



Ref. VSSL:SCY:SEP:2023-24

Dated: 5-Sep-2023

BSE Limited,
New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, MUMBAI-400001.
Scrip Code: 534392

The National Stock Exchange of India Ltd,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
MUMBAI-400 051
Scrip Code: VSSL

SUB: BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Dear Sir,

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Business Responsibility and Sustainability Report for the Financial Year 2022-23, which also forms part of the 13th Annual Report of the Company.

Please take the same on records.

Thanking you,

Yours faithfully,
For VARDHMAN SPECIAL STEELS LIMITED

(SONAM TANEJA)
COMPANY SECRETARY

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	: L27100PB2010PLC033930
2. Name of the Listed Entity	: Vardhman Special Steels Limited
3. Year of incorporation	: 2010
4. Registered office address	: Vardhman Premises, Chandigarh Road, Ludhiana-141010.
5. Corporate address	: Vardhman Premises, Chandigarh Road, Ludhiana-141010.
6. E-mail	: secretarial.lud@vardhman.com
7. Telephone	: 0161-2228943-48, 2670707-09, 2675243
8. Website	: www.vardhman.com/ www.vardhmansteel.com
9. Financial year for which reporting is being done	: FY 2022-23
10. Name of the Stock Exchange(s) where shares are listed	: BSE Limited National Stock Exchange of India Limited
11. Paid-up Capital	: ₹ 40.63 crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Mr. Sachit Jain Vice-Chairman & Managing Director email ID– secretarial.lud@vardhman.com Telephone– 0161-2251245

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). : Standalone.

II. Products/services:

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Special & Alloy Steel	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Service	NIC Code	% of Total Turnover Contributed
1	Steel bars, rods and bright bars of various grades and sizes.	241	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	8	9
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	12
International (No. of Countries)	9

Being a consistent supplier of quality special steels to leading automotive OEMs, the Company enjoys a pan-India marketing footprint. Having adopted a customer-centric business approach since inception, the Company's client base has expanded considerably. It has also helped the Company in establishing an international presence.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports play a key role in the economy, impacting the level of economic growth, employment and balance of payments.

Although, VSSL is predominantly a domestic player, it enjoys an international presence in important markets for niche products. In FY23, exports comprised 5% of the Company's turnover. This number is expected to increase over the coming years owing to its Joint Venture with Aichi Steel – it will export quality and niche steel to various global forging companies of its joint venture partner.

c. A brief on types of customers:

The Tier I & II suppliers for Auto OEs in India is the primary market for the Company's products. Indian and International component manufacturers for passenger cars, two wheelers, commercial vehicles, etc. form a significant part of Company's clientele.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	400	382	95.50	18	4.50
2.	Other than Permanent (E)	3	2	66.67	1	33.33
3.	Total employees (D + E)	403	384	95.29	19	4.71
WORKERS						
4.	Permanent (F)	725	723	99.72	2	0.28
5.	Other than Permanent (G)	655	650	99.24	5	0.76
6.	Total workers (F + G)	1380	1373	99.49	7	0.51

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	1	1	100	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	13	13	100	0	0
5.	Other than permanent (G)	5	5	100	0	0
6.	Total differently abled workers (F + G)	18	18	100	0	0

19. Participation/Inclusion/Representation of women:

(as on 31st March, 2023)

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	16.67
Key Management Personnel	3	1	33.33

20. Turnover rate for permanent employees and workers:

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.9%	9.8%	9.9%	6.8%	4.5%	6.7%	6.2%	4.3%	6.1%
Permanent Workers	3.5%	0%	3.5%	4.0%	0%	4.0%	4.9%	0%	4.9%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	NIL	N.A.	N.A.	N.A.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (₹ in crores): 1,734.99

(iii) Net worth (₹ in crores): 642.21

VII. Transparency and Disclosure Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	Yes	1	0	Nil	1	0	Nil
Customers	Yes	27	0	Nil	25	0	Nil
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

