STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

RESULTS PRESENTATION FOR Q1 FY’24

LANDMARKS……

Mining

Iron Ore: 8.461 MT | Limestone: 0.273 MT | Dolomite: 0.132 MT

Production

Hot Metal: 5.037 MT | Crude Steel: 4.667 MT | Saleable Steel: 4.405 MT

Sales & Marketing

Pan-India network of almost 4800 distributors and dealers | Domestic Sales: 3.742MT | Exports: 0.142 MT

Research & Development

64 R&D projects completed during FY’23 | More than 100 new products developed in recent years | Focus on reducing carbon footprint, energy conservation, quality improvement, etc.

Stakeholders Management

Procurements through GeM doubled in FY’23 over FY’22 | Dividend of Rs. 1342 crore paid during FY’23. | Contribution to ex-chequer: Rs. 23625 crore during FY’23 | Spent ~Rs. 537 crore since FY’15 on CSR activities*

* Details in following slides

STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

Sustainable Operations

SUSTAINABLE OPERATIONS

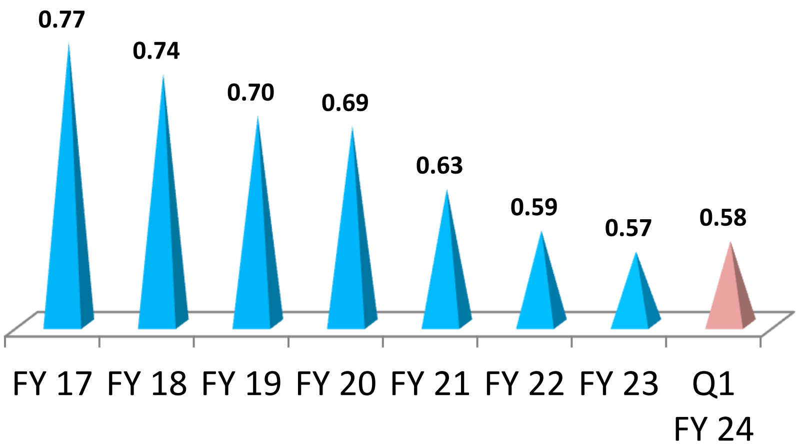
Waste Management	Application of 4Rs (Reduce, Reuse, Recycle, Recover)
	R&D Project for development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth through ICAR-Indian Agricultural Research Institute.
	Solid Liquid Resource Management (SLRM) Centre set up at BSP with a daily capacity of 50T for segregation of wastes, converting green waste into manure and turning plastic waste into useful by-products.
Eco-Restoration Projects	Restored 250 acres of old barren overburden dumps and water void in 200 acres of limestone mined out area in Purnapani for generation of ecosystem services and goods as well as sequester CO_2.
	MOU with Institute of Forest Productivity, Ranchi for eco-restoration of mined out area and waste dumps for Kiriburu and Megahahatuburu Iron Ore Mines.
	Bio-diversity park named **'Vasundhara'** created at Durgapur on 400 acres of land with development of flora and fauna of local species and water body.

SECURING FUTURE

Water Conservation	Committed to achievement of long term goal of “Zero Liquid Discharge”.
	Actions being taken for treatment and recycling of effluent being discharged through the outfalls at the Plant boundary.
Energy Conservation	Set up 3.5 MW Solar Power Plants/Units at different locations. Another 6.195 MW roof top Solar Units under implementation at various Plants/Units locations.
	10 MW Hydel Power Plant under implementation at Mandira Dam, RSP, under a Joint Venture initiative with Green Energy Development Corporation of Odisha Limited (GEDCOL)
Others	About 21.5 million saplings have been planted.
	BSP has taken up project for disposal of Poly Chlorinated Bi-Phenyls (PCBs) in an environment friendly manner in partnership with the MoEF&CC and UNIDO.

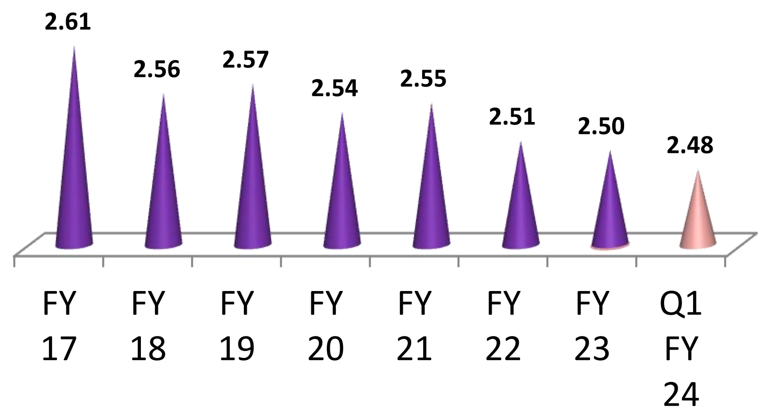
SUSTENANCE PARAMETERS

PM Emission Load: kg/tcs



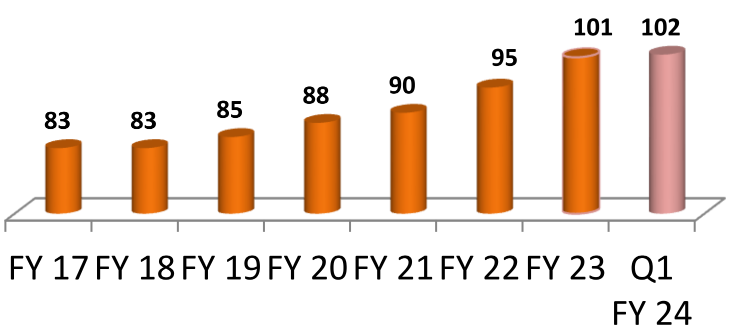
Reduction of 25% over FY17

Specific CO2 Emission: T/tcs



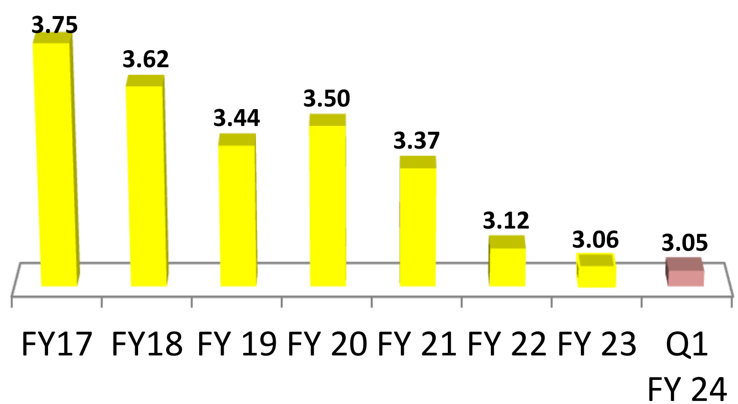
Reduction of 5% over FY17

Solid Waste Utilisation (%)



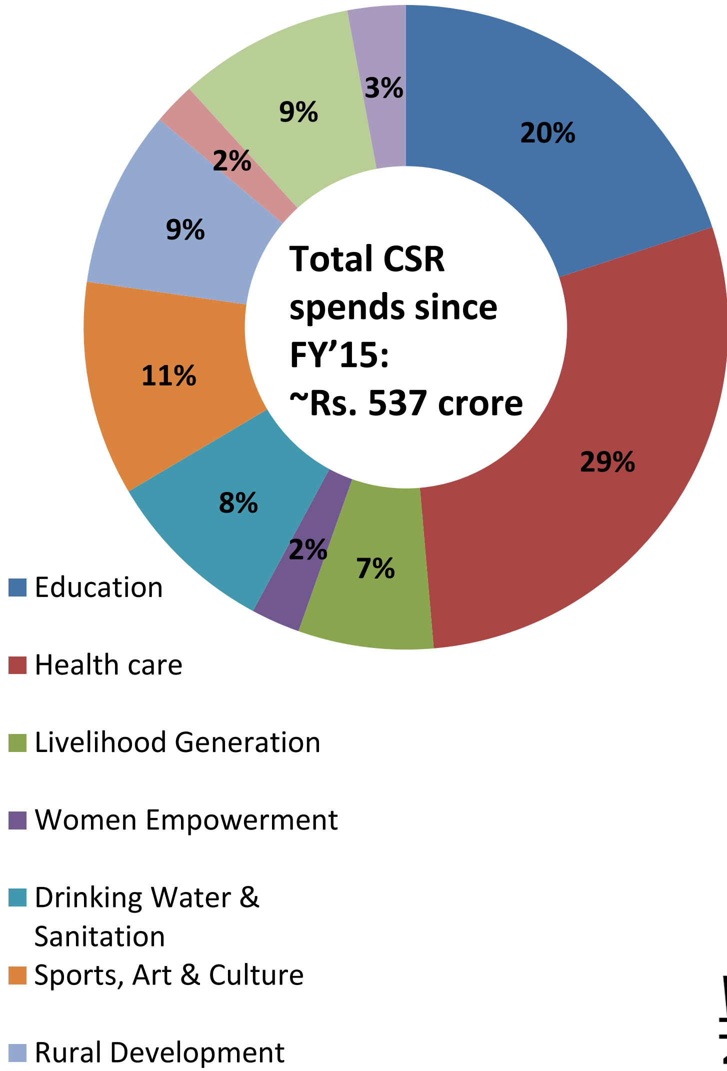
Increase of 22% over FY17

Specific Water Consumption: m3/tcs



Reduction of 19% over FY17

TOUCHING LIVES....



Key Activites

- Basic and specialised healthcare to more than a million lives annually.
- Drinking Water facility to more than 50 lakh people.
- More than 80 lakh people connected to mainstream by construction of roads
- Quality education to almost 50000 students across more than 96 schools.
- Special Schools providing support to needy students.
- Mid-day meals to more than 60000 students through Akshay Patra Foundation.
- Providing equipment like tricycle, motorized vehicles, callipers, hearing aids, artificial limbs, etc. to Divyangs
- Running Eklavya Archery Academy and other sports academies for Hockey, Football, Athletics, etc. Athletes from SAIL academies have won medals at National and International Level.
- Integrated Development Centre (IDC) at Digha Village in Saranda Forest with facilities like Bank, Telecom Office, Panchayat Office, Ration Shop, etc.
- Development of 79 'Model Steel Villages'.

