



Ref: SEC/SE/2023-24

August 10, 2023

The General Manager – Listing,
National Stock Exchange of India Ltd
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E), MUMBAI – 400 051
PH: 022-26598235

The Manager Listing,
BSE Ltd.,
Floor 25, P.J. Towers,
Dalal Street,
MUMBAI – 400 001
PH: 022-22721234

Dear Sir/Madam,

Sub: Submission of Business Responsibility and Sustainability Report for the Financial Year 2022-23

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Business Responsibility and Sustainability Report for FY 2022-23, which also forms part of the Annual Report for the Financial Year 2022-23.

Kindly take the same on record.

Thanking you,

Yours faithfully,
for V.S.T. Tillers Tractors Ltd,

Chinmaya Khatua
Company Secretary
MNo: 21759



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L34101KA1967PLC001706
2. Name of the Listed Entity	VST TILLERS TRACTORS LIMITED
3. Year of incorporation	18 th December, 1967
4. Registered office address	Plot No-1, Dyavasandra Indl Layout, Whitefield Road, Mahadevapura Post, Bangalore-560048
5. Corporate address	As above
6. E-mail	chinmaya@vsttractors.com
7. Telephone	(91) 8067141111
8. Website	www.vsttractors.com
9. Financial year for which reporting is being done	1 st April 2022 to 31 st March 2023
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Ltd.
11. Paid-up Capital	8,63,95,280/-
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Chinmaya Khatua, Company Secretary, Email- chinmaya@vsttractors.com , Tel No. (91)-080-67141111
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).	Disclosures made in this report are on a standalone basis.

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
	Manufacturing and Trading	VST Tillers Tractors Limited is engaged in the manufacturing and trading of tractor, power tiller and other agricultural machineries and their spare parts	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	Tractor and Spares	28211	29.75%
2	Power tiller and other Small Farm Machineries and Spares	28212	65.25%

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	3	17	20
International	0	0	0

17. Markets served by the entity:
a. Number of locations

Locations	Number
National (No. of States)	13
International (No. of Countries)*	40

*The company operates through distributors in these countries.

b. What is the contribution of exports as a percentage of the total turnover of the entity?	7%
c. A brief on types of customers	VST is a leading player in the Indian farm mechanisation segment and is the largest manufacturer of power tillers and four-wheel drive compact tractors in India. Over time, the Company has emerged to become one of the most renowned and preferred brands of agricultural equipment in India. VST has developed its presence in more than 40 countries and established itself as one of the popular compact tractor brands. The Company possess a robust distribution network comprising dealers and distributors who offer tractors, tillers, and other small farm machinery, as well as an automotive lubricant range, precision components, and spare parts in both domestic and international markets. In Karnataka the Company does direct sales to small and marginal farmers.

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)	546	531	97.25%	15	2.74%
2.	Other than Permanent (E)	21	16	76.19%	5	23.81%
3.	Total employees (D + E)	567	547	96.47%	20	3.53%
WORKERS						
4.	Permanent (F)	196	195	99.49%	1	0.51%
5.	Other than Permanent (G)	543	543	100%	0	0%
6.	Total workers (F + G)	739	738	98.86%	1	0.14%

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)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees	2	2	100%	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel	4	0	0%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate)			FY 2021-22 (Turnover rate)			FY 2020-21 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	46.69%	51.85%	46.69%	50.54%	53.85%	50.63%	24.94%	42.86%	25.49%
Permanent Workers	0.55%	0	0.55%	13.57%	0	13.5%	40.38%	0	40.19%

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			

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in Rs.)	1006 Crores
(iii) Net worth (in Rs.)	824 Crores

VII. Transparency and Disclosures 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		
		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	Remarks
Communities	Yes	0	0		0	0	
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders**	Yes	1	0		1	0	
Employees and workers	Yes	0	0		0	0	
Customers***	Yes	5469	15		3670	12	
Value Chain Partners	No	0	0		0	0	
Other (please specify)	-	-	-		-	-	

* The Policies of the Company are placed on the Company's website under investors tab and the same can be accessed through the weblink: https://www.vsttractors.com/Disclosure_under_regulations_46_of_LODR. Further, there are some internal policies placed on the intranet of the Company.

** The company has a dedicated team exclusively responsible for monitoring and addressing shareholder complaints in a timely manner, ensuring prompt resolution to the satisfaction of the complainant without delay. Any complaints received from shareholders in a quarter, along with the corresponding actions taken, are presented before the Board and stakeholder relationship committee established under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 178 of the Companies Act, 2013 before the Board.

*** At the end of FY 2021-22, 12 consumer complaints received were pending with consumer courts. During the FY 2022-23, 3 additional matters were received and filed, hence total no. of consumer complaints pending resolution at the end of FY 2022-23 is 15.

