

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L17111PB1973PLC003345
2. **Name of the Listed Entity:** Vardhman Textiles Limited
3. **Year of incorporation:** 1973
4. **Registered office address:** Vardhman Premises, Chandigarh Road, Ludhiana- 141010
5. **Corporate address:** Vardhman Premises, Chandigarh Road, Ludhiana- 141010
6. **E-mail:** secretarial.lud@vardhman.com
7. **Telephone:** 0161-2228943-48
8. **Website:** www.vardhman.com
9. **Financial year for which reporting is being done:** 2022-23
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited.
11. **Paid-up Capital:** ₹ 5782 crore
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**

Sr. No.	Particulars	Details
1.	Name	Neeraj Jain
2.	Designation	Joint Managing Director
3.	Telephone number	0161-2228943
4.	Email id	secretarial.lud@vardhman.com

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

II. Products/services:

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Textile Manufacturing	Manufacturing of different types of yarn & fabric and garments.	99.64

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

Sr. No.	Product/ Service	NIC Code	% of Total Turnover Contributed
1.	Yarn, Fabric & Garments	131	99.64

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	15	7	22
International	NIL	1	1

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	59

b. What is the contribution of exports as a percentage of the total turnover of the entity? : 44.27%

c. A brief on types of customers: The Company is one of the leading textile companies of India. It manufactures a diverse range of yarn and fabrics for its customers. It's customers includes numerous retailers and reputed, national and international brands.

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)	3944	3543	90%	401	10%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employee (D + E)	3944	3543	90%	401	10%
WORKERS						
4.	Permanent (F)	21250	13891	65%	7359	35%
5.	Other than Permanent (G)	3089	1447	47%	1642	53%
6.	Total workers (F + G)	24339	15338	63%	9001	37%

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)	5	5	100%	0	-
2.	Other than Per-manent (E)	0	0	-	0	-
3.	Total differently abled employees (D + E)	5	5	100%	0	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	50	47	94%	3	6%
5.	Other than per-manent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	50	47	94%	3	6%

19. Participation/Inclusion/Representation of women (as on 31st March, 2023)

Location	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	30%
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

	FY 22-23			FY 21-22			FY 20-21		
	Male	Fe-male	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.94	16.90	17.55	24.93	13.01	14.14	16.96	9.63	10.29
Permanent Workers	31.36	34.83	33.65	39.26	38.09	39.12	39.64	38.13	39.23

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)
1.	Vardhman Acrylics Limited	Subsidiary	70.74%	No
2.	VTL Investments Limited	Subsidiary	100%	No
3.	Vardhman Special Steels Limited	Associate	23.90%	No
4.	Vardhman Yarns and Threads Limited	Associate	11%	No
5.	Vardhman Spinning & General Mills Limited	Associate	50%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **YES**
(ii) Turnover (₹ in crores): **9,840.79**
(iii) Net worth (₹ in crores): **8,293.99**

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	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Employees and workers	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Customers	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Value Chain Partners	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL

No Complaints/ Grievances from any Shareholder and Customer relating to any of the Principles under NGRB.

