

# STEEL AUTHORITY OF INDIA LIMITED



## RESULTS PRESENTATION FOR Q2 & H1 FY'24



# SNAPSHOT FY'24



## Mining

Iron Ore: 16.387 MT

Limestone: 0.751 MT

Dolomite: 0.255 MT

## Production

Hot Metal: 10.135 MT

Crude Steel: 9.470 MT

Saleable Steel: 9.167 MT

## Sales & Marketing

Pan-India network of more than 4900 distributors and dealers

Domestic Sales: 8.475 MT

Exports: 0.209 MT

## Financials

Turnover: Rs. 53653 crore

Revenue From Operations: Rs.54071 crore

Net Worth: Rs. 53258 crore

## Profitability

EBITDA: Rs. 6132 crore

PBT: Rs. 1898 crore

PAT: Rs. 1390 crore

## Ratios

EPS: 3.37

EBITDA Margin: 11.43

Debt Equity : 0.58

## Funds

Debt (Ind AS): Rs. 30714 crore

DSCR: 1.37

Interest Service Coverage Ratio: 2.64

# STEEL AUTHORITY OF INDIA LIMITED



## Sustainable Operations



# SUSTAINABLE OPERATIONS

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## Waste Management

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



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

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

## Eco-Restoration Projects



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

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



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

## Water Conservation



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

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

## Energy Conservation



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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.

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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



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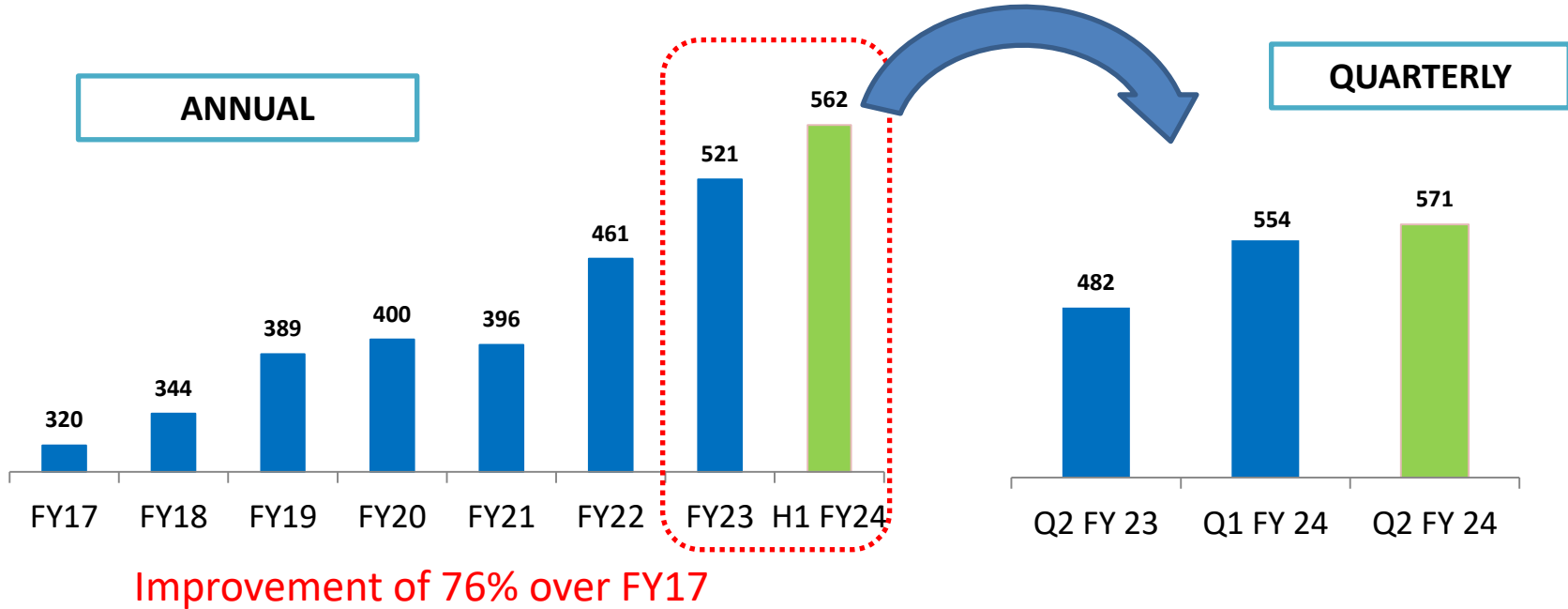
About 21.5 million saplings have been planted.

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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.

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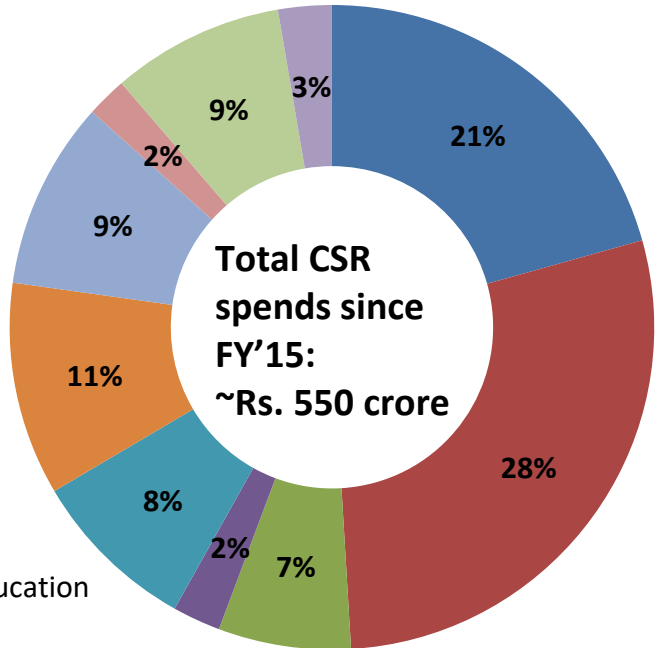
## LABOUR PRODUCTIVITY (tcs/man/year)



## MANPOWER

Particulars	01.04.2023	01.07.2023	01.10.2023
Manpower on date	59186	58696	57512
Reduction during the quarter		490	1184
Reduction during the year			1674

## Key Activities



- Education
- Health care
- Livelihood Generation
- Women Empowerment
- Drinking Water & Sanitation
- Sports, Art & Culture
- Rural Development



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



Drinking Water facility to more than 50 lakh people.

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



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



Special Schools providing support to needy students.

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

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



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



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

Development of 79 'Model Steel Villages'.

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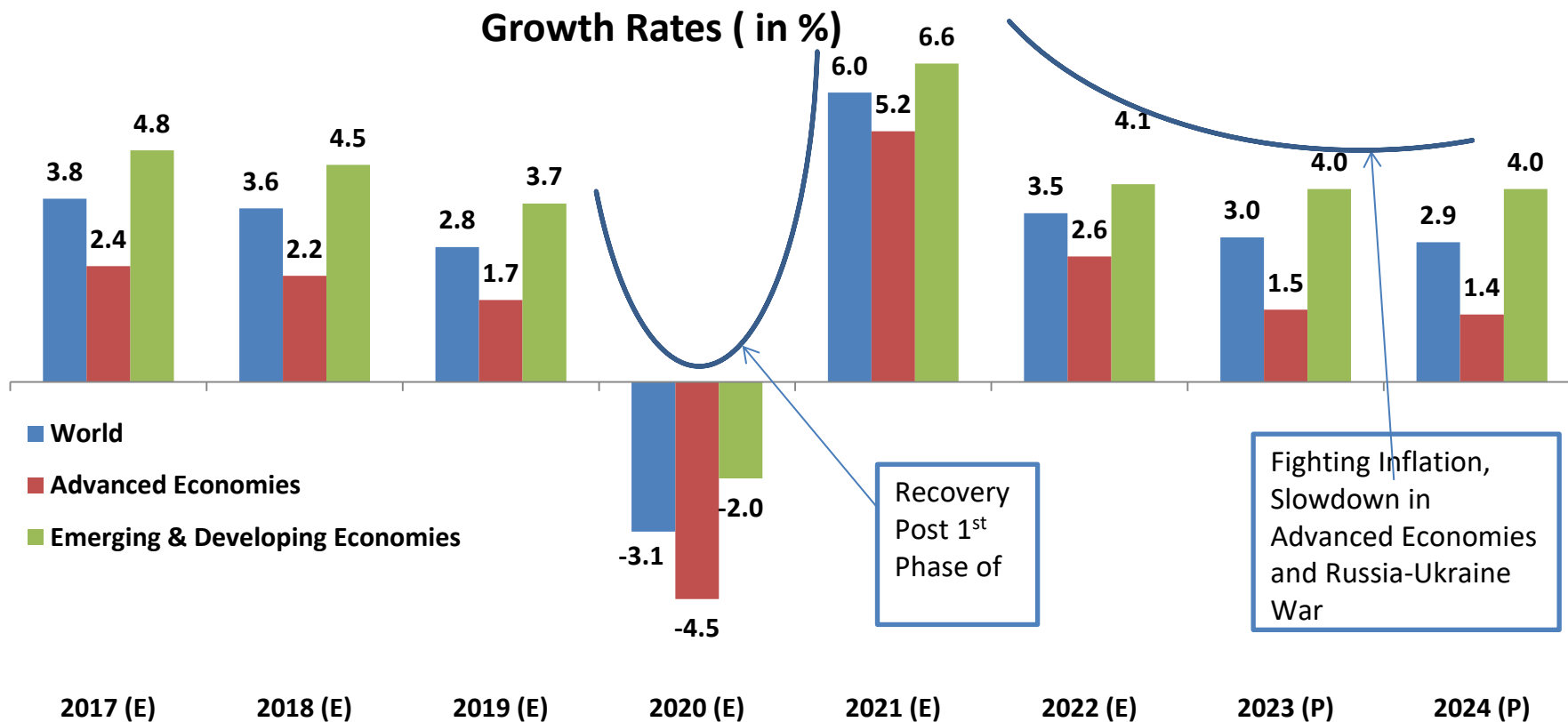


