



Business Responsibility Report

Section A: General Information about the Company

- Corporate Identity Number (CIN): L27109 DL 1973 GOI 006454
- Name of the Company: Steel Authority of India Limited
- Registered Address: Ispat Bhawan, Lodhi Road, New Delhi - 110003
- Website: www.sail.co.in
- Email id: investor.relation@sail.co.in
- Financial Year reported: 2016-17
- Sector(s) that the Company is engaged in (industrial activity code-wise):
Manufacture of Steel and Steel products, National Industrial Classification (NIC) Code: 330
- List three key products / services that the Company manufactures / provides (as in balance sheet):
 - Manufacture of Hot Rolled and Cold Rolled Steel Products
 - Manufacture of Rails
 - Manufacture of Wire Rods, Structural, etc.
- Total number of locations where business activity is undertaken by the Company:
 - International locations: Nil
 - SAIL operates and owns five Integrated Steel Plants at Bhilai, Durgapur, Bokaro, Rourkela and Burnpur & three Special Steel Plants at Salem, Durgapur and Bhadravati. Another Unit, Chandrapur Ferro-Alloy Plant (CFP) produces Ferro-alloys. It also has SAIL Refractory Unit (SRU) at Bokaro, with four refractory manufacturing Units in Jharkhand and Chhattisgarh.
Apart from these, the other Units of SAIL are as follows:
 - SAIL Growth Works at Kulti, West Bengal;
 - Raw Materials Division (RMD)- Iron Ore Mines at Kiriburu, Meghahatuburu, Gua, Manoharpur (Chiria) in Jharkhand, Bolani, Kalta, Barsua (including Taldih), in Odisha;
 - BSP Mines (Iron Ore) at Rajhara Group, Dalli Group, Rowghat in Chhattisgarh;
 - RMD flux mines at Kuteshwar in MP; Bhawanathpur, Tulsidamar in Jharkhand;
 - BSP Flux Mines at Nandini, Hirri, Baraduar in Chhattisgarh;
 - VISP Flux Mines at Bhadigund, Kenchapuda in Karnataka;
 - Collieries Division (Coal Mines) at Chasnalla, Jitpur, Tasra, Sitanala in Jharkhand and Ramnagore in West Bengal;
 - Central Marketing Organisation, HQ at Kolkata,
 - Central Coal Supply Organisation, Dhanbad,
 - SAIL Consultancy Division at Delhi,
 - R & D Center for Iron & Steel, SAIL Safety Organisation, Centre for Engineering & Technology and Management Training Institute at Ranchi.
 - Environment Management Division and Growth Division at Kolkata.
 - Central Power Training Institute at Rourkela.
 - Transport & Shipping at Kolkata.
 SAIL has a pan India distribution network of 37 Branch Sales Offices (BSOs), 27 Customer Contact Offices (CCOs) and 67 Warehouses.
- Markets served by the Company - Local / State / National / International: National & International

Section B: Financial Details of the Company

- Paid up capital (INR) : ₹ 4,130.53 crore
- Total turnover (INR) : ₹ 49,180 crore
- Total loss after taxes (INR) : ₹ 2,833.24 crore
- Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): Although the Company has incurred losses during the Financial Year 2016-17, however, as a responsible Corporate Citizen, the Company has been fulfilling its obligations towards CSR initiatives. Accordingly, the CSR spending during 2016-17 has been Rs.29.05 crore.
- List of activities in which expenditure in 4 above has been incurred :
 - Promotion of Healthcare including Drinking Water Facilities and Sanitation: Swachh Vidyalay Abhiyan

- Promotion of Education, Income Generation & Skill/Vocational Training
- Empowerment of Women, Care for Senior Citizens and Differently-abled persons
- Environmental Sustainability
- Promotion of Heritage, Art & Culture
- Promotion of Sports
- Rural Development: Infrastructure Development

Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies?

Yes, the Company has four Subsidiary Companies, viz.:

- SAIL Refractory Company Limited.
- SAIL Jagdishpur Power Plant Limited.
- SAIL Sindri Projects Limited.
- Chhattisgarh Mega Steel Limited.