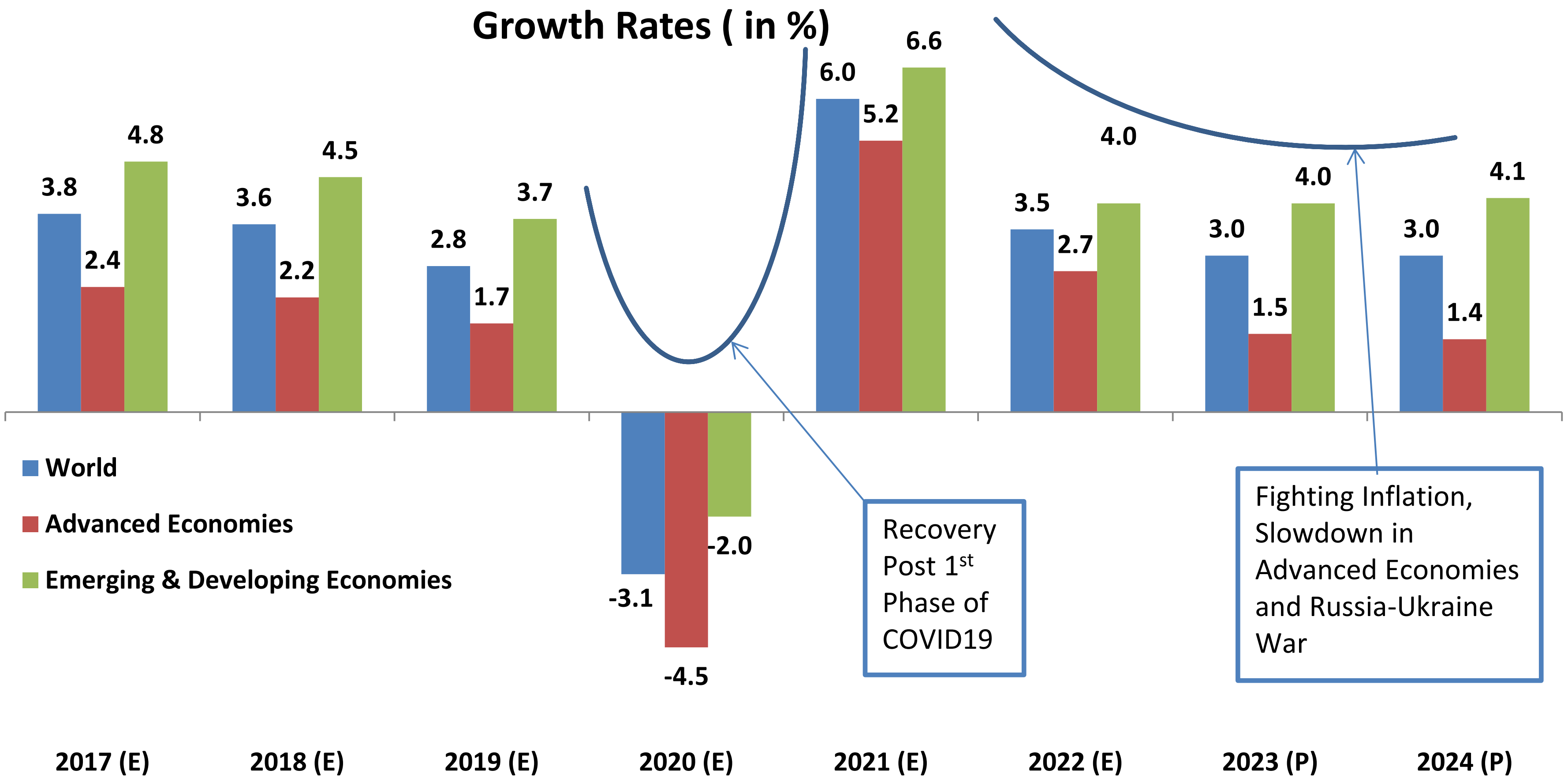
STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

Global Economic & Steel Scenario

WORLD ECONOMIC SCENARIO

सेल SAIL



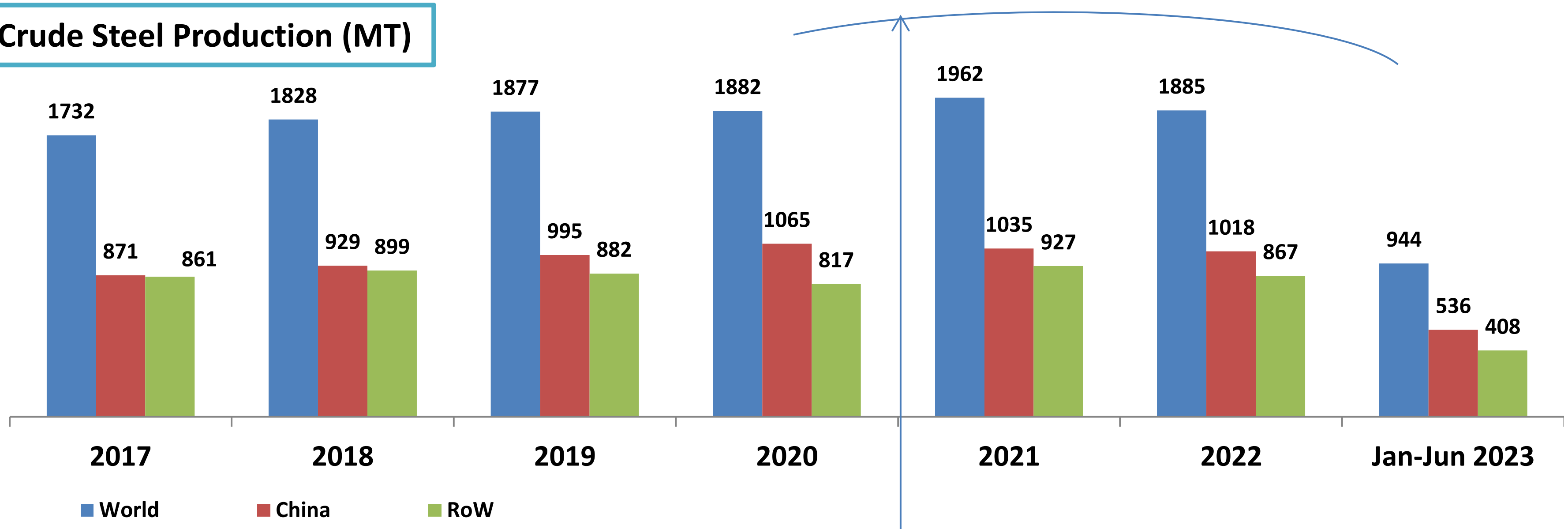
In the World Economic Outlook released during July'23, IMF is estimating the growth for 2022 at 3.5% while also revising the projections for the year 2023 upwards to 3.0% as against earlier projection of 2.8% during Apr'23. The projection for 2024 is also pegged at 3.0% majorly on the as the policy rates rise by central banks continue to weigh on inflation, inflation subsiding more gradually than expected and credit availability remains tight. The developing economies are, expected to fare much better than their advanced counterparts.

E= Estimates P= Projections

SOURCE: IMF

WORLD STEEL SCENARIO

Crude Steel Production (MT)



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

- *China continues to dominate the world crude steel production contributing almost 57% of overall global production.*
- *Reduction in production in major producers leads to world steel production by almost 1.1%.*
- *Among the major producers, only India (7.4%) and Iran (4.8%) have seen a significant positive growth in production during H1 CY 23 over CPLY.*
- *Other than these, China and Russia have reported a growth of 0.4% and 1% respectively during H1 CY 2023 over CPLY.*

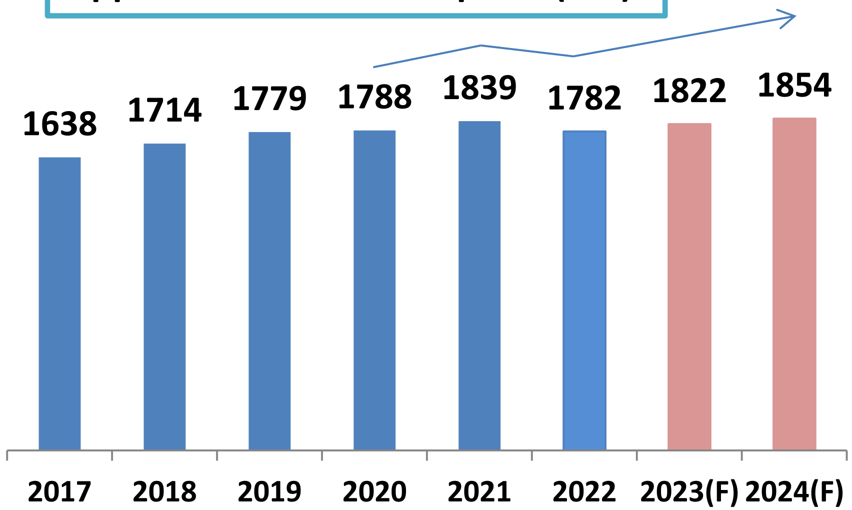
SOURCE: World Steel Association (WSA)

WORLD STEEL SCENARIO

सेल SAIL

SOURCE: World Steel Association (WSA)

Apparent Steel Consumption (MT)