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

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 implications)
1.	Energy Management	R	Energy is an essential component in the production of industrial machinery. The majority of energy expenses in this sector come from acquired electricity, with purchased fuels coming in second. The specific energy sources, the extent of consumption, and the approaches to energy management are all influenced by the products being manufactured. The combination of energy sources a company utilizes, such as on-site generated electricity, grid-provided power, and alternative energy options, can significantly impact the cost and dependability of the energy supply. This, in turn, can affect the company's cost framework and exposure to regulatory risks.	<p>To achieve environmental excellence, all Business units have persisted in their efforts to enhance energy usage efficiencies and elevate the proportion of renewable energy.</p> <p>The company has implemented several measures to conserve energy and adopt alternative energy sources, which are outlined below:</p> <ul style="list-style-type: none"> Conducting an Energy Audit of the entire plant. Replacing conventional street lights with LED street lights. Installing a Power Factor Panel to monitor efficiency. <p>The Company has installed solar power in all the three plants, i.e., Hosur, Malur and Mysore</p>	Negative
2.	Emission management	R	Numerous products in the Industrial Machinery & Goods sector rely on fossil fuels, consequently emitting greenhouse gases (GHGs) and other air pollutants during operation. The combination of customers seeking better fuel efficiency and regulations targeting emissions has led to a growing demand for energy-efficient and low-emission products in this field. Consequently, businesses that focus on creating products with these features might have an advantage in capturing a larger market share, minimizing regulatory risks, and enhancing their brand's value.	<p>At VST, we take our corporate responsibilities seriously, proactively implementing energy management measures, and striving to decrease our corporate greenhouse gas emissions.</p> <p>VST's greenhouse gas emissions mainly include direct emissions from the combustion of diesel in DG sets and Tractors, and indirect emissions from purchased electricity.</p> <p>In addition, we plan to continue to reduce waste emissions.</p> <p>Our objective is to accelerate the adoption of green technology and offer eco-friendly, energy-efficient products to the industry, with the aim of conserving resources and minimizing emissions.</p>	Negative

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 implications)
3.	Waste Management	R	Waste reduction leads to multiple benefits. It reduces GHG emissions that contribute to climate change, saves the amount of waste that needs to be recycled, incinerated, or sent to landfills, cuts down energy costs, and the requirement of natural resources for making new products.	<p>Our facilities have implemented waste management programs that offer instructions on how to conform to waste management regulations while also increasing recycling efforts. After segregating waste and recyclables, our facilities partner with authorized suppliers to ensure appropriate recycling or reuse. Our future efforts will prioritize minimizing waste generation in our operations, rather than just focusing on disposal methods. We are fully committed to reducing waste intensity resulting from our operations.</p> <p>We are encouraging some packaging boxes to be reclaimed and reused.</p>	Negative
4.	Water and waste water management	R	Water conservation is important to combat business risks as well as societal risks. Even a slight imbalance between the demand and supply of water can disturb the environment, social and financial ecosystems. It is crucial that a company maintains a balance for operations as well as for the community that uses it for various purposes.	<p>Water is an indispensable element of our manufacturing operations, and our primary concern is areas that are at risk of water scarcity. We prioritize minimizing the consumption of fresh water in our operations by optimizing water usage, incorporating touch sensors, increasing employee awareness, and promoting water reuse. Rainwater is collected and used to recharge the ground water table. 2.5 Lakh litres of water is collected and reused. Our manufacturing facilities at Hosur and Malur maintain a zero-discharge policy for wastewater, which ensures that the water utilized for operations is reused within the facility or operation. The Processing water is sent to ETP plant. The wastewater is treated and further sent to plant for reuse. The sludge generated in the ETP plant are managed with the help of third-party vendor. The ETP sludge is sent to cement plant for energy recovery.</p> <p>The waste water generated in office and canteens are sent to STP plant. The Recycled Water is used for gardening purposes. The sludge generated in STP plant is used as fertiliser for the plants.</p> <p>Parameters of wastewater released are continuously monitored at the plants.</p>	Negative