24. Overview of the entity's material responsible business conduct issues

S No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implication)
1	Corporate Governance	Risk	Impact on the ethical fabric of the organisation	Eminent personalities on the Board for maintaining checks and balances; maker-checker approach for all processes organisation-wide	Negative
2	Economic performance	Risk	Economic slowdown will dampen demand	Enhance market, customer and geographic diversity	Negative
3	Occupational health & safety	Risk	Incidents could impact output in the short-term and trust in the Company over the long-term	Aligning with safety standards of global partner to achieve Zero-accident status	Negative
4	People management	Opportunity	Strong employee bond to drive growth		Positive
5	Quality management	Opportunity	Superior quality to enhance respect and returns		Positive
6	Waste Management	Opportunity	Strengthens the sustainability quotient		Negative
7	Customer Management	Opportunity	Superior service to enhance business opportunities		Positive
8	Energy Management	Opportunity	Cost optimisation to enhance margins		Positive
9	Local community	Opportunity	Stronger relations leading to a thriving ecosystem		Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Various policies of the Company are available on the website of the Company at https://www.vardhman.com/Investors/CompanyInformation .								

2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, few of the enlisted policies of the Company have extended coverage to the value chain partners.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	N	Y	Y	Y	Y	Y	N	N	Y
		ISO 14001: 2015,	ISO 45001: 2018	ISO 45001: 2018	ISO 45001: 2018	ISO 14001: 2015,			ISO 9001: 2015
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any specific commitment goals, we continue to adhere all the guiding principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:	<p>Climate change and sustainability have become pivotal factors in a company's' long-term business and it has become imperative to embed sustainability in business strategies and investment justifications. VSSL as an organization has always believed in responsible business operations and ethical corporate behaviour. We are committed to living up to the tenets of UN-SDGs and fulfilling India's promise to the global community of moving towards net-zero emissions by 2070.</p> <p>Our commitment to a better Earth became significantly stronger owing to our joint venture with Aichi Steel. They opened our minds to global best-practices, hand-held us in altering our systems and processes to weave in the 3R (reuse, recycle, reduce) philosophy in our business operations. In doing so, we make cleaner steel and are stepping ahead in making a greener enterprise.</p> <p>We consider this progress as only the initial steps in our long journey. We, along with our partner and other stakeholders, will remain steadfast on making a meaningful contribution to the nation in its commitment and effort to a cleaner and greener planet. We also look forward to scaling our endeavours in giving back to society and leaving behind a legacy of positive social impact.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).	<p>Mr. Sachit Jain Designation: Vice-Chairman & Managing Director DIN number: 00746409 Telephone Number: 0161-2251245 Email ID: secretarial.lud@vardhman.com</p>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Risk Management Committee and the Corporate Social Responsibility Committee constituted by the Board of Directors of the Company evaluate the sustainability related issues from time to time.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All the policies of the Company are reviewed periodically or on a need basis. The Company complies with the regulations, extant and principles as are applicable.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	N								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programme
Board of Directors	3	Key developments, Strategic discussions with respect to Aichi Vardhman Business, Changes in economic and industrial scenario, CSR, Sustainability initiatives, Operational training by doing plant visit, etc.	100%
Key Managerial Personnel	3	Key developments, Strategic discussions with respect to Aichi Vardhman Business, Changes in economic and industrial scenario, CSR, Sustainability initiatives, Operational training by doing plant visit, etc.	100%
Employees other than BoD and KMPs	120	Health & Safety, Skills Upgradation, TPM & 5S, Communication & Presentation Skills etc.	94%
Workers	337	Health & Safety, Skills Upgradation, EHS Legal Requirements, General Safety Awareness, TPM & 5S etc.	90%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory /enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Uniform Listing Agreement aims to provide a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism/ Whistle Blower Policy is available at the Company's website at the link https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/_Whistle_Blower_Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
NIL		

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a Code of conduct which is applicable to all directors and senior employees of the Company. It aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All senior employees are required to read and understand this code and agree to abide by it.

The Code of Conduct is available at the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Code_of_Conduct_for_Directors_&_Senior_Management.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY 2022-23	FY 2021-22	Details of Improvements in environmental and social impacts
R&D	0.73%	0.00%	-
Capex	52.05%	7.32%	Installation of Mechanical Pump will result in reduction of CO2 emissions. Secondly, installation of FES at LRF will improve ambient air quality.