## Global Economic & Steel Scenario





# WORLD ECONOMIC SCENARIO



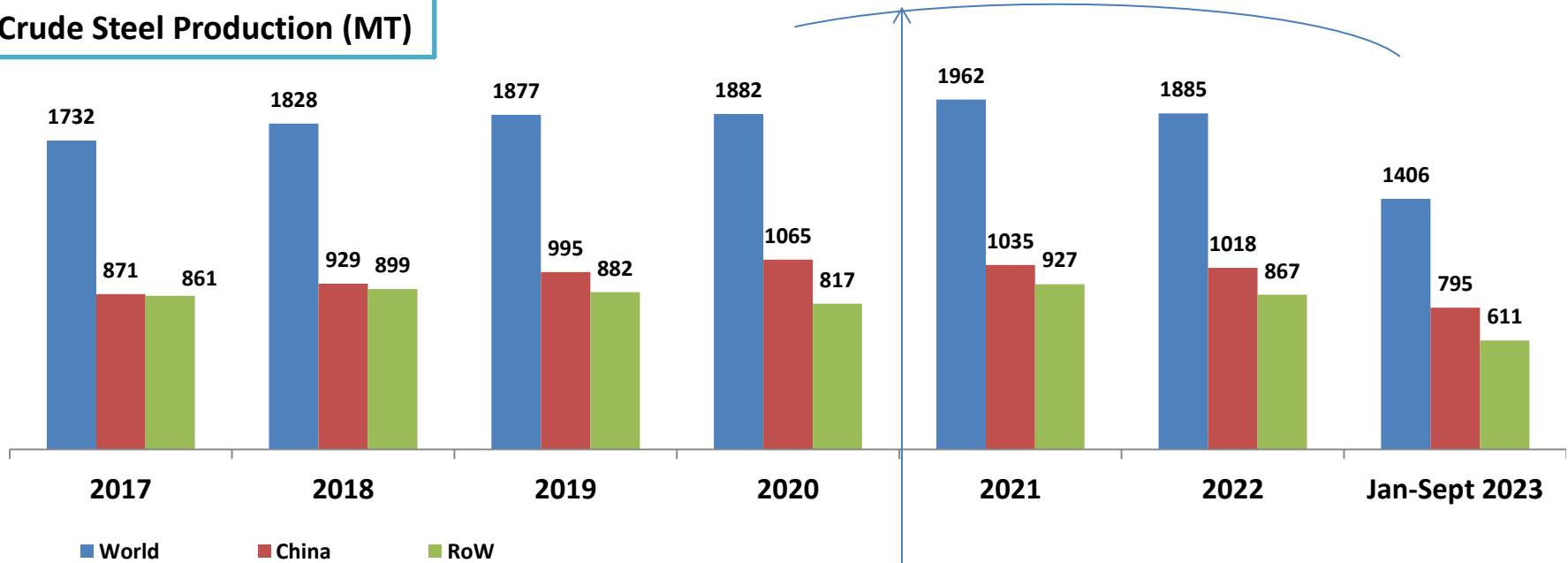
**IMF in the World Economic Outlook released during Oct'23, has retained the growth projection for 2023 at 3.0%. The projection for 2024 has, however, been revised downwards by 0.1%. The same now stands at 2.9% as against 3.0% in the WEO of July'23. The projections remain below the historical (2000–19) average of 3.8%. However, the outlook is now more stable with “soft landing” scenario as headline inflation is projected to decelerate, from 9.2% in 2022 to 5.9% in current year and 4.8% in 2024. Meanwhile, despite the risks like China’s property crisis deepening further, commodity prices becoming volatile, etc., 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)

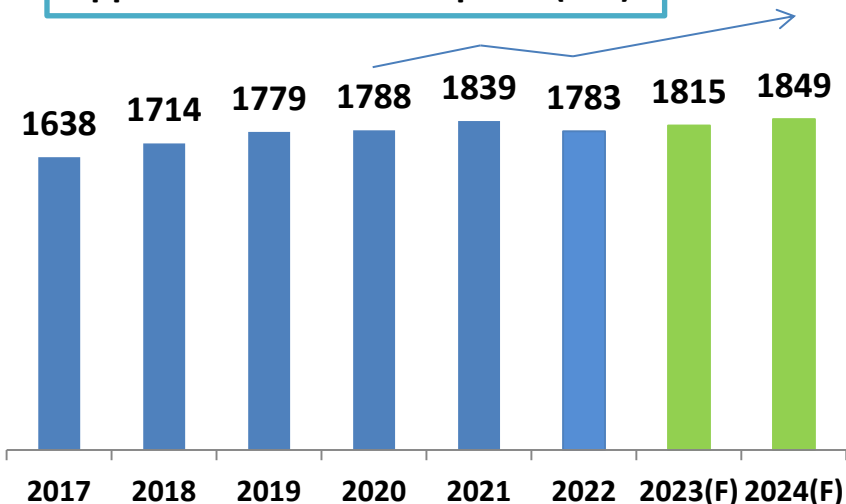


Steel continued its march post 1<sup>st</sup> wave of covid with revival of economic activities and infra-spending globally. However, CY 2022 saw decline (with the exceptions of India and Iran) due to factors like inflation, tightening monetary policies, slowdown in advanced economies, Russia-Ukraine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

- China continues to dominate the world crude steel production contributing almost 57% of overall global production. The production during 9M CY 23 has, however, grown by only 1.6% over CPLY.
- Among the major producers, only India (11.6%) and Russia (4.8%) have seen a significant positive growth in production during 9M CY 23 over CPLY.
- The production growth in China, India and Russia has been offset by reduction in production by other major producers, leading to world steel production contracting by ~ 0.1%.

# WORLD STEEL SCENARIO

## Apparent Steel Consumption (MT)



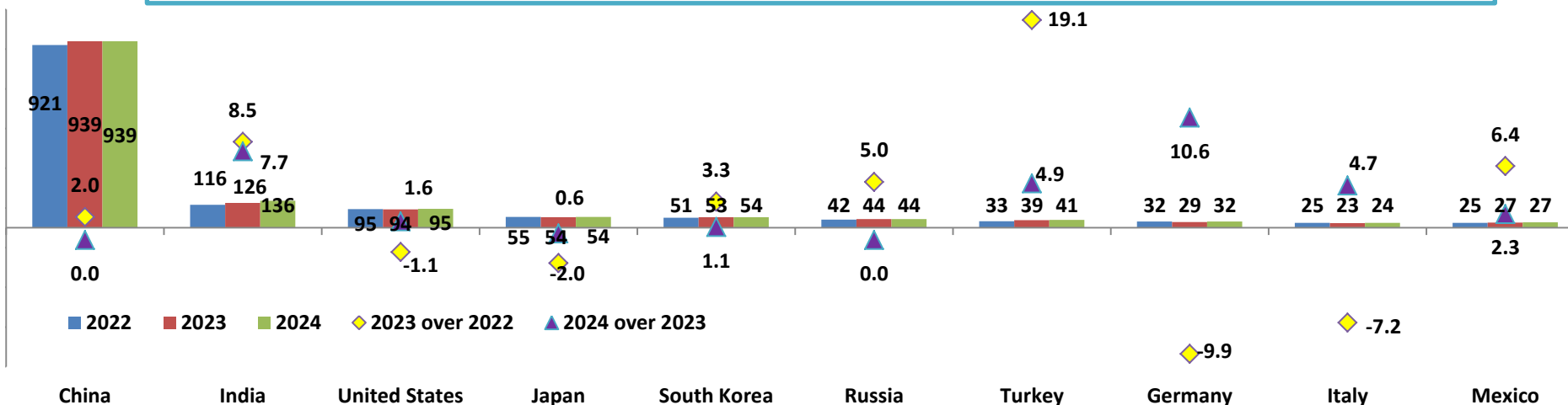
WSA in its Short Range Outlook for Oct'23 has projected a positive growth in demand during 2023 and 2024.

SOURCE: World Steel Association (WSA)