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 implications)
5.	Material Sourcing and Efficiency	R	Companies in the industrial machinery sector face supply chain risks when they rely on essential materials for their products. These critical materials, often with limited or no viable substitutes, are frequently obtained from deposits located in a handful of countries with geopolitical instability. Additionally, growing global demand for these materials across various sectors heightens competition, leading to potential price surges and supply uncertainties. By reducing dependence on critical materials through alternative options and securing their supply, companies can minimize the likelihood of financial consequences resulting from supply disruptions and fluctuating input costs.	The company has implemented a Supplier Risk Management and Mitigation(SRMM) process to reduce Supply chain vulnerabilities. The Company utilizes multiple engagement tools with suppliers, including the integration of the Theory of Constraints(TOC) with other software systems. This ensures seamless information dissemination to all involved parties and offers comprehensive visibility through the supply chain. For enhancing capacity of suppliers, the company runs supplier development programs. These strategies are designed to boost transparency and elevate our operational efficiency.	Negative
6.	Operational health & safety	O	Safety, health and well-being serve as the foundation of the employee experience. Creating outstanding products and services for farmers starts with creating a work environment where the employees can grow and thrive. A positive working environment will enable to achieve winning outcomes for farmers, each other, and the shareholders.	The company maintain a separate notice board which specifies specific gears to be used during particular work. Non-occupational health services are provided to employees like - eye-checkup, blood test.	Positive
7.	Employee satisfaction and well-being	O	Employees' capabilities and well-being as the critical method to achieving organisational goals. It strives to create an inclusive culture that is open to all and promotes diversity. Driving an awareness of these considerations throughout the operations, setting high standards for employees' protection, and educating and empowering managers and employees to take actions are needed to reduce risks.	Employee survey are conducted to understand the issues faced by employees.	Positive
8.	Customer Satisfaction	O	By focussing on customer centricity, delivering accessible technology, innovation and enhancing people capabilities, the company can continue to drive growth in the domestic market while pursuing global expansion. Effective customer engagement can help to understand business challenges, determine capabilities required to meet demand, and help to understand client's data privacy and security requirements.	In response to emerging product demands, the Company is actively involved in several stages of research, development, production, and marketing of eco-friendly automotive products. We are well-prepared to capitalize on opportunities with our efforts in innovative products and a comprehensive product portfolio.	Positive

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 implications)
9.	Product Stewardship and Innovation	O	Industrial machinery and goods production involves significant usage of materials such as steel, iron, aluminium, glass, and plastics. By innovatively remanufacturing industrial machinery systems, companies in the sector can decrease the need for raw materials, as well as the time and resources necessary to create finished products. This approach also generates value from items that would otherwise be discarded or recycled. The advanced machineries, which are technologically enabled and improve the 'more output per acre' are finding acceptance among the farmer community. Consequently, innovative remanufacturing processes and designs can help reduce raw material demand, lower manufacturing expenses, and establish new sales avenues. This will further help in market penetration and increased market share.	Throughout the entire product technology development and design process, we adhere to our Product Safety regulations. These regulations mandate that a design must not pose an unreasonable risk of harm to the product user or those in close proximity. In enforcing this regulation, we take into account the individuals, environmental circumstances, and other products that the product is likely to encounter.	Positive
10.	Community Engagement	O	One of the key reasons for the success of a company is the continuous support of the people within immediate operating presence, who are influenced by the environmental and social impact of operations and CSR activities. By incorporating sustainable development into business, the company can strive to make a difference in the community its serve.	Being a farmer-focused, purpose-driven organization, we deeply appreciate the importance of community and strive to find avenues to contribute to the numerous communities in which we function. We have taken proactive steps to participate in philanthropic initiatives aimed at enhancing the well-being of our neighbouring communities. We frequently collaborate with our dealer and distributor network to assist communities.	Positive
11.	Business Ethics and Compliance	R	Strong corporate governance is core to achieving the organization's mission and any risks can undermine stakeholder trust, damage reputation and disrupt business.	VST is fully committed to maintaining the highest levels of ethical conduct. We actively encourage our employees to report any concerns or possible violations of the Code of Conduct, policies, or laws, without fear of retaliation. Upholding the highest standards of business ethics requires constant vigilance. VST's corporate governance framework aids in ensuring consistent adherence to ever-changing laws and regulations in a dynamic business environment.	Negative