2. Do the Subsidiary Company / Companies participate in the BR initiative of the parent Company? If yes, then indicate the number of such subsidiary company(s):

Business Responsibility initiatives of the parent company are applicable on the subsidiary companies.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

No

Section D: BR Information

1. Details of Director / Directors responsible for BR:

- Details of the Director / Directors responsible for BR policy/policies:
 - DIN Number: 07352648
 - Name: Dr. N. Mohapatra
 - Designation: Director (Personnel)
- Details of the BR head

Sl.No	Particulars	Details
1	DIN Number (if applicable)	00101601
2	Name	M.C. Jain
3	Designation	Company Secretary
4	Telephone number	011-24368104
5	e-mail id	Secy.sail@sail.co.in

2. Principal-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- Businesses should promote the well-being of all employees.
- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- Businesses should respect and promote human rights.
- Businesses should respect, protect, and make efforts to restore the environment.
- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Businesses should support inclusive growth and equitable development.
- Businesses should engage with and provide value to their customers and consumers in a responsible manner.



Sl. No.	Questions	Business Ethics	Product Responsibility	Well Being of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for.....	Y	Y The Company has quality and environment policies which ensure production of safe and sustainable products.	Y	Y This is included in Company's Code of Conduct, HR policies and various other HR practices	Y	Y	N	Y	N
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	-	Y	-	Y	-
3	Does the policy conform to any national / international standards?	Y	-	Y	N	-	Y	-	Y	-
4	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Directors?	Y	-	Y	Y	-	Y	-	Y	-
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	Y	Y	-	Y	-	Y	-
6	Indicate the link for the policy to be viewed online?	-	-	-	@	-	*	-	@	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	-	Y	-	Y	-
8	Does the Company have in-house structure to implement the policy/policies?	Y	-	Y	Y	-	Y	-	Y	-
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	-	Y	N	-	N	-	N	-
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	N	-	N	N	-	Y	-	Y	-

2a. If answer to Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next six months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within next one year	-	-	-	-	-	-	-	-	-
6	Any other reason (Please specify)	-	-	-	-	-	-	The Company has leadership position in the steel sector and has a record of pioneering achievements which has benefitted Steel Industry of the country at large by having dialogue with MoS, GoI. Therefore, need for formal policy has not been felt.	-	The Company has systems and procedures to assess customer needs and addressing them. The Customer Satisfaction Index is calculated based on the feedback from customers on a regular basis and system for customer complaint redressal is also in vogue.

* - <http://sail.co.in/pdf/corporateenvironmentalpolicy.pdf>
 @ - <http://sail.co.in/pdf/csrfpolicy.pdf>



3. Governance related to BR:

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.
Annually.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
Yes, the Company publishes printed versions of its Sustainability Report. An electronic version of the report is uploaded on the Company's website in the intervening year as a web update. The hyperlink for viewing the Sustainability Report of the Company is <http://www.sail.co.in/>

Section E : Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No.

Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

No, the policies implemented by SAIL, in these regards covers employees of the Company as well as suppliers/ contractors/ bidders, etc. The Company has put in place Conduct, Discipline and Appeal (CDA) Rules which prescribe the code of conduct as applicable mostly to the executives of the Company whereas the non-executive workmen are covered under the code of conduct /misconduct as mentioned in the Standing Orders (tripartite agreement between union and Government representatives) for respective Plants/Units of SAIL. In July 2007, the Company implemented Integrity Pact for all contracts / procurements valuing ₹ 100 crores and above. Subsequently, to cover more contracts/procurements., threshold value has been reduced to ₹ 20 crores and all tenders related to handling contracts in CMO departmental warehouses, irrespective of threshold value are also covered under Integrity Pact. Guidelines on banning of business dealing with bidders/contractors/ agencies dealing with SAIL have been implemented in the Company and made part of the Integrity Pact, wherein it has been envisaged that appropriate action shall be taken against the signatories of Integrity Pact, if they are found involved in unethical practices including corruption and bribery.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

A total of 797 complaints from various sources including those referred by Central Vigilance Commission, Ministry of Steel were received in SAIL Vigilance during 2016-17 and the same were examined vis-à-vis extant systems and procedures, policies, rules, etc. followed in the Company and actions as per rules, including systemic improvements were advised against the irregularities noticed in these complaints and the same were agreed to by management for implementation. Hence, it may be construed that almost 100% complaints were satisfactorily resolved as per procedure in vogue.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities:

- TMT EQR Rebars(Thermo-mechanically treated earthquake resistant) which provide improved ductility to concrete structures thereby improving safety of buildings.
- Seismic resistant grade TMT Rebars as per specification Fe 500S have been developed with regard to safety concerns of buildings in seismic zones and high rise buildings.
- Parallel flange Structural, which can be used in place of conventional structural reducing overall consumption of steel thereby, adding value to the customer.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):

i) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain

Consumption per unit of production in SAIL	Current Year	Previous year
Specific water consumption (m ³ /TCS)	3.75	3.83
Particulate matter (PM) emission load (kg/TCS)	0.77	0.81

ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The information is not available.

