

# Business Responsibility Report

## About the Company

Vardhman Acrylics Limited (VAL) is a subsidiary of Vardhman Textiles Limited. It made a beginning by setting up a plant to manufacture Acrylic Fiber & Acrylic Tow in 1999.

The plant was initially set up with a capacity of 18000 TPA which now stands at 22000 TPA.

VAL's products are marketed under the brand name "VARLAN®" and are widely used for manufacture of winter wear such as sweaters, woolen fabric, technical textiles such as non-wovens and carpets etc.

## About This Report

The Securities and Exchange Board of India (SEBI) as per its (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of Company's Annual Report for top 1000 listed entities based on market capitalization at the BSE LIMITED (BSE) and the National Stock Exchange of India Ltd. (NSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of those 9 Principles. Following is the Business Responsibility Report of our Company based on the format suggested by SEBI. Detailed Business Responsibility Report for 2020-21 (available at: [www.vardhman.com](http://www.vardhman.com)) is based on the 9 Principles enshrined in the NVGs.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L51491PB1990PLC019212
2. Name of the Company: Vardhman Acrylics Limited
3. Registered address: Vardhman Premises, Chandigarh Road, Ludhiana- 141010.
4. Website: [www.vardhman.com](http://www.vardhman.com)
5. E-mail id: [secretarial.lud@vardhman.com](mailto:secretarial.lud@vardhman.com)
6. Financial Year reported: 2020-21

7. Sector(s) that the Company is engaged in (industrial activity code-wise): Textiles, NIC Code 131
8. List three key products/services that the Company manufactures/provides (as in balance sheet): Acrylic Fibre
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International Locations (Provide details of major 5): Nil
  - (b) Number of National Locations: The Company has one manufacturing unit at Bharuch, Gujarat.
10. Markets served by the Company – Local/State/National/International: National

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): ₹ 80.36 crore
2. Total Turnover (INR): ₹ 280.19 crore
3. Total profit after taxes (INR): ₹ 42.92 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2.76%
5. List of activities in which expenditure in 4 above has been incurred:
  - a. Promoting Education
  - b. Promoting Healthcare
  - c. Rural Development

### SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies? No
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s): Not Applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No

**SECTION D: BR INFORMATION**

1. Details of Director/Directors responsible for BR: The Board Business Responsibility Committee is responsible for the implementation of the BR policies.

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number: 00307110
2. Name: Mr. Bal Krishan Choudhary
3. Designation: Managing Director

(b) Details of the BR head

S. No.	Particulars	Details
1	DIN number	00307110
2	Name	Bal Krishan Choudhary
3	Designation	Managing Director
4	Telephone number	0124-4981600
5	Email id	<a href="mailto:choudharybk@vardhman.com">choudharybk@vardhman.com</a>

**2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.)	Do you have policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.)	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.)	Does the policy conform to any national /international standards? If yes, specify?	N	Y ISO 14001:2015 OHSAS 18001:2007	Y OHSAS 18001:2007	Y OHSAS 18001:2007	Y OHSAS 18001:2007	Y ISO 14001:2015 OHSAS 18001:2007	N	Y	N
4.)	Is it a board approved policy? If yes, has it been signed by MD / owner /CEO /appropriate Board Director?	Y	Y	Y	Y	N	Y	N	Y	N
5.)	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	N
6.)	Indicate the link for the policy to be viewed online	Various policies of the Company are available on the website of the Company at <a href="https://www.vardhman.com/investor-desk/#/Company_information">https://www.vardhman.com/investor-desk/#/Company_information</a>								
7.)	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.)	Does the Company have an in-house structure to implement the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.)	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders' grievances related to the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
10.)	Has the Company carried out independent audit /evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	N	Y	N

**(b) If answer to the question at serial number 1 against any principal, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within the next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

N.A

## 3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. The hyperlink for viewing the same is \_\_\_\_\_. It is published annually in Annual Report.

Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Responsibility Committee. The Committees meet periodically during the year to supervise, review performance and advice on the necessary direction to be taken.

**Code of Conduct:** VAL has its Code of Conduct which extends to all directors and senior employees of the Company which 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 have to read and understand this code and agree to abide by it.

The Code of Conduct is available at the Company's website link

[https://www.vardhman.com/user\\_files/investor/f0e29930dbd2beb93288ea64ad17718165dbfa2d1436265805.pdf](https://www.vardhman.com/user_files/investor/f0e29930dbd2beb93288ea64ad17718165dbfa2d1436265805.pdf)

**SECTION E: PRINCIPLE-WISE PERFORMANCE****Principle 1: Corporate Governance for Ethics, Transparency and Accountability**

We are committed to adopting the best corporate governance practices as manifested in the Company's functioning to achieve business excellence by enhancing the long term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices being followed at VAL.