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 implications)
12.	Human Rights Management	R	Human Rights violations can include issues such as child labour, forced labour, discrimination, and unfair working conditions. Failure to address these risks can result in legal action, as well as negative publicity and damage to the company's reputation.	The Company continues to work towards strengthening and introducing systems to ensure sound implementation of VST's Sustainability Policies specially with respect to human rights and labour practices. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights. It is the responsibility of employees to maintain the standards of honour and integrity outlined in the Code of Business Conduct. All employees must review the code and integrate it into their work and conduct.	Negative
13.	Climate Change and Impact	O	The reduction of greenhouse gas (GHG) emissions that contribute to climate change necessitates the commitment to invest, innovate, and develop novel solutions. This involves designing machinery and equipment with lower tailpipe emissions and utilizing biofuels and sustainable fuels.	We view the worldwide shift to a low-carbon economy as a significant strategic opportunity for both our business and our customers. As technology advances, we are simultaneously embracing it to enhance the development of our products. In the past year, we successfully launched the 9 HP Power Tiller with electric start. Our goal is to tackle the challenges faced by farmers by leveraging electrification and reducing emissions. We have also planted ~293 trees at Malur plant site to create positive environmental impact and ~770 plants in Hosur location.	Positive
14.	Corporate Governance	R	Long-term shareholder value is established through robust corporate governance that is ethical and sustainable. The objective of corporate governance is to ensure equity for all stakeholders. Robust corporate governance is vital in enhancing and maintaining investor confidence.	VST holds the belief that robust corporate governance, beginning with our Board of Directors, strengthens our business. We place a high emphasis on the integrity of our employees, managers, officers, and the Board, and we are committed to complete transparency regarding our activities and policies. VST is fully committed to adhering to all relevant laws and regulations. To ensure public disclosure, we provide access to our corporate governance-related standards, policies, and other pertinent information on our investor webpage.	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	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available	The Policies of the Company are placed on the Company's website under investors section and the same can be accessed through the weblink: http://www.vsttractors.com/investors/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	-	-	-	-	-	-	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	ISO 9001:2015	ISO 45001:2018	-	-	ISO 14001:2015	-	-	ISO 9001:2015
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We commit to adhere to ethical standards, foster openness, and promote responsibility in all our endeavours, as directed by our set policies.	We plan to carry out a comprehensive study to set clear, measurable goals.	We will persist in offering health and safety benefits to our employees and workers.	We are in the process of implementing numerous initiatives, following which we intend to perform an in-depth study to establish definitive objectives.	We pledge to uphold a stance against discrimination in all its forms, as outlined by our firmly established policies.	We are engaged in numerous initiatives and plan to undertake a thorough study to establish specific goals.	We pledge that our interactions will be conducted responsibly, adhering strictly to our established Code of Conduct.	We pledge to allocate our CSR funds towards the advancement of societal development.	Our commitment to maintaining a customer-focused approach will remain unwavering.
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 (listed entity has flexibility regarding the placement of this disclosure)
- I am honoured to present to you our very first sustainability Business Responsibility and Sustainability Report marking a significant milestone in our journey as a leading player in the Indian farm mechanisation segment. At V.S.T., we understand the urgent need to align our operations with the principles of sustainable development, hence our commitment to the ESG (Environmental, Social, Governance) framework.
- Our approach towards sustainability aims to bring positive changes to the environment by identifying specific parameters of ESG. We have made significant strides in water conservation, increasing renewable energy consumption, and ensuring adequate hazardous waste management.
- In the realm of renewable energy, we have installed solar panels at our plant locations at Mysore, Malur and Hosur locations. This puts us on the path to meet substantial part of our power requirements from renewable sources.
- Our water conservation efforts have also paid off, with water being recycled and reused within our facilities. We have also installed stacks to reduce air pollution and created a green belt in and around our Malur plant.
- Beyond our environmental efforts, we have also been addressing material ESG issues that can have potential financial implications. We have calculated our emissions from energy consumption, allowing us to continuously track, monitor, and aim to reduce our carbon footprint.
- On the governance front, we have maintained our commitment to transparent and ethical practices, as demonstrated by our recertification for QMS - ISO 9001:2015, EMS - ISO14001:2015, and Safety - ISO 45001:2018. We firmly believe that effective corporate governance is the bedrock of a successful commercial enterprise and we are proud of our strong legacy in this area.
- Our social responsibility efforts focus on the wellbeing of our greatest asset: our employees. We strive to foster an inclusive culture that encourages diversity and offers training and development opportunities to all. Upholding the mental and physical health of our employees is our top priority, and we continually strive to ensure a safe workplace in accordance with the requirements of the Factories Act. Our motto, "Zero Accident", underscores this commitment.
- We consider the publication of this inaugural Business Responsibility and Sustainability Report as a testament to our robust corporate sustainability strategy, which places a key emphasis on environmental stewardship, social responsibility, and good governance. Our goal is to create a sustainable future for our company, our stakeholders, and the communities we serve. We appreciate your support in this endeavour and look forward to your active engagement as we continue to refine our sustainability strategy and strive to make a significant difference in the world.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies) Board of Directors
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. Mr. V. T. Ravindra, Managing Director

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board*									Annually**								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board***									Quarterly. ****								

* The Board of Directors of the Company review the policies of the Company from time to time and guide on follow up actions to be taken. **The Board of Directors of the Company periodically or on need basis review the policies of the Company.

The Board of Directors of the Company may amend or waive certain provisions of the Policy depending on the legal and other requirements or for a bona fide purpose. In the event of any conflict between the provisions of policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over the policy. * The Board of Directors of the Company periodically or on need basis review the Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances of the Company.