2. a. Does the entity have procedures in place for sustainable sourcing? - Yes
 b. If yes, what percentage of inputs were sourced sustainably?
 About 73%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
- We are a secondary steel producer. With the implementation of the scrappage policy, we shall be contributing more to the national objective of recycling of steel scrap which is our basic raw material.
- Disposal of hazardous solid waste generated at the unit is done only through recognized recycler. A fume extraction system is installed to collect the dust going into the air.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

By virtue of its operations, EPR is not applicable to VSSL.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results -communicated in public domain (Yes/No) If yes, provide the web-link.
241	Steel bars, rods and bright bars of various grades and sizes.	100%	Manufacture & Sale of Steel bars, rods and bright bars of various categories of special and alloy steels.	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / Concern	Action Taken
FES Dust	Hazardous	We are disposing off the dust with the PPCB's approved agency

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2022-23	FY2021-22
Scrap	89%	93%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	29.941	Nil	Nil	14.961
E-waste	Nil	Nil	0.210	Nil	Nil	0.430
Hazardous waste	Nil	Nil	Dust 2161.04 Spent Oil 5.780	Nil	Nil	Dust 1806.1 Spent Oil 4.480
Other waste – Bio-Medical Waste	Nil	Nil	0.016	Nil	Nil	0.022

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	NOT APPLICABLE

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent employees											
Male	382	382	100%	382	100%	-	-	382	100%	382	100%
Female	18	18	100%	18	100%	18	100%	-	-	18	100%
Total	400	400	100%	400	100%	18	4.5%	382	95.5%	400	100%
Other than Permanent employees											
Male	2	-	-	2	100%	-	-	-	-	2	100%
Female	1	-	-	1	100%	-	-	-	-	1	100%
Total	3	-	-	3	100%	-	-	-	-	3	100%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent workers											
Male	723	723	100%	723	100%	-	-	723	100%	723	100%
Female	2	2	100%	2	100%	2	100%	-	-	2	100%
Total	725	725	100%	725	100%	2	0.28%	723	99.72%	725	100%
Other than Permanent workers											
Male	650	-	-	650	100%	-	-	-	-	650	100%
Female	5	-	-	5	100%	-	-	-	-	5	100%
Total	655	-	-	655	100%	-	-	-	-	655	100%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	61%	78%	Y	64%	82%	Y
NPS	2%	Nil	Y	2%	Nil	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. – Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company provides equal opportunity to normal employees as well as employees with disabilities. However, there is no formal policy laid in this regard.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Yes, we have in place grievance redressal mechanism and we try to ensure a harassment free work environment along with workplace health and safety. A Labour Welfare Officer is placed ensuring the basic amenities to workers. Communication meetings between workers and senior officials are regularly conducted to redress the grievance of workers and maintain harmonious relations between the management and workers.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees			Nil			
- Male	---	---	---	---	---	---
- Female	---	---	---	---	---	---
Total Permanent Workers			Nil			
- Male	---	---	---	---	---	---
- Female	---	---	---	---	---	---

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health And safety measures		On skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
Employees										
Male	382	349	91.36%	370	96.86%	391	368	94.12%	300	76.73%
Female	18	12	66.67%	17	94.44%	20	10	50%	15	75%
Total	400	361	90.25%	387	96.75%	411	378	91.97%	315	76.64%
Workers										
Male	723	681	94.19%	625	86.45%	618	532	86.08%	538	87.06%
Female	2	2	100%	2	100%	2	2	100%	2	100%
Total	725	683	94.21%	627	86.48%	620	534	86.13%	540	87.10%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	%(B / A)	Total (C)	No. (D)	%(D / C)
Employees						
Male	382	382	100%	391	391	100%
Female	18	18	100%	20	20	100%
Total	400	400	100%	411	411	100%
Workers						
Male	723	723	100%	618	618	100%
Female	2	2	100%	2	2	100%
Total	725	725	100%	620	620	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, an occupational health and safety management system has been implemented. The Company is dedicated to develop an active occupational health and safety culture across all its activities. The primary goal is to achieve a zero-accident workplace. To ensure the health and safety of the employees, the Company has organized various health checkup camps at regular intervals over the past years. We have also established occupational health centers staffed by qualified healthcare professionals.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company utilizes GEMBA, HIRA Assessment, Root Cause Analysis (RCA), etc. processes to identify work-related hazards and assess risks on both routine and non-routine basis.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N):

Yes, the Company has a process in place for workers to report work-related hazards and to remove themselves from such risks. We have recorded Unsafe Activity & Unsafe Condition data. This data provide a platform for workers to report any unsafe acts or conditions they observe in the workplace.