3. Does the Company have procedures in place of sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

In addition to regular supplies from captive mines of SAIL, certain key input materials like coal, fluxes (limestone, dolomite), etc. are sourced either through competitive buying or long term arrangement with established suppliers. Environment Management System (EMS) is in place with ISO-14000 certification of Plants & Units. There are continuous efforts to minimize impact of carbon footprint. Transportation of all raw materials from mines and ports to Plants is carried through rail. Well laid out systems and procedures of competitive buying reinforce sustainable sourcing of Company's requirement.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

In line with extant policy of Government of India, certain categories of goods & services are procured from Small & Medium Enterprises (SMEs). Major Plants also have local level Ancillary Policy which further enables procurement of goods & services from local and small producers including communities like Mahila Samiti / Samaj, Self Help Groups, etc. in the vicinity of Plant locations. Vendor Development Programs are organized periodically by the Plants which help in capacity and capability building of local and small vendors.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

SAIL believes in the Policy of 4Rs (reduce, recover, recycle and reuse) across all our operations. A large quantity of wastes and by-products like slag, dust, sludge, used firebricks, etc. is generated during the iron and steel making process. Slag, which accounts for a majority of by-products, is utilized internally and also sold to external agencies. Blast Furnace slag is used for cement making while BOF slag is used internally for sinter making and also as material for road base, internal rail track ballast, etc. During the year 2016-17, 89.47% of BF slag and 71.24% of BOF slag were utilised.

Other wastes like, BF flue dust, mill scale, lime/dolo fines and refractory wastes are also used internally and sold to outside agencies. The belief of reuse and recycle is firmly embedded in the organizational approach of SAIL and there have been several initiatives to maximise the utilisation of solid waste generated at various operations.

During 2016-17, 24.72% solid wastes were internally re-cycled out of total utilisation of 83.20% of solid wastes. Moreover, by-product gases like Coke Oven gas, BF gas and LD gas are used as fuels at the different shops of the Plants.

Principle 3: Business should promote the well-being of all employees

1. Please indicate the Total number of employees.

As on 1.4.2017 total number of employees in SAIL : 82964 (Executives-12840; Non-Executives - 70124)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

As on 1.4.2017, number of Contract labour engaged at SAIL Plants/Units : 59606

3. Please indicate the Number of permanent women employees

As on 1.4.2017, permanent women employees in SAIL : 4782 (Executives- 975 Non-Executives - 3807)

4. Please indicate the Number of permanent employees with disabilities.

As on 1.4.2017, total number of permanent employees with disabilities in SAIL Plants/Units : 909 (Executives - 145; Non-Executives - 764)

5. Do you have an employee association that is recognized by management?

Recognition to trade unions having majority representation of non-executive employees is granted as per process, at the Plant/Unit level. At apex level, National Joint Committee for Steel Industry (NJCS), a bipartite forum consisting representatives from five Central Trade Union viz. INTUC, AITUC, CITU, HMS & BMS and representatives from recognized union of main Plants, provides representation to all non-executive employees. Executives are represented by the respective Officer Associations (OA) of their Plants/Units which are affiliated to Steel Executives' Federation of India (SEFI)-the apex body representing executives in SAIL.

6. What percentage of your permanent employees is members of this recognized employee association?

Almost all employees of SAIL are members of either Trade Unions or Officers' Associations

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

Information pertaining to Child labour/Forced labour/Involuntary labour and Discriminatory Employment is given in the table below.



Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at end of the financial year
1.	Child labour/ forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	5	Nil
3.	Discriminatory employment	Nil	Nil

8. Percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent employees = 40.6
- Permanent women employees = 40
- Casual / Temporary / Contractual employees = 100
- Employees with disabilities = 40

Training need of each individual in the organization is assessed. Under PMS, each executive is asked to inform the Management as to what training needs to be given to him to help him perform his duties in a better way.

