/tests for consideration for deciding the specific issues related to levy of Entry Tax. As on 31st March, 2022, the matters are pending before Regular Benches of Hon'ble Supreme Court/Jurisdictional High Courts/assigned authorities in this regard. Pending decisions by the regular Benches of other Courts on levy of Entry Tax in the States of Chhattisgarh, Odisha and Jharkhand, the Entry Tax demands under dispute of ₹1092.28 crore, ₹241.00 crore and ₹86.23 crore respectively upto 31st March, 2022 aggregating to ₹1419.51 crore (previous year 1092.28 crore, ₹241.00 crore and ₹40.14 crore respectively upto 31st March, 2021 aggregating to ₹1373.42) have been treated as contingent liabilities and included in Note No. 47.1 (i) (g) above.
- b)** Hon'ble Supreme Court dismissed the SLP by the Company (pertaining to Bokaro Steel Plant) in respect of dispute with Damodar Valley Corporation (DVC) related to provisional tariff petition of electricity charges for 2009-14 vide order dated 18th January, 2017, keeping the question of law open. The Order of Central Electricity Regulatory Commission (CERC) dt.7/8/2013 related to Tariff of 2009-14 against Petition No.275/GT/2012 has been challenged before Appellate Tribunal for Electricity (APTEL) (Appeal No.18 of 2014) in which the Company has also intervened and the order of APTEL is pending. Further, in respect of the civil appeal filed by Damodar Valley Corporation (DVC) pertaining to tariff of Financial Year 2004-05 to 2008-09 against the order of the Appellate Tribunal for Electricity (APTEL), the Hon'ble Supreme Court of India dismissed the appeal vide its Order dated 3rd December, 2018 which can also have effect on future tariff orders in view of consideration of certain parameters for fixation of tariff. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. For the State of Jharkhand where the dispute of ₹587.72 crore arises, DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of Revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28.12.2020 to the aforesaid Application of DVC. Pending fixation of such Electricity Tariffs, disputed claims of DVC of ₹587.72 crore upto 31st March, 2022 (upto 31st March, 2021, ₹587.72 crore) has been treated as Contingent Liability and included in Note No. 47.1(i)(f) above. Against the said claims, the entire amount has been paid to DVC and retained as advance. Further from 1st April, 2017 onwards full invoice value is being paid and charged to revenue.
- 47.3** Under the Jharkhand Mineral Area Development Authority (Amendment) Act, 2015, the State Government of Jharkhand has made a demand of ₹4690.37 crore upto 31st March, 2022 (upto 31st March, 2021 ₹4356.65 crore) towards "Market Fee" on transaction value of coal, iron and steel items. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(i)(e) above.
- The Mineral (Mining by Government Company) Rules 2015 (the "MMGC Rules") were notified by GOI on 03.12.2015. Although no provision was made for realization of any money for extension of the leases in the said Rules, demands for payment under the MMGC Rules 2015 in respect of Duargaiburu lease of Gua, Amalgamated leases of Kiriburu-Meghahatuburu and Dhobil lease of Chiria were raised by the District Mining Officer (DMO), Chaibasa, Jharkhand. The collective demand for payment against the notices was about ₹2980 Crore. SAIL challenged the demand notices through the filing of Writ Petitions in Hon. High Court of Jharkhand in December 2019. Hon. High Court vide order dated 18.12.2019/20.12.2019 stayed the operation of such demand notices. In the meantime, the Government of Jharkhand sought clarification in respect of right/claim to raising of demand under Rule 5 of Mineral(Mining by Government Company) Rule, 2015(MMGC) from the Ministry of Mines, Govt. of India. The Ministry of Mines, GOI vide letter dated 29.01.2021 clarified MMGC Rule, 2015 do not provide for payment of the additional amount for extension of mining leases granted to a Government Company. Pending disposal of the matter by the Hon. High Court of Jharkhand, an amount of ₹4526.00 crores (₹3810.71 crore as on 31st March, 2021) has been disclosed as contingent liability in Note No. 47.1(i)(h) above.
- 47.4** In its judgement, the Central Administrative Tribunal (CAT), Kolkata has directed that Ministry of Steel shall consider the aspect of payment of arrears of revised perks and allowances and take appropriate decision for payment of revised perks and allowances amounting to ₹309.34 crore to the executives for the period from 26.11.2008 to 4.10.2009. Ministry of Steel intimated the matter to the Company on 7.12.2016. A stay petition in the matter has been filed on 22.12.2016 and is pending before the Hon'ble Calcutta High Court. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(v) above.
- 47.5** Indigenous washed coking coal supplies, have been claimed by Central Coalfields Limited (CCL) at unilaterally notified price w.e.f. 14th January, 2017, which is in deviation from the mutually agreed price with the Company for the year 2016-17. The Company has accounted for the supplies based on agreed prices as per jointly signed Memorandum



of Understanding, valid for supplies w.e.f. 1st April, 2016 to 31st March, 2017, between SAIL and CCL. The differential claim of CCL, amounting to ₹137.56 crore at unilaterally notified higher rates over and above MOU rates, have been disclosed as contingent liability in Note No. 47.1(ii)(d) above.

- 47.6** (i) The Ministry of Environment & Forest and Climate Change (MoEF& CC) vide their letter No.- 11-599/ 2014-FC dated 1st April 2015 issued revised Guidelines for diversion of Forest Land for non-forest purpose under the Forest (Conservation) Act, 1980 (FC Act). These revised Guidelines stipulated that in case of existing mining leases having Forest Land (partially or fully), where approval for only a part of forest land has been obtained under the FC Act, the Central Government accorded general approval under Section-2(iii) of the FC Act for the remaining area also to be Forest Land, subject to certain conditions, which includes realising Net Present Value (NPV) for the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realised.

In this matter, as per legal opinion obtained by the Company, Section 2 (iii) of FC Act, 1980 will not apply to Government Corporation and NPV is required to be paid only for that limited area, which has been approved by MoEF& CC and in which mining activities are proposed to be done and not for the entire forest area. The matter of applicability of NPV for total forest land has been challenged by the Company in Hon'ble High Court of Jharkhand. The Hon'ble Court, in its order, has directed to place the matter before Division Bench of this Court.

A writ petition has also been filed in the Hon'ble High Court of Chhattisgarh against the demand of ₹96.28 crore received during 2017-18 from the Office of Principal Chief Conservator of Forest, Chhattisgarh.

The Company has deposited ₹96.28 crore with Principal Chief Conservator of Forest, Chhattisgarh and a Special Leave Petition has been filed in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Chhattisgarh. The disputed amount of ₹96.28 crore has been disclosed under contingent liability in Note no.47.1.(i)(e).

- (ii) Chhattisgarh State enacted Chhattisgarh (Adhosanrachna Vikas ewam Paryaawaran) Upkar Adhiniyam, 2005 and levied Cess on the mineral extracted in the State of Chhattisgarh. BSP has filed a writ petition in the High Court of

Chhattisgarh challenging the enactment as ultra vires. However, BSP has deposited of ₹190.80 crore under protest till 2021-22 and shown as deposit with Government Department. Total disputed amount of ₹190.80 crore (previous year ₹168.23 crore) is disclosed under contingent liability in Note no.47. 1.(i) (e).

- 47.7** Pursuant to the Hon'ble Supreme Court Judgment dated 2nd August, 2017 in the Common Cause matter regarding illegal mining, demand/Show cause notices have been issued for recovery of the price of minerals produced without and beyond the environmental clearances under Section 21(5) of Mines and Mineral Development Regulation Act, 1957, forest clearance under the Forest Conservation Act 1980, and towards excess production beyond consent to operate. The Company has challenged the purported demand before the High Court of Jharkhand and Odisha and obtained stay on demand.

- (a) As the matter is pending for final determination and considering the implication of existing litigation, the Company has provided as detailed below:

- (i) In respect of Iron Ore, by the Government of Odisha and Government of Jharkhand amounting to ₹345.03 crore and ₹2573.03 crore (₹311.99 crore and ₹2347.52 crore as on 31st March, 2021) respectively (including interest). Based on internal assessment, the Company has provided an amount of ₹329.67 crore (₹378.65 crore as on 31st March, 2021) on estimated basis. Balance amount of ₹2588.39 crore (₹2280.86 crore as on 31st March, 2021) (including interest) has been treated as contingent liability in Note No. 47.1(i)(h).

- (ii) In respect of Flux, by the Government of Jharkhand amounting to ₹52.35 crore (₹51.01 crore as on 31st March 2021) (including interest). Based on internal assessment, the Company has provided an amount of ₹6.86 crore (₹12.20 crore as on 31st March 2021) on estimated basis. Balance amount of ₹45.49 crore (₹38.81 crore as on 31st March 2021) (including interest) has been treated as contingent liability in Note No. 47.1(i)(h) above.

- (iii) In respect of Coal, by the Government of Jharkhand amounting to ₹675.62 crore (₹595.35 crore as on 31st March 2021) (including interest), Revision Application has been filed under Rule 55 (5) of Mineral Concessions Rule, 1960 read with Section 30 of Mines and Minerals (Development and Regulation) Act, 1957 (MMDR). The Revisional Authority, Ministry of Coal, has granted Stay to



the Company. Accordingly pending disposal, the amount of ₹675.62 crore (₹595.35 crore as on 31st March 2021) (including interest) has been treated as Contingent Liability in Note No. 47.1(i)(h) above.

47.8 (a) In relation to a case pending before the Hon'ble Delhi High Court in respect of an award by Arbitral Tribunal, the company is now contemplating out of court settlement. Accordingly an amount of ₹353.41 crore has been charged under exceptional item in the Statement of Profit and Loss for the Year ended 31st March, 2022.

b) M/s JSC Cryogenmash have filed a case before Arbitral Tribunal in International Chamber of Commerce against SAIL/Bhilai Steel Plant for resolution of dispute arising out of contract. Arbitral Tribunal has awarded a sum of ₹106.92 crores on 20.07.2018 against SAIL/Bhilai Steel plant.

Against the award, the management has filed an appeal before Hon'ble High Court at Delhi which has been admitted. Pending disposal of appeal, the sum of ₹133.65 crore (including interest) has been disclosed under contingent liability in Note no 47.1(ii) (d) above.

47.9 Land measuring 5.545 acres was allotted to DVC for 30 years w.e.f. 12.07.1966 on long term lease basis. The Land was given to DVC for setting up of Electrical sub-station for ensuring supply of power for the benefit of ASP. There was no lease agreement for the subsequent period, i.e., w.e.f. 13/07/1996. In absence of any agreement, the dues receivables for the said period, could not be ascertained with reasonable

certainty. The same will be accounted for in the year of settlement.

47.10 Consequent to the order of Hon'ble Odisha High Court, Company's claim towards renewal of lease [total area of 2599.54 acre disclosed under Note No. 4.(ii) (b)], of land at Horomoto stands rejected, except surface area of 222.54 acre for which State Govt has been directed to consider as per provisions of Law.

47.11 An award arising out of the Arbitration between M/S. Goyal Mg Gases Pvt. Ltd. (Claimant) And SAIL/Alloy Steels Plant, Durgapur (Respondent) seeking claim of ₹116.86 crore, has been received on 22.05.2020, vide SCOPE, New Delhi letter dated 18.05.2020.

By the aforesaid award, Tribunal allowed claim no. 1 and 2 of the Claimant w.r.t. differential amount pertaining to transportation charges of Argon from DSP BOO Plant to ASP based upon market rate claimed by the Claimant and refund of withheld/ deducted amount by ASP from the bills of the Claimant on account of merchant market sale of Oxygen, Nitrogen and Argon respectively along with applicable interest thereon, out of the total claimed amount.

SAIL ASP is in process of taking further steps for filing a petition for setting aside the award under Section 34 of the Arbitration and Conciliation Act 1996 (the Act) before the District Court/ Commercial Court, as the issues pertain to patent illegality committed by the Tribunal while giving the award.

In view of above and based on the amount quantified by the tribunal, the net disputed liability of ₹10.92 crore as on 31st March, 2022, including interest, has been shown under Contingent Liability in Note No. 47.1(i)(b) above.



48.1 (A) Estimated amount of contracts remaining to be executed and not provided for (net of advances) are:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital commitments	5844.48	5066.03
Other commitments	4220.20	4259.28

(B) The Title Deeds/Lease Agreements of the following Immovable Properties (included under the line item 'Property Plant and Equipment' and 'Right of use asset') are not held in the name of the company:

As at 31st March, 2022

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/ Month/ Year since property held	Reason for not being held in name of company
1	Property, Plant & Equipment	Freehold Land	0.96	Govt of West Bengal	N	1963	Pending Registration
2	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/ Bokaro Steel Plant
3	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
4	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
5	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
6	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
7	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
9	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
10	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
11	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
12	Property, Plant & Equipment	Freehold Land	0.48	State Govt	N	Sept'1958	Pending receipt of Records of Rights (ROR)
13	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
14	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
15	Right of use Assets	Leasehold Land	15.07	Chhatisgarh government	N	01-03-2013	Taken up with the concerned authorities
16	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
17	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminities & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
18	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
19	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
21	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
22	Right of use Assets	Leasehold Land	147.81	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	N	01.02.2009	Litigation with UPSIDC, U.P
23	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	Since 1960s	Absence of lease agreement with Govt of Odisha



As at 31st March, 2021

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/ Month/ Year since property held	Reason for not being held in name of company
1	Property, Plant & Equipment	Freehold Land	33.50	Various Parties	N	Not Applicable	Pending Registration
2	Right of use Assets	Lease Hold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
3	Property, Plant & Equipment	Freehold Land	0.96	Govt. of West Bengal	N	1963	Pending ROR
4	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/ Bokaro Steel Plant
5	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
6	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
7	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
9	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
10	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
11	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
12	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
13	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
14	Property, Plant & Equipment	Free Hold Land	2.50	State Govt	N	Sept'1958	Pending reconciliation with Revenue Records & receipt of Record of Rights (ROR)
15	Property, Plant & Equipment	Free Hold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
16	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
17	Right of use Assets	Leasehold Land	15.07	CG government	N	01-03-2013	Taken up with the concerned authorities
18	Property, plant and Equipment	Free Hold Land	0.01	Asian Refractories	N	23106.00	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
19	Property, plant and Equipment	Free Hold Land	0.12	Assam Siliminities & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
20	Property, plant and Equipment	Free Hold Land	0.13	India Firebricks & Insulation Company Ltd.	N	22174.00	Rehabilitation on behalf of Deptt of Industries
21	Property, Plant & Equipment	Free Hold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
22	Property, Plant & Equipment	Free Hold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
23	Property, Plant & Equipment	Free Hold Land	0.24	Various Parties	N	1919-1972	Mutation is pending
24	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
25	Property, Plant & Equipment	Free Hold Land	124.74	UPSIDC and Odisha Govt.	N	01.02.2009 & since 1960s respectively	Litigation with UPSIDC, U.P and Absence of Lease Agreement with Odisha Govt.



48.2 (A)

CWIP AGEING SCHEDULE

Amount of CWIP as on 31/03/2022 from initial recognition in Balance Sheet*

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	833.02	475.39	328.31	2372.72	4009.44
2	Projects Temporarily suspended	0.12	0.65	2.23	4.28	7.28
	TOTAL	833.14	476.04	330.54	2377.00	4016.72

Amount of CWIP as on 31/03/2021 from initial recognition in Balance Sheet*

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1137.81	1536.65	1450.21	4749.93	8874.60
2	Projects Temporarily suspended	-	0.01	1.32	2.55	3.88
	TOTAL	1137.81	1536.66	1451.53	4752.48	8878.48

* figures are net of provision

(B)

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE

As on 31st March, 2022

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	4.77	-	-	-
2	RENOVATION OF OLD GCP COOLING TOWER OF BLAST FURNA	5.08	-	-	-
3	Ladle Tilters at Steel Melting Shop	5.07	-	-	-
4	ESP-2 & PNEUMATIC CONVEYING SYSTEM AT SINTER PLANT	2.78	-	-	-
5	Power supply at 33KV/11KV Punabad Sub-station	8.95	-	-	-
6	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
7	Closed soft water circuit for LF-1 and LF-2 in BOF	5.98	-	-	-
8	Mechanical Shear by Oxy-fuel gas cutting torches	5.10	-	-	-
9	Cast House Tap Hole Drilling Machine and Mud Guns	11.70	-	-	-
10	Inatallation of 4 th Stove in Blast Furnace 4	4.29	-	-	-
11	dupli line of CO gas from furnace to rest of Plant	19.47	-	-	-
12	Replacement of PLC system in Blast Furnace	2.06	-	-	-
13	Recirculation of clean pit water from WAP to RM	0.50	-	-	-
14	Revamping of Cooling Tower in COCC.	-	0.02	-	-
15	Installation of ASP Gas Booster in COCC	0.16	-	-	-
16	Bucket Wheel Blender in RMHP	17.17	-	-	-
17	Installation of a new coke oven Gas in COCC	-	0.07	-	-
18	Diversion of control cables in BOO oxyzen Plant	-	-	0.68	-
19	Procurement of 2 nos. Water cum Foam Fire Tender	0.01	-	-	-
20	Electro Slag Remelting Unit	3.07			
21	Portable Optical Emission Spectrometer	0.37			
22	Enterprise Procurement System	0.32			
23	Scanning Electron Microscope	4.49			
24	Development of Railway Yard	8.34			
25	Erection of 25KV AC traction at Hirapur Yard	5.60			
26	Construction of Flyover	17.40			
27	Interplant By Pass Pipeline to BF#05	4.53			
28	Recycle of waste water from Sinter Plant & PBS including TRT	5.99			
29	Recycle of waste water from CCP, RHF, WRBM, USM, CCAS & Oxygen plant	5.23			



48.2 (B) Contd...

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
30	Recycle of waste water from BF, BOF & PBS seal pot	4.10			
31	Sewerage Treatment Plant	5.24			
32	Heavy Mould Handling System at SRU RRRP	1.44			
	Projects Temporarily suspended				
1	Wheel Handling System for Dynamic Wheel Balancing	-	-	0.66	-
2	Additional drinking Water Supply lines in DSP Town	6.36	-	-	-

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE

As on 31st March, 2021

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	-	4.77	-	-
2	Power Evacuation System for 2x20 MW NPP	51.82	-	-	-
3	New Rotary Hearth Furnace Reheating Furnace WESMAN	35.25	-	-	-
4	RENOVATION OF OLD GCP COOLING TOWER OF BLAST FURNA	-	4.60	-	-
5	Replacement of BOF & CCP Chilled water plant	3.13	-	-	-
6	4 NOS. DETARRER (ELECTROSTATIC TAR PRECIPITATORS)	6.24	-	-	-
7	Ladle Tilters at Steel Melting Shop	-	4.67	-	-
8	Primary Gas Cooler No 1, 5 & 11 in 1.0 MT Coal Chemical	3.20	-	-	-
9	Replacement of Cantilever Crane in BOF Shop	0.97	-	-	-
10	ESP-2 & PNEUMATIC CONVEYING SYSTEM AT SINTER PLANT	-	2.62	-	-
11	Passenger&Goods Lift in substation bldg of Sajara,	0.69	-	-	-
12	Air Conditioning Machine for Charging Car No- 15 of COB-06	0.04	-	-	-
13	Power supply at 33KV/11KV Punabad Sub-station	-	2.87	-	-
14	Replacement of Silica Bricks of COB-3-cold repair COB-03	24.47	-	-	-
15	Dynamic Balancing Machine for Railway Wheels in	-	2.22	-	-
16	Submerged Arc Welding Machine for hard facing of C	-	-	-	0.12
17	Closed soft water circuit for LF-1 and LF-2 in BOF	-	5.23	-	-
18	Mechanical Shear by Oxy-fuel gas cutting torches	-	2.48	-	-
19	Cast House Tap Hole Drilling Machine and Mud Guns	-	1.15	-	-
20	Revamping/ Cold Repair of Coke Oven Battery No. 3	14.04	-	-	-
21	Refurbishment of Lifts at BF-2, BF-3 and BF-4	-	0.68	-	-
22	4 nos. 33 KV Reactors for 2x20 MW NPP Power Evacua	5.77	-	-	-
23	Balance Structural Works for BRC	0.16	-	-	-
24	Additional Cooling Water Line at Merchant Mill	2.95	-	-	-
25	online hardness Testing Machine in Wheel Plant	1.29	-	-	-
26	Repair of pusher side Waste Gas Tunnel in COB-3-cold repair COB-03	0.35	-	-	-
27	Procurement of Door frame & Door body for COB-3-cold repair COB-03	2.10	-	-	-
28	Inatallation of 4 th Stove in Blast Furnance 4	-	1.34	-	-
29	Procurement of 160 nos Door Bodies in COCC.-cold repiar COB-03	7.57	-	-	-
30	Procurement of 160 nos Door Bricks in COB-3.-cold repair-COB-03	0.14	-	-	-
31	Bucket Wheel Blender in RMHP	-	1.82	-	-
32	Wheel Handling System for Dynamic Wheel Balancing	-	-	-	0.54
33	Additional drinking Water Supply lines in DSP Town	-	6.36	-	-
34	Project 1 (X-ray Tomography System)	2.61			
35	Project 2 (X-ray Diffractometer system)	1.38			
36	Development of Railway Yard	9.12			

48.2 (B) Contd...

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
37	Erection of 25KV AC traction at Hirapur Yard	2.64			
38	Construction of Road Over Bridge	5.75			
39	Construction of Flyover	14.61			
40	Interplant By Pass Pipeline to BF#05	3.12			
41	Sewerage Treatment Plant	4.12			
42	2500 Ton Press	0.04			
43	Software ERP	1.08			
44	Expenditure during construction period	-	-	-	0.59
	Projects Temporarily suspended				
1	Infrastructural Facilities - Expansion-Rural India	-	-	-	1.04

48.3 The amount due to Micro, Small and Medium Enterprises as defined in the The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) (as disclosed in Note No. 30 Trade Payables) has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises under Section 22 of MSMED Act, 2006 as at 31st March, 2022 are as under:

(₹ in crore)

No.	Description	As at 31 st March, 2022	As at 31 st March, 2021
i.	The principal amount remaining unpaid to suppliers as at the end of the Year.	140.65	103.57
ii.	The amount of interest accrued during the Year and remaining unpaid at the end of the Year.	-	-
iii.	The amount of further interest remaining due and payable even in the succeeding Year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
iv.	The interest due thereon remaining unpaid to supplier as at the end of the Year.	-	-
		For the Year ended	
		31st Mar, 2022	31st Mar, 2021
v.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year.	-	-
vi.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the Year) but without adding the interest specified under this Act.	-	-

48.4 (A)

TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

Outstanding as on 31/03/2022 from due date of payment								
S.No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	24.11	116.54	-	-	-	140.65
	Subtotal - A	-	24.11	116.54	-	-	-	140.65
3	Others - Disputed	1.92	2.39	0.27	0.92	41.26	18.25	65.01
4	Others - Undisputed	1670.43	935.63	13241.25	127.41	196.40	541.23	16712.35
	Subtotal - B	1672.35	938.02	13241.52	128.33	237.66	559.48	16777.36
	Grand Total (A+B)	1672.35	962.13	13358.06	128.33	237.66	559.48	16918.01

(₹ in crore)

Outstanding as on 31/03/2021 from due date of payment								
S.No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	20.50	83.07	-	-	-	103.57
	Subtotal - A	-	20.50	83.07	-	-	-	103.57
3	Others - Disputed	-	-	0.92	41.26	0.57	17.67	60.42
4	Others - Undisputed	1318.62	845.74	4956.49	456.82	115.02	185.38	7878.07
	Subtotal - B	1318.62	845.74	4957.41	498.08	115.59	203.05	7938.49
	Grand Total (A+B)	1318.62	866.24	5040.48	498.08	115.59	203.05	8042.06



(B) Expected credit losses

Company provides expected credit losses based on the following;

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	11.41	3371.78	740.22	100.82	117.42	223.00	163.94	7.81	4736.40
Disputed - considered good	-	-	-	-	0.05	-	0.38	-	0.43
	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	7.81	4736.83
Undisputed - credit impaired	-	-	-	-	-	-	-	192.14	192.14
Disputed - credit impaired	-	-	-	-	-	-	-	68.79	68.79
	-	-	-	-	-	-	-	260.93	260.93
Total current	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	268.74	4997.76
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	0.04	-	-	0.04
Disputed - credit impaired	-	-	-	-	-	7.83	-	-	7.83
	-	-	-	-	-	7.87	-	-	7.87
Total Non-current	-	-	-	-	-	7.87	-	-	7.87
Total gross	11.41	3371.78	740.22	100.82	117.47	230.87	164.32	268.74	5005.63
Expected loss (%)	-	-	-	-	-	0.11	0.02	0.89	1.02
Credit loss allowance	-	-	0.27	-	-	24.47	3.97	240.09	268.80
Net carrying value	11.41	3371.78	739.95	100.82	117.47	206.40	160.35	28.65	4736.83

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2021									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	-	3294.54	1147.44	723.22	1953.55	966.01	33.82	19.11	8137.69
Disputed - considered good	-	-	-	0.05	-	0.38	-	0.72	1.15
	-	3294.54	1147.44	723.27	1953.55	966.39	33.82	19.83	8138.84
Undisputed - credit impaired	-	-	-	-	-	-	-	145.69	145.69
Disputed - credit impaired	-	-	-	-	-	-	-	91.19	91.19
	-	-	-	-	-	-	-	236.88	236.88
Total current	-	3294.54	1147.44	723.27	1953.55	966.39	33.82	256.71	8375.72
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	7.83	-	-	7.83
	-	-	-	-	-	7.83	-	-	7.83
Total Non-current	-	-	-	-	-	7.83	-	-	7.83
Total gross	-	3294.54	1147.44	723.27	1953.55	974.22	33.82	256.71	8383.55
Expected loss (%)	-	-	-	-	0.00	0.01	0.10	0.88	1.00
Credit loss allowance	-	-	0.74	1.27	0.03	12.27	3.44	226.96	244.71
Net carrying value	-	3294.54	1146.70	722.00	1953.52	961.95	30.38	29.75	8138.84



Reconciliation of expected credit loss allowance

(₹ in crore)

Particulars	
As at 31st March, 2020	215.40
Changes in allowance	29.31
As at 31st March, 2021	244.71
Changes in allowance	23.73
As at 31st March, 2022	268.44

- 48.5** Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/reconciliations.
- 48.6** Pursuant to the introduction of Section 115BAA under the Taxation Laws (Amendment) Act, 2019, the Company has, during the quarter ended 31st December, 2020, opted for lower tax regime under the said Section for the financial year ended 31st March, 2020 and onwards. Consequently, the Company has charged off the Deferred Tax Assets arising due to MAT credit and restated the Deferred Tax Assets, based on the revised effective tax rate, resulting in one time charge of ₹1288.22 crore in the Statement of Profit and Loss, for the year ended 31st March, 2021.
- 49.1** In accordance with Ind AS 115- Revenue from Contracts with Customers, GST amount of ₹16589.94 crore (Previous Year: ₹10579.84 crore) is not included in Revenue from Operations.
- 49.2** As per the terms of sales with certain Government agencies, the invoicing to these agencies are done at provisional prices, till a final price is subsequently agreed. The revenue recognized on aforementioned provisional prices basis is as under:

(₹ in crore)

Year ended 31 st March, 2022	Cumulative till 31 st Mar, 2022	Year ended 31 st March, 2021	Cumulative till 31 st Mar, 2021
6237.41	21163.29	6902.50	14952.22

- 49.3** During the year ended 31st March, 2022, the Company has implemented the Salaries & wages revision effective from 1st April, 2020 after the expiry of long term wage agreement on 31st December, 2016. Accordingly, Employees Benefit Expenses charged to Statement of Profit and Loss and Expenditure during Construction (net off of provision for wage revision) for the Year ended 31st March, 2022 are ₹837.25 crore and ₹4.24 crore respectively. Further, an amount of ₹567.66 Crore has been charged to the statement of profit and loss on account of revised actuarial valuation of employees related liabilities owing to implementation of wage revision.
- 49.4** As per the Department of Public Enterprises (DPE) guideline, the Company is required to contribute up to 30% of Salary (Basic Pay plus Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-Superannuation Benefits. Accordingly the Company has made provision for pension benefit for executive employees @ 9% of Salary w.e.f. 1st January, 2007 and @3% of Salary w.e.f. 1st April, 2015. Further, pension benefit for non-executive employees has been provided @ 6% of Salary w.e.f. 1st January, 2012 and @2% of Salary w.e.f. 1st April, 2015. Subsequent to wage revision, the pension benefit for non-executive employees has been provided @ 9% of Salary w.e.f. 1st November, 2021.

Pension Scheme was approved in the Meeting of the Board of Directors held on 9th February, 2017 with modification that from the Financial Year 2015-16 and onwards, the contribution towards Pension shall be measured, as a percentage of Profit Before Tax (PBT) to average Net-worth. If the percentage of PBT to average Net-worth is 8% or above, amount of Pension contribution shall be limited to 9% of Basic Pay plus DA for Executives and 6% of Basic Pay plus DA for Non-executive (@9% w.e.f. 1st November, 2021), else the amount of contribution towards Pension will be reduced proportionately. However, a minimum Pension contribution shall be kept at the rate of 3% and 2 % (@3% w.e.f. 1st November, 2021) of Basic Pay plus DA for Executive and Non-Executive employees respectively even in case of loss during a Financial Year. During the Financial Year ended 31st March, 2022 provision for Other Benefits (pension) has been made @ 9% for executives and 6% for non-executives upto to 31st October, 2021 and @ 9% thereafter on implementation of wage revision.

The cumulative liability towards Other Benefits (including pension) for Executive and Non-executive employees, amounting to ₹1076.39 crore (₹577.67 crore during the Year) and ₹55.77 crore (₹3.45 crore during the Year) has been charged to 'Employee Benefits Expense' and 'Expenditure during Construction' respectively. An amount of ₹1716.68 crore has been transferred to Pension Fund during the Year. Further, an amount of ₹118.35 crore has been paid to retired employees during the Year and an amount of ₹1.53 crore deposited by the employees for being eligible for pension.

- 49.5** The research and development expenditure charged to Statement of Profit and Loss and allocated to Fixed Assets/Capital work-in-progress (Net), during the Year, amount to ₹742.90 crore (₹340.28 crore during the previous Year) and ₹71.91 crore (₹23.03 crore during the previous Year) respectively. The aggregate amount of revenue expenditure incurred on research and development is shown in the respective head of accounts. The break-up of the amount is as under:



(₹ in crore)

Head of Account	For the Year ended	
	31 st March, 2022	31 st March, 2021
Raw Materials	418.42	198.05
Employees Benefits Expense	152.07	83.76
Stores & Spares Consumed	23.52	6.27
Power & Fuel	29.53	17.77
Repairs & Maintenance	11.30	3.79
Depreciation and Amortisation Expense	20.05	6.89
Other Expenses	80.62	21.45
Finance Cost	7.39	2.30
Total	742.90	340.28

49.6 The Company considers the assets of one entire plant as Cash Generating Unit (CGU). The Company internally reviews whether there are any indicators that the carrying amount of assets of CGUs may be impaired on each balance sheet date. If any such indicators exist, the asset recoverable amount is estimated as higher of the net selling price and the value in use. Value in use is based on present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amounts of assets of a CGU exceed the asset recoverable amount. Further to the internal assessment, the Company also determines net selling price of the assets of CGU, in which any such indication exists, once every three years by an independent expert.

As on the reporting date, based on the internal assessment done by the Company at its different CGUs, no impairment loss is required to be provided.

49.7 (A) As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial years in accordance with its Corporate Social Responsibility (CSR) policy. Based on the above, the CSR amount has been budgeted at ₹80.47 crore for the year 2021-22 (previous year : ₹39.44 crore). The Company has spent an amount of ₹94.24 crore on CSR activities during the Year (₹47.18 crore during the previous Year) under the following heads:-

(₹ in crore)

Particulars	For the Year ended	
	31 st March, 2022	31 st March, 2021
Education	8.50	8.30
Healthcare	63.25	28.48
Livelihood Generation	2.22	2.14
Women Empowerment	1.11	0.57
Drinking Water	1.03	0.80
Sanitation	1.54	0.23
Sports	0.80	0.72
Art & Culture	1.33	1.65
Rural Development	11.03	1.19
Social Security	0.66	0.46
Environment Sustainability	1.08	0.48
Disaster Relief	1.38	2.06
Project Identification and Monitoring	0.18	0.10
Capacity Building of Personnel	0.13	0.00
Total	94.24	47.18

(B) The Company has spent an amount of ₹7.95 crore on construction/acquisition of asset during the year (₹ Nil crore during the previous year).

(C) Excess amount spent on CSR activities to be carried forward to succeeding three financial years are ₹13.77 crore (Previous Year : ₹7.74 crore).

(D) Unspent amount transferred to 'Unspent CSR Account' for the current year are ₹ NIL crore (previous year- ₹ NIL crore)



- 49.8** In compliance to General Financial Rule 238(5) & (6), the details of Grants received from Ministry of Steel and its utilization for Research and Development Projects during last three years are as under:

(₹ in crore)

Year	Grant Received from Central Government	Grant Utilised (from Opening Balance and Current Year)
2021-22	-	0.26
2020-21	-	1.50
2019-20	-	0.43

- 49.9** Information on leases as per Indian Accounting Standards (Ind AS) 116 on 'Leases':

- (i) The Company has leases for Land, office building, Plant & Equipment, warehouses & related facilities and vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its Property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

Right of Use assets

Set out below are the carrying amounts of right-of-use assets (Refer note 4a) recognised and the movements during the period:

(₹ in crore)

Particulars	Leasehold Land	Plant and equipment	Vehicles	Buildings	Right of Use assets Total
As at April 1, 2021	802.22	1231.37	9.21	11.33	2054.13
Additions/Disposal	38.62	1974.38	0.55	0.37	2013.92
Depreciation expense	58.49	166.81	3.94	4.77	234.01
As at March 31, 2022	782.35	3038.94	5.82	6.93	3834.04

Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

(₹ in crore)

Particulars	Lease liabilities
As at April 1, 2021	2068.57
Additions	1963.29
Interest accrued	52.81
Payments	(186.23)
As at March 31, 2022	3898.44
Current	292.04
Non Current	3606.40

a. Lease payments not included in measurement of lease liability

The expenses relating to payments not included in the measurement of the lease liability are as follows:

(₹ in crore)

Particulars	31 st March, 2022	31 st March, 2021
Short-term leases	-	2.40
Leases of low value assets	-	-
Variable lease payments	17.35	31.71
Others	-	-

- b.** Total cash outflow for leases for the year ended 31st March, 2022 are ₹1196.26 crore (Previous year ₹1117.03 crore).



- c. The Company has total commitment for short-term leases of ₹0.08 crore as at 31st March, 2022 (Previous year ₹0.70 crore).

d. Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

(₹ in crore)

Particulars	Minimum lease payments due as at 31 March 2022			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	592.04	2134.00	5036.32	7762.36
Interest expense	329.79	1235.86	2298.27	3863.92
Net present values	262.25	898.14	2738.05	3898.44

Particulars	Minimum lease payments due as at 31 March 2021			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	359.84	1081.47	2087.62	3528.93
Interest expense	126.20	420.90	913.28	1460.38
Net present values	233.64	660.57	1174.34	2068.55

- e. Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31st March, 2022 is ₹NIL (Previous Year ₹NIL crore).
- f. Information about extension and termination options:

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases With termination option
Leasehold Land	53	0.08-90	26.70	43	34
Plant and equipment	9	0.12-15.01	4.78	5	1
Vehicles	15	0.01-9.05	2.72	-	7
Buildings	20	0.08-49.79	4.39	14	18

- g. The total future cash outflows as at 31st March, 2022 for leases that had not yet commenced is of ₹NIL (previous year ₹NIL crore) (office premises).

Company as a lessor

Operating lease as a lessor

The Company has entered into lease agreements for spaces such as banks, housing societies, hospitals, mobile towers land plots and employee quarters/flats spaces, etc.

The period for such leases ranges from 11 months to 50 years depending upon terms and conditions of each lease arrangements.

Future minimum lease payments receivable under the operating lease is as below:

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Not Later than one year	25.01	28.83
(b) Later than one year and not later than five years	64.26	70.96
(c) Later than five years	126.54	129.27
Total	215.81	229.06

Total operating lease rental income recognised in the statement of profit and loss during the year ended 31st March, 2022 is ₹27.91 Crore (March 31, 2021: ₹34.85 crore).



Finance lease as a lessor

The Company has freehold land which has been leased to various parties under finance lease arrangements.

Future minimum lease payments receivable under the finance lease is as below: (₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Not Later than one year	0.29	0.60
(b) Later than one year and not later than five years	1.01	0.78
(c) Later than five years	9.74	9.57
Total undiscounted lease payments	11.04	10.95
Unearned finance income	9.67	9.86
Net investment in lease	1.37	1.09

Total finance lease rental income recognised in the statement of profit and loss during the year ended March 31, 2022 is ₹0.56 Crore (previous year ₹0.58 crore).

(II) Description of major leasing arrangements

Power Plant

The Company has accounted for certain power plants as finance lease under Appendix C of Ind AS 17 by virtue of the power purchase agreement with the supplier. Under the terms of the power purchase agreement, the Company shall continue to purchase power until the parties decide to terminate the agreement, which has been determined to be an un-economic proposition considering the specialised nature and location of the asset. For any new lease treatment, treatment has been done in accordance with Ind AS 116 – Leases.

Oxygen Plant

The Company has accounted for certain oxygen plants as finance lease (or operating lease) under Appendix C of Ind AS 17 by virtue of the oxygen purchase agreement with the supplier. The agreement to purchase oxygen is a 15 year fixed term agreement. There is no change in treatment under Ind AS 116 – Leases.

Mining land

The Company has accounted for leasehold lands for mining as finance leases by virtue of its rights under the lease agreement after considering the right/ economic compulsion for renewal. There is no change in treatment under Ind AS 116 – Leases.

49.10 Contributions made in cash and kind for the period from the Financial Year 2006-07 to 2017-18 to Railway authorities for laying out railway line from Rajhara to Rowghat would be recovered in cash at the rate of 7% per annum for 37 years on total contribution towards redemption of SAIL's contribution after commencement and fulfilment of assured traffic from Rowghat mines. Management is of view that the criteria laid out in Memorandum of Understanding will be met and interest accrues from the date of investment. The refund amount comprises principal and interest elements. Accordingly, the interest element has been computed and recognised as income during the Year amounting to ₹58.07 crore (till date ₹198.33 crore). As per the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India, such treatment of recognition on time proportion basis is in order as in view of the Management, no significant uncertainty exists regarding collectability and measurability of revenue.

49.11 The inventory of sub-grade iron ore fines generated at the captive mines of the Company were not assigned any value in the books of accounts of the Company till the financial year ended 31st March 2019, since, the Government of India Notification dated 19 September 2012 prohibited all captive miners from selling such sub-grade fines.

Following the Government of India Order no. F.No.16/30/2019-M.VI dated 16th September 2019 allowing sale of sub-grade iron ore fines, the inventories of sub-grade fines held by the Company gained economic value. In this regard, the Company also obtained opinions from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI). Based on the aforesaid opinions, the Company recognized these inventories as by-product inventory as at 31st March 2020. Since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Company assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.

The Company has obtained all clearances including environmental clearance and clearance from Director General of Mines Safety, Government of India. Further, procedural clearances have been obtained from the State Government of Odisha. With respect to the State of Jharkhand, the delay in the clearances is procedural and the management expects to receive the clearances soon. This is also supported by the legal opinion taken by the Company in this regard.



As a result, the management has been able to sell off such inventories in certain locations. While, on an overall basis during the current and the previous year, there has been insignificant movement (1.04 million tonnes) in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. The management also has plans to set up a beatification plant in future that will consume significant volume of sub-grade fines annually. Accordingly, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.

Considering the substantial volume of inventories, the quantity estimated to be sold / consumed within the next one year has been recognized as current and the balance has been classified as non-current inventory (refer notes 7a and 15).

As at 31st March 2022, the Company is carrying sub-grade iron-ore fines inventory of 41.94 Mt (as at 31st March 2021: 42.60 Mt) valuing ₹4034.95 crores (as at 31st March 2021 valuing ₹4089.03 crores) which includes 39.24 Mt valued at ₹3786.62 crores classified as non-current inventory at its various mines.

Likewise, the Company at its Barsua and Dalli Mines is also carrying inventory of tailings of 7.44 Mt (as at 31st March 2021: 8.68 Mt) valuing ₹382.66 crores (as at 31st March 2021 valuing ₹492.41 crores) which includes 6.41 Mt valued at ₹331.25 crores classified as non-current inventory as at 31st March 2022. Further, the Company at its Bhilai, Bokaro, Rourkela and Durgapur Steel Plants is also carrying inventory of extractable iron and steel scrap embedded in BF Slag and LD Slag of 0.49 Mt (as at 31st March 2021 : 0.57 Mt) valuing ₹ 507.10 crores (as at 31st March 2021 valuing ₹438.63 crores) which includes 0.44 Mt valued at ₹441.29 crores classified as non-current inventory as at 31st March 2022. The Company is formulating a detailed plan for disposal / consumption of these inventories.

Considering the market volatility, steel market dynamics, possibility of future additions to steel and pellet making capacity in the country which may augment the demand of these materials, the carrying value of the non-current inventories cannot be adjusted for any unforeseeable changes in the future prices. Accordingly, in view of the management, the carrying values of the aforementioned inventories are the best estimates basis the information available at this stage.

- 49.12** The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th October, 2016 had accorded 'in-principle' approval for Strategic Disinvestment of three units of Steel Authority of India Limited (SAIL) viz. Visvesvaraya Iron & Steel Plant (VISP), Bhadravati, Karnataka, Salem Steel Plant (SSP), Tamil Nadu and Alloy Steel Plant (ASP), West Bengal. Subsequently, in line with the "in-principle" approval of Government of India, SAIL Board in its meeting held on 9th February, 2017, approved the Strategic Disinvestment of ASP, VISP and SSP. The Company appointed various Advisors to carry out the process. The entire process of Strategic Disinvestment is being overseen by an Inter-Ministerial Group (IMG). The IMG is chaired by Secretary, Department of Public Assets Management (DIPAM) and co-chaired by Secretary (Steel).

Preliminary Information Memorandum (PIM) / Expression of Interest (Eoi), Requests of ASP, SSP and VISP were issued on 4th July, 2019. The Transaction Advisor, M/s SBICAPs has informed that, in case of ASP, no EOIs were received from prospective bidders upto the scheduled date. The EOIs of SSP and VISP were opened on 10th September, 2019. The Request for Proposal (RFP), Confidential Information Memorandum (CIM) and Business Transfer Agreement (BTA) have been issued to the short-listed bidders and due diligence is ongoing by the short-listed bidders.

- 49.13** The Company has proposed final dividend @22.5% of the paid-up equity share capital (i.e. ₹2.25 per equity share of ₹10/- each) for the Financial Year 2021-22 subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company.

- 49.14** The Company disintegrated its Raw Materials Division ('the Division') on 1st July, 2021 and accordingly, the balances as at 30th June 2021 were merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant of the Company.

These standalone financial statements include the financial information of the aforesaid Division which reflect total revenues of ₹374.07 crores (excluding intra-company stock transfers of ₹1443.41 crores), total expenses of ₹1702.92 crores, total net profit after tax of ₹114.56 crores and total comprehensive income of ₹110.68 crores for the quarter ended 30th June 2021 which were subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors/ auditors of the plants for the purpose of reporting on the complete set of standalone financial statements of the Company. Further, the total assets of ₹7448.85 crores and total liabilities of ₹4034.45 crores as at 30th June 2021 were transferred to the aforesaid plants and are included in the balances of these plants as at 31st March 2022, which have been audited by the auditors of the respective plants.

However, the Company is in the process of referring the matter to the Comptroller and Auditor General of India for the appointment of auditors of the Division as required under Section 139 (5) of the Companies Act, 2013.

- 49.15** The COVID-19 pandemic outbreak and measures to curtail it had caused significant disturbances and slow down of economic activities. Following the gradual normalization of economic activities, and positive economic environment seen across sectors, the management is of the belief that the trend is likely to continue in subsequent periods as well and the impact of COVID-19, if any, is not likely to be material.



49.16 The company is in the process of reconciliation of Goods Receipt/Invoice Receipt (GR/IR) accounts (grouped under "Trade Payables/Payable for Capital Works", Note No. 30/31) at one of the plant locations. The balance outstanding as on 31st March 2022 is ₹101.54 crore (31st March 2021 - ₹ 304.08 crore). As part of the reconciliation process, the Plant has written back an amount of ₹186.16 crore and credited the same to the Statement of Profit and Loss under the head "Write back of Other liabilities" (Note No. 36).

50.1 DEFINED BENEFIT SCHEMES

50.1.1 General Description of Defined Benefit Schemes:

Gratuity	: Payable on separation @15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more (for service beyond 30 years, one month's salary for every completed year of service beyond 30 years). Maximum amount of ₹20 lakhs for executives & non-executives joined on or after 1 st July, 2014. For non-executive employees joined before 1 st July, 2014, the gratuity accrued on pre revised Basic Pay and DA, as on the date of implementation of wage revision i.e. 18.10.2021 or ₹20 lakhs whichever is higher has been considered for actuarial valuation.
Leave Encashment	: Payable on superannuation to eligible employees who have accumulated Earned and Half Pay Leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave also allowed upto 30 days once in the Financial Year from 2021-22.
Provident Fund	: 12% of Basic Pay Plus Dearness Allowance, contributed to the Provident Fund Trusts by the company.
Post Retirement Medical Benefits	: Available to retired employees at company's hospitals and/or under the health insurance policy.
Post Retirement Settlement Benefits	: Payable to retiring employees for settlement at their home town.
Long term service Award	: Payable in kind on rendering minimum 25 years of service and also on superannuation.

50.1.2 Other disclosures, as required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are:

(a) Reconciliation of Present Value of Defined Benefit Obligations

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Present Value of projected benefit obligations, as at the beginning of the year.	5780.54 (6044.55)	3207.65 (3005.03)	1046.79 (1055.03)	110.88 (103.40)	17.57 (18.79)
ii)	Service Cost	291.54 (323.03)	506.34 (434.58)	- (-)	- (-)	0.59 (0.50)
iii)	Interest Cost	381.22 (387.09)	197.94 (191.22)	67.89 (68.76)	7.49 (6.88)	1.10 (1.20)
iv)	Actuarial Gains(-) / Losses(+)	-107.68 (-270.18)	454.83 (-37.11)	228.13 (10.90)	23.39 (4.86)	5.20 (-0.66)
v)	Past Service Cost	- -	- -	305.75 (-)	- -	- -
vi)	Benefits Paid	822.49 (703.95)	839.72 (386.07)	181.27 (87.90)	5.90 (4.32)	3.28 (2.30)
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv+v-vi)	5523.12 (5780.54)	3527.03 (3207.65)	1467.28 (1046.79)	135.86 (110.82)	21.18 (17.57)



The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund. The reconciliation of fair value of assets of the Gratuity Fund and defined benefit gratuity obligations is as under:

Sl. No.	Particulars	2021-22	2020-21
i)	Fair Value of plan assets as at the beginning of the year	6235.29	6357.63
ii)	Expected return on plan assets	12.23	98.22
iii)	Actual Company's contribution	68.38	50.84
iv)	Interest Income/Actuarial Gain/Loss(-)	442.70	432.55
v)	Benefits payments	822.56	703.95
vi)	Fair value of plan assets as at the end of the year	5936.04	6235.29
vii)	Present value of defined benefit obligation [50.1.2)(a)(vii)]	5523.12	5780.54
viii)	Net liability recognised in the Balance sheet (vii)-(vi) *	-413.04	-454.73

The defined benefit obligations, other than gratuity, are non-funded.

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Service Cost	291.54 (323.03)	506.34 (434.58)	- (-)	- (-)	0.59 (0.54)
ii)	Interest Cost	-61.48 (-45.23)	197.94 (191.22)	67.89 (68.76)	7.49 (6.88)	1.10 (1.18)
iii)	Actuarial Gains (-)/Losses	-107.68 (-270.18)	454.83 (-37.11)	228.13 (10.90)	23.39 (4.86)	5.20 (-0.02)
iv)	Past Service Cost	- (-)	- (-)	305.75 (-)	- (-)	- (-)
v)	Expected Return on Plan Assets	12.23 (98.22)	- (-)	- (-)	- (-)	- (-)
vi)	Total (i+ii+iii+iv-v)	110.15 (-90.60)	1159.10 (588.71)	601.77 (79.66)	30.88 (11.74)	6.89 (1.70)
vii)	Employees' Benefits Expenses :					
	a) Charged to Profit & Loss Account (Note 39)	230.13 (277.23)	1157.20 (586.53)	373.63 (68.76)	30.89 (5.50)	6.89 (1.70)
	b) Charged to Expenditure During Construction (Note 5.1)	-0.07 (0.56)	-0.07 (0.56)	- (-)	- (-)	- (-)
	c) Charged to OCI*	-119.90 (-368.39)	- (-)	228.13 (10.90)	- (-)	- (-)
	d) Charged to Profit & Loss Account- Other Expenses	- (-)	- (-)	- (-)	30.89 (6.24)	- (-)
viii)	Actual Return on Plan Assets	455.05 (530.54)				

*Remeasurement gains/(losses) on Defined Benefit Plans have been reclassified and shown under Retained Earnings (Note No. 23)

(d) Effect of half percentage point change in the Discount rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	-179.01	168.80
ii)	Leave	-135.95	127.05
iii)	Post Retirement benefit	-68.58	53.81
iv)	Long Term Service Award	-0.93	0.85
v)	Retirement Travelling Allowance	-6.00	5.56

(e) Effect of one percentage point change in the salary escalation rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Gratuity	63.18	-60.34
ii)	Leave	128.24	-136.04

(f) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Post-retirement medical benefits	-83.03	76.98

(g) Investments of Gratuity Trust

Particulars	% of Investment	
	As at 31.03.2022	As at 31.03.2021
Insurance Investments	69.61	95.25
Central Government Securities	1.45	1.39
State Government Securities	0.73	1.24
PSU Bonds	0.94	2.12
Cash at Bank	0.27	0.00
Total	100.00	100.00

(h) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2022	As at 31 st March, 2021
i)	Discount Rate (per annum)	7.10%	6.80 %
ii)	Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
iii)	Withdrawal Rates (per annum)	Executives & Non-executives- 0.01% to 0.10% depending upon the age	Executives & Non-executives- 0.01% to 0.10% depending upon the age
iv)	Medical Cost Trend Rates (per annum)	5% for hospital cost and Nil for Medclaim premium	5% for hospital cost and Nil for Medclaim premium.
v)	Estimated Rate of Return on Plan Assets	7.10%	6.80%
vi)	Salary Escalation	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.
		The estimate of future salary increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors	



(i) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2022	As at 31 st March, 2021
Upto 1 year	733.95	674.40
Between 1 to 2 years	694.12	670.99
Between 2 to 3 years	647.59	665.46
Between 3 to 4 years	623.82	617.76
Between 4 to 5 years	634.35	591.43
Between 5 to 10 years	3062.02	3093.35
More than 10 years	3269.33	4125.22
Total Undiscounted Payments related to Past Service	9665.16	10438.61
Less: Discount for Interest	4142.04	4658.06
Projected Benefit Obligation	5523.12	5780.55

51. GENERAL

51.1 Segment Reporting

Business Segments: The five Integrated Steel Plants and three Alloy Steel Plants, being manufacturing units, have been considered as primary business segments for reporting under Ind AS 108 'Operating Segments' issued by Ministry of Corporate Affairs.

51.2 Related Party

As per Ind AS 24-'Related Party Disclosures' issued by the Ministry of Corporate Affairs, the names of the related parties, are given below:-

A. Name of the related party and nature of relationship
Subsidiary Companies SAIL Refractory Company Limited Chhattisgarh Mega Steel Limited
Joint Venture Companies NTPC-SAIL Power Company Limited Bokaro Power Supply Company Private Limited SAIL Bansal Service Centre Limited Mjunction Services Limited Bhilai Jaypee Cement Limited International Coal Ventures Private Limited SAIL SCL Kerala Limited SAIL-RITES Bengal Wagon Industry Private Limited SAIL Kobe Iron India Private Limited Prime Gold-SAIL JVC Limited VSL SAIL JVC Limited Romelt-SAIL (India) Limited Bastar Railway Private Limited GEDCOL SAIL Power Corporation Limited S&T Mining Co Pvt Ltd
Associate Company Almora Magnesite Limited
Other Companies ICVL Mauritius Riverdale Mining (PTY) Limited (RML) Minas De Banga (Mauritius) Limited Mozambique ICVL Zambeze Mauritius Limited Benga Power Plant (Mauritius) Limited Minas De Banga LDA IISCO Ujjain Pipe & Foundry Co. Limited UEC-SAIL Information Technology Limited



Post-employment Benefit Plans

HSL BSP Provident Fund, Bhilai
 DSP Provident Fund, Durgapur
 Hindustan Steel Ltd Contributory Provident Fund, Rourkela
 Bokaro Steel Employees Provident Fund, Bokaro
 IISCO Limited Provident Institution, Burnpur
 Coal Provident Fund Trust, Collieries
 IISCO Limited Works Provident Fund, Burnpur
 SAIL ASP Provident Fund, Durgapur
 Salem Steel Provident Fund, Salem
 Visvesvaraya Iron and Steel Plant Employees Provident Fund Trust, Bhadravati
 SAIL Provident Fund, New Delhi
 Hindustan Steel Provident Fund, Ranchi
 Hindustan Steel Limited, Central Purchase Organisation, Sales & Transport, Calcutta Provident Fund
 Bharat Refractories Provident Fund, Bokaro
 IFICO Provident Fund, Ramgarh
 CCSO Provident Fund, Dhanbad
 SAIL RMD Establishment and Administrative Offices Employees Provident Fund, Kolkata
 Bolani Ores Mines Provident Fund, Bolani
 SAIL Employees' Superannuation Benefit Fund
 SAIL Gratuity Fund
 SAIL Pension Fund

B. Key Management Personnel

Smt Soma Mondal
 Shri Harinand Rai
 Shri Amit Sen (upto 31.12.2021)
 Smt Sukriti Likhi
 Shri Puneet Kansal
 Shri A K Tripathi
 Shri Kanhaiya Sarda
 Smt Neelam Sonkar
 Shri SKV Raju
 Dr. G S Bhati
 Shri N Shankarappa
 Shri A Dasgupta
 Shri VS Chakravarthy (w.e.f. 24.12.2021)
 Shri Amarendu prakash
 Shri D Chattaraj (upto 31.07.2021)
 Shri A.V. Kamlakar (upto 31.01.2022)
 Shri Atanu Bhowmick (w.e.f. 11.02.2022)
 Smt. K Raman
 Shri Jagdish Arora
 Shri Sanjeev Taneja
 Shri S Subbaraj
 Shri Rajeev Sehgal (w.e.f. 01.06.2021)
 Shri Surajit Mishra
 Shri Ajay Arora (upto 31.05.2021)
 Shri Nirvik Banerjee (w.e.f. 01.06.2021)
 Shri M V Zode
 Shri M B Balakrishnan
 Shri MP Singh (upto 31.05.2021)
 Shri C N Bhattacharya (upto 31.12.2021)
 Shri Subhashis Sengupta (w.e.f. 01.01.2022)

C. Details of transactions between the Company and the Related Parties during the Year

(₹ in crore)

Sl. No.	Particulars	Subsidiary/Associate/Joint Ventures	Key Management Personnel	Total	Note No. and account head
i)	Investments	5.00 (-)		5.00 (-)	8 : Investments
ii)	Advance for purchase of shares	5.00 (-)		5.00 (-)	11/19 : Other Financial Assets
iii)	Services rendered	8.28 (14.03)		8.28 (14.03)	36: Other income
iv)	Rental Income	- (0.26)		- (0.26)	
v)	Dividend Received	192.70 (157.41)		192.70 (157.41)	
vi)	Sale of Goods	6.63 (17.18)		6.63 (17.18)	35 : Revenue from Operations
vii)	Other Operating Revenues	16.11 (15.18)		16.11 (15.18)	35 : Revenue from Operations
viii)	Purchase of Goods	2158.80 (1133.69)		2158.80 (1133.69)	25/30 : Trade Payables
ix)	Purchase of Power	2374.04 (2505.42)		2374.04 (2505.42)	41 : Other Expenses
x)	Services received	64.11 (57.44)		64.11 (57.44)	401: Other Expenses
		0.96 (1.17)		0.96 (1.17)	5 : Capital WIP
xi)	Interest Income	0.01 (0.58)		0.01 (0.58)	
xii)	Conversion Charges	- (-)		- (-)	
xii)	Managerial remuneration		13.18 (7.86)	13.18 (7.86)	39 : Employees' Benefits Expenses

D. Balances with Related Parties as at the end of the Year

(₹ in crore)

Sl. No.	Particulars	Subsidiary/Associate/Joint Ventures	Note No. and account head
i)	Investments	1459.72 (1474.56)	8 : Investments
ii)	Provision for investments	5.03 (24.45)	
iii)	Other Loans and Advances	64.70 (63.30)	11/18/19: Loans
iv)	Provision for Loans and Advances	11.92 (11.92)	
v)	Advance for Purchase of shares	3.52 (3.52)	11/19 : Other Financial Assets
vi)	Trade Receivable	15.35 (10.55)	9/16 : Trade Receivables
vii)	Trade Payable	414.07 (224.86)	25/30 : Trade Payables
viii)	Security Deposit	0.37 (1.22)	26/31 : Other financial liabilities



E. Disclosure of Material Transactions with Related Parties

(₹ in crore)

Name of Struck Off Company	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021	Note No. and account head
Dividend Income SAIL Refractory Co. Ltd. Bokaro Power Supply Co. Pvt. Ltd. NTPC-SAIL Power Supply Co. Ltd. Mjunction Services Limited	5.30 12.40 100.00 75.00	- 55.81 95.00 6.60	
Investments ICVL S&T Mining	4.61 0.39	- -	
Advance for Purchase of Shares ICVL S&T Mining	4.61 0.39	- -	
Sale of Goods BhilaiJaypee Cement Limited SAIL Refractory Co. Ltd. NTPC-SAIL Power Supply Co. Ltd.	4.57 2.06 -	4.76 10.84 1.58	35: Revenue from Operations
Other Operating Revenues NTPC-SAIL Power Supply Co. Ltd.	16.11	15.18	35: Revenue from Operations
Purchase of Goods SAIL Refractory Co. Ltd. Almora Magnesite Ltd ICVL	202.30 6.19 1950.31	149.13 5.66 970.45	25/30 : Trade Payables
Purchase of Power Bokaro Power Supply Co. Pvt. Ltd. NTPC-SAIL Power Supply Co. Ltd.	901.52 1472.52	827.63 1437.60	41 : Other Expenses
Services Rendered BhilaiJaypee Cement Limited Mjunction Services Limited SAIL-Bansal Services Centre Ltd. Bokaro Power Supply Co. Pvt. Ltd. NTPC SAIL Power Supply Co. Ltd. SAIL Refractory Co. Ltd. SRBWIP	0.54 0.11 0.04 0.38 - 2.65 4.56	0.70 0.04 0.05 0.35 8.76 1.49 2.64	36:Other income
Auction services Mjunction Services Limited	64.11 0.96	57.44 1.74	41 : Other Expenses 5 : Capital WIP

F. During the Year, Sales and Trade Receivables include ₹8574.03 crore (previous year ₹12158.75 crore) and ₹1147.08 crore (previous year ₹3806.12 crore) for transactions with the Central Government (including Indian Railways) which constitute 8.29% (previous year 17.76%) and 24.22% ((previous year 53.43%) of the Sales and Trade Receivables respectively.