The Composition of the Board of Directors of the Company is governed by the Companies Act, 2013 and SEBI Regulations 2015. As on March 31, 2021, the Company has 8 directors on its board (including the Chairman), of which 4 are independent, 1 is non-independent, 3 are non-executive non-independent directors.

To ensure accountability and monitoring, the Board has constituted various committees such as: Audit Committee,

**Vigil Mechanism/ Whistle Blower Policy:** 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 link [https://www.vardhman.com/user\\_files/investor/7\\_VAL\\_Vigil%20Policy\\_updated.pdf](https://www.vardhman.com/user_files/investor/7_VAL_Vigil%20Policy_updated.pdf)

## Principle 2: Sustainability of Products & Services across Life-cycle

The Sustainable Business Model and the framework driving towards identifying and implementation of strategies that add value to the lives of numerous people linked, directly or indirectly, with the organization is a core strength of VAL. The image of Vardhman Group and its position in the society has been developed by proactively and effectively fulfilling our responsibility towards the world around us. The three facets of sustainability namely – social, environmental and economic play a pivotal role in formulating our plan of action. A blueprint developed in compliance with national and international norms for the industry, emphasizing on initiatives towards Sustainable growth and development maps our journey.

The Company works with a long-term perspective, objectivity and apt understanding of the impact of choices made. VAL's Sustainability Drive, backed with innovation and untiring efforts, is one of several initiatives to broaden the perspective towards Sustainable development.

### Responsible Sourcing of Raw Material and Services

Our basic Raw material for making Acrylic Fiber is Acrylonitrile and Vinyl Acetate Monomer. Both of these Raw Material are chemicals and are imported. While procuring these Raw Materials we ensure that all applicable international laws and regulations are complied with including those relating to international trade (such as those relating to sanctions and export controls), safe shipping and receipt at Indian ports.

These raw materials are derivatives of Crude Oil. As these raw material constitute a large part of finish goods cost, decision of purchase is made after a thorough understanding of the underlying factors of international demand and supply of Crude oil and its derivatives. In fact the team continuously tracks such factors and builds dynamic short to medium term strategy.

Due diligence process is undertaken before finalization of new vendor.

Further we prefer to buy or import hazardous inputs from nearby sources or ports to reduce risk during transportation.

Most of the material handling contracts have been awarded to contractors who employ local labour which lives within short distance of factory as an additional support to society.

Impurities in raw material are amongst the main constituents of effluents and wastes generated during the process of manufacture. We select our raw material sources with special emphasis on quantum and type of impurities in them. By purchasing high purity chemicals, which might cost us additional, we are able to reduce waste generation

and pollutant load in our effluent contributing towards environment protection.

### Product Recycling and Waste

Due to use of better quality raw materials and good upkeep of equipment and strict adherence to process related protocols, Company has been able to operate with Zero Waste generation of finished products. A small quantity of lower quality finished goods and process waste which gets generated during manufacture is recycled and reprocessed within the factory. Unprocessable waste only is disposed off to SPCB authorised waste buyers.

### Rural Development

The spirit of India lies in its villages and without the development of rural India, the growth of the Country can only be partial. Our factory is located in close proximity of villages. VAL works closely with stakeholders like Local Industries Association, Village Gram Panchayat, Taluka Panchayat Authorities to assess their needs and for undertaking rural development projects under CSR initiatives of Unit. Our emphasis remains on building long lasting assets for use by local village population and on children education and healthcare. We constantly strive to offer healthcare facilities, education, hygienic living conditions and ample opportunities to people living in villages. VAL has constructed number of Aanganwadis, School Infrastructure like class rooms, Provided support to Hospitals to buy equipment, instruments and ambulances in surrounding villages.

VAL gives preference to eligible candidates from nearby villages and areas in matters of employment.

In addition, in last several years we had completed/ contributed in various rural development projects like construction of Toilets under Swatcch Bharat Abhiyan, contribution given for Sujalam-Sufalam Yojna by CM- Gujarat for rain water harvesting, constructed community halls in villages for community usages, encouraging local community based cultural programmes and festivals with sponsorship contribution.

### WATER

Water being a resource without which life cannot survive on Earth, remains our major priority in terms of sustainability measures undertaken by us. VAL has installed in-house water treatment and purification plants to recycle the effluents within the factory to a large extent. To ensure proper treatment of waste water and its safe discharge, we monitor the treated effluent quality parameters and keep them well within the norms prescribed by Central and State Pollution Control Boards.