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	Yes	NA	NA	Yes	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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 programmes
Board of Directors	4	- Nature of Industry, Business model, roles, rights, responsibilities, regulatory update.	100%
Key Managerial Personnel	10	Governance Compliances Business Related	100%
Employees other than BoD and KMPs	43	- Skill upgradation training on like - <ul style="list-style-type: none"> • Operation of Power House panels • Operation of Electrical and mechanical • Torque sequence and Assembly sequence • Concepts of 5S and Quality • Core tools handling, problem solving, Six Sigma • Forklift Operation • Tractor product, process and parts knowledge • SAP/MM Module/ MS Excel • Rapid photo development • TQM Activities • Capability program for Tractor Sales and similar other trainings - Health and Safety Trainings like - <ul style="list-style-type: none"> • Awareness training on EHS 14001 and 45001 • Safety Training, Fire Fighting, First Aid and Emergency Response 	88.69%
Workers	17	- Skill upgradation training like - <ul style="list-style-type: none"> • Procedure for torque sequence and importance of assembly sequence • Concepts of 5S and Quality - Health and Safety Trainings like - <ul style="list-style-type: none"> • Awareness training on EHS 14001 and 45001 • Safety Training, Fire Fighting, First Aid and Emergency Response/ Electrical Safety • Near Miss/ USC USA • Fire Hydrant Operations • Handling of Hazardous waste/ STP/ ETP Operations 	66.33%

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 entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	0	NA	No
Settlement	NA	NA	0	NA	No
Compounding fee	NA	NA	0	NA	No

Non-Monetary

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

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
Nil	-

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 company has established protocols concerning anti-corruption and anti-bribery, and is dedicated to maintaining the utmost moral and ethical principles, refusing any type of bribery or corruption. The policy is available on the Company's website at <https://www.vsttractors.com/investors/policies>

Further, there are some internal policies placed on the intranet of the Company.

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	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	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.

NA

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.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	2.47%	6.43%	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)	No
b. If yes, what percentage of inputs were sourced sustainably?	NA
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.	At present the Company do not reclaim the product in terms of plastic, E-waste, hazardous waste. The company engages in several practices aimed at minimizing waste production, promoting reuse, and implementing recycling. Carton box and wood waste are sent to vendors for reuse. All Hazardous waste generated is routed through the authorised recyclers.
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.	Yes. Only hazardous waste is disposed as per PCB norms through Manifest Form 10

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 / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	531	531	100%	531	100%	-	-	531	100%	0	0%
Female	15	15	100%	15	100%	15	100%	-	-	0	0%
Total	546	546	100%	546	100%	15	2.75%	531	97.25%	0	0%
Other than Permanent employees-											
Male	16	12	75%	16	100%	-	-	0	0%	0	0%
Female	5	5	100%	5	100%	4	80%	-	-	0	0%
Total	21	17	80.95%	21	100%	4	19.05%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number ©	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	195	195	100%	195	100%	-	-	195	100%	0	0%
Female	1	1	100%	1	100%	1	100%	-	-	0	0%
Total	196	196	100%	196	100%	1	0.51%	195	99.49%	0	0%
Other than Permanent workers											
Male	543	492	90.61%	543	100%	-	-	543	100%	0	0%
Female	0	0	0%	0	0%	0	0%	-	-	0	0%
Total	543	492	90.61%	543	100%	0	0%	543	100%	0	0%

2. Details of retirement benefits, for Current Financial Year 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%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	7%	23%	Yes	10%	22%	Yes
Others – Group Medclaim Cover (For Non ESI)	93%	77%	NA	90%	78%	NA

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.

We ensure that our office is accessible to individuals with disabilities, and we strive to enhance the infrastructure continuously to remove accessibility barriers.

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.
- Yes. Our Code of Conduct for Directors and Senior Management highlights our policy to provide equal opportunity in all aspects of employment and to ensure that there is no illegal discrimination or harassment of any kind including but not limited to derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. The Code can be accessed at https://www.vsttractors.com/sites/default/files/policies/VTTL_code_conduct_board_sr_mgmt.pdf
Also, our Recruitment Policy provides for no discrimination and the policy is available on the intranet and accessible to internal stakeholders.

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	100%	100%	0	0
Female	100%	100%	0	0
Total	100%	100%	0	0

*No female workers took maternity leave

06. 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) Yes
Permanent Workers	At VST, we prioritize transparent communication and urge all staff and affiliates to report any ethical concerns or non-compliance with our Code in a timely manner. We thoroughly investigate all complaints and follow Company policy to take disciplinary action against employees found in violation. To ensure operational and performance matters are addressed, employees are encouraged to inform their supervisor or reporting manager. However, if the complaint is regarding organizational issues, performance appraisals, or a complaint against a supervisor or reporting manager, employees should contact the Human Resource Manager. If the complaint falls under the scope of our whistle blower policy, the counsellors are available to assist. The status of complaints under POSH if any, shall be reported to and addressed by the Internal Complaints Committee. Canteen Committee Meetings and Union meetings are held to discuss and resolve issues on need basis.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Yes. The Grievance Redressal Policy is available on the intranet of the Company and accessible to the internal stakeholders.