G. Details of Loans and Advances granted that are:

- (i) Repayable on demand, or
- (ii) without specifying any terms or period of repayment

(₹ in crore)

Sl. No.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Amount Outstanding	% of Total	Amount Outstanding	% of Total
1	Promoter	NIL			
2	Directors				
3	KMPs				
4	Related parties				
	TOTAL				



H. RELATION WITH STRUCK OFF COMPANIES

(₹ in crore)

Sl. No.	Name of Struck Off Company	Nature of Transaction	Relationship	Balance as on	
				As at 31 st March, 2022	As at 31 st March, 2021
i)	HYWELL FORGINGS PRIVATE LIMITED	Receivable	CUSTOMER	-	-
ii)	VISMAYA METALS PRIVATE LIMITED	Receivable	CUSTOMER	0.40	0.40
iii)	MADRAS AUTHO COUPLINGS P.LTD	Receivable	CUSTOMER	-	-
iv)	AUTO FIELD ENGINEERS P.LTD	Receivable	CUSTOMER	-	-
v)	SAIL Jagdishpur Power Plant Limited	Investment	Subsidiary	-	0.05
vi)	SAIL Sindri Projects Limited	Investment	Subsidiary	-	0.05
vii)	North Bengal Dolomite Limited	Investment	Joint Venture	-	0.98
viii)	NMDC SAIL Limited	Investment	Joint Venture	-	0.02
ix)	SAIL MOIL Ferro Alloys Pvt Limited	Investment	Joint Venture	-	0.10
x)	SAIL Bengal Alloy Cast (P) Ltd	Investment	Joint Venture	-	0.01
xi)	SAIL SCI Shipping Pvt Limited	Investment	Joint Venture	-	0.10
xii)	Spraying Systems (India) Pvt. Ltd.	Payable	Vendor	-	-
xiii)	DECCAN SMITHS PRIVATE LIMITED	Payable	Customer	0.11	0.11
xiv)	SCHWING STETTER (INDIA) PRIVATE LIMITED	Payable	Customer	0.05	0.05
xv)	Hunting Hawks Security & Facility Service Ltd	Payable	Vendor	0.01	0.1

* Figures rounded off to ₹ crore

51.3 Disclosures of provisions required by Indian Accounting Standards (Ind AS) 37 'Provisions, Contingent Liabilities and Contingent Assets:**Brief Description of Provisions :**

Mines afforestation costs	Payable on renewal (including deemed renewal)/forest clearance of mining leases to Government authorities, towards afforestation cost at mines for use of forest land for mining purposes.
Mines closure costs	Estimated liability towards closure of mines, to be incurred at the time of cessation of mining activities.
Overburden backlog removal costs	To be incurred towards removal of overburden backlog at mines over the future years.

(₹ in crore)

Movement of provisions	Mines afforestation costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2021	34.35	99.25	67.24	200.84
Additions during the Year	27.19	30.47	55.00	112.66
Amounts utilised during the Year	0.16	-0.74	0.00	-0.58
Unused amount reversed during the Year	-	-1.12	7.19	6.07
Balance as at 31 st March, 2022	61.38	131.58	115.05	308.01

51.4 Particulars in respect of Loans and advances as per the disclosure requirement of regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015:

(₹ in crore)

Name of the subsidiary Company*	Loans and advances in the nature of loans outstanding as at the end of the Year	Maximum amount of loans and advances in the nature of loans outstanding during the Year
IISCO Ujjain Pipe and Foundry Co. Limited (under liquidation)	2.53* (2.53)*	2.53 (2.53)

* ₹2.53 crore (₹2.53 crore), being doubtful of recovery has been provided for in the books of accounts.

- ii) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and

There are no loans and advances in the nature of loans, to firms/companies, in which directors are interested



51.5 Reconciliation of Quarterly Stock/Receivable Statement Filed

(₹ in crore)

Quarter ended	Name of Bank	Particulars of Securities Provided	Amount as reported in the Quarterly return	Amount as per books of accounts	Amount of Difference	Reasons for material discrepancies
Mar-22	SBI	Inventory	19967	19296	671	Provisional data as on date of filing.
Mar-22	SBI	Trade Receivables	4859	4737	122	Provisional data as on date of filing.
Dec-21	SBI	Inventory	19184	19148	36	Provisional data as on date of filing.
Dec-21	SBI	Trade Receivables	6472	6463	9	Provisional data as on date of filing.
Sep-21	SBI	Inventory	15927	15722	205	Provisional data as on date of filing.
Sep-21	SBI	Trade Receivables	8088	8087	1	Provisional data as on date of filing.
Jun-21	SBI	Inventory	13325	15907	-2582	Provisional data as on date of filing.
Jun-21	SBI	Trade Receivables	7241	7162	79	Provisional data as on date of filing.

51.6 Ratios as per Amended Schedule III

S. No.	Particulars	31 st March, 2022	31 st March, 2021	Variance (%)	Reasons
1.	Current ratio (Current Assets/ Current Liabilities)	0.73:1	0.68:1	+7%	
2.	Debt-Equity Ratio (Total Borrowings/ Total Equity)	0.33:1	0.87:1	+62%	Significant repayment of debt and accumulation of profit
3.	Debt Service coverage Ratio (number of times) (Earning before Interest and Tax/ Debt Service)	1.53	0.36	+325%	Significant repayment of debt and increase in EBIT
4.	Return on Equity (%) (Net profit after tax/ Average Net Worth)	25.16	9.25	+16%	
5.	Inventory Turnover ratio (number of days) (Average Inventory/ Revenue from Operation)*365	77	114	+32%	On account of increased sales volume and realization
6.	Trade Receivable Turnover ratio (number of days) (Average Trade Receivables/ Revenue from operations)*365	23	45	+49%	On account of increased sales volume, sales realization, and reduction in trade receivables
7.	Trade Payable Turnover ratio (number of days) (Average trade payable/ purchase of goods)*365	92	119	+23%	On account of unexpected rise in imported Coal & Other raw material prices
8.	Net Capital Turnover ratio* (Revenue from Operations/ Working Capital)	-	-	-	
9.	Net profit ratio (%) (Net profit after tax/ Revenue from operations)	11.61	5.57	+6%	
10.	Return on Capital Employed (%) (Earning before Interest and Tax/ Capital Employed)	29.97	16.67	+13%	
11.	Return on Investment (%) (Income generated from invested funds/ Average invested funds)	11.99	10.11	+2%	

*Working Capital is negative

- 51.7 (a)** No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- (b)** No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Ratios as per Amended Schedule III.



52. OPERATING SEGMENT INFORMATION

(₹ in crore)

Particulars	BSP	DSP	RSP	BSL	ISP	ASP	SSP	VISL	Others	Inter	Total
REVENUE											
- External sales											
Current Year ended 31 st March 2022	26299.91	11146.83	24130.47	25680.67	11495.65	699.32	2632.13	243.21	476.94	-	102805.13
Previous Year ended 31 st March 2021	18987.44	8344.30	13910.18	16019.87	7900.98	381.33	1692.97	105.63	1109.64	-	68452.34
- Inter segment sales											
Current Year ended 31 st March 2022	1499.17	659.19	2591.85	2607.65	687.31	190.43	16.79	128.19	2808.56	(11189.14)	-
Previous Year ended 31 st March 2021	705.83	369.33	1136.70	220.51	389.87	164.42	9.52	57.19	4843.28	(7896.65)	-
- Total Revenue from sale of products											
Current Year ended 31 st March 2022	27799.08	11806.02	26722.32	28288.32	12182.96	889.75	2648.92	371.40	3285.50	(11189.14)	102805.13
Previous Year ended 31 st March 2021	19693.27	8713.63	15046.88	16240.38	8290.85	545.75	1702.49	162.82	5952.92	(7896.65)	68452.34
RESULTS											
- Operating Profit/Loss (-) before Interest and exceptional items											
Current Year ended 31 st March 2022	2853.35	1157.02	6347.65	6386.86	827.14	(71.46)	97.79	(35.88)	527.54	-	18090.01
Previous Year ended 31 st March 2021	2301.63	973.19	2598.92	2487.29	513.30	(70.83)	(54.20)	(50.06)	938.50	-	9637.74
- Finance cost											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	1697.88
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	2817.14
- Exceptional items											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	353.41
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	(58.43)
- Tax expenses											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	4023.68
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	3029.01
- Profit for the year											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	12015.04
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	3850.02
OTHER INFORMATION											
- Segment assets											
Current Year ended 31 st March 2022	31351.06	6283.17	25844.95	20785.61	15750.29	565.31	2211.64	271.24	14677.87		117741.14
Previous Year ended 31 st March 2021	31122.24	6232.20	23040.23	20639.31	16551.10	545.00	2300.83	326.76	14974.76		115732.43
- Segment Liabilities (including long term borrowing)											
Current Year ended 31 st March 2022	9195.16	3016.83	8367.33	7016.39	1752.99	250.07	534.20	63.54	35527.49		65724.00
Previous Year ended 31 st March 2021	8705.53	2823.31	5686.67	5242.73	1548.56	213.34	439.49	46.15	47531.77		72237.55
- Capital expenditure											
Current Year ended 31 st March 2022	1214.86	270.84	3525.48	848.48	268.09	0.03	2.01	2.76	(405.31)		5727.24
Previous Year ended 31 st March 2021	711.37	246.30	750.80	952.87	182.89	1.06	10.31	0.42	137.36		2993.38
- Depreciation											
Current Year ended 31 st March 2022	1177.46	278.72	935.29	888.10	798.07	8.60	99.00	7.32	81.61		4274.17
Previous Year ended 31 st March 2021	1148.10	265.30	837.74	771.48	755.70	8.74	98.29	7.56	209.09		4102.00
- Non Cash expenses other than Depreciation											
Current Year ended 31 st March 2022	75.23	25.73	120.26	33.02	22.83	1.18	0.83	0.29	77.47		356.84
Previous Year ended 31 st March 2021	53.91	12.52	29.95	9.75	36.74	2.38	2.44	0.53	113.73		261.95



- 53.** The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current periods classification.

For and on behalf of the Board of Directors

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

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

Sd/-
[**B. Vijay**]
Partner
M. No. 214678

In terms of our report of even date

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

Sd/-
[**Vivek Newatia**]
Partner
M. No. 062636

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

Sd/-
[**Neeraj Sharma**]
Partner
M. No. 502103

Sd/-
[**Soma Mondal**]
Chairman
DIN: 06845389

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

Sd/-
[**Keshaw Kumar Harodia**]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Annexure-I to the Board's Report

1. Tej Raj & Pal Chartered Accountants A60, Amarpali Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata – 700071	3. Walker Chandiok & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. K A S G & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001

INDEPENDENT AUDITORS' REPORT

To the Members of Steel Authority of India Limited

Comments	Management's Replies
Report on the audit of the standalone financial statements Qualified opinion 1. We have audited the accompanying standalone financial statements of Steel Authority of India Limited ('the Company'), which comprise the Balance Sheet as at 31 st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies, notes and other explanatory information (hereinafter referred to as 'standalone financial statements'), in which are included the returns for the year ended on that date audited by the branch auditors of the Company's branches listed in Appendix 1.	
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch auditors as referred to in paragraph 20 below, except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 st March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.	
Basis for qualified opinion 3. As referred in note 47.2 (a) to the accompanying standalone financial statements, the constitutional validity of the Entry Tax Act has been upheld by the Hon'ble Supreme Court and the matters relating to levy of entry tax are now pending before regular benches of the Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the other Courts, the management is of the view that no adjustment is required in the accompanying standalone financial statements of the Company for the disputed entry tax demand in various states amounting to ₹ 1,419.51 crores as on 31 st March 2022. However, in the absence of sufficient appropriate evidence to support the management's view, we are of the opinion that a provision for entry tax liability should be recognised in the standalone financial statements.	The Nine Judge Bench of the Supreme Court., vide its order dated 11 th November, 2016, upheld the Constitutional validity of the Entry Tax legislations passed by the various States. However, the Bench directed that certain other matters raised by the Petitioner, such as discriminatory rates of tax, tax on goods entering the landmass of India from another country, etc. may be determined by regular benches hearing the matters. Accordingly, various matters raised by SAIL are pending with High Court and the Supreme Court. Pending decision by the Courts, the disputed Entry Tax liabilities of ₹ 1,419.51 crore have been treated by the Company as Contingent Liability.
4. As referred in note 47.2 (b) to the accompanying standalone financial statements, current assets include advance of ₹ 587.72 crores paid under dispute to Damodar Valley Corporation against the bills raised for supply of power for period upto 31 st March 2017. The matter is under litigation with Jharkhand State Electricity Regulatory Commission for finalisation of tariff, pending which, the management is of the view that the amount is fully recoverable and thus no adjustment is required in the accompanying standalone financial statements. However, in the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are of the opinion that an allowance for possible non-recoverability of such advance should be created in the standalone financial statements.	The Company's view is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time. Further, the civil appeal filed by DVC pertaining to tariff of 2004-09 against the Order of the Appellate Tribunal for Electricity (APTEL), have been dismissed by the Hon'ble Supreme Court of India vide its Order dated 3 rd December, 2018. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. DVC filed its Retail Tariff Application in November 2020 along with application for Annual Revenue requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28 th December, 2020 to the aforesaid Application of DVC. The above disputed demands stated at (3) and (4), contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 31 st March, 2022. Therefore, there is no adverse impact on Profit for the year.



Comments	Management's Replies																	
5. Impact of all the above qualifications on the standalone financial statements for the year ended 31st March 2022 is as under: (Amounts in ₹ crores) <table><tr><th rowspan="2">Particulars</th><th colspan="2">As at 31st March 2022</th></tr><tr><th>Reported balances</th><th>Balances after impact of all the qualifications which are quantified</th></tr><tr><td>Other equity</td><td>47,886.61</td><td>46,384.56</td></tr><tr><td>Deferred tax liability</td><td>5,259.93</td><td>4,754.75</td></tr><tr><td>Other current assets</td><td>2,322.16</td><td>1,734.44</td></tr><tr><td>Other current liabilities</td><td>4,076.75</td><td>5,496.26</td></tr></table> The audit report on the standalone financial statements for the year ended 31st March 2021 was also modified in respect of above matters.	Particulars	As at 31 st March 2022		Reported balances	Balances after impact of all the qualifications which are quantified	Other equity	47,886.61	46,384.56	Deferred tax liability	5,259.93	4,754.75	Other current assets	2,322.16	1,734.44	Other current liabilities	4,076.75	5,496.26	
Particulars		As at 31 st March 2022																
	Reported balances	Balances after impact of all the qualifications which are quantified																
Other equity	47,886.61	46,384.56																
Deferred tax liability	5,259.93	4,754.75																
Other current assets	2,322.16	1,734.44																
Other current liabilities	4,076.75	5,496.26																
6. In relation to the matter described in Note 49.16 to the accompanying standalone financial statements, the following qualification paragraph is given on the financial statements of Durgapur Steel Plant, a branch of the Company, which is reproduced by us as under: “Management is in the process of reconciling the Goods Receipt/ Invoice Receipt – GR/ IR accounts (grouped under Trade Payables/ payables for capital works). The balance outstanding as on 31st March 2022 is ₹ 101.54 crores (31st March 2021 – ₹ 304.08 crores). As part of the process, the plant has written back an amount of ₹ 186.16 crores during the year ended 31st March 2022. In absence of requisite supporting documentation, we are unable to comment on the accuracy and completeness of the amount written back and the resultant impact of the ongoing reconciliation on the accompanying standalone financial statements and related internal control over financials reporting”.	The process of reconciliation of balances under GI/IR has been duly completed to the satisfaction of Auditor.																	
7. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and that obtained by the branch auditors, in terms of their reports referred to in paragraph 20 of the Other Matter section below is sufficient and appropriate to provide a basis for our qualified opinion.																		
Emphasis of matters 8. We draw your attention to the following matters: (i) note 49.2 to the accompanying standalone financial statements, which describes that the revenue from operations include sales to Government agencies aggregating to ₹ 6,237.41 crores for the year ended 31st March 2022 (cumulative upto 31st March 2022 of ₹ 21,163.29 crores) which is recognised on the basis of provisional prices as per the terms of sales with such Government agencies. (ii) note 49.14 to the accompanying standalone financial statements, which describes that these standalone financial statements include the financial information for the quarter ended 30th June 2021 of the erstwhile Raw Materials Division ('the Division') of the Company that got disintegrated and merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant ('together referred to as the Plants') of the Company with effect from 1st July 2021. Such financial information was subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors of the Company / auditors of the Plants as explained in the said note for the purpose of reporting on the complete set of standalone financial statements of the Company. However, as further stated in the note, the Company is in the process of referring the matter to the Comptroller and Auditor General of India for the appointment of the auditors of the Division as required under Section 139 (5) of the Act. Our opinion is not modified in respect of these matters.																		
Key audit matters 9. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the reports of the branch auditors as referred to paragraph 20 below, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.																		

Comments		Management's Replies
10. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.		
Key audit matter	How our audit addressed the key audit matter	
Provisions and contingent liabilities relating to ongoing litigations The Company is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to provisions and contingent liabilities relating to ongoing litigations are presented in note 47 read with note 3.18 to the Company's standalone financial statements. The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the standalone financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities.	Our audit procedures included, but were not limited to the following: – Obtained understanding of the process of identification and measurement of provisions and contingent liabilities relating to ongoing litigations implemented by the Management, through various discussions held with Company's legal and finance personnel. – Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of the pending litigations. – Inspected the summary of litigation matters and discussed key developments during the year with the Company's Legal and Finance personnel. – Inspected and evaluated, where applicable, external legal and/or regulatory advice sought by the Company. Obtained direct confirmations from the dealing lawyers for certain material ongoing litigations.	
Since the amounts involved are significant and due to the range of possible outcomes leading to high estimation uncertainty that requires significant management and auditor judgement, this matter is considered to be a key audit matter for the current year audit.	– Discussed and challenged the management's assessment of the likelihood, magnitude and accounting of any liability that may arise in certain material cases. Accordingly, we reviewed the amount of provisions recognised and contingent liabilities disclosed in the standalone financial statements and exercised our professional judgment to assess appropriateness of such conclusions, involving experts as required. – Evaluated the adequacy of disclosures made in the Company's standalone financial statements in accordance with the applicable accounting standards.	
Property, plant & equipment and intangible assets (including capital work in progress) As at 31st March 2022 the Company has Property, Plant and Equipment ('PPE'), Intangible Assets ('IA') and Capital Work-in-Progress ('CWIP') with carrying values of ₹ 68,362.72 crores, ₹ 1,459.35 crores and ₹ 4,016.72 crores, respectively, as disclosed in note 4, note 7 and note 5 of the accompanying standalone financial statements. Refer note 3 for the accounting policies adopted by the Company for recognition and measurement of such non-current assets. Determination of the carrying values and their respective depreciation and amortisation amounts of PPE, IA and CWIP requires considerable management judgement. These include the decisions to capitalise or expense costs, the annual asset life review, the timeliness of the capitalisation of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 - Property, Plant and Equipment ('Ind AS 16') and Ind AS 38 - Intangible Assets ('Ind AS 38').	Our audit procedures included, but were not limited to the following: – Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the Company and evaluated the accounting policies adopted by the Company in accordance with the requirements of Ind AS 16 and Ind AS 38. – Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process. – Tested the amounts capitalised during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalised satisfied the recognition criteria and were recognised accurately in the correct periods and with correct amounts.	



Comments	Management's Replies
Property, plant & equipment and intangible assets (including capital work in progress) As at 31st March 2022 the Company has Property, Plant and Equipment ('PPE'), Intangible Assets ('IA') and Capital Work-in-Progress ('CWIP') with carrying values of ₹ 68,362.72 crores, ₹ 1,459.35 crores and ₹ 4,016.72 crores, respectively, as disclosed in note 4, note 7 and note 5 of the accompanying standalone financial statements. Refer note 3 for the accounting policies adopted by the Company for recognition and measurement of such non-current assets. Determination of the carrying values and their respective depreciation and amortisation amounts of PPE, IA and CWIP requires considerable management judgement. These include the decisions to capitalise or expense costs, the annual asset life review, the timeliness of the capitalisation of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 - Property, Plant and Equipment ('Ind AS 16') and Ind AS 38 - Intangible Assets ('Ind AS 38'). The carrying value of CWIP also includes balances pertaining to long-term projects which requires careful examination of continuity and viability of such projects. Considering the significance of the amounts involved in the context of the balance sheet of the Company and the level of judgements and estimates required, we consider this to be a key audit matter in the current year audit.	Our audit procedures included, but were not limited to the following: – Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the Company and evaluated the accounting policies adopted by the Company in accordance with the requirements of Ind AS 16 and Ind AS 38. – Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process. – Tested the amounts capitalised during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalised satisfied the recognition criteria and were recognised accurately in the correct periods and with correct amounts. – Reviewed the judgments made by management in determination of carrying values of the specified non-current assets including the nature of underlying costs capitalised, determination of realisable value of the assets retired from active use, the appropriateness of useful lives applied in the calculation of depreciation as determined by technical assessment by management and external technical experts, where required, and evaluation of appropriateness of long standing CWIP balances pertaining to long-term projects. – Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards
By-products inventory Refer to note 3.8 of summary of significant accounting policies and other explanatory information for accounting policy for valuation of by-products amounting to ₹ 4,924.71 crores as at 31st March 2022 and significant accounting judgements, estimates and assumptions related thereto and the note 3.24.4 of the standalone financial statements. Inventories of by-products mainly consist of sub-grade fines, iron and steel scrap embedded in BF slag and LD slag and slime, and tailings containing iron ore fines, which are accumulated in stock piles. Further, as explained in notes 49.11, pursuant to the order of Ministry of Mines, Government of India dated 16th September 2019, certain by-products were allowed to be sold and hence, were valued for the first time in the previous years.	Our audit procedures included, but were not limited to the following: – Obtained an understanding of the processes and procedures, including controls relating to sub grade fines, iron and steel scrap embedded in BF slag and LD slag and slime containing iron ore fines ('by-products'). – Evaluated the accounting policy adopted by the Company for valuation of the by-product inventory in accordance with the requirements of Ind AS 2, Inventory in conjunction with the EAC Opinions obtained by the management. – In assessing management's assessment of the value of by-products, we discussed in detail with the management to understand the procedures adopted in ascertaining the quantity and quality (including gradation) of the by-products considered for valuation.



Comments		Management's Replies
Key audit matter	How our audit addressed the key audit matter	
The management of the Company also sought the opinion of Expert Advisory Committee of the ICAI ('EAC Opinions') in the previous year and current year on recognition and measurement of by-product inventories. Valuation of such items requires management to exercise significant judgement in respect of use of estimates for determination of the quantity, quality and valuation rate of these items. Further, basis the expected future salability and plans for captive consumption of such by-product inventories, the management has classified inventory expected to be sold / consumed after 12 months from the date of balance sheet, being the operating cycle of the Company, as non-current inventory. Owing to the insignificant movement in sales / consumption of such by-products inventory, the materiality of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit. Further, the management's assessment of classification and valuation of aforesaid inventory as described in note 49.11 is considered fundamental to the understanding of the users of the standalone financial statements.	- Management's estimate of the NRV was verified with reference to the average selling price (ASP) published by the Indian Bureau of Mines. We also obtained technical analysis report from external experts sought by management for determining the quantity of by- products and the chemical analysis report used by the management for arriving at the quality (including gradation) of fines. - Obtained management's working of estimated future sales / consumption used for classification of the by- product inventory between current and non-current, and tested the underlying assumptions basis our understanding of the processing and further approvals required for sale of such inventory in addition to evaluating management's estimates on availability of demand for such by-products. - Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.	
Information other than the financial statements and auditors' report thereon		
11. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.		
Responsibilities of Management and Those Charged with Governance for the standalone financial statements		
12. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.		
13. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.		



Comments	Management's Replies
14. Those Board of Directors are also responsible for overseeing the Company's financial reporting process. Auditors' responsibilities for the audit of the standalone financial statements 15. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.	
16. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control; - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls; - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation; - Obtain sufficient appropriate audit evidence regarding the financial information / financial statements of the Company and its branches to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the Company and such branches included in the standalone financial statements, of which we are the independent auditors. For the other branches included in the standalone financial statements, which have been audited by the branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. 17. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 18. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.	



Comments	Management's Replies
Other matter 20. We did not audit the annual financial statements / financial information of eleven branches / units / marketing regions included in the standalone financial statements, whose annual financial statements/ financial information reflects total assets and net assets of ₹ 56,600.50 crores and ₹ 30,665.77 crores respectively as at 31st March 2022 and total revenues of ₹ 39,506.31 crores, total net profit after tax of ₹ 7,568.75 crores, total comprehensive income of ₹ 7,580.83 crores and cash outflows (net) of ₹ 12.75 crores for the year then ended, as considered in the standalone financial statements. These financial statements / financial information have been audited by the branch auditors, whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid branches, is based solely on the report of such branch auditors. Our opinion on the above standalone financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the branch auditors. Report on other legal and regulatory requirements 21. Based on our audit and on the consideration of the reports of the branch auditors as referred to in paragraph 20 above, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is a Government company as defined under section 2(45) of the Act. Accordingly, reporting under section 197(16) is not applicable. 22. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure 1' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable. 23. Further to our comments in 'Annexure 1', as required by section 143(3) of the Act, based on our audit, and on the consideration of the reports of the branch auditors as referred to in paragraph 20 above, we report, to the extent applicable, that: - We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements; - Except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us; - The reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report; - The standalone financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us; - Except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act; - The provisions of section 164(2) of the Act are not applicable to the Company since the Company is a Government company as defined under section 2(45) of the Act; - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section; - With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31st March 2022 and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2', wherein we have expressed a modified opinion; and - With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors as referred to in paragraph 20 above: - Except for the effects of the matters described in paragraphs 3 and 4 of the Basis for Qualified Opinion section, the standalone financial statements disclose the impact of pending litigations on the standalone financial position of the Company as at 31st March 2022, as detailed in note 47 to the standalone financial statements; - The Company, as detailed in note 43(ii)(C) to the standalone financial statements, has made provision as at 31st March 2022, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;	



Comments	Management's Replies
iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2022 except ₹ 1.00 crore pertaining to unclaimed matured deposits which was required to be deposited in the Investor Education and Protection Fund during the year ended 31st March 2018 and which has not been deposited till 31st March 2022; iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 51.7 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 51.7 (b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement. 24. The interim/final dividends paid by the Company during the year ended 31st March 2022 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in notes 44 and 49.13 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31st March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. 25. As required by section 143(5) of the Act, we given in 'Annexure 3', a statement on the matters specified in the directions issued by the Comptroller and Auditor General of India in respect of the Company.	The matured deposit has already been claimed by the successors/relatives of the individuals but is pending for submission of document of proof of legal heir by the claimants. Appropriate procedure is being followed for refunding the matured deposit to the legal heirs.

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

Date: 23rd May 2022

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi
Date: 10th August, 2022



List of branches / units / marketing regions audited by branch auditors

1. Central Marketing Organisation – Southern Region
2. Central Marketing Organisation – Western Region
3. Central Marketing Organisation – Eastern Region
4. Central Marketing Organisation – Transportation & Shipping
5. R&D Centre, Ranchi
6. Rourkela Steel Plant
7. IISCO Steel Plant, Burnpur
8. Salem Steel Plant
9. Vishweswaraya Iron and Steel Plant
10. SAIL Refractories Unit
11. Chandrapur Ferro Alloy Plant



Annexure 1 referred to in Paragraph 22 of the Independent Auditor's Report of even date to the members of Steel Authority of India Limited on the standalone financial statements for the year ended 31st March 2022

Comments						Management's Replies
In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief and on the consideration of the reports of the branch auditors, we report that:						Necessary action is being taken to update location and extent of area in respective plants in fixed assets registers. This is a continuous process.
(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property except in respect of certain lands where area and location needs to be updated in the fixed assets register. Further, the area in respect of these lands need to be reconciled with the records of the authorities in the respective States and wherein, as informed to us by the management, the delay is due to procedural matters involved. (B) The Company has maintained proper records showing full particulars of intangible assets. (b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification. However, there are certain land and buildings which are under encroachment / unauthorised occupation and hence, were not subjected to physical verification. (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:						Necessary action is being taken to evict the occupants from land and building under encroachment / unauthorized occupation.
Description of property	Gross carrying value (₹ in Cr)	Held in name of	Whether promoter, director or their relative or employee	Period since held	Reason for not being held in name of company	
Freehold land	10.29	Various Parties	No	1986-2008	Mutation is pending	
Freehold land	0.09	Various Parties	No	1954-1974	Mutation is pending	
Freehold land	0.01	Asian Refractories	No	05-04-1963	Rehabilitation on behalf of Dept. of Industries Bihar	
Freehold land	0.12	Assam Sikimate and Bharat Refractories Ltd	No	11-02-1976 & 30-04-1978	N.A.	
Freehold land	0.13	Indian Firebricks & Insulation Company Ltd	No	15-09-1960	N.A.	
Freehold land	7.56	Tamil Nadu State Government	No	1972-80	Land was acquired from private owners by Tamil Nadu State Government & Land owned by State Government was also transferred to salem plant for which no title deed was executed, but as per state records land is registered under name of Salem Steel plant	
Freehold land	126.24	Jharkhand State Govt.	No	1960	MOU signing formalities awaited between Jharkhand State Govt. & SAIL/ Bokaro Steel Plant	
Freehold land	0.96	Government of West Bengal	No	1963	Pending registration	
Freehold land	0.13	Triveni Structural Limited	No	25-02-1970	Pending registration	

Comments						Management's Replies
Description of property	Gross carrying value (₹ in Cr)	Held in name of	Whether promoter, director or their relative or employee	Period since held	Reason for not being held in name of company	
Freehold land	3.85	Chennai Metro Development Authority	No	06-03-1995	Pending Registration	
Freehold land	0.06	Southern Railway	No	31-03-1984	Pending Registration	
Building	0.28	Ashok Sankar Bhatnagar (HUF)	No	01-08-2019	Pending Registration	
For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:						
Description of property	Right of Use Asset Value	Location	Details of Lessor	Period since held	Reason for non-execution of lease agreement	
Leasehold Land	0.49	Burnpur	Government of West Bengal	01-08-2011	Lease property right in the name of sail for 99 yrs	
Leasehold Land	0.20	Ranchi	Mecon Ltd	1979-80	Held by Mecon Ltd(As per Act. No 16 of 1978)	
Leasehold Land	147.81	Rourkela	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	01-02-2009	Litigation with UPSIDC,U.P.	
Leasehold Land	3.28	Rourkela	Government of Odisha	1960	Absence of Lease Agreement with Govt. of Odisha	
Leasehold Land	15.07	Bhillai	State of Chhattisgarh	March, 2013	Taken up with Concerned authorities	
Leasehold Land	16.80	Kolkata	Kolkata Port Trust	07-05-2014	Pending Registration	
Leasehold Land	11.97	Vishakhapatnam	Vizag Seaport Pvt Limited	27-07-2004	Pending Registration	
Leasehold Land	0.91	Jammu	Jammu & Kashmir Govt	05-07-1968	Pending Registration	
Leasehold Land	0.67	Kanpur	Kanpur Development Authority	1986	Pending Registration	
Leasehold Land	23.04	Kolkata	Kolkata Metropolitan Development Authority	09-10-2009	Pending Registration	
Leasehold Land	0.48	Durgapur	State Government of west Bengal	1956-57	Pending with state govt for 1872.39 acres as informed matter taken up with the said govt.	
(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.						
(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.						
(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In certain cases, the bulk inventories have been verified on the basis of visual surveys/estimates. For inventory lying with third parties at the year-end, written confirmations have been obtained by the management.						



Comments								Management's Replies
(b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are not in agreement with the books of account of the Company for the respective periods which were subject to audit/review, as summarized below:								
(₹ in crores)								
Name of the Bank / financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per return	Amount as per books of accounts	Differences	Remarks/ Reason, if any	
Consortium of banks led by State Bank of India	10,000	Stock and trade receivables	30 th June 2021	20,566	23,069	(2,503)	As informed to us by the management, the information to the banks was provided based on provisional numbers	
			30 th September 2021	24,015	23,809	206		
			31 st December 2021	25,656	25,611	45		
			31 st March 2022	24,826	24,033	793		
(iii) (a) The Company has provided advances in the nature of loans to two companies. The details of the same are given below. Further, the Company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year.								
Particulars				Advances in nature of loans				
Aggregate amount during the year								
- Jointly Controlled Entities				-				
Balance outstanding as at balance sheet date								
- Jointly Controlled Entities				8.10				
(b) The investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.								
(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments / receipts of principal and interest are regular.								
(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies.								
(e) The Company has granted loan which had fallen due during the year and was repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans / advances in nature of loan.								
(f) The Company has not granted any loan or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.								
(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.								
(v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.								
(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.								
(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax,, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.								

Comments						Management's Replies
(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:						
(₹ in crores)						
Name of the statute	Nature of dues	Gross Amount	Amount paid	Amount disclosed as per return	Amount as per books of accounts	
Sales tax laws	Sales tax	3.09	-	1989-90, 1991-92	Supreme Court	
		357.47	25.82	1987-91, 1992-93, 1996-98, 2004-05, 2009-14	High court	
		818.29	102.64	1990-92, 1993-99, 2001-17	Tribunal	
		3.61	2.46	2006-07, 2009-10, 2011-12, 2016-17	Additional Commissioner (Appeals)	
		6.81	3.01	1997-99, 2014-15	Additional Commissioner	
		15.34	0.96	1984-85, 1995-96, 1997-99, 2006-11, 2012-15	Commissioner (Appeal)	
		42.62	5.27	1987-88, 1996-98, 2007-14, 2015-18, 2019-20	Commissioner of Sales tax	
		38.50	1.76	1993-94, 1995-96, 2007-18	Joint commissioner	
		0.17	-	1984-85	Assistant Commissioner	
Central Excise Act, 1944	Excise Duty	237.65	3.98	1991-96, 2001-03, 2005-06, 2007-08, 2011-12, 2014-16	Supreme Court	
		188.75	-	1997-98, 2000-01, 2002-03, 2006-12, 2013-14	High Court	
		5,346.13	22.32	1992-93, 1996-2019	Tribunal	
		29.8	0.23	1988-89, 2004-05, 2007-08, 2014-15, 2016-18, 2021-22	Commissioner (Appeal)	
		5.77	1.19	1993-94, 1998-99, 2004-18	Commissioner	
Finance Act, 1994	Service tax	36.56	-	2004-05	High Court	
		251.92	0.45	2001-04, 2012-17	Tribunal	
		4.53	0.13	2011-17, 2021-22	Commissioner (Appeal)	



Comments						Management's Replies
Name of the statute	Nature of dues	Gross Amount	Amount paid	Amount disclosed as per return	Amount as per books of accounts	
Customs Act, 1962	Customs Duty	1.65	-	2008-09	High Court	
		4.3	-	2009-10, 2015-16, 2017-18, 2020-21	Tribunal	
Income Tax Act, 1961	Income tax	310.24	-	1998-2010	High Court	
		382.88	2.18	2003-04, 2006-07, 2009-11, 2013-14	Income tax Appellate Tribunal	
		429.88	38.45	2011-17	Commissioner (Appeals)	
Goods and Service tax Act, 2017	Goods and Service tax	27.24	-	2017-18	High Court	
Employee State Insurance Act, 1947	Employee State insurance	66.71	-	1999-2007	Employee State insurance Court	
Employees Provident Fund Act, 1952	Provident Fund	0.69	-	1998-99	High Court	
Municipal Corporation Act, 1956	Property tax	885.67	-	2015-21	High Court	
Odisha Entry Tax Act, 1999	Entry Tax	164.98	76.02	2008- 2017	Supreme Court	
		276.47	17.9	2008-14	High Court	
		28.61	6.7	2004-10	Sales tax Tribunal	
		40.48	4.02	2005-07, 2013-15	Additional Commissioner	
Chhattisgarh Entry Tax Act, 1976	Entry tax	3,278.84	2164.2	1990-91, 2008-09 Onwards	High Court	
		597.7	122.56	2010-15	Commercial Tax Tribunal	
		6.21	2.03	2013-2017	Additional Commissioner, Commercial Tax (Appeal)	
Jharkhand Act No. 11, 2011	Entry Tax	86.23	-	2001-02, 2012-18	High Court	
Uttar Pradesh tax on Entry of goods into Local areas Act, 2007	Entry Tax	0.33	0.13	2008-11	High Court	
		0.83	-	2013-14	Tribunal (Appeal)	
HP Entry Tax Act 2010	Entry tax	3.18	0.25	2010-11	Deputy Excise and taxation Commissioner, Appeals	
Chhattisgarh (Adhoshanrachna Vikas avam Paryavaran) Upkar Adhiniyam 2005	Environment Cess	190.72	190.72	2006-07 to 2021-22	High Court	
Chhattisgarh Upkar (Sansodhan) Adhiniyam, 2004	Energy Development Cess	215.97	-	Dec-2006 onwards	Supreme Court	
Forest (Conservation) Act, 1980	NPV	96.28	96.28	2017-18	Supreme Court	
Chhattisgarh Upkar (Sansodhan) Adhiniyam, 2004	Consolidated Tax	2.77	0.15	2021-22	High Court	
CG Municipal Corporation Act, 1956	Consolidated Tax	0.72	0.72	2001-02 to 2009-10	High Court	
Other Statutory Dues	Forest develop-ment tax	5.01	-	2010-11	Supreme Court	
	Stamp Duty	2,320.40	-	1992	High Court	
	Transit Pass-Chhattisgarh Transit (Forest Produce) Rules, 2001	99.64	54.86	2001-02 to October 2012	High Court	



Comments						Management's Replies
Name of the statute	Nature of dues	Gross Amount	Amount paid	Amount disclosed as per return	Amount as per books of accounts	
Other Statutory Dues	Octroi	21.77	-	1992-93 to 1999-2000	High Court	
	Others	24.53	0.13	2000-2016	High Court / Civil courts	
(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.						
(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.						
(b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.						
(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.						
(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.						
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures.						
(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.						
(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.						
(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.						
(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.						
(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.						
(c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.						
(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.						
(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.						
(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business except that the Company needs to strengthen the internal audit system on certain aspects being testing of the IT environment, automated controls within the ERP system and enhanced documentation of the testing performed.						
(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.						
(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.						
(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.						



Comments	Management's Replies
(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.	
(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.	
(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.	
(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable	
(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.	

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

Date: 23rd May 2022

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi
Date: 10th August, 2022



Annexure 2 to the Independent Auditors' Report on Standalone Financial Statements of Steel Authority of India Limited for the year ended 31st March 2022

Comments	Management's Replies
Independent auditors' report on the internal financial controls with reference to the financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')	
1. In conjunction with our audit of the standalone financial statements of Steel Authority of India Limited ('the Company') as at and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.	
Responsibilities of management and those charged with governance for internal financial controls	
2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.	
Auditors' responsibility for the audit of the internal financial controls with reference to financial statements	
3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.	
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.	
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.	
Meaning of internal financial controls with reference to financial statements	
6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.	
Inherent limitations of internal financial controls with reference to financial statements	
7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.	
Qualified opinion	
8. According to the information and explanations given to us and based on the consideration of reports of the branch auditors, the following material weakness has been identified as at 31st March 2022 with respect to a branch of the Company. The possible effects of the following material weakness have been assessed as material but not pervasive to these standalone financial statements: On the internal financial controls with reference to financial statements of Durgapur Steel Plant, a branch of the Company, issued by an independent firm of Chartered Accountants vide its report dated 23rd May 2022, reproduced by us as under:	



Comments	Management's Replies
"material weakness has been identified in the Plant's internal financial controls with reference to financial statements as on 31st March 2022 relating to the process of reconciliation of Goods Receipt/ Invoice Receipt - GR/IR accounts (grouped under Trade payables/ payable for capital works)." 9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. 10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31st March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects / possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31st March 2022. 11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31st March 2022, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements. Other matter 12. We did not audit the internal financial controls with reference to financial statements in so far as it relates to eleven branches / units / marketing regions whose financial statements / financial information reflect total assets and net assets of ₹ 56,600.50 crores and ₹ 30,665.77 crores respectively as at 31st March 2022 and total revenues of ₹ 39,506.31 crores, total net profit after tax of ₹ 7,568.75 crores, total comprehensive income of ₹ 7,580.83 crores and cash outflows (net) of ₹ 12.75 crores for the year then ended, as considered in the standalone financial statements. The internal financial controls with reference to financial statements in so far as it relates to such branches / units / marketing regions have been audited by branch auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Company under section 143(3)(i) of the Act in so far as it relates to such branches / units / marketing regions is based solely on the reports of the auditors of such branches. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the branch auditors.	The process of reconciliation of balances under GI/IR has been duly completed to the satisfaction of Auditor. Hence there is no weakness in the Plant's Internal Financial Control over Financial reporting.

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

Date: 23rd May 2022

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi
Date: 10th August, 2022



Annexure 3 to the Independent Auditors' Report on Standalone Financial Statements of Steel Authority of India Limited for the year ended 31st March 2022

Comments		Management's Replies
On the directions issued by the Comptroller and Auditor General of India under sub section 143(5) of the Companies Act, 2013, based on the verification of records of the Company and information and explanations given to us and on consideration of the reports received from the branch auditors, we report that:		
Directions under Section 143(5) of Companies Act, 2013		
Matters	Auditor's comments	
1. Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company uses SAP software for processing accounting transactions at five integrated steel plants, Central Marketing Organisations and Head Office. In respect of other plants / units, the Company uses legacy software systems. Based on our audit and based on reports received from the branch auditors, wherever the accounting transactions are based on workings outside IT system, no instances of lack of integrity of accounts and no financial implications have been noted / reported.	
2. Whether there is any restructuring of an existing loan or cases of waiver/write-off of debts/loans/interest etc., made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	As per information and explanations given to us by the management, there was no restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc., made by a lender to the Company due to the Company's inability to repay the loan.	
3. Whether funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilised as per its terms and conditions? List the cases of deviation.	To the best of our information, checks applied by us during the course of our audit and based on reports received from the branch auditors, we are of the opinion that funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilised as per its terms and conditions.	
4. Steel Authority of India Limited (SAIL) has valued the Inventory of 42.98 million tonnes sub-grade iron ore fines at Net Realizable Value amounting to ₹. 3791.18 crore in the Financial Statement of the Company for the year ended on 31 st March 2020. Considering the slow movement and uncertainty in liquidation of the stock of sub-grade iron ore fines by the company during last two years from the old dump of sub-grade iron ore fines and absence of permission of the State Government of Jharkhand for sale of this fine from the mines located in the state, following may be examined:		
i) Whether valuation of such sub-grade iron ore fines is continued in the Balance Sheet of SAIL as on 31 st March 2022. If yes, it may be stated whether the valuation is appropriate and reasonable in view of quantum of sale and demand as well as age of the stock of sub-grade iron ore fines lying at different captive mines of the Company.	Yes, valuation of such sub-grade iron ore fines is continued in the Balance Sheet of Steel Authority of India Limited as on 31 st March 2022. As explained in note 49.11 of the standalone financial statements, based on the opinions taken by the Company from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI), the Company recognized these inventories as by-product inventory as at 31 st March 2020 and since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Company assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.	

Comments	Management's Replies
	Further, as explained in the note, while, on an overall basis during the current and the previous year, there has been insignificant movement in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. The management also has plans to set up a beneficiation plant in future that will consume significant volume of sub-grade fines annually. Accordingly, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage. The management's assessment of classification and valuation of aforesaid inventory as described in note 49.11 is also considered fundamental to the understanding of the users of the standalone financial statements. Also refer to "Key audit matters" section of our main report.
ii) Whether there was sale of sizeable quantity in comparison with the entire quantity valued to determine the realistic market rate?	There is insignificant movement of sub-grade iron ore fines during the year in comparison with the entire quantity valued. However, for the reasons mentioned in note 49.11, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

Date: 23rd May 2022

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi
Date: 10th August, 2022



Annexure-II to the Board's Report

COMMENTS OF C&AG

MANAGEMENT'S REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF STEEL AUTHORITY OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2022

Comments		Management's Replies
The preparation of financial statements of Steel Authority of India Limited for the year ended 31st March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 23rd May 2022. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of Steel Authority of India Limited for the year ended 31st March 2022. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.		
A	COMMENTS ON PROFITABILITY BALANCE SHEET	
	i. Note-5: Capital Work in Progress: ₹4016.72 crore Note 41: Other Expenses: ₹ 26813.46 crore Above includes ₹11.99 crore (including Salary and Interest During Construction) in Tasra colliery for the period 2017-18 to 2021-22. Production in the colliery started in 2017-18 but was stopped as the Mines Developer and Operator left the work. The work was done contractually from 29th June 2021. As production in colliery started in September 2017, all subsequent expenditure should have been charged to Statement of Profit and Loss. Non charging of above has resulted in understatement of Other expenses and over statement of Profit for the year by ₹ 11.99 crore.	SAIL Board vide its 390th meeting dated 12th February, 2013 approved to enter into the contract with the Mine Developer cum Operator (MDO) for development and operation of SAIL Tasra Mine with project duration of 28 years including construction and developmental period of 2 years. The MDO contract was terminated in 2018. The expenses incurred up to 31st March, 2021 for development of Tasra Mine were booked under Capital Work-In-Progress (CWIP). Further, SAIL Board vide its 486th meeting dated 9th February, 2022 accorded fresh approval for appointment of a new MDO for development & operation of Tasra Mine. The expenses incurred directly in connection with the development of Tasra Mine were treated as CWIP and will be capitalized after commencement of commercial/sustainable production from Tasra Mine.
	Statement of Profit & Loss ii. Note 41: Other Expenses: ₹ 26813.46 crore Power & Fuel: ₹ 6966. 92 crore As per Para 8 of IND AS 10 "an entity shall adjust the amounts recognised in its financial statements to reflect adjusting events after the reporting period". Adjusting events after the reporting period are those that provide evidence of conditions that existed at the end of the reporting period. IISCO Steel Plant, Burnpur and Durgapur Steel Plant, Durgapur of SAIL purchase electricity from Damodar Valley Corporation (DVC). West Bengal Electricity Regulatory Commission (WBERC) while determining the tariff schedule applicable to the consumers of DVC passed orders on 5th May 2022. All the rates and conditions of tariff mentioned in the order were effective from 1st April 2017. WBERC in above order directed that DVC would be entitled to additional sums towards enhanced cost of fuel and power purchase after the date from which the tariff order takes effect. IISCO Steel Plant, Burnpur and Durgapur Steel Plant did not provided liability towards enhanced cost of fuel and power payable to the DVC as per the above order of WBERC. Non-provision of above has resulted in understatement of Power & Fuel charges and overstatement of Profit by ₹ 70.17 crore (ISP- ₹ 47.19 crore and DSP - ₹ 22.98 crore).	West Bengal Electricity Regulatory Commission (WBERC) vide Tariff Order dated 5th May, 2022 determined the tariff schedule applicable to the consumers of DVC effective from 1st April, 2017 and its continuation till further order of the Commission. Accordingly, the financial impact considering the revised charges was provided for in books of accounts for FY 2021-22 accepted by SAIL Board on 23rd May, 2022. Subsequently, i.e. after the adoption of the accounts by the SAIL Board, DVC raised the arrears bill on 2nd June, 2022. In the absence of required information for computation of arrears on account of fuel cost, the amount could not be provided in the FY 2021-22. This fact is further corroborated by the mail dated 8th July, 2022 from DVC wherein it has mentioned that "all data from April '17 to April'22 for preparation of differential energy charge bill were not available at public domain in DVC website so as to enable you to compute differential cost of fuel bill yourself". As implication was made available in June, 2022 we have considered its impact in Q1 2022-23.

Comments	Management's Replies
Current Liabilities: ₹ 39317.73 crore iii. Note-33: Provisions: ₹ 1170.47 crore Railways had given advance of ₹ 1000 crore to SAIL to be adjusted against supply of rails on selected doubling projects. While finalising (October 2019) the price of rails supplied during 2016-17, it was agreed that SAIL would pass on the savings/benefit accrued to them as per the weighted average working capital cost of borrowing, as decided by Chief Advisor (Cost), Ministry of Finance. Accordingly, the interest on outstanding advance is being adjusted in the price of rails supplied during 2016-17 and afterwards. The Chief Advisor (Cost), Ministry of Finance recommended (August 2021) the price of rails supplied by SAIL to Indian Railways during 2019-20 and provision towards expected reduction in price was made in the accounts. However, the Company had not made any provision towards interest payable amounting to ₹ 30.79 crore on outstanding advance. Non-provision towards interest payable on advance taken from Indian Railways based on rate of interest decided by CA/Cost for 2019-20 had resulted in understatement of provisions and overstatement of profit for the year by ₹30.79 crore.	There is no mention for interest on advance given by Railways in the sanction letter dated 18th March, 2016. Subsequent to the Pricing of Rails by Chief Advisor(Cost), MoF, a Joint Pricing Committee (JPC) meeting is held between the Railways and SAIL representatives, wherein final negotiation for Rail Price is held and issues beyond the contract agreement are settled therein. Based on the JPC meeting for 2019-20, suitable action will be taken.
B COMMENTS ON FINANCIAL POSITION	
i. Note: 4 - Property, Plant and Equipment: ₹ 68362.72 crore Financial information of captive mines and collieries of SAIL located in Jharkhand was merged in the financial statements of Bokaro Steel Plant from 2021-22. Following details relating to status of land and residential quarters/ houses (assets under unauthorized, deemed possession, and pending for registration) pertaining to the Jharkhand Group of mines was not disclosed in the above note. Iron Ore & Flux mines: (a) 6020.57 acres as on 31st March 2022 (Gua mines-89.73 acres & Manoharpur mines-5930.84 acres), owned/ possessed/ taken on lease by the company, in respect of which title/ lease deeds are pending for registration. (b) 96 acres as on 31st March 2022 (Manoharpur mines) in respect of which title is under dispute (c) 30.75 acres as on 31st March 2022 (Kiriburu mines) under unauthorized occupation. (d) 1710 residential quarters/ houses under unauthorized occupation as on 31st March 2022 (Kiriburu-445, Meghahatuburu-170, Gua-88, Bhawanathpur-300 and Manoharpur-707). Collieries: (e) 695.28 acres of land which is pending reconciliation with State Government. (f) 30.01 acres of land under encroachment (g) 681 out of 1646 quarters is under unauthorised occupation. Thus, Note 4 was deficient to above extent.	The necessary disclosure in respect of land and residential quarters/ houses (assets under unauthorized, deemed possession, and pending for registration) pertaining to the Mines and Collieries will be made in the FY 2022-23.
C COMMENTS ON DISCLOSURE	
Notes to Accounts i. Note No. 51.6: Ratios as per Amended Schedule III Ministry of Corporate Affairs vide notification dated March 24, 2021 amended the Schedule-III to the Companies Act, 2013 to incorporate the general instructions for preparation of Balance Sheet of an Ind AS Company along with disclosure requirement of 11 financial ratios in the accounts. The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25 per cent as compared to the preceding year. The company calculated Return on Equity, Net Profit Ratio, Return on Capital Employed and Return on Investment as difference between the figure of 31st March 2021 and 31st March 2022 instead of calculating the variation percentage comparing to the preceding year. Further, since the changes in the ratio as compared to preceding year was more than 25 per cent in respect of three ratios (Return on Equity, Net Profit Ratio and Return on Capital Employed), explanation for the same was required to be disclosed in the accounts which was not done. This has resulted in deficiencies in compliance to the amendments in Schedule III of the Companies Act, 2013 in Standalone Financial Statements of SAIL for the year 2021-22.	The amendment in the Schedule-III of the Companies Act, 2013 is made applicable from 1st April, 2021. Since this is the first year of implementation, the company has taken the interpretation based on its understanding of the amendment in Schedule-III. However, the recommendation of Audit is noted for further review in the FY 2022-23.

Comments	Management's Replies
ii. Note no. 47.1 Contingent liability (a) The above does not include ₹31.06 crore for differential interest on Excise duty on the demand of ₹ 68.40 crore pertaining to the period 2001-02 to 2013-14. Visvesvaraya Iron and Steel Plant had disclosed the interest for ₹ 40.94 crore applicable till 31 March 2017, instead of actual interest ₹72 crore up to 31st March 2022. Thus, there was short disclosure of contingent liability amounting to ₹31.06 crore. (b) Above does not include ₹ 23.63 crore (₹ 37.48 crore less ₹ 13.85 crore) being the differential claims of sales tax for the period from 2009-10 to 2013-14 not acknowledged as debt by Bokaro Steel Plant up to 31st March 2022. Thus, ₹ 23.63 crore has been short accounted under the head of sales tax claim of contingent liabilities. (c) Above include ₹ 21.52 crore towards claim by M/s G S. Atwal (Engg) Pvt Ltd against Work Order dated 22/26 June 1998 relating to work for Scientific Exploitation at Salanpur of Ramnagore seam. The Arbitrator has given its decision against SAIL and ₹ 4.69 crore was paid by the Company to the party in February 2022. As the case was settled the same should have excluded from the Contingent Liability. Non exclusion/removal of the same has resulted in over statement of Contingent Liability by ₹ 21.52 crore	Due correction in contingent liability will be carried out in FY 2022-23
iii. Note 49.14: In the Note 49.14, the Company has disclosed that <i>'The Company disintegrated its Raw Material Division (the Division) on 1st July 2021 and accordingly, the balances as at 30th June 2021 were merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant of the Company. These Standalone Financial Statements include the financial information of the aforesaid Division which reflect total revenues of ₹374.07 crore (excluding intra company stock transfers of ₹ 1443.41 crores), total expenses of ₹ 1702.92 crores, total net profit After Tax of ₹ 114.56 crores and Total Comprehensive Income of ₹110.68 crore for the quarter ended 30th June 2021 which were subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors/auditors of the plants for the purpose of reporting on the complete set of standalone financial statements of the Company. Further the total assets of ₹7448.85 crores and total liabilities of ₹4034.45 crore as at 30 June 2021 were transferred to the aforesaid plants and are included in the balances of the plants as at 31st March 2022, which have been audited by the Auditors of the respective plants.</i> <i>However, the company is in the process of referring the matter to the Comptroller & Auditor General of India for the appointment of Auditors of the Division as required under Section 139(5) of the Companies Act, 2013.'</i> Audit noted that the financial information of RMD was subjected to limited review by the erstwhile auditors appointed by the C&AG of India. Moreover, the balances of Quarter-1 ending 30th June 2021 of RMD were transferred to the Financial Statements of Bokaro, Rourkela and Bhilai Steel Plants for the year 2021-22 and have been audited by the joint statutory auditors appointed for the year 2021-22. In view of above, the disclosure under Note 49.14 is not necessary. Similarly, Emphasis of Matter (8-ii) included in the Independent Auditors' Report drawing attention to the Note 49.14 of the Financial Statement is also not necessary.	The view of the Audit is Noted.
For and on the behalf of Comptroller & Auditor General of India (U. S. Prasad) Director General of Audit (Steel), Ranchi Place: Ranchi Date: 28th July, 2022	For and on the behalf of Board of Directors Sd/- (Soma Mondal) Chairman Place: New Delhi Date: 10th August, 2022

Annexure-III to the Board's Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

**To,
The Members,
Steel Authority of India Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Steel Authority of India Limited (hereinafter called SAIL/the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the SAIL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SAIL for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Compliances/processes/systems under following specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company:
 - (a) Mines Act, 1952
 - (b) Mines and Mineral(Regulation and Development) Act, 1957
 - (c) The Factories Act, 1948
 - (d) Explosive Act, 1884

We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. Generally complied with.
- (b) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with National Stock Exchange of India Limited & BSE Limited.
- (c) DPE Guidelines on Corporate Governance for CPSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- I. Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the second proviso of Section 149(1) of the Companies Act, 2013, the Board of Directors did not consist of an Independent Women Director for the period 01.04.2021 to 14.11.2021 and the number of Non-Executive Directors on the Board was less than fifty percent during the period from 01.04.2021 to 07.11.2021.



II. Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 149(4) of the Companies Act, 2013 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the number of Independent Directors on the Board is less than fifty percent during 01.04.2021 to 17.11.2021 and 21.12.2021 to 31.03.2022. Consequently, in terms of Clause 3.1.2 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the Company should have requisite no. of Functional Directors on the Board of the Company.

III. Regulation 17(10) & 25(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, the Company shall carry out the performance evaluation of the Directors.

We further report that the Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting from Directors.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/ Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the National Stock Exchange of India Limited and BSE Limited have levied monetary fines for non-compliance under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as mentioned at para I above, against which the Company has replied requesting waiver of fines imposed on the Company submitting that appointment of the Directors on the Board is made by the Government of India and not with in the powers of the SAIL Board.

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 626/2019

Sd/-
CS Sachin Agarwal
Partner
FCS No. : 5774
CP No. : 5910

Place: New Delhi

Date: 25.08.2022

UDIN: F005774D000846746

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.



“Annexure A” to Secretarial Audit Report

To,
The Members,
Steel Authority of India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination

was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 626/2019

Sd/-
CS Sachin Agarwal
Partner
FCS No. : 5774
CP No. : 5910

Place: New Delhi
Date: 25.08.2022



Annexure-IV to the Board's Report

CORPORATE GOVERNANCE REPORT 2021-22

Corporate Governance is the system of Policies, Rules, Procedures, Processes and Practices by which a company is administered, directed or controlled with the ultimate objective of maximising the value for the all the stakeholders viz. Government, Investors, Shareholders, Customers, Vendors, Employees, Environment and the Society. As a good governance measure being integral to a company, the concerned officers of the Company are accountable to its Stakeholders in terms of transparency, fairness, ethics and professional approach followed in the decisions taken by them.

(a) Company's Philosophy

The philosophy of the Company in relation to Corporate Governance is to ensure transparency, disclosures and reporting that confirms fully to laws, regulations, guidelines including DPE guidelines and robust policies formulated over the years and to promote ethical conduct throughout the Organization, with the primary objective of enhancing shareholders value, while being a responsible corporate citizen. Your Company is committed to confirming to the highest standards of Corporate Governance in the Country. It recognizes that the Board is accountable to all shareholders and that each member of the Board owes his/her first duty for protecting and furthering the interest of the Company.

(b) Board of Directors

The Board of Directors being at the core of our corporate governance is entrusted with the responsibility of management, direction performance of the Company and ensuring that the long term interest of the stakeholders is protected and stakeholders' value enhanced. The Board reviews and approves management's strategic plans and business objectives and monitors the Company's strategic direction. The Board of Directors functions in accordance with the powers delegated under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Guidelines issued by DPE and other guidelines issued by the Government of India from time to time, as applicable to the Company.

Steel Authority of India Limited (SAIL) is Government Company within the meaning of Section 2(45) of the Companies Act, 2013. In terms of the provisions of the Articles of Association of the Company, the strength of the Board shall not be less than six Directors or more than twenty four Directors. As per the Articles of

Association, the power to appoint Directors vests with the President of India. Consequent to restructuring of the Board, vide letter no. 3(4)/2007-SAIL (PC)(Pt) dated 25th September, 2020, Government of India (GoI), Ministry of Steel (MoS) has conveyed the sanctioned strength of the Board of Directors as under:

- (i) Nine Functional Directors including the Chairman & Managing Director and four Director In-charges for Integrated Steel Plants;
- (ii) Two Government Nominee Directors; and
- (iii) Eleven Independent Directors as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2022, the Board of Directors comprised of a full time Chairman, 5 Whole Time Directors (i.e. Executive Directors) and 8 Non-Executive Directors (consisting of 2 Government Nominee Directors and 6 Independent Directors). During the year, 9 Board meetings were held on 20th April, 2021, 10th June, 2021, 6th August, 2021, 1st September, 2021, 29th October, 2021, 17th December, 2021, 31st January, 2022, 9th February, 2022 and 16th March, 2022. The gap between any two board meetings did not exceed 120 days and the requisite quorum was present in all the meetings held during the Financial Year 2021-22. In addition to the physical mode, the board meetings during the Financial Year 2021-22 were also held through video conference.

During the FY 2021-22, none of the Directors were Members in more than 10 committees or Chairperson in more than 5 committees in all the listed entities where they were Directors. In this regard, for the purpose of determination of limit of the Board Sub Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as on 31st March, 2022, as per the Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, during the year under review, there was no instance where the Board had not accepted any recommendation of any Board Sub Committee. Further, there are no inter-se relationships among the Directors on the Board.