This system encourages employees to actively participate in identifying and addressing hazards, promoting a culture of safety. By having this data, the Company enables workers to raise concerns and take necessary actions to remove themselves from potential risks, ensuring their well-being and minimizing accidents or incidents.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No):

Yes.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.68	1.36
Total recordable work-related injuries	Employees	0	0
	Workers	3	5
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

VSSL is committed to provide a safe, progressive and sustainable work environment to all its employees. It has grievance redressal mechanism and strives to provide a work environment that is harassment free, healthy and safe. The Company is highly focused on improvement in health and safety of its workers. All hazards and its associated risks are identified across its facilities and any risk that deems to be high in the Hazard Identification and Risk Analysis (HIRA) is prioritized in the management plan. Various control measures are adopted to oversee safe functioning of business activities.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Our Safety team performs detailed Root Cause Analysis (RCA) for every issue. It is discussed and debated in the Board rooms and shop-floor Control Rooms. Accidents and their analysis are circulated across the organization for increased awareness and horizontal deployment in other work areas. We recognize that 'Near Misses' are as good as accidents. So, we define everything that come under the Near Miss umbrella. We strictly track and record 'Near Misses'.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B): Workers (Y/N)?

Yes, the Company extends life insurance and compensatory packages in the event of the death of employees and workers. The company offers benefits under various schemes such as Employee State Insurance (ESI), Group Personal Accident (GPA) insurance, Mediclaim and Group Term Insurance. Additionally, the Company offers the Employees' Deposit Linked Insurance (EDLI) scheme, which provides life insurance coverage in case of natural death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The contract agreement with the value chain partners incorporates strict adherence to all applicable statutory provisions, including the timely payment and deduction of statutory dues. The Company ensures that all relevant clauses pertaining to statutory compliance are thoroughly validated and upheld by both parties involved.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We have various stakeholder groups with different priorities and diverse interests. Therefore, we created a method for structured identification of stakeholder groups, understanding their issues and including their views in our sustainability strategy.

The Company actively engages with all its stakeholders throughout the year on its strategic aspirations. Material matters arising from stakeholder engagements are managed as a part of the risk management process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	Annual General Meeting, Shareholder Meets, Email, Stock Exchange intimations, Investor Meet, Annual Report, Quarterly Results, Media Releases, Company Website	As and when required	Profitability & Stability, Growth Prospects, Major Events
Media	No	Press Releases, Quarterly Results, Annual Reports.	As & when required	Performance Reporting, Award & Achievements, Initiatives etc. are reported.
Customers	No	Email, SMS, Advertisement, Website, Social Media, Customer Surveys, Customer Meets, Business Interactions, Audits by customers	Regular	Product Launches, Brand Promotion & Communication, Technical & Commercial approvals, Customer Satisfaction & Feedback, New Technology or Process adopted.
Employees	No	Email, SMS, In House Magazines, Engagement Activities, Employee Satisfaction Surveys.	Regular	Career Growth, Training & Development, Improvement Plans, Long-Term Strategy, Awareness Campaigns, Health & Safety Initiatives.
Communities	Yes	Community & Local Authority Meets, Direct Engagement, Community Visits, Partnership with NGO's.	Regular	Need Assessment, Expectation and Feedback on impact/ success of CSR Projects.

Value Chain Partners	No	Email, SMS, Vendor Visits & Meets	As & when required	Quality, Timely Payments, ESG Consideration (Sustainability, Safety Checks, Compliances, Ethical Behavior), ISO & OHSAS Standards, Supply Chain Issues, Technical Training Sessions, New Technology Launches by Vendors
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Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has established several committees dedicated to economic and ESG (Environmental, Social, and Governance) domains to effectively monitor performance in these areas. These include the committees on Audit, Risk Management & CSR.

These Committees meet regularly to appraise performance in the respective domains, evaluating the company's achievements, challenges and opportunities. These evaluations are crucial for identifying areas of improvement and implementing strategies to drive positive change.

These reports are then presented to the Board. The Board, comprised of key stakeholders and decision-makers, actively analyzes reports to gain a holistic understanding of the company's economic and ESG performance.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is indeed utilized to support the identification and management of environmental and social topics within our entity. We recognize the importance of engaging with stakeholders to gather diverse perspectives and incorporate their inputs into our decision-making processes.

