



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड STEEL AUTHORITY OF INDIA LIMITED

सेल SAIL

SAIL has been a pioneer in the area of Corporate Social Responsibility (CSR) and SAIL's Social Objective is synonymous with CSR. For any organization, CSR begins by being aware of the impact of its operational activities on the society. Apart from the business of manufacturing steel, the objective of SAIL has been to conduct business in a way that produce social, environmental and economic benefits to the communities in which it operates. In other words, Company's business philosophy encompasses a triple bottom line approach covering the economic, environmental and social dimensions reflecting SAIL's commitment to build natural, human and societal capital. With this underlying philosophy and a credo to make a meaningful difference in people's lives, SAIL has been structuring and implementing socio-economic initiatives right from its inception in 1973. Much before 'Corporate Social Responsibility' became a buzzword, SAIL put in place, systems for development of the neighbourhoods and communities amidst which its Plants and Units operate. The objective was to plough prosperity back into the environment from which its strengths emanate, to minimise inequalities by providing quality education, healthcare, infrastructure and employment avenues to all, to ensure that man and nature live in harmony, to preserve the originality and beauty of Indian culture while simultaneously promoting scientific temperament and modern technology. These efforts have seen the obscure villages, where SAIL plants are located, turn into large industrial centres today.

Government Guidelines on CSR activities:

In 2010, Department of Public Enterprises (DPE) issued detailed guidelines for the first time for taking up CSR projects by the CPSEs. The guidelines linked budget allocation for CSR activities with the financial performance of the Companies. In the category of CPSEs having PAT of Rs 500 Crore or more, the annual CSR budget allocation was prescribed to be in the range of 0.5-2.0% of PAT of the previous year.

In December 2012, DPE issued revised Guidelines on CSR & Sustainability, effective from 01.04.2013. The major concepts introduced by these guidelines included;

- Formation of Board level Committee to oversee CSR activities,
- Budget allocation at the rate of 1% - 2% of the previous year's PAT,
- Creation of funds for emergency needs,
- Backward District development,
- Base line study and Impact Assessment,
- Carryover of unspent CSR funds,
- Incorporation of CSR performance evaluation parameters in MOU, etc.

All the above stated financial as well as non-financial parameters of DPE Guidelines were followed diligently in SAIL during the corresponding periods.

With effect from 01.04.2014, provisions related to CSR were incorporated in Companies Act and CSR became a part of the statute. Following are the important features of the CSR related provisions of the Companies Act, 2013:

- Formation of CSR Committee having at least 3 Directors with minimum 1 Independent Director,
- Formation of CSR Policy
- CSR Expenditure to be at least 2% of the average net profits during the 3 preceding fiscals failing which, Board to furnish the reasons of shortfall,
- CSR Projects/Activities to be undertaken on the lines of provisions made under Schedule-VII of the Act,
- Reporting module, etc.

The Board level CSR Committee comprising of 3 Functional Directors and headed by an Independent Director was already in place since 2013 in line with the then prevailing provisions of the revised DPE Guidelines.

In compliance to the provisions of the Companies Act, 2013 and its Rules, a comprehensive CSR Policy was framed by the CSR Committee and was approved by SAIL Board in September, 2014. The Policy encompasses the preamble, objectives, strategy, geographical coverage, broad areas in which CSR projects/schemes are to be undertaken in conformity to the Schedule-VII of the Act,



Mid day meal at Bhilai thro Akshya Patra Foundation

resourcing, planning, execution & implementation methodology, monitoring mechanism and reporting.

SAIL CSR initiatives have been undertaken in conformity with the prevalent DPE Guidelines on CSR & Sustainability till 2013-14 and subsequently as per the Companies Act-2013/CSR Rules, 2014. SAIL's CSR activities are carried out in and around steel townships, mines and far flung locations across the country in the areas of Education, providing Medical and Health Care facilities, village development, Access to water facilities, Infrastructural development in peripheral rural areas, Environment conservation, Women Empowerment, Assistance to people with disabilities, Sustainable Income Generation through Self Help Groups, Promotion of Sports, Art, Culture & heritage conservation etc.

Brief outline of SAIL CSR activities:

Healthcare: SAIL's extensive & specialised Healthcare Infrastructure has provided specialized and basic healthcare to more than 38.61 million people living in the vicinity of its plants and units. In order to deliver quality healthcare at the doorsteps of the needy, regular health camps in various villages on fixed days of the month are being organized for the people living in the periphery of Plants/Units, mines & far-flung areas. During the last four years, over 10,700 health camps have been organised benefiting more than 8.08 Lakh people. In 2014-15, more than 2500 Health camps were organized benefiting around One lakh people.

7 Health centres are operated at Plants exclusively for providing free medical care including medicines to poor and needy families. On an average 100,000 beneficiaries avail of healthcare facilities in these Health Centres every year.