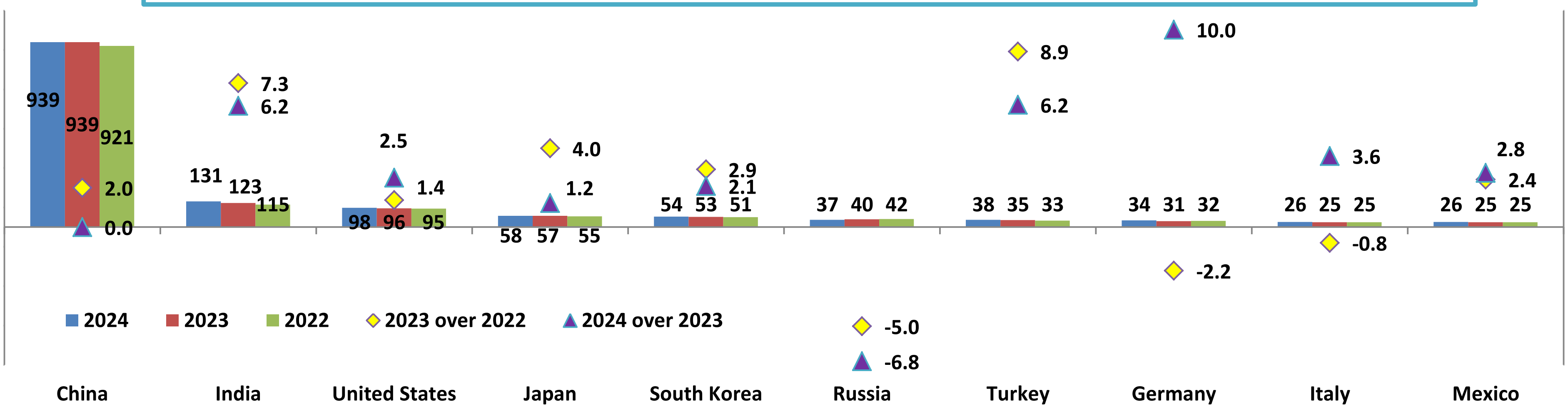


2022 sees a decline in growth. However, as per projections for 2023 and 2024, demand sails again.

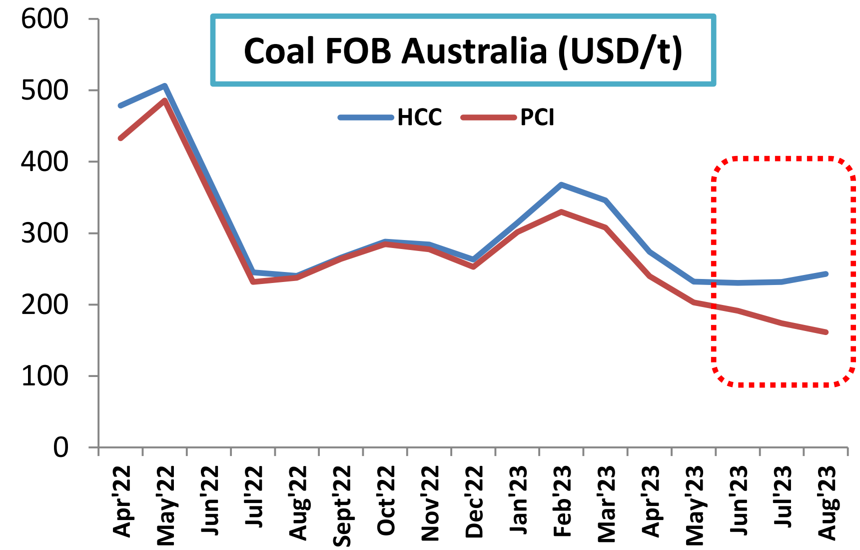
Short Range Outlook, April'23:

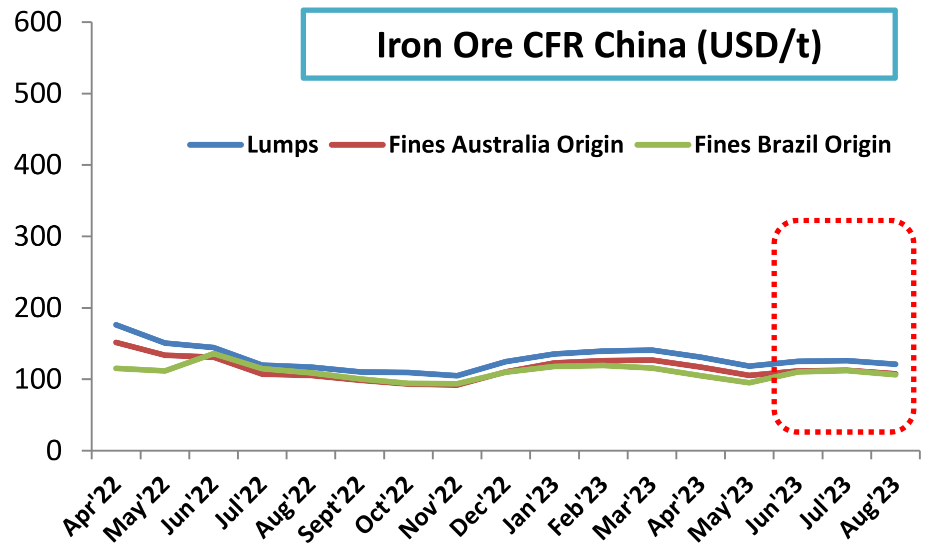
- Global steel demand is expected to increase by 2.3% in 2023 and 1.7% in 2024.
- Demand growth in China, which was earlier being predicted to be NIL is now estimated to grow at 2% in 2023. However, demand in 2024 is again projected to be stagnant.
- Global demand excluding China is expected to grow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

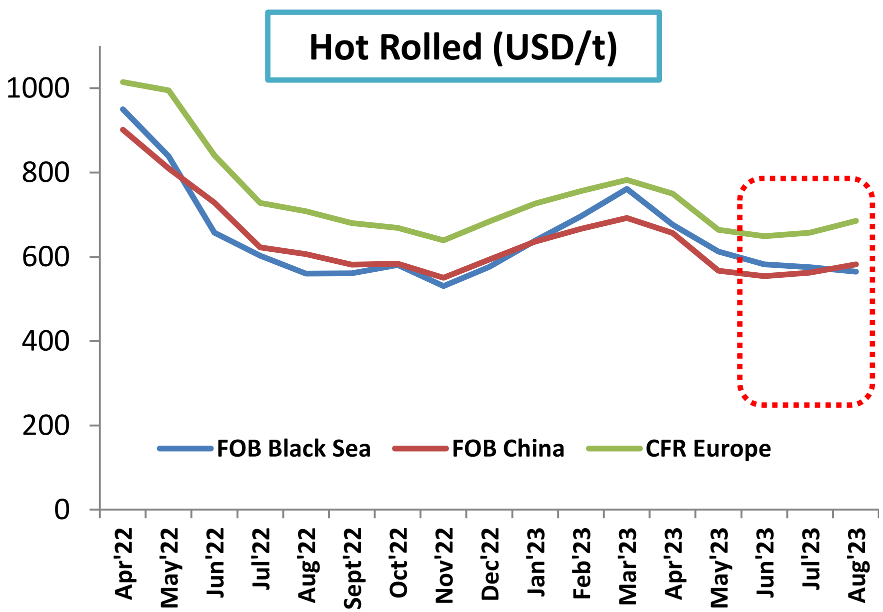
Demand Projections for top 10 steel consuming using countries in 2024 and 2023 vs 2022 (MT)

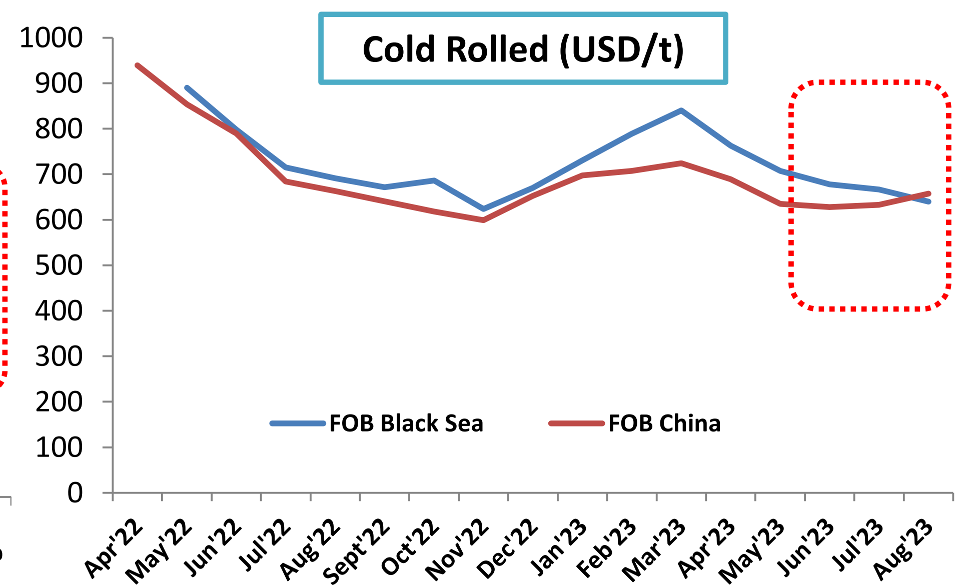


INTERNATIONAL PRICE TRENDS









SOURCE: Steel Mint

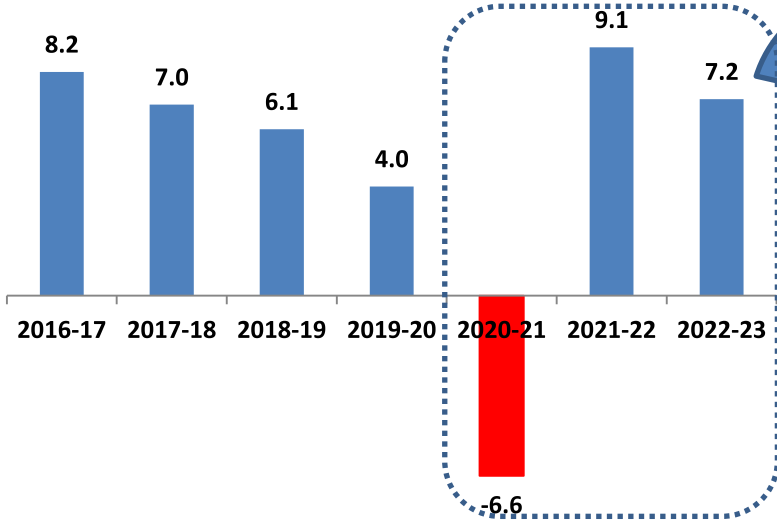
STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