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

Category	FY 2022-23			FY 2021-22		
	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	546	0	0%	479	0	0%
-Male	531	0	0%	467	0	0%
-Female	15	0	0%	12	0	0%
Total Permanent Workers	196	151	77.04%	167	152	91.02%
-Male	195	151	77.04%	167	152	91.02%
-Female	1	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2022-23					Total (D)	FY 2021-22			
	Total (A)	On Health and safety measures		On Skill upgradation			On Health and safety measures	On Skill upgradation		
		No.(B)	% (B/A)	No. (C)	% (C/A)			No.(E)	% (E/D)	No.(F)
Employees										
Male	531	343	64.59%	140	26.37%	467	460	98.50%	100	21.41%
Female	15	2	13.33%	1	6.67%	12	0	0%	0	0%
Total	546	345	63.19%	141	25.82%	479	460	96.03%	100	20.88%
Workers										
Male	195	120	61.54%	130	66.67%	166	125	75.30%	166	100%
Female	1	1	100%	0	0%	1	0	0%	1	100%
Total	196	121	61.73%	130	66.33%	167	125	74.85%	167	100%

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	531	531	100%	467	467	100%
Female	15	15	100%	12	12	100%
Total	546	546	100%	479	479	100%
Workers						
Male	195	195	100%	167	167	100%
Female	1	1	0%	0	0	0%
Total	196	196	100%	167	167	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 such system?	Yes, VST Tillers has implemented a robust health and safety management system across the business. As a responsible entity we have rolled out processes at all levels in a manner that provide a safe and healthy working condition to all our personnel. At all our facilities we strive to eliminate hazards and reduce OH&S risks through ongoing identification of hazards and assessing risks and through effective deployment of operational controls at the workplace. ISO 45001 is implemented for Hosur plant. Both Mysore and Malur plant have robust system to monitor any health risk. However, plants do not have ISO 45001 in place. Mysore plant does not have any process using hazardous chemical and has been certified under Green Category industry. Malur plant has taken all the steps to monitor employee health.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	To ensure safety, routine activities are monitored by following the Job Safety Analysis, Hazard Identification & Risk Assessment (HIRA), Standard Operating Procedure, and Operational Control Procedure (OCP) for generation, proper collection and disposal of hazardous waste and e-waste. Safety trainings are imparted to the personnel in all the facilities for skill upgradation and also, as per ISO 45001 processes and SOPs are updated periodically to mitigate risks and ensure safety at workplace.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes
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	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
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.

VST is a ISO 45001 and 14001 certified company. We have EHS policy in place applicable to all employees and workers and various processes have been implemented to eliminate risk at the workplace. Internal / External Safety audits are conducted and safety training is imparted to develop competence.

As a responsible organisation, processes are rolled out in a manner that enables protection of the environment including prevention of pollution and provide a safe and healthy working condition to all personnel.

- **Periodic evaluation** – we ensure that all the applicable legal requirements in relation to EH&S are complied by tracking changes and periodic evaluation.
- **Adoption of latest technology** – we use latest technology to reduce or reuse waste arising from product
- **Continual Improvement** – EHS performance is continuously monitored. Any opportunity for improvement is identified through consultation and arrangements and establishing quantifiable objectives.
- **Elimination of hazards** – Any OHS risks and hazards are mitigated through positioning of operational controls at the workplace.
- **Prevention of hazards** – through awareness of EHS issues among personnel and related control measures, risk of pollution, injury and ill- health is prevented.

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	0	0		0	0	
Health & Safety	0	0		0	0	

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	

*Assessments done by Company and third parties

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.

We capture Nearmiss, unsafe conditions. For identified cases we have CAPA process in place. We have a comprehensive system concerning safety inspections, operational control, monitoring, and audits among other facets. Any identified shortcomings, lessons, and areas for improvements are incorporated across the entire organization to prevent the recurrence of incidents. Each site's head is responsible for driving the corrective measures.

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.

The Company recognizes the importance of engaging with stakeholders and has made it a practice to clearly identify and map all relevant internal and external parties. Our company has established systems and procedures to effectively identify, prioritize, and address the needs and concerns of stakeholders in all plant locations and other areas where we operate.

The Company has various mechanisms in place for engagement with these stakeholders such as implementation of Theory of Constraints (TOC) and its integration with other software which ensures a clear flow of information to all the stakeholders while providing clear visibility to the entire supply chain.

In addition, we have developed a range of tools and portals including Supplier Relationship Management (SRM), Product Lifecycle Management (PLM), Warehouse Management System (WMS), and Travel Management System. These resources aim to enhance transparency and improve the efficiency of our operations. Moreover, we have created e-catalogues and Marketing Catalogues that are available on Google Play Store, which provide detailed information on our products.