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 implication)
1.	Corporate Governance	Risk	Impact on the ethical fabric of the organisation	Eminent personalities on the Board for maintaining checks and balances; makerchecker approach for all processes organisation wide	Negative
2.	Economic performance	Risk	Economic slowdown will dampen demand	Enhance market, customer and geographic diversity	Negative
3.	Occupational health & safety	Risk	Incidents could impact output in the short term and trust in the Company over the long term	Aligning with statutory safety standards to achieve Zero accident status	Negative
4.	People Management	Opportunity	Strong employee bond to drive growth		Positive
5.	Quality Management	Opportunity	Superior quality to enhance respect and returns		Positive
6.	Waste Management	Opportunity	Strengthens the sustainability quotient		Positive
7.	Customer Management	Opportunity	Superior service to enhance business opportunities		Positive
8.	Energy Management	Opportunity	Cost optimisation to enhance margins		Positive
9.	Local community	Opportunity	Stronger relations leading to a thriving ecosystem		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	N	Y	N	Y	N
c. Web Link of the Policies, if available	Various policies of the Company are available on the website of the Company at https://www.vardhman.com/Investors/CompanyInformation								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, few of the enlisted policies of the Company have extended coverage to the value chain partners.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	N	Y	Y		Y	Y	N	Y	N
		ISO 14001:2015	ISO45001:2018			ISO 14001:2015			
		ISO 45001:2018							
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any specific commitment goals, we continue to adhere all the guiding principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:	Sustainability is a key pillar of our business strategies. We understand the critical role that the textile industry plays in environmental conservation, responsible sourcing and social responsibility. We have taken concrete steps to minimize our ecological footprint by implementing energy-efficient technologies, reducing water consumption and adopting eco-friendly manufacturing processes. Furthermore, we ensure responsible sourcing of raw materials, promoting fair trade practices and ethical supply chains.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Neeraj Jain Joint Managing Director DIN: 00340459 Email id: secretarial.lud@vardhman.com Tel. No.: 0161- 2228943								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Risk Management Committee and the Corporate Social Responsibility Committee constituted by the Board of Directors of the Company evaluate the sustainability related issues from time to time.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All the policies of the Company are reviewed periodically or on a need basis. The Company complies with the regulations, extant and principles as are applicable.																	
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.										N								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1 **Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**
Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programme
Board of Directors	3	Yarn & Fabric business performance and strategy, Changes in economic and industrial scenario, CSR, Key developments, Sustainability initiatives.	100%
Key Managerial Personnel	3	Key developments, Changes in economic and industrial scenario, CSR, Sustainability initiatives.	100%
Employees other than BoD and KMPs	257	Leadership development, Stress management, POSH, Financial literacy, Communication skills, Time management, Goal setting, etc.	84.13%
Workers	3348	Fire & safety awareness, Functional training, Behavioral training, EHS, Time management, Quality circle, TPM + 5S, etc.	79.25%

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

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

Non-Monetary

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

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

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

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

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

The vigil mechanism/ whistle blower policy is available at the Company's website at the ink https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Whistle_Blower_Policy.pdf

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

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

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

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

- 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.: NOT APPLICABLE**

Leadership Indicators

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

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

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

Yes, Vardhman has its Code of Conduct which extends to all directors and senior employees of Vardhman 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 at the link https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Code_of_Conduct_for_Directors_&_Senior_Management.pdf

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

Essential Indicators

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

	FY 2022-23	FY 2021-22	Details of Improvements in environmental and social impacts
R&D	0.65%	1.36%	Installation of ZLD system at Baddi and installation of ground mounted & roof mounted solar power plants at Budhni and Baddi location to reduce coal consumption and power cost.
Capex	2.44%	23.22%	

2. a. Does the entity have procedures in place for sustainable sourcing?

Yes

b. If yes, what percentage of inputs were sourced sustainably?

16% of sustainable cotton sourced.

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.

The Company is dedicated to implementing sustainable waste management practices, including the comprehensive recycling of plastic packaging materials used in all aspects of our operations, in accordance with the Plastic Waste Management Rules, 2016. We actively collaborate with authorized recyclers to facilitate the collection and reprocessing of plastic waste generated, thereby, assuming accountability for the end-of-life management of the plastic packaging materials we utilize.

In line with our commitment to sustainability, we have established specialized facilities across our organization to handle various types of waste, such as hazardous waste, e-waste and scrap materials. Our primary focus is on reducing and reusing these materials whenever feasible, aiming to minimize waste and only resort to responsible disposal when necessary.

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, our entity falls under the ambit of Extended Producer Responsibility (EPR) for plastic waste management, as mandated by the Plastic Waste Management Rules, 2016. We have registered with the Central Pollution Control Board (CPCB) and fulfilled our EPR obligations for the FY 2021-22 and 2022-23 by collecting and recycling the generated quantity of plastic waste through authorized recyclers. Our business fully complies with the EPR requirements, and our waste collection plan aligns with the Extended Producer Responsibility (EPR) plan submitted to the Pollution Control Board.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
13111	Recycling of Spinning Hard Waste, Selvage Waste and Fabric Clips	0.20%	The LCA study follows a Cradle to Gate Approach to evaluate the environmental impact of Virgin Cotton Yarn and Recycled Cotton Yarn.	Yes	NA

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

Name of Product / Service	Description of the risk / concern	Action Taken
Recycling of Spinning Hard waste, Selvage waste and Fabric clips.	Ambient impact is due to generation of micro dust during process.	Provided filtration system and monitoring ambient parameters as per guideline of Himachal State Pollution Control Board.