Also occupational training, safety and skill up-gradation training (technical / managerial / functional) are imparted to all permanent employees including female employees and differently abled employees. During the year 2016-17, total 36,059 (40.6% of total employees) regular employees were trained on various safety & skill up-gradation related programs.

SAIL is in the process of implementation of current Modernization & Expansion Programme wherein contractual workers are engaged in various activities. 100% of contractual workers are given safety awareness training which is mandatory for issuing gate pass to Plant premise. Skill up-gradation of contractual workers is also taken care of while on job at their work place.

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes / No

Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

There has never been any discrimination in the treatment and rights available to stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Some of the special initiatives taken by the Company are as under:

- In an effort to align the marginalized masses, a project to promote comprehensive Water Supply and Sanitation has been initiated by Rourkela Steel Plant covering 897 households in 10 villages of Kuarmunda Block. Each household is being provided potable water through a ground water source, storage tank and supply network of pipelines with 3 tap points and Sanitation unit with RCC roof on partnership model. The villagers have been mobilized and empowered for their active participation in the project. Village level committees have been formed for long-term sustenance of the project.
- In an attempt to bring the future generations of tribal to the mainstream, 331 tribal children are being provided free education along with boarding, lodging, nourishing and wholesome food, clothing, free medical treatment, sports and cultural opportunities in a conducive atmosphere at Gyanodya Chatrawas, Bhilai & BSP School Rajhara; Birhors (a tribe near extinction) under Gyanjyoti Yojna at Bokaro; Saranda Suvan Chhatravas, Kiriburu; RTC Residential Public School, Manoharpur Ore Mines; and at Kalinga Institute of Social Sciences sponsored by RSP.
- Literate to Matriculate a mission program: 1400 school dropouts girls and women educated upto primary/middle class level, from peripheral villages of Bokaro have been identified and enrolled with the National Institute of Open Schooling, Ranchi. The women are provided with free Training and Learning Materials and Preparatory classes to enable them to appear for matriculation exams. The classes are being organised at Panchayat level through Zila Saksharta Samiti (ZSS).

Principle 5: Business should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company does not have a stated Human Rights Policy. However, most of the aspects are covered in the Company's Code of Business Conduct and Ethics as

well in various human resource practices.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

11 number of complaints were received from the stakeholders during 2016-17 and all the complaints were resolved during 2016-17

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy of the related Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs and others?

Policy and Strategy formulation at SAIL is a well-structured process guided by Company's Vision and Credo. Elements of Sustainability are ingrained in SAIL's Vision, Strategies and Policies. The basket of Policies that includes Quality, Environmental, Safety Policies, etc. encompasses concepts of Sustainability. Plant level Policies on Human Resource, Occupational Health and Safety, Communication, Maintenance, Township, Energy Management and Social Accountability, etc. also promote concept of Sustainable Development.

Corporate Environmental Policy of the Company affirms to maintain a clean and sustainable environment in and around its Plants and Mines through sound environmental practices in all its activities, comply with legal and other requirements pertaining to the environment, forests and wildlife, contribute towards mitigation of climate change through the adoption of cleaner and energy efficient technologies, promote development of innovative environment-friendly processes and products, restore ecosystems in mined out landscapes and abandoned sites through ecological restoration, integrate the principle of "reduce, recover, recycle and reuse" in its operations for conservation of natural resources to ensure a sustainable future, strive for continual improvement of environmental performance by setting and achieving challenging targets, ensure regular monitoring and review of environmental performance through a robust audit mechanism and a transparent reporting system and continuously monitor emissions, discharges and ambient air quality and make data available in the public domain.

The Policy also includes communication of environmental performance to all stakeholders, improve employee commitment and responsibility towards environment protection through capacity building and promote environmentally responsible behaviour amongst contractual workforce and suppliers.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change/global warming etc.? Y/N. If yes, please give hyper link for web page etc.

Yes, as a responsible corporate citizen, the Company has taken up various initiatives for climate change mitigation through technology up-gradation, sourcing of good quality of raw materials, retrofitting and revamping of old pollution control systems, etc. All these efforts, with particular emphasis on adoption of cleaner and energy efficient technologies, have ensured a reduction in specific emission of carbon dioxide by more than 5% during the last five years.