The names of Director(s), their attendance at the Board meeting(s) held during 2021-22 as also at the last Annual General Meeting and number of other directorships held by each of them, as disclosed, are as under:



Name of the Director	Category of Directorship	No. of Board Meetings in 2021-22		Attendance at last AGM	No. of other Directorships*		No. of Board Committee(s) as Chairman/Member**
		Held during tenure	Attended		Total	In Listed Cos.	
1. Smt. Soma Mondal with Additional Charge of posts of Director (Personnel) and Director (Finance)	Executive Chairman	9	9	Yes	1	-	M-1 (as Director Personnel & Finance))
2. Shri Shashank Priya (upto 22 nd April, 2021)	Non-Executive Director (Gol. Nominee)	1	0	Not Applicable	-	-	-
3. Smt. Sukriti Likhi (from 23 rd April, 2021)	Non-Executive Director (Gol. Nominee)	8	7	No	5	3	M-1
4. Shri Puneet Kansal	Non-Executive Director (Gol. Nominee)	9	8	No	-	-	-
5. Shri Harinand Rai	Executive Director	9	9	Yes	2	-	-
6. Shri K. K. Gupta (upto 20 th December, 2021)	Independent Director	6	6	Yes	-	-	-
7. Shri Amit Sen (upto 31 st December, 2021)	Executive Director	6	6	Yes	-	-	-
8. Shri N. Shankarappa	Independent Director	9	9	Yes	-	-	M-2
9. Shri Anirban Dasgupta	Executive Director	9	9	Yes	3	-	M-1
10. Shri Amarendu Prakash	Executive Director	9	9	Yes	-	-	-
11. Shri Ashok Kumar Tripathy (from 8 th November, 2021)	Independent Director	4	4	Not Applicable	-	-	M-1
12. Shri Kanhaiya Sarda (from 12 th November, 2021)	Independent Director	4	4	Not Applicable	2	-	M-1
13. Smt. Neelam Sonker (from 15 th November, 2021)	Independent Director	4	1	Not Applicable	-	-	C-1 M-1
14. Shri Sagi Kasi Viswanatha Raju (from 16 th November, 2021)	Independent Director	4	4	Not Applicable	3	-	C-1 M-1
15. Dr. Gopal Singh Bhati (from 18 th November, 2021)	Independent Director	4	4	Not Applicable	2	-	-
16. Shri Vejendra Srinivasa Chakravarthy (from 24 th December, 2021)	Executive Director	3	3	Not Applicable	1	-	-
17. Shri Atanu Bhowmick (from 11 th February, 2022)	Executive Director	1	1	Not Applicable	2	-	-

* The status is as on 31st March, 2022 and includes directorship in Private companies also.

** The status is as on 31st March, 2022 and only Audit Committee and Stakeholders' Relationship Committee have been considered for this purpose. M = Member, C = Chairman.

None of the above Directors, other than Shri Shashank Priya and Smt. Sukriti Likhi were on the Board of any listed entity during 2021-22 other than SAIL. Besides SAIL, Smt. Sukriti Likhi was on the Board of NMDC Limited, MOIL Limited and KIOCL Limited and Shri Shashank Priya was on the Board of NMDC Limited, KIOCL Limited, BHEL, STC, MMTC and HMT Limited, as Government Nominee Directors.

The information, as required under Regulation 17(7) read with Part-A of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is placed before the Board. The Agenda, including compliance reports of all the laws applicable to the Company, along with Explanatory Notes is provided to the Board Members in advance. The Board Member take active part in the deliberations in the Board and Board Sub committee

meetings by providing valuable suggestions, advice and guidance on various areas of the Company's Business, thus adding value to the decision making process. Additional information as sought is provided to the members. The recommendations of the meetings of the Board Sub Committee meetings are placed before the Board for necessary approval. As an effective post meeting follow-up system, action taken on its decisions is apprised to the Board.

During part of the FY 2021-22, the composition of the Board of Directors in respect of minimum number of Independent Directors, Woman Independent Director and Non-Executive Directors was not as per the requirement of Regulation 17 (1)(a) of the SEBI(Listing Obligations and Disclosure Requirements), 2015 Regulations.



(c) Audit Committee:**(i) Terms of Reference:**

The terms of reference of Audit Committee of SAIL Board in line with the Regulation 18(3) read with Part C of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, include: the primary function to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the Financial Reports; the Company's systems of internal financial controls and Risk management systems, Accounting and Legal compliance that Management and the Board have established; review Related Party Transactions in accordance with the Related Party Transaction Policy of the Company; and the Company's Auditing, Accounting and Financial Reporting process generally.

The Audit Committee reviews the reports of the Internal Auditors, meets Statutory Auditors, reviews the Auditors' independence, performance and effectiveness of the audit process, discusses their findings, suggestions and other related matters and reviews Accounting Policies followed by the Company. The Audit Committee reviews with the Management, the Quarterly and Annual Standalone and Consolidated Financial Statements and the Auditors' Report thereon, before their submission to the Board.

The minutes of the Audit Committee meetings are submitted to the Board, discussed, and taken note of.

(ii) Composition:

The Audit Committee of the Board was initially formed in 1998 and has been reconstituted from time to time. As on 31st March, 2022, the Audit Committee comprised of Shri Sagi Kasi Viswanatha Raju, (Chairman), Shri N. Shankarappa, Shri Ashok Kumar Tripathy, Smt. Neelam Sonker, Shri Kanhaiya Sarda and Director (Incharge-BSP). During the FY 2021-22, the Committee met 9 times and attendance of the Members at the meetings is given below:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Sagi Kasi Viswanatha Raju, Independent Director, Chairman (from 28 th December, 2021)	Chairman	2	2
Shri K.K. Gupta, Independent Director, Chairman (upto 20 th December, 2021)	Chairman	7	7
Shri N. Shankarappa, Independent Director	Member	9	9
Shri Ashok Kumar Tripathy, Independent Director (from 28 th December, 2021)	Member	2	2

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Kanhaiya Sarda, Independent Director (from 28 th December, 2021)	Member	2	2
Smt. Neelam Sonker, Independent Director (from 28 th December, 2021)	Member	2	0
Shri Anirban Dasgupta, Director (Incharge-BSP)	Member	9	9

(d) Nomination & Remuneration Committee

(i) SAIL, being a Government Company, the nomination and fixation of terms & conditions for appointment of its Directors, are made by the Government of India. However, the Company has constituted a Nomination & Remuneration Committee (NRC), the terms of reference of which, inter-alia, include to look into various HR issues, matters prescribed under the Companies Act, 2013 and SEBI Regulations; to finalise Performance Related Pay (PRP) for the executives of the Company in terms of Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises; etc.

As on 31st March, 2022, the Nomination & Remuneration Committee comprised of Shri Ashok Kumar Tripathy, Independent Director (Chairman); Smt. Soma Mondal, Chairman, SAIL; Shri Puneet Kansal, Joint Secretary, Ministry of Steel (Government Nominee Director); Shri N. Shankarappa, Independent Director; Shri Sagi Kasi Viswanatha Raju, Independent Director; and Dr. Gopal Singh Bhati, Independent Director, as Members. During the FY 2021-22, the attendance of the Members in the 7 meetings of NRC held is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Ashok Kumar Tripathy, Independent Director, Chairman (from 28 th December, 2021)	Chairman	1	1
Shri K.K. Gupta, Independent Director, Chairman (upto 20 th December, 2021)	Chairman	6	6
Smt. Soma Mondal, Chairman with Additional Charge of Director (Personnel)	Member	7	5
Shri Puneet Kansal, Joint Secretary, Ministry of Steel	Member	7	7
Shri N. Shankarappa, Independent Director	Member	7	7
Shri Sagi Kasi Viswanatha Raju, Independent Director (from 28 th December, 2021)	Member	1	1
Dr. Gopal Singh Bhati, Independent Director (from 28 th December, 2021)	Member	1	1



As per Section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee (NRC) shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors. The evaluation is to be carried out either by the Board, NRC or by an independent external agency and NRC shall review the implementation and compliance of the evaluation system. Further, Regulation 17(10) & 25(4) of SEBI (LODR) 2015 and the Code for Independent Directors pursuant to Section 149(8) of the Companies Act, 2013 requires the performance evaluation of Independent Directors to decide their continuance or otherwise. The Ministry of Corporate Affairs (MCA) has vide its Notification dated 5th June, 2015 notified exemptions to Government Companies from certain provisions of the Companies Act, 2013 which, inter-alia, provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies. The appointment of Functional Directors as well as Part Time Non-Official Directors (Independent Directors) on the Board of SAIL is made based on nomination/appointment by Government of India (GOI). The terms & conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of Functional Directors and CMD by the Administrative Ministry. Further, the Ministry of Corporate Affairs vide Notification dated 5th July, 2017 has notified amendments in Schedule IV of the Companies Act, 2013 relating to Code for Independent Directors, wherein, the clauses relating to evaluation of performance of Non-Independent Directors, Chairperson and Board have been exempted for Government Companies.

(ii) The details of remuneration to Whole Time Directors for FY 2021-22 are given below:

Name of the Director	Salary*	Perquisites	Total (₹)
Smt. Soma Mondal	74,76,332	16,97,513	91,73,845
Shri Harinand Rai	67,60,042	13,76,188	81,36,230
Shri Amit Sen (upto 31 st December, 2021)	66,27,720	14,89,781	81,17,501
Shri Anirban Dasgupta	66,41,037	6,97,539	73,38,576
Shri Amarendu Prakash	81,51,614	4,24,735	85,76,349
Shri Vejendra Srinivasa Chakravarthy (from 24 th December, 2021)	17,53,523	27,539	17,81,062
Shri Atanu Bhowmick (from 11 th February, 2022)	6,22,798	51,001	6,73,799
Total	3,80,33,066	57,64,296	4,37,97,362

*Salary includes provision for Pension

(iii) The Non-Executive Directors (other than Government Nominee Directors) are paid only sitting fee for each Board/Board Sub-Committee/ Independent Directors Meeting attended by them. The sitting fee of ₹ 20,000/- for each Board/ Board Sub-Committee/Independent Directors Meeting attended was revised to ₹ 30,000/- and ₹ 25,000/- for each Board Meeting and Board Sub-Committee Meeting attended respectively, as approved by the Board of Directors in its 485th meeting held on 31st January, 2022.

(iv) The salary of the Whole Time Directors is governed by Pay scales and Rules issued by the Department of Public Enterprises. No variable incentive is being paid to the Directors except Performance Related Pay (PRP), paid to them on annual basis as per DPE Guidelines. No Bonuses, severance fees and Stock Options were paid during the FY 2021-22.

(v) Terms & Conditions

The Whole Time Directors are nominated by Government of India for appointment as Director for a period of five years or till the age of superannuation or until further orders, whichever is the earliest. They are initially appointed by the Board of Directors as Additional Directors and, thereafter, by the Shareholders in the Annual General Meeting in terms of the provisions of the Companies Act, 2013. However, w.e.f. 1st January, 2022, in terms of the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of Shareholders is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The appointment may, however, be terminated by either side on three months' notice or on payment of three months' salary in lieu thereof.

(e) Stakeholders' Relationship Committee

(i) A Stakeholders' Relationship Committee comprising Smt. Neelam Sonker, Independent Director, Chairman; Shri N. Shankarappa, Independent Director; Shri Sagi Kasi Viswanatha Raju, Independent Director; and two Whole Time Directors, i.e. Director (Finance) and Director (Personnel), is functioning to consider and resolve the grievances of the security holders of the Company including complaints related to non-receipt of balance sheet, non-receipt of dividend, transfer/transmission of shares, etc. During the year, one meeting of Stakeholders' Relationship Committee was held on 29th March, 2022 and the attendance of the Members is as under:



Name of the Director	Status	Meetings held during tenure	Meetings attended
Smt. Neelam Sonker, Independent Director (from 28 th December, 2021)	Chairman	1	1
Shri N. Shankarappa, Independent Director (Chairman upto 27 th December, 2021)	Member	1	1
Smt. Soma Mondal, Chairman, holding additional charge of posts of Director (Personnel) and Director (Finance)	Member	1	0
Shri Sagi Kasi Viswanatha Raju, Independent Director (from 28 th December, 2021)	Member	1	1
Shri K.K. Gupta, Independent Director (upto 20 th December, 2021)	Member	NIL	NIL
Shri Amit Sen, Director (Finance) (upto 31 st December, 2021)	Member	NIL	NIL

(ii) Name of Compliance Officer: Shri M.B. Balakrishnan, Company Secretary.

(iii) There was no complaint pending for redressal as on 31st March, 2022. Number of shareholders' complaints received during the year from 1st April, 2021 to 31st March, 2022 was 42. All the 42 complaints were resolved and no complaint was pending for redressal as on 31st March, 2022. The details of the complaints received and resolved are as under:

Complaints Received from	No. of Complaints
SEBI	18
BSE	2
NSE	20
CPGRAMS	2
Total	42

(f) **Risk Management Committee:** The Company has constituted the SAIL Risk Management Committee (SRMC) and the Chief Risk Officer of the Company is acting as the Secretary to the Committee. Chairman, Audit Committee is the Chairman of the SRMC and majority of the members are Directors on the Board of the Company. The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces. The Risk Management Policy is comprehensive and processes faster risk updation in a dynamic business environment. The SRMC oversees the risk management function in SAIL by addressing issues pertaining to policy formulation as well as evaluation of the risk management function to assess its continuing effectiveness. The Terms of reference of the Committee mainly includes establishment of a risk management system; formulation, adoption and implementation of the Risk Management Policy; setting standards for risk documentation; to review the Enterprise Risk Management framework

to assess its continuing effectiveness; to monitor emerging issues and oversee the risk management; As on 31st March, 2022, the SRMC comprised of Shri Sagi Kasi Viswanatha Raju, Independent Director, Chairman; and Shri N. Shankarappa, Independent Director; Director (Technical); Director (Finance); Director (Commercial); Director (Personnel) as Members. During the year, two meetings of the Risk Management Committee were held on 19th June, 2021 and 2nd December, 2021. The attendance of the members of the Committee during the meetings held in FY 2021-22 is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Sagi Kasi Viswanatha Raju, Independent Director (from 28 th December, 2021)	Chairman	NIL	NIL
Shri K.K. Gupta, Independent Director (upto 20 th December, 2021)	Chairman	2	2
Shri N. Shankarappa, Independent Director	Member	2	2
Shri Harinand Rai, Director (Technical, Projects & Raw Materials)	Member	2	2
Shri Amit Sen, Director (Finance) (upto 31 st December, 2021)	Member	2	2
Shri Vejendra Srinivasa Chakravarthy, Director (Commercial) (from 27 th December, 2021)	Member	NIL	NIL
Shri Anirban Dasgupta, Director (In charge-BSP) (upto 26 th December, 2021)	Member	2	2
Shri Dipak Chattaraj, CEO (RSP) (upto 31 st July, 2021)	Member	1	1
Shri Amarendu Prakash, Director (In charge-BSL) holding additional charge of Director (In charge-RSP) (upto 26 th December, 2021)	Member	1	0

(g) **Corporate Social Responsibility Committee:** Corporate Social Responsibility (CSR) is the Company's vision to strive for excellence in promoting innovative CSR Initiatives and Improvement in quality of life of communities through ethical, transparent, accountable and sound governance practices and be known as a Corporate Leader in sustainable CSR initiatives. It is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner, whereby organisations serve the interests of the society, by taking responsibility for the impact of their activities. The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee and has also approved Corporate Social Responsibility Policy of the Company. The Policy is available on the website of the Company- www.sail.co.in. As on 31st March, 2022, Shri N. Shankarappa,



Independent Director, was Chairman of the Committee. The other Members included Dr. Gopal Singh Bhati, Independent Director; Shri Kanhaiya Sarda, Independent Director; and Smt. Soma Mondal, Chairman with Additional Charge of Director (Personnel) and Director (Finance). During the year, three meetings of CSR Committee were held on 15th April, 2021, 21st August, 2021 and 28th January, 2022 and the attendance of the Members is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri N. Shankarappa, Independent Director	Chairman	3	3
Shri K.K. Gupta, Independent Director (upto 20 th December, 2021)	Member	2	2
Smt. Soma Mondal, Chairman with Additional Charge of Director (Personnel); and Director (Finance) from 1 st January, 2022.	Member	3	2

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Amit Sen, Director (Finance) (upto 31 st December, 2021)	Member	2	2
Dr. Gopal Singh Bhati, Independent Director (from 28 th December, 2021)	Member	1	1
Shri Kanhaiya Sarda, Independent Director (from 28 th December, 2021)	Member	1	1

- (h) During the year, in addition to the physical mode, the meetings of Board Sub Committees (BSCs) were also held through video conference. The constitution of the BSCs was reviewed and some of the BSCs were reconstituted. At present, besides mandatory Committees, the following BSCs have been constituted by the Company so that the important issues are examined in detail before the same are considered by the Board. The objective and composition of these BSCs as on 31st March, 2022 are given below:

S. No.	Board Sub Committee	Objective of BSC in Brief	Composition of BSC as on 31 st March, 2022
1.	Strategic Issues & Joint Ventures Committee	To examine and recommend to the Board the issues relating to formation of Strategic Alliance(s) and Joint Ventures of the Company and review their performance.	- Shri Kanhaiya Sarda, Independent Director (Chairman) - Joint Secretary, MOS & Director, SAIL - Shri Ashok Kumar Tripathy, Independent Director - Shri Sagi Kasi Viswanatha Raju, Independent Director - Smt. Neelam Sonker, Independent Director - Director (Technical, Projects & Raw Materials) - Director (Finance) - Director in-charge (BSP)
2.	Projects Committee	To monitor and recommend to the Board the matters regarding taking up of new projects, monitoring implementation of major capital projects vis-a-vis approved plan, etc.	- Shri Ashok Kumar Tripathy, Independent Director (Chairman) - Joint Secretary, MOS & Director, SAIL - Dr. Gopal Singh Bhati, Independent Director - Shri Kanhaiya Sarda, Independent Director - Director (Technical, Projects & Raw Materials) - Director (Finance) - Director in-charge (BSL)
3.	Health, Safety & Environment Committee	To review the policy, procedures and systems on Health, Safety and Environmental matters in respect of Plants & Mines.	- Dr. Gopal Singh Bhati, Independent Director (Chairman) - Shri N. Shankarappa, Independent Director - Shri Ashok Kumar Tripathy, Independent Director - Smt. Neelam Sonker, Independent Director - Director (Technical, Projects & Raw Materials) - Director (Personnel) - Director in-charge (BSP) - Director in-charge (BSL)
4.	Share Transfer Committee	To consider (i) transmission, rejection, issue of duplicate share certificate and split share certificates; and (ii) transfer of shares for which request was received before 31 st March, 2019 but was rejected earlier on account of discrepancies, and resubmitted after duly rectifying the objections.	- Director (Personnel) - Director (Technical, Projects & Raw Materials) - Director (Finance) - Director (Commercial)

(i) **Details of Meetings of various Board Sub-Committees held during the FY 2021-22 and Directors' attendance therein are as under:**

Board Sub-Committee	Audit Committee Meetings		Project Committee Meetings		Strategic Issues & Joint Ventures Committee Meetings		Nomination & Remuneration Committee Meetings		Corporate Social Responsibility Committee Meetings		Health, Safety & Environment Committee Meetings		Stakeholders Relationship Committee Meetings		Operational Issues Committee Meetings		Share Transfer Committee Meetings	
	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded	Held during Tenure	Atten- ded
1	2		3		4		5		6		7		8		9		10	
Meetings held in 2021-22	9		9		2		7		3		5		1		0		10	
Directors Attendance																		
Smt. Soma Mondal*	-	-	2	0	1	0	7	5	3	2	5	2	1	0	-	-	10	0
Shri Shashank Priya (upto 22 nd April, 2021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Smt. Sukriti Likhi (from 23 rd April, 2021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shri Puneet Kansal	-	-	9	9	2	2	7	7	-	-	-	-	-	-	-	-	-	-
Shri Harinand Rai	-	-	9	9	2	2	-	-	-	-	5	5	-	-	-	-	10	10
Shri K.K. Gupta (upto 20 th December, 2021)	7	7	7	7	1	1	6	6	2	2	4	4	-	-	-	-	-	-
Shri Amit Sen (upto 31 st December, 2021)	-	-	7	7	1	1	-	-	2	2	-	-	-	-	-	-	7	7
Shri N. Shankarappa	9	9	7	7	1	1	7	7	3	3	5	5	1	1	-	-	-	-
Shri Anirban Dasgupta	9	9	7	7	2	2	-	-	-	-	5	5	-	-	-	-	-	-
Shri Amarendu Prakash	-	-	9	9	-	-	-	-	-	-	5	5	-	-	-	-	-	-
Shri Ashok Kumar Tripathy (from 8 th November, 2021)	2	2	2	2	1	1	1	1	-	-	1	1	-	-	-	-	-	-
Shri Kanhaiya Sarda (from 12 th November, 2021)	2	2	2	2	1	1	-	-	1	1	-	-	-	-	-	-	-	-
Smt. Neelam Sonker (from 15 th November, 2021)	2	0	-	-	1	0	-	-	-	-	1	0	1	1	-	-	-	-
Shri Sagi Kasi Viswanatha Raju (from 16 th November, 2021)	2	2	-	-	1	1	1	1	-	-	-	-	1	1	-	-	-	-
Dr. Gopal Singh Bhati (from 18 th November, 2021)	-	-	2	2	-	-	1	1	1	1	1	1	-	-	-	-	-	-
Shri Vejendra Srinivasa Chakravarthy (from 24 th December, 2021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3
Shri Atanu Bhowmick (from 11 th February, 2022)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Smt. Soma Mondal, Chairman was holding additional charge of the post of Director (Personnel) during FY 2021-22; and Director (Finance) from 1st January, 2022 to 31st March, 2022.

(j) **In addition to above, 1 meeting of Independent Directors was held during the FY 2021-22.**

(k) **General Body Meetings:**

Location and time where last three AGMs held:

Financial Year	Date	Time	Location
2020-21	28.09.2021	10.30 A.M.	Through Video Conferencing/Other Audio Visual Means
2019-20	22.10.2020	10.30 A.M.	Through Video Conferencing/Other Audio Visual Means
2018-19	30.08.2019	10.30 A.M.	NDMC Indoor Stadium, Talkatora Garden, New Delhi-110001.



- (i) In the last 3 years, four Special Resolutions were passed in the Annual General Meetings and none through Postal Ballot, as detailed below:

Financial Year	No. of Special Resolutions Passed
2020-21	NIL
2019-20	NIL
2018-19	4

- (ii) As on 31st March, 2022, Six Special Resolutions are proposed to be passed through Postal Ballot by electronic voting only.

(II) Disclosures:

- (i) **Pecuniary Relationship:** There were no transactions by the Company of material nature with Promoters, Directors or the Management, their Subsidiaries, relatives, etc. that may have potential conflict with the interests of the Company at large. The Board has taken note of the declaration and confirmation regarding meeting the criteria of independence submitted by the Independent Directors. The Non-Executive Directors had no pecuniary relationships or transactions vis-à-vis the Company during the year except receipt of sitting fee paid to Independent Directors for attending the meetings of the Board/Board Sub-Committee. None of the Non-Executive Directors held any share/convertible instrument of the Company.
- (ii) **Maximum tenure of an Independent Director:** SAIL being a Government Company, the nomination and fixation of terms and conditions for appointment of Independent Directors is made by the Government of India.
- (iii) **Letter of appointment to Independent Directors:** SAIL being a Government Company, Directors on its Board are nominated/appointed by the Government of India. During the FY 2021-22, five Independent Directors were nominated by the Government of India on the Board of the Company. The letters of appointment intimating their roles, duties, responsibilities, were issued to all the five Independent Directors based on the Terms and Conditions mentioned by Government of India while nominating the Independent Directors. The Independent Directors are intimated of their roles, duties and responsibilities and provided the copies of code of conduct in Directors. The Independent Directors are intimated of their roles, duties and responsibilities and provided the copies of Code of Conduct for Directors.
- (iv) **Familiarization programme for Independent Directors:** An induction cum familiarization programme for Independent Directors is organized on their appointment, where an overall view of the Company is presented to them

which includes, inter-alia, details of Organization Structure, Company's Plants & Units, Product Portfolio, Financial and Operational Performance, Modernization and Expansion Programme, etc. The Company also organizes visits of the Directors to various Plants/Units of the Company for first-hand knowledge of the operations. Further, the Directors are nominated to the training programmes organised by various institutions such as DPE, SCOPE, IOD and other institutions on issues related to Corporate Governance, etc. The details of familiarisation programmes imparted to Independent Directors are available on the website of the Company - www.sail.co.in.

- (v) The Company has adopted Whistle Blower Policy of Central Vigilance Commission (CVC) and it has not denied access to any personnel to approach the Audit Committee/ Management on any issue. The Whistle Blower Policy is available on the website of the Company - www.sail.co.in. The Company has also formulated a Vigil Mechanism for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of the Company and Directors on the Board of the Company are covered under this Mechanism. This Mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail the Mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Vigil Mechanism has been posted on the website of the Company - www.sail.co.in.
- (vi) The Company has complied with the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India, during the FY 2021-22. However, there was shortfall between one to five Independent Directors, including Woman Independent Director during the Financial Year 2021-22. SAIL being a Government Company, the Directors on its Board are appointed, based on nomination by the Government of India. The matter of nominating the requisite number of Independent Directors including Woman Independent Director on the Board of SAIL was taken up with the Ministry of Steel, Government of India. Further, the Company has not fully adopted non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof.



- (vii) There were One Whole Time Woman Director, One Non-executive Government Nominee Woman Director and One Independent Woman Director on the Board of the Company as on 31st March, 2022.
- (viii) Presidential Directives for revision of pay scales of Board level and below Board level executives in SAIL were issued by the Ministry of Steel vide letter dated 18th November, 2021 w.e.f. 1st January, 2017. The Company has complied with the same and also the Presidential Directives on reservation for SC/ST/OBC. In case of Non-executive employees, the wages are finalized/ revised in bipartite forum of National Joint Committee for Steel Industry (NJCS). An Memorandum of Understanding (MoU) has been arrived at and payment of revised Wages, Perks/ Allowances, etc. has been started after obtaining approval of Ministry of Steel on 18th November, 2021.
- (ix) The Independent Directors have submitted the declaration of independence, as required under Regulation 25(8) of the SEBI Listing Regulations read with Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Regulation 16(1) (b) of the SEBI Listing regulations read with sub-section (6) of Section 149 of the Companies Act, 2013 and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The same has been taken on record by the Board.
- (x) **Code of Conduct:** The Board has laid down a Code of Conduct covering the requirements to be complied with by all the Board Members and Senior Management Personnel of the Company. An affirmation of compliance with the Code is received from them on annual basis. The Code of Conduct has been placed on the website of the Company - www.sail.co.in.
- (xi) **Policy on Related Party Transactions:** In terms of the Listing Agreement, the Board of Directors of the Company has adopted a Policy on Related Party Transactions. The Policy is placed on the website of the Company - www.sail.co.in. There was no related party transaction that may have any potential conflict with the interests of the Company.
- (xii) **Policy on Material Subsidiaries:** The Board of Directors of the Company has adopted a Policy for determination of Material Subsidiaries. The Policy is placed on the website of the Company - www.sail.co.in. The Company did not have any Material Subsidiary during 2021-22.
- (xiii) In terms of the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted Dividend Distribution Policy and the same is uploaded on the website of the Company- www.sail.co.in.
- (xiv) The financial statements are signed by the Chairman and Director (Finance) of the Company, who are CEO and CFO respectively of the Company. However, in absence of appointment of a full time Director (Finance), Chairman of the Company was assigned the Additional Charge of the post of Director (Finance) w.e.f. 1st January, 2022, for a period of 3 months.
- (xv) Directors on the Board of the Company are nominated/appointed by the Government of India. Therefore, preparation of a chart or a matrix setting out the skills/ expertise/competence of the Board of Directors is outside the purview of the Board of SAIL.
- (xvi) During the FY 2021-22, no funds have been raised through preferential allotment or qualified institutions placement.
- (xvii) Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Agarwal S. & Associates, Practising Company Secretaries, has certified that none of the Directors on the Board of SAIL have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities Exchange Board of India/Ministry of Corporate Affairs or any such other Statutory Authority.
- (xviii) An amount of ₹5.61 crore is paid/payable as total fees for all services by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which statutory auditors are part.
- (xix) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- The Company has set up Internal Complaints Committees in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. These Committees have been set up to redress complaints received regarding sexual harassment. All employees of the Company are covered under these Rules. The details of sexual harassment complaints received and disposed off during the year 2021-22 are as under:
- | Particulars | No. of Complaints |
|---|-------------------|
| Number of complaints pending as on 1 st April, 2020 | 2 |
| Number of complaints filed during the FY | 3 |
| Number of complaints disposed off during the FY | 4 |
| Number of complaints pending as on 31 st March, 2021 | 1 |
- (xx) During the FY 2021-22, no independent director has resigned before completion of their respective tenure.
- (xxi) No non-executive director has held shares/ convertible instruments of any company.



(xxii) Credit Ratings obtained along with any revision thereto during the Financial Year 2021-22 are as under:

A. India Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	7 th September, 2021	Status	9 th November, 2020
Long Term Bonds	5132 [^]	IND AA Stable Outlook	Upgraded	IND AA - Negative Outlook
Short Term (CPs)	8000	IND A1+ (20 th October, 2021)	Reaffirmed	IND A1+
Fund-Based Working Capital based limits	10000	IND AA Stable / IND A1+	Long Term Rating Upgraded & Short Term Rating Reaffirmed	IND AA-Negative Outlook / IND A1+
Non-Fund-Based Working Capital limits	5000	IND A1+	Reaffirmed	IND A1+
Non-Fund-Based limits ^{\$}	5000	IND AA Stable Outlook	Upgraded	IND AA- Negative Outlook
Proposed Bank Loan #	2000	IND AA Stable Outlook	Assigned	
Bank Loan	2000	WD	Withdrawn (the Company did not proceed with the instrument as envisaged)	IND AA- Negative Outlook
Public Deposits	1000	IND tAA Stable Outlook	Reaffirmed, Outlook revised to Stable from Negative	IND tAA Negative Outlook

[^] Outstanding at the time of Rating ₹ 5,132 crore.

Unallocated

B. CARE Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	5 th August, 2021	Status	9 th October, 2020
Long Term Bonds Programme	6232*	CARE AA Outlook Stable	Revised	CARE AA - Outlook Negative
Long Term Public Deposits	1000	CARE AA Outlook Stable	Revised	CARE AA - Outlook Negative
Short Term CP / ICD Programme	8000	CARE A1+ (9 th October, 2020)	Reaffirmed	CARE A1+
Long Term Bank Facilities (Term Loans)	9983.75	CARE AA Outlook Stable	Revised	CARE AA – Outlook Negative

*Outstanding at the time of rating ₹ 6,232 crore

C. Brickworks Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	12 th November, 2021	Status	27 th October, 2020
Long Term Bonds Programme	5000	BWR AA (Stable)	Reaffirmed with Change in Outlook	BWR AA Negative Outlook

(xxiii) Risk w.r.t. Commodities: Pursuance to Circular No. SEBI/HO/CFD/ CMD1/ CIR/ P/2018/0000000141 dated 15th November, 2018, SAIL does not perceive any risk with respect to commodities, as it has taken adequate steps to ensure uninterrupted supply of major materials. SAIL has diversified sourcing of coal and is procuring coal through Long Term Agreements from different geographical locations from five countries, i.e., Australia, USA, Canada, Indonesia and Mozambique. For iron ore, SAIL has its own captive iron ore mines which meet its requirement. Similarly, for refractories and ferro-alloys, SAIL has its own captive Plants and SAIL is procuring limestone under Long Term Agreement.

(xxiv) During the FY 2021-22, both National Stock Exchange Limited and BSE Limited have imposed fine of (i) ₹ 5,31,000/- for the quarter ended 31st March, 2021; (ii) ₹ 5,36,900/- for the quarter ended 30th June, 2021; and (iii) ₹ 5,42,800/- each for the quarter ended 30th September, 2021 & 31st December, 2021 each for non-compliance in respect of Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A representation has been made to BSE Limited and National Stock Exchange Limited to waive of the fines as the Directors on the Board of the Company are appointed by Government of India, Ministry of Steel.

(m) Means of Communication:

Quarterly results have been published in prominent daily newspapers as per the requirement, on the following dates:

Quarter Ending	30 th June, 2021	30 th September, 2021	31 st December, 2021	31 st March, 2022
Date of Publication	7 th August, 2021	30 th October, 2021	10 th February, 2022	24 th May, 2022
Name of the Newspapers	Mint (E)	Financial Express (E)	Business Standard & Financial Express (E)	Financial Express (E)
E-English	Hindustan & Dainik Jagran (H)	Jansatta (H)	Business Standard & Jansatta (H)	Jansatta (H)
H-Hindi				



The Quarterly/Annual results are also made available at the website of the Company-www.sail.co.in. The Company also displays official news releases on its website.

The Company participates in Conference Calls in respect of Quarterly/Annual Financial Performance. Further, presentations are made to institutional investors or to the analysts and the same are available at the website of the Company-www.sail.co.in

(n) General Shareholders Information:

- (i) In terms of the General Circular No.02/2022 dated 5th May, 2022 read with General Circular No.02/2021 dated 13th January, 2021 issued by Ministry of Corporate Affairs (MCA), Annual General Meeting (AGM) is scheduled to be held on 28th September, 2022 at 1030 Hours at Registered Office through Video Conferencing or Other Audio Visual Means. Necessary public notices, publications and other arrangements have been made pursuant to the MCA Circulars- General Circular No.14 dated 8th April, 2020, General Circular No.17 dated 13th April, 2020 and General Circular No. 20 dated 5th May, 2020.
- (ii) Financial Year: 1st April, 2021 - 31st March, 2022.
- (iii) Date of Book Closure: 22nd September, 2022 to 28th September, 2022 (Both days inclusive) for the purpose of AGM. The Cut-off date has been fixed as 21st September, 2022 (end of business hours) for determining the eligibility of the shareholders to cast their vote during the E-voting process on the Resolutions as set-out in the Notice of the AGM and attend the AGM.
- (iv) Record Date for the Payment of Final Dividend for FY 2021-22. The record date for determining the eligibility of the shareholders to receive the Final Dividend for the Financial year 2021-22 has been fixed as Friday, 29th July, 2022. The Final Dividend, if approved by the Members at

the AGM, will be paid subject the deduction of Income Tax at Source (TDS) within the stipulated period of 30 days from the date of approval by the Shareholders. Final Dividend will be paid through electronic mode to those members whose updated bank account details are available. In the event the Company is unable to pay the dividend to any Member directly in the bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, etc., the Company shall despatch the Dividend Warrant/ Bankers' Cheque/Demand Draft to such Members. The interim dividend declared by the Board of Directors on 29th October, 2021 and 16th March, 2022 was paid to the eligible shareholders in November, 2021 and March/April, 2022 respectively

- (v) The Shares of the Company are actively traded and are listed at the following stock exchanges:

Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort Mumbai-400001
(Stock Code No.500113)

The National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051
(Code: SAIL)

The GDRs issued by the Company in 1996 are listed at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS, UK.

The Annual Listing fee for 2021-22 has been paid to each of the Stock Exchange(s).

During the FY 2021-22, the securities of the Company were not suspended from trading.

- (vi) The monthly high and low quotes of the Company's shares during each month in the FY 2021-22 at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) are indicated below:

Month & Year	SENSEX		SAIL at BSE (₹)		NIFTY		SAIL at NSE (₹)	
	High	Low	High	Low	High	Low	High	Low
April, 2021	50375.77	47204.50	121.30	79.45	15044.35	14151.40	121.35	79.55
May, 2021	52013.22	48028.07	151.10	116.40	15606.35	14416.25	151.30	116.45
June, 2021	53126.73	51450.58	139.75	119.60	15915.65	15450.90	139.75	119.55
July, 2021	53290.81	51802.73	145.85	120.85	15962.25	15513.45	145.90	120.80
August, 2021	57625.26	52804.08	144.15	112.55	17153.50	15834.65	144.30	112.55
September, 2021	60412.32	57263.90	124.95	105.00	17947.65	17055.05	125.00	105.00
October, 2021	62245.43	58551.14	131.75	110.75	18604.45	17452.90	131.80	110.80
November, 2021	61036.56	56382.93	130.35	99.05	18210.15	16782.40	130.30	99.25
December, 2021	59203.37	55132.68	121.10	100.20	17639.50	16410.20	123.45	100.25
January, 2022	61475.15	56409.63	113.60	94.15	18350.95	16836.80	113.65	94.15
February, 2022	59618.51	54383.20	106.70	84.50	17794.60	16203.25	106.75	84.35
March, 2022	58890.92	52260.82	105.10	93.50	17559.80	15671.45	105.15	93.50



(vii) Registrar and Share Transfer Agent

M/s. MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi-110020
Phone No.011-41406149

(viii) Share Transfer System:

The equity shares of the Company are mandatorily traded in the dematerialized form. In terms of Regulation 40(1) of SEBI Listing Regulations, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. The Share Transfer Committee of the Board meets at regular intervals, to consider requests for transmission, rejection, issue of duplicate share certificate, split share certificates and transfer of shares for which request was received before 31st March, 2019 but was rejected earlier on account of discrepancies, and resubmitted after duly rectifying the objections. During the year, the Share Transfer Committee met 10 times on 13th April, 2021, 11th May, 2021, 26th July, 2021, 19th August, 2021, 17th September, 2021, 12th October, 2021, 13th December, 2021, 7th January, 2021, 19th January, 2022 and 11th March, 2022.

(ix) Distribution of Shareholdings as on 31st March, 2022:

Shareholding	Shareholders		Amount	
	Number	% to Total	In Rupees	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 500	1272635	86.76	1378801360	3.34
501 - 1000	96301	6.56	767955430	1.86
1001 - 2000	49724	3.39	753154090	1.82
2001 - 3000	16715	1.14	429280460	1.04
3001 - 4000	7821	0.53	282137630	0.68
4001 - 5000	6697	0.46	316931440	0.77
5001 - 10000	9614	0.66	715987240	1.73
10001 - 50000	6089	0.41	1237468000	3.00
50001 - 100000	624	0.04	458278320	1.11
Above 100000	670	0.05	34965258920	84.65
Total	1466890	100.00	41305252890	100.00

(x) Shareholding pattern as on 31st March 2022

S. No.	Category	No. of Shares held	% age of Shareholding
A.	Promoters' holding		
1	Promoters		
	- Indian Promoters Viz., the Govt. of India	2684714550	65.00
	- Foreign Promoters	-	-
2	Persons acting in Concert	-	-
	Sub-Total	2684714550	65.00
B	Non-Promoters Holding		
3	Institutional Investors		
a	Mutual Funds and UTI	154465775	3.74
b	Banks & Financial Institutions	4435902	0.11

S. No.	Category	No. of Shares held	% age of Shareholding
c	Insurance Companies	264039123	6.39
d	Foreign Institutional Investors (FIIs)	189160430	4.58
	Sub-Total	612101230	14.82
4	Others		
a	Private Corporate Bodies	113688543	2.74
b	Indian Public	687952196	16.66
c	Trusts and Societies, etc.	2962709	0.07
d	NRIs/OCBs	25877584	0.63
e	GDR	110990	0.00
f	IEPF	3117487	0.08
	Sub-Total	833709509	20.18
	GRAND TOTAL	4130525289	100.00

(xi) Status of dematerialization as on 31st March, 2022

Particulars	No. of Shares	% of Capital	No. of Accounts
NSDL	3709999662	89.82	437578
CDSL	417245184	10.10	1011415
Total Dematerialised	4127244846	99.92	1448993
Physical	3280443	0.08	18429
Total	4130525289	100.00	1467422

Government of India's shares are held in Demat form.

(xii) The Company's Plants/Units/Subsidiaries are located at:

STEEL PLANTS

- Bhilai Steel Plant, Bhilai-490001, Chhattisgarh
- Durgapur Steel Plant, Durgapur-713203, West Bengal
- Rourkela Steel Plant, Rourkela-769011, Odisha
- Bokaro Steel Plant, Bokaro Steel City-827001, Jharkhand
- IISCO Steel Plant, Burnpur-713325, West Bengal
- Alloy Steels Plant, Durgapur-713208, West Bengal
- Salem Steel Plant, Salem-636013, Tamil Nadu
- Visvesvaraya Iron & Steel Plant, Bhadravati-577031, Karnataka
- Chandrapur Ferro Alloy Plant, Chandrapur, Maharashtra

UNITS

- Central Marketing Organisation, Ispat Bhawan, 40, JawaharLal Nehru Road, Kolkata-700 071, West Bengal
- Centre for Engineering & Technology, Ranchi-834002, Jharkhand
- Environment Management Division, SAIL House, 3rd Floor, 50, Jawaharlal Nehru Road, Kolkata-700071, West Bengal.
- SAIL Growth Works, Kulti, Distt. Burdwan, West Bengal.
- Management Training Institute, Ranchi-834002, Jharkhand
- Logistics and Infrastructure Department, Ispat Bhawan, 40, Jawaharlal Nehru Road, Kolkata-700071
- Collieries Division, SAIL Officers' Colony, Chasnalla Dhanbad, Jharkhand-828135



- Research & Development Centre for Iron & Steel, Ranchi-834002, Jharkhand
- SAIL Consultancy Division, 16-20 Floor, SCOPE Minar, North Tower, Laxmi Nagar District Centre, Delhi-110092
- SAIL Safety Organisation, Ranchi-834002, Jharkhand
- SAIL Refractory Unit, Bokaro-827004, Jharkhand

SUBSIDIARIES

- IISCO-Ujjain Pipe & Foundry Company Limited, Kolkata (under liquidation)
- SAIL Refractory Company Limited, Salem-636013, Tamilnadu
- Chhattisgarh Mega Steel Limited, Bhilai, Chhattisgarh

- SAIL Jagdishpur Power Plant Limited, New Delhi-110003 (Strike Off)
- SAIL Sindri Projects Limited, Chasnala-828135, Jharkhand (Strike Off)

(xiii) Address for correspondence from shareholders for queries/ complaints, if any:

M/s. MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020
Phone No.91-11-41406149,
Fax No. 91-11-41709881
E-mail: admin@mcsregistrars.com

For and on behalf of Board of Directors

Sd/-

(Soma Mondal)
Chairman



1. Tej Raj & Pal Chartered Accountants A60, Amarpali Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata – 700071	3. Walker Chandiok & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. K A S G & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001

Independent Auditor's Certificate on Corporate Governance

To

The Members of **Steel Authority of India Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 29 March 2022.
2. We have examined the compliance of conditions of corporate governance by Steel Authority of India Limited ('the Company') for the year ended on 31 March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Qualified opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2022, subject to the following:
 - a. Regulation 17(a): The requirement of Independent Women Director in the composition of Board of Directors from 1 April to 14 November 2021 and with the requirement of minimum number of Non-Executive Directors in the composition of Board of Directors from 1 April 2021 to 7 November 2021.
 - b. Regulation 17(b): The requirement of minimum number of Independent Directors in the composition of Board of Directors during the period 1 April 2021 to 17 November 2021 and from 21 December 2021 to 31 March 2022.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AMNFRI7007
Place : New Delhi

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AMJTC9131
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AMPHXJ7449
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AMSOU8502
Place : New Delhi

Date: 8th July 2022



Annexure-V to the Board's Report

Business Responsibility & Sustainability Report (BRSR) FY 2021-22

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the Company	L27109DL1973GOI 006454
2.	Name of the Company	Steel Authority of India Limited
3.	Year of Incorporation	1973
4.	Registered office address	Ispat Bhawan, Lodhi Road, New Delhi – 110003
5.	Corporate office address	
6.	E-mail id	investor.relation@sail.in
7.	Telephone	011-24367481
8.	Website	www.sail.co.in
9.	Financial year for which reporting is being done	2021-22
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited ('NSE'), Bombay Stock Exchange Limited ('BSE') and GDR Listed in London Stock Exchange ('LSE')
11.	Paid-up capital	Rs. 41,30,52,52,890
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Shri M.B. Balakrishnan CGM (Finance) & Company Secretary, Steel Authority of India Limited secy.sail@sail.in 011-24300227
13.	Reporting Boundary	The data related to Business Responsibility is on a standalone basis. This includes SAIL entity as a whole excluding Subsidiaries, Associates and Joint Ventures. The Reporting boundary includes the following: Integrated Steel Plants: Bhilai Steel Plant, Durgapur Steel Plant, Rourkela Steel Plant, Bokaro Steel Plant, IISCO Steel Plant Special Steel Plants: Alloy Steels Plant, Salem Steel Plant, Visvesvaraya Iron and Steel Plant Units: Chandrapur Ferro- Alloy Plant, Central Marketing Organization, Research and Development Centre for Iron & Steel, SAIL Refractory Unit, SAIL Safety Organization, SAIL Growth Works Kulti, Environment Management Division, Centre for Engineering and Technology Iron Ore Mines – - Jharkhand Group of Mines: Kiriburu Iron Ore Mines, Meghahatuburu Iron Ore Mines, Gua Ore Mines, Manoharpur Iron Ore Mines - Odisha Group of Mines: Bolani Ores Mines, Barsua – Taldhi – Kalta - BSP Group of Mines: Rajhara Group, Dalli Group, Rowghat Flux Mines: Kuteshwar Limestone Mines, Nandini Limestone Mines, Bhadigund Limestone Mines, Bhawanathpur Limestone Mines, Hirri Dolomite Mines, Kenchapura Dunite Mines, Tulsidamar Dolomite Mine, Baraduar

II. Products/services

14. Details of business activities:

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Manufacturing of Iron & Steel	Manufacturing of Iron & Steel	100%

15. Products/Services sold by the entity:

S.No.	Product/Service	NIC Code	% of Total Turnover
1.	Manufacture of Iron & Steel	241	100%

III. Operations

16. Number of locations where Plants and/or operations/offices of the entity are situated

The Company's businesses and operations are spread across the country. Details of Plant locations are provided below:

Plants Locations:

- Five Integrated Steel Plants at Bhilai, Durgapur, Rourkela, Bokaro & Burnpur
- Three Special Steel Plants at Durgapur, Salem and Bhadravati.

No. of Offices: The Company has offices located at different locations spread across pan-India.



17. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	States - 28, Union Territories - 8
International (No. of Countries)	30

b. What is the contribution of exports as a percentage of the total turnover of the entity?

FY 2021-22	6.91% (including export incentives)

c. A brief on types of customers

Steel Authority of India Limited (SAIL) is one of the largest steel-making companies in India meeting the demands of various kinds of customers. The customers range from various Government Organizations, PSUs and Private Companies, Distributors, Resellers, etc.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES*						
1.	Permanent (D)	62,181	58,459	94%	3,722	6%
2.	Other than Permanent (E)	NIL				
3.	Total employees (D + E)	62,181	58,459	94%	3,722	6%
WORKERS#						
4.	Permanent (F)	NIL				
5.	Other than Permanent (G)	62,040	NA**	-	NA**	-
6.	Total workers (F + G)	62,040	-	-	-	-

*Employees include Executive and Non-Executive employees

#Workers refer to Contractual Workers, etc.

**Not Available

b. Differently abled Employees and workers:

During FY 2021-22, the Company has 743 differently abled employees spanning across different departments.

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	743	686	92.33%	57	7.67%
2.	Other than Permanent (E)	NIL				
3.	Total employees (D + E)	743	686	92.33%	57	7.67%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NA*				
5.	Other than Permanent (G)	NA**	NA**	-	NA**	-
6.	Total workers (F + G)	-	-	-	-	

*Not Applicable

**Not Available

19. Participation/Inclusion/Representation of women

S. No.	Particulars	Total (A)	No. and percentage of Females	
			No. (B)	% (B/A)
1.	Board of Directors	14	3	21.42%
2.	Key Managerial Personnel	16	2	12.50%

20. Turnover rate for permanent employees and workers

Particulars	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	NA*	NA*	6.66%	NA*	NA*	6.31%	NA*	NA*	5.69%
Permanent Workers	NA#								

*Not Applicable

**Not Available



V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the Holding/Subsidiary/ Associate Companies/Joint Ventures (A)	Indicate Whether Holding/ Subsidiary/ Associate/Joint Venture	% of Shares Held by Listed Entity	Does the Entity Indicated at Column A, Participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)
1.	SAIL Refractory Company Limited	Subsidiary	100.00	Yes
2.	Chhattisgarh Mega Steel Limited	Subsidiary	74.00	No
3.	Almora Magnesite Limited	Associate	20.00	No
4.	NTPC- SAIL Power Company Limited	Joint Venture	50.00	No
5.	Bokaro Power supply Company	Joint Venture	50.00	No
6.	Bastar Railway Private Limited	Joint Venture	12.00	No
7.	Romelt -SAIL India Limited	Joint Venture	15.00	No
8.	Mjunction Services Limited	Joint Venture	50.00	No
9.	SAIL Bansal Service Centre Limited	Joint Venture	40.00	No
10.	Bhilai Jaypee Cement Limited	Joint Venture	26.00	No
11.	GEDCOL SAIL Power Corporation Limited	Joint Venture	26.00	No
12.	International Coal Venture Pvt. Limited	Joint Venture	47.82	No
13.	SAIL-SCL Kerala Limited	Joint Venture	49.26	No
14.	SAIL-RITES Bengal Wagon Industries	Joint Venture	50.00	No
15.	SAIL-KOBE Iron India Private Limited	Joint Venture	50.00	No
16.	VSL SAIL JVC Limited	Joint Venture	20.58	No
17.	Abhinav-SAIL JVC Limited	Joint Venture	26.00	No
18.	Prime Gold-SAIL JVC Limited	Joint Venture	26.00	No
19.	S & T Mining Company Private Limited	Joint Venture	50.00	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No).

Yes, CSR is applicable as per Section 135 of Companies Act, 2013.

(ii) Turnover of the Company for the year ended 31st March 2022 - ₹ 1,03,473.32 Crores

(iii) Net worth of the Company as on 31st March 2022 - ₹ 52,017.14 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC).

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/ No)	FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. SAIL has a diverse and multi-dimensional approach to get feedback from the communities via holding regular community meetings, periodic interaction with municipalities and Town administrative committees and active engagement with the local society so as to understand if they have any views, issues, complaints and grievances related to the interventions.			
Shareholders and Investors	Yes. A dedicated Stakeholder's Relationship Committee, comprising of Board Members has been constituted to address the concerns of Stakeholders and Investors. The committee functions to consider and resolve the grievances of the security holders of the Company. The Company has appointed its Company Secretary as the Compliance Officer. The Company also has a separate email ID (investor.relation@sail.in, admin@mcsregistrars.com) on which, the stakeholders can send their Complaints, which are promptly addressed by the Company. Further, the company website www.sail.co.in contains information on Contact Details of SAIL Officials for investor grievance redressal. M/s. MCS Share Transfer Agent Limited has been appointed as the R&TA of the Company for shares issued by the Company. They have been assigned to perform all the activities related to shares, Depository related activities, dividend servicing, and corresponding with Shareholders, in case of any query/Complaint etc. Details of Investor Complaints received and resolved by the Company, are reported to respective Stock Exchanges, on quarterly basis. During FY 2021-22, 42 number of stakeholder complaints were received and resolved. No complaint was pending for redressal as on 31st March, 2022.			
Employees and workers	Yes. SAIL fosters and nurtures culture of a harmonious, conducive and fulfilling employer-employee relationship. To ensure this, a healthy practice of settling issues amicably via discussions with Trade Unions and employee/worker representative is a time-tested regular practice. Further, to ensure a peaceful industrial relationship, participation of employees in discussions is encouraged at different levels to make the process more holistic, participative and interactive. To address the employee concerns and complaints, a decentralized approach is followed for which the grievance redressal mechanism is located at the Plant/unit. Recently, intranet based online grievance redressal mechanism has gained thrust, however, majority of the Plants/Units still handle grievances in an offline mode. During FY 2021-22, a total of 250 complaints were filed as compared to the 261 complaints filed during FY 2020-21. Out of 250 complaints received, 231 complaints have been resolved and only 19 are pending resolution at the close of the year.			



Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/ No)	FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Consumers, Shoppers & Retailers	Yes. Robust systems have been put in place to address the grievances of the customers across SAIL. SAIL continuously engages with consumers for gathering feedback and address their concerns, if any, in a timely manner. The customers can lodge Quality complaint (QC) following which the material under QC is inspected by the branch executive. SAIL extends help of regional AE (Application Engineer) or respective Plant to the branch executive to aid and expedite the process, if required. Based on the genuineness of complaint, return order and subsequent refund is issued to the customer to ensure the trust of the customers. During FY 2021-22, all the Quality complaints have been settled and addressed.			
Value Chain Partners	Yes. SAIL has put grievance redressal mechanisms in place to address the concerns of value chain partners. Aggrieved value chain partners can lodge complaint at an appropriate level of SAIL. Procedure for lodging the complaints is available on the SAIL website www.sail.co.in. Additionally, SAIL has adopted an Integrity Pact wherein the aggrieved bidders in tender having value ₹20 crores and above can lodge complaints to Independent External Monitors appointed with the approval of Central Vigilance Commission. Integrity pact ensures ethical conduct between SAIL and the bidder fostering trust and transparency.			

24. Overview of the entity's material responsible business conduct issues

SAIL undertakes a comprehensive Materiality assessment to capture and address each issue at regular intervals. The company has a holistic approach towards identifying and assessing the materiality issues based on the 3-pillar approach- Completeness, Materiality and Responsiveness. Completeness includes knowing the issues and transparent & balanced reporting. Materiality includes assessing significance of the issues to stakeholders and Management and deciding on the reporting. Responsiveness involves to responding to the issues and providing access to the relevant information.

The identified material issues during the previous year have been retained for the current reporting period. The last materiality assessment was done through the survey forms considering the restriction imposed on Government of India to combat the COVID-19 pandemic. For inclusivity, most pertinent internal and external stakeholders from Plants, Mines and Units were approached and due importance was paid to the views of the stakeholder with regard to looming sustainability challenges (viz. climate change, the environmental impact of the operations, the importance of diversity within businesses, the welfare policies for employees in pandemic catastrophic situation, as well as the growing and strategic importance of digital innovations for business continuity etc.) for mapping materiality issues.

During FY 2021-22, various material issues have been identified during the stakeholder engagement as a part of the materiality assessment exercise. The issues identified are -

- a) Enhancing profitability & growth
- b) Curtailing operating cost and encouraging cost saving
- c) Providing fair and equal wages
- d) Managing resources and conserving minerals
- e) Enhancing energy efficiency and adopting renewables
- f) Conserving water by recycling and reusing
- g) Conserving biodiversity and land rehabilitation
- h) Reducing greenhouse gas emissions & carbon footprint
- i) Managing waste by recycling, reusing, recovering, and reducing
- j) Enhancing employee satisfaction
- k) Health and safety of employees
- l) Process safety and emergency preparedness
- m) Enhancing employee productivity and providing healthcare to community.

The identified issues have broad linkages with GRI aspects and cover various dimensions of energy, environment, economic performance, biodiversity, labour management relations, materials, local communities, training and education.



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, different policies at SAIL comprehensively cover NGRBC principles (P1 to P9) and the underlying core elements.								
	b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies are approved by the Board.								
	c. Web Link of the Policies, if available	Web link to the policies: https://www.sail.co.in								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company expects its stakeholders to adhere to all the policies applicable to them while dealing with them.								
4.	Name of the national and international codes/certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SAIL's manufacturing facilities have well-defined Environment, Health and Safety (EHS) and quality management systems in place and are aligned with International Standards like ISO 14001 for EMS, ISO 9000 for Quality Management Systems, SA 8000 for Social Accountability and OHSAS 18001 for Occupational Health and Safety and SA 8000 for Social Accountability.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	In line with the Government of India's enhanced ambitions at COP26, SAIL has reaffirmed its commitment to substantially reduce CO₂ emission and increase the share of renewable/ non-conventional energy by 2030 as well as to achieve net zero emission by 2070. Further, actions are taken to achieve the long-term goal of "Zero Liquid Discharge" across all SAIL Plants through adequate treatment and recycling of effluent being discharged through the outfalls at the Plant boundary. As a responsible corporate citizen, SAIL has drawn its environmental vision in consonance with the Corporate Environmental Policy, which not only addresses the need for compliance with stipulated norms but also emphasizes striving to go beyond. While the SAIL Plants and Mines operate their processes without disturbing the ecological balance, SAIL have also been taking all appropriate measures to restore and rehabilitate the degraded ecosystem and maintain and enhance biodiversity. These include ecological restoration of mined-out areas, fresh Plantation, bio-sequestration of CO₂, enhancing utilization of wastes, utilization of renewable energy sources, etc. Structured Plantation programmes are being carried out every year in the SAIL Plants and Mines. SAIL Plants and Mines are efficiently operating the pollution control devices/facilities and maintaining them regularly through revamping/refurbishing/revitalization and upgrading them. As a result of these efforts, all the sustainability parameters like Solid Waste utilization, Specific Water Consumption, Specific PM Emission Load, Specific Effluent Discharge, Specific Effluent Load, etc. have showed improvement with respect to previous year. With an ambition for promotion of circular economy & improvement of environmental footprint, SAIL has signed an MoU with ICAR-IARI for participating as an industrial partner & part finance Ministry of Steel facilitated project of "Development of steel slag based cost-effective eco-friendly fertilizers for sustainable agriculture and inclusive growth".								
6.	Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.									
Governance, leadership, and oversight										
7.	Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).									
		Please refer to Chairman's letter to Shareholders in the Annual Report for FY 2021-22 and Corporate Sustainability Report 2021-22.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board is at the Apex of the Governance Framework at SAIL. The management of issues pertaining to economic, environmental and social areas are taken up by various Plants/Units regularly. The Plant/Unit heads review and monitor the status reports in conjunction with the agenda papers. These reports are prepared with the valuable inputs provided by the respective departments/divisions, on the economic, environment and social performances including legal compliance and are regularly and methodically put up to the Board Sub Committees for examination, comments and recommendations. The input and observations of the Board Sub-Committees are examined and analyzed by the top management. The Board is informed about these observations which subsequently helps in business decision making followed up with the review of the Action Taken Report.								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The following Committees of the Board with their specific terms of reference are in place to ensure decision making/oversight on sustainability related issues – • Corporate Social Responsibility Committee • Health, Safety & Environment Committee • Stakeholders Relationship Committee • Operational Issues Committee • Project Committee • SAIL Risk Management Committee								
10. Details of Review of NGRBCs by the Company:									
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee and the frequency of such review.								
Performance against above policies and follow up action	The performance against the policies are reviewed and necessary follow-up action is undertaken at different levels in the organizational structure as per the scope laid down in the policies. Further, the Board/ Board Sub-Committees are responsible for evaluation, monitoring performance against the policies and reviewing the policies at regular intervals as per need.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the applicable laws and regulations.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	SAIL, being a Government Company, is subject to review & audit by C&AG of India across various areas/functions of the organization which encompasses various policies as per the NGRBC guidelines. The processes and compliances are reviewed by internal auditors and regulatory compliances, as applicable. Further, SAIL has rich technical expertise in its domain of operations and accordingly, peer review is being done by their other Plants. From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated. An internal assessment of the workings of the policies is being done at regular intervals. Additionally, SAIL has engaged Safety Management Consultant for safety culture transformation at its Plants in Bhilai, Rourkela & Bokaro and is in the process of being followed up in other Steel Plants.								

Note: Principle-Wise Policies

P1	P2	P3	P4	P5	P6	P7	P8	P9
Code of conduct for Board members & Senior Management Personnel	Sustainable Development Policy	Sustainable Development Policy	Grievance Redressal Mechanism	Code of Conduct for Board members & Senior Management Personnel	Corporate Environment Policy	Citizen Charter	Corporate Social Responsibility Policy	Quality Policy
Anti-Bribery Management Policy	Policy on Material Subsidiaries	SAIL Mediclaim Scheme for Retired Employees	Code of Conduct Corporate Fair Disclosure Practices for Prevention of Insider Trading	Recruitment & Remuneration Policy	Sustainable Development Policy			Information Technology Security Policy
Internal code of conduct for prevention of insider trading in dealing with securities of Steel Authority of India Limited	Policy for Determining Materiality of Events / Information for Disclosure to Stock Exchange(s)	Human Resource Policy		Human Resource Policy				
Recruitment & Remuneration Policy	Inter Plant Standardization in Steel Industry	HIV/AIDS policy		SAIL Equal Opportunity Policy				
Whistle Blower Policy Policy for Training of Directors	Corporate Environment Policy	SAIL Equal Opportunity Policy		Prevention of Sexual Harassment				
Terms & Conditions For the appointment of Independent Director		Prevention of Sexual Harassment						
Policy for the Preservation of Documents								
Vigilance								



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total Number of Training and Awareness Programmes held	Topics/Principles Covered Under the Training and its Impact	% of Persons in Respective Category Covered by the Awareness Programmes
Board of Directors	The Directors of the Company are briefed on the Code of Conduct for Board Members & Senior Management Personnel which has been framed specifically in accordance with SEBI LODR (Listing Obligations & Disclosure Requirements) Regulations. The purpose of this Code is to enhance further an ethical and transparent process in managing the affairs of the Company. Periodic trainings related to Corporate Governance, Anti-bribery, etc. are also given to the Directors to ensure that they are aware about anti-bribery conduct. Keeping the top management aware will help trickle-down the culture of transparency and ethical practices to ensure integrity of the highest order at SAIL. They are also oriented on sustainability related national & international guidelines so that they are aware and familiar with initiatives being taken up globally. The company promotes building a culture of transparency through regular sessions on good governance practices which further supplements informed decision making.		
Key Managerial Personnel			
Employees* other than BoD and KMPs	SAIL facilitates and conducts sessions at periodic intervals on the following: a. SAIL's Code of Conduct b. Anti- Bribery Management Policy c. Corporate Environment Policy d. Human Resource Policy e. Sustainable Development Policy f. Corporate Social Responsibility Policy g. Safety Policy h. Information Security Policy		
Workers#			

In FY 2021-22, as a part of training and awareness programmes 13,810 employees (other than BoD and KMPs) were covered in various communication exercises.