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

Indicate input material	Recycled or re-used input material to total material	
	FY2022-23	FY2021-22
Recycled Cotton	0.024%	0.103%
Recycled Polyester	0.950%	1.417%
Recycled Polyester Filament	0.117%	0.215%

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

	FY 2022-23			FY 2021-22		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	-	1296	-	-	486	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

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

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

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
	Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)	
Permanent employees											
Male	3543	2897	81.77%	3543	100%	NA	NA	NA	NA	NA	NA
Female	401	305	76.06%	401	100%	401	100%	N.A.	N.A.	NA	NA
Total	3944	3202	81.19%	3944	100%	401	10.17%	NA	NA	NA	NA
Other than Permanent employees											
Male	Not Applicable										
Female	Not Applicable										
Total	Not Applicable										

* includes cases covered under ESI (wherever applicable) and employees contributory Group Health Insurance

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

Category	% of workers covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
	Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)	
Permanent workers											
Male	13891	13861	99.78%	13891	100%	NA	NA	NA	NA	NA	NA
Female	7359	7359	100%	7359	100%	7359	100%	NA	NA	NA	NA
Total	21250	21220	99.86%	21250	100%	7359	34.63%	NA	NA	NA	NA

Category	% of workers covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Other than Permanent workers											
Male	1447	1394	96.34%	1447	100%	NA	NA	NA	NA	NA	NA
Female	1642	1605	97.75%	1642	100%	1605	97.75%	NA	NA	NA	NA
Total	3089	2999	97.09%	3089	100%	1605	51.96%	NA	NA	NA	NA

*includes cases covered under ESI (wherever applicable) and contributory Group Health Insurance

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

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	30%	97%	Y	30%	98%	Y
NPS	7%	-	Y	7%	-	Y

3. Accessibility of workplaces

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

Yes

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

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

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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

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

Yes, there is a mechanism available to receive and redress grievances for the workers. Workers can raise concerns related to their employment under the Grievance Redressal Policy. There is a 3-tier grievance redressal mechanism - Stage I, II, and III, which must be followed by the workman when addressing a concern with the employer.

At Stage I, aggrieved workers should submit grievance in writing to immediate Supervisor. If they are not satisfied with the resolution provided by the immediate Supervisor, they can escalate the grievance in writing to the concerned Sectional Head at Stage II.

If the workers remains dissatisfied, they can further escalate the grievance to the Head of Department and then to the Industrial Relations Department. If the worker's dis-satisfaction persists, they can bring their grievance to the Grievance Redressal Committee at Stage III for resolution.

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

Benefits	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) Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees				NIL		
- Male	---	---	---	---	---	---
- Female	---	---	---	---	---	---
Total Permanent Workers				NIL		
- Male	---	---	---	---	---	---
- Female	---	---	---	---	---	---

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health And safety measures		On skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
Employees										
Male	3543	1625	45.86%	2961	83.57%	3349	1568	46.82%	2744	81.93%
Female	401	138	34.41%	357	89.03%	346	160	46.24%	311	89.88%
Total	3944	1763	44.70%	3318	84.13%	3695	1728	46.77%	3055	82.68%
Workers										
Male	13891	9679	69.68%	4798	34.54%	13404	10466	78.08%	4285	31.97%
Female	7359	5565	75.62%	2509	34.09%	6779	6487	95.69%	2453	36.19%
Total	21250	15244	71.74%	7307	34.39%	20183	16953	84.00%	6738	33.38%

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

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
- Male	3543	3256	91.89%	3349	3127	93.37%
- Female	401	342	85.29%	346	292	84.39%
- Total	3944	3598	91.23%	3695	3419	92.53%
Workers						
- Male	13891	13745	99.95%	13404	13295	99.19%
- Female	7359	7358	99.98%	6779	6778	99.99%
- Total	21250	21103	99.30%	20183	20073	99.45%

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

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

Yes, the Company utilizes a Hazard Identification and Risk Assessment (HIRA) process to identify work-related hazards and assess risks on both routine and non-routine basis. The HIRA process involves systematically identifying potential hazards in the workplace and evaluating the associated risks. It helps the Company in understanding the nature of the hazards, their potential impact on employee health and safety, and the likelihood of their occurrence. By conducting regular HIRA assessments, the Company proactively identifies and addresses work-related hazards, implements appropriate control measures and minimizes the risks of their workforce.