The on-going project on "Carbon sequestration through afforestation at RSP", a Technology Mission Project under R&D Master Plan, shall be contributing towards sequestration of CO₂ around the area.

The Company has also adopted Sustainable Development Policy and has been publishing its Corporate Sustainability Report, as per Global Reporting Initiative (GRI) Guidelines, for the last six years.

Corporate Sustainability Report, 2015-16, has been published as per GRI G4 Guidelines (New Guidelines of GRI) after having been confirmed by GRI to have successfully completed the GRI content index service and receiving the organisational mark of GRI. This is available in the Corporate Governance section of the Company's website (www.sail.co.in).

3. Does the Company identify and assess potential environmental risk? Y/N.

Yes, the Company has in place an Enterprise Risk Management(ERM) Policy and has established mechanisms to identify and assess potential environmental risks and accordingly mitigation plan has been developed through Surveys, Advance Warning System (AWS) to foresee future risks, Risk Control Self Assessment (RCSA) Workshops, Discussions, Analysis of changing business scenarios, Scaling of risks, Compliance status, Reviews, etc. RCSA workshops are conducted for all the operations and outcome of these workshops ensure location-wise, prioritized risk registers. Risk owners have been identified for each of the identified risks and mitigation plans formulated, which are reviewed and updated on quarterly basis. ERM is a dynamic process to meet to objective of the Organisation.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed.

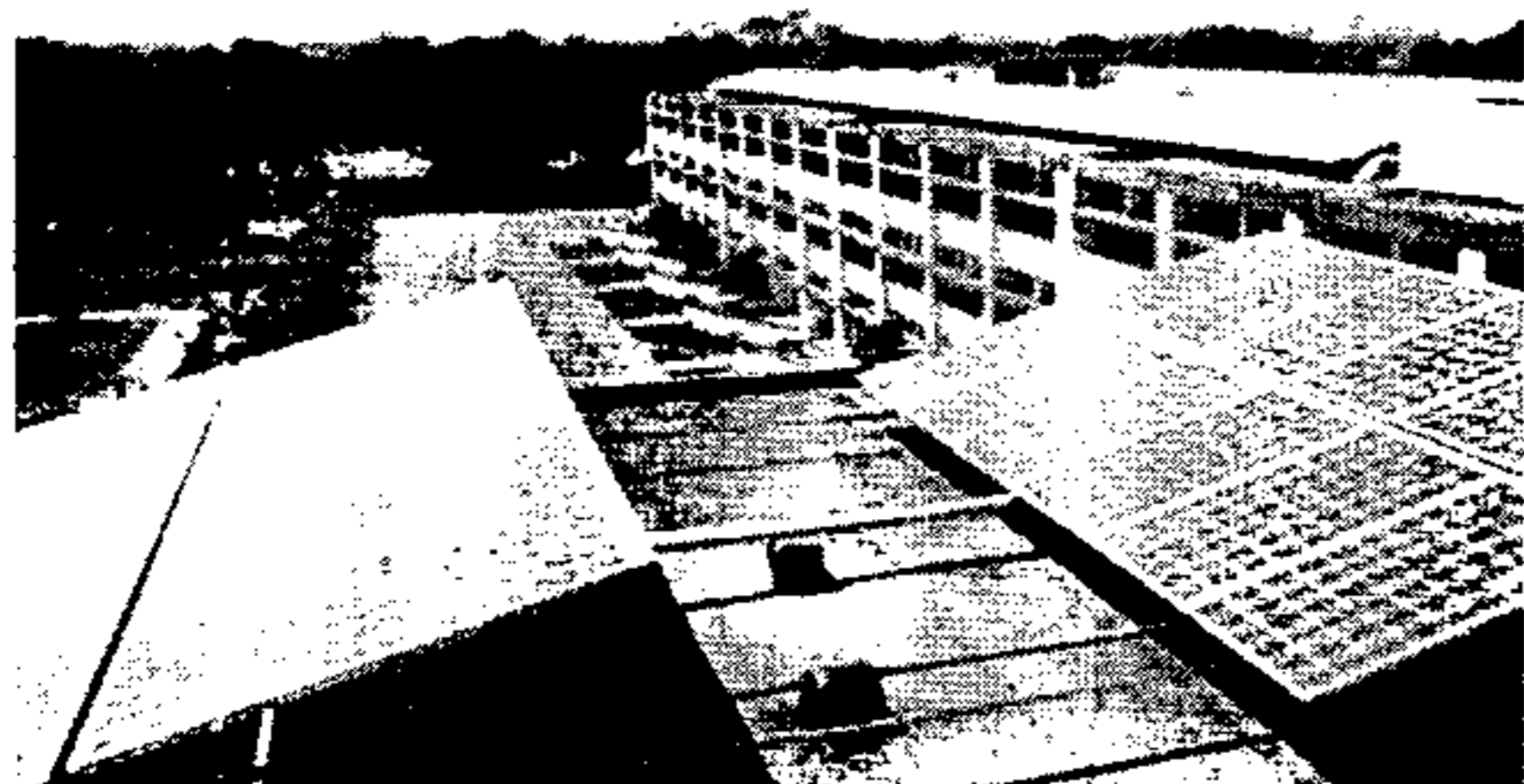
The Company had identified several energy efficiency projects which were being implemented during the on-going Modernization and Expansion Programme for availing the Clean Development Mechanism (CDM) benefits. Six projects have been validated as Verified Emission Reduction (VER) projects as per VCS and ISO standards. Around 1.37 Million Tonnes of CO₂ equivalent carbon credits have been accrued.