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers, etc.

2. Details of fines/penalties/punishment/award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format.

Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti- bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

SAIL as an organization follows well defined systems & procedures to prevent, detect and address bribery. These include Purchase & Contract Procedure, Integrity Pact, Banning of Business Dealings with supplier / contractors, SAIL Conduct, Discipline & Appeal Rules, Delegation of Power, Standard Bidding Document for turnkey projects, Vigilance Manual etc. SAIL Board has decided phase-wise implementation of Anti-Bribery Management System (ABMS) in SAIL as per ISO 37001:2016. In first phase, implementation is in advanced stage at Corporate Office and Bokaro Steel Plant. For detailed Anti-bribery Management Policy of SAIL, refer to the link https://www.sail.co.in/sites/default/files/Comp_policies/2022-04/ABMS.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	Year	
	FY 2021-22	FY 2020-21
Employees	26	56



6. Details of complaints with regard to conflict of interest:

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of conflict of interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Sanction for Prosecution has been granted by Competent Authority against 1 official in 2021-22 & 9 officials in 2020-21 on the request of CBI.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year(2021-2022)	Previous Financial Year (2020-2021)	Details of improvements in environmental and social impacts
R & D	11.93 %	7.03 %	To improve its environmental and social footprint, SAIL is pursuing research activities towards coal blending optimisation, sinter balling index optimisation, productivity and quality enhancement in all processes, improvement in heating control and thermal regimes of re-heating furnaces and coke oven batteries, different application potential of BOF slag and sludge, optimum utilization of pellets, effluent treatment, refractory linings, etc.

For more details, refer to the Research and Development Section in the Standalone Accounts of FY 2021-22 and forming part of the Board Report titled "Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo", Annual Report FY 2021-22.

2. a. Does the entity have procedures in place for sustainable sourcing?

b. If yes, what percentage of inputs were sourced sustainably?

Yes. SAIL has been a fore bearer in the establishment of the EMS in the steel industry in the Country. In mid 90's, SAIL started implementation of EMS linked to ISO 14001 in its Salem Steel Plant. Now, all the integrated steel plants, major Mines/Units and warehouses of SAIL are compliant with EMS ISO: 14001 Standard. The practice has helped the Company in conservation of resources, increasing productivity in addition to the environmental protection and continual improvement. In addition, SAIL is progressively introducing other management practices viz. ISO 9001, OHSAS 18001 and SA 8000, at most of its units.

Entire iron ore requirement for SAIL Plants is being done from its captive Iron Ore Mines located in the States of Odisha, Jharkhand and Chhattisgarh. Implementation of EMS has been introduced in the captive mines and presently most of the SAIL Mines have implemented the Integrated Management System simultaneously handling the requirements of ISO 9001:2015, the Quality Management System Standard; ISO 14001:2015, the Environmental Management System standard; and ISO 45001:2018, the Occupational Health and Safety (OH&S) Management System. Moreover, the SAIL Mines have also incorporated Sustainable Development Framework into its operations to fulfill the guidelines laid out by the Indian Bureau of Mines in Star Rating Format. Suppliers are also encouraged to adopt Environment Management Systems in their operations. Further, procedures have been developed under ISO-14001 for contractors.

The procurement of majority of coal is done from the international market from globally reputed suppliers of the advanced economies which are compliant with the global sustainable standards. All these practices have enabled us to establish procedures for sustainable sourcing. To secure transparent and sustainable procurement proactive measures are undertaken like on boarding vendors on GeM (Government e-Marketplace) for which over 19,000 vendor records were shared with GeM, organizing exclusive awareness programs for vendors (refractory / ancillary, etc.), encouraging sense of competition among Plants / Units for procurements, empanel, review and update vendor database, etc.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

SAIL has adopted the "4R's Policy" (Reduce, Recover, Recycle and Reuse) across all its processes and is committed in its Corporate Environmental Policy to reduce solid waste generation and maximize its utilization to 100%.

As a commitment towards the 4R's policy, various steps undertaken by SAIL are as follows:

a. Iron and Steel Slag: The iron slag and steel slag are the two major contributors towards solid waste generation and to ensure their reuse and safe disposal the granulated BF slag is used in cement industries as a substitute of clinker. This



way 100% utilization of iron slag through cement industries is achieved after it is granulated. Various avenues such as use of BOF Slag as soil ameliorant, in rural road making, in cement making, as rail track blast are being explored.

- b. Solid Waste (other than Slag):** Solid wastes like mill scales, BF flue dust, and waste refractory bricks are utilized fully. SAIL is also working towards utilizing Municipal wastes in an environment friendly way. Three of steel Plants have installed bio-digesters for processing of canteen wastes on a daily basis resulting in safe disposal of biodegradable wastes from the canteens inside Plant premises. These bio-digesters convert the biodegradable solid wastes into compost, which is then used as manure for horticulture.
- c. Hazardous Waste:** Wastes which are hazardous in nature due to their physical and/or chemical characteristics are safely disposed as per the rules of the "Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016", either in the Secured Landfill Facility (SLF) or through the authorized agency dealing with Treatment, Storage and Disposal of hazardous wastes. Some hazardous wastes are reused/co-processed.
- d. Packaging Waste:** Usually packaging material is dispatched along with consignment to customers; the loose/left over packaging after dispatching of products are disposed-off sustainably from warehouses at regular intervals.

Various R&D initiatives either through in-house research wing or in association with other research centres or academies of national repute to improve upon the BOF slag utilization are being undertaken. Some notable amongst the R&D initiatives are given below:

- a. Utilization of Steel Slag in construction of rural roads under the Pradhan Mantri Gram Sadak Yojana (PMGSY)
- b. Development of steel-slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth in association with ICAR-Indian Agricultural Research Institute (IARI)
- c. Study on use of composite slag (mix of BF slag and BOF slag) for making of Portland Slag Cement (PSC)

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. SAIL being a Bulk Consumer of Electrical and Electronic Equipment, generates a considerable amount of e-wastes every year. Proper inventorisation and record keeping of generation, stock position and suitable disposal is being done to ensure compliance with the prevailing e-waste Rules. The e-waste status is submitted annually to the regulatory agency. Plastic waste disposal is also done as per the statutory guidelines.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of Employees Covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees*											
Male	58,459	58,459	100%	58,459	100%	NA**	NA**	58,459	100%	-	-
Female	3,722	3,722	100%	3,722	100%	3,722	100%	NA**	NA**	-	-
Total	62,181	62,181	100%	62,181	100%	3,722	100%	58,459	100%	-	-
Other than Permanent Workers#											
All the benefits are extended as per statute											

The employees of the company in addition to the above are covered under the Employee Family Benefit Scheme.

*Employees include Executive and Non-executive employees

**Not Available

b. Details of measures for the well-being of workers:

Category	% of Workers Covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers*											
Male	NA**										
Female											
Total											
Other than Permanent Workers#											
All the benefits are extended as per statute											

#Workers refer to Contractual Workers etc.

**Not Available



2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2021-22			FY 2020-21		
	No. of Employees* Covered as a % of Total Employees	No. of Workers# Covered as a % of Total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)	No. of Employees* Covered as a % of Total Employees	No. of Workers# Covered as a % of Total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)
PF	100%	-	Yes, in SAIL PF Trust	100%	-	Yes, in SAIL PF Trust
Gratuity	100%	-	NA**	100%	-	NA**
ESI	NIL					
Leave Encashment	100%	-	NA**	100%	-	NA**
Post Retirement Medical Benefits	100%	-	NA**	100%	-	NA**
Post Retirement Settlement Benefits	100%	-	NA**	100%	-	NA**

* Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

**Not Available

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all our office premises are accessible to the differently abled employees. SAIL is continuously working towards improving accessibility of Infrastructure to the differently abled person,.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, SAIL has an Equal Opportunity Policy in place. For more details, please refer to the link - <https://www.sail.co.in/en/personnel-policies>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees*		Permanent Workers#	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	100%	NA**	
Female	100%	100%		
Total	100%	100%		

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

**Not Available

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes, effective internal grievances redressal machinery has been evolved and established in SAIL Plants and Units for regular employees (both executives and non-executives). Dedicated Grievance Committees have been set up at Plant/ Unit level for effective redressal of grievances.

SAIL Plants/Units are maintaining grievance handling system and employees are given an opportunity at every stage to raise grievances relating to service matters like wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities etc. Majority of grievances are redressed informally in view of the participative nature of environment existing in the Steel Plants. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management. In case of workers (contractual workers etc.), grievances are handled as per the statutory provisions

	Yes/No (If yes, then give details of the mechanism in brief)
Other than Permanent Workers#	Yes, as mentioned above
Permanent Employees*	Yes, as mentioned above

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.



7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2021-22			FY 2020-21		
	Total Employee* in respective category (A)	No. of Employees* in respective category, who are part of Association(s) or Union (B)	% (B/A)	Total Employee* in respective category (C)	No. of Employees* in respective category, who are part of Association(s) or Union (D)	% (D/C)
Employees						
Male	58,459	58,459	100%	61,736	61,736	100%
Female	3,722	3,722	100%	3,828	3,828	100%
Total	62,181	62,181	100%	65,564	65,564	100%

Note: Trade Unions are recognized by respective Plants/Units. Almost all employees of SAIL are members of either Trade Unions or Officers' Associations.

*Employees include Executive and Non-executive employees

8. Details of training given to employees and workers:

Category	FY 2021-22			
	Total (A)	On Health and Safety Measures		On Skill Upgradation
		No. (B)	% (B/A)	No. (C) % (C/A)
Employees* & Workers#	30,458	9,458	31%	14,117 46%

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021-22		
	Total (A)	No. (B)	% (B/A)
Employees*			
Male	58,459	58,459	100%
Female	3,722	3,722	100%
Total	62,181	62,181	100%
Workers#			
Male	NA**		
Female			
Total			

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

** Not Available

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?**

Yes, SAIL has implemented Occupational Health and Safety management system.

SAIL aims to establish the highest standards necessary to meet and surpass any regulatory requirements for health and safety. Majority of SAIL Plants & Units have ISO 45001:2018 certification, and the coverage is as required by the system. In line with the statutory requirements/regulations/guidelines/policies, SAIL makes constant effort to avert all illnesses and accidents related to the workplace. Accordingly, health and safety are crucial components of all its operations. It aids in risk assessment and offers safeguards against health and safety issues in operations and activities. Internal and surveillance audits and evaluations are conducted on a regular basis, which leads to continuous improvement in safety standards and performance.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

A well-defined Hazard Identification and Risk Assessment (HIRA) procedure is in place. In addition, other tools & techniques used for Hazard Identification & Risk assessment are as follows:

- Quantitative Risk Assessment & HAZOP Studies
- Inspections
- Audits
- Safety Observation & Behavioural Intervention rounds
- ROKO-TOKO drives & campaigns



c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has an established Hazard Identification and Risk Assessment (HIRA) process for both routine and non-routine jobs, based upon which SOPs & SMPs have been prepared at department level and people are sensitized on salient safety aspects through training. These procedures are reviewed & updated from time to time & especially after any incident.

The process of incident reporting and investigation is in place to identify root cause and recommendations are deployed uniformly across all Plants to prevent recurrence. Motivational schemes for reporting incidents (near miss cases) are also in place both at Plant as well as Corporate level to prevent serious injuries. Use of digital tools like safety portal, WhatsApp group, mobile apps etc. is taken to promptly report workplace hazards/ incidents. Further, 'ZERO TOLERANCE RULES' & 'LIFE SAVING RULES' have been / are being framed under the ongoing safety management consulting assignment to deter all employees/ contract workers to violate safety norms.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all Plants & Units have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical entities in proximity. Also, employees/ workers have access to Company run Hospitals/ Health Centres to take care of their Health care services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person-hours worked)*	Employees	0.060	0.052
	Workers	0.183	0.136
Total recordable work-related injuries**	Employees	37	35
	Workers	34	21
No. of fatalities	Employees	3	4
	Workers	16	10
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**RLTIFR (Reportable Lost Time Injury Frequency Rate)*

****Includes Reportable & Non reportable accidents**

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

SAIL has adopted "Safety Policy" which ensures safety of its employees and the people associated with it including those living in the neighbourhood of Plants/Units/Mines. A dedicated Health, Safety & Environment Sub-Committee is in place to review the policy, procedures and systems on Health, Safety and Environment matters. Performance on safety parameters is reviewed at the highest level at each Plant/Unit on every Monday. In line with this commitment, systematic approach to safety is adopted and workplace hazards have been identified, risks assessed and accordingly, control measures are taken on continuous basis to bring the risk to an acceptable level. Twenty-two G-SaPs (Global Safety Practices) are identified from the steel industry and are implemented at different levels.

Various kinds of initiatives & drives/campaigns are undertaken on regular basis in all the Plants, Units & Mines to ensure safe working and bring continual improvement in the safety performance. Some of the initiatives are as follows:

- a. OHS Policy
- b. OHS Induction, On-the job, refresher training and LEO workshops
- c. Safety Promotional & Motivational Programs
- d. Standard Operating & Maintenance Procedures
- e. OHS Committees (Bipartite & Tripartite)
- f. Toolbox Talks
- g. Adherence to Permit to Work & Protocol system
- h. Implementation of High-risk standards & MOS Safety guidelines (Work at height, PTW, Confined space, Electrical safety, Gas safety, conveyor belt safety, Rail & road safety, etc.)
- i. Safe Management of High Hazardous Processes (QRA, HAZOP, Bow Tie, etc.)
- j. Industrial Hygiene Survey (Noise, dust, illumination, etc.), Initial & periodical medical examination
- k. OHS Inspections
- l. Theme based drives & campaigns



- m. Incident Investigation System
- n. Visual Display Management
- o. Tools, tackles & equipment's inspection / certification
- p. Statutory compliances
- q. Incident reporting, investigation & analysis
- r. Emergency Plan & Procedure and rehearsal through mock drills
- s. Safety performance monitoring & review at different levels (Board/ Board Sub-Committee on HSE, Corporate & Plant levels)
- t. An award scheme titled "Safety Excellence Award for the Integrated Steel Plant (i-SEA)" has been launched by SAIL Safety Organization

Prioritizing safety foremost, SAIL has engaged Safety Management Consultants of repute for Safety Culture Transformation, at its Bhilai, Rourkela and Bokaro Steel Plant and is in the process of deployment in other Steel Plants which will provide further impetus to existing safety improvement efforts.

13. Number of Complaints on the following made by employees and workers.

SAIL Plants & Units have not received any complaint on "Health & Safety" and "Working Conditions" in FY 2021-22 and FY 2020-21. However, the employees and workers are encouraged to pro-actively report unsafe acts and conditions at workplace as a preventive action.

14. Assessments for the year:

	% of your Plants and Offices that were Assessed (by entity or Statutory Authorities or Third Parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- a. All safety related incidents are investigated and learnings from investigation are shared across organization for deployment of corrective actions to stop recurrence of such incidents. Effectiveness of Corrective actions deployment are checked during Safety Audits.
- b. Safety Manuals, SOPs & SMP's are reviewed/revisited of the concerned area or function where the incident has taken place.
- c. Significant risks/concerns arising from assessment of Health and Safety Practices are addressed through following risk control hierarchy i.e. elimination, substitution, engineering control (use of Technology/Digitization etc.), administrative control (Safety Capability Building, Monitoring and supervision, visual displays etc.) and usage of PPEs.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

A.	Employees*	Yes
B.	Worker#	Yes

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company is compliant to statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time. The value chain partners are also made responsible for complying with the same as per the contract.



3. Provide the number of employees / workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment.

	Total no. of Affected Employees*/Workers#		No. of Employees/Workers that are Rehabilitated and Placed in Suitable Employment or whose Family Members have been Placed in Suitable Employment	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Employees*	In case of death or permanent total disablement due to accident 'arising out of and in course of employment' and in case of an employee declared incapable to perform his normal duty by the Committee constituted for this purpose, due to his/her physical/mental incapacity due to suffering from chronic debilitating diseases (as per guidelines) compassionate employment were provided. The total number of family members who have been provided employment in the year 2020 and 2021 are 94 and 166 respectively. This may include the cases referred to at Q 11 above and other compassionate cases. Further, this may also include the rehabilitation provided in the current year as well as previous year.			
Workers#				

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Most of the executives superannuate from the service after completion of the service in SAIL. Though there are no such assistance programs for their employability, there is assistance program for retired employees for their retired life.

5. Details on assessment of value chain partners:

The Company expects its value chain partners to follow extant regulations, including health & safety practices and working conditions, which are specified in the contract document. Safety requirements of the job are defined in the terms & conditions of contract which are assessed through periodic site inspections. A well-defined Consequence Management system to deal with safety violations & lost time incidents is also in place.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Corrective actions are taken immediately in case any significant hazard / risk is observed during site inspections. As a system strengthening measure, a structured 'Contractor Safety Management Standard' is underway at Plants under the expert guidance of the consultants deployed.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are an integral part of the Company's growth strategy. Engagement with stakeholders is crucial to identify risks and develop a management plan for integration into the company's business model. At SAIL, a rigorous Stakeholder Engagement approach is being followed, which entails identifying and capturing stakeholders; assessing and evaluating their views; prioritizing key material issues; identifying sustainability indicators; preparing action plans; implementation and communication.

The identification of the various stakeholders is largely based on their material influence on the business strategy and sustainability vision of the company. Additionally, desk research (documentary analyses), community need assessment, benchmarking against peers, and interviews with key personnel within the organization are also done to identify the vulnerable and marginalized stakeholders.

For details on Stakeholder Engagement, refer to 'Stakeholder' section of SAIL's Sustainability Report 2022.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement with each stakeholder group	Purpose and scope of engagement including key topics and concerns raised during such engagements
Shareholders	No	Annual General Meetings, Quarterly and half-quarterly reports to shareholders, investors meets, investor grievance redressal, etc.	Annually/ Quarterly/ Half quarterly	Profitability of the Company, Creation of wealth, Stock Price, Grievances and Complaints
Employees	Yes	Labor Unions, Bipartite & Tripartite Meetings, Departmental & Zonal Committee Meetings, Various Platforms for Dialogues & Communication, Chairman and D I/C Interactions, Employee Satisfaction Surveys, Annual Appraisals, Internal newsletters, etc.	Daily	Safety and Healthy working conditions, good remuneration package, Professional Growth, Quality of life, Welfare Measures, Training and Career Development



Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement with each stakeholder group	Purpose and scope of engagement including key topics and concerns raised during such engagements
Suppliers	Yes	Vendor meetings, Meetings with suppliers, Ancillary Association Meetings, Supplier Relationship Management	Quarterly & as and when required	Partnership with Value creation, Timely Payment, Engaging more local suppliers, Supplier Satisfaction
Customers	No	Customer meets, Plant visits, Director's conference with customer groups, visits to customers and customer satisfaction surveys	As and when required	Partnership with Value creation, Product Quality, Delivery Compliance, Customer Satisfaction, Resolution of complaints.
Community	Yes	Community meetings, Interaction with municipalities, Town administrative committee, involvement in local society functions.	As and when required	Quality of life, Job opportunities, Education, Welfare Measures, Medical Facilities, Sustainable Livelihood
NGOs	No	Visit to plants, Seminars, Conferences, Interactions, etc.	Quarterly and as and when required	Environment Quality, Human Rights, Freedom of association, Compliance to regulations
Regulators	No	Meetings with Central and state Govt./ Steel Ministry /Trade Bodies, Industry Associations, Ministry of Environment, Forests & Climate Change, Other Statutory bodies, etc.	Annually/ As and when required	Economic, Environmental and Social Compliance, Human Rights, Safety, Compliance to ILO Conventions
Competitors	No	Knowledge sharing, Partnership with value creation, Anticompetitive behaviour, Consumer privacy	As and when required	Fair Business, Partnership, Public policy Advocacy
Industry Associations	No	Conferences, Workshops, Seminars	Annually/ As and when required	Industry Policy, Regulations, Technology, Environment, CSR, Business Excellence, Climate Change
Academic Bodies	No	Conferences, Workshops, Seminars	As and when required	Knowledge Management Activities, Partnership for value Creation
Professionals/ Consultants	No	Visit to Plants, Seminars, Conferences, Interactions	As and when required	Partnership with Value creation, Training and Development
Media	No	Press Meets, Interactions with Plants & Corporate Communications	As and when required	Economic, Environmental and Social Performance Achievements

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

SAIL believes that an effective stakeholder engagement process is necessary for achieving its goal of inclusive growth. SAIL aims to strengthen the alliance with identified key stakeholder groups like government, shareholders, employees, customers, suppliers, community, NGOs, academics, consultants, competitors, financial institutions, etc. The processes for consultation between stakeholders and the Board ranges from daily interaction with employees to Annual General Meetings (AGM) with shareholders.

There are dedicated Board Sub-committees to deal with economic topics such as Audit Committee, Nomination & Remuneration Committee, Project Committee, Operational Issues Committee and Strategic Issues & Joint Ventures Committee. Also, to deal with environmental and social topics, dedicated sub-committees such as Health, Safety & Environment Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee meet regularly to discuss and address the identified issues. Recommendations of the Board Sub-committee meetings are placed before the Board for necessary approval and an effective follow-up mechanism apprises the Board from time to time on the actions taken.

An effective engagement mechanism is incorporated in the Stakeholder Engagement Matrix. Accordingly, it anchors stakeholder engagement on the following principles:

- Completeness** – Understanding key concerns of stakeholders and their expectations and Transparent and Balanced Reporting
- Materiality** – Prioritized consideration of the economic, environmental and social impacts identified to be important to the stakeholders as well as the organization
- Responsiveness** – Responding coherently and transparently to such issues and concerns.

Additionally, SAIL uses numerous modes to engage with its both internal and external stakeholders in a constructive manner and consciously captures their expectations. Frequent interaction with stakeholders especially suppliers allow



the Company to recognize focus areas and strengthen relationship with them. The Company has adopted Customer Satisfaction Index and Employee Satisfaction Index as a few of the metrics & methodologies to gauge and quantify the stakeholders' feedback. The outcomes of the feedback received is integrated into the organization's medium and long-term strategy and planning. The Company effortlessly strives to meet the identified goals for the shared growth of the Company and Society.

Also, customer feedback goes into forming basis for product improvement, products, and services development necessary for customer retention, market penetration and growth.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2021-22 (Current Financial Year)			FY 2020-21 (Previous Financial Year)		
	Total (A)	No.(B)	% (B/A)	Total (C)	No. (D)	%(D/C)
	Employees* & Workers#					
Permanent	The training imparted to all the employees from time to time covers various aspects of Human Rights.					
Other than Permanent						

*Employees include Executive and Non-executive personnel

#Workers include Contractual Workers, etc.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees*										
Permanent										
Male	58,459	Nil	Nil	58,459	100%	61,736	Nil	Nil	61,736	100%
Female	3,722	Nil	Nil	3,722	100%	3,828	Nil	Nil	3,828	100%
Other than Permanent	NA**									
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers#										
Permanent										
Male	NA**									
Female										
Other than Permanent ##	Contract labours are engaged by contractors in SAIL on job contract for specific jobs/tasks. The contract labour so engaged at SAIL Plants and Units are being paid wages by the contractors which are much more than the minimum wages notified by the respective State Governments. Various allowances like Additional Welfare Amenity in the range of ₹ 1,750 to ₹ 2,500 per month are paid over and above the minimum wages.									
Male	48,863	NIL		48,863	100%	51,852	NIL		51,852	100%
Female	2,814			2,814	100%	2,930			2,930	100%

*Employees include Executive and Non-executive personnel

#Workers include Contractual Workers etc.

**Not Applicable

Other than Permanent i.e. Contractual workers-

3. **Details of remuneration/salary/wages, in the following format:**

Male			Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	11	Chairman: INR 2,00,000-3,70,000 Directors (Functional) INR 1,80,000-3,40,000	3	Chairman: INR 2,00,000- INR 3,70,000 Directors (Functional): INR 1,80,000- INR 3,40,000



Male			Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Key Managerial Personnel	14	Chairman: INR 2,00,000-3,70,000 Directors (Functional): INR 1,80,000-3,40,000 Executive Director (E-9 grade): 1,50,000-3,00,000	2	Chairman: INR 2,00,000- INR 3,70,000 Directors (Functional): INR 1,80,000- INR 3,40,000 Executive Director (E-9 grade): 1,50,000-3,00,000
Employees (Executive) other than Board of Directors and Key Management Personnel	9,582	E-9 and below grades E-0 30,000-1,20,000 E-1 50,000-1,60,000 60,000-1,80,000 E-2 70,000-2,00,000 E-3 80,000-2,20,000 E-4 90,000-2,40,000 E-5 1,00,000-2,60,000 E-6 1,20,000-2,80,000 E-7 1,20,000- 2,80,000 E-8 1,20,000-2,80,000 E-9 1,50,000-3,00,000	906	E-9 and below grades E-0 30,000-1,20,000 E-1 50,000-1,60,000 60,000-1,80,000 E-2 70,000-2,00,000 E-3 80,000-220000 E-4 90,000-2,40,000 E-5 1,00,000-2,60,000 E-6 1,20,000-2,80,000 E-7 1,20,000- 2,80,000 E-8 1,20,000-2,80,000 E-9 1,50,000-3,00,000
Employees (Non-executive)	48,863	S-1 25,070-35,070 S-2 25,810-36,730 S-3 26,600-38,920 S-4 27,080-42,900 S-5 27,390-47,640 S-6 27,710-53,590 S-7 27,870-60,820 S-8 28,030-68,980 S-9 28,180-80,080 S-10 28,340-94,870 S-11 28,500-1,07,900	2,814	S-1 25,070-35,070 S-2 25,810-36,730 S-3 26,600-38,920 S-4 27,080-42,900 S-5 27,390-47,640 S-6 27,710-53,590 S-7 27,870-60,820 S-8 28,030-68,980 S-9 28,180-80,080 S-10 28,340-94,870 S-11 28,500-1,07,900

Note: The scale of pay in the respective grade has been considered

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, SAIL, one of the Maharatna PSUs, is a socially conscious organization that works responsibly to ensure growth for the planet, people, and profit. The Company has well laid down systems and policies to address human rights impacts or issues. The organization through its various forums/activities promotes national development. RTI, CPGRAM, Commissions like NCSC/NCST/NCBC/NHRC, CVC, CAG, etc. are the major focal points which support in addressing the HR impacts. Further, grievance committees have been set up at Plant/Unit level for effective recording and redressal of grievances.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes, effective internal grievances redressal machinery has been evolved and established in SAIL Plants and Units for regular employees (both executives and non-executives). Dedicated Grievance Committees have been set up at Plant/Unit level for effective redressal of grievances.

SAIL Plants/Units are maintaining grievance handling system and employees are given an opportunity at every stage to raise grievances relating to service matters like wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities etc. Majority of grievances are redressed informally in view of the participative nature of environment existing in the Steel Plants. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management. In case of workers (contractual workers etc.), grievances are handled as per the statutory provisions.

6. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	1	-	7	2	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-



	FY 2021-22			FY 2020-21		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	NIL					
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

SAIL has Policy for Prohibition, Prevention and Redressal of Sexual Harassment (POSH) of Women at Workplace and Equal Opportunity Policy.

The mechanism is well laid in the Policy. For more details, refer to the Policy link (<https://sail.co.in/sites/default/files/upload/2022-06/Policy-for-Prohibition-Prevention-Redressal-of-Sexual-Harassment-of-Women-at-Workplace.pdf>)

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Human Rights aspects are covered in the Company's Code of Business Conduct and Ethics as well in various human resource policies and practices.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not Assessed
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risks or concerns

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity.

Parameter	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Total electricity consumption for own sites (A) (TJ)	1,37,186	1,24,940
Total fuel consumption for own sites (B) (TJ)	4,52,269	4,09,536
Energy consumption through other sources (C) (TJ)	684	946
Total energy consumption (A+B+C) (TJ)	5,90,139	5,35,422
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (J/Rs)	5,70,331	7,82,190

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

None of the SAIL plants is identified as Designated Consumer (DC) under PAT scheme of the Government of India for FY 2021-22.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Specify unit	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Water withdrawal by source (in kiloliters)			
(i) Surface water	KL	35,25,84,582	33,09,35,396



Parameter	Specify unit	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
(ii) Groundwater	KL	Nil	Nil
(iii) Third party water	KL		
(iv) Seawater / desalinated water	KL		
(v) Others	KL		
Others – please specify	KL		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	KL	35,25,84,582	33,09,35,396
Total volume of water consumption	KL	5,35,09,221	5,03,57,181
Water intensity per rupee of turnover (Water consumed / turnover)	L/₹	0.052	0.074
Water intensity (Optional)	m ³ /tcs	3.12	3.37

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

Across all SAIL Plants, substantial investments are being made to achieve the long-term goal of “Zero Liquid Discharge” through adequate treatment and recycling of effluent being discharged through the outfalls at the Plant boundary. SAIL has the potential for saving 236 million m³/year of water through wastewater treatment and recycling schemes. Wastewater treatment facility for 109 million m³/year has already been commissioned and wastewater treatment facility of capacity 127 million m³/year is in various stages of implementation. During 2021-22, two waste water treatment and recycling plants of total capacity 2,900 m³/hr have been commissioned at BSP.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Specify unit	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
NOx (NO ₂)	µg/m ³	8 to 66	6 to 74
SOx (SO ₂)	µg/m ³	5 to 68	3 to 75
Particulate matter (PM) (PM ₁₀)	µg/m ³	27 to 99	19 to 99
Persistent organic pollutants (POP) (Benzo-a-Pyrene)	ng/m ³	<1	<1
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Unit	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Million Tonne	45.31	40.42
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Million Tonne	3.3	2.4
Total Scope 1 and Scope 2 emissions per Unit of turnover	T / ₹ in crore	416.14 (It includes other credit related emissions)	557.24 (It includes other credit related emissions)
Total Scope 1 and Scope 2 emission intensity – the relevant metric may be selected by the entity (optional)	T/TCS	2.51	2.55

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Details of project
Refer to Chapter “PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO” from Annual Report FY 2021-22.

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Total Waste generated (in metric tonnes)		
(i) Plastic Waste	2,278	2,193
(ii) E-waste	18	20



Parameter	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
(iii) Biomedical waste	136	173
(iv) Construction and demolition waste	Insignificant Quantity	Insignificant Quantity
(v) Battery waste		
(vi) Radioactive waste	Not applicable	Not applicable
(vii) Other hazardous waste	1,58,022	1,57,233
(viii) Other non-hazardous waste	1,14,36,992	96,83,271
Total (sum of above)	1,15,97,446	98,42,890
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Recycled	27,68,677	25,31,907
Reused		
Other recovery options (Sold)	82,07,561	63,52,900
Total	1,09,76,238	88,84,807
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Incineration	27	32
Landfilling	4,328	3,674
Other disposal options	108	141
Total	4,464	3,847

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

SAIL has adopted the “4R’s Policy” (Reduce, Recover, Recycle and Reuse) across all its processes related to steelmaking to improve sustainability of the industry. SAIL is committed to its **Corporate Environmental Policy** to reduce solid waste generation and maximize its utilization to achieve 100%. The iron slag and steel slag are the two major contributors towards solid waste generation. 100% utilization of iron slag through cement industries is achieved after it is granulated. On the other hand, BOF slag is presently used internally either in blast furnace & steel melting shop as a replacement of limestone, or in sinter making through base-mix. Solid wastes like mill scale and lime/dolo fines are recycled entirely through sinter making and waste refractory bricks are fully utilized either through selling to external agencies for use down the line or through reusing internally. Various R&D based studies have been taken up by SAIL either through in-house research wing or in association with other research centers or academies of national repute to explore potential avenues for enhancing utilization of BOF slag. Wastes which are hazardous in nature by reasons of their physical and/or chemical characteristics are safely disposed as per the rules of the “**Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016**”, either in the Secured Landfill Facility (SLF) or through the authorized agency dealing with Treatment, Storage and Disposal of hazardous wastes. Some hazardous waste is reused/co-processed.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of the SAIL Plants are in ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current FY 2021-22

Name and brief details of project	EIA Notification No. (EC Identification No)	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Revised configuration of Modernization-cum-Expansion Project for production of 2.7 MTPA gross hot metal at Durgapur Steel Plant	EC22A008WB155554	29.07.2022	Yes	Yes	www.sail.co.in
Modernization cum expansion Project enhancing production of hot metal from 4.5 MTPA to 4.855 MTPA, crude steel from 4.2 MTPA to 4.850 MTPA and saleable steel from 3.88 MTPA to 4.325 MTPA at Rourkela Steel Plant	EC22A008OR110441	30.03.2022	Yes	Yes	www.sail.co.in



Name and brief details of project	EIA Notification No. (EC Identification No)	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Enhancement of crude steel production from 4.656 MTPA to 5.006 MTPA at Bokaro Steel Plant	EC22A008JH176264	24.01.2022	Yes	Yes	www.sail.co.in

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Yes/No). If not, provide details of all such non-compliances, in the following format:

Plant location	Specify the law /regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts Corrective action taken if any	Corrective action taken if any
BSP	The Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act	Non-compliance of the Consent to Operate conditions.	Direction issued by CECB	A time bound action plan along with Bank Guarantee (BG) for compliance of the direction under implementation.
DSP	The Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act and Environment (Protection) Act	Emission of red smoke from SMS-BOF and gas bleeding from Coke Oven Battery#5 & 6	Direction issued by WBPCB	A time bound action plan for compliance of the direction under implementation.
RSP	The Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act	Non-compliance of the Consent to Operate conditions.	Direction issued by OSPCB	A time bound action plan for compliance of the direction under implementation.
BSL	The Environment (Protection) Act	Non-compliance of the environmental standard.	Direction issued by CPCB	A time bound action plan for compliance of the direction under implementation.
ISP	The Environment (Protection) Act	Non-compliance of the environmental Clearance Condition.	Direction issued by MoEF&CC	A time bound action plan for compliance of the direction under implementation.
CFP	The Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act The Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act	Non-compliance of the environmental standard.	Direction issued by MPCB	A time bound action plan for compliance of the direction under implementation.

Leadership Indicators

2. Provide the following details related to water discharged:

Parameter	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
With treatment – please specify level of treatment	2,21,49,378	2,29,25,071
(ii) To Groundwater	-	-
- No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
With treatment – please specify level of treatment	-	-



Parameter	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
(v) Others	-	-
- No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	2,21,49,378	2,29,25,071

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

S.No.	Location of operations/offices	Type of operations	Significant direct impact	Significant indirect impact	Prevention activities	Remediation activities
Not Applicable						

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S.No.	Location of operations/offices	Prevention activities	Remediation activities
1.	Environment-friendly disposal of Polychlorinated Biphenyls (PCBs), a Persistent Organic Pollutant (POP) at BSP	The project, being first of its kind in the Country, is under implementation in partnership with MoEF&CC and UNIDO to address the commitment of the Stockholm Convention, which is a global treaty to protect human health and the environment from persistent organic pollutants (POPs). PCBs are used in transformers as dielectric fluid and also as cleaning solvent.	Once commissioned, this unique project will systematically dispose the PCB wastes accumulated over the years in SAIL's Units and also in other industrial establishments of the Country, thereby helping the nation in fulfilling its international commitment.
2.	An R&D project on "Development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth"	The project has been taken up by the Ministry of Steel, Govt. in association with SAIL as an industry partner through ICAR-IARI, New Delhi, for which MoU signed on 06.07.2021. The research work is being carried out at different eight sub-centres of IARI spreading all over India. The project will be concluded within a time period of three years.	About 49 million hectare of land out of 157 million hectare of arable land in India is acidic. Steel slag which is rich in lime content along with micronutrient like potassium, silicon and phosphorous can gainfully be utilised as soil fertilizer.
3.	Secondary emission control in BOF Converters for steel making.	The state-of-the-art secondary emission control systems (DOG House) have already been installed in the green field sites during modernisation cum expansion plan of SAIL and the same is also being implemented/retrofitted at brown field site/in the existing set up.	Significant improvement in work zone emission.
4.	Implementation of state-of-the-art energy efficient technologies to improve environmental footprint	The energy efficient technologies implemented in the following areas: (1) Coke Dry Cooling Plant (CDCP) equipped with 7m tall Coke Oven Batteries (2) Top Pressure Recovery Turbine (TRT), Coal Dust Injection (CDI) and Waste Heat Recovery (WHR) with modern Blast Furnaces (3) Torpedo ladle for handling hot metal (4) Waste Heat Recovery (WHR) System with Sinter Plant (5) Walking Beam type Reheating Furnaces at Rolling Mills (6) VVVF drives in plant machineries.	Improvement in environmental footprint w.r.t. energy consumption as well as GHG (CO ₂) emission

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

SAIL is associated with various Government and Regulatory Authorities that support the Company to abide by its values and operate with integrity and transparency. Our stakeholders matter to us, and we engage ourselves with matters relating to public good for our stakeholders through these associations. During FY 2021-22, the Company has 19 active affiliations with trade and industry chamber associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	All India Management Association (AIMA)	National
2	Forum of Women in Public Sector (WIPS)	National
3	World Confederation of Productivity Science (WCPS)	International
4	World Steel Association & International Stainless-Steel Forum (ISSF)	International



S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
5	Centre for Organization Development (COD)	National
6	Federation of Indian Chambers for Commerce and Industry (FICCI)	National
7	Standing Conference of Public Enterprises (SCOPE)	National
8	Indian Steel Association (ISA)	National
9	Indian Iron and Steel Sector Skill Council (IISSC)	National
10	Indian Institute of Metals, Kolkata (IIMK)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

SAIL has not engaged in any anti-competitive conduct.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

None of the projects undertaken by SAIL in FY 2021-22 required Social Impact Assessments (SIA).

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

SAIL has a diverse and multi-dimensional approach to get feedback from the communities via holding regular community meetings, periodic interaction with municipalities and Town administrative committees and active engagement with the local society so as to understand their views, issues, complaints and grievances related to the interventions.

For more details on mechanism for community grievance redressal, refer to section on "Grievance Redressal Mechanism", Annual Report 2021-22.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Directly sourced from MSMEs/ small producers	MSE Procurement: ₹ 2233.72 Cr (34.04 % of total procurement)	MSE Procurement: ₹ 1384.31 Cr (36.94 % of total procurement)
Sourced directly from within the district and neighboring districts	The Company has always given priority towards development of peripheral areas. SAIL's Steel Plants and Units operating since 1950s have seen obscure villages turn into large industrial hubs. In this regard, procurement has been prioritized from the local suppliers subject to availability and feasibility. The recent initiative "Ispati Illakon Ka Vikas – SAIL Ke Saath" under Mission Poorvodaya by the Government of India has seen more than 140 MSMEs join the scheme.	

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above)**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

SAIL has its CSR interventions in 6 aspirational districts in Jharkhand and Chhattisgarh. The districts are West Singhbhum, Bokaro, Ranchi, Kanker, Narayanpur and Rajnandgaon. The overall CSR expenditure for development of these aspirational districts is ₹1,011 lakhs which amounts to 16% of the overall CSR expenditure.

S. No.	State	Aspirational district	Amount spent (INR)
1	Jharkhand	West Singhbhum, Bokaro & Ranchi	778 lakhs
2	Chhattisgarh	Kanker, Narayanpur & Rajnandgaon	233 lakhs

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No):**

SAIL promotes inclusive growth and equitable development through procurement from MSE vendors, SC/ST and women entrepreneurs. Procurement from such means has increased from ₹ 1,384.31 Cr in FY 2020-21 to ₹ 2,233.72 Cr in FY 2021-22. SAIL is committed to collaborating with multiple stakeholders and help them build capacity for the emerging markets.



b. From which marginalized/vulnerable groups do you procure?

SC/ST and Women MSE.

6. Details of beneficiaries of CSR Projects:

For details, please refer to section on "Corporate Social Responsibility" of Board Report (Annual Report), FY 2021-22.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

SAIL has a system in place to address matters relating to customer complaints. The customer may lodge the quality complaint either in the prescribed format or by an ordinary letter or even on telephone at nearest Branch Sales Office, not necessarily the branch from where the material was lifted originally. In the case of telephonic complaint, the executive concerned in the Branch Sales Office or the executive attending the telephone call should request the customer to furnish detailed information to facilitate immediate settlement of the complaint.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about environmental and social parameters relevant to the product, safe and responsible usage, recycling and / or safe disposal:

The Company provides prescribed information for all the products as required under the applicable statute.

3. Number of consumer complaints in respect of the following:

	FY 2021-22 & FY 2020-21 (Received and Pending)
Data privacy	Nil
Advertising	
Cyber-security	
Delivery of essential services	
Restrictive Trade Practices	
Unfair Trade Practices	
Other	There were 19 number of customer complaints pending at the end of financial year 2021-22 and 36 numbers were pending as on 1 st April, 2021. During 2021-22, a total of 869 numbers of complaints were received and the number of complaints resolved satisfactorily during the year were 886.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary calls	Nil. There have not been any instances of product recalls due to safety issues.	
Forced calls		

5. Does the company/entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Information Technology Policy at SAIL has a robust approach towards matters relating to IT. It includes matters concerning Information Sensitivity, Acceptable Use Policy, Server Security Policy, Network Infrastructure Security Policy, Database Password Policy, Extranet Policy, Acceptable Encryption Policy, Dial-in Access Security Policy and Anti-Virus Policy. For more details, please refer to the policy link: https://www.sail.co.in/sites/default/files/Comp_policies/2020-02/sail_it_security_policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Details of issues	Corrective actions taken or underway	Penalty/action taken by regulatory authority (if any)
The number of complaints for issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services were nil. Thereby there are no such instances of corrective actions.		
Executive Director (C&IT), Corporate Office SAIL, has been appointed as Chief IT Security Officer of the Company.		



CONSOLIDATED FINANCIAL STATEMENTS



Annexure-VI to the Board's Report
Consolidated Balance Sheet
As at 31st March, 2022

(₹ in crore)

	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	68382.92	64133.48
(b) Capital work-in-progress	5	4016.72	8880.63
(c) Right of use assets	4a	3834.10	2054.21
(d) Investment property	6	1.06	1.09
(e) Intangible assets	7	1459.41	1429.38
(f) Investments accounted for using the equity method		3587.35	3297.56
(g) Inventories	7a	4559.16	4236.26
(h) Financial assets			
(i) Investments	8	169.57	144.70
(ii) Trade receivables	9	-	0.90
(iii) Loans	10	559.61	636.52
(iv) Other financial assets	11	236.18	456.72
(i) Current tax assets (net)	13	296.34	217.56
(j) Other non-current assets	14	4119.97	1572.65
		91222.39	87061.66
Current Assets			
(a) Inventories	15	19607.57	15334.17
(b) Financial assets			
(i) Trade receivables	16	4770.85	8168.54
(ii) Cash and cash equivalents	17 (i)	131.54	518.28
(iii) Bank balances other than (ii) above	17 (ii)	654.52	278.07
(iv) Loans	18	43.10	36.42
(v) Other financial assets	19	1340.93	1477.53
(c) Other current assets	20	2324.22	4926.96
		28872.73	30739.97
Assets classified as held for sale	21	14.00	17.01
TOTAL ASSETS		120109.12	117818.64
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	4130.53	4130.53
(b) Other equity	23	50081.15	41275.69
(c) Non-controlling interest		0.01	0.01
		54211.69	45406.23
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	8135.81	17906.57
(ia) Lease liabilities		3606.44	1819.46
(ii) Trade payables	25	-	-
(a) total outstanding dues of micro enterprises and small enterprises		3.34	4.10
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1424.79	1304.08
(iii) Other financial liabilities	26	5342.89	4533.75
(b) Provisions	27	5358.42	1334.08
(c) Deferred tax liabilities (net)	12	2682.82	439.97
(d) Other non-current liabilities	28	26554.51	27342.01
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	29	5249.84	17701.46
(ia) Lease liabilities		292.08	249.18
(ii) Trade payables	30	-	-
(a) total outstanding dues of micro enterprises and small enterprises		140.65	103.57
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		16781.18	7939.08
(iii) Other financial liabilities	31	11629.95	10895.73
(b) Other current liabilities	32	4076.89	6127.92
(c) Provisions	33	1171.67	2041.40
(d) Current tax liabilities (net)	34	0.66	12.06
		39342.92	45070.40
TOTAL EQUITY AND LIABILITIES		120109.12	117818.64

Significant Accounting Policies 3

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

For and on behalf of the Board of Directors

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

Sd/-
[**Soma Mondal**]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

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

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

Sd/-
[**B. Vijay**]
Partner
M. No. 214678

Sd/-
[**Vivek Newatia**]
Partner
M. No. 062636

Sd/-
[**Neeraj Sharma**]
Partner
M. No. 502103

Sd/-
[**Keshaw Kumar Harodia**]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Consolidated Statement of Profit and Loss**For the year ended 31st March, 2022**

(₹ in crore)

	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Income			
Revenue from operations	35	103476.84	69113.61
Other income	36	858.55	860.67
Total Income		104335.39	69974.28
Expenses			
Cost of materials consumed	37	42890.12	23213.59
Changes in inventories of finished goods, work in progress and by-products	38	(279.54)	4276.64
Employee benefits expense	39	12861.99	10461.05
Finance costs	40	1697.89	2817.15
Depreciation and amortisation expense		4275.02	4102.78
Other expenses	41	26662.75	18423.59
Total expenses		88108.23	63294.80
Profit before Exceptional items, share of net profits of investment accounted for using equity method and tax		16227.16	6679.48
Share of Profit in investments accounted for using equity method		418.12	467.74
Profit before Exceptional items and tax		16645.28	7147.22
Less: Exceptional items	41a	353.41	(58.43)
Profit before tax		16291.87	7205.65
Tax expense			
Current tax		7.25	16.35
Deferred tax		4041.15	3041.17
Total tax expense		4048.40	3057.52
Profit for the year		12243.47	4148.13
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(111.68)	355.96
Gain and losses from investments in equity instruments designated at fair value through OCI		24.87	16.67
(ii) Income tax relating to items that will not be reclassified to profit or loss		22.67	(93.25)
B (i) Items that will be reclassified to profit or loss			
Share of the OCI of associate and joint ventures accounted for using the equity method		54.46	(118.48)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the year		(9.68)	160.90
Total Comprehensive Income/(Loss) for the year		12233.79	4309.03
Profit attributable to:			
Owners of the parent		12243.47	4148.13
Non-controlling interest		-	-
Total Comprehensive Income for the year		12243.47	4148.13
Earnings per equity share			
Number of equity shares (face value ₹10/- each)		4130525289	4130525289
Basic and diluted earnings per share (₹)	41b	29.64	10.04

Significant Accounting Policies

3

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

For and on behalf of the Board of Directors

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

Sd/-
[Soma Mondal]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

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

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

Sd/-
[B. Vijay]
Partner
M. No. 214678

Sd/-
[Vivek Newatia]
Partner
M. No. 062636

Sd/-
[Neeraj Sharma]
Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Consolidated Statement of changes in equity

For the year ended 31st March, 2022

A. Equity Share Capital

(₹ in crore)

Particulars	Balance as at 1 st April, 2021	Changes in equity share capital	Balance as at 31 st March, 2022
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53
Particulars	Balance as at 1 st April, 2020	Changes in equity share capital	Balance as at 31 st March, 2021
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53

B. Other Equity

(₹ in crore)

Particulars	Reserves and Surplus					Other comprehensive Income - Reserve		Total other equity	Non-controlling interest	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Bond Redemption Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Investment accounted for as equity method			
Balance as at 1st April, 2021	511.67	235.10	5108.93	1084.15	34081.59	81.66	172.59	41275.69	0.01	41275.70
Profit for the year	-	-	-	-	12243.47	-	-	12243.47	-	12243.47
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	(83.34)	19.20	54.46	(9.68)	-	(9.68)
Total comprehensive income for the year	-	-	-	-	12160.13	19.20	54.46	12233.79	-	12233.79
Transfer from bond redemption reserve	-	-	-	(553.18)	553.18	-	-	-	-	-
Transaction with owners in their capacity as owners										
Equity dividends	-	-	-	-	(3428.33)	-	-	(3428.33)	-	(3428.33)
Balance as at 31st March, 2022	511.67	235.10	5108.93	530.97	43366.57	100.86	227.05	50081.15	0.01	50081.16
Balance as at 1st April, 2020	511.67	235.10	5107.74	1375.02	29790.32	68.78	291.07	37379.70	0.01	37379.71
Profit for the year	-	-	-	-	4148.13	-	-	4148.13	-	4148.13
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	266.50	12.88	(118.48)	160.90	-	160.90
Total comprehensive income/(loss) for the year	-	-	-	-	4414.63	12.88	(118.48)	4309.03	-	4309.03
Transfer from bond redemption reserve	-	-	-	(290.87)	290.87	-	-	-	-	-
Transfer to general reserve	-	-	1.19	-	(1.19)	-	-	-	-	-
Transaction with owners in their capacity as owners										
Equity dividends	-	-	-	-	(413.05)	-	-	(413.05)	-	(413.05)
Transaction with non-controlling interest	-	-	-	-	0.01	-	-	0.01	-	0.01
Balance as at 31st March, 2021	511.67	235.10	5108.93	1084.15	34081.59	81.66	172.59	41275.69	0.01	41275.70

Significant Accounting Policies

3

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

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Company Secretary
M. No. A17770

For and on behalf of the Board of Directors

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[Soma Mondal]
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[Neeraj Sharma]
Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Consolidated Cash Flow StatementFor the year ended 31st March, 2022

(₹ in crore)

	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	16291.87	7205.65
Adjustments for:		
Depreciation and amortisation expenses	4275.02	4102.78
Loss on disposal of fixed assets (net)	21.71	37.74
Interest income	(284.41)	(272.98)
Dividend income	(0.29)	(3.40)
Finance costs	1606.93	2822.62
Unrealised loss/(gain) on foreign exchange fluctuations	90.96	(5.47)
Gain on sale of non-current investments	(0.08)	(4.47)
Bad debts and provision for doubtful advances/receivables	98.24	92.69
Other allowances	266.58	169.31
Share of profit from joint ventures	(418.12)	(467.74)
Unclaimed balances and excess provisions written back	(354.54)	(284.41)
Operating Profit before working capital changes	21593.87	13392.32
Changes in assets and liabilities:		
Trade receivables	3312.55	1620.52
Loans, other financial assets and other assets	297.71	749.03
Trade payable	8878.42	1713.68
Other financial liabilities and other liabilities	2020.31	1757.42
Provisions	(172.27)	102.10
Inventories	(4852.37)	4121.51
Cash flow from operating activities post working capital changes	31078.22	23456.58
Income tax paid (net)	(91.57)	(26.21)
Net cash flow from operating activities (A)	30986.65	23430.37
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital work-in-progress) and intangibles	(3665.49)	(3554.97)
Proceeds from sale/disposal of property, plant & equipment	235.80	143.11
Purchase of current and non-current investments	(4.53)	7.98
Movement in fixed deposits (net)	(737.90)	(23.59)
Interest received	196.05	129.24
Dividend received	0.29	3.40
Net cash used in investing activities (B)	(3975.78)	(3294.83)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings (net)	(9770.76)	(14793.27)
Lease liabilities	(186.25)	(115.39)
Proceeds from short-term borrowings (net)	(12451.62)	(1541.72)
Finance cost paid	(1922.10)	(2944.37)
Dividend paid	(3066.88)	(413.05)
Net cash used in financing activities (C)	(27397.61)	(19807.80)
D. Net change in cash and cash equivalents (A+B+C)	(386.74)	327.74
Cash and cash equivalents at the beginning of the year	518.28	190.54
Cash and cash equivalents at the end of the year	131.54	518.28

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

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

For and on behalf of the Board of Directors

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[M.B. Balakrishnan]
Company Secretary
M. No. A17770

Sd/-
[Soma Mondal]
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Partner
M. No. 502103

Sd/-
[Keshaw Kumar Harodia]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Notes to Consolidated Financial Statements for the year ended 31st March, 2022

1. Corporate Information

Nature of Operation

Steel Authority of India Limited ('SAIL' or the 'Parent Company'), a public sector undertaking conferred with Maharatna status by Government of India and its subsidiaries (the Parent Company and its subsidiaries together referred to as the 'Group'), its joint ventures and its associate is engaged primarily in steel manufacturing business in the country.

General information and statement of compliance with Ind AS

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

The consolidated financial statements have been approved and authorised for issue, by the Board of Directors in their meeting held on 23rd May, 2022.

2. Summary of significant accounting policies

a) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below, which were applied uniformly during the period presented:

Basis of preparation

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

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

Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from

the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March, 2022.

The Group consolidates the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate and Joint ventures

Associate

Investment in entity in which there exists significant influence but not a controlling interest is accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends



received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement.

- **Joint ventures** – Interest in Joint venture are accounted for using the equity method, after initially being recognised at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and Joint ventures are eliminated to the extent of the Group's interest in these entities.
- **Joint operations** – The Group recognises its direct right to the assets, liabilities, revenue and expenses of Joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the financial statement under the appropriate heading.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

b) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognise the gain directly in equity as capital reserve, without routing the same through OCI.

Where settlement of any part of cash consideration is deferred, the amount payable in future is discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which the similar borrowing could be obtained from an independent financier under comparable terms and condition.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

c) Current versus Non-current classification

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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



All other liabilities are classified as non-current.

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

2.1 Functional and Presentation Currency

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

2.2 Use of estimates, assumptions and management judgements

In preparing the financial statements in conformity with Ind AS and Group's accounting policies, management is required to make estimates, assumptions and judgements that affect reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures as at the date of the financial statements. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Actual results could differ from those estimates.

3 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements is given below. The Group, Joint ventures and Associate have uniformly applied the accounting policies during the periods presented.

3.1 Property, Plant and Equipment

3.1.1 Recognition and Measurement

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment. Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated at cost, less accumulated depreciation and impairment losses, if any, except freehold land which are carried at historical cost. The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties, non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use.

In case of constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable

borrowing costs and trial run expenses (net of revenue).

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

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

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

3.1.2 Subsequent Cost

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

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

3.2 Investment Properties

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



3.3 Depreciation

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

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

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

Freehold land is not depreciated.

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

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

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

3.4 Intangible assets

Mining Rights

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

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

Other Intangible Assets

Other intangible assets are amortised on straight-line method over the expected duration of benefits. Software, which is not an integral part of related

hardware, is treated as intangible asset and amortised over a period of five years or its licence period, whichever is less.

Research and development

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

3.4.1 Subsequent Cost

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

3.4.2 De-recognition of intangible assets

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

3.5 Stripping Cost

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

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

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

3.6 Impairment of Non-Financial Assets

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



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

3.7 Borrowing costs

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

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

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

3.8 Inventories

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

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

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Minor raw materials - Moving weighted average cost

Stores & Spares - Moving weighted average cost

Materials in-transit - at cost

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

3.9 Government Grants

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

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

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

3.10 Foreign Currency Transactions

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

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

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

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

3.11 Employee Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity. Payment to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Contributions



towards Provident Funds and Pension Funds are charged to the Statement of Profit and Loss of the period when the contributions to the Funds are due.

Defined Benefit Plan

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

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

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

Short Term Employee Benefits

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

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

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

3.12 Revenue Recognition

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

Sale of Goods

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

Marine export sales are recognised on:

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

Interest and dividend income

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

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

3.13 Adjustment pertaining to Earlier Years

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

3.14 Claims for Liquidated Damages and Price Escalation

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

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

3.15 Leases

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

Group as a Lessee

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





Contingent Assets

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

3.19 Income Taxes

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

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

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

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

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

3.20 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and are subject to an insignificant risk of changes in value.

3.21 Financial Instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual

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

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

Classification and subsequent measurement of financial assets

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

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

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

Amortised cost

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

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

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

Financial assets at FVOCI

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

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



Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or that are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Classification and subsequent measurement of financial liabilities

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

Embedded Derivatives

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

Impairment of Financial Assets

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

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The loss allowance for trade receivables is measured using the simplified impairment approach recognising expected lifetime losses from initial recognition. For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition.

Trade Receivables

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

Offsetting of financial instruments

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

3.22 Investments in equity Instruments

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

3.23 Segment reporting

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

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

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

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

3.24 Significant Judgements, Assumptions and Estimations in applying Accounting Policies

3.24.1 Leases

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



3.24.2 Close-down and Restoration Obligations

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

3.24.3 Recognition of Deferred Tax Assets

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

3.24.4 Inventories

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

3.24.5 Defined Benefit Obligation (DBO)

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

3.24.6 Fair Value Measurements

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

3.24.7 Provisions and Contingencies

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

3.24.8 Mine Closure and Restoration Obligations

Environmental liabilities and Asset Retirement Obligation (ARO): Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

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

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



4: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	359.37	-	(0.04)	359.41	0.81	-	-	0.81	358.60	358.56
- Leasehold land	2.16	-	-	2.16	0.27	0.03	-	0.30	1.86	1.89
Buildings and related equipments	5274.67	15.81	28.95	5261.53	2194.58	116.47	9.79	2301.26	2960.27	3080.09
Plant and machinery										
- Steel plant	93616.63	7715.96	707.46	100625.13	36610.84	3492.55	534.73	39568.66	61056.47	57005.79
- Others - owned	3381.77	140.18	51.84	3470.11	2256.23	126.44	49.58	2333.09	1137.02	1125.54
Furniture and fixtures	144.24	5.22	1.86	147.60	117.96	6.08	1.32	122.72	24.88	26.28
Vehicles	1396.31	44.46	15.41	1425.36	1000.79	69.75	14.57	1055.97	369.39	395.52
Office equipments	62.76	1.48	1.53	62.71	53.66	1.76	1.38	54.04	8.67	9.10
Miscellaneous articles	397.89	25.12	3.64	419.37	261.84	15.08	3.25	273.67	145.70	136.05
Roads, Bridges & Culverts	481.85	56.48	4.67	533.66	355.26	24.73	3.45	376.54	157.12	126.59
Water Supply & Sewerage	722.05	43.64	1.08	764.61	428.80	36.24	1.06	463.98	300.63	293.25
EDP Equipments	448.90	6.72	3.11	452.51	396.14	12.34	2.21	406.27	46.24	52.76
Railway Lines and Sidings	1033.32	18.31	2.96	1048.67	315.25	31.10	2.62	343.73	704.94	718.07
Sub-total 'A'	107321.92	8073.38	822.47	114572.83	43992.43	3932.57	623.96	47301.04	67271.79	63329.49
Figures for the previous year	105088.89	2676.90	443.87	107321.92	40559.06	3734.04	300.67	43992.43	63329.49	
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.89	-	0.01	10.88	-	-	-	-	10.88	10.89
Buildings and related equipments	833.66	313.47	2.77	1144.36	437.45	34.63	1.23	470.85	673.51	396.21
Plant and machinery - others	199.41	1.83	0.89	200.35	125.26	7.26	0.80	131.72	68.63	74.15
Furniture and fixtures	27.26	1.67	0.42	28.51	22.64	0.99	(0.47)	24.10	4.41	4.62
Vehicles	10.84	0.07	0.04	10.87	9.45	0.23	-	9.68	1.19	1.39
Office equipments	4.32	0.20	0.39	4.13	3.86	0.04	0.32	3.58	0.55	0.46
Miscellaneous articles	244.31	31.25	3.45	272.11	168.60	11.87	3.04	177.43	94.68	75.71
Roads, Bridges & Culverts	149.71	24.79	7.4	167.13	125.45	6.34	6.99	124.80	42.33	24.26
Water Supply & Sewerage	308.26	2.32	0.09	310.49	153.47	7.04	0.08	160.43	150.06	154.79
EDP equipments	11.68	0.92	0.41	12.19	9.69	0.68	0.30	10.07	2.12	1.99
Sub-total 'B'	1800.34	376.52	15.84	2161.02	1055.87	69.08	12.29	1112.66	1048.36	744.47
Figures for the previous year	1772.14	32.01	3.81	1800.34	984.16	74.45	2.74	1055.87	744.47	
C. Property, plant and equipment retired from active use										
Assets retired from active use	59.52	57.76	54.51	62.77	-	-	-	-	62.77	59.52
Figures for the previous year	66.66	29.31	36.45	59.52	-	-	-	-	59.52	
Total ('A'+ 'B'+ 'C')	109181.78	8507.66	892.82	116796.62	45048.30	4001.65	636.25	48413.70	68382.92	64133.48
Figures for the previous year	106927.69	2738.22	484.13	109181.78	41543.22	3808.49	303.41	45048.30	64133.48	



4: PROPERTY, PLANT AND EQUIPMENT (CONTD.)**Note : Allocation of Depreciation of PPE, Intangible assets and Investment property**

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
(a) Charged to Profit & Loss account	4275.02	4102.78
(b) Charged to expenditure during construction	-	2.77
	4275.02	4105.55

(i) Contractual obligations

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

(ii) Land:

- 6105.95 acres (6013.78 acres as on 31st March, 2021) given on lease to various agencies/employees/ex-employees.
- Includes 4148.80 acres (4542.94 acres as on 31st March, 2021) under unauthorised occupation.
- 1770.89 acres (1770.89 acres as on 31st March, 2021) of Land which is not in the actual possession, shown as deemed possession.
- ₹55.03 crore is lying under deposits, in respect of land already acquired (₹53.45 crores as on 31st March, 2021) with the District & Sessions Judge, Bokaro during the year 2007 towards compensation payable to land losers.
- Vide Notification of acquisition in the Gazette of India (Extraordinary) bearing No S.O. 1309(E) dated 08.06.2012 and No. S.O. 2484E dated 13.10.2012, National Highway Authority of India Ltd. (NHAI) had acquired 34.471 acres freehold land. Also notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009. Matter is subjudice regarding valuation of the said land.
- 525.43 acres land includes 500 acres land granted by Government of Maharashtra under occupancy rights subject to restrictions agreed upon by the company towards payment of unearned increment on the property transfer as per agreed terms.
- Includes 5.51 acres freehold land out of 21.13 acres land notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009, are under dispute for which no compensation was fixed in favour of RDCIS-SAIL. The compensation for the balance freehold land of 15.62 acres amounting to ₹13.07 crore has been considered in the accounts for the Financial Year ended 31st March, 2020.
- ₹0.06 crore is lying under deposits (in respect of land already acquired) with the District & Sessions Judge, Salem during the year 2013 towards compensation payable to land losers.