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

Yes, the Company has a process in place for workers to report work-related hazards and to remove themselves from such risks. We have implemented Unsafe Activity & Unsafe Condition reporting registers in all the units. These registers provide a platform for workers to report any unsafe acts or conditions they observe in the workplace. This system encourages employees to actively participate in identifying and addressing hazards, promoting a culture of safety. By having these reporting registers, the Company enables workers to raise concerns and take necessary actions to remove themselves from potential risks, ensuring their well-being and minimizing accidents or incidents.

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

Yes

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

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	52.568	64.17
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	11	3

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

The Company takes proactive steps to identify and eliminate potential hazards in the workplace. We conduct regular hazard assessments, such as the Hazard Identification and Risk Assessment (HIRA) process mentioned earlier, to identify any potential risks. By addressing these hazards at their source, the Company minimizes the chances of accidents or injuries.

The Company recognizes the importance of proper training on safety for its workers. We ensure that all employees receive comprehensive training in occupational health and safety practices. This includes training on using machinery and equipment safely, handling hazardous substances, and following safety protocols. Additionally, we prioritize the provision of appropriate personal protective equipment (PPE) to the workers. We ensure that employees have access to and are trained in the proper use of safety gear such as helmets, gloves, safety shoes, goggles and ear protection.

The Company promotes visual safety aids and messages throughout its facilities. We use signs, labels, posters and other visual aids to communicate important safety information and reminders to employees. These visual aids serve as constant reminders of safe practices and help reinforce a safety culture within the organization.

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

Benefits	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	365	42	-	438	12	-
Health & Safety	266	11	-	203	5	-

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% (All units of the Company assessed by both internal & external parties)
Working Conditions	

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.

The Company has implemented additional safety measures on some of the machines to enhance safety. We have installed emergency switches to provide workers with quick access to shut down the machine in case of emergencies. Proximity switches have been installed on the doors of the auto line machine, ensuring that the machine stops automatically when the doors are opened. Additionally, coupling joints have been covered to minimize the risk of workers getting caught or injured during machine operations.

Leadership Indicators

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

The Company offers benefits under various schemes such as Employee State Insurance (ESI), Group Personal Accident (GPA) insurance, Medclaim, and an Employee Compensation Policy specifically designed to cover death resulting from occupational injuries.

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

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

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

Gender	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	0	0	0	0
Workers	1	1	0	0

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

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices Working Conditions	No assessment conducted during the year 2022-23. We are aiming to conduct assessments in the future.

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

Not Applicable

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

Essential Indicators

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

The Company identifies its stakeholders through continuous engagement practices. The Company understands that stakeholder engagement is a crucial aspect of its operations and strives to involve relevant stakeholders in the decision-making processes.

To identify stakeholders, the Company employs various methods such as surveys, interviews, focus groups and consultation sessions. These activities enable the Company to gather feedback, opinions and concerns from individuals and groups that have a vested interest in or are affected by the Company's activities.

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

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

Leadership Indicators

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

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

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

These reports are then presented to the Board. The Board actively analyzes reports to gain a holistic understanding of the Company's economic and ESG performance.