- a. Environmental Policy Development: While formulating our environmental policy, we conducted consultations with various stakeholders, including local communities, environmental organizations and industry experts. Through these consultations, we received valuable insights on environmental concerns, such as resource depletion and pollution. Stakeholders shared their suggestions and expectations regarding sustainable practices and we incorporated their inputs into our policy framework. This led to the inclusion of specific targets for reducing greenhouse gas emissions, adopting renewable energy sources, and implementing waste management strategies.
- b. Social Impact Assessment: Before undertaking major projects or expansions, we conduct social impact assessments to understand the potential effects on local communities. As part of this process, we engage with stakeholders, including community representatives, non-governmental organizations and indigenous groups. Their input helps us identify and mitigate any adverse social impacts.
- c. Supply Chain Management: To address social and environmental concerns in our supply chain, we actively involve stakeholders such as suppliers, workers' organizations and human rights advocates. Through ongoing dialogues and consultation sessions, we gather feedback and suggestions on responsible sourcing, labor practices, and community well-being.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company actively contributes to the socio-economic development of the community through various participatory and need-based initiatives in the field of Education, Healthcare, Rural Development & Disaster Relief.

Vulnerable Group	Concerns	Action Taken
Underprivileged Community from Rural, Urban and Peri-Urban Areas	Needy People not having access to Healthcare Facilities	1. Support for Medical Checkup Program for industrial workers by DMC Hospital. 2. Distribution of Free Sanitary Napkins to girls in slum areas and installation of Sanitary Napkin Vending Machines in various Government Schools.
	Disadvantaged Sections of Society	1. Provided artificial limbs to handicaps through Bharat Vikas Parishad 2. Financed neuro surgery for needy patient on recommendation of Local Administration. 3. Financial support for promotion of Karate Paralympic Sports for deserving children and sportsman in rural areas/ villages.
	Women Empowerment	1. Provided Sewing machine complete set (motor and stand), industrial button hole sewing machine, industrial button attaching sewing machine to Hunar Vikas Kendra/Skill Development Center for enhancing vocational skills of children and women and enhance their livelihood.
	Promoting Education	1. Development of E-Classroom in Bal Bhawan Hisar. 2. Education Sponsorship for BDS/MDS for Meritorious student. 3. Financial support to Hunar Vikas Kendra/Skill Development Center for enhancing vocational skills of children and women and improving their livelihood opportunities.
	Promoting Sports	1. Financial support to deserving players to prepare for Table Tennis competition.

PRINCIPLE 5 Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers in covered or Union (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent						
Other than permanent						
Total Employees						

Workers	
Permanent	
Other than permanent	Nil
Total Workers	

2. Details of minimum wages paid to employees and workers, in the following format:

Category Total (A)	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	382	40	10.47	342	89.53	391	8	2.05	383	97.95
Female	18	1	5.56	17	94.44	20	1	5.00	19	95.00
Other than Permanent										
Male	2	0	0	2	100	2	0	0	2	100
Female	1	0	0	1	100	1	0	0	1	100
Workers										
Permanent										
Male	723	89	12.31	634	87.69	618	32	5.18	586	94.82
Female	2	0	0	2	100	2	0	0	2	100
Other than Permanent										
Male	650	629	96.77	21	3.23	433	401	92.61	32	7.39
Female	5	5	100	0	0	5	5	100	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10	332500	2	290000
Key Managerial Personnel	1	6820416	1	1197360
Employees other than BoD and KMP	379	342039	17	233720
Workers	723	208125	2	165443

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, all employees can reach out to the management to address their concerns and the Company also have grievance redressal mechanism.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have formulated a grievance redressal mechanism to ensure a healthy work atmosphere for all employees. A labour welfare officer is assigned in our unit who ensures basic amenities to all employees.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						Nil
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have formulated a grievance redressal mechanism to ensure a healthy work atmosphere for all employees. A labour welfare officer is assigned in our unit who ensures basic amenities to all employees.