## Water Treatment

We have installed Effluent Treatment Plants (Primary, Secondary & Tertiary treatment) for treatment of process effluent and sewage water, which utilises advance technology meeting the norms prescribed by Central and State Pollution Control Boards. The treated water is partially used for surface irrigation within our premises and balance is discharged to a common effluent pipe line which is ultimately discharged into deep sea at a designated location. This pipeline and related facilities are owned and operated by a Company which is a joint venture of Gujarat Industries Development Corporation (GIDC) and the industries of Jhagadia Industrial Estate.

## Water Recycle and Reuse

We have installed 3 stage RO Plant along with MEE & ATFD to treat our effluent. RO treated water is reused in the factory for manufacturing process. The recovery rate through RO & MEE is high as compared to industry benchmark. The solids recovered from ATFD are disposed off at government authorized TSDF site at Ankleshwar. This helps reduce our requirement of fresh raw water.

## ENERGY CONSERVATION

Electricity is a major requirement for our industry and we keep looking for measures to make optimum use of electric energy. With an approach for “Less input, more output”, we constantly strive to minimize the energy consumption and maximize the output.

We keep investing regularly in energy-efficient technologies to improve energy security. With an emphasis on energy conservation, we have successfully achieved a downward trend in energy consumption per unit of production.

Some of the major initiatives towards energy conservation undertaken by us are:

1. Replacement of light fittings with energy efficient LED light fittings at
  - LED lamps (70 watts) in place of HPSV lamps (150 watts) at warehouse.
  - LED flood lights (150 watts) in place of HPSV flood lights (400 watts) at boundary area.
  - LED well glass lights (40 watts) in place of HPMV (80 Watts) well glass lights
  - LED street lights (45 watts) in place of HPSV (70 watts) lights
  - High efficient LED T-8 tube rods (18 watts) in place of conventional 36 watts tube rods.

2. Provision of variable frequency drives to save power.
3. Carried out Feasibility study and some projects are taken up and are under progress (APFC panels , Energy Efficient pump, Old motors replacement with new energy efficient motors, energy efficient nitrile rubber insulation in place of old thermocol insulation etc.)

## AIR

Climate change, emissions of greenhouse gases, depletion of ozone etc. are indicators of the deteriorating quality of air. As a unit using many types of chemicals as inputs, we execute our responsibility towards restricting emissions in air by enhancing the energy efficiency of our processes as well as investing in low-carbon technologies. Over the years, a focused drive to improve efficiencies of our operations has resulted in managing emissions to a significant extent. Some major initiatives taken are:

- Operation controls with proper preventive schedule in area of particulate matter emission in boiler area.
- Operational discipline in area of handling of gaseous release by maintaining desired conditions.
- Tree plantation and maintaining greenery within the factory. A green belt of about 15 acre land with about 5 Lac trees has been developed within the factory premises.

## Principle 3: Employee Well-being

In a world where everything else is equal, human effort makes all the difference. We place immense value on our workforce and consider it our biggest and most valuable asset. At VAL, we have a culture of empowerment that values and respects individual potential and helps each one achieve it to the fullest. Our people own their jobs and not just perform them. We continuously strive to improve quality of work-life for total job satisfaction and social harmony for the employees.

1. Total number of employees. – 315 (permanent employees)
2. Total number of employees hired on temporary/contractual/casual basis. – 121
3. Number of permanent women employees. – 1 (does not include contractor female employees)
4. Number of permanent employees with disabilities- 3
5. Do you have an employee association that is recognized by management? Yes
6. What percentage of your permanent employees is Members of this recognized employee association? – approx. 60%

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees- 87%
- (b) Permanent Women Employees- 100%
- (c) Casual/Temporary/Contractual Employees- 84%
- (d) Employees with Disabilities- 90%

#### Principle 4: Stakeholder Engagement

VAL recognizes employees, Local communities surrounding our operations, business associates (network of suppliers, transporters, contractors etc), customers and shareholders/ investors as our key stakeholders.

VAL identifies communities (with a special focus on women and children from these communities) around our manufacturing facility as disadvantaged, vulnerable & marginalized stakeholders.