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

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

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

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

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

Vulnerable Group	Concerns	Action Taken
Underprivileged Community from Rural, Urban and Peri-Urban Areas	Needy People not having access to Healthcare Facilities	1. Supported the Mandke Foundation in their noble endeavor to sponsor medical treatment for economically disadvantaged patients at the renowned Kokilaben Dhirubhai Ambani Hospital & Medical Research Institute in Mumbai.
	Disadvantaged Sections of Society	1. Extended our support to the Ludhiana Educational Society by facilitating the purchase of a bus for the School for the Deaf Children in Ludhiana. 2. Supported Handimachal Therapy Centre, Kullu, HP for the rehabilitation of Children with special needs. 3. Provided 10 Wheel Chairs to support physically handicapped person of Ludhiana through Bharat Vikas Parishad Charitable Trust Ludhiana. 4. Provided artificial limbs to individuals with disabilities, empowering them to regain mobility and independence.
	Underprivileged Women	1. We have initiated an impactful awareness program focused on Menstrual Hygiene Management (MHM) and the distribution of sanitary pads to women and adolescent girls residing in the slum areas as well as to girls of various Schools of Baddi. 2. Introduced "Project Chetna," a comprehensive women's awareness initiative focused on promoting women's rights and empowerment under various government schemes.
	Funds to Needy	1. Contribution of ₹ 15.00 lac to Hero DMC Heart Institute for the treatment of BPL and needy heart patients. 2. Financial contribution of ₹ 16.49 lac to Cancer Treatment Fund at Oncology Department of Christian Medical College & Hospital Ludhiana. 3. Financial contribution of ₹ 15.00 lac to Advance Eye Research Centre, PGI, Chandigarh for Corneal transplantation of poor, needy and marginalized families.

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:

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

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

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

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
Employees										
Permanent										
Male	3543	-	-	3543	100%	3349	-	-	3349	100%
Female	401	-	-	401	100%	346	-	-	346	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	13891	232	1.67%	13659	98.33%	13404	130	0.97%	13274	99.03%
Female	7359	407	5.53%	6952	94.47%	6779	100	1.48%	6679	98.52%
Other than Permanent										
Male	1447	1447	100%	-	-	1960	1960	100%	-	-
Female	1642	1642	100%	-	-	1761	1761	100%	-	-

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	5,35,000	3	69,81,080
Key Managerial Personnel	2	54,38,976	0	-
Employees other than BoD and KMP	3539	4,75,369	399	3,38,991
Workers	13891	1,71,876	7359	1,80,912

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

Yes, all employees can reach out to the Management to address their concerns and the Company also has a grievance redressal mechanism.

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

The Grievance redressal system is governed by the Grievance Handling Policy. An employee having a cause for complaint has a right to present his/her case in writing to the Head of the Department/Supervisor for investigation and consideration within a reasonable period from the date of arising of said cause.

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

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

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

There is zero tolerance with regard to concerns of discrimination and sexual harassment. Any concerns related to these issues are dealt with confidentiality. The person, if any, found guilty is subject to disciplinary action.

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

Yes

9. Assessments for the year:

	% 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	N.A.

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

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

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

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

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

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

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

Yes

4. Details on assessment of value chain partners:

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

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

Not Applicable

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

Essential Indicators

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

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	3.32	3.04
Total fuel consumption (B)	4.95	6.34
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	8.27	9.38
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	840.41 GJ/Cr	998.81 GJ/Cr
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.

Yes, we have sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Through the concerted efforts and the implementation of various energy-saving initiatives, the Company has achieved the prescribed targets within the designated timeframe. As a result, the Company has been awarded Energy Savings Certificates (ESCCerts) under the PAT scheme. These certificates can be redeemed in the market, providing additional incentives for our successful energy efficiency achievements.

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

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	2198355	2353326
(ii) Groundwater	7143308	9407577
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	9341663	11760903
Total volume of water consumption (In kiloliters)	9341663	11760903
Water intensity per rupee of turnover (Water consumed / turnover)	94.9 litres/thousand rupees	125.3 litres/thousand rupees
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.

No

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

Yes, Zero Liquid discharge (ETP, RO, MEE) systems are installed at two locations to recycle wastewater and make it fit for re-use in the process. At Budhni (our largest integrated facility), we have a Zero Liquid Discharge (ZLD) System with an effluent treatment capacity of 11,000 KLD. This treatment plant at Vardhman Fabrics, Budhni works solely on the Bio-oxidation process. Although, there is no chemical treatment performed, the COD and BOD removal efficiency of the plant is 90-92% & 96-98% respectively. 8,400 KLD of this biologically treated effluent is recycled through RO & MEE for reuse in the process. The rest of the ETP treated water is utilized for Green Belt Development. The recovery rate through RO & MEE is 99.0% and MEE recovered salt is disposed of at government authorized TSDF. At other location namely Baddi we have a ZLD system with an effluent capacity of 2000 KLD which works on bio oxidation process after which treated effluent from ETP is then recycled through RO-MEE for process Re-use.