8. Do human rights requirements form part of your business agreements and contracts?

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	100%
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No such incident of non-compliance has been observed during assessment.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

The Company recognizes its responsibility of treating all employees equal in dignity, respect and rights. We have a Human Rights Policy. The objective of this policy is to respect and protect human rights and to provide a safe and healthy working environment for all the employees.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company is committed to a value-based culture which is embodied in our code of conduct and ethics. We have a Code of Conduct Policy to outline the standards and behaviors that company upholds as a company and that it expects from its employees. This code provides a guide to the values, behaviors and ways of working. We have a learning portal for our employees which includes topics on human rights also.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	No assessment conducted during the year 2022-23.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in GJ) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	655592	600322
Total fuel consumption (B)		
Natural Gas	285954	37481
Furnace Oil	59385	267236
Diesel	11766	16210
LPG	27783	12359
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	1040480	933608
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0001	0.0001
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	243503	222818
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	243503	222818
Total volume of water consumption (In kiloliters)	243503	222818
Water intensity per rupee of turnover (Water consumed / turnover)	0.01403	0.01628
Water intensity per ton of liquid metal steel (Water consumed/ Liquid Steel Production)	1043	1140

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, Implementation started in FY 22-23 & shall be operational in FY 23-24.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	Mg/Nm ³	Ambient – 22.4	Ambient – 24.2
SOx	Mg/Nm ³	Ambient – 13.7	Ambient – 23.6
Particulate matter (PM)	Mg/Nm ³	EAF – 17.9 RHF – 20.6	EAF – 31 RHF – 25
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others–please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	CO ₂ in Ton	39335	39449
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	CO ₂ in Ton	143544	131854
Total Scope 1 and Scope 2 emissions per rupee of turnover	CO ₂ in Ton per rupee of turnover	0.00001	0.00001
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	CO ₂ in Ton Against production of one Ton of steel	0.83	0.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Scope 1 & Scope 2 emissions assessment has been done by Sohrabji Godrej Green Business Centre, Hyderabad (A division of CII).

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

- a) The Company is actively engaged in sustainability efforts and has implemented various initiatives to reduce its emission intensity year on year.
- b) We have switched over to Greener Fuel i.e. Natural Gas in place of Furnace oil being used in our Reheating Furnace.
- c) We have replaced Furnace oil fueled Boiler with Mechanical Pump.
- d) Fume extraction system installed at LRF to collect the dust going into the air.
- e) Miyawaki Forest: The Company has taken a new initiative of developing a forest on 5 acres of land situated at centre of the Focal Point, Ludhiana. We have planted about 53,500 trees on this land with Miyawaki technique. It will become a dense self-sustainable forest in 2 to 3 years. This will be a unique facility benefitting the environment and society at large.
- f) Water being a resource without which life cannot survive on Earth, remains our major priority in terms of sustainability measures undertaken by us. To ensure proper treatment of waste water and its safe discharge, we monitor the effluent quantities and started treating to keep it well-within the standards set by Central and State Pollution Control Boards.
- g) To contribute towards replenishment of ground water, we have been continuously investing in water conservation initiatives. Till March 2023, we have constructed 10 Rain Water Harvesting Systems (RWH) within our premises.
- h) When it comes to managing waste, our first priority is to reduce and reuse, wherever possible and responsibly dispose whatever little is left. We have dedicated hazardous waste, e-waste and scrap management facilities, complying with all the legal requirements associated with these wastes. All type of hazardous waste is handed over to the respective State Pollution Control Board Authorized Treatment, Storage and Disposal Facility.

- i) Overall, the Company's efforts in energy mix diversification, energy conservation, water conservation, and plastic waste management demonstrate a proactive approach to sustainability and environmental responsibility.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	29.941	14.962
E-waste (B)	0.210	0.430
Bio-medical waste (C)	0.016	0.022
Construction and demolition waste (D)	14682	1764
Battery waste (E)	2.910	0.580
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Dust 2161.04 Spent Oil 5.780	Dust 1806.1 Spent Oil 4.480
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Slag – 35173	Slag - 34939
Total (A+B + C + D + E + F + G + H)	52054.897	38529.574
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total	NA	NA
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	NA	NA

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has established dedicated facilities for handling hazardous waste, e-waste and scrap, ensuring compliance with all legal requirements associated with these types of waste. Our primary focus is on waste reduction and reuse and we responsibly dispose of whatever remains.