(iii) Other Assets:

- Includes 5950 (7906 as on 31st March, 2021), residential quarters/houses under unauthorised occupation.

4a: RIGHT OF USE ASSETS

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
Right of use assets	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10	2054.21
Sub-total	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10	2054.21
Figures for the previous year	3853.33	117.86	0.01	3971.18	1648.25	268.72	-	1916.97	2054.21	



(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
5: CAPITAL WORK-IN-PROGRESS				
Steel Plants & Units	4160.07		8801.10	
Township	64.56		97.07	
Ore Mines and Quarries	205.79		247.68	
	4430.42		9145.85	
Less: Allowances	420.40	4010.02	400.11	8745.74
Construction stores and spares	10.88		139.47	
Less: Allowances for non-moving items	4.99	5.89	5.19	134.28
Expenditure during construction pending allocation (Note 5.1)		0.81		0.61
		4016.72		8880.63
5.1: EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION				
Opening balance (a)		0.61		2.78
Expenditure incurred during the year				
Employees' Remuneration & Benefits				
Salaries & Wages	96.33		78.01	
Company's contribution to provident fund	4.10		3.14	
Travel concession	1.77		1.39	
Welfare expenses	0.02		0.11	
Gratuity	(0.08)	102.14	1.14	83.79
Other expenses				
Technical consultants' fees & know-how	5.57		1.19	
Power & Fuel	35.39		31.29	
Other expenses	4.69		6.06	
Interest & Finance charges	193.53		549.16	
Depreciation	-	239.18	2.77	590.47
		341.32		674.26
Less: Recoveries				
Interest Earned	-		0.01	
Hire charges	-		0.08	
Sundries	0.08	0.08	0.25	0.34
Net expenditure during the year (b)		341.24		673.92
Total (a)+(b)		341.85		676.70
Less : Amount allocated to Property, plant and equipment/Capital Work-in-progress		341.04		676.09
Balance carried forward		0.81		0.61



6: INVESTMENT PROPERTY

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. BUILDINGS										
Buildings	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06	1.09
Sub-total 'A'	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06	1.09
Figures for the previous year	2.06	-	-	2.06	0.94	0.03	-	0.97	1.09	

(i) Contractual obligations

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

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

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Rental income	1.80	2.27
Direct operating expenses that generated rental income*	-	-
Direct operating expenses that did not generate rental income*	-	-
Profit from leasing of investment properties before depreciation	1.80	2.27
Depreciation	0.03	0.03
Profit from leasing of investment properties	1.77	2.24

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

(iii) Leasing arrangements

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

Within one year	0.29	0.32
Later than one year but not later than 5 years	1.91	2.52
Later than 5 years	-	1.35
	2.20	4.19

(iv) Fair value

Fair value of investment properties as on 31st March, 2022 is ₹27.66 crore (₹26.71 crore as on 31st March, 2021).

(v) Estimation of fair value

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

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



7: INTANGIBLE ASSETS

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
A. PLANTS, MINES & OTHERS										
Computer Software*	120.57	2.80	0.64	122.73	107.70	4.86	0.91	111.65	11.08	12.87
Mining Rights	1847.79	65.27	(0.02)	1913.08	431.35	33.46	0.01	464.80	1448.28	1416.44
Sub-total 'A'	1968.36	68.07	0.62	2035.81	539.05	38.32	0.92	576.45	1459.36	1429.31
Figures for the previous year	1954.05	14.32	0.01	1968.36	510.52	28.42	(0.11)	539.05	1429.31	
B. SOCIAL FACILITIES										
Computer Software*	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05	0.07
Sub-total 'B'	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05	0.07
Figures for the previous year	0.69	-	-	0.69	0.61	0.01	-	0.62	0.07	
Total ('A'+ 'B')	1969.05	68.07	0.82	2036.30	539.67	38.33	1.11	576.89	1459.41	1429.38
Figures for the previous year	1954.74	14.32	0.01	1969.05	511.13	28.43	(0.11)	539.67	1429.38	

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

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

7a: INVENTORIES NON-CURRENT

(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
Stores & Spares	-		-	
Raw Material				
Slime	141.25		140.45	
Others	-	141.25	-	140.45
Others - By product				
Iron ore fines (sub-grade)	3976.62		3785.39	
Finished / Semi-finished products				
Slag dump (embedded scrap)	441.29	4417.91	310.42	4095.81
		4559.16		4236.26



8 : INVESTMENTS - NON CURRENT

(₹ in crore)

	No of Shares		Amount	
	As at 31 st March, 2022	As at 31 st March, 2021	As at 31 st March, 2022	As at 31 st March, 2021
Investments carried at fair value through other comprehensive income				
Unquoted equity				
TRL Krozaki Refractories Limited	2203150	2203150	61.76	51.35
Indian Potash Limited	720000	720000	102.44	88.26
Haridaspur Paradeep Railway Co Ltd	5000000	5000000	5.28	5.00
Cement & Allied Products (Bihar) Limited	2	2	-	-
Chemical & Fertilizer Corporation (Bihar) Limited	1	1	-	-
Bhilai Power Supply Company Limited	5	5	-	-
IISCO Ujjain Pipe & Foundry Company Limited (under liquidation)#	3000000	3000000	3.00	3.00
UEC SAIL Information Technology Limited*	180000	180000	0.18	0.18
Bihar State Finance Corporation (Face value ₹100/share)	500	500	0.01	0.01
Total (A)			172.67	147.80
In Co-operative society				
Bokaro Steel Employees' Co-operative Credit Society	116500	116500	0.12	0.12
Bokaro Steel City Central Consumers' Co-operative Society	250	250	0.00	0.00
NMDC Meghahatuburu Employees' Co-operative Society (Face value ₹ 100/share)	25	25	0.00	0.00
DSP Employees' Co-operative Society Limited (Face value ₹ 100/share)	1377	1377	0.01	0.01
Bolani Ores Employees' Consumer Co-operative society limited (Face value ₹ 25/share)	200	200	-	0.00
IISCO Employees Primary Co-operative society (Face value ₹ 20/share)	23000	23000	0.05	0.05
Total (B)			0.18	0.18
Total (A+B)			172.85	147.98
Allowance for impairment in the value of investments			3.28	3.28
Net investment			169.57	144.70
Aggregate amount of quoted investments (market value thereof)			-	-
Aggregate amount of unquoted investments			172.85	147.98
Aggregate amount of impairment in value of investments			3.28	3.28
			169.57	144.70

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

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

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



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021

9: TRADE RECEIVABLES - NON CURRENT*

Considered good - Unsecured	-	0.90
Receivables - credit impaired	14.58	14.59
	14.58	15.49
Allowance for doubtful receivables	14.58	14.59
	-	0.90

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

10: LOANS - NON CURRENT*

Considered good - Unsecured

Loan to employees	46.40	58.98
Loan to others	516.41	562.81
	562.81	639.72
Less: Allowance for doubtful loans	3.20	3.20
	559.61	636.52

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

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

11: OTHER FINANCIAL ASSETS - NON CURRENT

Derivative assets	-	190.80
Security deposits	122.75	120.47
Claims recoverable	8.32	35.90
Receivable - others	52.27	52.70
Lease equalisation reserve	1.46	0.95
Receivables from employees	1.05	0.07
Bills Receivable	58.30	58.30
Loans and advances to related parties	10.53	10.53
Less: Provision for doubtful related party advances	10.53	-
Fixed deposits with original maturity period more than 12 months	0.24	5.74
	244.39	464.93
Less: Allowance for doubtful assets	8.21	8.21
	236.18	456.72

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

12 : DEFERRED TAX LIABILITIES (NET)

Tax effect of items constituting deferred tax liabilities

Related to property, plant and equipment	7473.57	6879.52
Fair value adjustment of investment through OCI	37.29	7510.86
		31.62
		6911.14

Tax effect of items constituting deferred tax assets

Amount deductible on payment basis	1238.04	874.75
Losses available for offsetting against future taxable income	133.24	4378.06
Accumulated business losses and unabsorbed depreciation	781.16	324.25
	2152.44	5577.06
Deferred tax liabilities (net)	5358.42	1334.08



12 : DEFERRED TAX LIABILITIES (NET) (Contd...)Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2022 are summarized as follows:

(₹ in crore)

Deferred tax liabilities (net)	As at 1 st April, 2021	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2022
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	6879.52	594.05	-	7473.57
Fair value adjustment of investment through OCI	31.62	-	5.67	37.29
	6911.14	594.05	5.67	7510.86
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	874.75	363.29	-	1238.04
Losses available for offsetting against future taxable income	4378.06	(4244.82)	-	133.24
Accumulated business losses and unabsorbed depreciation	324.25	428.47	28.44	781.16
	5577.06	(3453.06)	28.44	2152.44
Deferred tax liabilities (net)	1334.08	4047.11	(22.77)	5358.42

Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2021 are summarized as follows:

(₹ in crore)

Deferred tax (assets) / liabilities (net)	As at 1 st April, 2020	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2021
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	11486.29	(4606.77)	-	6879.52
Fair value adjustment of investment through OCI	27.83	-	3.79	31.62
	11514.12	(4606.77)	3.79	6911.14
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	1321.40	(446.65)	-	874.75
Losses available for offsetting against future taxable income	10160.54	(5782.48)	-	4378.06
Tax credit (minimum alternative tax)	1266.57	(1266.57)	-	0.00
Accumulated business losses and unabsorbed depreciation	787.78	(374.07)	(89.46)	324.25
	13536.29	(7869.77)	(89.46)	5577.06
Deferred tax (assets) / liabilities (net)	(2022.17)	3263.00	93.25	1334.08

The Company is having accumulated losses of ₹529.41 crore (previous year - ₹17395.33 crore) [including accumulated unabsorbed depreciation of ₹529.41 crore (previous year - ₹13834.78 crore)] as on 31st March, 2022 as per the provisions of the Income Tax Act, 1961.

13: CURRENT TAX ASSETS (NET)

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Current tax assets		
Advance income tax (net of allowances)	296.34	217.56
	296.34	217.56

14: OTHER ASSETS - NON CURRENT

Advances to contractors & suppliers	724.49	533.98
Advances others	-	1.18
Deposit with Government authorities	3438.02	726.23
Prepaid expenses	27.04	13.04
Capital advances	74.97	391.49
Less: Allowance for doubtful capital advances	5.34	386.15
	4259.18	1660.58
Less: Allowance for doubtful other assets	139.21	87.93
	4119.97	1572.65



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
15: INVENTORIES*		
Stores & spares		
Production	3134.78	2892.25
Fuel Stores	152.33	212.72
Others	34.15	27.75
	3321.26	3132.72
Add: In-transit	272.69	241.49
	3593.95	3374.21
Less: Allowance for non moving/obsolete items	258.40	246.45
	3335.55	3127.76
Raw Material		
Raw material**	3565.42	3168.19
Add: In-transit	5591.96	1891.93
	9157.38	5060.12
Less: Allowance for unusable materials	13.77	24.68
	9143.61	5035.44
Finished / Semi-finished products		
Finished goods***	4453.56	4213.11
Work in progress	2401.51	2405.96
	6855.07	6619.07
Others - By-products (sub-grade fines)	273.34	551.90
	19607.57	15334.17

*Valued as per accounting policy No. 3.8

**Includes inventories of slime of ₹26.40 crore (previous year - ₹103.71 crore)

***Includes inventories of iron and steel scrap embedded in slag dumps of ₹27.29 crore (previous year - ₹128.21 crore)

16: TRADE RECEIVABLES - CURRENT*

Considered good-Unsecured	4770.85	8168.54
Receivables - credit impaired	260.93	236.88
	5031.78	8405.42
Allowance for doubtful receivables	260.93	236.88
	4770.85	8168.54

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

Refer note 43 and 48.4 - Financial instruments for assessment of expected credit losses.

17 (i): CASH AND CASH EQUIVALENTS

Cash and stamps on hand	0.11	0.08
Cheques in hand	2.91	5.48
Balance with Banks		
Current accounts	79.82	35.73
Term deposits with original maturity upto 3 months	48.68	476.97
Term deposits as per court orders with original maturity upto 3 months	0.02	0.02
	128.52	512.72
	131.54	518.28

17 (ii): BANK BALANCES OTHER THAN 17 (i) ABOVE

Earmarked bank balances	219.79	207.84
Unpaid dividend accounts	6.83	4.11
Dividend account	361.45	-
Fixed deposits with maturity for more than 3 months but less than 12 months	66.45	66.12
	654.52	278.07



	As at 31 st March, 2022	As at 31 st March, 2021

Considered good - Unsecured

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

Assets classified as held for sale	14.00	17.01
	14.00	17.01

-

22: EQUITY SHARE CAPITAL

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Authorised capital		
Equity shares of ₹ 10 each		
(5000000000 equity shares of ₹10 each)	5000.00	5000.00
Issued and subscribed capital & fully paid-up		
(4130525289 equity shares of ₹ 10 each fully paid up)	4130.53	4130.53

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

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Numbers	Amount (₹ in crore)	Numbers	Amount (₹ in crore)
Equity shares with voting rights				
Balance at the beginning of the year	4130414299	4130.42	4130414299	4130.42
Shares converted to shares with voting rights during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Balance at the end of the year#	4130414299	4130.42	4130414299	4130.42
Equity shares without voting rights *				
Balance at the beginning of the year	110990	0.11	110990	0.11
Shares Issued during the year	-	-	-	-
Shares converted to shares with voting rights during the year	-	-	-	-
Balance at the end of the year	110990	0.11	110990	0.11
Total Equity shares outstanding at the end of the year	4130525289	4130.53	4130525289	4130.53

- i) *Represented by current holding of 110990 shares in Global Depository Receipt (GDR) issued in 1996 @ US \$ 29.55 each for an aggregate amount of US \$ 125 million.
- ii) #Includes 3117487 shares (previous year 2824877 shares) transferred to IEPF authority on which the voting rights are frozen.
- iii) All shares rank equally with regard to the repayment of capital in the event of liquidation of the parent Company.

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

Name of Shareholder	As at 31 st March, 2022		As at 31 st March, 2021	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
President of India	2684714550	65.00	2684714550	65.00
LIC of India	236800137	5.73	382302962	9.26

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

Name of Promoter	As at 31 st March, 2022		As at 31 st March, 2021		% change during the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
President of India	2684714550	65.00	2684714550	65.00	-

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



23: OTHER EQUITY

(₹ in crore)

	As at 31 st March, 2022		As at 31 st March, 2021	
Reserves & Surplus				
Capital Reserve				
Opening balance	511.67		511.67	
Additions during the year	-		-	
Less: Utilisation during the year	-	511.67	-	511.67
Securities Premium				
Opening balance	235.10		235.10	
Changes during the year	-	235.10	-	235.10
Bond Redemption Reserve				
Opening balance	1084.15		1375.02	
Transfer from retained earnings	-		-	
Transfer to retained earnings	553.18	530.97	290.87	1084.15
General Reserve				
Opening balance	5108.93		5107.74	
Additions during the year	1.97		1.19	
Less: Utilisation during the year	-	5110.90	-	5108.93
Retained Earnings				
Opening balance	34081.59		29790.32	
Add: Net Profit for the year	12243.47		4148.13	
Add: Other comprehensive Income/(Loss)- Remeasurement gains/(losses) of defined benefit plans	(83.34)		266.50	
Add: Transfer from Bond Redemption Reserve	553.18		290.87	
Less: Final dividend	743.49		-	
Less: Interim dividend paid	2684.84		413.05	
Less: Transaction with non-controlling interest	-		(0.01)	
Less: Transfer to General Reserve	1.97	43364.60	1.19	34081.59
Other Comprehensive Income				
Equity Instruments through Other Comprehensive Income				
Opening balance	81.66		68.78	
Change in fair value of FVOCI equity instruments	24.87		16.67	
Deferred tax	(5.67)	100.86	(3.79)	81.66
Share in Other Comprehensive Income of equity accounted investees				
Opening balance	172.59		291.07	
Change in fair value of FVOCI equity instruments	54.46	227.05	(118.48)	172.59
Total other equity		50081.15		41275.69

Nature and purpose of other reserves**Capital reserve**

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

Securities premium reserve

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

Bond redemption reserve

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

Other Comprehensive Income (OCI) reserve

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



24. BORROWINGS - NON CURRENT

(₹ in crore)

				As at 31 st March, 2022	As at 31 st March, 2021
SECURED					
Redeemable Non-Convertible Bonds					
Rate of Interest	Maturity Date	Call/Put option (yr)	Security reference		
9.35%	9-Sep-2026	12/nil	(a)	455.00	455.00
8.80%	26-Oct-2025		(a, b)	42.00	56.00
9.00%	14-Oct-2024		(a)	1000.00	1000.00
8.75%	15-Sep-2024		(a, c)	50.00	50.00
8.70%	25-Aug-2024		(a)	-	300.00
8.30%	3-Aug-2023		(a)	800.00	800.00
8.30%	1-Aug-2023		(a)	1200.00	1200.00
8.35%	19-Nov-2022		(a)	-	1185.00
9.30%	25-May-2022		(a, h)	-	72.00
Total Bonds				3547.00	5118.00
Term Loans from banks					
	Rupee loans		(g)	4100.00	10364.50
	Foreign currency loans		(g)	-	1902.92
				7647.00	17385.42
UNSECURED					
Foreign currency loan					
1	KFW, Germany		(d)	278.18	308.04
2	Natexis Banque		(e)	6.47	8.95
Steel development fund				204.16	204.16
				488.81	521.15
Total Non Current Loans				8135.81	17906.57

No loans have been guaranteed by the directors and others.

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

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

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

- Secured by charges ranking pari-passu inter-se, on all the present and future immovable property at Mouje-Wadej of City taluka, District Ahmedabad, Gujarat and Group's Plant & Machinery, including the land on which it stands, pertaining to IISCO Steel Plant (ISP).
- Redeemable in 12 equal yearly instalments of ₹ 14 crore each starting w.e.f 26th October, 2014. Instalment payable on 26th Oct, 2022 has been shown in current borrowings.
- Redeemable on 15th September of 2024.
- The soft basis of the loan was drawn in 3 tranches stated as 1(a), 1(b) and 1(c) at an interest rate of 8.75% p.a. The Interest on 1(a) is 0.75% p.a and balance 8% is towards meeting Exchange fluctuation (4%) and pollution control schemes (4%). In case of 1 (b) the Interest is 0.75% p.a and balance 8.0% p.a is towards periphery development. Tranche 1(c) has been fully repaid. The principal and interest amount is repayable half yearly. The loan is guaranteed by Government of India.
- The loan is repayable by 2030. The principal and interest is paid half yearly, guaranteed by Government of India.
- Terms of Repayment is to be decided by SDF management Committee.
- Secured by charges ranking pari-pasu on the present and future movable plant and machinery of RSP to the extent of loan.
- Redeemable in 5 equal yearly instalments starting w.e.f 25th May, 2018. Installment payable on 25th May, 2022 has been shown in current borrowings.



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
25: TRADE PAYABLES - NON CURRENT		
Due to micro, small and medium enterprise (refer note 48.3)	-	-
Amount payable to contractors/suppliers/others	3.34	4.10
	3.34	4.10
26: OTHER FINANCIAL LIABILITIES - NON CURRENT		
Employees related dues	711.12	531.53
Interest Accrued but not due on borrowings	449.80	573.20
Other payables	263.87	199.35
	1424.79	1304.08
27: PROVISIONS - NON CURRENT		
Provision for gratuity	0.56	3.51
Provision for accrued leave liability	3383.84	2945.11
Provision for post retirement medical & settlement benefits	1381.38	1041.46
Provision for long term service award	19.41	15.07
Provision for mines closure	131.61	99.28
Other provisions	426.09	429.32
	5342.89	4533.75
28: OTHER LIABILITIES - NON CURRENT		
Deferred Income*	426.73	439.97
Other payables	2256.09	-
	2682.82	439.97
*Deferred income includes:		
(a) award conferred by the Prime Minister of India to the Bhilai Steel Plant as best integrated steel plant in India and the earnings from the fund are utilised for the welfare of the employees in Bhilai.		
(b) Central Government grant of ₹294.82 crore for the purpose of upgradation of Ispat General Hospital, Rourkela to Super Speciality Hospital. Out of ₹294.82 crore, the amount equivalent to ₹3.52 crore has been recognised under the head 'other income'. The Company has complied with all the conditions for such grants in line with Ind AS 20.		
29. BORROWINGS - CURRENT		
Secured		
Repayable on demand		
From banks*	3302.98	3504.00
Other loans and advances		
Current maturities of long term debts	1296.86	1851.22
Unsecured		
From banks	650.00	7250.00
Commercial paper	-	5096.24
	5249.84	17701.46
* Security disclosure for the outstanding short term borrowings as on 31st March, 2022:		
Borrowings from banks are secured, in respect of respective facilities by way of :		
(i) Hypothecation of all current assets		
30: TRADE PAYABLES - CURRENT		
Due to micro, small and medium enterprises (refer note 48.3)	140.65	103.57
Amount payable to related parties	201.10	202.71
Amount payable to contractors/suppliers/others	16580.08	7736.37
	16921.83	8042.65



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
31: OTHER FINANCIAL LIABILITIES - CURRENT		
Employee related dues	262.46	228.14
Interest accrued but not due on borrowings	251.12	479.93
Interest accrued and due on steel development fund loans	280.00	152.00
Other liabilities-debtors banking arrangement	351.34	462.77
Unclaimed matured deposits and interest accrued thereon	1.01	1.01
Security deposits	1700.13	1637.14
Unpaid dividends	368.29	4.11
Payable for capital works	2169.49	2630.09
Other payables*	6246.11	5300.54
	11629.95	10895.73

*Other payables include payables in respect of ex-employees, royalties and performance related pay etc.

32: OTHER LIABILITIES - CURRENT

Income received in advance from customers	1844.34	1836.80
Income received in advance - others	97.46	135.33
Deferred Income*	17.35	12.93
GST payable	1200.06	1168.11
Liability for interest on GST	2.58	0.76
TDS deducted from suppliers on GST	40.94	22.48
Other payables	874.16	2951.51
	4076.89	6127.92

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

33: PROVISIONS - CURRENT

Provision for gratuity	-	-
Provision for accrued leave liability	143.45	262.59
Provision for post retirement medical & settlement benefits	221.76	116.15
Provision for long term service award	1.73	2.50
Provision for pollution control	42.02	37.12
Provision for foreign exchange fluctuation	35.91	24.57
Provision for wage revision	-	1183.90
Provision for mine afforestation/restoration etc.	176.43	101.60
Other provisions	550.37	312.97
	1171.67	2041.40

34: CURRENT TAX LIABILITIES (NET)

Opening Balance	12.06	179.50
Add: Provision during the year	7.25	11.55
Less: Amount paid/transferred during the year	12.79	-
Less: Provision written back during the year	5.86	0.66
	0.66	12.06



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
35: REVENUE FROM OPERATIONS		
Sale of products		
Domestic	95703.71	62215.27
Exports	6988.42	6109.57
Export incentives	116.41	131.02
Sub Total (a)	102808.54	68455.86
Sale of Services		
Service charges	24.38	20.57
Sub Total (b)	24.38	20.57
Other Operating Revenues		
Social amenities-recoveries	318.13	308.33
Sale of empties etc.	106.79	79.74
Sundries	219.00	249.11
Sub Total (c)	643.92	637.18
Total (a+b+c)	103476.84	69113.61
Desegregation of Revenue		
Nature of Goods and Services		
The parent Company is engaged in the manufacturing of Iron and Steel products and generate revenues from sale of Iron and Steel products and the same is the only reportable segment of the parent Company.		
(1) Primary Geographical Markets		
Within India	95703.71	62215.27
Outside India	7104.83	6240.59
Total	102808.54	68455.86
(2) Major Products		
Iron and steel	98004.53	65211.87
Other Secondary and by-products	4804.01	3243.99
Total	102808.54	68455.86
Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers receivables which are included in 'Trade Receivables'.		
Trade receivables	4770.85	8169.44
Contract Assets	-	-
Contract liabilities	1844.34	1836.80
36. OTHER INCOME		
Interest income		
Loans & advances to other companies	-	0.55
Customers	169.89	141.45
Employees	6.36	8.84
Bank deposits	31.90	6.79
Others	76.26	115.35
Sub Total (a)	284.41	272.98
Dividend income		
Dividend from investments	0.29	3.40
(includes dividend from investments carried at fair value through OCI)		
Sub Total (b)	0.29	3.40
Net gain on sale of investments	0.08	4.47
Other non-operating Income		
Subsidy, relief and concession	0.28	-
Grant-in-aid	4.67	1.15
Provisions no longer required written back	65.79	161.73
Write back of other liabilities	288.75	122.68
Liquidated damages	136.67	119.11
Foreign exchange fluctuations (net)	-	104.09
Others	77.61	71.06
	573.77	579.82
Less: Expenses attributable to non-operating income	-	-
Sub Total (d)	573.77	579.82
Total (a+b+c+d)	858.55	860.67



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
37 : COST OF MATERIALS CONSUMED		
Iron ore	9388.84	5217.77
Coal	33761.24	17422.64
Coke	52.06	13.88
Limestone	1764.00	1423.86
Dolomite	710.04	464.39
Ferro manganese	271.32	174.80
Ferro silicon	393.60	224.07
Silico manganese	2002.02	1270.09
Hot Rolled Stainless Steel Coils	0.83	1.39
Zinc	128.17	87.78
Aluminium	528.04	292.41
Others	2318.13	1534.12
	51318.29	28127.20
Less: Inter account adjustments	8428.17	4913.61
	42890.12	23213.59

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

38A : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening stock		
Finished goods	4523.53	8949.15
Work in progress	2405.96	2473.42
	6929.49	11422.57
Less: Closing stock		
Finished goods	4894.85	4523.53
Work in progress	2401.51	2405.96
	7296.36	6929.49
(Accretion)/depletion to stock (a)	(366.87)	4493.08

38B : CHANGES IN INVENTORIES OF BY PRODUCTS

Sub grade iron ore fines		
Opening stock		
Iron ore fines (sub-grade)	4337.29	3791.18
Less: Closing stock		
Iron ore fines (sub-grade)	4249.96	4337.29
Add: COVID19 impact reversal of iron ore fines (sub-grade)	-	329.67
(Accretion)/depletion to stock (b)	87.33	(216.44)
Total (Accretion)/depletion to stock (a+b)	(279.54)	4276.64

39: EMPLOYEE BENEFITS EXPENSE*

Salaries & wages	9243.64	8086.59
Leave encashment	1164.29	586.92
Company's contribution to provident & other funds	1309.84	1054.67
Travel concession	62.82	19.97
Welfare expenses	846.28	435.03
Gratuity	235.12	277.87
	12861.99	10461.05

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

Expenditure during construction	102.14	83.79

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



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
40: FINANCE COSTS		
Interest Cost		
Foreign currency loans*	135.71	209.32
Non convertible bonds	392.26	474.16
Bank borrowings - working capital	8.57	6.24
Steel development fund loans	3.50	4.08
Other bank borrowings and commercial paper	972.11	2095.94
Other borrowing costs	185.74	27.41
	1697.89	2817.15
*Including foreign exchange fluctuations loss of ₹90.96 crore (As on 31 st March, 2021: gain ₹5.47 crore).		
Expenditure on Interest & Finance charges not included above and charged to Expenditure during Construction:		
Foreign currency loans	1.89	74.71
Non convertible bonds	75.42	88.40
Steel development fund loans - Interest	1.10	1.33
Other bank borrowings	115.12	384.72
	193.53	549.16
41: OTHER EXPENSES		
Consumption of stores & spares		
Consumption	4955.49	4081.9
Less: Departmentally manufactured stores	658.59	590.99
Less: Finished products internally consumed as stores and spares	552.86	405.96
	3744.04	3084.95
Repairs & maintenance		
Buildings	254.18	217.51
Plant & machinery	1233.75	1058.19
Others	387.99	354.22
	1875.92	1629.92
Handling expenses		
Raw material	595.80	482.63
Scrap recovery	348.00	312.51
	943.80	795.14
Remuneration to auditors		
Audit fees	3.06	2.11
Tax audit fees	0.65	0.59
In other services	1.40	1.59
Out of pocket expenses	0.50	0.19
	5.61	4.48
Allowances		
Doubtful debts, loans and advances	98.24	92.69
Investments	-	1.58
Stores, spares and sundries	266.58	167.73
Power and fuel	6975.31	5715.89
Freight outward	2675.92	2080.01
Royalty and cess	7060.27	2399.03
Conversion charges	116.87	143.67
Demurrage & wharfage	63.02	36.44
Water charges & cess on water pollution	164.52	145.78
Insurance	74.98	70.05
Postage, telegram & telephone	15.72	15.78
Printing & stationery	9.90	8.42
Rates & taxes	81.77	39.11



41: OTHER EXPENSES (Cont...)

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
Rent	12.75	16.22
Law Charges	23.76	18.25
Security expenses	747.80	729.42
Travelling expenses	124.73	109.57
Training expenses	58.36	45.33
Expenditure on corporate social responsibility (refer note - 49.7)	94.71	47.67
Foreign exchange fluctuations (net)	216.85	-
Loss on sale/scrapping of fixed assets (net)	21.71	37.74
Cost audit fee and reimbursement of expenses	0.10	0.09
Write-offs - Miscellaneous	0.09	15.81
Handling expenses - finished goods	193.89	173.53
Commission to selling agents	15.86	14.98
Export sales expenses	140.60	188.50
Miscellaneous	839.07	595.81
	26662.75	18423.59

41a: EXCEPTIONAL ITEMS

Voluntary retirement compensation	-	103.70
Entry tax and other dues	-	167.54
Covid-19 impact reversal of iron ore fines (sub-grade)	-	(329.67)
Others [Refer Note 47.8(a)]	353.41	-
	353.41	(58.43)

41b: EARNING PER SHARE

Profit for the year (₹ in crore)	12243.47	4148.13
Number of equity shares	4130525289	4130525289
Earning per share - basic and diluted (₹)	29.64	10.04
Face value per equity share (₹)	10.00	10.00

42. FINANCIAL INSTRUMENTS

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	172.85	172.85
Total financial assets	-	-	172.85	172.85
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-



Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	254.40	-	254.40
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	147.98	147.98
Total financial assets	-	254.40	147.98	402.38
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

iii) Financial assets and liabilities - for which fair values are disclosed

(₹ in crore)

	Level 1	As at 31 st March, 2022		As at 31 st March, 2021	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial assets					
Loans	Level-3	602.71	837.83	672.94	843.81
Derivative financial assets	Level-2	-	-	254.40	254.40
Equity instruments					
Quoted	Level-1	-	-	-	-
Unquoted*	Level-3	172.85	172.85	147.98	147.98
Total financial assets		775.56	1010.68	1075.32	1246.19
Financial liabilities					
Borrowings (including lease liability)	Level-3	18616.43	18468.09	39344.57	39495.91
Other payables	Level-3	11722.48	11841.54	10531.91	10660.46
Derivative liability	Level-2	-	-	-	-
Total financial liabilities		30338.91	30309.64	49876.48	50156.37

* Already at fair value

(iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Fair value of interest swap is determined based on dealer or counterparty quotes for similar instruments
- Fair value of forward foreign exchange contract and principal swap is determined using forward rate at balance sheet date.
- The carrying value of borrowings bearing variable interest rate are considered to be representative of their fair value.
- The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- Fair value of fixed interest rate financial assets and liabilities carried at amortised cost (including lease obligations) is determined by discounting the cash flows using a discount rate equivalent to market interest rate applicable to similar assets and liabilities as at the balance sheet date.

(v) Unquoted investments:

Fair value estimates of unquoted equity investments are included in level-3 and are based on information relating to value of investee Group's net assets. For investments in co-operative societies, the Group has determined that cost is appropriate estimate of fair value, therefore, there have been no changes on account of fair values.

vi) The following table presents the changes in value of financial instruments measured at fair value using level 3 inputs:

(₹ in crore)

Unlisted equity securities	
As at 31st March, 2020	131.31
Gains/losses recognised in other comprehensive income	16.67
As at 31st March, 2021	147.98
Gains/losses recognised in other comprehensive income	24.87
As at 31st March, 2022	172.85

43. FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

(₹ in crore)

Particulars	As at 31 st March, 2022			As at 31 st March, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Equity instruments	-	172.85	-	-	147.98	-
Trade receivables	-	-	4770.85	-	-	8169.44
Cash and cash equivalents	-	-	131.54	-	-	518.28
Other Bank Balances	-	-	654.52	-	-	278.07
Loans	-	-	602.71	-	-	672.94
Derivative financial assets	-	-	-	254.40	-	-
Other receivables	-	-	1577.11	-	-	1679.85
Total	-	172.85	7736.73	254.40	147.98	11318.58
Financial liabilities						
Borrowings (including lease liability)	-	-	18616.43	-	-	39344.57
Trade payable	-	-	16925.17	-	-	8046.75
Other payables	-	-	11722.48	-	-	10531.91
Total	-	-	47264.08	-	-	57923.23

ii) Risk Management

The Group, its Joint Ventures & Associate is exposed to various risks in relation to financial instruments. The Group, its Joint Ventures & Associate's financial asset and liabilities by category are summarised in note 43 (i). The main types of risks are market risk, credit risk and liquidity risk. The Group's, its Joint Venture's & Associate's risk management is co-ordinated at its headquarters, in close co-operation with the Board of Directors, and focuses on actively securing the Group's, its Joint Venture's & Associate's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long term financial investments are managed to generate lasting returns. The Group, its Joint Ventures & Associate does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group, its Joint Ventures & Associate is exposed are described below.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the parent Company. The Group, its Joint Ventures & Associate is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's, its Joint Venture's & Associate's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- Cash and cash equivalents
- Derivative financial instruments
- Trade receivables
- Other financial assets measured at amortized cost

The Group, its Joint Ventures & Associate continuously monitor defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's, its Joint Venture's & Associate's policy is to deal only with creditworthy counterparties.

a) Credit risk management

Cash and cash equivalent

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Credit risk related to derivative financial instruments is also managed by only entering into such arrangement with highly rated banks or financial institutions as counterparties. The Group, its Joint Ventures & Associate diversifies its holdings with multiple counterparties.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees from customers where credit risk is high. The Group, its Joint Ventures & Associate closely monitors the credit-worthiness of the debtors and only sells goods to credit-worthy parties. The Group's its Joint Venture's & Associate's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.



Foreign currency risk exposure:

The Group's, its Joint Venture's & Associate's significant exposures to foreign currency risk at the end of the reporting period expressed in ₹ crore are as follows: (₹ in crore)

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	149.70	-	183.03	-
Cash and cash equivalents	-	-	-	-
Other Bank Balances	-	-	-	-
Loans	-	-	-	-
Derivative financial assets (gross amounts, to hedge borrowings)	-	-	-	-
Net exposure to foreign currency risk (assets)	149.70	-	183.03	-
Financial liabilities				
Borrowings	-	310.51	2285.28	343.29
Trade payable	11257.64	84.71	2825.55	351.48
Other payables	179.76	230.10	27.18	75.92
Net exposure to foreign currency risk (liabilities)	11437.40	625.32	5138.01	770.69

Sensitivity

The following table illustrates the sensitivity of profit and equity in regard to the Group's, its Joint Venture's & Associate's financial assets and financial liabilities and the USD/INR exchange rate and EUR/INR exchange rate 'all other things being equal'. It assumes a +/- 4.65% change of the INR/USD exchange rate for the year ended at 31st March, 2022 (2021: 4.69%). A +/- 5.63% change is considered for the INR/EUR exchange rate (2021: 6.78%). Both of these percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's, its Joint Venture's & Associate's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
USD sensitivity		
INR/USD- increase by 4.65% (31 st March 2022)	529.39	-
INR/USD- decrease by 4.65% (31 st March 2022)	(529.39)	-
INR/USD- increase by 4.69% (31 st March 2021)	-	280.02
INR/USD- decrease by 4.69% (31 st March 2021)	-	(280.02)
Euro sensitivity		
INR/EUR- increase by 5.63% (31 st March 2022)	42.40	-
INR/EUR- decrease by 5.63% (31 st March 2022)	(42.40)	-
INR/EUR- increase by 6.78% (31 st March 2021)	-	58.35
INR/EUR- decrease by 6.78% (31 st March 2021)	-	(58.35)

b) Interest rate risk

The Group's, its Joint Venture's & Associate's policy is to minimise interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually at fixed rates. At 31st March, 2022, the Group, its Joint Ventures & Associate is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates. The Group's, its Joint Venture's & Associate's investments in bonds all pay fixed interest rates. The exposure to interest rates for the Group's, its Joint Venture's & Associate's money market funds is considered immaterial. The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2021: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

i) Liabilities

The Group's, its Joint Venture's & Associate's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31st March, 2022, the Group, its Joint Ventures & Associate is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Variable rate borrowing (excluding exposures offset by derivatives)	8052.98	3898.45
Fixed rate borrowing	5332.67	28321.98
Total borrowings	13385.65	39344.57

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Interest rate sensitivity		
Interest rates-increase by 100 basis points	80.53	38.98
Interest rates-decrease by 100 basis points	(80.53)	(38.98)



ii) Assets

The Group's, its Joint Venture's & Associate's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the financial assets:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Variable rate deposits/ loans	-	-
Fixed rate deposits/ loans	1257.23	951.01
Total deposits	1257.23	951.01

c) Price risk**Exposure**

The Group is exposed to other price risk in respect of its investment shares of other companies (see Note 8). The Group does not consider changes in value of its investments in shares as significant, therefore is not exposed to price risks on exposures outstanding on the balance sheet date.

44. Capital management

The Group's, its Joint Venture's & Associate's capital management objectives are

- to ensure the Group's, its Joint Venture's & Associate's ability to continue as a going concern.
- to provide an adequate return to shareholders

The Group, its Joint Ventures & Associate monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's, its Joint Venture's & Associate's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's, its Joint Venture's & Associate's various classes of debt. The Group, its Joint Ventures & Associate manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group, its Joint Ventures & Associate may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Net debts	17830.37	38548.22
Total equity	54211.68	45406.22
Net debt to equity ratio	0.33	0.85

Dividends

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Equity shares		
(i) Interim dividend for the year ended 31 st March, 2022 paid as under:	2684.84	413.05
a) 1 st dividend @ ₹4 per equity share for total amount of ₹1652.21 crore		
b) 2 nd dividend @ 2.50 per equity share for total amount of ₹1032.63 crores		
(ii) Final dividend not recognised at the end of the reporting period.	929.37	743.50

44A. Details of Subsidiaries, Joint Ventures and Associates

S. No.	Name	Relationship	Nature of activity	Principal Place of Incorporation	Principal Place of Business	Proportionate Ownership in %	
						As at 31 st March, 2022	As at 31 st March, 2021
1	SAIL Refractory Company Limited	Subsidiary	Refractory Material production	India	India	100%	100%
2	SAIL Sindri Projects Limited	Subsidiary	Cement production	India	India	-	100%
3	Chhattisgarh mega steel limited	Subsidiary	Steel production	India	India	74%	74%
4	NTPC SAIL Power Company Ltd	Joint-ventures	Power Production	India	India	50%	50%
5	Bokaro Power Supply Co. Pvt. Ltd.	Joint-ventures	Power Production	India	India	50%	50%
6	Mjunction Services Limited	Joint-ventures	Consultancy services	India	India	50%	50%
7	SAIL Bansal Service Centre Ltd	Joint-ventures	Consultancy services	India	India	40%	40%
8	Bhilai Jaypee Cement Limited	Joint-ventures	Cement production	India	India	26%	26%
9	S&T Mining Co. Pvt. Limited	Joint-ventures	Coal Mining	India	India	-	50%
10	International Coal Ventures Private Ltd.	Joint-ventures	Coal Mining	India	Mozambique	47.82%	47.82%
11	SAIL-MOIL Ferro Alloys Private Ltd.	Joint-ventures	Ferro Manganese production	India	India	-	50%
12	SAIL SCI Shipping Pvt. Limited	Joint-ventures	Logistics	India	India	-	50%
13	SAIL SCL Kerala Limited	Joint-ventures	Steel production	India	India	49.26%	49.26%
14	SAIL RITES Bengal Industry Pvt. Ltd.	Joint-ventures	Railway Wagon Production	India	India	50%	50%
15	SAIL Kobe Iron India Pvt. Limited	Joint-ventures	Steel production	India	India	50%	50%
16	SAIL-BENGAL Alloy Castings Private Ltd.	Joint-ventures	Alloy Casting	India	India	-	50%
17	Prime Gold-SAIL JVC Limited	Joint-ventures	Steel production	India	India	26%	26%
18	VSL SAIL JVC Limited	Joint-ventures	Alloy Casting	India	India	20.58%	20.58%



44A. Details of Subsidiaries, Joint Ventures and Associates (Contd...)

S. No.	Name	Relationship	Nature of activity	Principal Place of Incorporation	Principal Place of Business	Proportionate Ownership in %	
						As at 31 st March, 2022	As at 31 st March, 2021
19	Abhinav SAIL JVC Limited	Joint-ventures	Alloy Casting	India	India	26%	26%
20	NMDC SAIL Limited	Joint-ventures	Railway Project	India	India	-	49%
21	Bastar Railway Private Limited	Joint-ventures	Railway Project	India	India	12%	12%
22	GEDCOL SAIL Power Corporation Ltd.	Joint-ventures	Power Production	India	India	26%	26%
23	Almora Magnesite Limited	Associate	Magnesite Mining	India	India	20%	20%

44B. Summarised financial information of equity method investees
Joint ventures individually significant
NTPC SAIL Power Company Limited

(₹ in crore)

Summarized balance sheet		31 st March, 2022	31 st March, 2021
Current assets			
Cash and cash equivalents		45.07	83.37
Other assets		630.00	653.62
		675.07	736.99
Non-current assets		4,606.97	4,322.95
Current Liabilities			
Financial liabilities (excluding provisions)		1,192.71	608.80
Other Liabilities		160.07	127.68
		1,352.78	736.48
Non-Current liabilities			
Financial liabilities (excluding provisions)		865.98	1,418.54
Other liabilities		6.07	5.67
		872.05	1,424.21
Net Assets		3,057.21	2,899.25
Ownership Interest		50.00%	50.00%
Carrying Amount of Interest		1,528.61	1,449.63
Summarized statement of profit and loss			
Revenue		2,955.34	2,758.15
Depreciation and amortisation		138.71	139.93
Interest income		8.06	5.98
Interest Expense		9.10	9.31
Income tax expense or income		13.03	16.57
Profit or loss from continuing operations.		358.00	348.68
Post-tax profit or loss from discontinued operations.		-	-
Other comprehensive income.		(0.04)	0.30
Total comprehensive income.		357.96	348.98
Ownership interest		50.00%	50.00%

Mjunction Services Limited

Summarized balance sheet			
Current assets.			
Cash and cash equivalents		16.39	15.69
Other assets		444.48	414.18
		460.87	429.87
Non-current assets		82.49	125.23
Current Liabilities			
Financial liabilities (excluding provisions)		275.56	192.17
Other Liabilities		7.95	23.53
		283.51	215.70
Non-Current liabilities			
Financial liabilities (excluding provisions)		11.44	0.74
Other liabilities		1.97	12.74
		13.41	13.48
Net Assets		246.44	325.92
Ownership Interest		50.00%	50.00%
Carrying Amount of Interest		123.22	162.96



44B. Summarised financial information of equity method investees (contd...)

(₹ in crore)

Mjunction Services Limited

Summarized statement of profit and loss	31 st March, 2022	31 st March, 2021
Revenue	300.99	282.46
Depreciation and amortisation	11.43	10.83
Interest income	14.88	-
Interest Expense	-	-
Income tax expense or income	24.62	18.82
Profit or loss from continuing operations.	67.75	40.29
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	0.77	(0.97)
Total comprehensive income.	68.52	39.32
Ownership interest	50.00%	50.00%

International Coal Ventures Limited

Summarized balance sheet		
Current assets.		
Cash and cash equivalents	34.84	11.37
Other assets	26.69	184.30
	61.53	195.67
Non-current assets	2,656.57	2,401.22
Current Liabilities		
Financial liabilities (excluding provisions)	323.28	303.93
Other Liabilities	0.11	0.32
	323.39	304.25
Non-Current liabilities		
Financial liabilities (excluding provisions)	-	-
Other liabilities	17.25	16.54
	17.25	16.54
Net Assets	2,377.46	2,276.10
Ownership Interest	47.82%	47.82%
Carrying Amount of Interest	1,136.90	1,088.43

Summarized statement of profit and loss		
Revenue	17.80	176.22
Depreciation and amortisation	0.01	0.04
Interest income	0.39	0.39
Interest Expense	4.34	5.02
Income tax expense or income	-	-
Profit or loss from continuing operations.	(23.18)	154.38
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	114.92	(248.10)
Total comprehensive income.	91.74	(93.72)
Ownership interest	47.82%	47.82%

Bokaro Power Supply Co. Ltd

Summarized balance sheet		
Current assets		
Cash and cash equivalents	0.71	39.49
Other assets	561.79	470.95
	562.50	510.44
Non-current assets	500.98	581.43
Current Liabilities		
Financial liabilities (excluding provisions)	59.16	128.47
Other Liabilities	40.19	31.03
	99.35	159.50
Non-Current liabilities		
Financial liabilities (excluding provisions)	4.95	7.88
Other liabilities	45.23	65.68
	50.18	73.56
Net Assets	913.95	858.81
Ownership Interest	50.00%	50.00%
Carrying Amount of Interest	456.98	429.41



44B. Summarised financial information of equity method investees (contd...)

(₹ in crore)

Bokaro Power Supply Co. Ltd

Summarized statement of profit and loss	31 st March, 2022	31 st March, 2021
Revenue	777.06	842.02
Depreciation and amortisation	0.37	0.37
Interest income	-	-
Interest Expense	1.97	3.09
Income tax expense or income	18.80	18.50
Profit or loss from continuing operations.	78.73	85.94
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	(0.19)	-
Total comprehensive income.	78.54	85.94
Ownership interest	50.00%	50.00%

Bhilai Jaypee Cement Limited

Summarized balance sheet		
Current assets		
Cash and cash equivalents	2.82	3.82
Other assets	38.02	44.88
	40.84	48.70
Non-current assets	616.12	627.05
Current Liabilities		
Financial liabilities (excluding provisions)	190.06	114.79
Other Liabilities	174.62	184.19
	364.68	298.98
Non-Current liabilities		
Financial liabilities (excluding provisions)	1.59	1.51
Other liabilities	438.75	462.03
	440.34	463.54
Net Assets	(148.06)	(86.77)
Ownership Interest	26.00%	26.00%
Carrying amount of Interest	(38.50)	(22.56)

Summarized statement of profit and loss		
Revenue	218.87	310.35
Depreciation and amortisation	35.21	34.43
Interest income	0.44	-
Interest Expense	5.29	7.24
Income tax expense or income	(21.15)	2.82
Profit or loss from continuing operations.	(61.01)	(7.54)
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	(0.28)	0.04
Total comprehensive income.	(61.29)	(7.50)
Ownership interest	26.00%	26.00%

Summarised financial information for Joint Ventures not individually significant

Summarized statement of profit and loss		
Profit or loss from continuing operations.	(19.11)	(3.90)
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	-	-
Total comprehensive income.	(19.11)	(3.90)

Associates, not individually significant

Summarized statement of profit and loss		
Profit or loss from continuing operations.	0.38	(1.37)
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	-	-
Total comprehensive income.	0.38	(1.37)



44B. Summarised financial information of equity method investees (contd...)

(₹ in crore)

	31 st March, 2022	31 st March, 2021
The unrecognised share of losses of joint ventures, both for the reporting period and cumulatively, where SAIL has stopped recognising its share of losses of the joint venture when applying the equity method		
SAIL MOIL Ferro Alloys Private Limited- Reporting	-	(0.04)
SAIL MOIL Ferro Alloys Private Limited -Cumulative	-	6.89
SAIL SCL Kerala Limited - Reporting	9.04	9.11
SAIL SCL Kerala Limited - Cumulative	54.82	45.78
S&T Mining Pvt Limited - Reporting	0.14	0.43
S&T Mining Pvt Limited - Cumulative	5.98	5.84
SAIL Bengal Alloy Casting Private Limited-Reporting	-	-
SAIL Bengal Alloy Casting Private Limited-Cumulative	-	0.02
Dividend Received from the Joint Ventures		
NTPC SAIL Power Company Limited	100.00	50.00
Mjunction Services Limited	75.00	6.60
SAIL Bansal Service Center Limited	-	0.08
Bokaro Power Supply Co. Limited	12.40	15.50

44C. Details of Subsidiaries, Joint Ventures and Associates

44.C.1 The name of two of the subsidiary companies, SAIL Jagadishpur Power Plant Limited and SAIL Sindri Projects Limited have been struck off from the register of MCA . The financial statements/ information in respect of these two subsidiary companies as of year ended 31st March, 2022 are not available. Considering the above, the assets and liabilities as at 31st March, 2022 and revenues and expenditures for the year ended 31st March, 2022 have not been considered in the Consolidated Ind AS Financial Statements.

The name of five of the Jointly controlled entities, NMDC-SAIL Limited, SAIL SCI Shipping Private Limited, SAIL-BENGAL Alloy Castings Private Ltd., SAIL-MOIL Ferro Alloys Private Ltd. and North bengal Dolomite Limited have been struck off from the register of MCA . The financial statements/ information in respect of these five Jointly controlled entities as of year ended 31st March, 2022 are not available. Considering the above, the share of net worth for the year ended 31st March, 2022 have not been considered in the Consolidated Ind AS Financial Statements.

Investment in S&T Mining Co. Limited has been sold off during the FY 2021-22. The financial statements/ information in respect of this Jointly controlled entities as of year ended 31st March, 2022 is not available. Considering the above, the share of net worth for the year ended 31st March, 2022 have not been considered in the Consolidated Ind AS Financial Statements.

44.C.2 Investment in Jointly controlled entities of the Group as detailed below has been fully provided for as at 31st March, 2022 . The share of profit/loss in respect of these joint ventures has been considered at Nil:

Name of the Jointly Controlled Entities

- 1 VSL SAIL JVC Limited
- 2 SAIL Bansal Service Centre Ltd
- 3 SAIL Kobe Iron India Pvt. Limited

Jointly controlled entities of the Group as detailed below are under liquidation/closure/resolution.

Subsidiary/ Jointly controlled entities of ICVL (Joint Venture Entity):

- 1 Benga Power Plant (Mauritius) Limited
- 2 Promark Services Limited
- 3 ICVL Venture (Mauritius) Limited
- 4 Benga Energia SA



44.C.3 In respect of one subsidiary of the Group and ten jointly controlled entities, as detailed below, certain accounting policies are not consistent with that of the Group's accounting policies. The effect on the profit/ loss of these jointly controlled entities due to inconsistency in accounting policy with that of the group is not material.

(₹ in crore)

Sl No.	Name of the Jointly Controlled Entities	Details of Differing Accounting Policy in comparison to Accounting Policy of the Holding Company
1	SAIL Refractory Company Limited - Subsidiary	Note No. 3.1.3: Depreciation on certain assets are provided on the basis of estimated useful life, which is different from SAIL. No monetary limit on capitalization of Capital Repairs
2	mjunction services limited - Jointly controlled entity	Note No. 2.4: Intangible assets (software) are amortised over a period of three years.
3	International Coal Ventures Private Limited - Jointly controlled entity	Note No. 3.2.2: Major repairs of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits of the costs incurred will flow to the Group. Note No. 3.2.3: Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.
4	SAIL & MOIL Ferro Alloys Private Limited- Jointly controlled entity	Note No. 12(B)(d)(iv): Depreciation on addition/deletion during the year is provided on pro-rata basis with reference to the month of addition/ deletion j) Adjustment Pertaining to earlier years
5	NTPC-SAIL Power Company Limited- Jointly controlled entity	Note No. 1.1: No monetary limit on capitalization of Capital Spares Note No. 1.2: No monetary limit on capitalization of Capital Repairs Note No. 1.5: Depreciation on certain assets are provided on the basis of estimated useful life, which is different from SAIL. Note No. 3.4: Amortization of software is done for 3 years or legal right to use, whichever is less Note No. 7: Valuation of Inventory Note No. 19: Prior Period Adjustment
6	SAIL-RITES Bengal Wagon Industry private Limited- Jointly controlled entity	Note No. 3.5: Basis of valuation of inventory is different from SAIL. Note No. 3.11: Policy different from SAIL
7	S & T Mining Company Private Limited- Jointly controlled entity	Note No.1: Going Concern is not applicable on S&T Mining Note No 2.3: PPE Note No 2.4: Intangible Assets life Note No. 2.5: Depreciation on certain assets are provided on the basis of estimated useful life, which is different from SAIL. Note No. 2.12 : Revenue
8	Bokaro Power Supply Co. Pvt. Ltd.	Note No. 4.1- PPE- Initial Recognition and Measurement Note No.4.2 Derecognition Note No.4.3 Depreciation Note No.6.1 Life of Software Note No.9 Inventories Note No.13 Revenue Recognition Note No.14 Liquidated Damage Note No.24 Dividend Note No.25 Prior Period items
9	Bhilai Jaypee Cement Limited	Note No. 2.9 Property, Plant & Equipment Note No. 2.11 Intangible Assets Note No. 2.16 Inventories
10	GEDCOL SAIL Power Corporation Ltd.	g. The estimated useful life of Computer is 3 years
11	SAIL SCL Kerela Limited	b) Basis of preparation e) Depreciation g) Cash and Cash equivalent i) Inventories



44.C.4 Under equity method, investment in a Joint venture/Associate is not calculated on a line by line method unlike in the case of subsidiaries. Therefore, only profit/loss element on closing stock of purchase/sale from jointly controlled entities is to be considered for elimination. SAIL mainly purchases power from its Joint ventures which has no closing stock. Further, transactions with other Jointly controlled entities is very immaterial and it is also not practically possible to compute profit/loss on the same.

44D. Information required by Schedule III of the Companies Act 2013, with respect to consolidated financial statements

(₹ in crore)

For the year ended 31 st March, 2022	Net Worth			Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
Name of the entity in the group	Ownership in % As at 31 st March, 2022	Proportionate Share	As % of Consolidated Net Worth	Share in Profit/ (Loss)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Consolidated Total Comprehensive Income
Steel Authority of India	100	47,886.61	88.33%	12,015.04	98.13%	(64.45)	665.82%	11,950.59	97.69%
Subsidiaries									
SAIL Refractory Company Limited	100	164.08	0.30%	19.66	0.16%	0.31	-3.20%	19.97	0.16%
Chhattisgarh mega steel limited	74	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Joint-ventures									
NTPC SAIL Power Company Ltd	50	1,718.61	3.17%	179.00	1.46%	(0.02)	0.21%	178.98	1.46%
Bokaro Power Supply Co. Pvt. Ltd.	50	569.75	1.05%	39.37	0.32%	(0.10)	0.98%	39.27	0.32%
Mjunction Services Limited	50	136.42	0.25%	34.88	0.28%	0.38	-3.93%	35.26	0.29%
SAIL Bansal Service Centre Ltd	40	1.23	0.00%	0.25	0.00%	-	0.00%	0.25	0.00%
Bhilai Jaypee Cement Limited	26	19.84	0.04%	(9.34)	-0.08%	(0.07)	0.75%	(9.41)	-0.08%
International Coal Ventures Private Ltd.	47.82	1,136.14	2.10%	(11.08)	-0.09%	54.20	-559.91%	43.11	0.35%
SAIL SCL Kerala Limited	49.26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL RITES Bengal Industry Pvt. Ltd.	50	30.82	0.06%	0.81	0.01%	-	0.00%	0.81	0.01%
SAIL Kobe Iron India Pvt. Limited	50	0.25	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Prime Gold-SAIL JVC Limited	26	3.39	0.01%	-	0.00%	-	0.00%	-	0.00%
VSL SAIL JVC Limited	20.58	1.02	0.00%	-	0.00%	-	0.00%	-	0.00%
Abhinav SAIL JVC Limited	26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
GEDCOL SAIL Power corp. Ltd.	26	2.61	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Bastar Railway Private Limited	12	35.34	0.07%	(0.11)	0.00%	-	0.00%	(0.11)	0.00%
Associates							0.00%		
Almora Magnesite Limited	20	1.38	0.00%	0.08	0.00%	-	0.00%	0.08	0.00%
Non-controlling interest		-	-	-	-	-	-	-	-
Consolidation adjustments		2,504.24	4.62%	(25.04)	-0.20%	0.07	-0.71%	(24.97)	-0.20%
Grand total		54,211.69	100.00%	12,243.47	100.00%	(9.68)	100.00%	12,233.79	100.00%

44E. Information required by Schedule III of the Companies Act 2013, with respect to consolidated financial statements

For the year ended 31 st March, 2021	Net Worth			Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
Name of the entity in the group	Ownership in % As at 31 st March, 2021	Proportionate Share	As % of Consolidated Net Worth	Share in Profit/ (Loss)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Consolidated Total Comprehensive Income
Steel Authority of India	100	39,364.35	86.69%	3,850.02	92.81%	280.53	174.35%	4,130.55	95.86%
Subsidiaries									
SAIL Refractory Company Limited	100	138.68	0.31%	14.22	0.34%	(1.71)	-1.06%	12.51	0.29%
SAIL Sindri Projects Limited	100	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Chhattisgarh mega steel Limited	74	0.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Joint-ventures									
NTPC SAIL Power Company Ltd	50	1,639.63	3.61%	174.34	4.20%	0.15	0.09%	174.49	4.05%
Bokaro Power Supply Co. Pvt. Ltd.	50	542.88	1.20%	42.97	1.04%	-	0.00%	42.97	1.00%
Mjunction Services Limited	50	176.16	0.39%	18.28	0.44%	0.01	0.01%	18.29	0.42%
SAIL Bansal Service Centre Ltd	40	0.98	0.00%	0.22	0.01%	-	0.00%	0.22	0.01%
Bhilai Jaypee Cement Limited	26	-	0.00%	(9.34)	-0.23%	0.01	0.00%	(9.33)	-0.22%
S&T Mining Co. Pvt. Limited	50	-	0.00%	-	0.00%	-	0.00%	-	0.00%
International Coal Ventures Private Ltd.	47.82	1,088.43	2.40%	73.82	1.78%	(118.64)	-73.74%	(44.82)	-1.04%
SAIL-MOIL Ferro Alloys Private Ltd.	50	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL SCI Shipping Pvt. Limited	50	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL SCL Kerala Limited	49.26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL RITES Bengal Industry Pvt. Ltd.	50	30.01	0.07%	1.24	0.03%	-	0.00%	1.24	0.03%
SAIL Kobe Iron India Pvt. Limited	50	0.26	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL-BENGAL Alloy Castings Private Ltd.	50	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Prime Gold-SAIL JVC Limited	26	5.27	0.01%	(0.34)	-0.01%	-	0.00%	(0.34)	-0.01%
VSL SAIL JVC Limited	20.58	1.02	0.00%	-	0.00%	-	0.00%	-	0.00%
Abhinav SAIL JVC Limited	26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
NMDC SAIL Limited	49	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TMT SAL SAIL JV Limited	26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAL SAIL JVC Limited	26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
GEDCOL SAIL Power corp. Ltd.	26	2.61	0.01%	0.01	0.00%	-	0.00%	0.01	0.00%
Bastar Railway Private Limited	12	35.44	0.08%	0.06	0.00%	-	0.00%	0.06	0.00%
Associates							0.00%		
Almora Magnesite Limited	20	1.31	0.00%	(0.27)	-0.01%	-	0.00%	(0.27)	-0.01%
Non-controlling interest				-				-	
Consolidation adjustments		2,379.18	5.24%	(17.09)	-0.41%	0.55	0.34%	(16.54)	-0.38%
Grand total		45,406.23	100.00%	4,148.13	100.00%	160.90	100.00%	4,309.03	100.00%



(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021

45: DETAILS OF ASSETS PLEDGED**Current**

Inventories and trade receivables (to the extent pledged) **3302.98** 3504.00

Non Current

Plant & Machinery (movable assets) - RSP (to the extent of pledged). **4100.00** 12267.42

Land at Mouje-Wadej of city taluka, District Ahmedabad, Gujarat and
Plant & Machinery - ISP including land on which it stands. **3547.00** 5118.00

46: EFFECTIVE TAX RECONCILIATION

Profit before tax **16291.87** 7205.65

Domestic tax rate **25.168%** 25.168%

Expected tax expense [A] **4100.34** 1813.52

Adjustment for tax-exempt income/non-deductible expenses **33.00** 11.87

Adjustment for difference tax rate items - (14.57)

Tax related to earlier years **(45.95)** 1287.94

Others **(38.99)** (41.23)

Total adjustments [B] **(51.94)** 1244.01

Actual tax expense [C=A+B] **4048.40** 3057.53

Tax expense comprises:

Current tax **7.25** 16.35

Deferred tax charge **4041.15** 3041.17

Tax expense recognized in Statement of profit and loss **4048.40** 3057.52

47.1 CONTINGENT LIABILITIES

(₹ in crore)

	As at 31 st March, 2022	As at 31 st March, 2021
(i) Claims against the Group pending appellate/judicial decisions	36115.34	33597.55
(ii) Other claims against the Group not acknowledged as debt	5568.25	3886.76
(iii) Disputed income tax/service tax/other demand on joint venture Group for which Group may be contingently liable under the joint venture agreement.	48.86	61.63
(iv) Bills drawn on customers and discounted with banks.	39.84	255.35
(v) Price escalation claims by contractors/suppliers and claims by employees.	309.34	336.32

- 47.2** a) The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11.11.2016, has upheld the constitutional validity of levy of Entry Tax Acts enacted by various States and has laid down principles/tests for consideration for deciding the specific issues related to levy of Entry Tax. As on 31st March, 2022, the matters are pending before Regular Benches of Hon'ble Supreme Court/Jurisdictional High Courts/assigned authorities in this regard. Pending decisions by the regular Benches of other Courts on levy of Entry Tax in the States of Chhattisgarh, Odisha and Jharkhand, the Entry Tax demands under dispute of ₹1092.28 crore, ₹241.00 crore and ₹86.23 crore respectively upto 31st March, 2022 aggregating to ₹1419.51 crore (previous year 1092.28 crore, ₹241.00 crore and ₹40.14 crore respectively upto 31st March, 2021 aggregating to ₹1373.42) have been treated as contingent liabilities and included in Note No. 47.1 (i) above.
- b) Hon'ble Supreme Court dismissed the SLP by the Group (pertaining to Bokaro Steel Plant) in respect of dispute with Damodar Valley Corporation (DVC) related to provisional tariff petition of electricity charges for 2009-14 vide order dated 18th January, 2017, keeping the question of law open. The Order of Central Electricity Regulatory Commission (CERC) dt.7/8/2013 related to Tariff of 2009-14 against Petition No.275/GT/2012 has been challenged before Appellate Tribunal for Electricity (APTEL) (Appeal No.18 of 2014) in which the Group has also intervened and the order of APTEL is pending. Further, in respect of the civil appeal filed by Damodar Valley Corporation (DVC) pertaining to tariff of Financial Year 2004-05 to 2008-09 against the order of the Appellate Tribunal for Electricity (APTEL), the Hon'ble Supreme Court of India dismissed the appeal vide its Order dated 3rd December, 2018 which can also have effect on future tariff orders in view of consideration of certain parameters for fixation of tariff. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. For the State of Jharkhand where the dispute of ₹587.72 crore arises, DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and



also seeking adjustment of Revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Group has also filed their objections on 28.12.2020 to the aforesaid Application of DVC. Pending fixation of such Electricity Tariffs, disputed claims of DVC of ₹587.72 crore upto 31st March, 2022 (upto 31st March, 2021, ₹587.72 crore) has been treated as Contingent Liability and included in Note No. 47.1(i) above. Against the said claims, the entire amount has been paid to DVC and retained as advance. Further from 1st April, 2017 onwards full invoice value is being paid and charged to revenue.