Domestic Economic & Steel Scenario

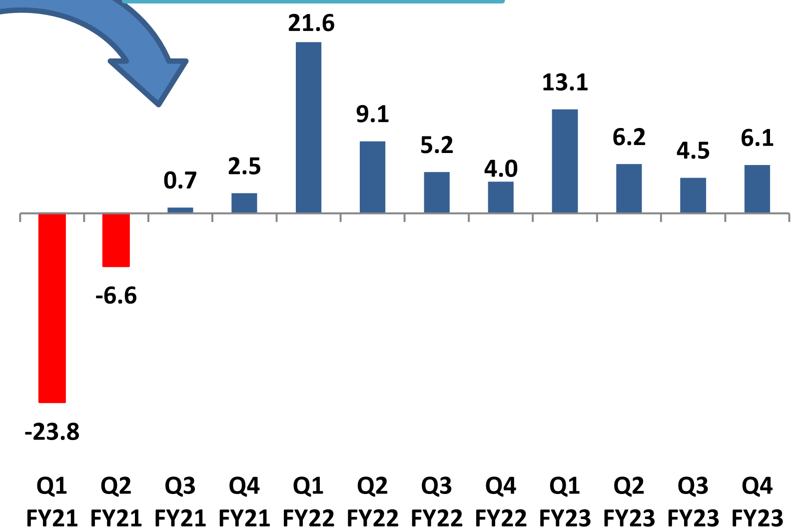
INDIAN ECONOMIC SCENARIO

GDP Growth % at Constant (2011-12) Prices



Quarterly GDP since COVID19 first wave

SOURCE: MOSPI, GOI

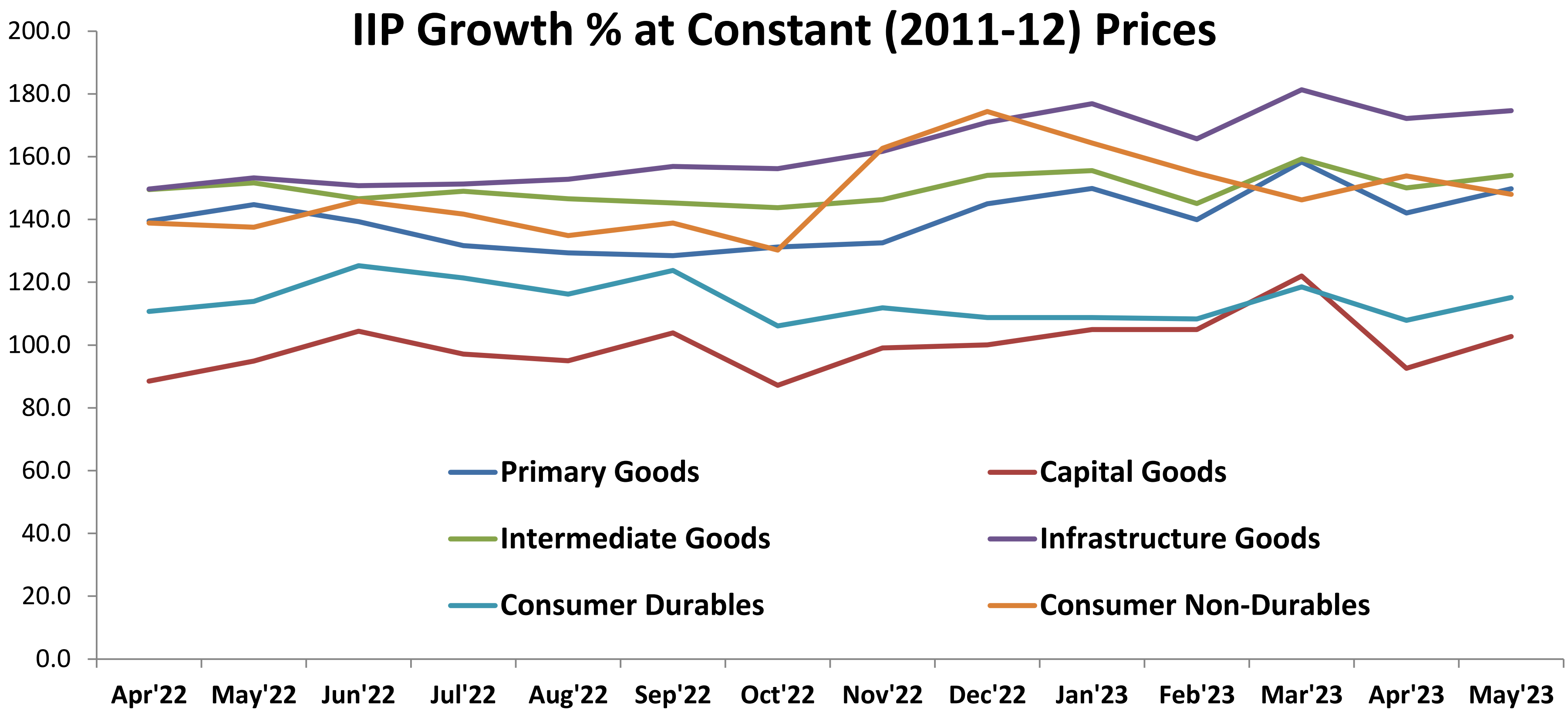


COVID19 Pandemic saw the GDP of Indian economy slide into negative during FY'21 at -6.6%. However, the economy gained ground thereafter and reached 21.6% during Q1 FY22. Since then, factors like inflation have been weighing on the growth rates. The estimates for the FY'22 and FY'23 stand at 9.1% and 7.2% respectively. Despite the projections for future years coming down, India is likely to remain amongst the fastest growing major economies. The projections from major financial agencies are as follows:

Source	Growth Projection	Remarks
WORLD BANK	**6.3% (FY24)**	Projection is lower than the earlier estimates of 6.6%.
IMF	**6.1% (CY23) & 6.3% (CY24)**	Projection for CY'23 has been increased to 6.1% from 5.9% projected earlier in April 23
RBI	**6.5% (FY24)**	RBI improves the projections marginally from earlier 6.4%