Implementation of an Environment Management System linked to ISO 14001 standard, which is essentially a voluntary initiative, has become an effective tool in SAIL towards protection of the environment. During the Financial Year 2016-17, warehouses of CMO at Bokaro and Bengaluru have been recommended for certification to EMS linked to ISO 14001:2015.

5. Has the company undertaken any other initiatives on clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please give hyper link for web page etc.

Yes, adoption of some notable cleaner technologies during the on-going Modernization and Expansion Programme of SAIL which have led towards energy savings are: Taller Coke Oven Batteries with Coke Dry Cooling Plant (CDCP); Bigger Volume Blast Furnaces with Top Gas Pressure Recovery Turbine (TRT), Heat recovery from the sinter coolers; new Bloom cum Round casters; Gas fired boiler for power generation, etc.



The Company has already introduced various renewable energy initiatives like use of coal bed methane in re-heating furnaces, bio-diesel in locomotives, agro based fuel in boilers and solar water heating & lighting systems at various locations. A 1 MW grid connected Solar Power Plant has been commissioned at RSP.

To fulfil SAIL's Renewable Energy Commitment, a Solar Power Plant project is being developed through NTPC-SAIL Power Company Limited, a Joint Venture Company of NTPC and SAIL. Further, the Company is also considering formation of a Joint Venture Company with M's Green Energy Development Corporation of Odisha Limited for installation of a Hydro Electric Power Plant at Rourkela.

6. Are the Emissions/Wastes generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions are mostly within the permissible limits as prescribed by the CPCB/SPCB. Quality of effluent discharged from all the outfalls is also within the norms. The wastes generated are handled and managed as per the stipulated Guidelines/Rules. These are reported by the Company to the CPCB/SPCB on regular basis.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

One direction each from the SPCB and the MoEFCC was received during the Financial Year 2016-17. Action plan for compliance of these directions has been prepared in consultation with the statutory bodies and are under implementation.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

The Company is a Member of:

- A. Confederation of Indian Industry (CII)
- B. Federation of Indian Chambers of Commerce and Industry (FICCI)
- C. The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- D. World Steel Association (WSA)
- E. Standing Conference of Public Enterprises (SCOPE)
- F. Indian Steel Association
- G. Institute for Steel Development & Growth
- H. All India Organisation of Employees (AIOE)
- I. Employee Federation of India (EFI)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development

Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Yes, Sustainable Business Principles and Waste Management are the ones amongst the stated broad areas.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes, SAIL's Social Objective is synonymous with Corporate Social Responsibility (CSR). Apart from the business of manufacturing steel, the objective of the Company is to conduct business in ways that produce social, environmental and economic benefits to the communities in which it operates. For any organization, CSR begins with 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, SAIL has been structuring and implementing CSR initiatives right from the inception. These efforts have seen the obscure villages, where SAIL Plants are located, turn into industrial hubs, today.