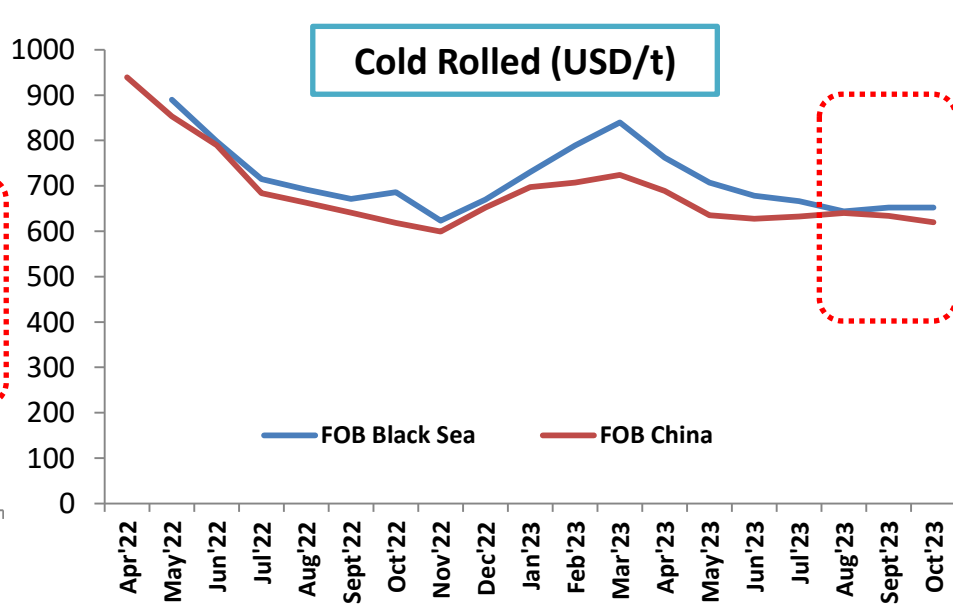
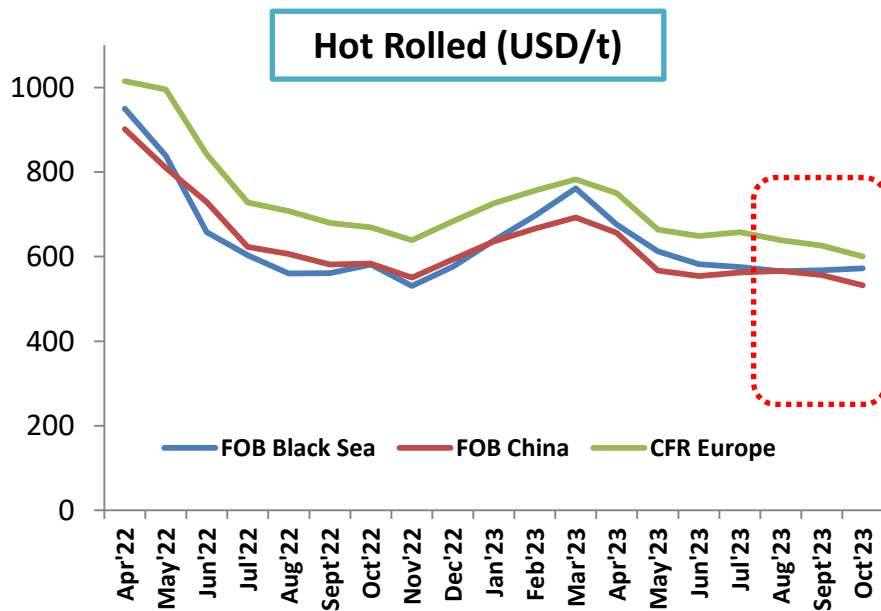
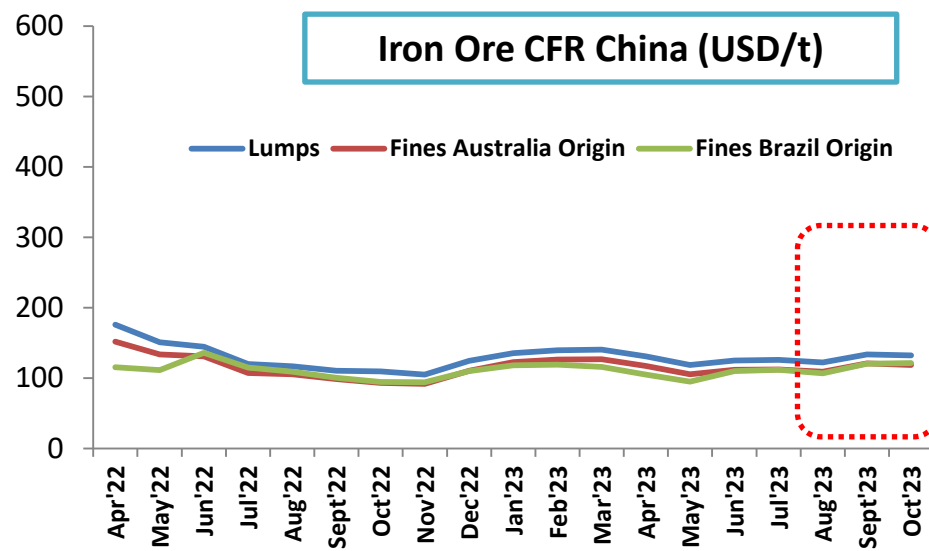
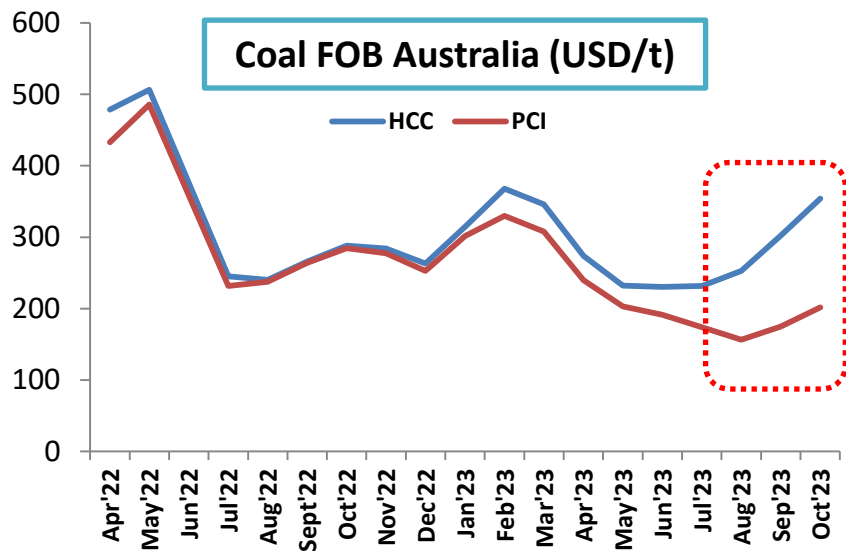
### Short Range Outlook, Oct'23:

- Global steel demand is expected to increase by 1.8% in 2023 (lower than 2.3% projected in Apr'23) and 1.9% in 2024 (higher than 1.7% projected in Apr'23).
- Demand growth in China has been retained at 2% in 2023 and NIL in 2024.
- Global demand excluding China is expected to grow 1.6% in 2023 (lower than 2.6% in projected in Apr'23) and 4.0% in 2023 (higher than 3.6% projected in Apr'23).
- Demand growth in India (8.5% in 2023) is projected second highest after Turkey (19.1%). During 2024, Germany (10.6%) is projected to see the highest growth in steel demand followed by India (7.7%).

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



# INTERNATIONAL PRICE TRENDS



SOURCE: Steel Mint

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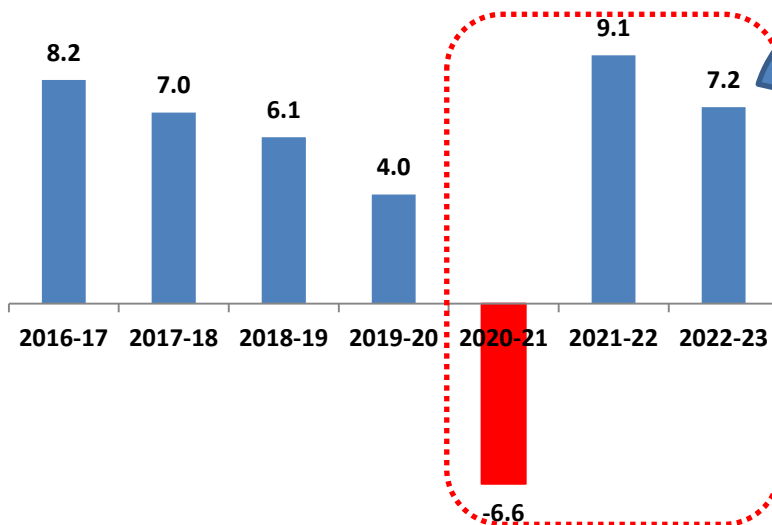
## Domestic Economic & Steel Scenario



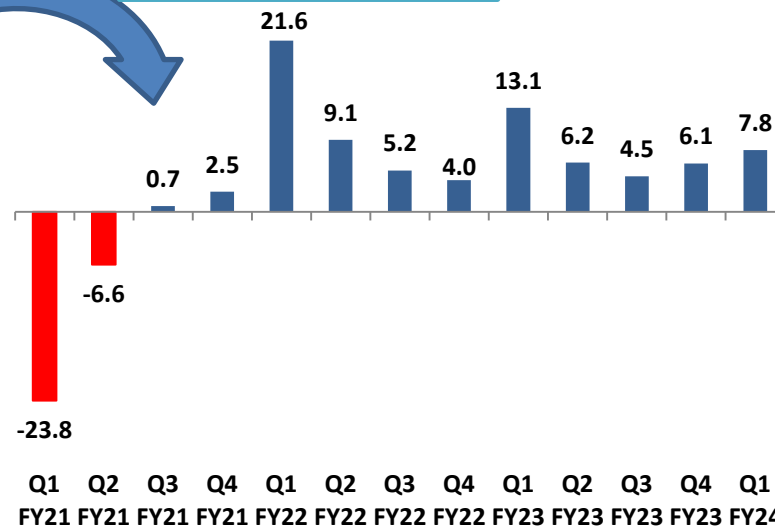
# INDIAN ECONOMIC SCENARIO



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



**Quarterly GDP since COVID19 first wave**



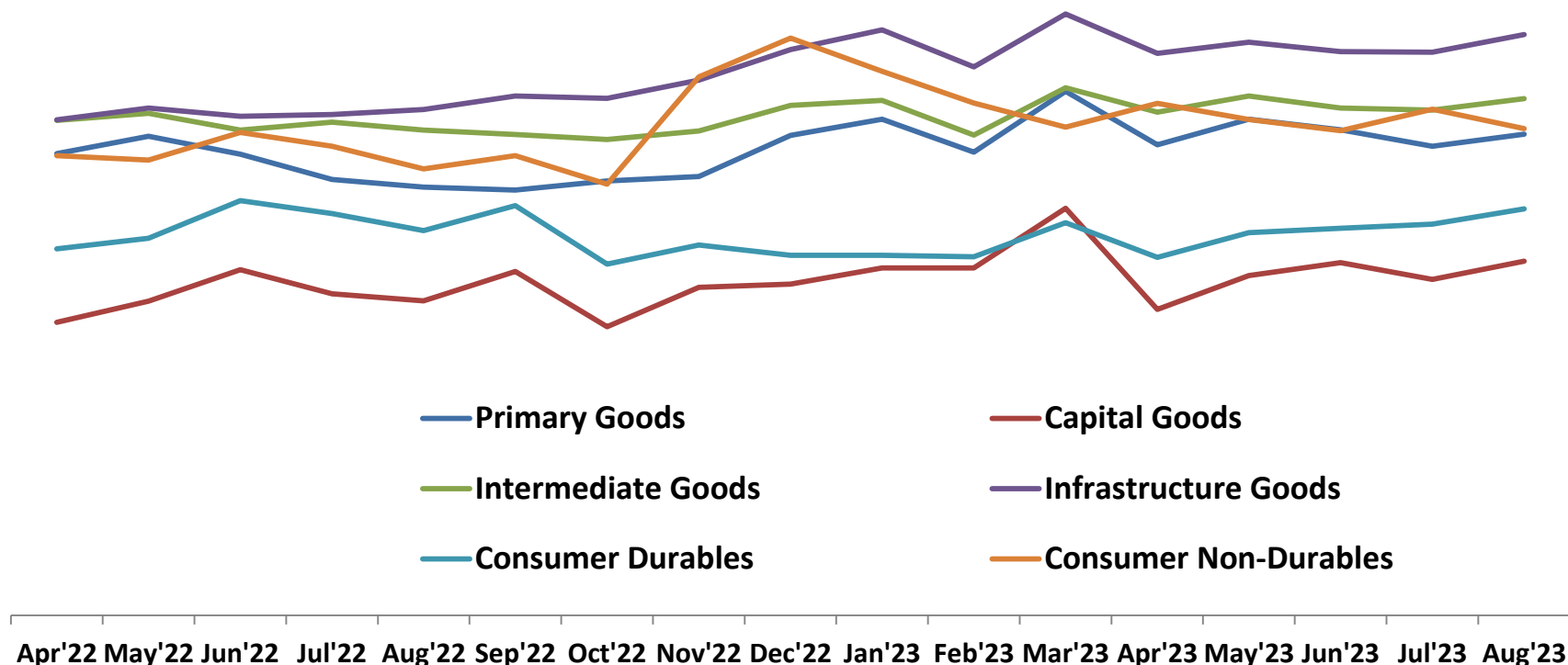
SOURCE: MOSPI, GOI

COVID19 Pandemic saw the GDP of Indian economy slide into negative during FY'21 at -6.6%. During Q1 FY22, the economy recovered sharply to reach 21.6%. 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) & 6.4% (FY25)	Estimate of 6.3% for FY24 made in April 23 has been retained.
IMF	6.3% (CY23) & 6.3% (CY24)	Projection for CY'23 has been increased to 6.3% from 6.1% projected earlier in July 23
RBI	6.5% (FY24)	RBI retains the earlier projections at 6.5%.