VAL regularly undertakes initiatives to serve the interest of its disadvantaged, vulnerable and marginalized stakeholders. These are briefly described below:

Stakeholder group	Initiatives
Employees	<p>Our Employee policies safeguard employees against any kind of discrimination based on caste, creed, religion, geography, educational or social background, gender, age, family status, citizenship, disability, etc.</p> <p>We believe in continuous people development through investment in the training &amp; development of our employees even in adverse business times.</p> <p>Women are given ample opportunities depending upon their education, training and working conditions and are treated with utmost respect. Ensuring the safety of women employees is a top priority for VAL.</p>
Local Communities around our manufacturing Locations	Development and deployment of need-based community programs in the areas of health, education, skill development, sanitation, livelihood etc. as part of Corporate Social Responsibility (CSR) initiatives.
Business associates	We remain engaged with our vendors and equipment suppliers to remain updated about technologies and raw materials with a view to update our plant with safer, modern, more efficient and environment friendly equipment and processes.
Customers	<p>Direct engagement with customers and providing technical advice to them for improving operational efficiency. This helps our customers to improve their performance and remain competitive in industry. We share information about new products and technical developments at our end with our customers so as to enable them develop new solutions and products for their customers. We treat our customers as extended arms of VAL.</p> <p>We remain continuously engaged with customers to understand their changing needs and support them in smooth usage of our products and problem solving through a partnership approach has helped us forge long lasting relationships with our customers.</p>



### Principle 5: Human Rights

We subscribe fully to the basic tenets of human rights as defined in our Constitution. We adhere to the human rights principle of dignity of workforce regardless of the nation, location, language, religion, ethnic origin or any other status of an individual.

We have placed grievance redressal mechanisms at our manufacturing unit and offices and try to ensure a harassment free work environment along with workplace health and safety. Our Human Resources Team is available in the plant round the clock to take care of and 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.

Prime importance is given towards maintaining good working conditions in the plants to take care of health & safety of employees. We are certified under OHSAS 18001 by NSAI.

No complaint was received pertaining to human rights violation during the past financial year.

### Principle 6: Protection and Restoration of the Environment

1. VAL has implemented stringent standards and policies for Environment, Health and Safety in its manufacturing unit.
2. Changes in climatic conditions, issues like global warming and degradation of environment owing to over exploitation of resources are threats to existence of life on the planet. VAL recognizes these realities and is sensitive towards creation of sustainable products and manufacturing processes at its facility. A dedicated team works continuously at identifying opportunities to make our operations more and more environment friendly and sustainable. In our endeavor to protect and restore environment, following steps have been initiated:
  - a) Treatment of effluent: We have established independent state of the art ETP in the unit to treat the effluent meeting the norms prescribed by Central and State Pollution Control Boards.
  - b) Facility installed for recycling and reuse of a 400 KLD effluent through RO process.
  - c) Disposal of solid waste generated at the unit is done only through authorized disposal facilities.
  - d) Passing the boiler flue gases through filter bags, ESP's.

These steps help in the reduction of raw water consumption, emission of greenhouse gases, generation of solid waste, effluent and other hazardous substances and responsible disposal of wastes. Initiatives like these are effective in reducing the impact of industry on our natural resources and environment.

3. We accord first priority to safety of human lives. Visitors as well as employees are given safety instructions before entering the premises/ work station to ensure workplace safety and minimize the probability of accidents.
4. All the hazardous waste generated is stored and maintained as per the statutory requirements. Unit has facilities for proper management of e-waste, medical waste, spent oil and ETP sludge. The disposal of such waste is carried out through GPCB authorized recyclers.
5. We have not registered ourselves under any project for Clean Development mechanism but have undertaken several initiatives at our own level for clean, eco-friendly and sustainable growth.

**Energy Conservation:** Optimum utilization of resources as a principle is ingrained in all the processes at VAL. Energy conservation initiatives for reduction in power consumption and wastage and increasing efficiency are at place.

**Reduction in water usage:** Recycling of 400 KLD effluent through RO purification and re-use in process and utility results in reduction in the amount of usage of fresh water. For a limited natural resource like fresh water, conservation is a primary responsibility of the human kind. We make our contribution by regular metering, monitoring and controlling its consumption.

**Reduction in Office waste:** Our initiative to reduce waste generation at our offices include optimization of water pipeline pressure in washrooms to minimize usage of water, printing on both sides of paper and generating awareness in employees to shift to paperless office model.

**Reduce Food waste:** Daily monitoring and on food waste quantity in our unit canteen is always in focus. We regularly sensitize employees to not leave any leftover food in their plate. The cooking staff is trained and encouraged to estimate the food requirement based upon attendance so as to reduce food wastage at the first stage itself.

**Awareness Programs:** To spread awareness about environmental protection measures, every year we celebrate Environment Day followed by tree plantation, Environment Week followed by different awareness programs.

**Plantations:** Plantation drives are carried out every year by us. To increase the green area within and around our unit, we maintain about 5 lakh plants currently.

6. The emissions at our unit are within the permissible limits of State and Central Pollution Control Boards.
7. VAL has not received any legal notices for causing any environmental issues.