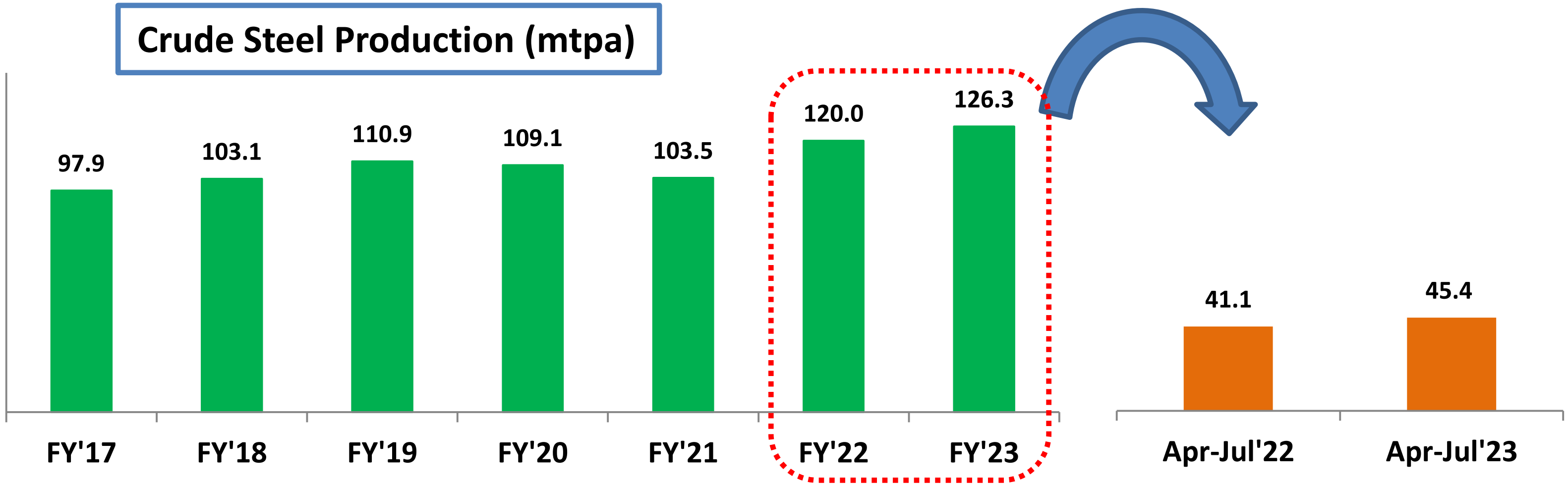
INDIAN ECONOMIC SCENARIO

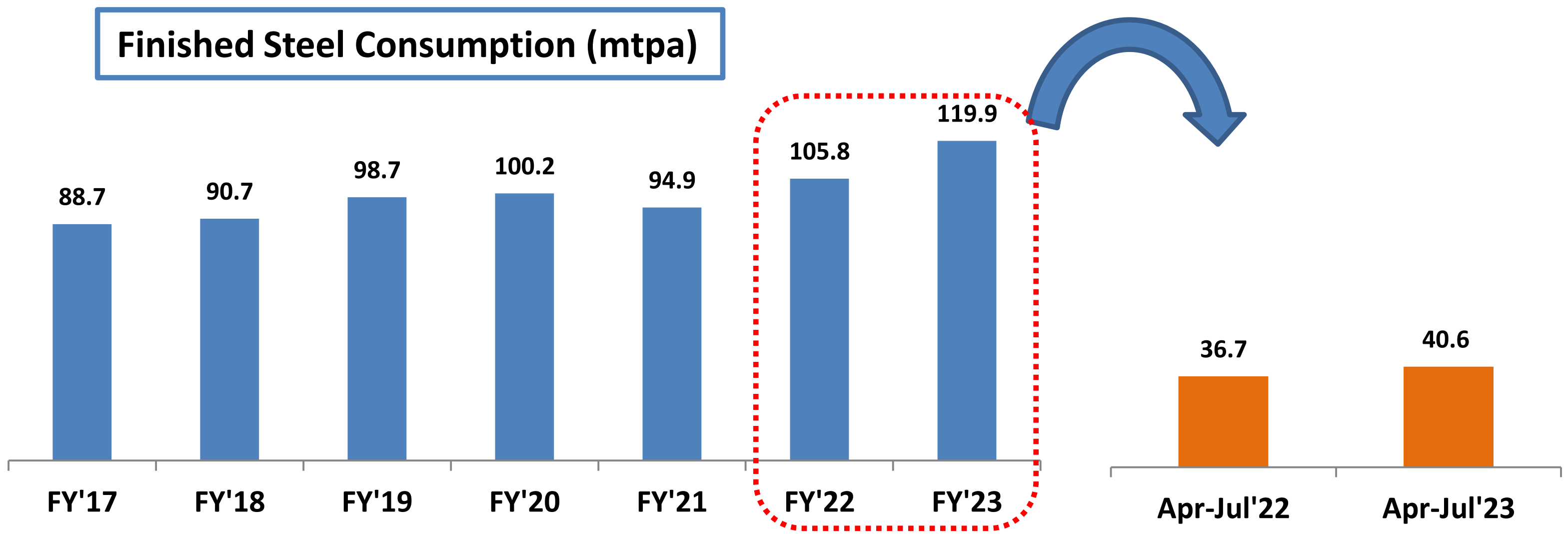
SOURCE: MOSPI, GOI



The manufacturing activities had fallen to historic lows during lockdown due to COVID19 during Q1 FY'21. However, as economy recovered sharply on the back of financial stimulus by the Government and demand rising sharply across sectors post lockdown, the IIP also saw a steep climb. Thereafter, during Q1 FY'22 owing to second wave of COVID19, there was a marginal dip before the index started to rise again. During FY'24, the index has declined in Apr'23 before rising marginally in May'23.

INDIAN STEEL SCENARIO





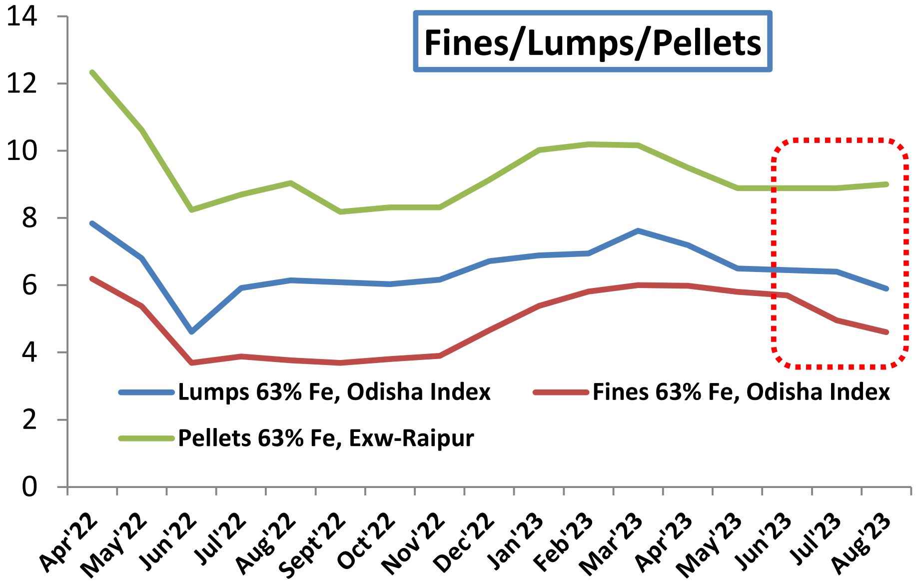
The Short Range Outlook published by WorldSteel Association during April'23, projected steel demand in India to increase by 7.3% in CY2023 and 6.2% in CY2024.