To effectively manage waste, we undertake the following key steps:

- A) Waste reduction: We identify areas within our operations where waste can be reduced. This involves optimizing processes and finding alternatives to wasteful practices, ultimately minimizing the amount of waste generated.
- B) Recycling & Reuse: We actively explore opportunities to reuse materials within our operations.
- C) Responsible disposal: For waste that cannot be reduced, recycled or reused, we ensure that it is disposed-off properly. Hazardous waste and biomedical waste is handed over to Treatment, Storage and Disposal Facilities (TSDFs) authorized by the State Pollution Control Board. Similarly, non-hazardous

waste and e-waste is given to vendors authorized by the State Pollution Control Board. This ensures that the disposal of such waste follows all necessary regulations and guidelines.

By following these waste management practices, we prioritize waste reduction, maximize recycling and reuse opportunities and ensure responsible disposal of any remaining waste. Our commitment to proper waste management aligns with our goal of minimizing our environmental impact and promoting sustainable practices.

- 10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If not, the reasons thereof and corrective action taken, if any.
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Not Applicable

The above-mentioned requirement is not applicable to the Company as the Company does not have any of its operations/offices in/around ecologically sensitive areas.

- 11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable

- 12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India.

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Not Applicable

Leadership Indicators

1. Provide break-up of the total energy consumed (In GJ) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources (Solar Rooftop)		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Nil	Nil
From non-renewable sources		
Total electricity consumption (D)	655592	600322
Total fuel consumption (E)		
Natural Gas	285954	37481
Furnace Oil	59385	267236
Diesel	11766	16210
LPG	27783	12359
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	1040480	933608

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
-No treatment		Not Applicable
-With treatment – please specify level of Treatment		
(ii) To Groundwater		
-No treatment		Not Applicable
-With treatment – please specify level of treatment		
(iii) To Seawater		
-No treatment		Not Applicable
-With treatment – please specify level of treatment		
(iv) Sent to third-parties (CETP)		
-No treatment		Not Applicable
-With treatment – please specify level of treatment		
(v) Others (Municipal Sewer) (Industrial)		
-No treatment		
-With treatment – please specify level of treatment		Not Applicable
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

1. Name of the area- Focal Point, Ludhiana
2. Nature of operations- Manufacturing of Steel bars, rods and bright bars of various grades and sizes
3. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	243503	222818
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	243503	222818
Total volume of water consumption (in kilolitres)	243503	222818
Water intensity per rupee of turnover (Water consumed / turnover) – in litres	0.01403	0.01628
Water intensity per ton of liquid metal steel (Water consumed/ Liquid Steel Production)	1043	1140
(i) Into Surface water	NA	NA
-No treatment	NA	NA
-With treatment–please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
-No treatment	NA	NA
-With treatment–please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
-No treatment	NA	NA
-With treatment–please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
-No treatment	NA	NA
-With treatment–please specify level of treatment	NA	NA
(v) Others (Municipal Sewer) (Industrial)		
-No treatment		
-With treatment–please specify level of treatment	NA	NA
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Not Assessed