5. Please provide 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	MT	201	229
SOx	MT	332	408
Particulate matter (PM)	MT	52	50
Persistent organic pollutants (POP)		NIL	NIL
Volatile organic compounds (VOC)		NIL	NIL
Hazardous air pollutants (HAP)		NIL	NIL
Others—please specify		NIL	NIL

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

No

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	323734.302	456467.123
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	728245.404	671782.154
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ Equivalent per rupee of turnover	0.00001069	0.00001202
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.

The Company is actively engaged in sustainability efforts and has implemented various initiatives to reduce its emission intensity year on year. One significant step towards this goal is the installation of solar power generation plants, which enable the utilization of renewable energy sources and help in reducing carbon emissions. The Company plans to increase its solar power generation capacity from 15.2 MW to 21 MW by 2025, showcasing a strong commitment to expanding clean energy production.

Conserving water in operations and implementing water recovery systems for effluent treatment contribute to sustainable water management. It helps reduce water consumption and minimizes the environmental impact of industrial processes.

The Company has effectively managed 70% of plastic released into the environment through recycling. The goal to become plastic positive by 2025 indicates a strong dedication to environmental stewardship.

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

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

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1290.411	1120.545
E-waste (B)	35.794	28.4836
Bio-medical waste (C)	0.1765	0.0406
Construction and demolition waste (D)	61.22	141.68
Battery waste (E)	16.856	15.366
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	25060.653	23784.273
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	15928.45	18937.68
Total (A+B + C + D + E + F + G + H)	42393.56	44028.07
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	28313.04	25959.26
(ii) Re-used	5785.771	5918.08
(iii) Other recovery operations	0	0
Total	34098.811	31877.34
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	14492.45	12150.73
(iii) Other disposal operations	0	0
Total	14492.45	12150.73

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.

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

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

- Waste reduction:** We identify areas within our operations where waste can be reduced. This involves optimizing processes and finding alternatives to wasteful practices, ultimately minimizing the amount of waste generated.
- Recycling & Reuse:** We actively explore opportunities to reuse materials within our operations. One exemplary initiative is the Vardhman Recycling Plant, Renova, located in Baddi, Himachal Pradesh. This facility converts textile waste into new fibers, which are then used to create new clothes or other textile products. By diverting textiles from landfills to recycling, the plant significantly reduces the environmental impact of textile waste.
- Responsible disposal:** For waste that cannot be reduced, recycled, or reused, we ensure it is disposed of properly. Hazardous waste and biomedical waste are handed over to Treatment, Storage, and Disposal Facilities (TSDFs) authorized by the State Pollution Control Board. Similarly, non-hazardous waste and e-waste are given to vendors authorized by the State Pollution Control Board. This ensures that the disposal of such waste follows all necessary regulations and guidelines.

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

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

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

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

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

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

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

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

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

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

Leadership Indicators

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

Parameter	FY 2022-23	FY 2021-22
From renewable sources (Solar Rooftop)		
Total electricity consumption (A)	0.09	0.08
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0.09	0.08

Parameter	FY 2022-23	FY 2021-22
From non-renewable sources		
Total electricity consumption (D)	3.24	2.96
Total fuel consumption (E)	4.95	6.34
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	8.19	9.30

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

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		Not Applicable
- No treatment		
- With treatment		
(ii) To Groundwater		Not Applicable
- No treatment		
- With treatment		
(iii) To Seawater		Not Applicable
- No treatment		
- With treatment		
(iv) Sent to third-parties (CETP)		
- No treatment	16950	16874
- With treatment	3306624	21162091
(v) Others (Municipal Sewer)		
- No treatment		
- With treatment	484622	479047
Total water discharged (in kilolitres)		