SOURCE: MOSPI, GOI

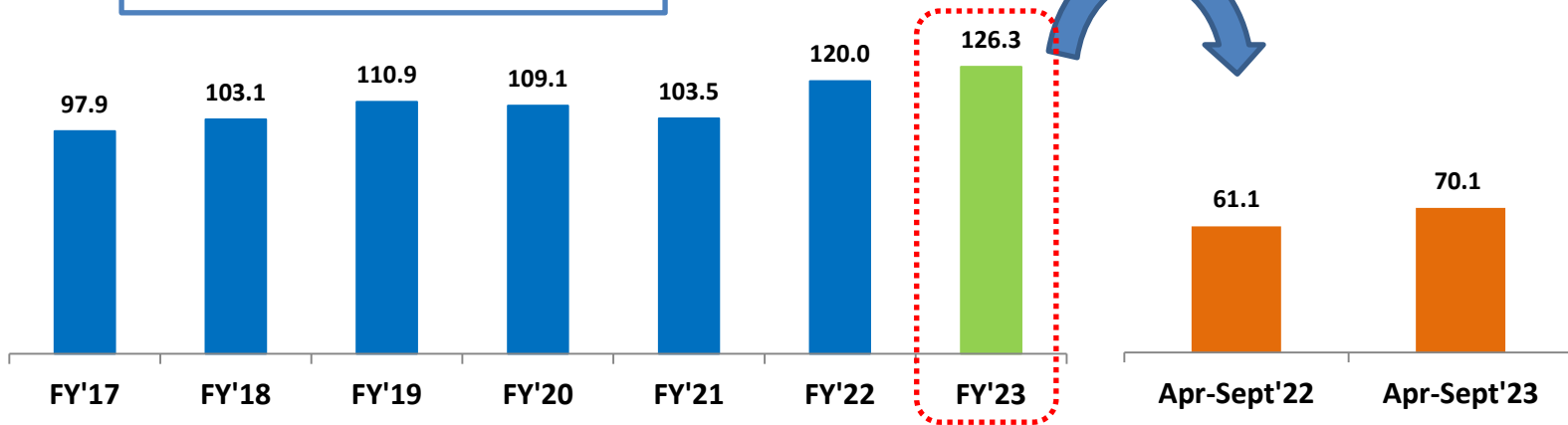
## IIP Growth % at Constant (2011-12) Prices



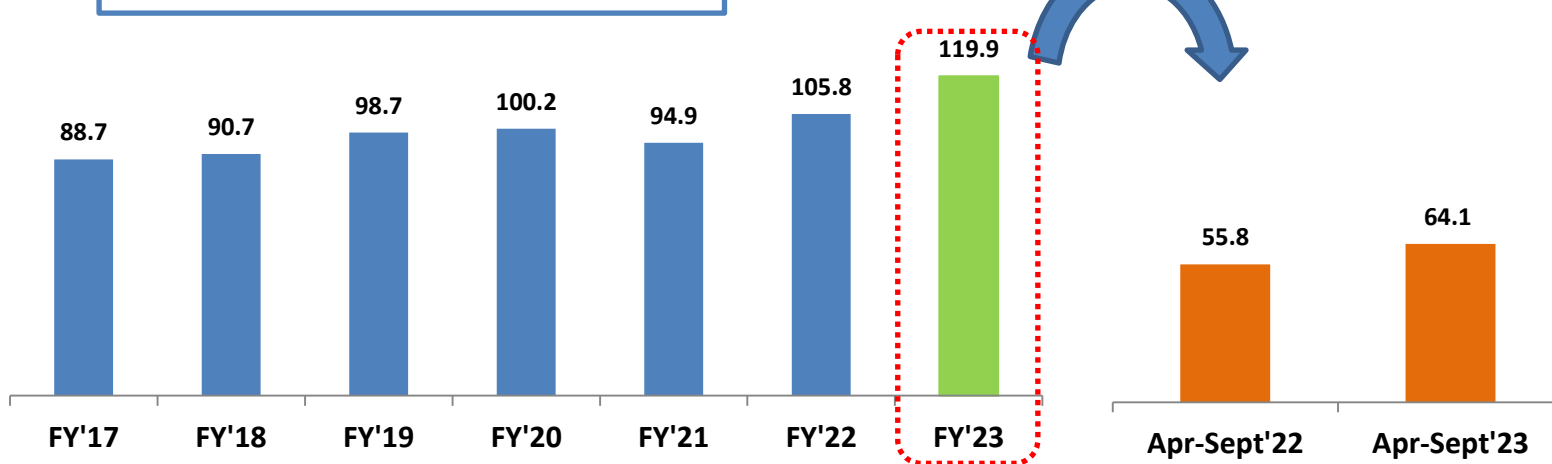
*The manufacturing activities had fallen to historic lows during lockdown due to COVID19 during Q1 FY'21. However, as economy recovered sharply on the back of financial stimulus by the Government and demand rising sharply across sectors post lockdown, the IIP also saw a steep climb. Thereafter, during 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 thereafter.*

# INDIAN STEEL SCENARIO

## Crude Steel Production (mtpa)



## Finished Steel Consumption (mtpa)



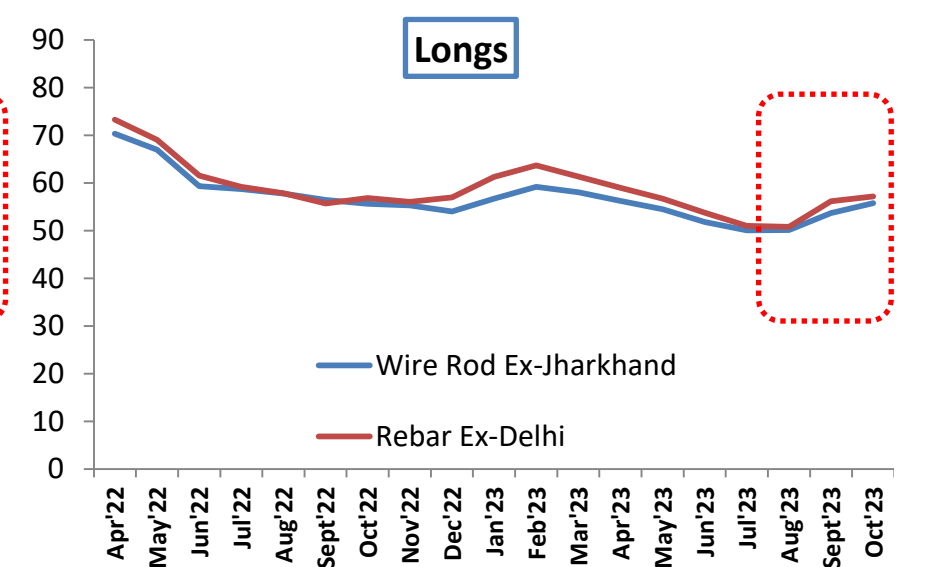
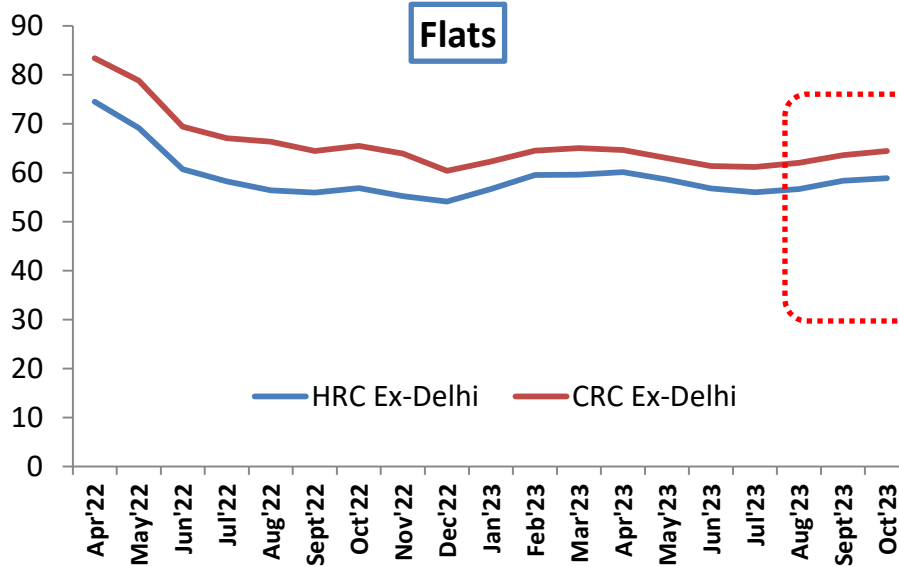
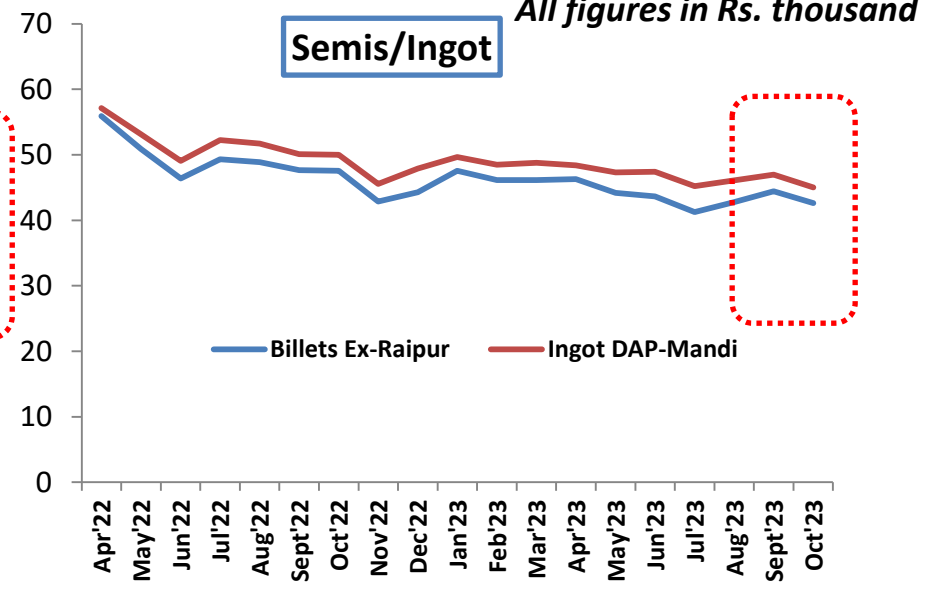
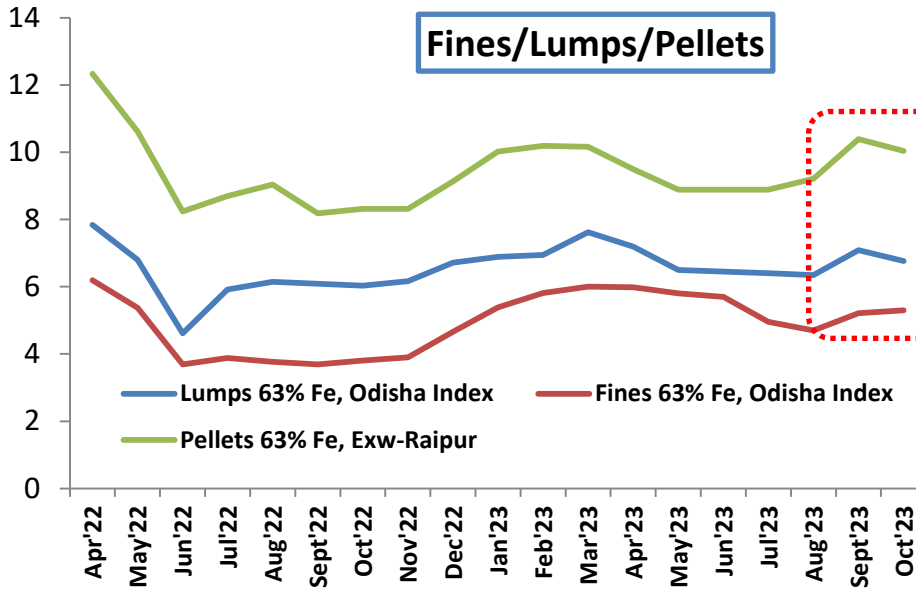
The Short Range Outlook published by WorldSteel Association during April'23, projected steel demand in India to increase by 8.5% in CY2023 and 7.7% in CY2024.