SAIL CSR initiatives are undertaken in conformity to the prevalent statutes like 'The Companies Act, 2013', CSR Rules, 2014 and DPE Guideline on CSR & Sustainability, 2014. SAIL carries out CSR projects in and around steel townships, mines and far flung locations across the Country in the area of rural development including Development of Model Steel Villages, Providing Medical and Health Care, Immunization, Ante and Post Natal Care, Education, Access to water facilities, Construction of Roads, Road Side Drains & Street Lights, Environment and Sustainability, Women Empowerment, Assistance to people with disabilities, Sustainable Income Generation through Self Help Groups, Promotion of Sports, Art, Culture & Recreational Activities, etc.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

Under the guidance of the Board level CSR Committee, the CSR activities/projects listed in the approved Annual Plan of SAIL, are being implemented using internal resources or through an identified suitable agency or through providing financial assistance to NGOs/ specialized/ agencies/institutions/societies, as per the provisions of Companies Act, 2013, CSR Rules and CSR Policy of the Company.

Since CSR projects are long term / continuous in nature like providing education, healthcare, mid day meals, sustainable livelihood generation through Self Help Groups (SHGs), etc., some of the projects are implemented through specialised agencies, depending on expertise available with them like, Mid-day meal project through Akshaya Patra Foundation at Bhilai & Rourkela, Comprehensive Water & Sanitation Project in the peripheral villages of Rourkela in association with Gram Vikas, Sustainable livelihood generation projects at Rourkela & Ranchi through BAIF & Society for Rural Infrastructure (SRI, Ranchi) and other social projects at various Plant/Unit locations through Ramakrishna Mission, etc.

Except in cases, where financial assistance is provided for a specific CSR project proposed by a specific agency, the external implementation partners having strong credentials and track records, are identified for undertaking CSR projects, as defined in 'The Companies Act-2013'.

3. Have you done any impact assessment of your initiative?

In SAIL, every Plant / Unit is having a high level Committee headed by senior EDs/GMs, which recommends the CSR projects to be taken up by the respective Plant / Unit. The same Committee monitors the progress and execution of these projects as well as undertakes audit of social benefits achieved from CSR initiatives undertaken.

The impact assessment/social audit of the Company's CSR & Sustainability initiatives has also been done through external professional agencies as detailed below:

- The impact assessments of Bhilai and Rourkela Steel Plants' CSR projects in 2014-15 have been carried out by NABARD Consultancy Services (NABCONS)
- The impact assessment of Salem Steel Plant's CSR projects in 2014-15 has been carried out by Madras School of Social Work, Chennai
- The impact assessment of Raw Materials Division's CSR projects in 2014-15 covering 129 villages of 7 mines in States of Odisha and Jharkhand has been carried out by Institute of Social Sciences, Bhubaneswar (ISS)

In addition, SAIL has a strong internal mechanism to monitor the activities initiated undertaken under CSR & Sustainability. The Board Sub Committee on CSR reviews/monitors CSR & Sustainability activities on regular basis.

4. What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

Till the year 2013-14, DPE Guidelines provided for the linkage of Annual CSR budget with Net Profits/PAT of previous year. From April 1, 2014, the provisions of Company's Act, 2013 have come into effect for the CSR activities which require the CSR expenditure to be at least 2% of the average PBT of the immediately preceding 3 fiscals. CSR budget allocation and expenditure w.e.f. 2014-15 are as follows:



(₹ crore)

Year	CSR Allocation	CSR Expenditure
2014-15	78	35.04
2015-16	100.16 (including unspent amount of Rs.42.96 crores of 2014-15).	76.16
2016-17	29.34 (including unspent amount of Rs.24 crores of 2015-16)	29.05

Apart from the exclusive CSR budget, SAIL also spends to the tune of Rs.350 crores annually for providing social facilities to Non-SAIL populace residing in the peripheral areas of SAIL Plants/Units either free or at a very nominal cost, such as Healthcare, Education, Sanitation, Drinking water availability, infrastructure like roads & street lights, promotion of Sports, Art and Culture, etc.

SAIL Plants/Units are located mostly in backward areas that inhabit majority of disadvantaged, vulnerable, marginalized, SC, ST and minorities. For the upliftment of such populace, SAIL had developed 79 Model Steel Villages located in peripheral backward areas and these are maintained regularly.