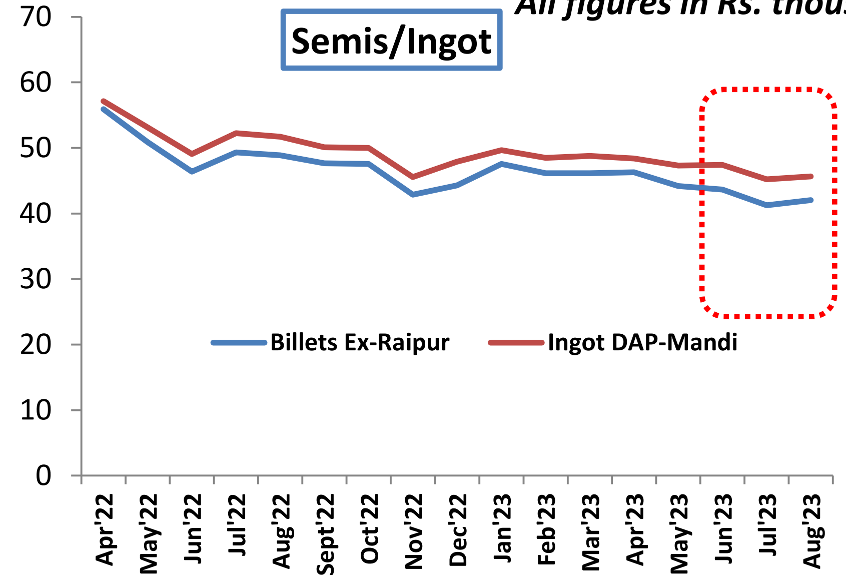
Source: JPC

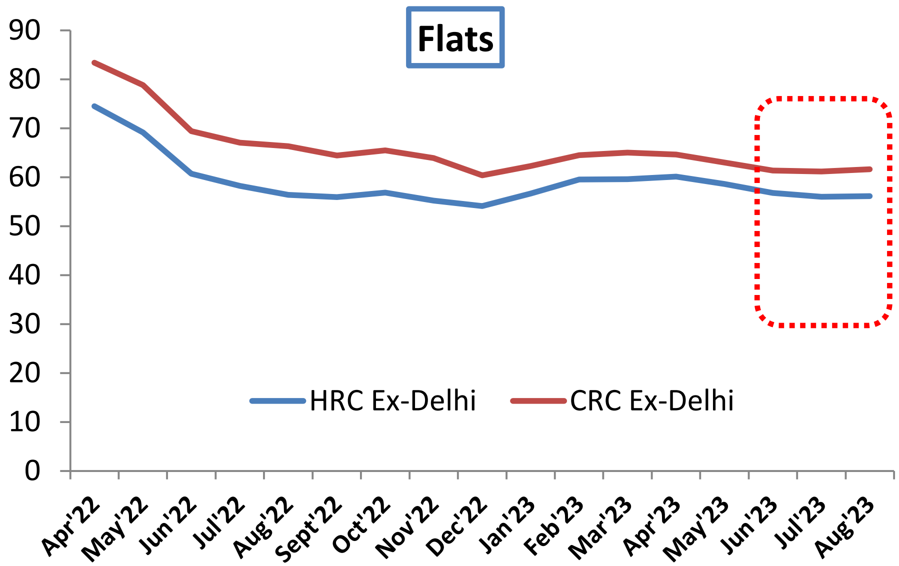
DOMESTIC PRICE TREND

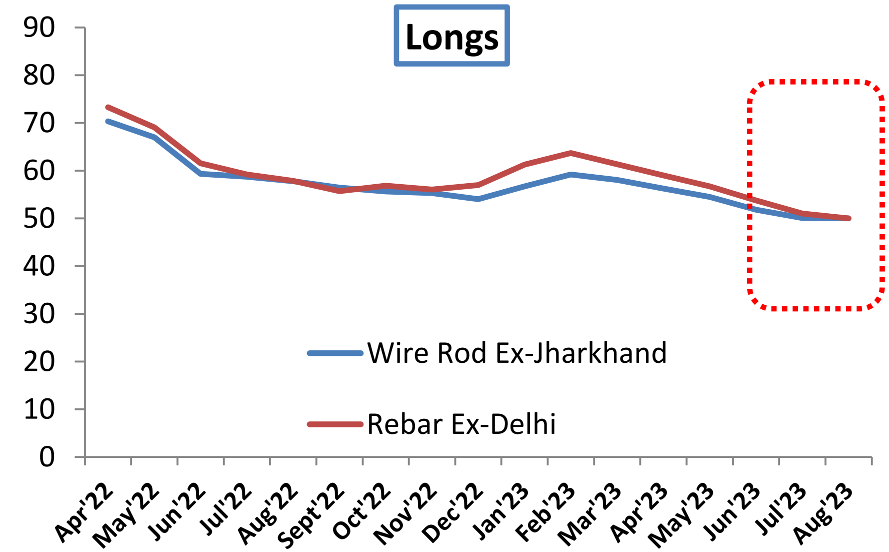
सेल SAIL

All figures in Rs. thousand









SOURCE: Steel Mint

STEEL AUTHORITY OF INDIA LIMITED

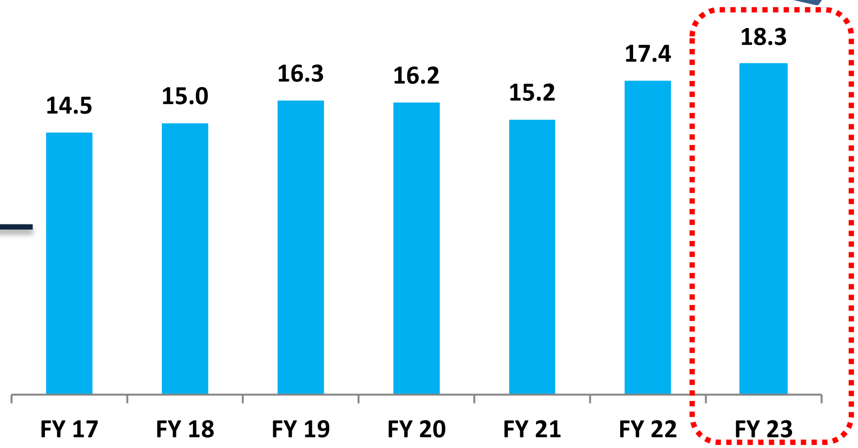
सेल SAIL

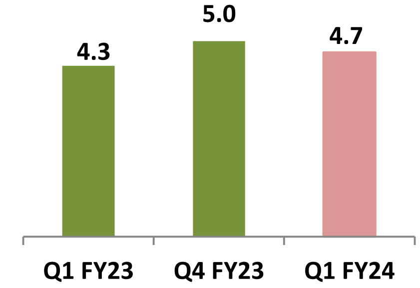
Operational Performance

PRODUCTION PERFORMANCE

All figures In Million Tonne

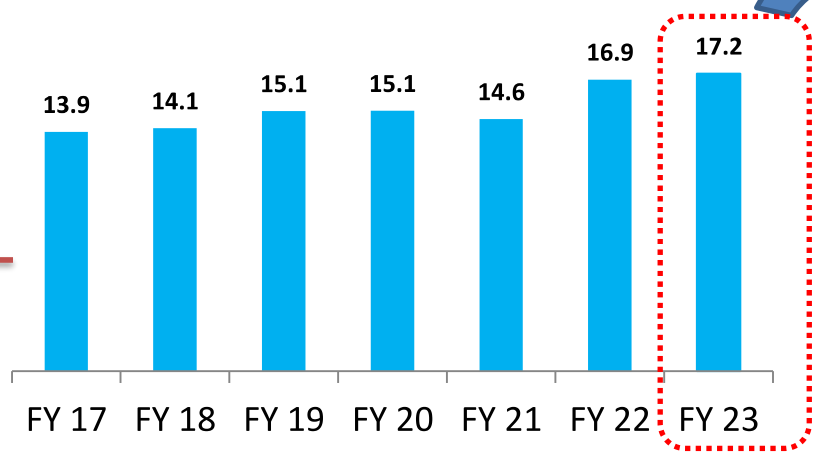
CRUDE STEEL PRODUCTION

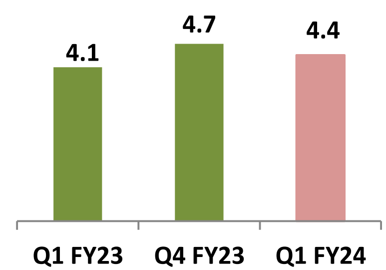




Annual **Quarterly**

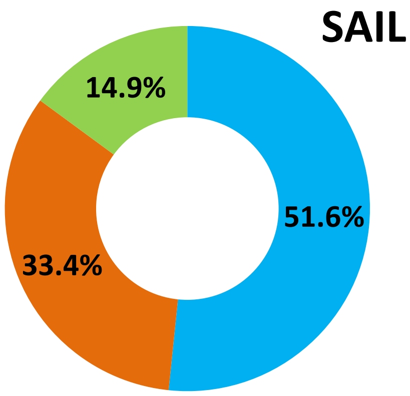
SALEABLE STEEL PRODUCTION

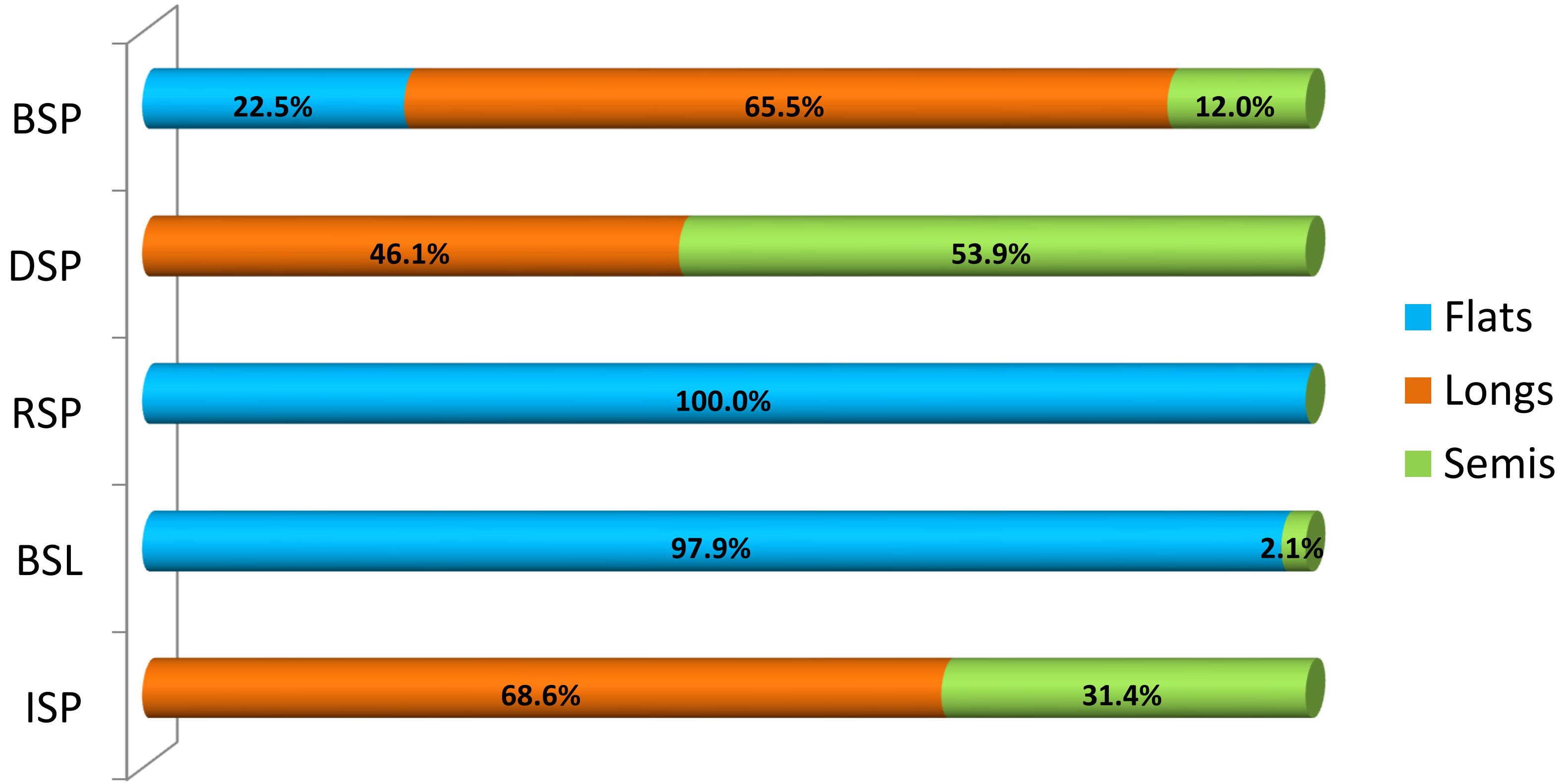




PRODUCTION PERFORMANCE : FY'24

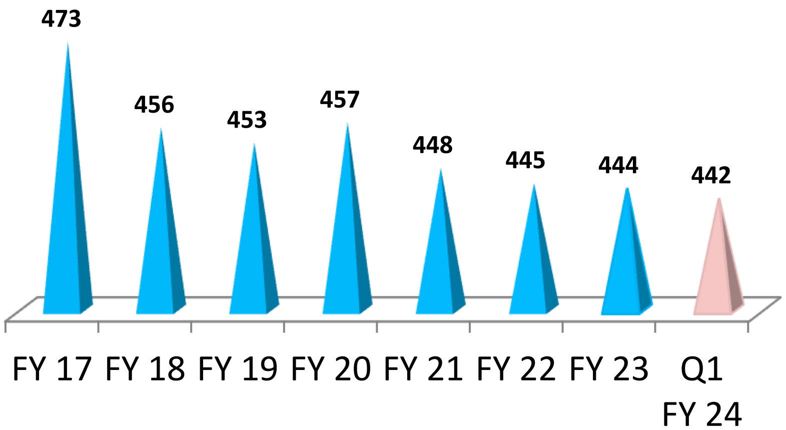
PRODUCT MIX :
5 ISPs





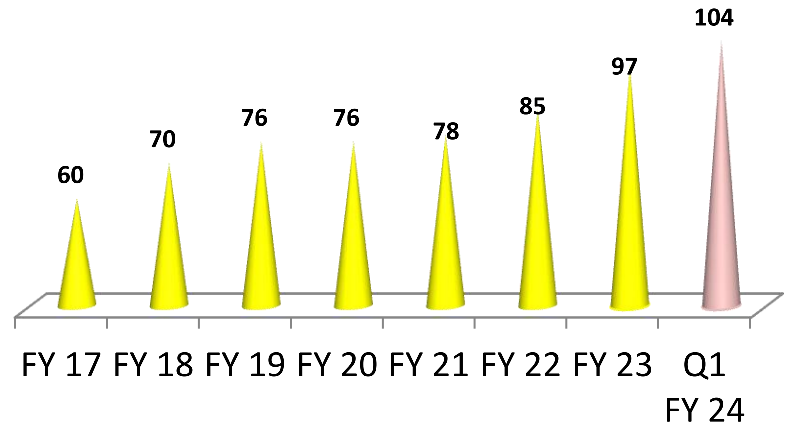
TECHNO-ECONOMIC PARAMETERS

Coke Rate: kg/thm



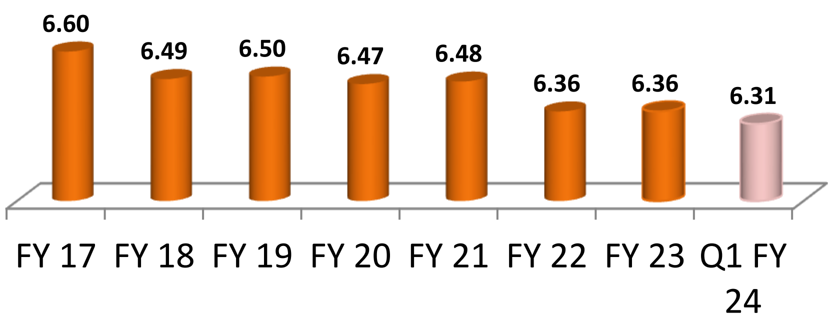
Reduction of 7% over FY17

CDI Rate: kg/thm



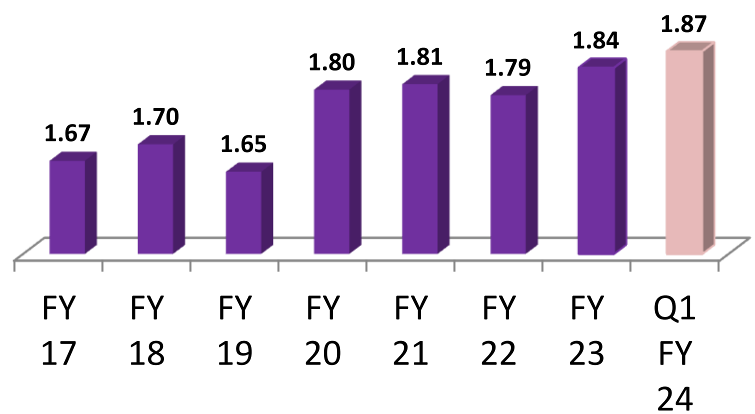