# DOMESTIC PRICE TREND



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## Operational Performance

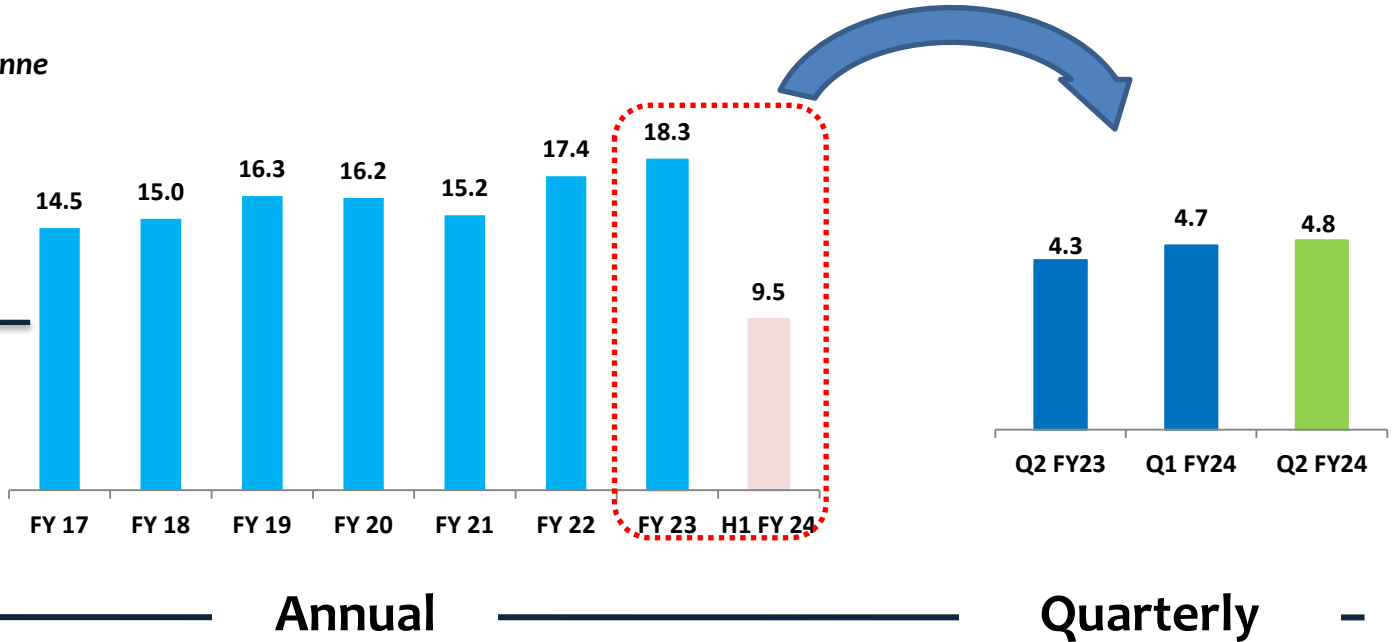


# PRODUCTION PERFORMANCE

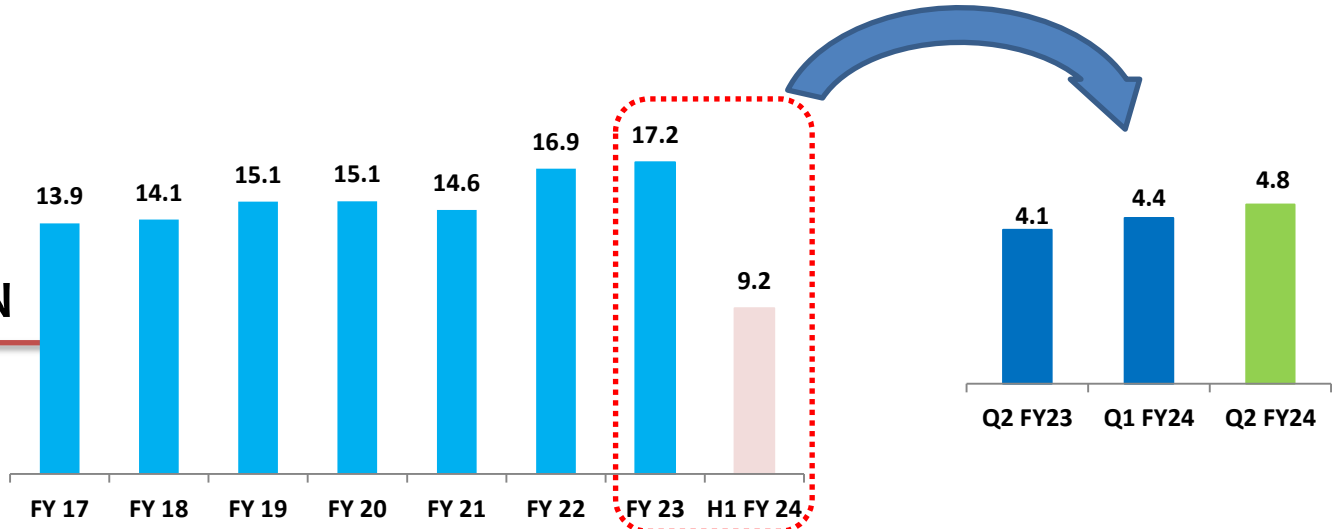


All figures In Million Tonne

## CRUDE STEEL PRODUCTION



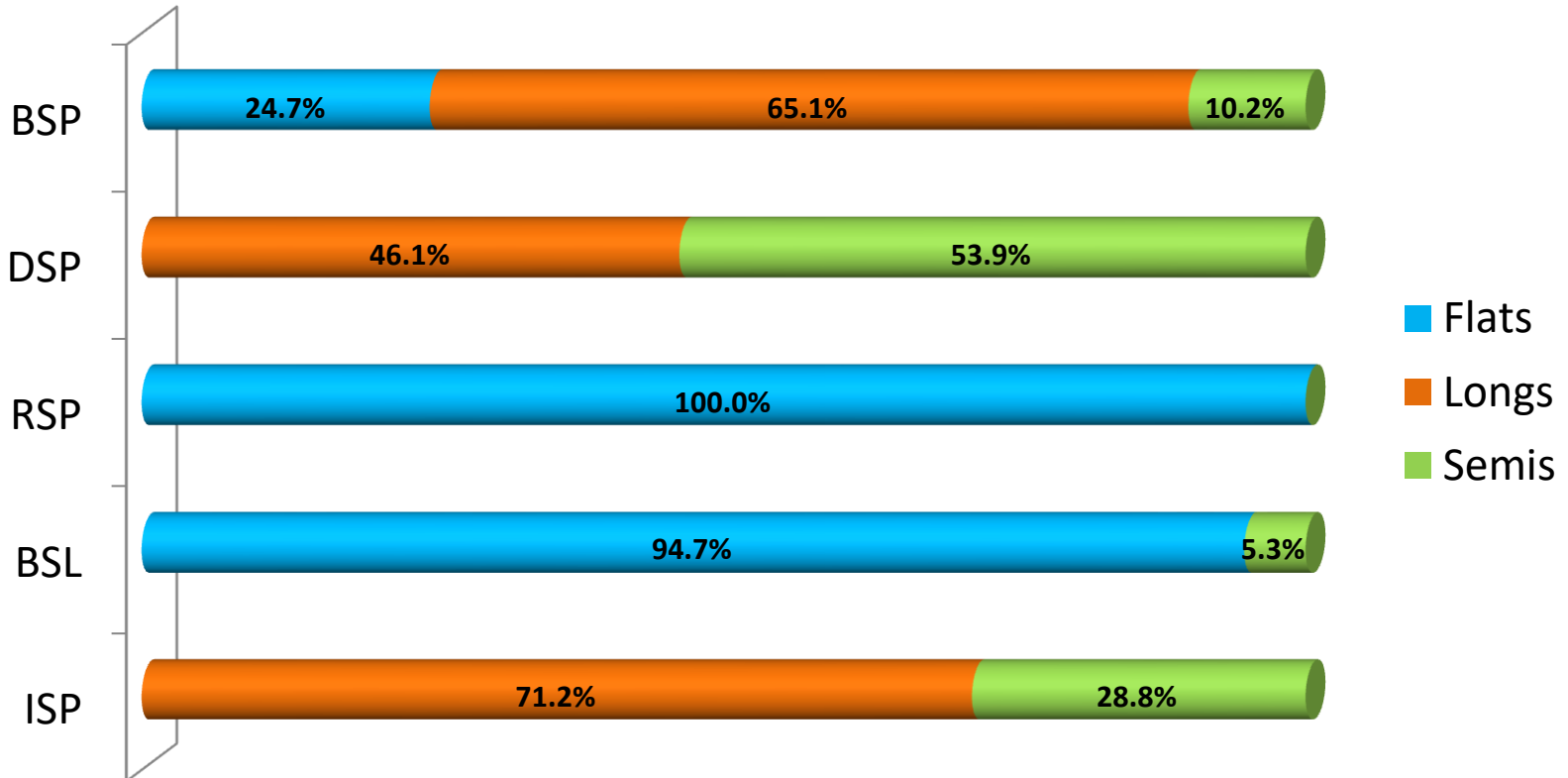
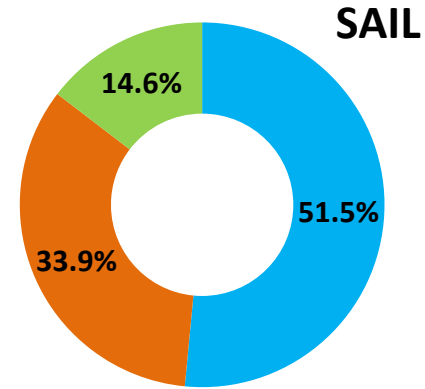
## SALEABLE STEEL PRODUCTION



# PRODUCTION PERFORMANCE : FY'24



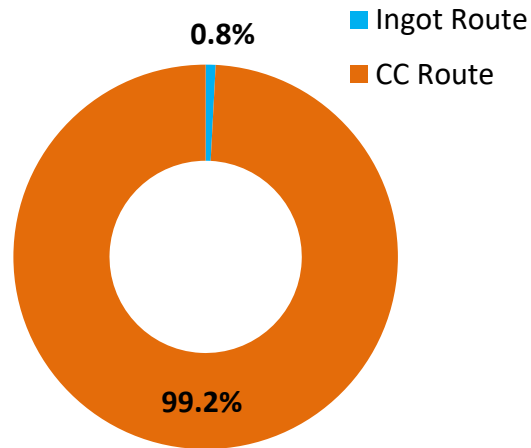
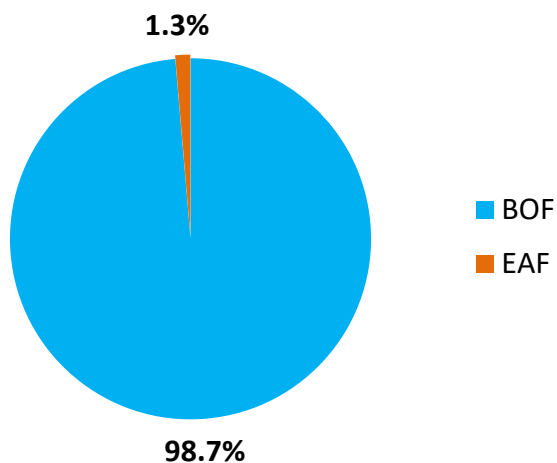
## PRODUCT MIX : 5 ISPs



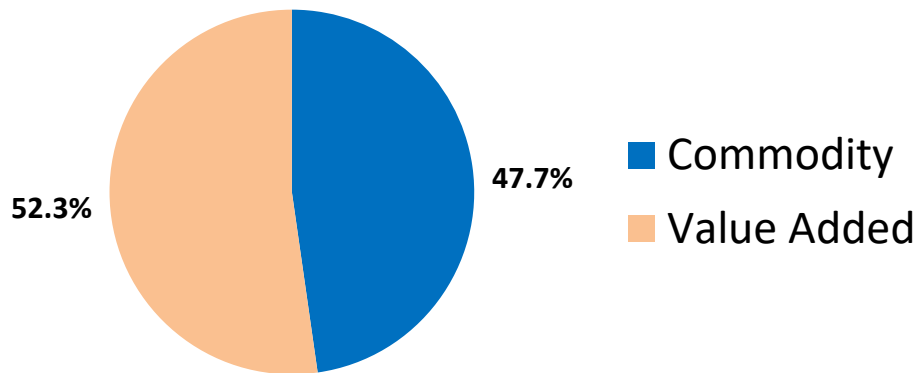
# PRODUCTION PERFORMANCE : FY'24



## CRUDE STEEL PRODUCTION BY PROCESS

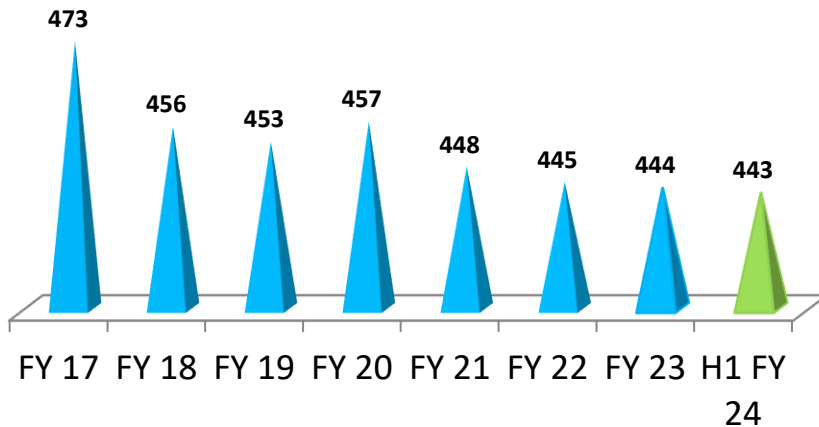