- 47.3** Under the Jharkhand Mineral Area Development Authority (Amendment) Act, 2015, the State Government of Jharkhand has made a demand of ₹4690.37 crore upto 31st March, 2022 (upto 31st March, 2021 ₹4356.65 crore) towards "Market Fee" on transaction value of coal, iron and steel items. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(i) above.

The Mineral (Mining by Government Company) Rules 2015 (the "MMGC Rules") were notified by GOI on 03.12.2015. Although no provision was made for realization of any money for extension of the leases in the said Rules, demands for payment under the MMGC Rules 2015 in respect of Duargaiburu lease of Gua, Amalgamated leases of Kiriburu-Meghahatuburu and Dhobil lease of Chiria were raised by the District Mining Officer (DMO), Chaibasa, Jharkhand. The collective demand for payment against the notices was about ₹2980 Crore. GROUP challenged the demand notices through the filing of Writ Petitions in Hon. High Court of Jharkhand in December 2019. Hon. High Court vide order dated 18.12.2019/20.12.2019 stayed the operation of such demand notices. In the meantime, the Government of Jharkhand sought clarification in respect of right/claim to raising of demand under Rule 5 of Mineral(Mining by Government Company) Rule, 2015(MMGC) from the Ministry of Mines, Govt. of India. The Ministry of Mines, GOI vide letter dated 29.01.2021 clarified MMGC Rule, 2015 do not provide for payment of the additional amount for extension of mining leases granted to a Government Company. Pending disposal of the matter by the Hon. High Court of Jharkhand, an amount of ₹4526.00 crores (₹3810.71 crore as on 31st March, 2021) has been disclosed as contingent liability in Note No. 47.1(i) above.

- 47.4** In its judgement, the Central Administrative Tribunal (CAT), Kolkata has directed that Ministry of Steel shall consider the aspect of payment of arrears of revised perks and allowances and take appropriate decision for payment of revised perks and allowances amounting to ₹309.34 crore to the executives for the period from 26.11.2008 to 4.10.2009. Ministry of Steel intimated the matter to the Group on 7.12.2016. A stay petition in the matter has been filed on 22.12.2016

and is pending before the Hon'ble Calcutta High Court. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(v) above.

- 47.5** Indigenous washed coking coal supplies, have been claimed by Central Coalfields Limited (CCL) at unilaterally notified price w.e.f. 14th January, 2017, which is in deviation from the mutually agreed price with the Group for the year 2016-17. The Group has accounted for the supplies based on agreed prices as per jointly signed Memorandum of Understanding, valid for supplies w.e.f. 1st April, 2016 to 31st March, 2017, between GROUP and CCL. The differential claim of CCL, amounting to ₹137.56 crore at unilaterally notified higher rates over and above MOU rates, have been disclosed as contingent liability in Note No. 47.1(ii) above.

- 47.6** (i) The Ministry of Environment & Forest and Climate Change (MoEF& CC) vide their letter No.- 11-599/ 2014-FC dated 1st April 2015 issued revised Guidelines for diversion of Forest Land for non-forest purpose under the Forest (Conservation) Act, 1980 (FC Act). These revised Guidelines stipulated that in case of existing mining leases having Forest Land (partially or fully), where approval for only a part of forest land has been obtained under the FC Act, the Central Government accorded general approval under Section-2(iii) of the FC Act for the remaining area also to be Forest Land, subject to certain conditions, which includes realising Net Present Value (NPV) for the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realised.

In this matter, as per legal opinion obtained by the Group, Section 2 (iii) of FC Act, 1980 will not apply to Government Corporation and NPV is required to be paid only for that limited area, which has been approved by MoEF& CC and in which mining activities are proposed to be done and not for the entire forest area. The matter of applicability of NPV for total forest land has been challenged by the Group in Hon'ble High Court of Jharkhand. The Hon'ble Court, in its order, has directed to place the matter before Division Bench of this Court.

A writ petition has also been filed in the Hon'ble High Court of Chhattisgarh against the demand of ₹96.28 crore received during 2017-18 from the Office of Principal Chief Conservator of Forest, Chhattisgarh.

The Group has deposited ₹96.28 crore with Principal Chief Conservator of Forest, Chhattisgarh and a Special Leave Petition has been filed in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Chhattisgarh.



The disputed amount of ₹96.28 crore has been disclosed under contingent liability in Note no.47.1.(i).

- (ii) Chhattisgarh State enacted Chhattisgarh (Adhosanrachna Vikas ewam Paryawaran) Upkar Adhiniyam, 2005 and levied Cess on the mineral extracted in the State of Chhattisgarh. BSP has filed a writ petition in the High Court of Chhattisgarh challenging the enactment as ultra vires. However, BSP has deposited of ₹190.80 crore under protest till 2021-22 and shown as deposit with Government Department. Total disputed amount of ₹190.80 crore (previous year ₹168.23 crore) is disclosed under contingent liability in Note no.47. 1.(i) .

47.7 Pursuant to the Hon'ble Supreme Court Judgment dated 2nd August, 2017 in the Common Cause matter regarding illegal mining, demand/Show cause notices have been issued for recovery of the price of minerals produced without and beyond the environmental clearances under Section 21(5) of Mines and Mineral Development Regulation Act, 1957, forest clearance under the Forest Conservation Act 1980, and towards excess production beyond consent to operate. The Group has challenged the purported demand before the High Court of Jharkhand and Odisha and obtained stay on demand.

- (a) As the matter is pending for final determination and considering the implication of existing litigation, the Group has provided as detailed below:

(i) In respect of Iron Ore, by the Government of Odisha and Government of Jharkhand amounting to ₹345.03 crore and ₹2573.03 crore (₹311.99 crore and ₹2347.52 crore as on 31st March, 2021) respectively (including interest). Based on internal assessment, the Group has provided an amount of ₹329.67 crore (₹378.65 crore as on 31st March, 2021) on estimated basis. Balance amount of ₹2588.39 crore (₹2280.86 crore as on 31st March, 2021) (including interest) has been treated as contingent liability in Note No. 47.1(i).

(ii) In respect of Flux, by the Government of Jharkhand amounting to ₹52.35 crore (₹51.01 crore as on 31st March 2021) (including interest). Based on internal assessment, the Group has provided an amount of ₹6.86 crore (₹12.20 crore as on 31st March 2021) on estimated basis. Balance amount of ₹45.49 crore (₹38.81 crore as on 31st March 2021) (including interest) has been treated as contingent liability in Note No. 47.1(i) above.

(iii) In respect of Coal, by the Government of Jharkhand amounting to ₹675.62 crore

(₹595.35 crore as on 31st March 2021) (including interest), Revision Application has been filed under Rule 55 (5) of Mineral Concessions Rule, 1960 read with Section 30 of Mines and Minerals (Development and Regulation) Act, 1957 (MMDR). The Revisional Authority, Ministry of Coal, has granted Stay to the Group. Accordingly pending disposal, the amount of ₹675.62 crore (₹595.35 crore as on 31st March 2021) (including interest) has been treated as Contingent Liability in Note No. 47.1(i) above.

- 47.8** a) In relation to a case pending before the Hon'ble Delhi High Court in respect of an award by Arbitral Tribunal, the Group is now contemplating out of court settlement. Accordingly an amount of ₹353.41 crore has been charged under exceptional item in the Statement of Profit and Loss for the Year ended 31st March, 2022.

- b) M/s JSC Cryogenmash have filed a case before Arbitral Tribunal in International Chamber of Commerce against GROUP/Bhilai Steel Plant for resolution of dispute arising out of contract. Arbitral Tribunal has awarded a sum of ₹106.92 crores on 20.07.2018 against GROUP / Bhilai Steel plant.

Against the award, the management has filed an appeal before Hon'ble High Court at Delhi which has been admitted. Pending disposal of appeal, the sum of ₹133.65 crore (including interest) has been disclosed under contingent liability in Note no 47.1(ii) above.

- 47.9** Land measuring 5.545 acres was allotted to DVC for 30 years w.e.f. 12.07.1966 on long term lease basis. The Land was given to DVC for setting up of Electrical sub-station for ensuring supply of power for the benefit of ASP. There was no lease agreement for the subsequent period, i.e., w.e.f. 13.07.1996. In absence of any agreement, the dues receivables for the said period, could not be ascertained with reasonable certainty. The same will be accounted for in the year of settlement.

- 47.10** Consequent to the order of Hon'ble Odisha High Court, Company's claim towards renewal of lease [total area of 2599.54 acre], of land at Horomoto stands rejected, except surface area of 222.54 acre for which State Govt has been directed to consider as per provisions of Law.

- 47.11** An award arising out of the Arbitration between M/S. Goyal Mg Gases Pvt. Ltd. (Claimant) And Group/Alloy Steels Plant, Durgapur (Respondent) seeking claim of ₹116.86 crore, has been received on 22.05.2020, vide SCOPE, New Delhi letter dated 18.05.2020.

By the aforesaid award, Tribunal allowed claim no. 1 and 2 of the Claimant w.r.t. differential amount



pertaining to transportation charges of Argon from DSP BOO Plant to ASP based upon market rate claimed by the Claimant and refund of withheld/ deducted amount by ASP from the bills of the Claimant on account of merchant market sale of Oxygen, Nitrogen and Argon respectively along with applicable interest thereon, out of the total claimed amount.

GROUP is in process of taking further steps for filing a petition for setting aside the award under Section 34 of the Arbitration and Conciliation Act 1996 (the Act) before the District Court/ Commercial Court, as the issues pertain to patent illegality committed by the Tribunal while giving the award.

In view of above and based on the amount quantified by the tribunal, the net disputed liability of ₹10.92 crore as on 31st March, 2022, including interest, has been shown under Contingent Liability in Note No. 47.1(i) above.

47.12 Mining operations in Group have been stopped from January 2017 for want of Environment Clearance from Ministry of Environment and Forest and Climate Change (MoEF). GROUP has submitted application for Environment Clearance to MoEF during January 2017.

MoEF has directed GROUP to obtain No Objection Certificate from Mines & Geology Department in respect of settlement of compensation amount

payable against operation of mining activities, in the absence of Environment Clearance, in terms of provision under section 21(5) of the MMDR Act 1957 as directed by the Hon'ble Supreme Court in their judgment dated 2nd August, 2017 for similar cases.

The State Government has issued three nos. of Memo vide no.ROC No.45/2018/M-5/Mines-A, ROC No.45/2018/M-6/Mines-A and ROC No.45/2018/M-7/Mines-A all dated 04.03.2020 directing GROUP to deposit ₹49.07 crore towards compensation with respect to Environment Clearance for the period from 01.04.2000 to 31.03.2017. Liability to the tune of ₹15.66 Crores for the partial period from 15.01.2016 to 10.01.2017 was made in the GROUP Accounts during the year 2018-19 as per demand received from the State Government. The balance amount of liability amounting to ₹33.41 Crores has been made in the accounts during the year 2019-20 and included under non-current liability.

Based on the Minutes of Meeting held on 2nd February, 2021 with Additional Chief Secretary, Industries, Govt. of Tamil Nadu, and other Officials and subsequent approval by the GROUP Board vide Circular Resolution No.CIR-47/01 dtd.31.12.2021, the amount of ₹36.77 crore have been paid to Govt. of Tamil Nadu during 2021-22 towards 100% compensation with respect to Environment Clearance in respect of Red Hill Mines

48.1 (A) Estimated amount of contracts remaining to be executed and not provided for (net of advances) are:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital commitments	6295.48	5545.87
Other commitments	4256.73	4282.34

(B) The Title Deeds/Lease Agreements of the following Immovable Properties (included under the line item 'Property Plant and Equipment' and 'Right of use asset') are not held in the name of the Group:

As at 31st March, 2022

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Property, Plant & Equipment	Freehold Land	0.96	Govt of West Bengal	N	1963	Pending Registration
2	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/ Bokaro Steel Plant
3	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
4	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
5	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
6	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
7	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
9	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
10	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
11	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration



Note 48.1 (B) (contd...)

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
12	Property, Plant & Equipment	Freehold Land	0.48	State Govt	N	Sept'1958	Pending receipt of Records of Rights (ROR)
13	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
14	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
15	Right of use Assets	Leasehold Land	15.07	Chhatisgarh government	N	01-03-2013	Taken up with the concerned authorities
16	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
17	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminities & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
18	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
19	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
21	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
22	Right of use Assets	Leasehold Land	147.81	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	N	01.02.2009	Litigation with UPSIDC, U.P
23	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	Since 1960s	Absence of lease agreement with Govt of Odisha

As at 31st March, 2021

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Property, Plant & Equipment	Freehold Land	33.50	Various Parties	N	Not Applicable	Pending Registration
2	Right of use Assets	Lease Hold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
3	Property, Plant & Equipment	Freehold Land	0.96	Govt. of West Bengal	N	1963	Pending ROR
4	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/Bokaro Steel Plant
5	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
6	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
7	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
9	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
10	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
11	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
12	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
13	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
14	Property, Plant & Equipment	Free Hold Land	2.50	State Govt	N	Sept'1958	Pending reconciliation with Revenue Records & receipt of Record of Rights (ROR)
15	Property, Plant & Equipment	Free Hold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
16	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per Act No. 16 of 1978)



Note 48.1 (B) (contd...)

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
17	Right of use Assets	Leasehold Land	15.07	CG government	N	01-03-2013	Taken up with the concerned authorities
18	Property, plant and Equipment	Free Hold Land	0.01	Asian Refractories	N	23106.00	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
19	Property, plant and Equipment	Free Hold Land	0.12	Assam Siliminities & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
20	Property, plant and Equipment	Free Hold Land	0.13	India Firebricks & Insulation Company Ltd.	N	22174.00	Rehabilitation on behalf of Deptt of Industries
21	Property, Plant & Equipment	Free Hold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
22	Property, Plant & Equipment	Free Hold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
23	Property, Plant & Equipment	Free Hold Land	0.24	Various Parties	N	1919-1972	Mutation is pending
24	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
25	Property, Plant & Equipment	Free Hold Land	124.74	UPSIDC and Odisha Govt.	N	01.02.2009 & since 1960s respectively	Litigation with UPSIDC, U.P and Absence of Lease Agreement with Odisha Govt.

48.2 In Respect of SAIL:

(A)

CWIP AGEING SCHEDULE

Amount of CWIP as on 31st March, 2022 from initial recognition in Balance Sheet*

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	833.02	475.39	328.31	2372.72	4009.44
2	Projects Temporarily suspended	0.12	0.65	2.23	4.28	7.28
	TOTAL	833.14	476.04	330.54	2377.00	4016.72

Amount of CWIP as on 31st March, 2021 from initial recognition in Balance Sheet*

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1137.81	1536.65	1450.21	4749.93	8874.60
2	Projects Temporarily suspended	0.00	0.01	1.32	2.55	3.88
	TOTAL	1137.81	1536.66	1451.53	4752.48	8878.48

* figures are net of provision

(B)

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE

As on 31st March, 2022

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	4.77	-	-	-
2	RENOVATION OF OLD GCP COOLING TOWER OF BLAST FURNA	5.08	-	-	-
3	Ladle Tilters at Steel Melting Shop	5.07	-	-	-
4	ESP-2 & PNEUMATIC CONVEYING SYSTEM AT SINTER PLANT	2.78	-	-	-
5	Power supply at 33KV/11KV Punabad Sub-station	8.95	-	-	-
6	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
7	Closed soft water circuit for LF-1 and LF-2 in BOF	5.98	-	-	-
8	Mechanical Shear by Oxy-fuel gas cutting torches	5.10	-	-	-
9	Cast House Tap Hole Drilling Machine and Mud Guns	11.70	-	-	-
10	Inatallation of 4 th Stove in Blast Furnace 4	4.29	-	-	-
11	dupli line of CO gas from furnace to rest of Plant	19.47	-	-	-
12	Replacement of PLC system in Blast Furnace	2.06	-	-	-
13	Recirculation of clean pit water from WAP to RM	0.50	-	-	-
14	Revamping of Cooling Tower in COCC.	-	0.02	-	-



Note 48.2 (contd...)

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
15	Installation of ASP Gas Booster in COCC	0.16	-	-	-
16	Bucket Wheel Blender in RMHP	17.17	-	-	-
17	Installation of a new coke oven Gas in COCC	-	0.07	-	-
18	Diversion of control cables in BOO oxyzen Plant	-	-	0.68	-
19	Procurement of 2 nos. Water cum Foam Fire Tender	0.01	-	-	-
20	Electro Slag Remelting Unit	3.07			
21	Portable Optical Emission Spectrometer	0.37			
22	Enterprise Procurement System	0.32			
23	Scanning Electron Microscope	4.49			
24	Development of Railway Yard	8.34			
25	Erection of 25KV AC traction at Hirapur Yard	5.60			
26	Construction of Flyover	17.40			
27	Interplant By Pass Pipeline to BF#05	4.53			
28	Recycle of waste water from Sinter Plant & PBS including TRT	5.99			
29	Recycle of waste water from CCP,RHF,WRBM,USM, CCAS & Oxygen plant	5.23			
30	Recycle of waste water from BF,BOF & PBS seal pot	4.10			
31	Sewerage Treatment Plant	5.24			
32	Heavy Mould Handling System at SRU RRRP	1.44			
	Projects Temporarily suspended				
1	Wheel Handling System for Dynamic Wheel Balancing	-	-	0.66	-
2	Additional drinking Water Supply lines in DSP Town	6.36	-	-	-

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE

As on 31st March, 2021

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	-	4.77	-	-
2	Power Evacuation System for 2x20 MW NPP	51.82	-	-	-
3	New Rotary Hearth Furnace Reheating Furnace WESMAN	35.25	-	-	-
4	RENOVATION OF OLD GCP COOLING TOWER OF BLAST FURNA	-	4.60	-	-
5	Replacement of BOF & CCP Chilled water plant	3.13	-	-	-
6	4 NOS. DETARRER (ELECTROSTATIC TAR PRECIPITATORS)	6.24	-	-	-
7	Ladle Tilters at Steel Melting Shop	-	4.67	-	-
8	Primary Gas Cooler No 1,5 & 11 in 1.0 MT Coal Chemical	3.20	-	-	-
9	Replacement of Cantilever Crane in BOF Shop	0.97	-	-	-
10	ESP-2 & PNEUMATIC CONVEYING SYSTEM AT SINTER PLANT	-	2.62	-	-
11	Passenger&Goods Lift in substation bldg of Sajara,	0.69	-	-	-
12	Air Conditioning Machine for Charging Car No- 15 of COB-06	0.04	-	-	-
13	Power supply at 33KV/11KV Punabad Sub-station	-	2.87	-	-
14	Replacement of Silica Bricks of COB-3-cold repair COB-03	24.47	-	-	-
15	Dynamic Balancing Machine for Railway Wheels in	-	2.22	-	-
16	Submerged Arc Welding Machine for hard facing of C	-	-	-	0.12
17	Closed soft water circuit for LF-1 and LF-2 in BOF	-	5.23	-	-
18	Mechanical Shear by Oxy-fuel gas cutting torches	-	2.48	-	-
19	Cast House Tap Hole Drilling Machine and Mud Guns	-	1.15	-	-
20	Revamping/ Cold Repair of Coke Oven Battery No. 3	14.04	-	-	-
21	Refurbishment of Lifts at BF-2, BF-3 and BF-4	-	0.68	-	-
22	4 nos. 33 KV Reactors for 2x20 MW NPP Power Evacua	5.77	-	-	-
23	Balance Structural Works for BRC	0.16	-	-	-
24	Additional Cooling Water Line at Merchant Mill	2.95	-	-	-



Note 48.2 (contd...)

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
25	online hardness Testing Machine in Wheel Plant	1.29	-	-	-
26	Repair of pusher side Waste Gas Tunnel in COB-3-cold repair COB-03	0.35	-	-	-
27	Procurement of Door frame & Door body for COB-3-cold repair COB-03	2.10	-	-	-
28	Inatallation of 4 th Stove in Blast Furnance 4	-	1.34	-	-
29	Procurement of 160 nos Door Bodies in COCC.-cold repair COB-03	7.57	-	-	-
30	Procurement of 160 nos Door Bricks in COB-3.-cold repair-COB-03	0.14	-	-	-
31	Bucket Wheel Blender in RMHP	-	1.82	-	-
32	Wheel Handling System for Dynamic Wheel Balancing	-	-	-	0.54
33	Additional drinking Water Supply lines in DSP Town	-	6.36	-	-
34	Project 1 (X-ray Tomography System)	2.61			
35	Project 2 (X-ray Diffractometer system)	1.38			
36	Development of Railway Yard	9.12			
37	Erection of 25KV AC traction at Hirapur Yard	2.64			
38	Construction of Road Over Bridge	5.75			
39	Construction of Flyover	14.61			
40	Interplant By Pass Pipeline to BF#05	3.12			
41	Sewerage Treatment Plant	4.12			
42	2500 Ton Press	0.04			
43	Software ERP	1.08			
44	Expenditure during construction period	-	-	-	0.59
	Projects Temporarily suspended				
1	Infrastructural Facilities - Expansion-Rural India	-	-	-	1.04

In Respect of SRCL:

CWIP AGEING SCHEDULE

Amount of CWIP as on 31st March, 2022 from initial recognition in Balance Sheet

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	-	-	-	-	-
2	Projects Temporarily suspended	-	-	-	-	-
	TOTAL	-	-	-	-	-

Amount of CWIP as on 31st March, 2021 from initial recognition in Balance Sheet

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months
1	Projects in progress	2.15	-	-	-
2	Projects Temporarily suspended	-	-	-	-
	TOTAL	2.15	-	-	-

CWIP COMPLETION SCHEDULE

As on 31st March, 2022

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months
1	Projects in progress	2.15	-	-	-
2	Projects Temporarily suspended	-	-	-	-
	TOTAL	2.15	-	-	-



Note 48.2 (contd...)**CWIP COMPLETION SCHEDULE****As on 31st March, 2021**

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months
1	Projects in progress	-	-	-	-
2	Projects Temporarily suspended	-	-	-	-
	TOTAL	-	-	-	-

- 48.3** The amount due to Micro, Small and Medium Enterprises as defined in the The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) (as disclosed in Note No. 30 Trade Payables) has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to Micro, Small and Medium Enterprises under Section 22 of MSMED Act, 2006 as at 31st March, 2022 are as under:

(₹ in crore)

S. No.	Description	As at 31 st March, 2022	As at 31 st March, 2021
i.	The principal amount remaining unpaid to suppliers as at the end of the Year.	140.65	103.57
ii.	The amount of interest accrued during the Year and remaining unpaid at the end of the Year.	-	-
iii.	The amount of further interest remaining due and payable even in the succeeding Year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
iv.	The interest due thereon remaining unpaid to supplier as at the end of the Year.	-	-
		For the Year ended	
		31st March, 2022	31st March, 2021
v.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year.	-	-
vi.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the Year) but without adding the interest specified under this Act.	-	-

48.4 In Respect of SAIL:**(A)****TRADE PAYABLE AGEING SCHEDULE**

(₹ in crore)

Outstanding as on 31 st March, 2022 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	24.11	116.54	-	-	-	140.65
	Subtotal - A	-	24.11	116.54	-	-	-	140.65
3	Others - Disputed	1.92	2.39	0.27	0.92	41.26	18.25	65.01
4	Others - Undisputed	1670.43	935.63	13241.25	127.41	196.40	541.23	16712.35
	Subtotal - B	1672.35	938.02	13241.52	128.33	237.66	559.48	16777.36
	Grand Total (A+B)	1672.35	962.13	13358.06	128.33	237.66	559.48	16918.01

(₹ in crore)

Outstanding as on 31 st March, 2021 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	20.50	83.07	-	-	-	103.57
	Subtotal - A	-	20.50	83.07	-	-	-	103.57
3	Others - Disputed	-	-	0.92	41.26	0.57	17.67	60.42
4	Others - Undisputed	1318.62	845.74	4956.49	456.82	115.02	185.38	7878.07
	Subtotal - B	1318.62	845.74	4957.41	498.08	115.59	203.05	7938.49
	Grand Total (A+B)	1318.62	866.24	5040.48	498.08	115.59	203.05	8042.06



Note 48.4 (contd...)

(B) Expected credit losses

Group provides expected credit losses based on the following;

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	11.41	3371.78	740.22	100.82	117.42	223.00	163.94	7.81	4736.40
Disputed - considered good	-	-	-	-	-	-	0.38	-	0.43
	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	7.81	4736.83
Undisputed - credit impaired	-	-	-	-	-	-	-	192.14	192.14
Disputed - credit impaired	-	-	-	-	-	-	-	-	68.79
	-	-	-	-	-	-	-	260.93	260.93
Total current	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	268.74	4997.76
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	0.04	-	-	0.04
Disputed - credit impaired	-	-	-	-	-	7.83	-	-	7.83
	-	-	-	-	-	7.87	-	-	7.87
Total Non-current	-	-	-	-	-	7.87	-	-	7.87
Total gross	11.41	3371.78	740.22	100.82	117.47	230.87	164.32	268.74	5005.63
Expected loss (%)	-	-	-	-	-	0.11	0.02	0.89	1.02
Credit loss allowance	-	-	0.27	-	-	24.47	3.97	240.09	268.80
Net carrying value	11.41	3371.78	739.95	100.82	117.47	206.40	160.35	28.65	4736.83

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2021									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	-	3294.54	1147.44	723.22	1953.55	966.01	33.82	19.11	8137.69
Disputed - considered good	-	-	-	0.05	-	0.38	-	0.72	1.15
	-	3294.54	1147.44	723.27	1953.55	966.39	33.82	19.83	8138.84
Undisputed - credit impaired	-	-	-	-	-	-	-	145.69	145.69
Disputed - credit impaired	-	-	-	-	-	-	-	91.19	91.19
	-	-	-	-	-	-	-	236.88	236.88
Total current	-	3294.54	1147.44	723.27	1953.55	966.39	33.82	256.71	8375.72
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	7.83	-	-	7.83
	-	-	-	-	-	7.83	-	-	7.83
Total Non-current	-	-	-	-	-	7.83	-	-	7.83
Total gross	-	3294.54	1147.44	723.27	1953.55	974.22	33.82	256.71	8383.55
Expected loss (%)	-	-	-	-	-	0.01	0.10	0.88	1.00
Credit loss allowance	-	-	0.74	1.27	0.03	12.27	3.44	226.96	244.71
Net carrying value	-	3294.54	1146.70	722.00	1953.52	961.95	30.38	29.75	8138.84



Note 48.4 (contd...)

Reconciliation of expected credit loss allowance

(₹ in crore)

S. No.	Particulars	Amount
	As at 31st March, 2020	215.40
	Changes in allowance	29.31
	As at 31st March, 2021	244.71
	Changes in allowance	23.73
	As at 31st March, 2022	268.44

In Respect of SRCL:

TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

Outstanding as on 31 st March, 2022 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	-	-	-	-	-	-
	Subtotal - A	-	-	-	-	-	-	-
3	Others - Disputed	-	-	-	-	-	-	-
4	Others - Undisputed	-	-	3.82	-	0.19	3.15	7.16
	Subtotal - B	-	-	3.82		0.19	3.15	7.16
	Grand Total (A+B)	-	-	3.82		0.19	3.15	7.16

(₹ in crore)

Outstanding as on 31 st March, 2021 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	-	-	-	-	-	-
	Subtotal - A	-	-	-	-	-	-	-
3	Others - Disputed	-	-	-	-	-	-	-
4	Others - Undisputed	-	-	0.59	0.21	0.27	3.62	4.69
	Subtotal - B	-	-	0.59	0.21	0.27	3.62	4.69
	Grand Total (A+B)	-	-	0.59	0.21	0.27	3.62	4.69

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount	-	-	-	-	-	-	-	-	-
(A) Current:	-	-	-	-	-	-	-	-	-
Undisputed - considered good	-	-	31.48		2.54	-	-	-	34.02
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total current	-	-	31.48		2.54	-	-	-	34.02
	-	-	-	-	-	-	-	-	-
(B) Non - current:	-	-	-	-	-	-	-	-	-
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-



Note 48.4 (contd...)

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Undisputed - credit impaired	-	-	-	-	-	1.15	0.10	5.46	6.71
Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Non-current	-	-	-	-	-	1.15	0.10	5.46	6.71
	-	-	-	-	-	-	-	-	-
Total gross	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Expected loss (%)	-	-	-	-	-	100	100	100	100
Credit loss allowance	-	-	-	-	-	1.15	0.10	5.46	6.71
Net carrying value	-	-	31.48	-	2.54	0	0	0	34.02

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2021									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount	-	-	-	-	-	-	-	-	-
(A) Current:	-	-	-	-	-	-	-	-	-
Undisputed - considered good	-	-	14.52	-	15.18	-	-	-	29.70
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total current	-	-	14.52	-	15.18	-	-	-	29.70
	-	-	-	-	-	-	-	-	-
(B) Non - current:	-	-	-	-	-	-	-	-	-
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	0.76	0.14	6.76	7.66
Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Non-current	-	-	-	-	-	0.76	0.14	6.76	7.66
	-	-	-	-	-	-	-	-	-
Total gross	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Expected loss (%)	-	-	-	-	-	-	-	100	-
Credit loss allowance	-	-	-	-	-	-	-	6.76	6.76
Net carrying value	-	-	14.52	-	15.18	0.76	0.14	-	30.60

Reconciliation of expected credit loss allowance

(₹ in crore)

S. No.	Particulars	Amount
	As at 31st March, 2020	6.76
	Changes in allowance	0.00
	As at 31st March, 2021	6.76
	Changes in allowance	0.05
	As at 31st March, 2022	6.71



48.5 Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/reconciliations.

48.6 The Joint Ventures of the Group have capitalized the assets in their books for the year ended 31st March, 2022 as under:

(₹ in crore)

S. No.	Name of	PPE	Intangible	Total	SAIL Share
1	NTPC-SAIL Power Co. Limited	1983.21	0.08	1983.29	50.00%
2	mjunction services limited	2.19	4.84	7.03	50.00%
3	International Coal Ventures Private Limited	-	35.47	35.47	47.82%
4	SAIL RITES Bengal Wagon Industry Private Limited	0.59	-	0.59	50.00%
5	Bokaro Power Supply Co. Private Limited	8.39	-	8.39	50.00%
		1994.38	40.39	2034.77	

48.7 Pursuant to the introduction of Section 115BAA under the Taxation Laws (Amendment) Act, 2019, the Group has, during the quarter ended 31st December, 2020, opted for lower tax regime under the said Section for the financial year ended 31st March, 2020 and onwards. Consequently, the Group has charged off the Deferred Tax Assets arising due to MAT credit and restated the Deferred Tax Assets, based on the revised effective tax rate, resulting in one time charge of ₹1288.22 crore in the Statement of Profit and Loss, for the year ended 31st March, 2021.

49.1 In accordance with Ind AS 115- Revenue from Contracts with Customers, GST amount of ₹16589.94 crore (Previous Year: ₹10579.84 crore) is not included in Revenue from Operations.

49.2 As per the terms of sales with certain Government agencies, the invoicing to these agencies are done at provisional prices, till a final price is subsequently agreed. The revenue recognized on aforementioned provisional prices basis is as under:

(₹ in crore)

Year ended 31 st March, 2022	Cumulative till 31 st Mar, 2022	Year ended 31 st March, 2021	Cumulative till 31 st Mar, 2021
6237.41	21163.29	6902.50	14952.22

49.3 During the year ended 31st March, 2022, the Group has implemented the Salaries & wages revision effective from 1st April, 2020 after the expiry of long term wage agreement on 31st December, 2016. Accordingly, Employees Benefit Expenses charged to Statement of Profit and Loss and Expenditure during Construction (net off of provision for wage revision) for the Year ended 31st March, 2022 are ₹837.25 crore and ₹4.24 crore respectively. Further, an amount of ₹ 567.66 Crore has been charged to the statement of profit and loss on account of revised actuarial valuation of employees related liabilities owing to implementation of wage revision.

49.4 As per the Department of Public Enterprises (DPE) guideline, the Group is required to contribute up to 30% of Salary (Basic Pay plus Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-Superannuation Benefits. Accordingly the Group has made provision for pension benefit for executive employees @ 9% of Salary w.e.f. 1st January, 2007 and @3% of Salary w.e.f. 1st April, 2015. Further, pension benefit for non-executive employees has been provided @ 6% of Salary w.e.f. 1st January, 2012 and @2% of Salary w.e.f. 1st April, 2015. Subsequent to wage revision, the pension benefit for non-executive employees has been provided @ 9% of Salary w.e.f. 1st November, 2021.

Pension Scheme was approved in the Meeting of the Board of Directors held on 9th February, 2017 with modification that from the Financial Year 2015-16 and onwards, the contribution towards Pension shall be measured, as a percentage of Profit Before Tax (PBT) to average Net-worth. If the percentage of PBT to average Net-worth is 8% or above, amount of Pension contribution shall be limited to 9% of Basic Pay plus DA for Executives and 6% of Basic Pay plus DA for Non-executive (@9% w.e.f. 1st November, 2021), else the amount of contribution towards Pension will be reduced proportionately. However, a minimum Pension contribution shall be kept at the rate of 3% and 2 % (@3% w.e.f. 1st November, 2021) of Basic Pay plus DA for Executive and Non-Executive employees respectively even in case of loss during a Financial Year. During the Financial Year ended 31st March, 2022 provision for Other Benefits (pension) has been made @ 9% for executives and 6% for non-executives upto to 31st October, 2021 and @ 9% thereafter on implementation of wage revision.

The cumulative liability towards Other Benefits (including pension) for Executive and Non-executive employees, amounting to ₹1077.71 crore ₹577.80 crore during the Year) and ₹55.77 crore (₹3.45 crore during the Year) has been charged to 'Employee Benefits Expense' and 'Expenditure during Construction' respectively. An amount of ₹1716.68 crore has been transferred to Pension Fund during the Year. Further, an amount of ₹118.35 crore has been paid to retired employees during the Year and an amount of ₹1.53 crore deposited by the employees for being eligible for pension.



49.5 The research and development expenditure charged to Statement of Profit and Loss and allocated to Fixed Assets/Capital work-in-progress (Net), during the Year, amount to ₹742.90 crore (₹340.28 crore during the previous Year) and ₹71.91 crore (₹23.03 crore during the previous Year) respectively. The aggregate amount of revenue expenditure incurred on research and development is shown in the respective head of accounts. The break-up of the amount is as under:

(₹ in crore)

Head of Account	For the Year ended	
	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials	418.42	198.05
Employees Benefits Expense	152.07	83.76
Stores & Spares Consumed	23.52	6.27
Power & Fuel	29.53	17.77
Repairs & Maintenance	11.30	3.79
Depreciation and Amortisation Expense	20.05	6.89
Other Expenses	80.62	21.45
Finance Cost	7.39	2.30
Total	742.90	340.28

49.6 The Group considers the assets of one entire plant as Cash Generating Unit (CGU). The Group internally reviews whether there are any indicators that the carrying amount of assets of CGUs may be impaired on each balance sheet date. If any such indicators exist, the asset recoverable amount is estimated as higher of the net selling price and the value in use. Value in use is based on present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amounts of assets of a CGU exceed the asset recoverable amount. Further to the internal assessment, the Group also determines net selling price of the assets of CGU, in which any such indication exists, once every three years by an independent expert.

As on the reporting date, based on the internal assessment done by the Group at its different CGUs, no impairment loss is required to be provided.

49.7 (A) As per Section 135 of the Companies Act, 2013, the Group is required to spend, in every financial year, at least 2% of the average net profits of the Group made during the three immediately preceding financial years in accordance with its Corporate Social Responsibility (CSR) policy. Based on the above, the CSR amount has been budgeted at ₹80.92 crore for the year 2021-22 (previous year : ₹39.44 crore). The Group has spent an amount of ₹94.37 crore on CSR activities during the Year (₹47.67 crore during the previous Year) under the following heads:-

(₹ in crore)

Particulars	For the Year ended	
	As at 31 st March, 2022	As at 31 st March, 2021
Education	8.50	8.47
Healthcare	63.25	28.48
Livelihood Generation	2.22	2.14
Women Empowerment	1.11	0.64
Drinking Water	1.03	0.80
Sanitation	1.57	0.37
Sports	0.80	0.72
Art & Culture	1.33	1.65
Rural Development	11.03	1.19
Social Security	0.66	0.46
Environment Sustainability	1.08	0.48
Disaster Relief	1.38	2.06
Project Identification and Monitoring	0.18	0.10
Capacity Building of Personnel	0.13	-
Others	0.10	0.11
Total	94.37	47.67



(B) The Group has spent an amount of ₹7.95 crore on construction/acquisition of asset during the year (₹Nil crore during the previous year).

(C) Excess amount spent on CSR activities to be carried forward to succeeding three financial years are ₹13.77 crore (Previous Year – ₹7.74 crore).

(D) Unspent amount transferred to 'Unspent CSR Account' for the current year are ₹0.34 crore (previous year- ₹NIL crore)

49.8 In compliance to General Financial Rule 238(5) & (6), the details of Grants received from Ministry of Steel and its utilization for Research and Development Projects during last three years are as under:

(₹ in crore)

Year	Grant Received from Central Government	Grant Utilised (from Opening Balance and Current Year)
2021-22	-	0.26
2020-21	-	1.50
2019-20	-	0.43

49.9 Information on leases as per Indian Accounting Standards (Ind AS) 116 on 'Leases':

(i) The Group has leases for Land, office building, Plant & Equipment, warehouses & related facilities and vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its Property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

Right of Use assets

Set out below are the carrying amounts of right-of-use assets (Refer note 4a) recognised and the movements during the period:

(₹ in crore)

Particulars	Leasehold Land	Plant and equipment	Vehicles	Buildings	Right of Use assets Total
As at 1 st April, 2021	802.22	1231.37	9.21	11.33	2054.13
Additions	38.62	1974.38	0.55	0.37	2013.92
Depreciation expense	58.49	166.81	3.94	4.77	234.01
As at 31st March, 2022	782.35	3038.94	5.82	6.93	3834.04

Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year (Refer Note 24 & 29):

(₹ in crore)

Particulars	Lease liabilities
As at 1 st April, 2021	2068.57
Additions	1963.29
Interest accrued	52.81
Payments	(186.23)
As at 31st March, 2022	3898.44
Current	292.04
Non Current	3606.41



a. Lease payments not included in measurement of lease liability

The expenses relating to payments not included in the measurement of the lease liability are as follows:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Short-term leases	-	2.40
Leases of low value assets	-	-
Variable lease payments	17.35	31.71
Others	-	-

b. Total cash outflow for leases for the year ended 31st March, 2022 are ₹1196.26 crore (Previous year ₹1117.03 crore).

c. The Group has total commitment for short-term leases of ₹0.08 crore as at 31st March, 2022 (Previous year ₹0.70 crore).

d. Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2022			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	592.04	2134.00	5036.32	7762.36
Interest expense	329.79	1235.86	2298.27	3863.92
Net present values	262.25	898.14	2738.05	3898.44

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2021			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	359.84	1081.47	2087.62	3528.93
Interest expense	126.20	420.90	913.28	1460.38
Net present values	233.64	660.57	1174.34	2068.55

e. Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31st March, 2022 is ₹NIL (Previous Year ₹NIL).

f. Information about extension and termination options :

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases With termination option
Leasehold Land	53	0.08-90	26.70	43	34
Plant and equipment	9	0.12-15.01	4.78	5	1
Vehicles	15	0.01-9.05	2.72	-	7
Buildings	20	0.08-49.79	4.39	14	18

g. The total future cash outflows as at 31st March, 2022 for leases that had not yet commenced is of ₹NIL (previous year ₹NIL) (office premises).

Group as a lessor

Operating lease as a lessor

The Group has entered into lease agreements for spaces such as banks, housing societies, hospitals, mobile towers land plots and employee quarters/flats spaces, etc.

The period for such leases ranges from 11 months to 50 years depending upon terms and conditions of each lease arrangements.

Future minimum lease payments receivable under the operating lease is as below:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Not Later than one year	25.01	28.83
(b) Later than one year and not later than five years	64.26	70.96
(c) Later than five years	126.54	129.27
Total	215.81	229.06

Total operating lease rental income recognised in the statement of profit and loss during the year ended 31st March, 2022 is ₹27.91 Crore (31st March, 2021: ₹34.85 crore).



Finance lease as a lessor

The Group has freehold land which has been leased to various parties under finance lease arrangements.

Future minimum lease payments receivable under the finance lease is as below:

(₹ in crore)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Not Later than one year	0.29	0.60
(b) Later than one year and not later than five years	1.01	0.78
(c) Later than five years	9.74	9.57
Total undiscounted lease payments	11.04	10.95
Unearned finance income	9.67	9.86
Net investment in lease	1.37	1.09

Total finance lease rental income recognised in the statement of profit and loss during the year ended 31st March, 2022 is ₹0.56 Crore (previous year ₹0.58 crore).

(II) Description of major leasing arrangements

Power Plant

The Group has accounted for certain power plants as finance lease under Appendix C of Ind AS 17 by virtue of the power purchase agreement with the supplier. Under the terms of the power purchase agreement, the Group shall continue to purchase power until the parties decide to terminate the agreement, which has been determined to be an un-economic proposition considering the specialised nature and location of the asset. There is no change in treatment under Ind AS 116 – Leases.

Oxygen Plant

The Group has accounted for certain oxygen plants as finance lease (or operating lease) under Appendix C of Ind AS 17 by virtue of the oxygen purchase agreement with the supplier. The agreement to purchase oxygen is a 15 year fixed term agreement. For any new lease treatment treatment has been done in accordance with Ind AS 116 – Leases.

Mining land

The Group has accounted for leasehold lands for mining as finance leases by virtue of its rights under the lease agreement after considering the right/ economic compulsion for renewal. There is no change in treatment under Ind AS 116 – Leases.

- 49.10** Contributions made in cash and kind for the period from the Financial Year 2006-07 to 2017-18 to Railway authorities for laying out railway line from Rajhara to Rowghat would be recovered in cash at the rate of 7% per annum for 37 years on total contribution towards redemption of GROUP's contribution after commencement and fulfilment of assured traffic from Rowghat mines. Management is of view that the criteria laid out in Memorandum of Understanding will be met and interest accrues from the date of investment. The refund amount comprises principal and interest elements. Accordingly, the interest element has been computed and recognised as income during the Year amounting to ₹58.07 crore (till date ₹198.33 crore). As per the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India, such treatment of recognition on time proportion basis is in order as in view of the Management, no significant uncertainty exists regarding collectability and measurability of revenue.
- 49.11** The inventory of sub-grade iron ore fines generated at the captive mines of the Group were not assigned any value in the books of accounts of the Group till the financial year ended 31st March, 2019, since, the Government of India Notification dated 19th September, 2012 prohibited all captive miners from selling such sub-grade fines.

Following the Government of India Order no. F.No.16/30/2019-M.VI dated 16th September, 2019 allowing sale of sub-grade iron ore fines, the inventories of sub-grade fines held by the Group gained economic value. In this regard, the Group also obtained opinions from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI). Based on the aforesaid opinions, the Group recognized these inventories as by-product inventory as at 31st March, 2020. Since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Group assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.

The Group has obtained all clearances including environmental clearance and clearance from Director General of Mines Safety, Government of India. Further, procedural clearances have been obtained from the State Government of Odisha. With respect to the State of Jharkhand, the delay in the clearances is procedural and the management expects to receive the clearances soon. This is also supported by the legal opinion taken by the Group in this regard.



As a result, the management has been able to sell off such inventories in certain locations. While, on an overall basis during the current and the previous year, there has been insignificant movement (1.04 million tonnes) in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. The management also has plans to set up a beneficiation plant in future that will consume significant volume of sub-grade fines annually. Accordingly, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.

Considering the substantial volume of inventories, the quantity estimated to be sold / consumed within the next one year has been recognized as current and the balance has been classified as non-current inventory (refer notes 7a and 15).

As at 31st March, 2022, the Group is carrying sub-grade iron-ore fines inventory of 41.94 Mt (as at 31st March 2021: 42.60 Mt) valuing ₹4034.95 crores (as at 31st March 2021 valuing ₹4089.03 crores) which includes 39.24 Mt valued at ₹3786.62 crores classified as non-current inventory at its various mines.

Likewise, the Group at its Barsua and Dalli Mines is also carrying inventory of tailings of 7.44 Mt (as at 31st March 2021: 8.68 Mt) valuing ₹382.66 crores (as at 31st March 2021 valuing ₹492.41 crores) which includes 6.41 Mt valued at ₹331.25 crores classified as non-current inventory as at 31st March 2022. Further, the Group at its Bhilai, Bokaro, Rourkela and Durgapur Steel Plants is also carrying inventory of extractable iron and steel scrap embedded in BF Slag and LD Slag of 0.49 Mt (as at 31st March 2021 : 0.57 Mt) valuing ₹ 507.10 crores (as at 31st March 2021 valuing ₹438.63 crores) which includes 0.44 Mt valued at ₹ 441.29 crores classified as non-current inventory as at 31st March 2022. The Group is formulating a detailed plan for disposal / consumption of these inventories.

Considering the market volatility, steel market dynamics, possibility of future additions to steel and pellet making capacity in the country which may augment the demand of these materials, the carrying value of the non-current inventories cannot be adjusted for any unforeseeable changes in the future prices. Accordingly, in view of the management, the carrying values of the aforementioned inventories are the best estimates basis the information available at this stage.

- 49.12** The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th October, 2016 had accorded 'in-principle' approval for Strategic Disinvestment of three units of Steel Authority of India Limited (SAIL) viz. Visvesvaraya Iron & Steel Plant (VISP), Bhadravati, Karnataka, Salem Steel Plant (SSP), Tamil Nadu and Alloy Steel Plant (ASP), West Bengal. Subsequently, in line with the "in-principle" approval of Government of India, SAIL Board in its meeting held on 9th February, 2017, approved the Strategic Disinvestment of ASP, VISP and SSP. The Group appointed various Advisors to carry out the process. The entire process of Strategic Disinvestment is being overseen by an Inter-Ministerial Group (IMG). The IMG is chaired by Secretary, Department of Public Assets Management (DIPAM) and co-chaired by Secretary (Steel).

Preliminary Information Memorandum (PIM) / Expression of Interest (Eoi), Requests of ASP, SSP and VISP were issued on 4th July, 2019. The Transaction Advisor, M/s SBICAPs has informed that, in case of ASP, no EOIs were received from prospective bidders upto the scheduled date. The EOIs of SSP and VISP were opened on 10th September, 2019. The Request for Proposal (RFP), Confidential Information Memorandum (CIM) and Business Transfer Agreement (BTA) have been issued to the short-listed bidders and due diligence is ongoing by the short-listed bidders.

- 49.13** The Group has proposed final dividend @22.5% of the paid-up equity share capital (i.e. ₹2.25 per equity share of ₹10/- each) for the Financial Year 2021-22 subject to approval of the Shareholders in the ensuing Annual General Meeting of the Group.

- 49.14** The Group disintegrated its Raw Materials Division ('the Division') on 1st July, 2021 and accordingly, the balances as at 30th June 2021 were merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant of the Company.

These standalone financial statements include the financial information of the aforesaid Division which reflect total revenues of ₹374.07 crores (excluding intra-company stock transfers of ₹1443.41 crores), total expenses of ₹1702.92 crores, total net profit after tax of ₹114.56 crores and total comprehensive income of ₹110.68 crores for the quarter ended 30th June 2021 which were subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors/ auditors of the plants for the purpose of reporting on the complete set of standalone financial statements of the Group. Further, the total assets of ₹7448.85 crores and total liabilities of ₹4034.45 crores as at 30th June 2021 were transferred to the aforesaid plants and are included in the balances of these plants as at 31st March 2022, which have been audited by the auditors of the respective plants.

However, the Group is in the process of referring the matter to the Comptroller and Auditor General of India for the appointment of auditors of the Division as required under Section 139 (5) of the Companies Act, 2013.

- 49.15** The COVID-19 pandemic outbreak and measures to curtail it had caused significant disturbances and slow down of economic activities. Following the gradual normalization of economic activities, and positive economic environment seen across sectors, the management is of the belief that the trend is likely to continue in subsequent periods as well and the impact of COVID-19, if any, is not likely to be material.



49.16 The Group is in the process of reconciliation of Goods Receipt/ Invoice Receipt (GR/ IR) accounts (grouped under "Trade Payables/Payable for Capital Works", Note No. 30/31) at one of the plant locations. The balance outstanding as on 31st March 2022 is ₹ 101.54 crore (31st March 2021 - ₹ 304.08 crore). As part of the reconciliation process, the Plant has written back an amount of ₹ 186.16 crore and credited the same to the Statement of Profit and Loss under the head "Write back of Other liabilities" (Note No. 36).

50.1 DEFINED BENEFIT SCHEMES

In Respect of SAIL:

50.1.1 General Description of Defined Benefit Schemes:

Gratuity	Payable on separation @15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more (for service beyond 30 years, one month's salary for every completed year of service beyond 30 years). Maximum amount of ₹20 lakhs for executives & non-executives joined on or after 1 st July, 2014. For non-executive employees joined before 1 st July, 2014, the gratuity accrued on pre revised Basic Pay and DA, as on the date of implementation of wage revision i.e. 18.10.2021 or ₹ 20 lakhs whichever is higher has been considered for actuarial valuation.
Leave Encashment	Payable on superannuation to eligible employees who have accumulated Earned and Half Pay Leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave also allowed upto 30 days once in the Financial Year from 2021-22.
Provident Fund	12% of Basic Pay Plus Dearness Allowance, contributed to the Provident Fund Trusts by the Group.
Post Retirement Medical Benefits	Available to retired employees at Group's hospitals and/or under the health insurance policy.
Post Retirement Settlement Benefits	Payable to retiring employees for settlement at their home town.
Long term service Award	Payable in kind on rendering minimum 25 years of service and also on superannuation.

50.1.2 Other disclosures, as required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are:

(a) Reconciliation of Present Value of Defined Benefit Obligations*

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Present Value of projected benefit obligations, as at the beginning of the year.	5780.54 (6044.55)	3207.65 (3005.03)	1046.79 (1055.03)	110.88 (103.40)	17.57 (18.79)
ii)	Service Cost	291.54 (323.03)	506.34 (434.58)	- (-)	- (-)	0.59 (0.50)
iii)	Interest Cost	381.22 (387.09)	197.94 (191.22)	67.89 (68.76)	7.49 (6.88)	1.10 (1.20)
iv)	Actuarial Gains(-) / Losses(+)	-107.68 (-270.18)	454.83 (-37.11)	228.13 (10.90)	23.39 (4.86)	5.20 (-0.66)
v)	Past Service Cost	- (-)	- (-)	305.75 (-)	- (-)	- (-)
vi)	Benefits Paid	822.49 (703.95)	839.72 (386.07)	181.27 (87.90)	5.90 (4.32)	3.28 (2.30)
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv+v-vi)	5523.12 (5780.54)	3527.03 (3207.65)	1467.28 (1046.79)	135.86 (110.82)	21.18 (17.57)



(b) Reconciliation of Fair Value of Assets and Obligations

The Group has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund. The reconciliation of fair value of assets of the Gratuity Fund and defined benefit gratuity obligations is as under:

(₹ in crore)

Sl. No.	Particulars	2021-22	2020-21
i)	Fair Value of plan assets as at the beginning of the year	6235.29	6357.63
ii)	Expected return on plan assets	12.23	98.22
iii)	Actual Group's contribution	68.38	50.84
iv)	Interest Income/Actuarial Gain/Loss(-)	442.70	432.55
v)	Benefits payments	822.56	703.95
vi)	Fair value of plan assets as at the end of the year	5936.04	6235.29
vii)	Present value of defined benefit obligation [50.1.2)(a)(vii)]	5523.12	5780.54
viii)	Net liability recognised in the Balance sheet (vii)-(vi) *	-413.04	-454.73

*The Group does not expect to contribute any amount towards the expenses of Gratuity Fund during the year 2022-23, after considering the return on the investments.

The defined benefit obligations, other than gratuity, are non-funded.

(c) Expenses recognised in the Statement of Profit and Loss for the Year :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Service Cost	291.54 (323.03)	506.34 (434.58)	- (-)	- (-)	0.59 (0.50)
ii)	Interest Cost	-61.48 (-45.23)	197.94 (191.22)	67.89 (68.76)	7.49 (6.88)	1.10 (1.20)
iii)	Actuarial Gains (-)/Losses	-107.68 (-270.18)	454.83 (-37.11)	228.13 (10.90)	23.39 (4.86)	5.20 (-0.66)
iv)	Past Service Cost	- (-)	- (-)	305.75 (-)	- (-)	- (-)
v)	Expected Return on Plan Assets	12.23 (98.22)	- (-)	- (-)	- (-)	- (-)
vi)	Total (i+ii+iii+iv-v)	110.15 (-90.60)	1159.10 (588.71)	601.77 (79.66)	30.88 (11.74)	6.89 (1.70)
vii)	Employees' Benefits Expenses :					
	a) Charged to Profit & Loss Account (Note 39)	230.13 (277.23)	1157.20 (586.53)	373.63 (68.76)	30.89 (5.50)	6.89 (1.70)
	b) Charged to Expenditure During Construction (Note 5.1)	-0.07 (0.56)	1.90 (2.18)	- (-)	- (-)	- (-)
	c) Charged to OCI*	-119.90 (-368.39)	- (-)	228.13 (10.90)	- (-)	- (-)
	d) Charged to Profit & Loss Account- Other Expenses	- (-)	- (-)	- (-)	30.89 (6.24)	- (-)
viii)	Actual Return on Plan Assets	455.05 (530.54)				

*Remeasurement gains/(losses) on Defined Benefit Plans have been reclassified and shown under Retained Earnings (Note No. 23)



(d) Effect of half percentage point change in the Discount rate on Employees' Benefit schemes (₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	-179.01	168.80
ii)	Leave	-135.95	127.05
iii)	Post Retirement benefit	-68.58	53.81
iv)	Long Term Service Award	-0.93	0.85
v)	Retirement Travelling Allowance	-6.00	5.56

(e) Effect of one percentage point change in the salary escalation rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Gratuity	63.18	-60.34
ii)	Leave	128.24	-136.04

(f) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme.

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Post-retirement medical benefits	-83.03	76.98

(g) Investments of Gratuity Trust

Particulars	% of Investment	
	As at 31 st March, 2022	As at 31 st March, 2021
Insurance Investments	69.61	95.25
Central Government Securities	1.45	1.39
State Government Securities	0.73	1.24
PSU Bonds	0.94	2.12
Cash at Bank	0.27	0.00
Total	100.00	100.00

(h) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2022	As at 31 st March, 2021
i)	Discount Rate (per annum)	7.10%	6.80 %
ii)	Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
iii)	Withdrawal Rates (per annum)	Executives & Non-executives- 0.01% to 0.10% depending upon the age	Executives & Non-executives- 0.01% to 0.10% depending upon the age
iv)	Medical Cost Trend Rates (per annum)	5% for hospital cost and Nil for Medclaim premium	5% for hospital cost and Nil for Medi-claim premi-um.
v)	Estimated Rate of Return on Plan Assets	7.10%	6.80%
vi)	Salary Escalation	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.
		The estimate of future salary increases considered in ac-tuarial valuation, takes into account inflation rate, seniori-ty, promotion and other relevant factors	

(i) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2022	As at 31 st March, 2021
Upto 1 year	733.95	674.40
Between 1 to 2 years	694.12	670.99
Between 2 to 3 years	647.59	665.46
Between 3 to 4 years	623.82	617.76
Between 4 to 5 years	634.35	591.43
Between 5 to 10 years	3062.02	3093.35
More than 10 years	3269.33	4125.22
Total Undiscounted Payments related to Past Service	9665.16	10438.61
Less: Discount for Interest	4142.04	4658.06
Projected Benefit Obligation	5523.12	5780.55

In Respect of SRCL:

General Description of Defined Benefit Schemes:

Gratuity	Payable to Executives on separation @15 dayspay (Basic plus DA) last drawn for each completed year of service to eligible employees who render continuous service of 5 years or more. For Non-executives, the gratuity is payable on separation @15 days pay (Basic plus DA) last drawn for each completed year of service to eligible employees who render continuous service of 5 years or more. Gratuity shall be calculated @ one month pay (Basic plus DA) last drawn for each completed year of service beyond 30 years for Non-executives. The maximum amount of gratuity of ₹20 lakhs for both executives & non-executives has been considered for actuarial valuation.
Leave Encashment	Payable on superannuation to eligible Executive employees who have accumulated earned and half pay leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. For Non Executive employees to a maximum limit of 200 days of earned leave. Encashment of accumulated earned leave is also allowed up to 30 days once in a financial year.
Provident Fund	12% of Basic Pay Plus Dearness Allowance, contributed to Employees Provident Fund Organization, Salem by the company.