Increase of 73% over FY17

Specific Energy Consumption: GCal/tcs



Reduction of 4% over FY17

BF Productivity: T/m3/Day

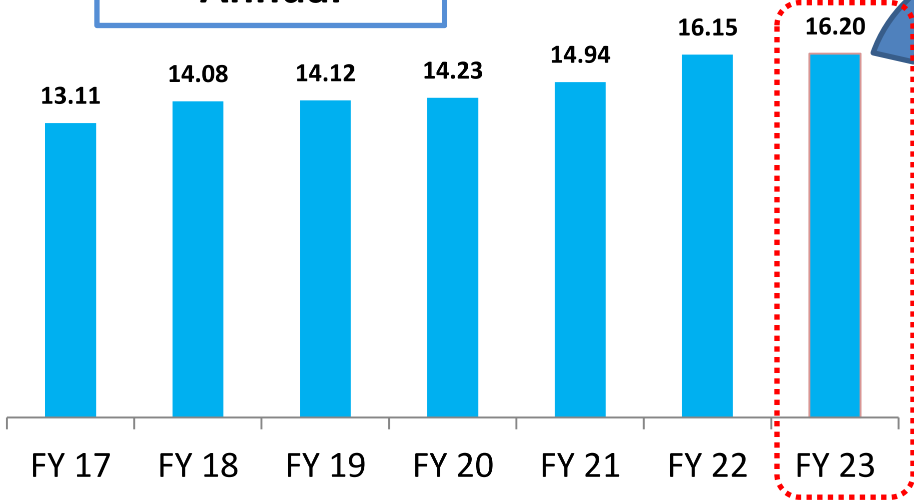


Improvement of 12% over FY17

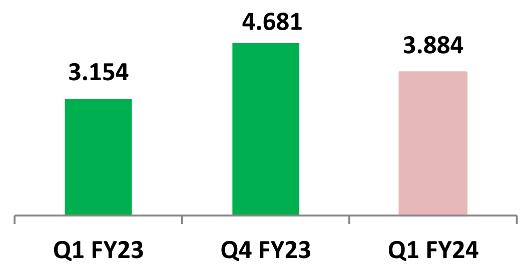
SALES PERFORMANCE

All figures In Million Tonne

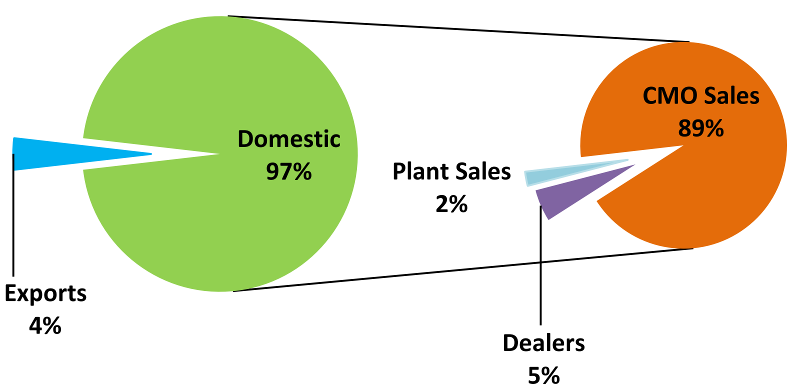
Annual



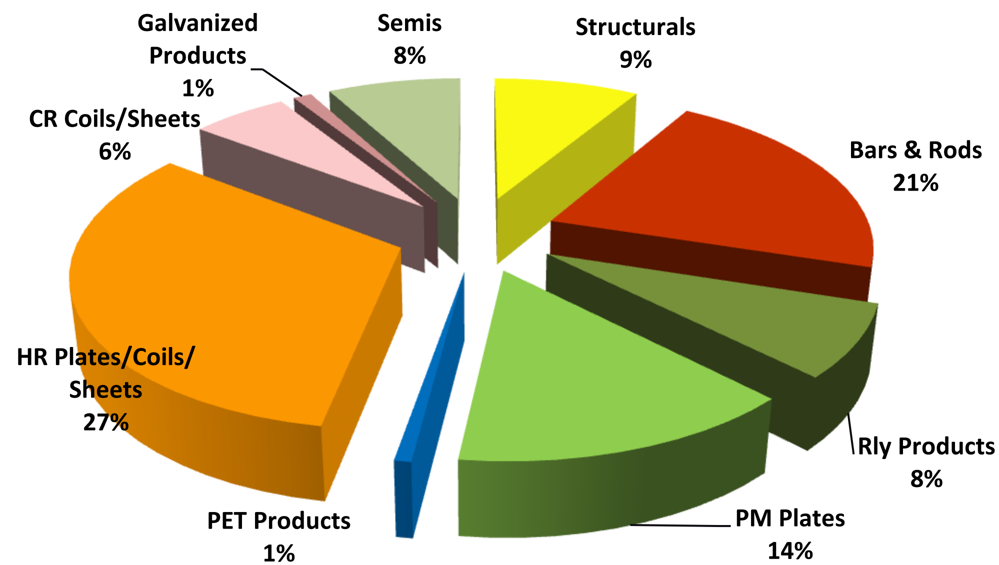
Quarterly



Sectoral Breakup



CMO Sales - Product Mix 5 ISPs



STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

Financial Performance

FINANCIAL PERFORMANCE

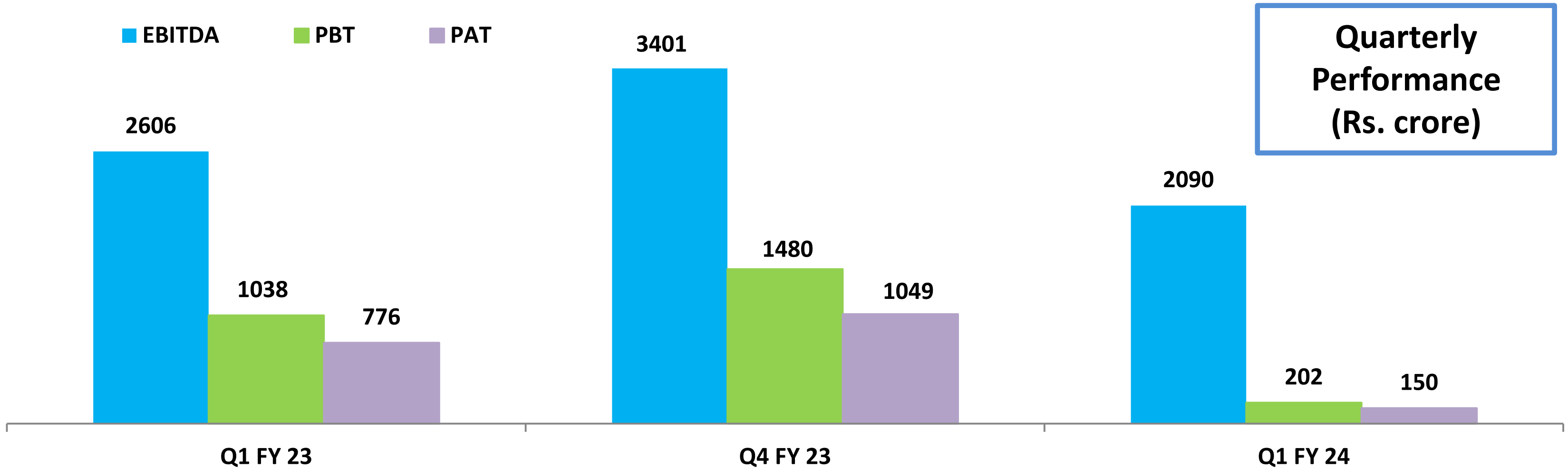
Rs. Crore (INDAS Compliant figures)	FY23	Q1 FY 23	Q4 FY 23	Q1 FY 24
Sales Turnover	103729	23843	28947	24093
Total Income	105802	24334	29618	24800
EBITDA	9379	2606	3401	2090
Depreciation	4963	1194	1364	1275
Finance Cost	2037	374	517	613
PBT Before Exceptional Items	2379	1038	1520	202
Exceptional Items	-258	-	40	-
PBT After Exceptional Items	2637	1038	1480	202
Tax	734	262	430	52
Profit After Tax	1903	776	1049	150