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	<ul style="list-style-type: none"> • General Body Meetings • Interaction with Investors • Annual Report • Press Release • Company's website 	<ul style="list-style-type: none"> • AGMs • Quarterly Investor meets 	<ul style="list-style-type: none"> • Discussion on financial & non financial performance, • market value of shares • Effective & robust corporate governance
Employees	No	<ul style="list-style-type: none"> • Email • Training and Safety Programmes • Feedback sessions 	Regular	<ul style="list-style-type: none"> • Meeting on regular basis and employees townhall • Training & Development Performance review • Grievance redressal mechanism
Customers	No	<ul style="list-style-type: none"> • Customer Satisfaction Survey • Web Portals • eCatalogue/ Manual 	Throughout the Year	<ul style="list-style-type: none"> • All means of communication throughout the year with our customers on: • Customer Satisfaction • Customer complaints • Extending product & services
Dealers	No	<ul style="list-style-type: none"> • Website • Email 	Regular	<ul style="list-style-type: none"> • Service Quality, Sustainability • Creating Customer Delight
Suppliers	No	<ul style="list-style-type: none"> • Website • Email 	Regular	<ul style="list-style-type: none"> • Supply Chain Management, • Materials Sourcing and Material Efficiency
Local Community	No	<ul style="list-style-type: none"> • CSR Initiatives • Public disclosure of company information • Local Employment • Website 	Periodic/ Need based	<ul style="list-style-type: none"> • Creation of job opportunities • Relationship development • CSR Initiatives
Regulators/ Government	No	<ul style="list-style-type: none"> • Regulatory compliance • CSR initiatives • Representation through trade bodies 	Regular	<ul style="list-style-type: none"> • Obtaining permissions / licenses / clarifications/ waivers /business development • Regulatory & Legal requirements • Technology & Innovation • Capacity expansion

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. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	546	0	0%	479	0	0%
Other than permanent	21	0	0%	14	0	0%
Total Employees	567	0	0%	493	0	0%
Workers						
Permanent	196	0	0%	167	0	0%
Other than permanent	543	0	0%	452	0	0%
Total Workers	739	0	0%	619	0	0%

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

Category	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	531	0	0	531	100	467	0	0	467	100
Female	15	0	0	15	100	12	0	0	12	100
Other than permanent										
Male	16	12	75	4	25	10	10	100	0	0
Female	5	5	100	0	0	4	4	100	0	0
Workers										
Permanent	196									
Male	195	0	0	195	100	167	0	0	167	100
Female	1	0	0	1	NA	0	0	NA	0	NA
Other than permanent										
Male	543	352	65	191	35	452	232	51.33	220	48.67
Female	0	0	0	0	NA	0	0	NA	3	100

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	8	4,25,000	1	5,00,000
Key Managerial Personnel	4	64,03,830/-	0	-
Employees other than BoD and KMP	527	5,79,240/-	15	4,57,740
Workers	195	3,50,808/-	1	4,48,764

* One Executive Director and 8 Non Executive Directors.

Median of KMP includes remuneration of KMP other than Executive Director (included in BoD)

One Director resigned on 18th February, 2023 so has not been taken into account for the purpose of median

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
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.	We have an internal grievance committee and POSH committee which addresses such human right issues

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

	FY Current Financial Year			FY Previous Financial Year		
	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	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

The company has set up the Internal Complaints Committee (ICC) to deal with sexual harassment matters. The committee consists of a diverse group of members, including both internal and external individuals with relevant backgrounds. Well-defined criteria have already been established to handle cases of sexual harassment. The Company's Code of Conduct serves as a foundation for creating a work environment that is productive, positive, enjoyable, and safe, ensuring freedom from harassment and discrimination for all employees. VST firmly believes that any form of discrimination is unacceptable, and all reported incidents undergo a thorough investigation.

8. Do human rights requirements form part of your business agreements and contracts?(Yes/No)

No.

9. Assessments for the year:

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

*The Company assesses and ensures that fair labour practices is being followed at all its plants and offices at regular intervals

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. None

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment
Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY (Current Financial Year)	FY (Previous Financial Year)
Total electricity consumption (A)	12,033.56 Giga Joules	11,901.42 Giga Joules
Total fuel consumption (B)	32,654.85 Giga Joules	31,287.77 Giga Joules
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	44,688.41 Giga Joules	43,189.19 Giga Joules
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	44.42 Giga Joules/ ₹ in Crores	50.58 Giga Joules/ ₹ in Crores
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. No

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

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	16601.41 KL	2715.15 KL
(iii) Third party water	8916 KL	8821 KL
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	25517.41 KL	11536.15 KL
Total volume of water consumption (in kilolitres)	41930.8 KL	26561.95 KL
Water intensity per rupee of turnover (Water consumed / turnover)	41.68 KL/ ₹ in Crores	31.11 KL/ ₹ in Crores

Water 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.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. Yes
At VST Tillers Tractors Zero Liquid Discharge (ZLD) is implemented according to Pollution Control Board guidelines of the states. Two of our plants which is Hosur plant and Malur plant have implemented ZLD. Mysore plant do not have in process water from Production. & it ensures that there will be no discharge of industrial wastewater into the environment. There is sewage treatment and the water used by employees are recycled for garden use.