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Water conservation	Water being a resource without which life cannot survive on Earth, remains our major priority in terms of sustainability measures undertaken by us. To ensure proper treatment of waste water and its safe discharge, we monitor the effluent quantities and started treating to keep it well-within the standards set by Central and State Pollution Control Boards.	Utilization of treated wastewater in process activities results in a reduction in the amount of usage of fresh water.
2.	Ground water recharging initiatives	To contribute towards replenishment of ground water we have been continuously investing in water conservation initiatives. Till March 2023, we have constructed 10 Rain Water Harvesting Systems (RWH) within our premises.	A step towards Replenishment of ground water.
3.	Waste Management	When it comes to managing waste, our first priority is to reduce and reuse, wherever possible and responsibly dispose whatever little is left. We have dedicated hazardous waste, e-waste and scrap management facilities, complying with all the legal requirements associated with these wastes. All type of hazardous waste is handed over to the State Pollution Control Board Authorized Treatment, Storage and Disposal Facility	Regularly monitor the waste generated from operations and identify areas for waste reduction, recycling and reuse.
4.	Solar Plant	Solar Power Plant planned to be installed in coming years.	Helps to reduce emissions.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
5.	Energy Conservation	We keep investing in energy-efficient technologies to save energy. We have invested in Statcom System which has resulted in improvement in power factor from 0.94 to 0.99. LED lights installed by replacing conventional lights.	Saving in consumption of energy.
6.	Air Emissions	Switch over to Greener Fuel i.e. Natural Gas from Furnace oil. Fume extraction system installed to collect the dust going into the air. Miyawaki Forest: The Company has taken a new initiative of developing a forest on 5 acres of land situated at centre of the Focal Point, Ludhiana. We have planted about 53,500 trees on this land with Miyawaki technique. It will become a dense self-sustainable forest in 2 to 3 years. This will be a unique facility benefitting the environment and society at large	A collective effort that addresses environmental challenges more effectively and promotes a greener and more sustainable future.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company acknowledges the unpredictable nature of emergencies and disasters, which can strike without warning. To ensure the safety of our employees, surrounding communities and the environment, we have established an effective emergency preparedness and response program. This plan serves as a guide to facilitate the planning and execution of appropriate actions in response to local emergencies. To maintain the effectiveness of our emergency preparedness plan, we conduct testing and evaluation. This includes management reviews, third-party audits and mock drills. Through these measures, we assess the readiness of our systems, identify areas for improvement and make necessary adjustments to enhance our emergency response capabilities.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Based on the available information, the Company's value chain has not resulted in any significant adverse impacts on the environment. We are committed to conducting our business operations in an environmentally responsible manner and strive to minimize any potential negative effects on the environment throughout our value chain.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No, Value Chain partner evaluation is being done at present. We look forward to formalise the process in coming years.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. 06
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industries, CII	National
2	Engineering Export Promotion Council of India (EEPC)	National
3	Society of Indian Automobile Manufacturers	National
4	Chamber of Industrial & Commercial Undertaking (CICU)	State
5	Steel Furnace Association of India	National
6	Alloy Steel Producers Association (ASPA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Web Review by Link, if Board available (Annually/ Half yearly/ Quarterly/ Others – please specify)
Nil				

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether Results conducted by independent in external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
N.A.					

VSSL internally performs an impact assessment for CSR programs at the end of each financial year. This assessment helps in evaluating the efficacy of the programs in terms of delivering the intended benefits to the target beneficiary and in gaining insights for improving the design and impact of future initiatives

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
N.A.						

3. Describe the mechanisms to receive and redress grievances of the community.

The stakeholders can send their grievances to the Compliance Officer at secretarial.lud@vardhman.com

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	5.78%	5.67%
Sourced directly from within the district and neighboring districts	52.58%	65.44%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Punjab/Haryana	Ludhiana/Hisar	₹ 1.23 crores

3. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

No

(a) From which marginalized /vulnerable groups do you procure?

Not Applicable

(b) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
NIL				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Development of Green Forest with Miyawaki technique in Focal Point, Ludhiana.	Community at large living in critical polluted Focal Point area, Ludhiana	100%
2.	Medical Checkup Program for industrial workers by DMC Hospital	2500	
3.	Artificial limbs to handicaps through Bharat Vikas Parishad	300	
4.	Anti-Smog Gun and Road sweeping machine to the local District Administration	Community at large living in critical polluted Focal Point area, Ludhiana	
5.	Support to Hunar Vikas Kendra/Skill Development Center for enhancing vocational skills of children and women and improve their livelihood.	100	
6.	Support for promotion of Karate Paralympic Sports for deserving children and sportsman in rural areas/ villages	80	
7.	Support to deserving players to prepare for Table Tennis competition	2	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company and its management engage with customers at multiple forums to gauge customer satisfaction levels so that necessary steps may be taken accordingly. The inputs are forwarded to the respective business teams for undertaking new developments besides corrective actions, as required. In 2022-23, the Company received 27 customer complaints. All these complaints were amicably resolved.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage Recycling and/or safe disposal	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?

Yes. The company has an IT Policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://www.vardhmansteel.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We have a dedicated sales team to ensure pre to post sale services to our customer. Post-sale service ensures smooth usage of our products and problem solving through a partnership approach that helps us forge long-lasting relationships with our customers.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We maintain active communication channels with our customers, including instant email support and SMS messaging. These channels serve as an effective means to proactively inform customers about any potential disruptions or discontinuations of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

Yes, we disclose the relevant information required by the customer. The company engages with its customers and conducts periodical surveys to assess the satisfaction levels related to service, delivery, quality of product, complaint handling etc.

5. Provide the following information relating to data breaches:

a) Number of instances of data breaches along-with impact.:

Nil

b) Percentage of data breaches involving personally identifiable information of customers:

Nil