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

No

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

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

1. Name of the area- Ludhiana & Malerkotla
2. Nature of operations- Spinning Units
3. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water		Not Applicable
(ii) Groundwater	1287786	1216808
(iii) Third party water		Not Applicable
(iv) Seawater / desalinated water		Not Applicable
(v) Others		Not Applicable
Total volume of water withdrawal (in kilolitres)	1287786	1216808
Total volume of water consumption (in kilolitres)	1287786	1216808
Water intensity per rupee of turnover (Water consumed / turnover)	0.000013	0.000012
Water intensity(optional)–the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment	-	-
(v) Others (Municipal Sewer)	-	-
- No treatment	-	-
- With treatment	-	-
	484622	479047
Total water discharged (in kilolitres)	484622	479047

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

Parameter	Unit	FY (Current Financial Year)	FY (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	To be done by next year	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 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

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

Not Applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Water conservation through STPs, ETPs	The textile industry is inherently water intensive and therefore, wastewater generation is considerably high. However, the Company has invested heavily in the best treatment technology to make wastewater reusable & recyclable. As of today, the Group has 3 Effluent Treatment Plants (ETPs) out of which 2 ETP's are followed by RO-MEE of different capacities and 9 Sewage Treatment Plants (STPs) dedicated to making wastewater reusable.	Utilization of treated wastewater in process activities, flushing, gardening, etc. results in a reduction in the amount of usage of fresh water.
2.	Ground water recharging initiatives	To contribute towards the replenishment of groundwater, we have been continuously investing in water conservation initiatives. Since 2005, we are working on groundwater recharge and have 52 Rain Water Harvesting Systems (RWH) installed within our premises.	These rainwater harvesting systems have a capacity to recharge 1.75 million KL of water annually.
3.	Waste Management	When it comes to managing waste, our first priority is to reduce and reuse, wherever possible, and responsibly dispose whatever little is left. We have dedicated hazardous waste, e-waste and scrap management facilities across the group, complying with all the legal requirements associated with these wastes. All type of hazardous waste is handed over to the respective State Pollution Control Board Authorized Treatment, Storage and Disposal Facility (TSDF)	Regularly monitor the waste generated from operations and identify areas for waste reduction, recycling and reuse.
4.	Plastic Management	Implementing plastic management strategies, including Extended Producer Responsibility (EPR) initiatives, which play a crucial role in minimizing plastic waste and reducing environmental pollution.	We have completed our EPR execution of plastic waste and effectively removed about 70% of plastic released.
5.	Installation of ESP's for boiler fuel gases	The goal is to minimize the release of pollutants into the atmosphere and ensure compliance with environmental regulations.	Helps to reduce emissions.
6.	Biogas plants at two of our locations- Auro Textile and Vardhman Fabrics	Produce 120 kg/day of biogas from organic waste. The gas is utilized in canteens and messes for cooking, and the residual is used as manure for horticulture.	
7.	Green fuel in boilers	Utilization of husk as fuel in boilers.	
8.	Solar/Wind Plant	Installed Rooftop Solar Plants and Signing PPA (Power Purchase Agreement) with RE Power Developers for supply of solar/wind power.	
9.	Trees Plantation drives for sequestration of Carbon dioxide	We promote afforestation, tree plantation and planting of various types of vegetation; Not only do we maintain green areas within our premises, but also take the responsibility of generating awareness in masses about the need for planting more and more trees.	Our employees enthusiastically participate in this drive, and we have, to date, planted over 4.55 lac trees to combat air pollution.
10.	Awareness Programs	To spread awareness about environmental protection measures, every year, we celebrate Earth Day, Environment Day, Environment Week and Water Saving Week. The activities held during such programs include Tree Plantation, Drawing Competition, Slogan Competition, Social Media Campaign etc.	A collective effort that addresses environmental challenges more effectively and promotes a greener and more sustainable future.

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

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

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

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

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

Some of the value chain partners were assessed for environmental impacts.

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.