To cater the poor and downtrodden residing in extremely remote areas, over 90 Mobile Medical Units (MMUs)/Ambulances have been provided to various NGOs since 2007-08.



Exclusive health centre for underprivileged and BPL

Education: To develop the society through education, SAIL is running over 129 schools in the steel townships to provide modern education to more than 59,000 children and is providing assistance to over 629 schools with about 92,000 students. Seven Special Schools for BPL category children (Kalyan Vidyalaya) are running under CSR at integrated steel plant locations providing free education, mid-day meals, uniforms including shoes, text books, stationary items, school bag, water bottles and also transportation in some cases. Besides running own schools and supporting schools in peripheral areas, SAIL, in association with Akshya Patra Foundation is providing Mid-Day Meals to students of Govt. schools in and around Bhilai and Rourkela. Under this scheme, healthy & nutritious meal is being provided to around 63,000 students of around 576 Govt. schools every day.



Sustainable Income generation: Vocational and specialised skill development training targeted towards sustainable income generation is provided 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 making, Screen printing, Handicrafts, Sericulture, Yarn Weaving, Tailoring, Sewing & Embroidery, Smokeless Chullah making, etc. 3000 village youths and 4300 women folk of peripheral villages have been covered under various such schemes during 2014-15. Also, 800 youths have been sponsored for ITI training at ITCs Bolani & Bargaon, and Bokaro Pvt ITI, etc. Vocational Training centre for rural and unemployed youths – 'Bhilai Ispat Kaushal Kutir' & Swayamsiddha at Bhilai, Skill Development and Self Employment Training Institute (SDSETI) at Durgapur, Garment Technician Training at Salem, JHARCRAFT centre at Bokaro and Self employment centre "KIRAN" at Kiriburu Ore Mines are benefitting common masses by way of financial inclusion/ SHG/training for income generation and then empowering them to be part of main stream.



Exclusive school for underprivileged children's

Infrastructural development in Rural areas: SAIL has provided connectivity to over 77.04 Lakh people across 435 remote villages since inception by constructing and repairing of roads/pathways. It has provided access to water infrastructure to people living in far-flung areas by installing over 10100 water sources during last four years, thereby providing drinking water access to over 43 lakh people living in far-flung areas.



Road constructed in a village

Environment Conservation: Besides adopting several environmental friendly techniques in its Plant operation, SAIL has also taken several other initiatives for Environment protection. These include promotion of renewable sources of energy by installing Solar street lights and distributing Solar Lanterns & smokeless chullahs among the rural people, maintaining parks, water bodies & botanical gardens in its townships and plantation & maintenance of over 20000 trees at various locations.



Support to Differently Abled & Senior Citizens:



Differently abled children/people are being supported through provision of equipments like- tricycle, motorized vehicles, calipers, hearing aids, artificial limbs, etc. SAIL supports various schemes and centres at SAIL Plants under CSR like “Sneh Sampada” at Bhilai, Schools for blind, deaf & mentally challenged children at Rourkela, “Ashalata Viklang Kendra” at Bokaro, various programs like “Hope”, “Bharosa”, “Sahas” at Durgapur, support to NGOs working in this field like TAMANNA, Deepalaya etc. Old age homes are being supported at different Plant townships like “Siyan Sadan” at Bhilai.

Sports, Art & Culture and Heritage Conservation: Committed to promoting excellence in sports, SAIL has built sports facilities in its own townships in remote & under-developed regions. SAIL is having residential sports academies at Bokaro (football), Rourkela (Hockey) - with world class astro-turf ground, Bhilai (Atheletics for boys), Durgapur (Atheletics for girls) and Kiriburu, Jharkhand (Archery). Besides, regularly organising inter-village sports activities, SAIL extends support to major national sports events & tournaments. For promoting the local art & culture, SAIL supports various cultural societies in and around its townships and organises events like Chhattisgarh Lok Kala Mahotsav (CG) and Gramin Lokotsav on regular basis. SAIL also contributes towards conservation of National heritages. It is looking after maintenance & restoration of 5 monuments in the Lodhi Garden at Delhi, of Mahabharat fame historical site “Ved-vyas” in Rourkela, etc.



Disaster relief: SAIL, as a responsible Corporate Citizen, has always supported the rehabilitation initiatives for the people affected by National & Natural Calamities, the recent being flood ravaged Jammu & Kashmir, Phylin cyclone in Odisha, Flash Floods in Uttarakhand, etc.

Special CSR initiatives:

SARANDA Action plan - In an effort to bring the marginalized masses of the remote forest areas of Saranda to the mainstream of

development, SAIL in association with Govt. of Jharkhand and Ministry of Rural Development, GoI actively participated in the development drive of Saranda forest, Jharkhand which was undertaken during 2011-2013. SAIL provided ambulances and distributed around 7000 each of bicycles, transistors and solar lanterns to the Saranda tribals. SAIL also set up an Integrated Development Centre at Digha village in Saranda forest.