The details of CSR activities undertaken are as follows:

- SAIL has achieved 100% compliance by construction of 672 toilets in schools without toilets/having dysfunctional toilets falling within the peripherals of SAIL Plants & Units acknowledging the Prime Minister's ambitious drive for promotion of sanitation and hygiene in remote areas, under "Swachh Vidyalaya Campaign".
- SAIL is providing healthy & nutritious Mid-Day Meals to around 63,000 students in 500 Govt. schools daily, in and around Bhilai and Rourkela, in association with Akshya Patra Foundation.
- Education:** To develop the society through education, SAIL is running over 145 schools within and outside its steel townships to provide modern education to more than 55,000 children and is assisting over 500 schools with about 63,000 students by providing Mid-day meals. Special Schools (Kalyan Vidyalaya) for BPL category students are run at integrated steel Plant locations with facilities of free education, mid-day meals, uniforms, shoes, text books, stationary items, school bag, water bottles, etc. are running under CSR.
- Healthcare:** SAIL's extensive and specialised Healthcare Infrastructure provide basic and specialized healthcare to more than 1,10,000 villagers during 2016-17.
- 4700 health camps and Ambulances/MMUs provided medical facilities like free health check-up, lab investigations, medicine, immunization, etc. at the doorsteps of over 1,60,000 villagers during 2016-17.
- Over 78 Lakh people across 435 villages have been connected to mainstream by SAIL since its inception, by constructing and repairing of roads. Over 8000 water sources have been installed during last four years thereby enabling easy access to drinking water to over 46 lakh people living in far-flung areas.
- To promote renewable sources of energy, Solar street lights have been installed, Solar Lanterns and Smokeless chullahs have been distributed among the rural people. Maintaining parks, water bodies and botanical gardens in its townships and plantation & maintenance of over 3 Lakh trees at various locations have also been carried out for environment conservation.
- Vocational and specialised skill development** trainings have been imparted to 2176 village youths and 1878 women folks in 2016-17 in industrial and agriculture techniques, soft skills, handlooms, empowering them to bond with

mainstream. About 576 rural youths have been sponsored for ITI trainings at various ITIs.

- Sports, Art & Culture:** Various sports coaching and events viz. SAIL Khel Mela at Bhilai, Samvardhan; Rural Sports, Football and Kabbadi at Rourkela, Durgapur and Burnpur; Archery championships, Kho-Kho and Ladies Cricket Coaching and matches at West Singhbhum, Jharkhand & Keonjhar, Odisha witnessed participation of about 2,000 rural youths. 4,000 folk artists, students and Viewers participated in the Lok Kala Mahotsava organised at Bhilai and Grameen Lokutsavas at Thanod and Aheri villages of Durg.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

SAIL Plants/Units have always conducted informal stakeholder engagements in their respective areas. This exercise supports in identifying their needs, local issues requiring attention and intervention. Formal as well as informal mode has been established with multi-stakeholders to resolve various issues affecting day to day life from time to time as per the necessity. For peripheral villages, dialogues are normally held with the Sarpanch/Panch of the village or the village representatives in an informal manner as and when required in connection with the peripheral developmental activities. A well structured organizational mechanism is in place at Plants/Units for planning CSR activities in consultation with local authorities like Panchayats, District & State Authorities and various stakeholders.

Besides, at some of Plant locations the inputs from the Rehabilitation & Peripheral Development Committee (RPDAC), in which MPs & MLAs are members, are also taken into consideration before finalizing the CSR projects.

Impact assessment of CSR activities is carried out to assess the effects of our CSR initiatives. Also reforms/updates of the processes based on the feedback received from the beneficiaries are incorporated so that the sense of ownership is generated among the community and it adopts the social interventions in letter and spirit.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints / consumer cases is pending as on the end of financial year?

A total of 1850 quality complaints including the complaints pending at the beginning of the year were received from customers in 2016-17, out of which 63 (around 3%) were pending as of March 31, 2017, while the rest were settled satisfactorily. The pending complaints are in the process of settlement.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

SAIL provides detailed Test Certificates to the customers with each supply. Packet/Coil/Heat number, size, quality of the item is displayed on the product label for source authentication. In case of branded products, product brand is also displayed. Over and above, if there is an additional requirement from the customer, attempt is made to incorporate the same on the label.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.

There is no such case pending as of end of financial year.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

Yes, Customer satisfaction is measured in the form of Customer Satisfaction Index (CSI) for Key Accounts which is computed every month based on the feedback collected from identified Key Customers on parameters pertaining to Product Quality, Service and Price.