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

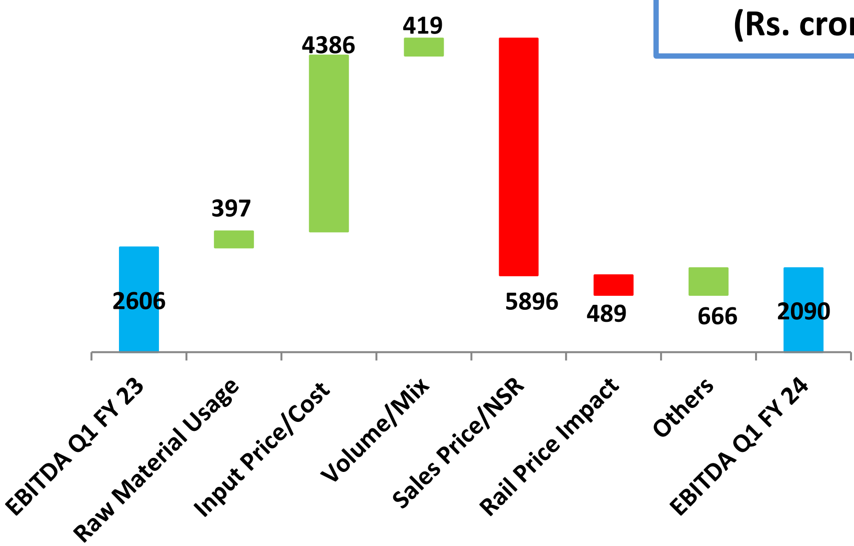
- *Reduction in the realisations of steel which has been impacted significantly vis-à-vis CPLY as well as CPLQ.*
- *Reduction in cost of imported coking coal which partially offset the impact of fall in steel prices.*

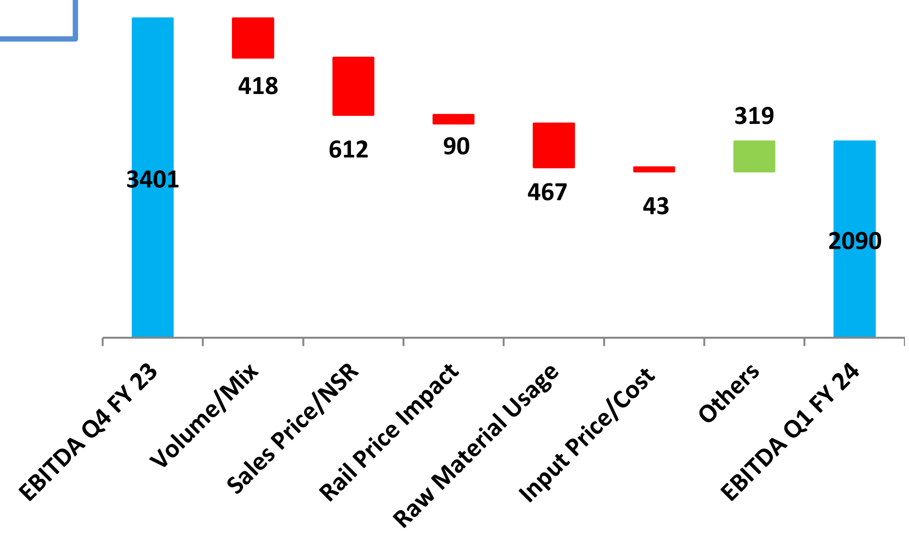
FINANCIAL PERFORMANCE

Quarterly Performance (Rs. crore)



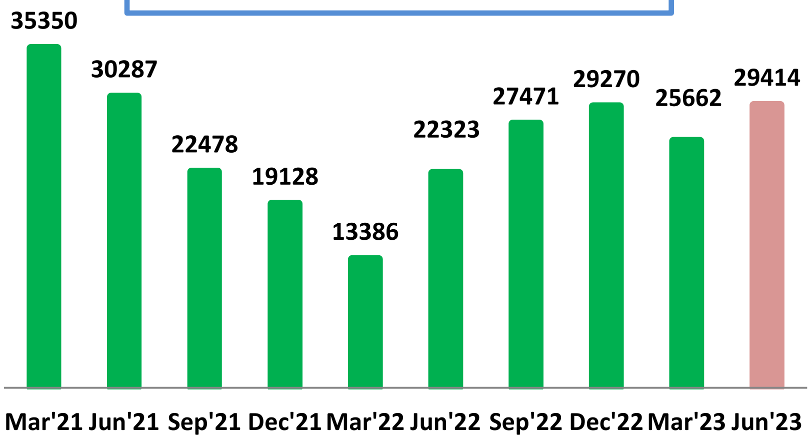
EBITDA Quarterly Movement (Rs. crore)



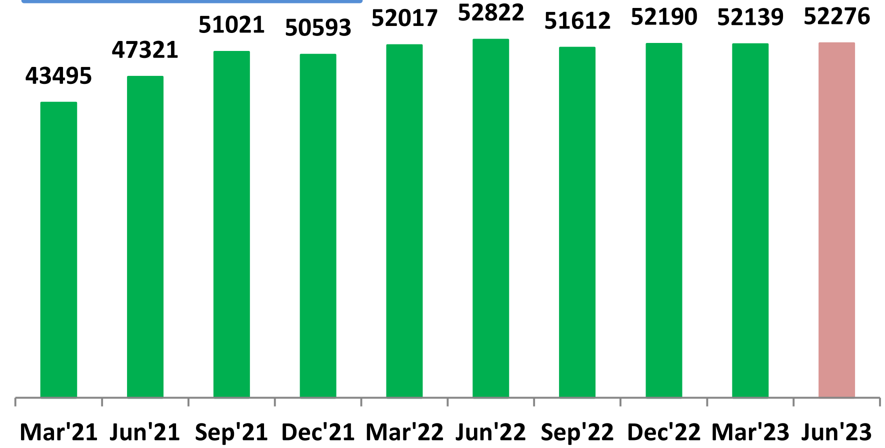


FINANCIAL PERFORMANCE

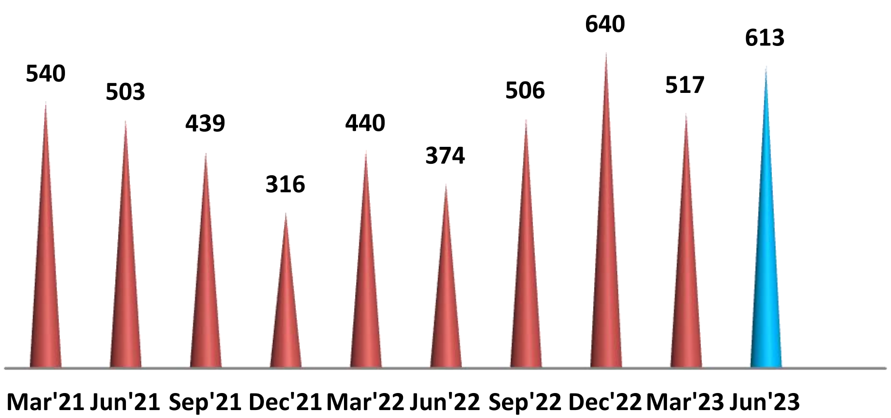
Borrowings (Non Ind AS)



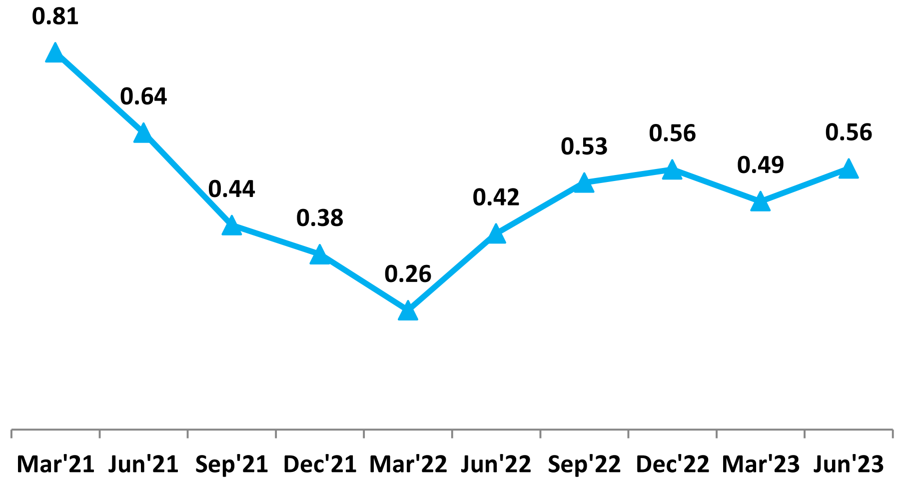
Net Worth



Quarterly Interest



Debt-equity (times)



Borrowings, Interest and Net Worth in Rs. crore

Abbreviations used

BF	Blast Furnace
SMS	Steel Melting Shop
BOF	Basic Oxygen Furnace
THF	Twin Hearth Furnace
EAF	Electric Arc Furnace
BSP	Bhilai Steel Plant
DSP	Durgapur Steel Plant
RSP	Rourkela Steel Plant
BSL	Bokaro Steel Limited
SSP	Salem Steel Plant
VISL	Visvesvaraya Iron & Steel Plant
ASP	Alloy Steels Plant
CPLY	Corresponding Period Last Year
G.Cal/tcs	Giga Calories per tonne of Crude Steel
ISP	Integrated Steel Plant
HDGL	Hot Dip Galvanizing Line
CR	Cold Rolled
HR	Hot Rolled
FOB	Freight On Board
JPC	Joint Plant Committee
Kg/thm	Kilo Gram Per Tonne of Hot Metal
Tpd	Tonnes Per Day
MT	Million Tonne
Mtpa	Million Tonne Per Annum
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization.
PAT	Profit After Tax
PBT	Profit Before Tax
RINL	Rashtriya Ispat Nigam Limited
CS	Crude Steel
CDI	Coal Dust Injection
CC	Continuous Casting
BOO	Build-Own-Operate
GoI	Government of India
MOEF	Ministry of Environment & Forests

Disclaimer

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

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

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