Disclosures required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are :

(a) Reconciliation of Present Value of Defined Benefit Obligations :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment
i)	Present Value of projected benefit obligations, as at the beginning of the year.	9.77	1.32
ii)	Service Cost	0.28	0.21
iii)	Interest Cost	0.62	0.09
iv)	Actuarial Gains(-) / Losses(+)	-0.32	-0.04
v)	Past Service Cost	-	-
vi)	Benefits Paid	2.02	0.12
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv-v-vi)	8.33	1.46

(b) Reconciliation of Fair Value of Assets and Obligations

The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund.



Sl. No.	Particulars	2021-22	2020-21
i)	Fair Value of plan assets as at the beginning of the year	6.27	7.48
ii)	Expected return on plan assets	0.45	0.51
iii)	Actual Company's contribution	3.00	1.00
iv)	Interest Income/Actuarial Gain/Loss	0.09	-0.02
v)	Benefits payments	2.02	2.70
vi)	Fair value of plan assets as at the end of the year	7.78	6.26
vii)	Present value of defined benefit obligation	8.33	9.77
viii)	Net liability recognised in the Balance sheet (vii)-(vi)	-0.55	-3.51

(₹ in crore)			
Sl. No.	Particulars	2021-22	2020-21
i)	Fair Value of plan assets as at the beginning of the year	1.27	1.18
ii)	Expected return on plan assets	0.09	0.08
iii)	Actual Company's contribution	-	0.11
iv)	Interest Income/Actuarial Gain/Loss	-0.01	-
v)	Benefits payments	0.12	0.10
vi)	Fair value of plan assets as at the end of the year	1.23	1.27
vii)	Present value of defined benefit obligation	1.46	1.32
viii)	Net liability recognised in the Balance sheet (vii)-(vi)	-0.23	-0.05

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment
i)	Service Cost	0.28	0.21
ii)	Interest Cost	0.18	-
iii)	Actuarial Gains(-) / Losses(+)	-0.32	-0.03
iv)	Past Service Cost	-	-
v)	Expected Return on Plan Assets	-	-
vi)	Total (i+ii+iii+iv-v)	0.14	0.18
vii)	Employees' Benefits Expenses :		
	a) Charged to Profit & Loss Account	0.45	0.18
	b) Charged to Expenditure During Construction	-	-
	c) Charged to OCI	-0.41	-
	d) Charged to Profit & Loss Account- Other Expenses	-	-
viii)	Actual Return on Plan Assets excluding interest income	0.09	-

(₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	8.50	8.16
ii)	Leave	1.50	1.43

(₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	8.17	8.50
ii)	Leave	1.43	1.49

(f) Investments of Gratuity Trust / Leave Encashment Fund

Particulars	% of Investment	
	As at 31 st March, 2022	As at 31 st March, 2021
Gratuity Trust	93.42	64.17
Leave Encashment Trust	84.14	95.90

(g) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2022	As at 31 st March, 2021
i)	Discount Rate (per annum)	7.10%	6.80 %
ii)	Mortality rate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate
iii)	Retirement Age - Executives - Non Executives	58 Year 60 Year	58 Year 60 Year
iv)	Salary Escalation	Executives: 6.25% p.a. Non-Executives: 6.25% p.a.	Executives: 6.25% p.a. Non-Executives: 6.25% p.a.

(h) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2022	
	Gratuity	Leave En-cashment
Upto 1 year	1.77	0.19
Between 1 to 2 years	1.33	0.24
Between 2 to 3 years	1.13	0.29
Between 3 to 4 years	1.25	0.17
Between 4 to 5 years	1.41	0.27
Between 5 to 10 years	3.83	0.72
More than 10 years	0.87	0.23
Total Undiscounted Payments related to Past Service	11.59	2.11
Less: Discount for Interest	3.26	0.65
Projected Benefit Obligation	8.33	1.46

51. GENERAL

51.1 Segment Reporting

Business Segments: The five Integrated Steel Plants and three Alloy Steel Plants, being manufacturing units, have been considered as primary business segments for reporting under Ind AS 108 'Operating Segments' issued by Ministry of Corporate Affairs.

51.2 RELATION WITH STRUCK OFF COMPANIES

(₹ in crore)

Sl. No.	Name of Struck Off Company	Nature of Transaction	Relationship	As at 31 st March, 2022	As at 31 st March, 2021
i)	HYWELL FORGINGS PRIVATE LIMITED	Receivable	CUSTOMER	-	-
ii)	VISMAYA METALS PRIVATE LIMITED	Receivable	CUSTOMER	0.40	0.40
iii)	MADRAS AUTHO COUPLINGS P.LTD	Receivable	CUSTOMER	-	-
iv)	AUTO FIELD ENGINEERS P. LTD	Receivable	CUSTOMER	-	-
v)	NORTH BENGAL DOLOMITE LIMITED	Investment	Joint Venture	-	0.98
vi)	NMDC SAIL LIMITED	Investment	Joint Venture	-	0.02
vii)	SAIL MOIL FERRO ALLOYS PVT LIMITED	Investment	Joint Venture	-	0.10
viii)	SAIL BENGAL ALLOY CAST (P) LTD	Investment	Joint Venture	-	0.01
ix)	SAIL SCI SHIPPING PVT LIMITED	Investment	Joint Venture	-	0.10
x)	SPRAYING SYSTEMS (INDIA) PVT. LTD.	Payable	Vendor	-	-
xi)	DECCAN SMITHS PRIVATE LIMITED	Payable	Customer	0.11	0.11
xii)	SCHWING STETTER (INDIA) PRIVATE LIMITED	Payable	Customer	0.05	0.05
xiii)	HUNTING HAWKS SECURITY & FACILITY SERVICE LTD	Payable	Vendor	0.01	0.10

* Figures rounded off to ₹ crore



51.3 Disclosures of provisions required by Indian Accounting Standards (Ind AS) 37 'Provisions, Contingent Liabilities and Contingent Assets:

Brief Description of Provisions :

Mines afforestation costs	Payable on renewal (including deemed renewal)/forest clearance of mining leases to Government authorities, towards afforestation cost at mines for use of forest land for mining purposes.
Mines closure costs	Estimated liability towards closure of mines, to be incurred at the time of cessation of mining activities.
Overburden backlog removal costs	To be incurred towards removal of overburden backlog at mines over the future years.

In respect of SAIL:

(₹ in crore)

Movement of provisions	Mines afforestation costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2021	34.35	99.25	67.24	200.84
Additions during the Year	27.19	30.47	55.00	112.66
Amounts utilised during the Year	0.16	-0.74	-	-0.58
Unused amount reversed during the Year	-	-1.12	7.19	6.07
Balance as at 31 st March, 2022	61.38	131.58	115.05	308.01

In respect of SRCL:

(₹ in crore)

Movement of provisions	Mines afforestation costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2021	-	0.03	-	0.03
Additions during the Year	-	-	6.78	6.78
Amounts utilised during the Year	-	-	-	-
Unused amount reversed during the Year	-	-	-	-
Balance as at 31 st March, 2022	-	0.03	6.78	6.81

51.4 Reconciliation of Quarterly Stock/Receivable statement filed

(₹ in crore)

Quarter ended	Name of Bank	Particulars of Securities Provided	Amount as reported in the Quarterly return	Amount as per books of accounts	Amount of Difference	Reasons for material discrepancies
Mar-22	SBI	Inventory	19967	19296	671	Provisional data as on date of filing.
Mar-22	SBI	Trade Receivables	4859	4737	122	Provisional data as on date of filing.
Dec-21	SBI	Inventory	19184	19148	36	Provisional data as on date of filing.
Dec-21	SBI	Trade Receivables	6472	6463	9	Provisional data as on date of filing.
Sep-21	SBI	Inventory	15927	15722	205	Provisional data as on date of filing.
Sep-21	SBI	Trade Receivables	8088	8087	1	Provisional data as on date of filing.
Jun-21	SBI	Inventory	13325	15907	-2582	Provisional data as on date of filing.
Jun-21	SBI	Trade Receivables	7241	7162	79	Provisional data as on date of filing.

51.5 (a) No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group, its Joint Ventures and Associate to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, its Joint Ventures and Associate ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

(b) No funds have been received by the Group, its Joint Ventures and Associate from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group, its Joint Ventures and Associate shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Ratios as per Amended Schedule III.



52. OPERATING SEGMENT INFORMATION

(₹ in crore)

Particulars	BSP	DSP	RSP	BSL	ISP	ASP	SSP	VISL	Others	Inter	Total
REVENUE											
- External sales											
Current Year ended 31 st March 2022	26299.91	11146.83	24130.47	25680.67	11495.65	699.32	2632.13	243.21	480.35	-	102808.54
Previous Year ended 31 st March 2021	18987.44	8344.30	13910.18	16019.87	7900.98	381.33	1692.97	105.63	1113.16	-	68455.86
- Inter segment sales											
Current Year ended 31 st March 2022	1499.17	659.19	2591.85	2607.65	687.31	190.43	16.79	128.19	2808.56	(11189.14)	-
Previous Year ended 31 st March 2021	705.83	369.33	1136.70	220.51	389.87	164.42	9.52	57.19	4843.28	(7896.65)	-
- Total Revenue from sale of products											
Current Year ended 31 st March 2022	27799.08	11806.02	26722.32	28288.32	12182.96	889.75	2648.92	371.40	3288.91	(11189.14)	102808.54
Previous Year ended 31 st March 2021	19693.27	8713.63	15046.88	16240.38	8290.85	545.75	1702.49	162.82	5956.44	(7896.65)	68455.86
RESULTS											
- Operating Profit / Loss (-) before Interest and exceptional items	-	-	-	-	-	-	-	-	-	-	-
Current Year ended 31 st March 2022	2853.35	1157.02	6347.65	6386.86	827.14	(71.46)	97.79	(35.88)	780.70	-	18343.17
Previous Year ended 31 st March 2021	2320.14	973.19	3117.82	2935.98	513.30	(70.83)	(54.20)	(50.06)	279.03	-	9964.37
- Finance cost											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	1697.89
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	2817.15
- Exceptional items											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	353.41
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	(58.43)
- Tax expenses											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	4037.54
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	3057.52
- Profit for the year											
Current Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	12254.33
Previous Year ended 31 st March 2021	-	-	-	-	-	-	-	-	-	-	4148.13
OTHER INFORMATION											
- Segment assets											
Current Year ended 31 st March 2022	31351.06	6283.17	25844.95	20785.61	15750.29	565.31	2211.64	271.24	17045.85	-	120109.12
Previous Year ended 31 st March 2021	31122.24	6232.20	23040.23	20639.31	16551.10	545.00	2300.83	326.76	17060.97	-	117818.64
- Segment Liabilities (including long term borrowing)											
Current Year ended 31 st March 2022	9195.16	3016.83	8367.33	7016.39	1752.99	250.07	534.20	63.54	35700.92	-	65897.43
Previous Year ended 31 st March 2021	8705.53	2823.31	5686.67	5242.73	1548.56	213.34	439.49	46.15	47706.63	-	72412.41
- Capital expenditure											
Current Year ended 31 st March 2022	1214.86	270.84	3525.48	848.48	268.09	0.03	2.01	2.76	(404.57)	-	5727.98
Previous Year ended 31 st March 2021	711.37	246.30	750.80	952.87	182.89	1.06	10.31	0.42	141.68	-	2997.70
- Depreciation											
Current Year ended 31 st March 2022	1177.46	278.72	935.29	888.10	798.07	8.60	99.00	7.32	82.46	-	4275.02
Previous Year ended 31 st March 2021	1148.10	265.30	837.74	771.48	755.70	8.74	98.29	7.56	209.87	-	4102.78
- Non Cash expenses other than Depreciation											
Current Year ended 31 st March 2022	75.23	25.73	120.26	33.02	22.83	1.18	0.83	0.29	85.45	-	364.82
Previous Year ended 31 st March 2021	53.91	12.52	29.95	9.75	36.74	2.38	2.44	0.53	113.78	-	262.00



53. The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current periods classification.

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

For and on behalf of the Board of Directors

Sd/-
[**Soma Mondal**]
Chairman
DIN: 06845389

In terms of our report of even date

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

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

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

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

Sd/-
[**B. Vijay**]
Partner
M. No. 214678

Sd/-
[**Vivek Newatia**]
Partner
M. No. 062636

Sd/-
[**Neeraj Sharma**]
Partner
M. No. 502103

Sd/-
[**Keshaw Kumar Harodia**]
Partner
M. No. 034751

Place : New Delhi
Dated: May 23, 2022



Annexure-VII to the Board's Report

1. Tej Raj & Pal Chartered Accountants A60, Amarpali Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata - 700071	3. Walker Chandiok & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. K A S G & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001

INDEPENDENT AUDITORS' REPORT

To the Members of Steel Authority of India Limited

Comments	Management's Replies
Report on the audit of the consolidated financial statements Qualified opinion 1. We have audited the accompanying consolidated financial statements of Steel Authority of India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entities, as listed in Appendix 1, which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies, notes and other explanatory information (hereinafter referred to as 'consolidated financial statements'). 2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches listed in Appendix 2, except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entities, as at 31st March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.	
Basis for qualified opinion 3. As referred in note 47.2 (a) to the accompanying consolidated financial statements, the constitutional validity of the Entry Tax Act has been upheld by the Hon'ble Supreme Court and the matters relating to levy of entry tax are now pending before regular benches of the Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the other Courts, the management is of the view that no adjustment is required in the accompanying consolidated financial statements for the disputed entry tax demand in various states amounting to ₹ 1,419.51 crores as on 31st March 2022. However, in the absence of sufficient appropriate evidence to support the management's view, we are of the opinion that a provision for entry tax liability should be recognised in the consolidated financial statements.	The Holding Company's views are that Nine Judge Bench of the Supreme Court, vide its order dated 11th November, 2016, upheld the Constitutional validity of the Entry Tax legislations passed by the various States. However, the Bench directed that certain other matters raised by the Petitioner, such as discriminatory rates of tax, tax on goods entering the landmass of India from another country, etc. may be determined by regular benches hearing the matters. Accordingly, various matters raised by SAIL are pending with High Court and the Supreme Court. Pending decision by the Courts, the disputed Entry Tax liabilities of ₹ 1,419.51 crore have been treated by the Company as Contingent Liability.
4. As referred in note 47.2 (b) to the accompanying consolidated financial statements, current assets include advance of ₹ 587.72 crores paid under dispute to Damodar Valley Corporation against the bills raised for supply of power for period upto 31st March 2017. The matter is under litigation with Jharkhand State Electricity Regulatory Commission for finalisation of tariff, pending which, the management is of the view that the amount is fully recoverable and thus no adjustment is required in the accompanying consolidated financial statements. However, in the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are of the opinion that an allowance for possible non-recoverability of such advance should be created in the consolidated financial statements.	The Holding Company's views is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time. Further, the civil appeal filed by DVC pertaining to tariff of 2004-09 against the Order of the Appellate Tribunal for Electricity (APTEL), have been dismissed by the Hon'ble Supreme Court of India vide its Order dated 3rd December, 2018. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. DVC filed its Retail Tariff Application in November/2020 along with application for Annual Revenue requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28th December, 2020 to the aforesaid Application of DVC. The above disputed demands stated at (3) and (4), contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 31st March, 2022. Therefore, there is no adverse impact on Profit for the year.



Comments			Management's Replies																	
5. Impact of all the above qualifications on the consolidated financial statements for the year ended 31st March 2022 is as under: (Amounts in ₹ crores) <table><tr><th rowspan="2">Particulars</th><th colspan="2">As at 31st March 2022</th></tr><tr><th>Reported balances</th><th>Balances after impact of all the qualifications which are quantified</th></tr><tr><td>Other equity</td><td>50,081.15</td><td>48,579.10</td></tr><tr><td>Deferred tax liability</td><td>5,358.42</td><td>4,853.24</td></tr><tr><td>Other current assets</td><td>2,324.22</td><td>1,736.50</td></tr><tr><td>Other current liabilities</td><td>4,076.89</td><td>5,496.40</td></tr></table> The audit report on the consolidated financial statements for the year ended 31st March 2021 was also modified in respect of above matters.			Particulars	As at 31 st March 2022		Reported balances	Balances after impact of all the qualifications which are quantified	Other equity	50,081.15	48,579.10	Deferred tax liability	5,358.42	4,853.24	Other current assets	2,324.22	1,736.50	Other current liabilities	4,076.89	5,496.40	
Particulars	As at 31 st March 2022																			
	Reported balances	Balances after impact of all the qualifications which are quantified																		
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Deferred tax liability	5,358.42	4,853.24																		
Other current assets	2,324.22	1,736.50																		
Other current liabilities	4,076.89	5,496.40																		
6. In relation to the matter described in Note 49.16 to the accompanying consolidated financial statements, the following qualification paragraph is given on the financial statements of Durgapur Steel Plant, a branch of the Holding Company, which is reproduced by us as under: “Management is in the process of reconciling the Goods Receipt/ Invoice Receipt – GR/ IR accounts (grouped under Trade Payables/ payable for capital works). The balance outstanding as on 31st March 2022 is ₹ 101.54 crores (31st March 2021 – ₹ 304.08 crores). As part of reconciliation process, the Plant has written back an amount of ₹ 186.16 crores during the year ended 31st March 2022. In absence of requisite supporting documentation, we are unable to comment on the accuracy and completeness of the amount written back and the resultant impact of the ongoing reconciliation on the accompanying consolidated financial statements and related internal control over financials reporting”.			The process of reconciliation of balances under GI/IR has been duly completed to the satisfaction of Auditor by the Holding Company.																	
7. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company, its associate and jointly controlled entities, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors including the branch auditors in terms of their reports referred to in paragraph 20 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion. Emphasis of matters 8. We draw your attention to the following matters: (i) note 49.2 to the accompanying consolidated financial statements, which describes that the revenue from operations include sales to Government agencies aggregating to ₹ 6,237.41 crores for the year ended 31st March 2022 (cumulative upto 31st March 2022 of ₹ 21,163.29 crores) which is recognised on the basis of provisional prices as per the terms of sales with such Government agencies. (ii) note 49.14 to the accompanying consolidated financial statements, which describes that these consolidated financial statements include the financial information for the quarter ended 30th June 2021 of the erstwhile Raw Materials Division ('the Division') of the Holding company that got disintegrated and merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant ('together referred to as the Plants') of the Holding company with effect from 1st July 2021. Such financial information was subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors of the Holding company / auditors of the Plants as explained in the said note for the purpose of reporting on the complete set of consolidated financial statements of the Group. However, as further stated in the note, the Holding company is in the process of referring the matter to the Comptroller and Auditor General of India for the appointment of the auditors of the Division as required under Section 139 (5) of the Act. Our opinion is not modified in respect of these matters. Key audit matters 9. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 10. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.																				



Comments		Management's Replies
Key audit matter	How our audit addressed the key audit matter	
Provisions and contingent liabilities relating to ongoing litigations The Holding Company is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to provisions and contingent liabilities relating to ongoing litigations are presented in note 47 read with note 3.18 to the consolidated financial statements.	Our audit procedures included, but were not limited to the following: – Obtained understanding of the process of identification and measurement of provisions and contingent liabilities relating to ongoing litigations implemented by the management, through various discussions held with Holding Company's legal and finance personnel. – Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of the pending litigations.	
Key audit matter The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the consolidated financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities. Since the amounts involved are significant and due to the range of possible outcomes leading to high estimation uncertainty that requires significant management and auditor judgement, this matter is considered to be a key audit matter for the current year audit.	How our audit addressed the key audit matter – Inspected the summary of litigation matters and discussed key developments during the year with the Holding Company's Legal and Finance personnel. – Inspected and evaluated, where applicable, external legal and/or regulatory advice sought by the Holding Company. Obtained direct confirmations from the dealing lawyers for certain material ongoing litigations. – Discussed and challenged the management's assessment of the likelihood, magnitude and accounting of any liability that may arise in certain material cases. Accordingly, we reviewed the amount of provisions recognised and contingent liabilities disclosed in the consolidated financial statements and exercised our professional judgment to assess appropriateness of such conclusions, involving experts as required. – Evaluated the adequacy of disclosures made in the consolidated financial statements in accordance with the applicable accounting standards.	
Property, plant & equipment and intangible assets (including capital work in progress) As at 31st March 2022, the Group has Property, Plant and Equipment ('PPE'), Intangible Assets ('IA') and Capital Work-in-Progress ('CWIP') with carrying values of ₹ 68,382.92 crores, ₹ 1,459.41 crores and ₹ 4,016.72 crores, respectively, as disclosed in note 4, note 7 and note 5 of the accompanying consolidated financial statements. Refer note 3 for the accounting policies adopted by the Group for recognition and measurement of such non-current assets. Determination of the carrying values and their respective depreciation and amortisation amounts of PPE, IA and CWIP requires considerable management judgement. These include the decisions to capitalise or expense costs, the annual asset life review, the timeliness of the capitalisation of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 - Property, Plant and Equipment ('Ind AS 16'), and Ind AS 38 - Intangible Assets ('Ind AS 38'). The carrying value of CWIP also includes balances pertaining to long-term projects which requires careful examination of continuity and viability of such projects. Considering the significance of the amounts involved in the context of the balance sheet of the Group and the level of judgements and estimates required, we consider this to be a key audit matter in the current year audit.	Our audit procedures included, but were not limited to the following: – Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the Group and evaluated the accounting policies adopted by the Group in accordance with the requirements of Ind AS 16 and Ind AS 38. – Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process. – Tested the amounts capitalised during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalised satisfied the recognition criteria and were recognised accurately in the correct periods and with correct amounts. – Reviewed the judgements made by management in determination of carrying values of the specified non-current assets including the nature of underlying costs capitalised, determination of realisable value of the assets retired from active use, the appropriateness of useful lives applied in the calculation of depreciation as determined by technical assessment by management and external technical experts, where required, and evaluation of appropriateness of long standing CWIP balances pertaining to long-term projects. – Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards	



Comments		Management's Replies
By-products inventory Refer to note 3.8 of summary of significant accounting policies and other explanatory information for accounting policy for valuation of by-products amounting to ₹ 4,924.71 crores as at 31 st March 2022 and significant accounting judgements, estimates and assumptions related thereto and the note 3.24.4 of the consolidated financial statements.	Our audit procedures included, but were not limited to the following: – Obtained an understanding of the processes and procedures, including controls relating to sub grade fines, iron and steel scrap embedded in BF slag and LD slag and slime containing iron ore fines ('by-products').	
Key audit matter Inventories of by-products mainly consist of sub-grade fines, iron and steel scrap embedded in BF slag and LD slag and slime, and tailings containing iron ore fines, which are accumulated in stock piles. Further, as explained in notes 49.11, pursuant to the order of Ministry of Mines, Government of India dated 16 th September 2019, certain by-products were allowed to be sold and hence, were valued for the first time in the previous years. The management of the Holding Company also sought the opinion of Expert Advisory Committee of the ICAI ('EAC Opinions') in the previous year and current year on recognition and measurement of by-product inventories. Valuation of such items requires management to exercise significant judgement in respect of use of estimates for determination of the quantity, quality and valuation rate of these items. Further, basis the expected future salability and plans for captive consumption of such by-product inventories, the management has classified inventory expected to be sold / consumed after 12 months from the date of balance sheet, being the operating cycle of the Holding Company, as non-current inventory. Owing to the insignificant movement in sales / consumption of such by-products inventory, the materiality of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit. Further, the management's assessment of classification and valuation of aforesaid inventory as described in note 49.12 is considered fundamental to the understanding of the users of the consolidated financial statements.	How our audit addressed the key audit matter – Evaluated the accounting policy adopted by the Holding Company for valuation of the by-product inventory in accordance with the requirements of Ind AS 2, Inventory in conjunction with the EAC Opinions obtained by the management. – In assessing management's assessment of the value of by-products, we discussed in detail with the management to understand the procedures adopted in ascertaining the quantity and quality (including gradation) of the by-products considered for valuation. – Management's estimate of the NRV was verified with reference to the average selling price (ASP) published by the Indian Bureau of Mines. We also obtained technical analysis report from external experts sought by management for determining the quantity of by-products and the chemical analysis report used by the management for arriving at the quality (including gradation) of fines. – Obtained management's working of estimated future sales / consumption used for classification of the by-product inventory between current and non-current, and tested the underlying assumptions basis our understanding of the processing and further approvals required for sale of such inventory in addition to evaluating management's estimates on availability of demand for such by-products. – Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards.	
Information other than the consolidated financial statements and auditors' report thereon 11. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.		



Comments	Management's Replies
Responsibilities of management and those charged with governance for the consolidated financial statements 12. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.	
13. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for assessing the ability of the Group and of its associate and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so. 14. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and jointly controlled entities. Auditors' responsibilities for the audit of the consolidated financial statements 15. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. 16. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control; - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to consolidated financial statements in place and the operating effectiveness of such controls; - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate and jointly controlled entities to cease to continue as a going concern; - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and - Obtain sufficient appropriate audit evidence regarding the financial information / financial statements of the entities within the Group, and its associate and jointly controlled entities, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities and branches included in the consolidated financial statements, which have been audited by the other auditors and the branch auditors, such other auditors and the branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.	



Comments	Management's Replies
17. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 18. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.	
Other matters 20. We did not audit the annual financial statements / financial information of two subsidiaries included in the consolidated financial statements, and eleven branches included in the separate annual financial statements of the Holding Company, whose financial information / financial statements reflect total assets and net assets of ₹ 56,839.57 crores and ₹ 30,829.84 crores respectively as at 31st March 2022, total revenues of ₹ 39,714.01 crores, total net profit after tax of ₹ 7,588.40 crores, total comprehensive income of ₹ 7,600.79 crores and cash inflows (net) of ₹ 9.16 crores for the year ended on that date, as considered in the consolidated financial statements / the audited separate annual financial statements of the Holding Company. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 278.98 crores for the year ended 31st March 2022, as considered in the consolidated financial statements, in respect three jointly controlled entities, whose annual financial statements / financial information have not been audited by us. These annual financial statements have been audited by other auditors and branch auditors whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries / branches / jointly controlled entities and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and jointly controlled entities are based solely on the audit reports of such other auditors and branch auditors. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the branch auditors. 21. The consolidated financial statements also include the Group's share of profit (including other comprehensive income) of Rs. 188.40 crores for the year ended 31st March 2022, in respect of one associate and ten jointly controlled entities as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of aforesaid associate and jointly controlled entities, is based solely on such unaudited financial statements. In our opinion, and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management. 22. The consolidated financial statements also do not include the Group's share of net profit / (loss) after tax and share of total comprehensive income / (loss) in respect of one jointly controlled entity, since the annual financial statements of this entity are not available as per the management. According to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below are not modified in respect of the above matter.	
Report on other legal and regulatory requirements 23. Based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 20, on separate financial statements of the subsidiaries and jointly controlled entities, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company, its subsidiaries and jointly controlled entities covered under the Act, since the Holding Company, its subsidiaries and one jointly controlled entity are Government companies as defined under section 2(45) of the Act and two jointly controlled entities are not public companies as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable in respect of the Holding Company and the aforesaid subsidiaries and jointly controlled entities. Further, as stated in paragraph 21, financial statements of one associate company and ten joint controlled entities covered under the Act are unaudited and have been furnished to us by the management, and as certified by the management, wherever applicable, such companies have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.	



Comments	Management's Replies
24. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 20 above, of companies included in the consolidated financial statements for the year ended 31st March 2022 and covered under the Act, refer Annexure 2 for details of qualifications and/or adverse remarks given by the respective auditors in the Order reports of such companies. The annexure also separately contains details of those companies included in the consolidated financial statements and covered under the Act for which the respective Order reports as required under Section 143(11) of the Act have not yet been issued. 25. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches, we report, to the extent applicable, that: a) we have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;	
b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors and the branch auditors, except for the effects / possible effects of the matters described in paragraph 3, 4 and 6 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company; c) the reports on the accounts of the branches of the Holding Company and its subsidiary companies and joint controlled entities, audited under Section 143(8) of the Act by branch auditors / other auditors have been sent to us, as applicable, and have been properly dealt with in preparing this report d) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements; e) except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015; f) the provisions of section 164(2) of the Act are not applicable to the Holding Company since the Holding Company is a Government company as defined under section 2(45) of the Act. Further, on the consideration of the reports of the other auditors, referred to in paragraph 20, on separate financial statements of the subsidiaries and jointly controlled entities covered under the Act, we report that the provisions of section 164(2) of the Act are not applicable to the subsidiaries and one jointly controlled entity since, these are Government companies as defined under section 2(45) of the Act and in respect of two jointly controlled entities, none of the directors of the jointly controlled entities covered under the Act, are disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act. In respect of one associate company and ten joint controlled entities as stated in paragraph 21, whose financial statements are unaudited and have been furnished to us by the management, as certified by the management, wherever applicable, none of the directors of the associate company and the jointly controlled entities covered under the Act, are disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act. g) the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraphs 3, 4 and 6 of the Basis for Qualified Opinion section with respect to the Holding Company; h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate company and jointly controlled entities covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1' wherein we have expressed a modified opinion; and i) with respect to the other matters to be included in the auditors' report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries and jointly controlled entities incorporated in India whose financial statements have been audited under the Act and reports of the branch auditors of the Holding Company's branches: i. except for the effects of the matters described in paragraph 3 and paragraph 4 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entities as at 31st March 2022, as detailed in note 47 to the consolidated financial statements; ii. provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 43(ii)(C) to the consolidated financial statements; and	



Comments	Management's Replies
iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate company and jointly controlled entities during the year ended 31st March 2022 except ₹ 1.00 crore pertaining to unclaimed matured deposits which was required to be deposited by the Holding Company in the Investor Education and Protection Fund during the year ended 31st March 2018 and which has not been deposited till 31st March 2022; iv. (a) The respective managements of the Holding Company and its subsidiary companies and jointly controlled entities incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and jointly controlled entities respectively that, to the best of their knowledge and belief, as disclosed in note 51.5(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or its jointly controlled entities to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies or its jointly controlled entities ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries; (b) The respective managements of the Holding Company and its subsidiary companies and jointly controlled entities incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint controlled entities respectively that, to the best of their knowledge and belief, as disclosed in the note 51.5(b) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its jointly controlled entities from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, or its jointly controlled entities shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and (c) Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, and joint ventures, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement. v. The interim/final dividend paid by the Holding Company and its subsidiary companies and jointly controlled entities during the year ended 31st March 2022 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and As stated in note 49.13 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31st March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.	The matured deposit has already been claimed by the successors/relatives of the individuals but is pending for submission of document of proof of legal heir by the claimants. Appropriate procedure is being followed for refunding the matured deposit to the legal heirs.

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Date: 23rd May 2022

Place: New Delhi
Date: 10th August, 2022



Appendix 1

List of entities included in the consolidated financial statements

Subsidiaries

SAIL Refractory Company Limited
Chhattisgarh Mega Steel Limited

Associate

Almora Magnesite Limited

Jointly controlled entities

NTPC-SAIL Power Company Private Limited
International Coal Ventures Private Limited
Bastar Railway Private Limited
SAIL RITES Bengal Wagon Industry Private Limited
GEDCOL SAIL Power Corporation Limited
mjunction Services Limited

S&T Mining Company Private Limited
Bokaro Power Supply Company Private Limited
Bhilai Jaypee Cement Limited
SAIL Kobe Iron India Private Limited
SAIL SCL Kerala Limited
SAIL Bansal Service Centre Limited
Prime Gold – SAIL JVC Limited

Appendix 2

List of branches / units / marketing regions audited by branch auditors

1. Central Marketing Organisation – Southern Region	7. IISCO Steel Plant, Burnpur
2. Central Marketing Organisation – Western Region	8. Salem Steel Plant
3. Central Marketing Organisation – Eastern Region	9. Vishweswaraya Iron and Steel Plant
4. Central Marketing Organisation – Transportation & Shipping	10. SAIL Refractories Unit
5. R&D Centre, Ranchi	11. Chandrapur Ferro Alloy Plant
6. Rourkela Steel Plant	



Annexure 1 to the Independent Auditors' Report on Consolidated Financial Statements of Steel Authority of India Limited for the year ended 31st March 2022

Comments	Management's Replies
Independent auditors' report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')	
1. In conjunction with our audit of the consolidated financial statements of Steel Authority of India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entities as at and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, which are companies covered under the Act, as at that date. Responsibilities of management and those charged with governance for internal financial controls 2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act. Auditors' responsibility for the audit of the internal financial controls with reference to financial statements 3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects. 4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors and the branch auditors in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities as aforesaid. Meaning of internal financial controls with reference to consolidated financial statements 6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.	



Comments	Management's Replies
Inherent limitations of internal financial controls with reference to financial statements 7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Qualified opinion 8. According to the information and explanations given to us and based on the consideration of reports of the branch auditors of the Holding Company and that of other auditors, the following material weakness has been identified as at 31st March 2022 with respect to a branch of the Holding Company. The possible effects of the following material weakness have been assessed as material but not pervasive to these consolidated financial statements: On the internal financial controls with reference to financial statements of Durgapur Steel Plant, a branch of the Holding Company, issued by an independent firm of Chartered Accountants vide its report dated 23rd May 2022, reproduced by us as under: "material weakness has been identified in the Plant's internal financial controls with reference to financial statements as on 31st March 2022 relating to the process of reconciliation of Goods Receipt/ Invoice Receipt- GR/IR accounts (grouped under Trade payables/ payable for capital works)." 9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. 10. In our opinion, the Group has, in all material respects, adequate internal financial controls with reference to financial statements as at 31st March 2022, based on the internal financial controls with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Group's internal financial controls with reference to financial statements were operating effectively as at 31st March 2022. 11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31st March 2022, and the material weakness has affected our opinion on the consolidated financial statements of the Holding Company and we have issued a qualified opinion on the consolidated financial statements. Other matters 12. We did not audit the internal financial controls with reference to financial statements / financial information insofar as it relates to two subsidiary companies, which are companies covered under the Act and eleven branches included in the separate annual financial statements of the Holding Company, whose financial statements / financial information reflect total assets and net assets of ₹ 56,839.57 crores and ₹ 30,829.84 crores respectively as at 31st March 2022, total revenues of ₹ 39,714.01 crores, total net profit after tax of ₹ 7,588.40 crores, total comprehensive income of ₹ 7,600.79 crores and cash inflows (net) of ₹ 9.16 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 278.98 crores for the year ended 31st March 2022, in respect of three jointly controlled entities, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to consolidated financial statements in so far as it relates to such subsidiary companies, jointly controlled entities and branches of the Holding Company, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, jointly controlled entities and branches of the Holding Company, is based solely on the reports of the auditors of such companies and branches. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors and branch auditors.	The process of reconciliation of balances under GI/IR has been duly completed to the satisfaction of Auditor by Holding Company. Hence, there is no weakness in the Plant's Internal Financial Control over Financial reporting.

Comments	Management's Replies
13. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one associate company and ten jointly controlled entities, which are companies covered under the Act, in respect of which, the Group's share of net profit (including other comprehensive income) of ₹ 188.40 crores for the year ended 31st March 2022 has been considered in the consolidated financial statements. The internal financial controls with reference to financial statements of these associate company and jointly controlled entities, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to the aforesaid associate and jointly controlled entities, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such companies. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.	

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

Sd/-
CA. B. Vijay
Partner
M.No. 214678
UDIN : 22214678AJOGWW4504
Place : New Delhi

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

Sd/-
CA. Neeraj Sharma
Partner
M.No. 502103
UDIN : 22502103AJKYRT9482
Place : New Delhi

Date: 23rd May 2022

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

Sd/-
CA. Vivek Newatia
Partner
M.No. 062636
UDIN : 22062636AJLPPQ3664
Place : New Delhi

For K A S G & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Keshaw Kumar Harodia
Partner
M.No. 034751
UDIN : 22034751AJLQXV7763
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi
Date: 10th August, 2022



Annexure 2 referred to in Paragraph 24 of the Independent Auditor's Report of even date to the members of Steel Authority of India Limited on the consolidated financial statements for the year ended 31st March 2022

Comments					Management's Replies
As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued till date by us and by the respective other auditors, of companies included in the consolidated financial statements for the year ended 31 st March 2022 and covered under the Act, we report that:					
A) Following are the qualifications / adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 st March 2022 for which such Order reports have been issued till date and made available to us:					
S. No.	Name	CIN	Holding Company / subsidiary / Associate / Jointly controlled entity	Clause number of the CARO report which is qualified or adverse	
1	Steel Authority of India Limited	L27109DL1973GOI006454	Holding Company	Clauses i(a)(A), i(b), i(c), ii(b), vii(a), vii(b) and xiv(a)	
2	Chhattisgarh Mega Steel Limited	U27100CT2015GOI001627	Subsidiary	Clause xvii	
3	SAIL Refractory Company Limited	U14200TZ2011GOI017357	Subsidiary	Clause i(c), vii(a) and vii(b)	
4	NTPC-SAIL Power Company Limited	U74899DL1999PLC098274	Jointly controlled entity	Clause i(c), vii(a) and vii(b)	
5	SAIL-RITES Bengal Wagon Industry Private Limited	U35200DL2010PTC211955	Jointly controlled entity	Clause vii(a) and vii(b)	
B) Following are the companies included in the consolidated financial statements for the year ended 31 st March 2022 audited by other auditors, for which the reports under section 143(11) of the Act of such companies have not yet been issued by the respective other auditors, as per information and explanation given to us by the management in this respect:					
S. No.	Name	CIN	Subsidiary/ Associate/ Jointly controlled entity		
1	S&T Mining Company Limited	U13100WB2008PLC129436	Jointly controlled entity		
2	Almora Magnesite Limited	U26941UR1971PLC003453	Associate		
3	International Coal Ventures Private Limited	U10100DL2009PTC190448	Jointly controlled entity		
4	Bastar Railway Private Limited	U74900CT2016PTC007251	Jointly controlled entity		
5	GEDCOL SAIL Power Corporation Limited	U40300OR2018SGC029410	Jointly controlled entity		
6	mjunction Services Limited	U00000WB2001PLC115841	Jointly controlled entity		
7	Bokaro Power Supply Company Private Limited	U40300DL2001PTC112074	Jointly controlled entity		
8	Bhilai Jaypee Cement Limited	U26940CT2007PLC020250	Jointly controlled entity		
9	SAIL Kobe Iron India Private Limited	U27100DL2012PTC236499	Jointly controlled entity		
10	SAIL SCL Kerala Limited	U27104KL1969SGC002253	Jointly controlled entity		
11	SAIL Bansal Service Centre Limited	U27310WB2000PLC092486	Jointly controlled entity		
12	Prime Gold – SAIL JVC Limited	U28113DL2012PLC245537	Jointly controlled entity		

Annexure-VIII to the Board's Report

MANAGEMENT'S REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF STEEL AUTHORITY OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2022

Comments	Management's Replies
Statement of Profit & Loss ii. Note 41: Other Expenses: ₹26662.75crore Power & Fuel: ₹6975.31crore As per Para 8 of IND AS 10 "an entity shall adjust the amounts recognised in its financial statements to reflect adjusting events after the reporting period". Adjusting events after the reporting period are those that provide evidence of conditions that existed at the end of the reporting period. IISCO Steel Plant, Burnpur and Durgapur Steel Plant, Durgapur of SAIL purchase electricity from Damodar Valley Corporation (DVC). West Bengal Electricity Regulatory Commission (WBERC) while determining the tariff schedule applicable to the consumers of DVC passed orders on 5th May 2022. All the rates and conditions of tariff mentioned in the order were effective from 1st April 2017. WBERC in above order directed that DVC would be entitled to additional sums towards enhanced cost of fuel and power purchase after the date from which the tariff order takes effect. IISCO Steel Plant, Burnpur and Durgapur Steel Plant did not provided liability towards enhanced cost of fuel and power payable to the DVC as per the above order of WBERC. Non-provision of above has resulted in understatement of Power & Fuel charges and overstatement of Profit by ₹ 70.17 crore (ISP- ₹ 47.19 crore and DSP - ₹ 22.98 crore).	West Bengal Electricity Regulatory Commission (WBERC) vide Tariff Order dated 5th May, 2022 determined the tariff schedule applicable to the consumers of DVC effective from 1st April, 2017 and its continuation till further order of the Commission. Accordingly, the financial impact considering the revised charges was provided for in books of accounts for FY 2021-22 accepted by SAIL Board on 23rd May, 2022. Subsequently, i.e. after the adoption of the accounts by the SAIL Board, DVC raised the arrears bill on 2nd June, 2022. In the absence of required information for computation of arrears on account of fuel cost, the amount could not be provided in the FY 2021-22. This fact is further corroborated by the mail dated 8th July, 2022 from DVC wherein it has mentioned that "all data from April '17 to April'22 for preparation of differential energy charge bill were not available at public domain in DVC website so as to enable you to compute differential cost of fuel bill yourself". As implication was made available in June, 2022 we have considered its impact in Q1 2022-23.
Current Liabilities: ₹39342.92 crore iii. Note-33: Provisions: ₹1171.67crore Railways had given advance of ₹ 1000 crore to SAIL to be adjusted against supply of rails on selected doubling projects. While finalising (October 2019) the price of rails supplied during 2016-17, it was agreed that SAIL would pass on the savings/benefit accrued to them as per the weighted average working capital cost of borrowing, as decided by Chief Advisor (Cost), Ministry of Finance. Accordingly, the interest on outstanding advance is being adjusted in the price of rails supplied during 2016-17 and afterwards. The Chief Advisor (Cost), Ministry of Finance recommended (August 2021) the price of rails supplied by SAIL to Indian Railways during 2019-20 and provision towards expected reduction in price was made in the accounts. However, the Company had not made any provision towards interest payable amounting to ₹ 30.79 crore on outstanding advance. Non-provision towards interest payable on advance taken from Indian Railways based on rate of interest decided by CA/Cost for 2019-20 had resulted in understatement of provisions and overstatement of profit for the year by ₹30.79 crore.	There is no mention for interest on advance given by Railways in the sanction letter dated 18th March, 2016. Subsequent to the Pricing of Rails by Chief Advisor(Cost), MoF, a Joint Pricing Committee (JPC) meeting is held between the Railways and SAIL representatives, wherein final negotiation for Rail Price is held and issues beyond the contract agreement are settled therein. Based on the JPC meeting for 2019-20, suitable action will be taken.
B COMMENTS ON CONSOLIDATED FINANCIAL POSITION	
i. Note: 4 - Property, Plant and Equipment: ₹68382.92crore Financial information of captive mines and collieries of SAIL located in Jharkhand was merged in the financial statements of Bokaro Steel Plant from 2021-22. Following details relating to status of land and residential quarters/ houses (assets under unauthorized, deemed possession, and pending for registration) pertaining to the Jharkhand Group of mines was not disclosed in the above note. Iron Ore & Flux mines: (a) 6020.57 acres as on 31st March 2022 (Gua mines-89.73 acres & Manoharpur mines-5930.84 acres), owned/ possessed/ taken on lease by the company, in respect of which title/ lease deeds are pending for registration. (b) 96 acres as on 31st March 2022 (Manoharpur mines) in respect of which title is under dispute (c) 30.75 acres as on 31st March 2022 (Kiriburu mines) under unauthorized occupation. (d) 1710 residential quarters/ houses under unauthorized occupation as on 31st March 2022 (Kiriburu-445, Meghahatuburu-170, Gua-88, Bhawanathpur-300 and Manoharpur-707). Collieries: (e) 695.28 acres of land which is pending reconciliation with State Government. (f) 30.01 acres of land under encroachment (g) 681 out of 1646 quarters is under unauthorised occupation. Thus, Note 4 was deficient to above extent.	The necessary disclosure in respect of land and residential quarters/ houses (assets under unauthorized, deemed possession, and pending for registration) pertaining to the Mines and Collieries will be made in the FY 2022-23.

Comments		Management's Replies
C	COMMENTS ON CONSOLIDATED DISCLOSURE	
	Notes to Accounts i. Note no. 47.1 Contingent liability (a) The above does not include ₹31.06 crore for differential interest on Excise duty on the demand of ₹ 68.40 crore pertaining to the period 2001-02 to 2013-14. Visvesvaraya Iron and Steel Plant had disclosed the interest for ₹ 40.94 crore applicable till 31st March 2017, instead of actual interest ₹72 crore up to 31st March 2022. Thus, there was short disclosure of contingent liability amounting to ₹31.06 crore. (b) Above does not include ₹ 23.63 crore (₹ 37.48 crore less ₹ 13.85 crore) being the differential claims of sales tax for the period from 2009-10 to 2013-14 not acknowledged as debt by Bokaro Steel Plant up to 31st March 2022. Thus, ₹ 23.63 crore has been short accounted under the head of sales tax claim of contingent liabilities. (c) Above include ₹ 21.52 crore towards claim by M/s G S. Atwal (Engg) Pvt Ltd against Work Order dated 22/26 June 1998 relating to work for Scientific Exploitation at Salanpur of Ramnagore seam. The Arbitrator has given its decision against SAIL and ₹ 4.69 crore was paid by the Company to the party in February 2022. As the case was settled the same should have excluded from the Contingent Liability. Non exclusion/removal of the same has resulted in over statement of Contingent Liability by ₹ 21.52 crore.	Due correction in Contingent Liabilities will be carried out in FY 2022-23.
	ii. Note 49.14: In the Note 49.14, the Group has disclosed that 'The Group disintegrated its Raw Material Division (the Division) on 1st July 2021 and accordingly, the balances as at 30th June 2021 were merged with the Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant of the Company. These Standalone Financial Statements include the financial information of the aforesaid Division which reflect total revenues of ₹ 374.07 crore (excluding intra company stock transfers of ₹ 1443.41 crores), total expenses of ₹ 1702.92 crores, total net profit After Tax of ₹ 114.56 crores and Total Comprehensive Income of ₹110.68 crore for the quarter ended 30th June 2021 which were subjected to a limited review by the erstwhile auditors of the Division and have now been audited by the joint statutory auditors/auditors of the plants for the purpose of reporting on the complete set of standalone financial statements of the Group. Further the total assets of ₹7448.85 crores and total liabilities of ₹4034.45 crore as at 30th June 2021 were transferred to the aforesaid plants and are included in the balances of the plants as at 31st March 2022, which have been audited by the Auditors of the respective plants. However, the Group is in the process of referring the matter to the Comptroller & Auditor General of India for the appointment of Auditors of the Division as required under Section 139(5) of the Companies Act, 2013. Audit noted that the financial information of RMD was subjected to limited review by the erstwhile auditors appointed by the C&AG of India. Moreover, the balances of Quarter-1 ending 30th June 2021 of RMD were transferred to the Financial Statements of Bokaro, Rourkela and Bhilai Steel Plants for the year 2021-22 and have been audited by the joint statutory auditors appointed for the year 2021-22. In view of above, the disclosure under Note 49.14 is not necessary. Similarly, Emphasis of Matter (8-ii) included in the Independent Auditors' Report drawing attention to the Note 49.14 of the Financial Statement is also not necessary.	The view of the Audit is Noted.
	For and on the behalf of the Comptroller & Auditor General of India (U. S. Prasad) Director General of Audit (Steel), Ranchi Place: Ranchi Date: 28th July, 2022	For and on behalf of Board of Directors Sd/- (Soma Mondal) Chairman Place: New Delhi Date: 10th August, 2022



Annexure-IX

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement
of subsidiaries/associate companies/joint ventures**

Part "A": Subsidiaries

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	SAIL Refractory Company Limited	Chhattisgarh Mega Steel Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable
₹ in crore			
4.	Share capital	0.10	0.05
5.	Reserves & surplus	163.98	(-)0.06
6.	Total assets	239.07	-
7.	Total Liabilities	74.99	0.01
8.	Investments	-	-
9.	Turnover	207.70	-
10.	Profit before taxation	27.74	(-)0.01
11.	Provision for taxation	8.08	-
12.	Profit after taxation	19.66	(-)0.01
13.	Proposed Dividend	6.02	-
14.	% of shareholding	100	74

Note: The Company holds 30,00,000 equity shares of ₹10/- each in IISCO Ujjain Pipe & Foundry Co. Ltd. The Hon'ble High Court of Calcutta had directed winding-up of the Company with effect from 10th July, 1997 and the official liquidator has taken over the possession of the assets of the Company. The liquidator, after disposing the assets of the Company, is in the process of settling the outstanding dues. The cumulative loss of IISCO Ujjain Pipe & Foundry Co. Ltd. upto 10th July'97 was ₹17.05 crore.

For and on behalf of Board of Directors

Sd/-

(M.B. Balakrishnan)
Company Secretary

Sd/-

(Soma Mondal)
Chairman

Place : New Delhi

Date: 23rd May, 2022



Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sl. No.	Name of the Associate /Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate / Joint Ventures held by the company on the year end	Amount of Investment in Associates / Joint Venture ₹ crore	Extent of Holding (%)	Description of how there is significant influence	Revenue from operations	Net worth attributable to shareholding as per latest audited Balance Sheet ₹ crore	Profit/ Loss (-) for the year ₹ crore	Considered in Consolidation ₹ crore	Not Considered in Consolidation ₹ crore
Joint Ventures		1	2	3	4	5	6	7	8	9	10
1	NTPC SAIL Power Company Pvt. Ltd.	31-03-2022	490250050	490.25	50.00%	Note-1		1718.61	358.00	179.00	179.00
2	Bokaro Power Supply Co. Pvt. Ltd.*	31-03-2021	124025000	124.03	50.00%	Note-1		569.75	78.73	39.37	39.37
3	Mjunction Services Limited *	31-03-2021	4000000	4.00	50.00%	Note-1		136.42	69.75	34.88	34.88
4	SAIL Bansal Service Centre Ltd *	31-03-2020	3200000	3.20	40.00%	Note-1		1.23	0.62	0.25	0.37
5	Bhilai Jaypee Cement Limited *	31-03-2020	98718048	52.51	26.00%	Note-1		19.84	-61.01	-15.86	-45.15
6	International Coal Ventures Private Limited*	31-03-2021	698371832	698.37	47.82%	Note-1		1136.14	-23.18	-11.08	-12.10
7	SAIL SCL Kerala Limited *	31-03-2018	13017801	18.75	49.26%	Note-1		-	-18.36	-	-18.36
8	SAIL RITES Bengal Wagon Industry Pvt. Limited	31-03-2022	24000000	24.00	50.00%	Note-1		30.82	1.61	0.81	0.81
9	SAIL Kobe Iron India Pvt. Limited*	31-03-2018	250000	0.25	50.00%	Note-1		0.25	-0.02	-0.01	-0.01
10	Prime Gold-SAIL JVC Limited*	31-03-2019	4680000	4.68	26.00%	Note-1		3.39	-7.24	-1.88	-5.36
11	VSL SAIL JVC Limited *	31-03-2018	1297780	1.30	20.58%	Note-1	Accounts not available	-	-	-	-
12	Romelt SAIL (India) Ltd @		63000	0.06		Note-1	-do-	-	-	-	-
13	UEC SAIL Information Technology Limited #		-	-		Note-1	-do-	-	-	-	-
14	N.E. Steel & Galvanising Pvt. Limited #		-	-	49.00%	Note-1	-do-	-	-	-	-
15	Bastar Railway Pvt Limited*	31-03-2021	35232600	35.23	12.00%	Note-1		35.34	-0.89	-0.11	-0.78
16	GEDCOL SAIL Power Corporation Limited*	31-03-2021	2600000	2.60	26.00%	Note-1		2.61	-0.02	-0.01	-0.01
Associate											
1	Almora magnesite Limited*	31-03-2020	400000	0.40	20.00%	Note-2		1.38	0.38	0.08	0.30

- Voting power as per Joint Venture Agreement
 - Holds 20% share capital
- * Based on the Unaudited Accounts for the Year
- @ Operations under suspension
- # Companies under winding up/liquidation

For and on behalf of Board of Directors

Sd/-
(**M.B. Balakrishnan**)
Company Secretary

Sd/-
(**Soma Mondal**)
Chairman

Place : New Delhi
Date: 23rd May, 2022



Annexure-X to the Board's Report

**Particulars of Loans, Guarantees or Investments in accordance with
Section 186 of the companies Act, 2013**

i) Amount Outstanding as at 31st March, 2022

Particulars	Amount (₹ crore)
Loans Given *	
IISCO Ujjain Pipe & Foundry Co. Ltd.	2.53
NTPC SAIL Power Company Pvt. Limited	43.09
UEC SAIL Information Technology Limited	1.30
S&T Mining Co. Pvt. Limited	0.02
SAIL SCL Kerala limited	11.77
TOTAL	58.71
Investments Made #	1459.72

*₹12.18 crore provided for

#Refer Note no.8 to Standalone accounts

ii) Investments made during the Year ended 31st March, 2022

Name of the Entity	Relation	Amount (₹ crore)	Purpose for which Investments are proposed to be utilised
International Coal Ventures Pvt. Ltd.	Joint Venture	4.61	to be used in ordinary course of business

For and on behalf of the Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi

Dated: 5th September, 2022



Annexure-XI to the Board's Report

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

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies(Accounts) Rules, 2014)

(A) Conservation of energy**(i) Steps taken or impact on conservation of energy**

The trend of increasing energy cost and environmental degradation due to increased Greenhouse Gas (GHG) emission have necessitated a renewed thrust towards reduction in energy consumption. In Indian steel industry, energy cost constitutes about 40% of the total cost of production.

In view of high energy cost component, SAIL has continually undertaken various measures like optimisation in plant utilisation, improvement in existing processes, introduction of new technologies and increase in waste heat recovery. At the same time, focus is also on reduction of consumption/purchased fuel and power.

Performance of Integrated Steel Plants in terms of energy and power was as follows:

Parameter	Unit	BSP	DSP	RSP	BSL	ISP
Specific Energy Consumption	Gcal/tcs	52	6.40	5.99	6.61	6.30
Specific Power Consumption	kWh/tss	501	425	456	460	528

Some of the steps taken in these areas are listed below.

Bhilai Steel Plant (BSP)

- a) Best ever production of Crude Steel from SMS-3 at 2.726 Mt, surpassing previous best of 2.213 Mt achieved in 2020-21.
- b) Waste heat recovery from hot coke in Coke Dry Quenching (CDQ) facility, resulting in generation of 11.28 GWh power from Back Pressure Turbine Generator (BPTG) in Coke Oven Battery (COB) 11.
- c) Increase in conversion of high top-gas discharge pressure to electrical energy in Blast Furnace (BF) # 8 resulting in highest ever generation of 89.53 GWh of power through Top-pressure Recovery Turbine (TRT). Previous best TRT power generation of 78.95 GWh was achieved in 2020-21.
- d) Best ever average power generation in Power & Blowing Station (PBS)-2 of 22.8 MW surpassing previous best of 19.0 MW in 2020-21, resulting in increased generation of captive power of 313.8 GWh from Captive Power Plants (PP-1 & PBS-2 together) compared to 301 GWh in 2020-21.
- e) Best ever average Coal Dust Injection (CDI) rate of 83.8 kg/thm achieved in BFs 1-8.
- f) Installation of Variable Voltage Variable Frequency Drives (VVVFDs) in 3 nos. of Combustion Air blowers of BF-6 has resulted in annual energy saving of 3.54 GWh.

Durgapur Steel Plant (DSP)

- a) Maintaining the feed material for Wheel & Axle Plant from Bloom and Round Caster rather than through ingot route, resulting in second highest ever ratio of Crude Steel production through CC route of 97.4 %. Previous best ratio of Crude Steel production through CC route was 97.5 %, achieved in 2020-21.
- b) Annual Best Medium Structural Mill production of 0.437 Mt resulting in lowest ever Specific Energy Consumption for the shop.

- c) Successful completion of shell and hood changing at Converters #1 & #3 enabled achievement of highest ever Crude Steel production of 2.23 Mt
- d) Replacement of conventional 2 nos. 400 W HPSV lights with 350 W LED fittings in 6 nos. Himast towers, replacement of 300 nos. 250 W / 150 W streetlights with 120 W LED fittings, conversion of lighting of 4 nos. substations to LED lighting and revival of defunct HPSV Tower lights of PCM with LED Flood lights, resulting in saving of an equivalent amount of power consumption.
- e) Installation of Variable Voltage Variable Frequency Drives (VVVFDs) in following areas of Coke Ovens
 - One no. of 30 kW motor of Ram Car-9 Leveller
 - One no. of 80 kW motor of Ram Car-9 Pusher
 - Four nos. of 15 kW motor of Charging Car 2 LT
 - Two nos. of 18.5 kW motor of Charging Car 2 Screw Feeder
 - Two nos. of 18.5 kW motor each of 1 Mt & 1.6 Mt CHK Screens
- f) At Continuous Casting Plant, in-house installation and commissioning of VVFD drive and AC squirrel cage induction motor in
 - Turnover Cooling Bed Horizontal replacing conventional panel and slip ring induction motor;
 - Withdrawal Units of machine #2 of stand #2 & machine #2 of stand #5 replacing DC motors and DC analog drives.
- g) Installation and commissioning of motorised geared assembly with VVFD - a new equipment in intermediate common roller of Billet Caster #1.
- h) Installation and commissioning of 7.5 kW VVFDs in stand #2, #3, #4 & #5 (total 16 drives) of Billet Caster #1.

Rourkela Steel Plant (RSP)

- a) Waste heat recovery from hot coke in Coke Dry Cooling Plant (CDCP) facility, resulting in generation of 30.64 GWh power from Back Pressure Turbine Generator (BPTG) in Coke Oven Battery (COB) - 6 along with increased generation of 0.388 Mt (compared to 0.375 Mt in 2020-21) of medium pressure steam.
- b) Increased conversion of high top-gas discharge pressure to electrical energy in Blast Furnace (BF) # 5 resulting in increased generation of 117.8 GWh of power through Top-pressure Recovery Turbine (TRT) (compared to 107 GWh in 2020-21).
- c) After modification in BF gas pipeline to increase BF gas collection at BF - 5 and also to increase BF gas flow from the old zone to COB # 6 in the expansion unit, BF gas utilisation increased to an estimated 172 x 10⁶ Nm³ from 90 x 10⁶ Nm³ in 2020-21.
- d) Repair and replacement of vertical skid post of reheating furnace of New Plate Mill resulting in reduction of fuel consumption by 12 Mcal/t of slab rolled.



- e) Up-gradation of 6 nos of cooling tower in Site-A and Site-C of Coal Chemicals Department (CCD) resulting in power saving of 473 MWh.

Bokaro Steel Plant (BSL)

- Complete phasing out of Slabbing Mill; thereby eliminating production through the energy-inefficient ingot route. A saving of 0.045 Gcal/tcs of energy is estimated.
- Commissioning of energy efficient SMS-1 and LD gas holder system of SMS-2.
- Replacement of inefficient recuperators of Reheating Furnaces #2, #3 & #4 and insulation of corresponding hot air lines.
- Reclamation of around 1,000 t tar from coal-tar storage tank of By-product Recovery Plant.
- Two Induced Draught Fans and other high rated drives of SMS-1 were commissioned with Variable Voltage Variable Frequency Drives (VVVFDs).
- Additional VVVFDs installed in all drives of Emulsification and Hydraulics system at Tandem Mill-1 of CRM-1 & 2.
- Replacement of more than 1,000 nos. of Sodium Vapour Lamps of 250 W each with 150 W Light Emitting Diode lights.
- Liquidation of 30 nos of steam leakages, insulation of 400 m long steam line & replacement of 40 nos. steam traps.