## SALEABLE STEEL PRODUCTION BY PROCESS



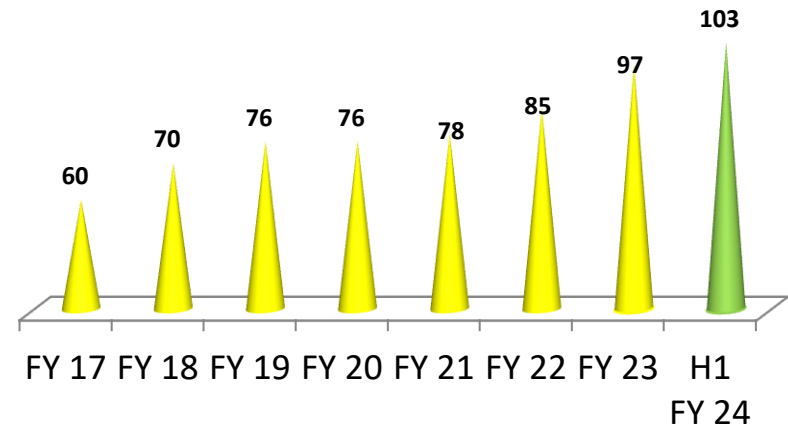
# TECHNO-ECONOMIC PARAMETERS

### Coke Rate: kg/thm



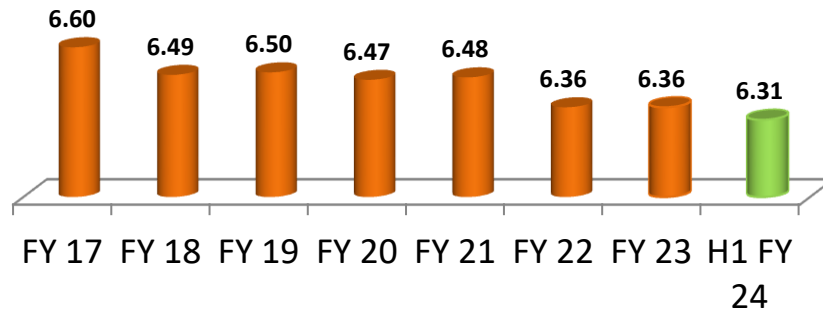
Reduction of 6% over FY17

### CDI Rate: kg/thm



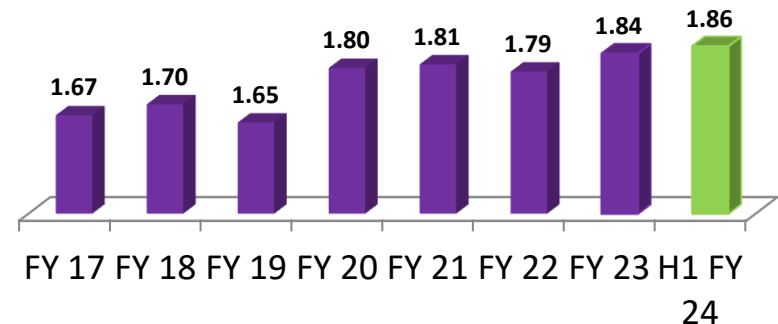
Increase of 72% over FY17

### Specific Energy Consumption: GCal/tcs



Reduction of 4% over FY17

### BF Productivity: T/m3/Day



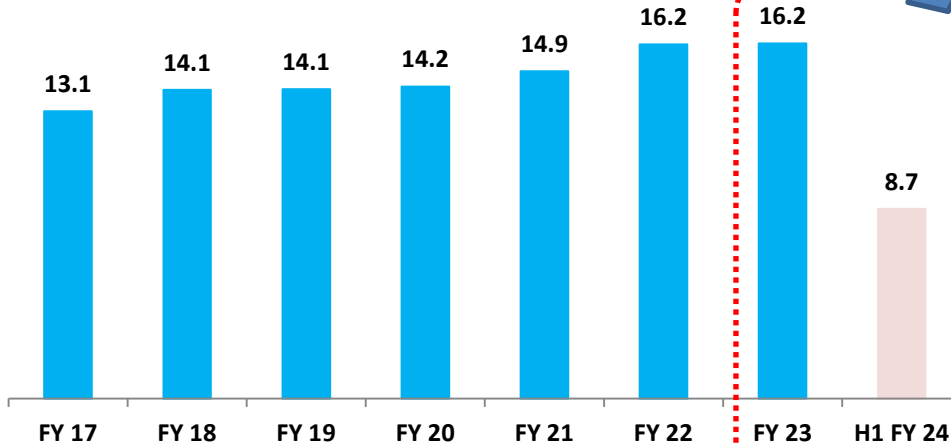
Improvement of 11% over FY17

# SALES PERFORMANCE



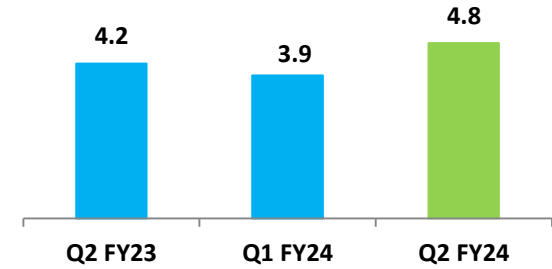
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## Annual