9

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	Federation of Indian Chamber of Commerce and Industries (FICCI)	National
3	PHD Chamber of Commerce and Industries (PHDCCI)	National
4	Confederation of Indian Textile Industry (CITI)	National
5	Texprocil	National
6	Synthetic & Rayon Textiles Export Promotion Council (SRTEPC)	National
7	Apex chamber of commerce	State
8	Textiles Committee	National
9	Federation of Indian Export Organization (FIEO)	National

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

Name of authority	Brief of the case	Corrective action taken
None		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Web Review by Link, if Board available (Annually/ Half yearly/ Quarterly/ Others – please specify)
1	Various issues affecting Textile Industry in general.	Representation through industry associations like CITI/Texprocil/CII	Yes	NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether Results conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Vardhman School Development Program (VSDP)- constructed Classrooms and toilets blocks for girls and boys. Also provided furniture and other facilities in Govt. Senior Secondary School, Sekhewal, Ladhawal in Ludhiana District and Obedullahganj, Mandideep (M.P).	CG-DL-E-22012021-224640	January 22, 2021	Yes	Yes	https://vardhman.com/Sustainability/Social

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

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

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

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	30%	27%
Sourced directly from within the district (out of total input)	3%	2%
Sourced directly from neighboring districts (out of total input)	97%	98%

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
None	

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

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Bihar	Jamui	100 lacs
2	Madhya Pradesh	Vidisha	10.63 lacs
3	Punjab	Ferozepur	1.23 lacs

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

No

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

Not Applicable

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

Not Applicable

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

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

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

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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Project NANDINI- An awareness program on Menstrual Hygiene Management (MHM) and distribution of Sanitary Pads among women and adolescence girls living in slum areas and School Girls of Baddi.	4600	100%
2	Supported Ludhiana Educational Society for the purchase of Bus for School of the Deaf Children, Ludhiana.	90	100%
3	Project Chetna - An impactful women's awareness initiative aimed at promoting women's rights under various government schemes and fostering women empowerment.	300	100%
4	Supported Handimachal Therapy Centre, Kullu, HP for the rehabilitation of Children with special needs.	150	100%
5	Supported MANDKE Foundation to sponsor poor patients for the treatment at Kokilaben Dhirubhai Ambani Hospital & Medical Research Institute, Mumbai.	100	100%
6	Provided 10 Wheelchairs to support physically handicapped people of Ludhiana through Bharat Vikas Parishad Charitable Trust Ludhiana.	10	100%
7	Provided Artificial Limbs to disabled people (artificial limbs and polio calipers)	9	100%

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 customer complaint handling protocol involves a streamlined process. It begins with receipt of complaint by the corporate department through various channels. The complaints are then analyzed by the Customer Service and Technical Support (C&TS) team, Quality Assurance (QA) department & technical head of the respective Units. After a thorough investigation, the findings and recommendations are compiled and shared with the Corporate. The report is then reviewed by Business Heads, who assess the impact and provide insights, if needed. Finally, a suitable resolution is determined and communicated to the customer, ensuring his satisfaction. The complaint is considered closed once the necessary actions have been implemented.

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

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

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

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	None	None	NA	None	None	NA
Advertising	None	None	NA	None	None	NA
Cyber-security	None	None	NA	None	None	NA
Delivery of essential services	None	None	NA	None	None	NA
Restrictive Trade Practices	None	None	NA	None	None	NA
Unfair Trade Practices	None	None	NA	None	None	NA
Other	None	None	NA	None	None	NA

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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

Yes. The policy can be accessed on the following link: <https://vardhman.com/Document/11.03%20Privacy%20and%20Data%20Protection%20Policy%20-%20PDF.pdf>

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

Not Applicable

Leadership Indicators

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

www.vardhman.com

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

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

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

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

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

Yes, we disclose all the information on our labels in compliance with the legal requirements so as to enable customers to make an informed decision. The Company engages with its customers and conducts annual consumer surveys to assess the satisfaction levels related to different products. These surveys are aimed at gathering feedback from customers in order to understand their preferences and satisfaction. The Company has a dedicated market research department responsible for conducting these surveys and providing valuable insights to the respective business teams. The findings from these surveys play a crucial role in guiding new product developments and identifying areas that may require remedial action. By actively seeking customer feedback, the Company strives to enhance customer satisfaction and improve its overall offerings.

5. Provide the following information relating to data breaches:**a) Number of instances of data breaches along-with impact.:**

Nil

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

Nil