

# ESG Initiatives



## Environment:

- Committed towards a cleaner, greener and healthier environment by implementing stringent standards & policies for Environment in our unit
- Making steel through Electric Arc Furnace route which is significantly more environment friendly than Blast Furnace route. Most of our competitors are making steel through Blast Furnace route
- In 2015, we installed Secondary Fume Extraction system with an investment of Rs. 12 crores, to capture the dust going into the air. Its annual operational cost is approximately Rs. 5 crores
- On our journey of expanding production capacity from existing 2 lac TPA to 2.80 lac TPA, we are also leaping a step forward in tightening our norms towards environment protection. These include development of Greenbelt of over 33% existing land area, emissions below 30 ppm against 150 ppm followed by most of our competitors, zero liquid discharge and reduction of substantial water extraction even after expansion. Apart from this, we are developing a forest on 5 acres of land owned by Vardhman Textiles Ltd. situated at middle of Focal Point, Ludhiana with a Japanese technique known as “Miyawaki”. This will be a unique facility on such a large area for the benefit of environment and society at large. All this will be done with a total capital outlay of over Rs. 30 crores
- We plan to replace Furnace Oil with Natural Gas (being a Greener Fuel), thus reducing load of carbon emissions going into environment
- Trees are planted every year to increase green area in and around our factory. We have planted over 33,000 trees till March 2021 and also undertaken parks and other areas for development
- Focusing on water conservation by recharging water through 7 rainwater harvesting pits in our factory and adopted more than 10 ponds for desilting
- Disposing all types of wastes being generated in our factory through agencies duly approved by the Pollution Control Board

## Social:

- Support principles of inclusive growth and equitable development through CSR initiatives for sustainable development in core business activities
- We have made several contributions towards:
  - (i) Preventive & Promoting Healthcare and Sanitation
  - (ii) Towards Environment sustainability
  - (iii) For Promoting Education
  - (iv) Towards Women Empowerment
  - (v) Towards socially and economically backward groups



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- Have an In-house oxygen generation plants for our captive consumption. During Covid time, we had served the society by supplying oxygen cylinders. During 2nd wave of Covid, we have been able to serve for 50% requirement of oxygen of Ludhiana city
- **Employee well being:**
  - ✓ We hadn't laid off anyone during Covid time, rather we had paid full salaries to our employees and ensured full payment to our contract workers. Apart from this, we had given timely increments, production incentives and above all distributed one time incentive for the hard work done by the entire team during tough times of Covid
  - ✓ In the current year, we had developed a well-equipped Health Fitness Centre in the campus managed by a professional trainer
  - ✓ We have launched 3 welfare policies in the current year:
    - Chalo Ghar Bhi Banaye (Housing loan scheme)
    - Main Hoon Naa (Taking care of education of children on unfortunate demise of our employee till graduation irrespective of any College/University)
    - Vidwaan Bano (Scholarship of Rs. 50,000/- to outstanding children of our employees)
- **We are having a strong Women Grievance handling mechanism in place**
- **We have various unique facilities and schemes for the benefit of employees such as single roof canteen serving same food from Worker to MD, Two full time Doctors posted in the campus, promoting Trekking, Meditation in Vipasana or equivalent, helping to maintain BMI and many more**

## Governance:



- M/S B S R & Co LLP, an affiliate of KPMG, Chartered Accountants are our Statutory Auditors.
- We are led by a strong Board consisting of 11 members out of which 6 are independent directors. The Chairperson is a non-executive independent director. Our Board includes two women directors, out of which one is an independent director.
- Aichi Steel Corporation Japan, main steel supplier to Toyota Group had selected us as their partner and entered a strategic alliance in 2019 along with equity participation in VSSL and have a seat on the Board