Swachh Bharat : Swachh Vidyalaya Abhiyan - SAIL is actively participating in the "Swachh Bharat Abhiyan" initiated by Hon'ble Prime Minister in August 2014. SAIL Board earmarked an amount of Rs.29 Cr. to be spent during 2014-16 on this campaign. As per the allocations made by Ministry of HRD in this regard, SAIL has constructed 672 toilets in the schools falling within the periphery of its Plants & Mines in the States of Chhattisgarh, W.Bengal, Odisha, Jharkhand, M.P. & Tamil Nadu. Apart from toilet construction, cleanliness campaign has been undertaken all across the Organisation. Cleanliness drive is going on at various locations including the works premises, awareness campaigns are being run and proper house- keeping is being practised on company wide basis.



Expenditure on CSR activities

(Amount in Crore)

Sl No	Year	CSR fund Allocation	% of Previous Year PAT	CSR Expenditure	Exp on non-SAIL people #
1	2010-11	94.00	1.39	68.95	216
2	2011-12	64.00	1.30	61.25	209
3	2012-13	42.00	1.18	53.29	289
4	2013-14	40.00	1.84	62.06	350
5	2014-15	78.00	2.01*	35.04	325(approx)

* % of the average net profits of last 3 fiscals as per Companies Act 2013
In addition to the allocated CSR budget, this expenditure has been made towards providing Health, Education, Township, etc. facilities to non-SAIL population living in and around the Plant/Unit locations. The facilities created in the Steel Townships at Plants/Unit locations are accessed by the local non-SAIL population either free or at a very nominal cost.

It may be seen from the above indicated figures that the financial aspects of the DPE Guidelines and the Companies Act, 2013 have conscientiously been followed in SAIL. However, w.r.t. 2014-15, some projects having gestation periods beyond the financial year are still at various stages of implementation so the entire amount could not be spent during 2014-15. The unspent amount would be released in terms of the respective milestones of the Schemes in due course and would not get lapsed.

CSR Reporting is being incorporated in the Director's Report for 2014-15 on the lines

of the provisions made in Companies (CSR Policy) Rules, 2014

Recent Awards & Accolades: SAIL's efforts as a responsible Corporate Citizen in Nation building has been recognized by various organizations in the form of awards and accolades. In the recent year, SAIL has been rewarded with the following awards:

- > SAIL was adjudged winner of 'Golden Peacock Award for Corporate Social Responsibility' for the year 2014. Award presented in a glittering ceremony on 19th January, 2015, at Mumbai.
- > Durgapur Steel Plant/SAIL declared as winner of 'Green tech Gold Award for CSR-2015'. Award presented on 29th January, 2015.
- > SAIL conferred 'PHD Meritorious Award: Good Corporate Citizen Award-2014, on 20 December, 2014.
- > CII ITC Sustainability Awards 2014 conferred to following SAIL plants on 19th December, 2014 :
 - Bokaro Steel Plant /SAIL received 'Commendation Certificate for Significant Achievement in Corporate Social Responsibility in category F'.
 - Bhilai Steel Plant /SAIL received 'Commendation Certificate for Significant Achievement in Sustainability'
 - Rourkela Steel Plant /SAIL received 'Commendation Certificate for Significant Achievement in Sustainability'
- > SAIL adjudged one of the 'Best Companies for CSR: 2014' by 'The Economic Times'.

> SAIL bagged Skoch Order-of-Merit for the Skoch Renaissance Award-2014, for its project - 'Comprehensive Water & Sanitation Project: A CSR initiative of SAIL/Rourkela Steel Plant', during the 38th Skoch Summit held on "Resurgent India, Competitive India" in November 2014.

> SAIL /RSP awarded 'B.G. Deshmukh CSR Award -2014' instituted by Maratha Chambers of Commerce, Industry & Agriculture, in October, 2014.

> SAIL received 'First India Today PSU Awards-2014' for being the best in CSR & sustainability as well as the most eco-friendly PSU, in August, 2014.
> SAIL /RSP awarded 'Think CSR Leadership Award -2014' in August, 2014.

> Raw Material Division/SAIL has won 3rd Annual Greentech Award in the Gold category and Bokaro Steel Plant & Durgapur Steel Plant of SAIL, have won the award in Silver category.

> “Global CSR Leadership and Excellence Award-2014” awarded to Rourkela Steel Plant by World CSR Day in the categories –

- CSR leadership award to CEO RSP, SAIL
- Best CSR Practices
- Women Empowerment &
- Support & Improvement in Quality of Education