IISCO Steel Plant (ISP)

- On laying of a dedicated CO gas pipeline for firing of excess CO gas from old plant, into reheating furnaces of mills in the new plant, resulting in highest ever utilization of excess available CO Gas, thereby reduction of purchased CBM gas consumption by an estimated 19.33×10^6 scm.
- Installation of 100 kWp, Rooftop Solar Photo-Voltaic system, resulting in reduction of not only an equivalent amount of purchased power, but also the carbon footprint of steel thus produced.
- Increase in conversion of high top-gas discharge pressure to electrical energy in Blast Furnace (BF) # 5 resulting in highest ever generation of 97.95 GWh of power through Top-pressure Recovery Turbine (TRT). Previous best TRT power generation of 95.49 GWh was achieved in 2019-20.
- Increase in waste heat recovery from hot coke in Coke Dry Cooling Plant (CDCP) facility, resulting in highest ever steam generation of 0.586 Mt in Coke Oven Battery (COB)-11. Previous best steam generation of 0.542 Mt was achieved in 2017-18.

ii) Capital Investment on Energy Conservation Equipment

A Capital Expenditure of about Rs.50 crore has been incurred on energy conservation equipment/measures during the Financial Year 2021-22.

(B) Technology absorption

i) Efforts made towards technology absorption

Research and Development Centre for Iron & Steel (RDCIS) is the Corporate R&D Unit of SAIL. Over the years, RDCIS has earned credentials of being an R&D Centre of international repute in the field of ferrous metallurgy. The major thrust of RDCIS is to plan, demonstrate and implement multi-disciplinary R&D programmes in SAIL

Plants to improve their key performance indices related to quality, productivity and yield. RDCIS works with steel Plants and Central Marketing Organisation of the Company to reduce product cost, develop value added market centric products and demonstrate the application of SAIL products amongst the customers. Specific areas in which R&D activities were carried out by the Company in 2021-22 are as under:

a) Process Developments

Coke Making

- Improvement in CSR from 63.6 to 64.5 at BSP.
- Improvement in M_{10} Index of coke by 0.4 points and 0.5 points at BSL and RSP respectively.
- Increase in Benzol yield from 1.56 kg/tdcc (2020-21) to 3.17 kg/tdcc at BSL.

Agglomeration

- Laboratory investigation by using olivine in sintering process as per Sinter Plant, BSL conditions.
- Improvement in Sinter quality of SP-3, RSP through various measures.
- Improvement in Sintering process by increasing balling index at SP-2, DSP

Blast Furnaces

- Enhancement of CDI rate in BF#2 at BSL.
- Productivity enhancement in BF#2 at DSP.

Steel Making, Casting & Refractory

- Process Stabilisation and Improvement of Shop Productivity in New SMS at BSL.
- Introduction of Foamy Slag Practice in Ladle Furnace at DSP.
- Heat transfer model development for continuous casting of strand under uneven heat flux condition.
- Influence of micro alloying on crack susceptibility of Al-Si killed steels during continuous casting.
- Optimization of Secondary Steelmaking and Casting Parameters to improve steel cleanliness.

Refractory

- Performance improvement of refractory lining of hot metal ladle at ISP.
- Introduction of precast block & modified burner along with roof with developed Castable in SP#2 at DSP.
- Development of working lining refractory for walls and bottom of Pilot Coke Oven of RDCIS.
- Study on different properties of Al-Mg refractory with formation of in-situ spinel at RDCIS.

Rolling Mills

- Establishment of flash butt welding and post weld heat treatment parameters for alloyed rails for commercial production as welded panel in 260m length in URM at BSP.
- Establishment of Alumino-thermic welding parameters for alloyed Rails.
- Established Process technology for production of 16mm Q&T SAILWELD (S690QL) Plates.



- Improvement in sealing system of bearing of back up roll chock of Finishing Stands of Hot Strip Mill at Bokaro Steel Plant.
- Performance Improvement of Inner Cover of Batch Annealing Furnace of CRM-III at Bokaro Steel Plant.

Energy Conservation and Environment

- Redesign of gas mixing station for LDGP at ISP with different fuel & utility matrix.
- Study on excess scale formation in reheating furnace of MSM.
- Investigation into aspects of coke oven effluent aeration technology improvement.
- Investigation into improving off-site application potential of BOF steelmaking slag.

b) Laboratory based work

- Laboratory study for briquetting of BOF Sludge and compatible steel plant wastes.

- Waste utilization initiatives- Utilization of solid waste like BOF slag & fly ash for brick / paver block making.

c) Product Development & Application

RDCIS, through continuous technological inputs, has been helping the Company in producing value added steel products at a competitive price. Several new products, particularly special steels, having superior product quality attributes have been developed and commercialized through concerted efforts of Plants, RDCIS and CMO for meeting stringent requirement of various market segments. Principle of cost effective alloy design and optimization of process parameters were the prime consideration for development of the new market oriented products. During the year 2021-22, the following 12 nos. of products have been developed. Some of these products have been developed using the newly commissioned production facilities viz., CRM III (BSL), NPM (RSP), MSM (DSP), WRM (ISP), BRM (ISP) and USM (ISP).

S.No.	Product Details	Plant	Application
1	High phosphorus based 50C530 grade CRNO coils	RSP	Electrical Machinery
2	SAIL WR400 wear resistant Q&T steel plates (16 & 20 mm)	RSP	Earth Moving Equipment (EME)
3	High strength galvanized plain coils with YS: 350 MPa and 450 GSM coating	BSL	Grain Storage Silos
4	Customised IS 513 CR2DSiK CR coils	BSL	Electrical Stamping
5	API X70 PSL2 HR coils	RSP-BSL Route	Line Pipe for Oil & Gas Industry
6	SAE 1006 AIK (Si 0.03% max) HR coils	BSL	Galvanizing industry
7	IS 7887 Grade 2 wire rod coils (5.5/6 mm dia)	BSP	Cable Armour
8	Fe550D grade TMT rebars	BSP	Infrastructure & Construction
9	High Carbon wire rod coils in HC82 grade and above (5.5, 7, 8 & 10 mm dia)	ISP	High Tensile Wire
10	EN8M grade free cutting wire rod coils (16 mm dia)	ISP	Automotive Machined Components
11	IS 2062 E450 BR Structural (NPB300, 400, 500 & 600 Parallel Flange Structural)	ISP	Construction
12	Special Quality Semis - Customised low carbon and restricted Si bloom, IS 14650 Gr513 CR2D in 300x150 BRC - BRC rounds in 340 mm dia in SA105 grade through VAD/ EMS Route	DSP	Tractor/ Tube/ Cycle Industry Forging Industries

(ii) Benefits derived from key projects in 2021-22:

Process Area:

Project Title	Plant	Benefit derived
Optimization of operating parameters of COB 1, 2 & 7	BSL	- Average CSR improved from 63.6 to 64.5. - Coal Charging levels of Ovens increased resulting improved bulk density and coke quality.
Improvement in coke quality by reduction in -0.5 mm (microfines) and +6 mm fraction of coal blend.	BSL	Average M_{10} index improved by 0.4 points (from 9.6 to 9.2).
Improvement in wash oil quality through optimization of process parameters	BSL	- Naphthalene % in Wash oil decreased from 31% to 5.71%. - Benzol Yield improved from 1.56 to 3.12.
Enhancement of CDI in Blast Furnace# 2	BSL	CDI rate of BF#2 increased to 62 kg/t against 56 kg/t.
Process Stabilisation and Improvement of Shop Productivity, SMS-New, BSL	BSL	- Nozzle clogging reduced by ~ 85%. - Avg. heats/day increased to 16 from 5 heats. & Ladle lining life improved from 26 heats to 55 heats.
Optimization of Secondary Steelmaking and Casting Parameters to improve steel cleanliness	BSL	Inclusion volume fractions reduced from 0.18% to 0.07%.
Performance improvement of inner cover of batch annealing furnace of CRM-III	BSL	- Reduction of the premature failure of the inner cover - Reducing in delay due to failure of inner cover by 50%
Improvement in sealing system of bearing of back up roll chock of finishing stands, HSM	BSL	- Hydrogenated Acrylonitrile Butadiene Rubber (HNBR) and Fluorocarbon (FKM) seals improved seal life - New seals are changed in more than two campaigns compared to single campaign with the earlier seal.



Project Title	Plant	Benefit derived
Development of Customized cold rolled and annealed Drawing Quality steel with high Si (0.25-0.28) for electrical stamping application	BSL	CR coils of customised CR2D (Si-K) steel grade with C = 0.055% and Si = 0.28% in 0.5 mm thickness has successfully been developed for electrical stamping applications.
Introduction of Co-injection of Calcined Dolomite with Pulverised Coal to improve performance of BF # 1 & 5	BSP	CDI rate of BF 1 and 5 increased by 8 kg / tone of hot metal.
Development of R260 grade rail.	BSP	- R260 grade chemistry was optimised. - More than 9 lakh tons of R260 grade rails supplied to Indian Railway in 2021-22.
Establishment of Alumino-thermic welding parameters for alloyed rails	BSP	- Alumino-thermic process successfully developed by optimizing the weld metal chemistry within the range as specified in the IRS-T19-2020 specification. - The successful development of AT welding technology will open the way for its commercial production.
Establishment of flash butt welding and post weld heat treatment parameters for alloyed rails for commercial production as welded panel in 260m length at URM	BSP	Flash butt technology established and more than 100 joints have been made and evaluated. Development of this technology will lead to supply of 260m long rail to Indian Railway.
Development of Wire Rod Coil Yard Management System for Wire Rod Mill	BSP	Improved coil identification through machine readable QR coded labels.
Improvement in sintering process by increasing balling index at SP-2	DSP	- Balling index increased by 24% . - Specific productivity increased by 2.27 % from 1.32 to 1.35 t/m²/hr. - Drum Tumbler Index increased by 0.35 units from 68.96 to 69.31.
Productivity enhancement in BF#2	DSP	- Productivity of BF#2 enhanced by 3% to 1.74 t/m³/day. - Fuel rate decreased by 12 kg/thm.
Introduction of Foamy Slag Practice in Ladle Furnace, DSP	DSP	Improvement in steel De-Sulphurisation by 25% from tap to tundish & power consumption reduced by 5%. Noise level during arcing reduced from ~95 dBA to < 80 dBA
Introduction of precast block & modified burner along with roof with developed Castable at SP#2	DSP	Andalusite based 60% Al₂O₃ containing castable gave life of 30 months.
Performance improvement of refractory lining of hot metal ladle	ISP	Average Ladle lining life improved from 842 heats to 1100 heats.
Improvement in M ₁₀ Index of coke by 0.5 for COB#6	RSP	- Average Crushing Index improved from 76-78 % to above 81 %. - M₁₀ index improved from 7.1 to 7.0 despite higher usage of indigenous coal
Improvement in sinter quality of SP-3 through various measures	RSP	Specific productivity improved by 2.33% from 1.29 to 1.32 t/m²/hr by operating plant at recommended RPM setting.
Optimization of process parameters of AHTL, to achieve desired mechanical properties in SAILWELD grade of steel at SPP	RSP	Process technology established for production of 16mm Q&T SAILWELD (S690QL) plates.
Automatic Heating & Carbonisation Profile Management System in 300kg Pilot Coke Oven	RDCIS	- Accurate heating & carbonization of the coal blends as per set temperature profile. - Digitalization of the testing process.
Waste utilization initiatives- Utilization of solid waste like BOF slag & fly ash for brick / paver block making	RDCIS	Process has been developed, for utilization of BOF slag & fly ash for brick / paver block making

Other Technology Absorption, Adaption & Innovation measures

Technology development, absorption, adaption and further improvement are continuously taking place in the Company in different areas of Steel Plant operation through a definitive technology strategy. A number of new technologies are installed/ being installed as a part of modernization/continuous improvement. These area-wise include:

S.No.	Description	Year	Status
COKE MAKING			
1.	Rebuilding of Coke Oven Battery No-8 at BSL	2023	Likely to be commissioned
2.	Up-gradation of Effluent treatment plant of CO&CCD area at RSP	2023	Likely to be commissioned
SINTER MAKING/AGGLOMERATION			
1.	Installation of Sinter Plant II, BSL	2023	Under implementation
IRON MAKING			
1.	Blast Furnace (BF) with modern facilities such as :- - Conveyor charging system - Closed Loop Cooling System with soft water as an efficient cooling system - Modern refractory design - Flat Cast House design with ramp for use of mobile equipment for maintenance, etc.		



S.No.	Description	Year	Status
i)	BF#4 at BSL	2023	Likely to be commissioned
2.	INBA Cast House Slag Granulation Technology at BSL		
i)	BF #1, Cast House 1	2023	Likely to be commissioned
ii)	BF #1, Cast House 2	2022	Commissioned
3.	High Hot Blast technology in stoves with waste heat recovery system for achieving HBT of >1200°C		
i)	4 th Stove in BF#4, DSP	2023	Likely to be commissioned
STEEL MAKING			
1.	1x130t BOF at SMS-I, BSL	2022	Commissioned
2.	Replacement of Converter shells with Bottom stirring system and installation of secondary emission control system in all the three converter at DSP	2022	Commissioned
3.	Installation of 4 th Slab Caster and a new Ladle Furnace in SMS-2 at RSP	2024	Likely to be commissioned
ROLLING & FINISHING			
1.	Medium Structural Mill, DSP	2022	Production ramp-up in progress. Likely to be commissioned
i)	Walking-beam (WB) type re-heating furnaces		
ii)	Universal stands with quick roll cassette changing facility for easy switch-over of campaigns and production of universal sections which have inherent advantages of simplicity in fabrication, higher section modulus to weight ratio, higher buckling strength, etc.		
iii)	On-line profile gauges for stock to stock monitoring of important geometric values for minimizing rejections and taking timely corrective actions		
2.	New Hot Strip Mill, RSP		
i)	Walking-beam (WB) type re-heating furnaces with modern features including energy efficient digital furnace, crop optimization, heat retention panels.	2022	Commissioned
ii)	A new 3.0 MT capacity Hot Strip Mill to meet the market requirements of higher coil weight, wider strip, higher strength grades for auto body grades and API grades and excellent product qualities. Features include pair cross rolling, micro-structure controlled cooling, online surface inspection, pallet conveyors etc. it is equipped with high level of automation including process control, MES & yard management.		

Expenditure on Research & Development

(₹ crore)

(a) Capital	:	71.91
(b) Revenue	:	742.90
Total	:	814.81
Total R&D Expenditure as a % of Total Turnover	:	0.78

Foreign Exchange Earnings and Outgo

(₹ crore)

i) Foreign Exchange earned from exports and other activities	:	6,988.42
ii) Foreign Exchange used:		
a) CIF Value of imports	:	30,234.34
b) Other expenditure in foreign currency	:	31.48

For and on behalf of Board of Directors

Sd/-
(Soma Mondal)
Chairman

Place: New Delhi

Dated: 5th September, 2022

Annexure –XII to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

{Pursuant to Section 135 of the Companies Act, 2013 and
the Companies (Corporate Social Responsibility Policy) Rules, 2014}

1. Brief outline on CSR Policy of the Company

The CSR Policy of SAIL is a statement containing the approach and direction given by the Board, taking into account the recommendations of the CSR Committee of the Board. It includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. The Objectives of the CSR Policy are as follows:

- To create value for the stakeholders and society that are fundamentally linked to SAIL's core business strategies and operations through its services.
- Enhance value creation and foster goodwill for the community in which it operates by enhancing the quality of life of people in the direct impact zone.
- Support the community by assisting the underprivileged people and communities
- Carry out developmental initiatives in order to meet the calls of the present without compromising the ability of future.
- Support local populace by building the image of SAIL as patron of Arts and Sports and Culture.
- To operate in a socially, environmentally and economically responsible manner to succeed by seeking social license.

2. Composition of CSR Committee as on 31st March, 2022 is as under:

Sl. No.	Name of Director	Designation /Nature of Directorship	No. of meetings of CSR Committee during FY 2021-22	
			Held	Attended
1.	Shri N. Shankarappa	Independent Director & Chairman	3	3
2.	Dr. Gopal Singh Bhati	Independent Director	1	1
3.	Shri Kanhaiya Sarda	Independent Director	1	1
4.	Smt. Soma Mondal	Chairman with additional charge of Director (Personnel) and Director (Finance)	3	2

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company. The respective web links are as under: Composition of CSR Committee: www.sail.co.in CSR Policy: www.sail.co.in CSR Projects approved by the Board: www.sail.co.in		
4.	Provide the details of Impact assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Cos (CSR Policy) Rules, 2014, if applicable (attach the report).		Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the FY, if any.		

Sl. No.	Financial Year	Amount available for set-off from preceding FY (₹ in crore)	Amount required to be set-off for the FY 2021-22, if any (₹ in crore)
1	2020-21	7.74	7.74

6.	Average net profit of the company as per Section 135(5)		₹ 4,410.37 crore
7. (a)	2% of average net profit of the company as per section 135(5)		₹ 88.21 crore
(b)	Surplus arising out of the CSR Projects of the previous FY		Nil
(c)	Amount required to be set off for the financial year, if any		₹ 7.74 crore
(d)	Total CSR obligation for the financial year (7a+7b-7c).		₹ 80.47 crore

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for FY 2021-22 (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account [Sec135(6)]		Amount transferred to any fund specified under Sch.-VII as per 2 nd proviso to Sec. 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
94.24	-	-	-	-	-



8.(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocate for the project (₹ in crore)	Amount spent in the current FY (₹ in crore)	Amount transferred to Unspent CSR A/c for the project Sec.135 (6) (₹ in crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District.						Name	CSR Registration No.
NOT APPLICABLE												

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year: The details are provided in Annexure-A to this Report.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Sch-VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project FY (₹ in crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District.			Name	CSR Registration No.

8(d)	Amount spent in Administrative Overheads	₹0.31 crore (included in Table at Annexure-A)
8(e)	Amount spent on Impact Assessment, if applicable	Not Applicable
8(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	₹ 94.24 crore
8(g)	Excess amount for set off, if any	₹ 13.77 crore

8(g) Sl. No.	Particular	Amount (₹ in Crore)
(i)	2% of average net profit of the Co. as per Sec.135(5)	₹ 80.47 crore (as at Sl.No.7(d) above)
(ii)	Total amount spent for the FY	₹ 94.24 crore
(iii)	Excess amount spent for the FY[(ii)-(i)]	₹ 13.77 crore (94.24 - 80.47)
(iv)	Surplus arising out of the CSR projects of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 13.77 crore

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account u/s 135(6) (₹ in crore)	Amount spent in the reporting FY 2020-21 (₹ in crore)	Amount transferred to any fund specified under Sch-VII Section 135(6), if any			Amount remaining to be spent in succeeding FYs (₹ in crore)
				Name of the Fund	Amount (₹ in crore)	Date of transfer	
Nil/Not Applicable							

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount Allocated for the project (₹ in crore)	Amount spent on the proj. in reporting FY (₹ in crore)	Amount spent at the end of reporting FY (₹ in crore)	Cumulative Status of the proj - Completed / Ongoing
Not Applicable								

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).							
	(a) Date of creation or acquisition of the capital asset(s).							
	(b) Amount of CSR spent for creation/acquisition of capital asset.							
	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.							
	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).							
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).							
	Not Applicable							

Sd/-
(Soma Mondal)
Chairman, SAIL, with Additional Charge of
Director (Personnel) & Director (Finance)

Sd/-
(N. Shankarappa)
Independent Director &
Chairman, CSR Committee



Annexure-A to the Report on CSR Activities

DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR 2021-22

Refer Sl.No.8(c) of the CSR Report

Sl. No.	Name of the Project	Item from Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project in FY 2021-22 (₹ in crore)	Mode of Implementation		
				State	District		Direct (Yes/No)	Implementing Agency Name	CSR Reg. No.
1	2	3	4	5		6	7	8	9
1	Eradicating hunger, poverty and malnutrition, promoting healthcare incl. preventive health care, sanitation (including contribution to Swach Bharat Kosh set up by the Central Govt. for the promotion of sanitation), and making available safe drinking water.	Item (i) Healthcare, Drinking Water & Sanitation	Yes	Chhattisgarh	Durg, Bilaspur Balod Kanker Narayanpur Dhamtari Rajnandgaon;	65.82	Yes	**	Not Applicable
2	Promotion of education including special education & employment enhancing vocation skills especially among children, women, elderly and differently abled & livelihood enhancement projects.	Item (ii) Education & Livelihood Generation	Yes	West Bengal	Paschim Bhardman Bankura	10.72	Yes		
3	Promotion of gender equality & empowering women, setting up homes/hostel for women & orphans; setting up old age homes/day care centres & such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Item (iii) Women Empowerment & Care for Sr. Citizens & PwDs	Yes	Odisha	Sudergarh & Keonjhar	1.77	Yes		
4	Ensuring environmental sustainability, etc.	Item (iv) Environment Sustainability	Yes	Jharkhand	Bokaro W.Singhbhum Dhanbad Ranchi	2.13	Yes		
5	Protection of heritage, art, culture & Training to promote rural/Nationally recognised/para-lympic / Olympic sports.	Item (v) & (vii) Promotion of Sports, Art & Culture	Yes	Tamil Nadu	Salem & Chennai	1.08	Yes		
6	Rural development projects	Item (x) Infrastructure & Rural Dev	Yes	Maharashtra	Chandrapur	11.03	Yes		
7	Administrative Overheads	CSR Amendment Rules, 2021 Rule 7(1)	Yes	Karnataka	Bhadravati	0.31	Yes		
8	Provisions for Disaster Relief & Additional allocation for CSR projects as per Schedule-VII	MCA Circular No. 21/2014 dt.18/8/14 Annexure Para (i) Pt.7				1.38			
	Total					94.24			

** Some of the projects, viz. Mid-Day Meals are implemented in association with M/s. Akshay Patra Foundation at Bhilai and Rourkela; Free Coaching Centre at Burnpur for school drop-outs with the help of Ramakrishna Mission, etc.



PRINCIPAL EXECUTIVES AS ON 5th SEPTEMBER, 2022**CORPORATE OFFICE****NEW DELHI****Chairman**

Soma Mondal

Directors**Commercial**

V.S. Chakravarthy

Finance

A. K. Tulsiani

Personnel

K.K. Singh

Technical Projects & Raw Materials

A.K. Singh

Executive Directors**Vigilance**

Sanjay Sharma

Law & PLO

A. K. Sinha

Projects

D.V. Jagannath

C&IT

Puneet Sharma

Personnel & Administration

Samir Swarup

Coal Import Group

V. Suresh

Operations

Varinder Dhawan

Internal Audit

S.K. Paul

CMMG

S.J. Ahmed

F&A

Praveen Nigam

Company Secretary

M. B. Balakrishnan

Chief of Corporate Affairs

Dr. Chinmoy Samajdar

Management Training Institute

Executive Director (HRD)

Sanjeev Kumar

Growth Division

Executive Director

R. Prasad

Environment Management Division

Executive Director

S.K. Das

STEEL PLANTS / UNITS**Bhilai Steel Plant****Director –I/c BSP**

Anirban Dasgupta

Executive Directors**Materials Management**

A. K. Bhatta

Works

Anjani Kumar

Mines

Tapan Sutradhar

Personnel & Administration

M.M. Gadre

Projects

S. Mukhopadhyay

Finance & Accounts

Dr. A.K. Panda

Durgapur Steel Plant**Director –I/c DSP**

B. P. Singh

Executive Directors**Personnel & Administration**

R. Muniraju

M&HS

Dr. R. Guha Niyogi

Projects

P. Murugesan

Materials Management

K. Bhattacharjee

Works

Diptendu Ghosh

Rourkela Steel Plant**Director –I/c RSP**

Atanu Bhowmick

Executive Directors**Works**

S.R. Suryawanshi

Personnel & Administration

P.K. Satapathy

Projects

P.K. Sahoo

Materials Management

S. Tripathy

M&HS

Dr. Biranchi Kr. Hota

Bokaro Steel Plant**Director –I/c BSL**

Amarendu Prakash

Executive Directors**Works**

B.K. Tiwari

Personnel & Administration

Sanjay Kumar

Projects

C.R. Mohapatra

Finance & Accounts

Suresh Rangani

Materials Management

Amitabh Srivastava

Mines

J. Dasgupta

Collieries

Anup Kumar

IISCO Steel Plant**Director –I/c ISP**

B. P. Singh

Executive Directors**Operations**

Shibasis Basu

Projects

K. B. Sunil

M&HS

Dr. S. Chowdhury

Materials Management

R. Kumar

Alloy Steels Plant**Executive Director**

S. Subbaraj

Salem Steel Plant**Executive Director**

V. K. Pandey

M&HS

Dr. Rahul Mukherjee

Visvesvaraya Iron & Steel Plant**Executive Director**

B. L. Chandwani

UNITS**Research & Development Centre for Iron & Steel****Executive Director**

Nirvik Banerjee

Centre for Engg. & Technology**Executive Director**

Jagdish Arora

Central Marketing Organisation**Executive Directors****Sales & ITD**

M. C. Agarwal

Marketing Services

D. Kumar

Finance & Accounts

A. K. Agarwal

Commercial

Vinod Gupta

Marketing

Sanjay Agarwal

Logistics & Infrastructure**Executive Director**

Manas Bose

SAIL Refractory Unit**Executive Director**

P. K. Rath

Chandrapur Ferro Alloy Plant**Executive Director**

M. V. Zode

Steel Processing Unit**Executive Director**

A. K. Chakraborty



STEEL AUTHORITY OF INDIA LIMITED

REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI-110003
CIN: L27109DL1973GOI006454

NOTICE

NOTICE IS HEREBY GIVEN THAT the 50th Annual General Meeting of the Members of Steel Authority of India Limited will be held at 1030 hours on Wednesday, the 28th September, 2022, through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

Item No.1-Adoption of Audited Standalone and Consolidated Financial Statements

To receive, consider and adopt:

- the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022, together with the Reports of the Board of Directors and Auditors thereon.
- the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 with the Report of the Auditors thereon.

Item No.2-Re-appointment of Director

To appoint a director in place of Shri Amarendu Prakash (DIN: 08896653), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.

Item No.3-Re-appointment of Director

To appoint a director in place of Shri Atanu Bhowmick (DIN: 08891338), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.

Item No.4-Fixation of Remuneration of Auditors

To authorise the Board of Directors of the Company to fix the remuneration of the Auditors of the Company appointed by the Comptroller & Auditor General of India for the Financial Year 2022-23.

Item No.5-Dividend

To confirm payment of 1st and 2nd Interim Dividend @ ₹4.00 and ₹2.50 per Equity Share of face value of ₹10/- respectively, for the Financial Year 2021-22 and to declare Final Dividend for the Financial Year 2021-22 @ ₹2.25 per Equity Share of the face value of ₹10/- each.

SPECIAL BUSINESS

Item No.6-Appointment of Director

To appoint Shri Krishna Kumar Singh (DIN:09310667) as a Whole Time Director and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Krishna Kumar Singh (DIN:09310667), who was appointed as an Additional Director of the Company by the Board of Directors under Section 161 of the Companies

Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Item No.7-Appointment of Director

To appoint Shri Arvind Kumar Singh (DIN:09725842) as a Whole Time Director and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Arvind Kumar Singh (DIN:09725842), who was appointed as an Additional Director of the Company by the Board of Directors under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Item No.8- Ratification of Remuneration to Cost Auditors

To ratify the remuneration of the Cost Auditors of the Company and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹11,70,000/- plus taxes as applicable and ₹30,000/- and ₹12,000/- plus taxes as applicable for consolidation & filing respectively and reimbursement of Daily Allowance, Travelling Expenses and out of pocket expenses to be paid to the Cost Auditors viz. M/s. R.M. Bansal & Co., Kanpur (for Bhilai Steel Plant, Durgapur Steel Plant and IISCO Steel Plant), M/s. Chandra Wadhwa & Co., New Delhi (for Rourkela Steel Plant and Bokaro Steel Plant) and M/s. ABK & Associates, Mumbai (for Alloy Steels Plant, Salem Steel Plant and Visvesvaraya Iron and Steel Plant) for the Financial Year 2022-23, as approved by the Board of Directors, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."



Item No.9- Material Related Party Transaction(s) with NTPC-SAIL Power Company Limited

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with NTPC-SAIL Power Company Limited ('NSPCL'), a Joint venture company of Steel Authority of India Limited and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and NSPCL, for an aggregate value of up to ₹6,000 crore to be entered during FY 2022-23, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects.”

Item No.10- Material Related Party Transaction(s) with Bokaro Power Supply Company Private Limited

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Bokaro Power Supply Company Private Limited ('BPSCL'), a Joint venture company of Steel Authority of India Limited and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and BPSCL, for an aggregate value of up to ₹3,000 crore to be entered during FY 2022-23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein



conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No.11- Material Related Party Transaction(s) with Minas De Banga (Mauritius) Limitada Mozambique

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Minas De Banga (Mauritius) Limitada Mozambique, a Related Party of International Coal Ventures Limited ('ICVL') and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and Minas De Banga (Mauritius) Limitada Mozambique, for an aggregate value of up to ₹4,000 crore to be entered during FY 2022-23, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters

and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

By order of the Board of Directors



(M.B. Balakrishnan)

CGM (Finance) & Company Secretary

Place: New Delhi

Dated: 5th September, 2022

Registered Office:

Ispat Bhawan, Lodi Road, New Delhi-110003.

CIN: L27109DL1973GOI006454



NOTES:

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India (SEBI) vide their various circulars (collectively referred to as 'Applicable Circulars') have permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Applicable Circulars, the AGM of the Company is being held through VC / OAVM at the Registered Office of the Company.
2. **PURSUANT TO APPLICABLE CIRCULARS, THE AGM IS BEING HELD THROUGH VC/OAVM. THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE APPLICABLE CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES WILL NOT BE AVAILABLE FOR THE AGM. HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THE NOTICE. MEMBERS ARE REQUESTED TO PARTICIPATE IN THE AGM IN PERSON THROUGH VC/OAVM.**
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Pursuant to the Applicable Circulars, the facility of participation in the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of the quorum under Section 103 of the Companies Act, 2013.
5. The relevant Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business Item Nos. 6 to 11 above is annexed hereto. The relevant details under Item Nos. 2 & 3 and Item Nos. 6 & 7 of the Notice of the person(s) seeking appointment/re-appointment as Director required vide Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also annexed to the Notice.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of Resolution/ Authorization, etc. by its Board or Governing Body authorizing its representative to attend the Annual General meeting through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to sachinag1981@gmail.com with a copy marked to evoting@nsdl.co.in.
7. The Company has fixed Wednesday 21st September, 2022 (end of business hours) as the Cut-Off date for determining eligibility of members to vote in respect of items of business to be transacted at the 50th AGM. The Register of Members of the Company shall remain closed from Thursday, 22nd September, 2022 to Wednesday, 28th September, 2022 (from end of business hours on 21st September, 2022), for the purpose of AGM for the financial year 2021-22.

The Company had fixed Friday, 29th July, 2022 (end of business hours) as the 'Record Date' for determining entitlement of members to Final Dividend for the Financial Year 2021-22, subject to approval by the Members at the AGM. The payment of final dividend, if approved by the Members at the AGM, will be paid subject to deduction of Income Tax at source (TDS) within 30 days from the date of the approval, as under:
 - **Equity Shares held in Physical Form:** To all the Members after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as on close of business hours of 29th July, 2022.
 - **Equity Shares held in Electronic Form:** To all the beneficial owners of the shares, as on the close of business hours of 29th July, 2022, as per the details furnished by the Depositories for this purpose.

Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. In this regard, for the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and the amendments thereof. In general, to enable compliance with TDS requirements, Members were requested through e-mail to complete and / or update their Residential status, PAN, Category with their depository participants ('DPs') or in case shares are held in physical form, with the Company / Registrars and Transfer Agent ('RTA') by sending documents through e-mail and further, members were requested vide the aforesaid e-mail to submit required/prescribed documents for deduction of Tax at Nil/Lower rate as prescribed under the Income Tax Act, 1961, on or before 20th August, 2022.
8. M/s. MCS Share Transfer Agent Limited (MCSTAL) are acting as the Registrar and Transfer Agent (R&TA) for carrying out the Company's entire share related activities viz. Transfer/ Transmission/ Transposition/ Dematerialisation/ Rematerialisation/ Split/ Consolidation of shares, Change of address, Bank mandate, Filing of nomination, Dividend payment and allied activities. Shareholders are requested to



make all future correspondence related to share transfer and allied activities with this agency only, at the following address:

M/s. MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020
Phone No.011-41406149,
E-mail: admin@mcsregistrars.com

9. Dematerialisation

- i) Securities and Exchange Board of India (SEBI) Regulations provide that equity shares of SAIL are to be compulsorily delivered in the dematerialized form, for the purpose of trading. **Further, SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 (subsequently amended), has mandated that w.e.f. 1st April, 2019, (SEBI/MIRSD/DTAMB/CIR/P/2020/166 dated September 7, 2020) transfer of shares in a Listed Company shall only be in Dematerlised Form. Though most of the shareholders have converted their holdings into Demat Form, it is seen that some shareholders still hold their shares in paper form (Physical). In this connection, shareholders are advised, to open a Demat Account with any Depository Participant authorized by either National Securities Depository Ltd. or Central Depository Services Ltd. and dematerialize their shares.**
- ii) Members holding shares in the physical form should notify change in their addresses including their email address, if any, to the R&TA specifying full address in block letters with **PIN CODE** of their post offices, which is mandatory. Members holding shares in the Electronic Form (Demat), should inform the change of address including their email address to their Depository Participant.
- iii) Members who have not registered their email-id with the Company or with the Depository Participants (DP) and wish to receive communications/information/documents including notice for the AGM, are required to record their email address with the R&TA (email id- admin@mcsregistrars.com) or alternatively send their request to investor.relation@sail.in where shares are held in physical form or else to their respective DP.
- Members holding shares in the physical form shall mention the folio-no. along with a self-attested copy of the Pan Card/Aadhaar and copy of the front and back side of the Share certificate;
- Members holding shares in Demat mode shall tender their request to the DP.
- iv) Members who have not made nomination with respect to their holdings are requested to do so. For making nomination, Members holding shares in physical form are advised to collect the Nomination Form from the Company's RTA and Members holding

shares in Electronic Form, may obtain the Nomination Form from their respective Depository Participant(s).

v) **EFT MANDATE**

Shareholders holding shares, whether in Physical or Demat form are advised to opt for Electronic Fund Transfer (EFT)/ National Electronic Clearing System (NECS), for any future payouts from the Company. Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated 20th April, 2018 has directed to make payment of dividend only through approved electronic mode and Bank Details and Permanent Account Number(PAN) of the shareholders be obtained, updated against their folio, if not already available with the Company. Under the EFT, the payment instruction is issued by the banker (Payer's banker) electronically to the clearing authority (RBI or SBI). The clearing authority provides credit reports to the payee's Bank, who credits the amount to their respective accounts. It becomes inevitable that the shareholders opting for EFT should provide details of their Bank Name, IFSC Code, A/c No., A/c Type, Branch Name, 9 digit MICR No. along with their Name and Folio Number (DP-ID/Client ID) to the Company if their holding is in Physical Form and to the Depository participant, if their holding is in Demat Form. Accordingly, Shareholders holding shares in Physical form and receiving dividend by Dividend Warrant/Demand Draft, etc. are requested to fill the attached Form and submit it along with a copy of the Self-attested PAN CARD, an Original Cancelled Cheque Leaflet/Attested Bank Passbook Copy showing Name of the Account Holder to M/s.MCS Share Transfer Agent Limited, R&TA of SAIL, to update the records for payment of any dividend in future.

10. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Therefore, Members holding shares in Electronic Form are requested to submit their PAN details to their Depository Participant (DP) with whom they maintain their DEMAT Account. Members holding shares in Physical Form can submit their PAN to the Company or M/s. MCS Share Transfer Agent Limited (R&TA).
11. Members holding shares in identical order of names in more than one folio are requested to write to the Company/R&TA enclosing their Share Certificates to enable the Company to consolidate their holdings in a single folio.
12. The Company has transferred to Investor Education and Protection Fund, unclaimed dividends till Financial Year 2014-15 (Interim). The Company has, thereafter, paid the following dividends:



Year	Interim Dividend (%)	Interim Dividend (2) (%)	Final Dividend (%)
2014-2015	-	-	2.50
2015-2016	-	-	-
2016-2017	-	-	-
2017-2018	-	-	-
2018-2019	-	-	5.00
2019-2020	-	-	-
2020-2021	10.00	-	18.00
2021-2022	40.00	25.00	-

Shareholders who have not encashed their dividend warrants as above are requested to make their claims to the Company

Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") provide that, any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company along with interest accrued, if any, thereon to the Investor Education and Protection Fund (IEPF). Pursuant to the above provisions, the Company has transferred all unpaid/unclaimed dividend declared by it up to Financial year 2014-15 (Interim). Upon completion of a period of seven years, the Company would transfer the unclaimed /unpaid dividend (Final) of Financial Year 2014-15 in November, 2022.

Section 124(6) of the Companies Act, 2013 read with Rules provide that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF. The Company has complied with the provisions and transferred the Shares, which had become eligible for transfer to IEPF after following the due process. The Company has sent individual communication(s) to the concerned shareholders at their latest available address, whose dividend has remained unpaid or unclaimed for seven consecutive years, providing complete details of the shares due for transfer to IEPF. The Company has also published Notice in the newspapers advising such shareholders to encash their unclaimed dividend to avoid transfer of the shares. Details of such Shareholders and Shares due for transfer to IEPF has been uploaded on the Company's website. Claimants of the dividend /shares transferred to IEPF are entitled to claim refund by applying to IEPF.

Further, Dividend accruing against shares already transferred to IEPF has also been transferred to the IEPF A/c.

Company Secretary is the Nodal Officer of the Company for IEPF Authority.

13. Members seeking further information on the Accounts or any other matter contained in the Notice, are requested to write to the Company at least 10 days before the meeting through email at sailagm50.2022@sail.in. The same shall be replied suitably.

14. Green Initiative in Corporate Governance of Ministry of Corporate Affairs

The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paper less compliances by companies through electronic mode. In accordance with the circulars issued by the Ministry of Corporate Affairs, companies can now send various notices /documents (including notice(s) calling General Meeting(s), Audited Financial Statements, Board's Report, Auditors' Report, etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.

Members are requested to opt for receipt of the above notices/documents through electronic mode. They are requested to register their e-mail ID for this purpose with their respective depository participant or with the Company's R&TA i.e. M/s. MCS Share Transfer Agent Limited at the address given above or e-mail at admin@mcsregistrars.com.

Please note that these documents will also be available on the Company's website www.sail.co.in.

15. The documents referred to in this Notice and the Registers referred to in Section 170 and Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM. All such documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the AGM. Members seeking inspection or any information with regard to the Accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 18th September, 2022 through email at sail50agm.2022@sail.in. The same will be replied by the Company suitably.
16. In compliance with the Applicable Circulars, Notice of the AGM along with the Annual Report of FY 2021-22 and other Reports is being sent only through electronic mode to those Members whose email addresses are available with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.sail.co.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
17. In order to prevent fraudulent transactions, Members are hereby advised to exercise due diligence and inform the Company of any change in address or demise of any Member as soon as possible. It is also advised that Members should avoid their Demat Account(s) becoming dormant. The statement of holdings in the Demat Accounts(s) should be obtained regularly from the concerned Depository Participants (DP) and holdings be verified periodically.



18. **General Information and Instructions for Remote E-voting prior to AGM and E-voting in the AGM:**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Companies (Management and Administration) Rules, 2014 as amended, and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means. The Members may cast their votes using an electronic voting system through remote e-voting and in the AGM through e-voting.
- II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. The Company has engaged the services of M/s. National Securities Depository Limited (NSDL) as the Agency to provide remote e-voting and e-voting facility.
- IV. The Board of Directors of the Company has appointed Shri Sachin Agarwal, a Company Secretary in Practice of the Company Secretary Firm-M/s. Agarwal S. & Associates (and in his absence Ms. Garima Grover of M/s. Agarwal S. & Associates) as Scrutiniser to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner and he/she has communicated his/her willingness to be appointed and available for the same purpose.
- V. The **CUT-OFF** date for recognising the eligibility of members to attend and vote on resolutions at the AGM shall be 21st September, 2022. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. 21st September, 2022 '**End of Business Hours**' only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
- VI. A person who becomes a Member of the Company after circulation of the Notice of the AGM and holding shares as on cut-off date i.e. 21st September, 2022 can **follow the process for generating the Login ID and Password as provided in this Notice of the AGM.**
- VII. The remote e-voting period commences on 24th September, 2022 (9:00 am) and ends on 27th September, 2022 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2022, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL for voting upon the expiry of the above period. **Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.**
- VIII. The Scrutinizer, after scrutinizing the votes cast at AGM by e-voting and through remote e-voting, will,

not later than two working days from the conclusion of the AGM, make a consolidated scrutiniser's report and submit the same to the Chairman or a person authorized by him in writing. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.sail.co.in and on the website of NSDL. The results shall be simultaneously communicated to the Stock Exchanges.

- IX. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. 28th September, 2022.

X. **The process and manner for remote e-voting are as under:**

- A. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

(I) **Login Method for E-Voting and Joining Virtual Meeting for Individual Shareholders Holding Securities in Demat Mode.**

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by listed companies and to increase the efficiency of the voting process, e-voting facility is being provided to all the Individual Members holding securities in demat mode to vote through their demat accounts/websites of Depositories/ Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Members	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. NSDL IDeAS facility If the user is registered for the NSDL IDeAS facility: (a) Please visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. (b) Once the homepage is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. (c) A new screen will open. You will have to enter User ID and Password. After successful authentication, you will be able to see e-Voting services. (d) Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. (e) Click on options available against company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS facility: (a) The option to register is available at https://eservices.nsdl.com.



Type of Members	Login Method
	(b) Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. (c) Upon successful registration, please follow steps as given in points 1(a) to 1(e) above. 2. Visit the e-Voting website of NSDL. (a) Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. (b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. (c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. (d) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and evoting during the meeting. 3. Mobile App: Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited (CDSL)	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest, the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of Members	Login Method
Individual Shareholders (holding securities in demat mode) logging through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. On logging in, you will be able to see e-Voting option. On clicking e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders Holding Securities in Demat Mode for any Technical Issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

(II) Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in Physical Mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" available under **'Shareholder/Member'** section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Password details for Members other than Individual Members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your '**User ID**' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "**Initial password**" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast Your Vote Electronically and Join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at **Step 1**, you will be able to see all the companies **“EVEN”** in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select **“EVEN”** of Steel Authority of India Limited (SAIL) for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on **“VC/OAVM”** link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **“Submit”** and also **“Confirm”** buttons when prompted.
5. Upon confirmation, the message **“Vote cast successfully”** will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

III. Process for procuring user ID and password for e-voting for those Members whose email id is not registered with the Depositories/Company:

Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting:

1. In case shares are held in physical mode, please provide Folio No., Name of the Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).
2. In case shares are held in demat mode, please provide DPID-Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID), Name of the member, client master or copy of consolidated account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).
3. If you are an Individual Member holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



- B. In case of any queries/grievance, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.:18001020990 or 1800224430 or send a request at evoting@nsdl.co.in or contact **Ms. Sarita Mote, Assistant Manager, National Securities Depository Limited, at the designated email id – SaritaM@nsdl.co.in who will also address the grievances connected with the voting by electronic means.**

XI. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- Members will be able to attend the AGM through VC / OAVM through the NSDL e-Voting system (<https://www.evoting.nsdl.com>). Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, Member(s) can click on **“VC/OAVM link”** placed under **“Join meeting”** menu against Company name. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

- Facility of joining the AGM through VC / OAVM shall open 30 minutes before the scheduled time of the AGM and will be available for Members on first come first served basis. The facility to join the meeting will close after 15 minutes, of the commencement of the meeting.
- Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or contact **Ms. Sarita Mote, Assistant Manager, National Securities Depository Limited at the email id SaritaM@nsdl.co.in or at toll free nos.:- 18001020990 or 1800224430**
- Members who would like to express their views or ask questions during the AGM may register themselves

as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at sail50agm.2022@sail.in from 21st September, 2022 (9:00 a.m. IST) to 23rd September, 2022 (5:00 p.m. IST). Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Further, Members who wish to have their queries/questions responded to during at the AGM are requested to send the queries/questions as mentioned above.

Only those Members who are attending the AGM and have not cast their vote through remote e-voting (prior to AGM) and otherwise are not barred from doing so, shall be eligible to vote through electronic voting system during the AGM.

- Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sachinag1981@gmail.com with a copy marked to NSDL's email ID- evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password?”** or **“Physical User Reset Password?”** option available on www.evoting.nsdl.com to reset the password.
- Those who became Members of the Company after dispatch of the Notice but on or before **cut-off date (21st September, 2022)** may mail to NSDL at evoting@nsdl.co.in, requesting for user ID and password. On receipt of user ID and password, the details on step 2 in A above should be followed for casting vote.



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.6

Pursuant to the Government of India, Ministry of Steel Order No.6/1/2020-BLA dated 24th August, 2022, Shri Krishna Kumar Singh (DIN:09310667) was appointed as an Additional Director of the Company with effect from 25th August, 2022 subject to his appointment by the shareholders in the next General Meeting or within the period of three months from the date of appointment, whichever is earlier. His tenure as Director is from 25th August, 2022 till the date of his superannuation i.e. 30th June, 2027 or until further orders, whichever is earlier. He is liable to retire by rotation in terms of provision of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office upto the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received proposing the name of Shri Krishna Kumar Singh as a candidate for the office of Director of the Company.

Shri Singh did his graduation in Electrical Engineering from IIT, BHU and holds PG Diploma in Human Resource Management. Shri Singh joined SAIL in 1987 in Bhilai Steel Plant as Management Trainee (Technical) and worked for around 11 years in the Blooming & Billet Mill before making a switchover to HRD. Rising through the ranks, Shri Singh became the Executive Director I/c (Personnel & Administration) in SAIL before taking over as the Director (Personnel) of the Company. He possesses a vast experience of almost 35 years in diverse areas viz. Operations, Human Resource Development, Vigilance and Personnel & Administration in Bhilai Steel Plant and Corporate Office. During his career, Shri Singh has taken several progressive initiatives in areas like Performance Management, Career Progression Planning, Manpower Planning, Compensation & Benefit Management, Training & Development, Education, Industrial Relations Management and Employee Engagement.

In his role as Executive Director (P&A), SAIL Corporate Office during November, 2019 to January, 2022, Shri Singh was instrumental in steering the wage-negotiations in SAIL in the Apex bipartite forum-NJCS. He has also played a key role in the formulation and implementation of various HR policies and rules including the SAIL Pension Scheme and its switchover to NPS for enabling a fair and objective policy-framework in the Company.

Shri Krishna Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Krishna Kumar Singh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial

Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

The Board considers it desirable that the Company should continue to avail itself of his services as a Director and recommends this Resolution for approval of the shareholders.

Item No.7

Pursuant to the Government of India, Ministry of Steel Order No.6/2/2020-BLA dated 2nd September, 2022, Shri Arvind Kumar Singh (DIN:09725842) was appointed as an Additional Director of the Company with effect from 2nd September, 2022 subject to his appointment by the shareholders in the next General Meeting or within the period of three months from the date of appointment, whichever is earlier. His tenure as Director is for a period from 3rd September, 2022 till the date of his superannuation i.e.30th November, 2024 or until further orders, whichever is earliest. He is liable to retire by rotation in terms of provision of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office upto the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received proposing the name of Shri Arvind Kumar Singh as a candidate for the office of Director of the Company.

Shri Singh is an Metallurgical Engineering from BIT, Sindri. Shri Singh joined SAIL in 1987 in the Company's Bhilai Steel Plant as Management Trainee (Technical). Shri Singh is having rich and versatile experience of more than 35 years including major Shops like Hot Strip Mill, Plate Mill, Steel Melting Shop and Coke Ovens of 3 Integrated Steel Plants of the Company with a proven record in the area of Rolling Technology, Steel Making, Coke Making, Operations Management, Projects Execution and Logistics Management. Adept in motivating and leading teams to achieve the excellence through cultivating a sense of inclusiveness and ownership, Shri Singh actively contributed in commissioning of SAIL's first 7 meter tall Battery in Coke Ovens Department of Bhilai Steel Plant. During his stint at Bokaro Steel Plant (BSL), Shri Singh was instrumental in bringing significant improvement by implementation of new practices and commissioning of automation facilities for operations of casters in Steel Melting Shop-II and Continuous Casting Shop. Continuing the momentum, Shri Singh played a pivot role in the modernization of Hot Strip Mill at BSL and achieving highest production in different special grades and sections along with the development of various new grades and profile. Shri Singh, as General Manager, successfully led the team of 1.2 MT annual capacity Plate Mill at Bhilai Steel Plant, achieving highest production in Boiler Grade Plates,



including development of various other grades and new profiles. Shri Singh rose to the position of Executive Director (Works), IISCO Steel Plant (ISP), before joining as Director (Technical, Projects & Raw Materials) in the Company. Shri Singh inspired and led the ISP collective of 2.5 MT Plant, achieving highest production from different facilities of the Plant and surpassed the monthly Annual Business Targets of Hot Metal, Crude Steel and Saleable Steel, best ever Techno-economics, etc. Shri Singh has been the driving force for the new projects like CO Gas Booster Station of COB-11 and use of LD Gas in Mills to reduce dependency on CBM, ZLDs for water conservation, resulting in huge cost savings as well as improved ESG score. Under his able leadership, ISP produced new Grades and Sections, thereby, expanding the product portfolio and presence in the Steel market. Not only this, ISP earned a profit of ₹67 crore for the first time in FY 2020-21, which increased to ₹636 crore in FY 2021-22. Further, Shri Singh was guiding factor in inculcating Cost & Safety consciousness at all levels in ISP and has emulated the best practices of leading peers in private sector.

Shri Arvind Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Arvind Kumar Singh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.7 of the Notice.

The Board considers it desirable that the Company should continue to avail itself of his services as a Director and recommends this Resolution for approval of the shareholders.

Item No.8

The Board of Directors of the Company, on the recommendation of the Audit Committee has considered and approved the appointment of M/s. R.M. Bansal & Co., Kanpur (for Bhilai Steel Plant, Durgapur Steel Plant and IISCO Steel Plant), M/s. Chandra Wadhwa & Co., New Delhi (for Rourkela Steel Plant and Bokaro Steel Plant) and M/s. ABK & Associates, Mumbai for Alloy Steels Plant, Salem Steel Plant and Visvesvaraya Iron and Steel Plant) as the Cost Auditors of the Company for the Financial Year 2022-23 at a remuneration of ₹11,70,000/- plus taxes as applicable and reimbursement of daily allowance, travelling expenses and out of pocket expenses. In addition, ₹42,000/- plus taxes as applicable is to be paid to the Lead Cost Auditor for XBRL conversion and filing of Consolidated Cost Audit Report of the Company.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company. Accordingly, the Resolution for ratification of the fee of the Cost Auditors as set out at

Item No.8 of the Notice is submitted for approval of the Shareholders.

The Board recommends the resolution for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and / or their relatives is concerned or interested in the resolution.

Context for Item Nos. 9 to 11:

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('RPT') with an aggregate value exceeding ₹1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1)(zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

It is in the above context, that Resolutions for Item Nos.9 to 11 are placed for approval of the Shareholders of the Company.

Item No.9:

Background, Details and Benefits of the Transaction

NTPC-SAIL Power Supply Company Ltd. (NSPCL) is a 50:50 Joint Venture of SAIL and NTPC Limited.

NSPCL owns 1064 MW capacity coal based thermal power plants at Rourkela, Bhilai and Durgapur and supplies power to SAIL plants and also sells power to outside parties. SAIL has provided land to NSPCL on lease basis. SAIL also supplies water to NSPCL under the terms of Shared Facilities Agreement. At Durgapur, SAIL also supplies thermal coal to NSPCL plant.

SAIL purchases power from NSPCL under the terms of Power Purchase Agreement entered into between SAIL and NSPCL.

The aggregate value of the above transactions for Financial Year 2022-23 is estimated up to ₹6,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent supply of power for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned



RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, on the basis of the approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.9 of the Notice for approval of the shareholders.

Details of the proposed transactions with NTPC-SAIL Power Company Limited, being a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	NTPC-SAIL Power Company Limited A Joint Venture Company in which SAIL holds 50% share
2	Type, material terms and particulars of the proposed transaction.	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction.	Recurring nature and approval is for FY2022-23
4	Value of the proposed transaction.	As detailed above
5	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year.	5.84%
6	Justification as to why RPT is in the interest of SAIL.	Arrangement is commercially beneficial to the Company.
7	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) Details of the source of funds in connection with the proposed transaction. (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the Power Purchase Agreement not exceeding ₹6,000 crore in aggregate.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined there under (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No.9.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.9 of the Notice to the extent of their shareholding in the Company, if any, except as given below:

Shri M.B. Balakrishnan, CGM (Finance) and Company Secretary is Non-executive Nominee Director on the Board of NTPC-SAIL Power Company Limited.

The Board recommends the relevant ordinary resolution set forth at Item No.9 in the Notice for approval of the Members.

Item No.10:

Background, Details and Benefits of the Transaction

Bokaro Power Supply Company Pvt. Ltd. (BPSCL) is a 50:50 Joint Venture of SAIL and Damodar Valley Corporation. BPSCL owns a 338 MW capacity coal based thermal power plant at Bokaro, Jharkhand and supplies power and steam to SAIL's Bokaro Steel Plant. BPSCL also caters to emergency power requirements of Bokaro Steel Plant. SAIL supplies surplus by product gases from its Bokaro Steel Plant to BPSCL. SAIL also supplies water to BPSCL under the terms of Shared Facilities Agreement. SAIL has provided land to BPSCL on lease basis. SAIL purchases power and steam from BPSCL under the terms of Power Purchase Agreement entered into between SAIL and BPSCL.

The aggregate value of the above transactions for Financial Year 2022-23 is estimated up to ₹3,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent supply of power and steam for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.



Accordingly, on the basis of approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.10 of the Notice for approval of the shareholders.

Details of the proposed transactions with Bokaro Power Supply Company Limited, being a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Bokaro Power Supply Company Private Limited A Joint Venture Company in which SAIL holds 50% share
2	Type, material terms and particulars of the proposed transaction	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction	Recurring nature and approval is for FY2022-23
4	Value of the proposed transaction	As detailed above
5	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year	2.92%
6	Justification as to why RPT is in the interest of SAIL	Arrangement is commercially beneficial to the Company.
7	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) Details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the Power Purchase Agreement not exceeding ₹3,000 crore in aggregate.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined there under (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No.10.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.10 of the Notice to the extent of their shareholding in the Company, if any.

The Board recommends the relevant ordinary resolution set forth at Item No.10 in the Notice for approval of the Members.

Item No.11:

Background, Details and Benefits of the Transaction

Minas de Benga Limitada (MBL) is a foreign joint venture company of International Coal Ventures Pvt. Ltd. (ICVL) (a joint venture of SAIL, RINL, NMDC, CIL and NTPC) and consequently a related party of Steel Authority of India Limited (SAIL). MBL is based in Mozambique and is engaged in the business of producing and supplying coking coal in India. SAIL has a shareholding of 47.82% in ICVL.

SAIL requires coking coal for its blast furnace as part of steel production process. MBL produces and supplies coking coal for captive consumption of its steel producing promoter companies. SAIL has entered into a long term supply contract with MBL for supply of coking coal quantity on annual basis. ICVL and MBL being part of SAIL Group Companies, not only help in smooth business operations for both the Companies, but also ensure consistent flow of desired quality and quantity of coking coal without interruptions and generation of revenue and business for both the companies to cater to their business requirement.

The aggregate value of the above transactions for Financial Year 2022-23 is estimated up to ₹4,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent flow of desired quality and quantity of various materials for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit

Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, on the basis of approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.11 of the Notice for approval of the shareholders.

Details of the proposed transactions with Minas De Bonga (Mauritius) Limitada Mozambique, (a related party of ICVL) a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Minas de Bonga Limitada (MBL) is a foreign joint venture company of ICVL (a joint venture of SAIL, RINL, NMDC, CIL and NTPC) and consequently a related party of Steel Authority of India Limited (SAIL). SAIL has a shareholding of 47.82% in ICVL.
2	Type, material terms and particulars of the proposed transaction	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction	Recurring nature and approval is for FY2022-23
4	Value of the proposed transaction	As detailed above
5	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year	3.89%
6	Justification as to why RPT is in the interest of SAIL	Arrangement is commercially beneficial.
7	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) Details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable

Sl. No.	Particulars	Details
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the market price of the relevant material and service not exceeding Rs.4,000 crore in aggregate. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost plus mark-up as applicable at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined there under (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No.11.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.11 of the Notice to the extent of their shareholding in the Company, if any, except as given below:

Smt. Soma Mondal, Chairman, SAIL, is Non-Executive Chairman of ICVL and Shri Anil Kumar Tulsiani, Director (Finance), SAIL and Shri Anirban Dasgupta, Director (Incharge-Bhilai Steel Plant), SAIL are Non-Executive Nominee Directors on the Board of ICVL.

The Board recommends the relevant ordinary resolution set forth at Item No.11 in the Notice for approval of the Members.

By order of the Board of Directors



(M.B. Balakrishnan)

CGM (Finance) & Company Secretary

Place: New Delhi

Dated: 5th September, 2022

Registered Office:

Ispat Bhawan, Lodi Road, New Delhi-110003.

CIN: L27109DL1973GOI006454



Details of Directors seeking re-appointment/appointment in Annual General Meeting furnished in terms of SEBI Regulations:

Name of the Director	Shri Amarendu Prakash	Shri Atanu Bhowmick	Shri Krishna Kumar Singh	Shri Arvind Kumar Singh
DIN	08896653	08891338	09310667	09725842
Date of Birth	12 th September, 1970	22 nd December, 1964	1 st July, 1967	3 rd November, 1964
Date of Appointment	28 th September, 2020	11 th February, 2022	25 th August, 2022	2 nd September, 2022
Expertise in Specific functional areas	Operations	Projects and Operations	HRD	Technical Management; Conflict Management; Business Negotiation.
Qualifications	B.Tech.	BE/B.Tech (Metallurgy); MBA (HR);	BE	BE(Metallurgy)
List of Companies in which outside Directorship is held.	NIL	Rourkela Smart City Limited.	NIL	NIL
Chairman/ Member of the Committees of the Board of the Companies on which he is a Director.	Member: Projects Committee; and Strategic Issues & Joint Ventures Committee.	Member: Health, Safety & Environment Committee	Member: Corporate Social Responsibility (CSR) Committee; Stakeholders Relationship Committee; Health, Safety & Environment Committee.	Member: Projects Committee; Health, Safety & Environment Committee; Operational Issues Committee.
No. of Shares held in SAIL	NIL	148	NIL	NIL



FORMAT FOR FURNISHING THE BANK DETAILS, PAN, EMAIL ID, ETC.

To,
MCS Share Transfer Agent Limited
Unit : Steel Authority of India Limited
F-65, Okhla Industrial Area, phase-I,
New Delhi – 110020

Dear Sir,

I/We, give my/our consent to update the following details in your records to effect payments of dividend or sending other communications by electronic means in compliance with the circular(s) issued by SEBI for equity shares of Steel Authority of India Limited.

FOLIO NO.:

NAME OF THE FIRST / SOLE HOLDER :

BANK'S NAME :

BRANCH'S NAME & ADDRESS :

ACCOUNT NO. :

ACCOUNT TYPE (SB / CURRENT) :

IFSC CODE :

MICR CODE :

EMAIL ID :

PHONE NO. :

PARTICULARS	NAME OF SHAREHOLDER(S)	PAN
FIRST / SOLE SHAREHOLDER		
1ST JOINT SHAREHOLDER		
2ND JOINT SHAREHOLDER		

Signature of 1st Shareholder

Signature of 1st Joint Shareholder

Signature of 2nd Joint Shareholder

Date :

Place:

Encl : Original cancelled cheque leaflet or attested copy of bank pass book showing name of account holder and self-attested copy of PAN Card(s).

SAIL meets its ENTIRE IRON ORE REQUIREMENT FROM ITS CAPTIVE MINES

SAIL is involved in mining of iron ore, fluxes (limestone and dolomite), coking coal and non-coking coal



MODERNIZED



STATE-OF-THE-ART



GREEN

IRON ORE

Jharkhand

- Kiriburu
- Meghahatuburu
- Gua
- Manoharpur

Odisha

- Bolani
- Barsua
- Taldih
- Kalta

Chhattisgarh

- Rajhara
- Dalli
- Jharandalli
- Mahamaya
- Dulki
- Rowghat

COAL

Jharkhand

- Chasnalla
- Jitpur
- Tasra

West Bengal

- Ramnagore

FLUX

Chhattisgarh

- Hirri
- Nandini

Jharkhand

- Tulsidamar

Karnataka

- Bhadigund
- Kenchapuda

Madhya Pradesh

- Kuteshwar



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED





स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
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SHARAD