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

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Nox	Mg/m3	28.17	-
Sox	Mg/m3	20.98	-
Particulate matter (PM)	Mg/m3	28.18	-
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
CO (Others – please specify)	Mg/m3	15.5	-
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 assurance

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

Parameter	Please specify 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)	Metric tonnes of CO ₂ equivalent	2,298.07	2,207.08
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)	Metric tonnes of CO ₂ equivalent	2,123.20	2,081.11
Total Scope 1 and Scope 2 emissions per rupee of turnover	4.39 Metric tonnes of CO ₂ equivalent / ₹ in Crores		5.02 Metric tonnes of CO ₂ equivalent / ₹ in Crores
Total Scope 1 and Scope 2 emission 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

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Each year VTTL is investing on Energy conservation projects and we are able to reduce Green House Gas emission. Details are mentioned in the Conservation of Energy and Technology absorption in the Directors Report

8. 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)	6.161 MT	8.812 MT
E-waste (B)	0.306 MT	0.237 MT
Bio-medical waste (C)	0.020 MT	0.010 MT
Construction and demolition waste (D)	0	0
Battery waste (E)	3.48 MT	0.14 MT
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	80.73 MT	62.64 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Carton box – 205.57 MT Wood Scrap – 150.97 MT Metal Scrap – 120.52 MT	Carton box – 300.71 MT Wood Scrap – 209.63 MT Metal Scrap – 133.66 MT
Total (A+B + C + D + E + F + G + H)	567.76 MT	715.84MT

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Plastic		
(i) Recycled	473.18 MT	639.93 MT
(ii) Re-used		
(iii) Other recovery operations		
Total	473.18 MT	639.93 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	50.23 MT	39.89 MT
(ii) Landfilling		
(iii) Other disposal operations	32.78 MT	32.12 MT
Total	83.01 MT	72.01 MT
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.		

9. Briefly describe the waste management practices adopted in your establishments. 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.

VST is an ISO 14001 certified company, in this we are tracking both hazardous & non-hazardous waste. As per HWM - KSPCB, e-manifest are maintained and adhered as per the norms. Now we have reduced paint sludge quantity by adopting process infraction.

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: Not Applicable

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable

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

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

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

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

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. 5

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 Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Mysore Chamber of Commerce	State
4	Karnataka Employers Association	State
5	WACIA - Whitefield Area Commerce & Industry Association	State

2. 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. No

Name of authority	Brief of the case	Corrective action taken
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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. Not Applicable. As there were no projects that required SIA as per law in the current year.

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

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable.

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 INR)

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

VST has instituted a Grievance Redressal Policy and system, designed to accept and resolve inquiries or grievances from both internal and external stakeholders. Shareholders have the option to reach out to the compliance officer or to lodge their complaints through email or phone. The necessary contact details are available on the VST website.

Any issues/grievances through HR. HR resolves the issues on case-to-case basis in consultation with Management. Stakeholders can also find out company contact information in Company Website and approach through the same.

The company's Corporate Social Responsibility (CSR) division has instituted a community feedback system for all its CSR initiatives. This mechanism allows any individuals or groups with grievances to voice their concerns on an as-needed basis.

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	53.13%	59.88%
Sourced directly from within the district and neighbouring districts	42.39%	28.15%

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 has proper service team to respond to the consumer complaints. The company employs an effective system to accumulate and address all consumer complaints promptly.

Product Complaints receipt of tractors after delivery

- Tractor reports to Dealership
- At dealership register the complaints through Job card.

Complaint Attending Process at Dealership/RSO

- Tractor receipt to dealer from RSO and as well from direct billing from Plant.
- After Receipt of tractor first Inward PDI will do in same day and any shortages / or defect found in tractors immediate report to VST through PDI Job card
- Complaint Registered through Job Card
- PCIR will raise for reported complaints (PCIR - Product Concern Intimation Report)
- Based on approvals dealer will carry out job and close the complaint

Complaint Attending process at HO

- PDI - Pre-Delivery Inspections - Job card
- QCRS - Based on severity of PCIR (no of complaint reported) QCRS will raise
- CFT - Already formed CFT team member review complaints and push to ORC
- CAR - Once complaint closed CAR will be released by QA team
- ORC - in ORC complaint will be tracked and revised - actions will be taken to closers
- END - Once CAR released, from Service Dept release Tech Bulletin field on actions taken

Moreover, our customer care team is also receptive to feedback from customers, which is essential to our constant improvement and ensures we uphold our commitment to excellent customer service.

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	
Safe and responsible usage	Nil
Recycling and/or safe disposal	Nil

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	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other*	5469	15		3670	12	

Note: At the end of FY 2021-22, 12 consumer complaints received were pending with consumer courts. During the FY 2022-23, 3 additional matters were received and filed, hence total no. of consumer complaints pending resolution at the end of FY 2022-23 is 15.

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

	Number	Reasons for recall
Voluntary recalls	Nil	No product recall on account of safety issues.
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. No

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. NA