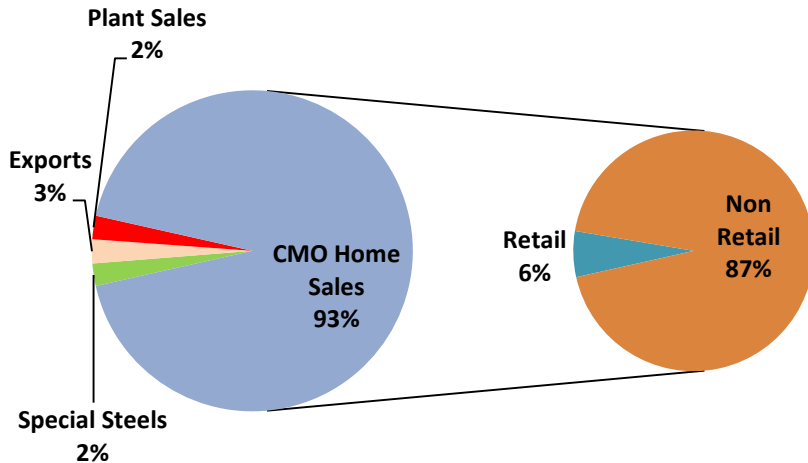


All figures In Million Tonne

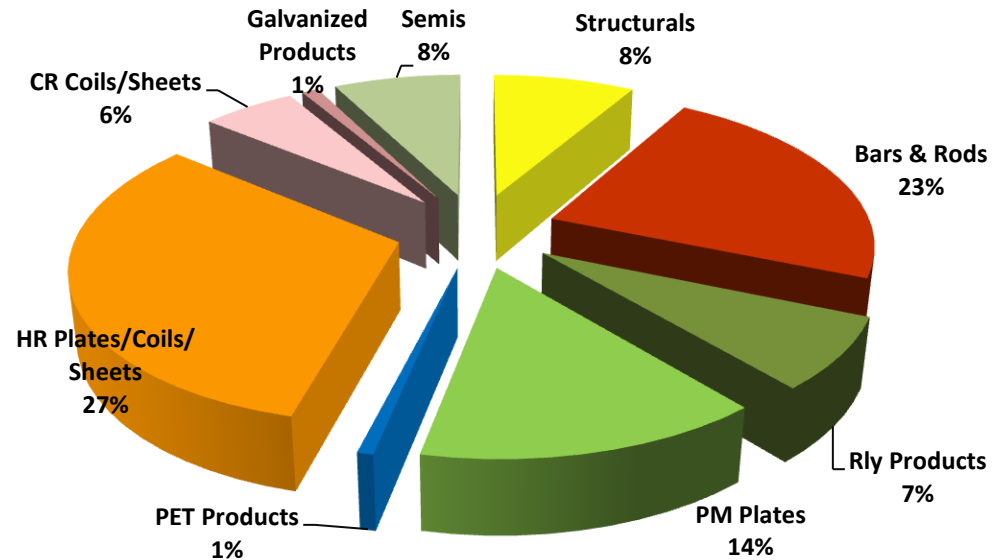
## Quarterly



## Sectoral Breakup



## CMO Home Sales - Product Mix



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## Financial Performance





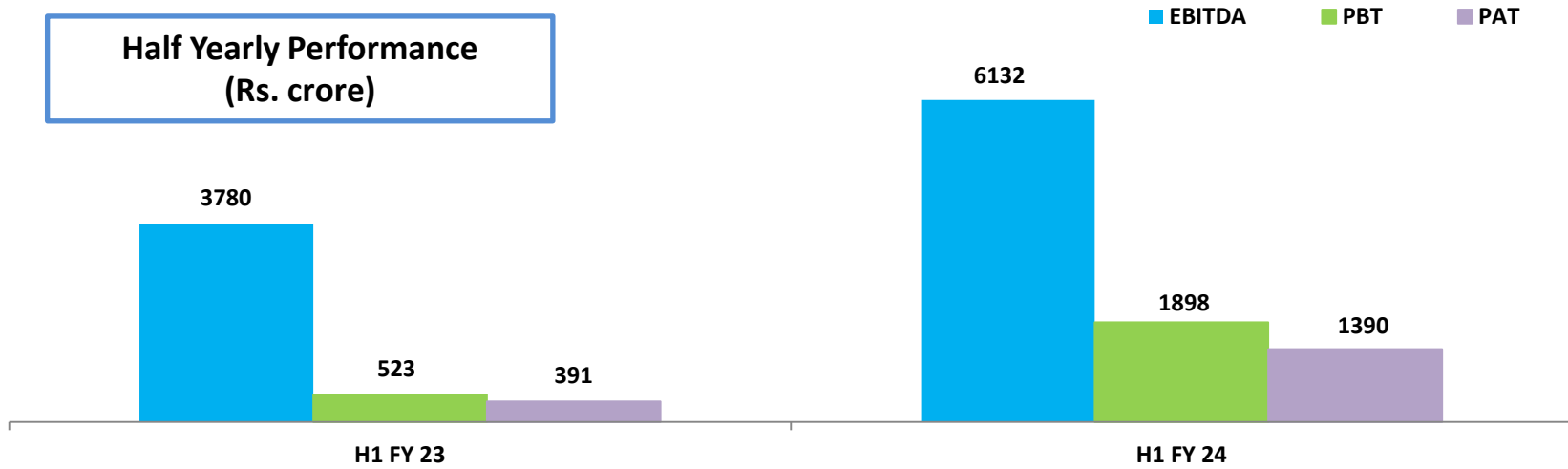
# FINANCIAL PERFORMANCE

Rs. Crore (INDAS Compliant figures)	H1 FY 23	H1 FY 24	Q2 FY 23	Q1 FY 24	Q2 FY 24
Sales Turnover	49923	53653	26080	24093	29560
Total Income	51022	54687	26688	24800	29887
EBITDA	3780	6132	1174	2090	4043
Depreciation	2377	2601	1183	1275	1326
Finance Cost	880	1218	506	613	605
PBT Before Exceptional Items	523	2318	-516	202	2111
Exceptional Items	0	415	-	-	415
PBT After Exceptional Items	523	1898	-516	202	1696
Tax	132	508	-130	52	456
Profit After Tax	391	1390	-386	150	1241