### Principle 7: Responsible Advocacy

VAL is a member of several industrial and trade associations. These are listed as under:

- a. Jhagadia Industries Association
- b. Narmada Clean Tech (An industry and GIDC joint venture Company for responsible disposal of treated effluent)
- c. Forum of Acrylic Fiber Manufacturers
- d. SRTEPC

We are represented indirectly through our holding Company in following associations:

- a. Confederation of Indian Industries (CII)
- b. Federation of Indian Chamber of Commerce and Industries (FICCI)
- c. PHD Chamber of Commerce and Industries (PHDCCI)

Being an industrial house, our major areas of concern are those public policies which deal with industry/ business. Therefore, most of the time, our submissions are related to economic policy changes and other issues, which affect the sustainability and competitiveness of the industry.

These platforms are utilized to update the industry concerns to the relevant government offices through seminars, delegations and memorandums. Through these forums, we also provide our inputs sought by the State & Central Governments related to the current problems faced by the industry, future prospects and policy imperatives required to overcome bottlenecks.

These forums are used to advance the cause of the industry and are not used to take up Company specific issues.

### Principle 8: Supporting Inclusive Growth and Equitable Development

Through CSR (Corporate Social Responsibility) initiatives as well as an ingrained mechanism for sustainable

development in core business activities, VAL supports the principles of inclusive growth and equitable development. The Company has in effect, a detailed CSR policy monitored by a CSR committee appointed by the Board of Directors. CSR initiatives at VAL are developed with a key emphasis on promoting education, offering advanced healthcare facilities, contributing to rural development, conservation of environment etc. The areas of emphasis are covered in Schedule VII of the Companies Act 2013.

A number of CSR programs are pursued within close proximity to our units to enable supervision and maximize the impact of these developmental activities. While we equally participate in offering services for national causes, an emphasis is laid on ensuring that the intended effect of the initiatives taken is received. Programs under this principle are developed and executed by:

#### a) Trusts

Community development initiatives are performed by inducing trusts and organizations dedicated for the cause. Close monitoring for the optimum utilization of resources invested helps in ensuring positive outcome from such drives.

#### b) Other organizations

For healthcare, education and such benefits to reach the masses, we collaborate with public and private organizations like hospitals, schools etc. These initiatives aim at presenting underprivileged sections of society with the right to quality healthcare facilities and opportunity to learn and grow.

#### c) Women Empowerment and the Right to Equal Opportunity

Offering an equal opportunity to women employees, allowing them to share the responsibility of development of the nation is critical to the working culture at VAL. We see women as a human resource that if utilized to its optimum potential can contribute a great deal to the development of nation and therefore, take initiatives to support women's participation in our workforce depending upon their education, training and working conditions.

#### d) Impact Assessment

VAL, in order to ensure that the benefit of CSR initiatives reaches the people who need to be supported, internally performs an impact assessment at the end of each financial year. This assessment helps us in understanding the efficacy of the programs in terms of delivering



desired benefits to the community and gaining insights for improving the design and impact of future initiatives.

The Company has spent an amount of ₹ 118.30 lakhs during the financial year 2020-21 towards CSR related activities. The details of projects undertaken is given in Annexure III of Board's Report.

We strive to continuously engage with surrounding communities and offer aid by understanding the problems being faced. Regular meetings and surveys are carried out to gauge the needs, priorities and expectations of local community. Initiatives to be adopted are designed and delivered in a transparent manner, considering the inputs from the residents of the locality.

The Company's CSR policy is available online on its website at the following link: [https://www.vardhman.com/user\\_files/investor/61a990114df67d8501b530691cbe89070be539571436265843.pdf](https://www.vardhman.com/user_files/investor/61a990114df67d8501b530691cbe89070be539571436265843.pdf)

#### **Principle 9: Providing Value to Customers and Consumers**

Adding value is not always about money or discounts. Understanding our customer is the key to add value. We try to understand what drives value for our customers and offer best quality products with a prime focus on developing memorable customer experience.

We take care of the expectations of our customers as well as other stakeholders. We implement practices to safeguard our environment and society. We consistently work to improve customer satisfaction and deliver value proactively by anticipating changes in customer's needs.

1. No Pending customer complaints at the end of the financial year.
2. We disclose all the information to our customers so as to enable customers to make an informed decision. We also disclose the information on product packing as required under the law.
3. During the last five years, no cases have been filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior.
4. As part of our stakeholder engagement strategy, VAL engages with its customers and carries customer surveys every two or three year to know the customer satisfaction level so that necessary steps may be taken to enhance the same. There is a designated market research department which carries out these surveys and gives inputs to business team for undertaking new developments besides remedial action, as may be required.