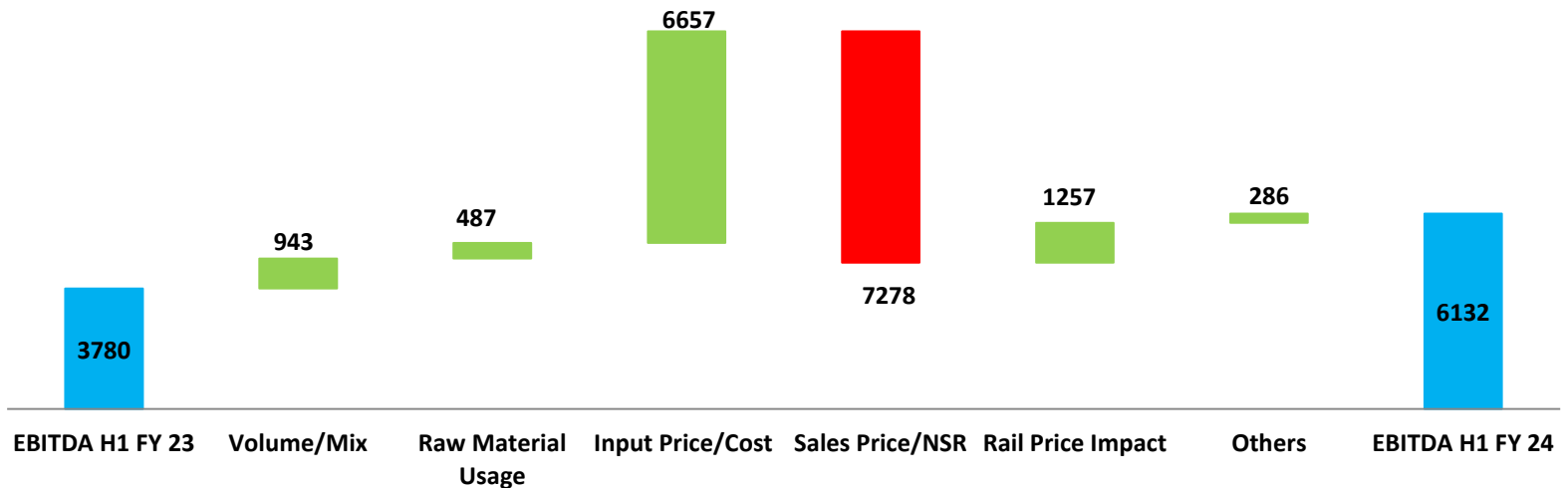
# FINANCIAL PERFORMANCE



## Half Yearly Performance (Rs. crore)



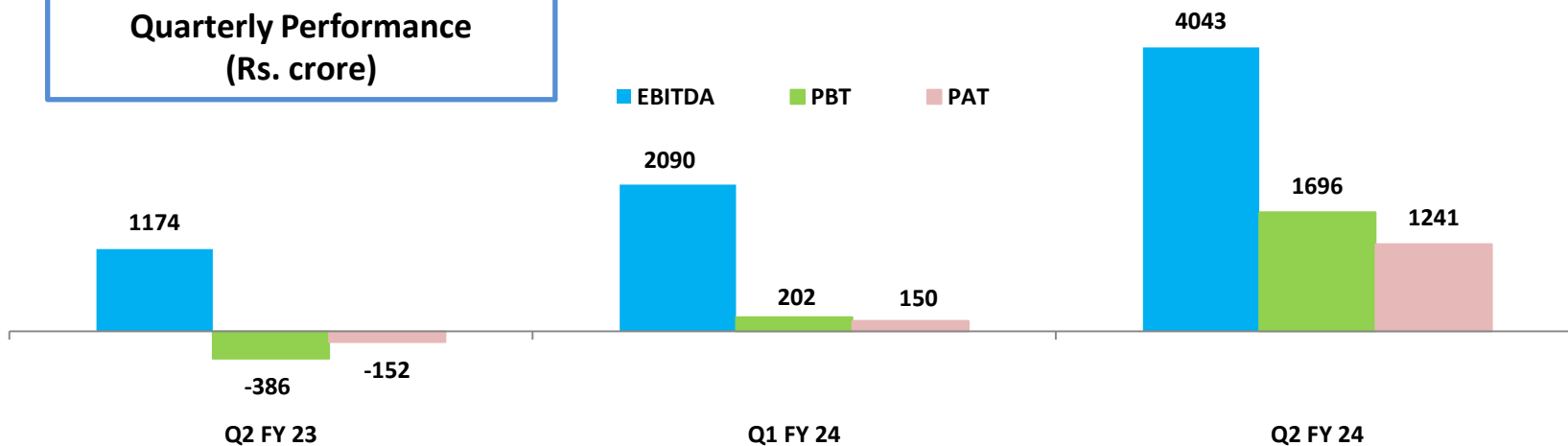
## EBITDA Movement (Rs. crore)



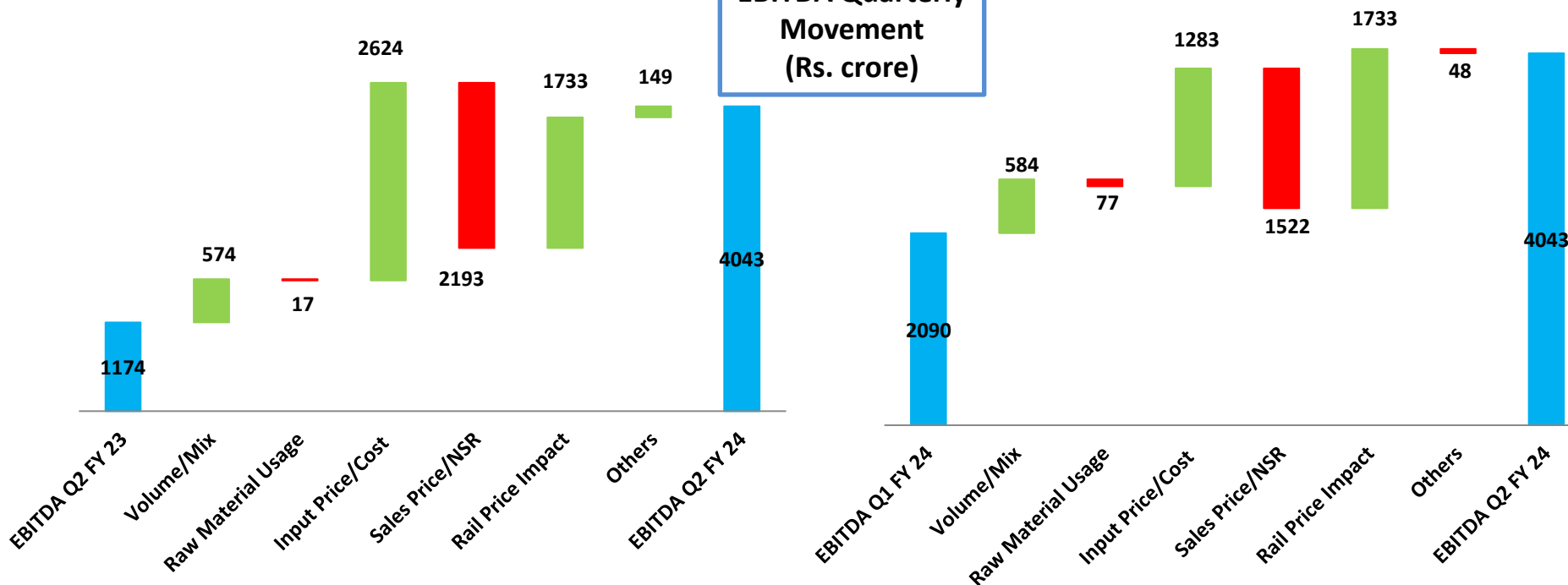
# FINANCIAL PERFORMANCE



## Quarterly Performance (Rs. crore)



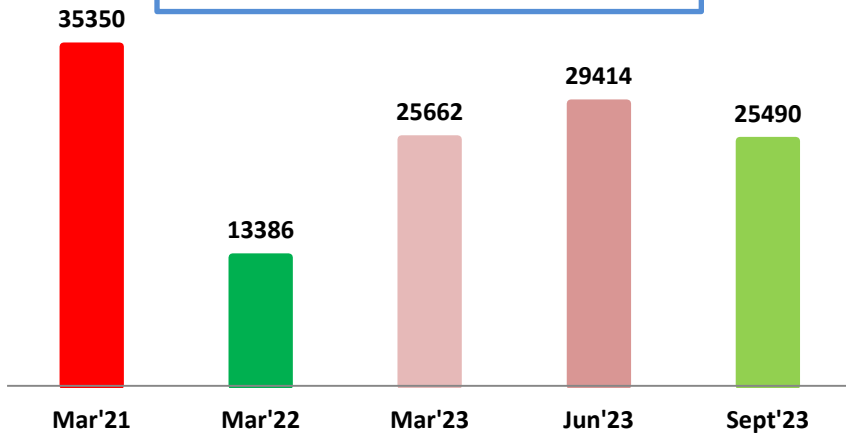
## EBITDA Quarterly Movement (Rs. crore)



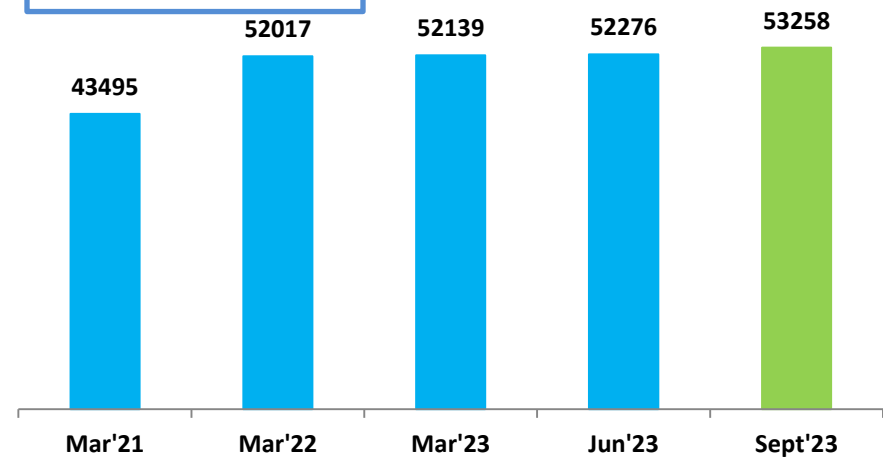
# FINANCIAL PERFORMANCE



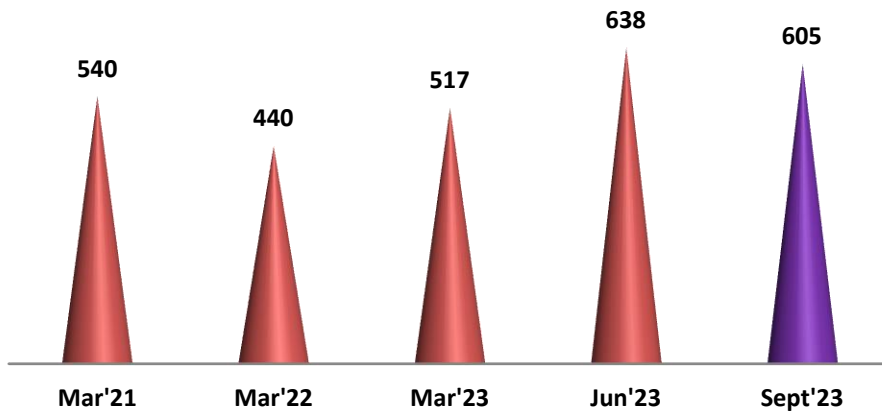
## Borrowings (Non Ind AS)



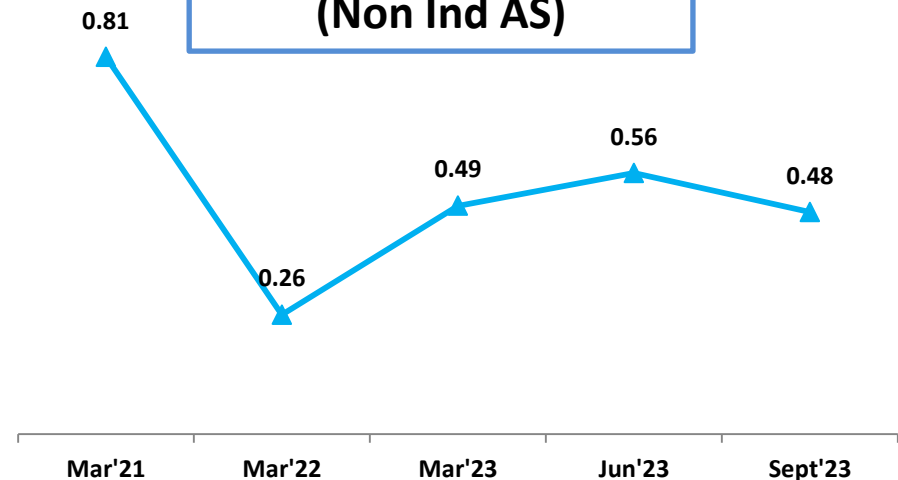
## Net Worth



## Quarterly Interest



## Debt-equity (times) (Non Ind AS)



Borrowings, Interest and Net Worth in Rs. crore

# Abbreviations used

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

# 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.