



pro
proactively responsible organisation

Vardhman is one of the largest vertically integrated textile manufacturers in India producing yarn and fabrics for both tops and bottoms in the apparel segment, serving large businesses across USA, Europe, Asia and several other emerging markets. With a turnover of more than a billion dollars, we produce 2,40,000 metric tons of yarn, weave over 220 million metres of fabric every year and provide direct employment to over 30,000 people.

Leadership is in the DNA of the organisation. Currently, we have the largest installed spinning capacity in India - 1.24 million spindles, are a market leader by far in hand knitting yarns, and the leading Indian manufacturer and exporter of cotton yarn and fabric. We have 18 state-of-the-art manufacturing facilities located across India and a strong export presence in more than 75 countries across the globe.





Sustainability and Us

Vardhman Group has always believed in the power of future vision and long-term actions. Ethics in practices and innovation in processes have been part of our ethos since inception. We have integrated sustainability into our business and are now giving a framework to our philosophy.

The impact of the fashion industry is quite far reaching, and all industry stakeholders have to address environmental and social concerns, like air and water pollution, exploitation of human resources, industry working conditions and resource exhaustion - water, energy and raw materials. As a key supplier to large apparel manufacturers and big global brands, we are not only aware of the need of the hour, but also mindful of the future. We strongly believe that waiting for legislation will be too late and as a responsible organisation, we need to proactively take accelerated action to stem the damage, for a better tomorrow.

Our sustainability framework 'PRO' captures this urgency, the pressing demand for new knowledge constructs and the importance of holistic thinking.



Vardhman

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The global textile industry has a large financial, environmental and social footprint. It provides livelihood to millions of people, not only within the industry, but also downstream in the farming sector and upstream in the retail sector. Its beneficial financial footprint is complemented by an equally constructive social impact as the textile industry employs a large number of women, which enables them not only to integrate with the mainstream economy, but also empowers these women by providing an opportunity to enjoy all the benefits of formal employment. Alongside, the textile industry is bestowed with an obligation to ensure curtailment of any harm to the environment, be it land, water or air.

At Vardhman, it has been our consistent endeavour, for over five decades, to enhance the positive impacts of our textile operations as much as possible. Sustainability is not a fad for us, rather it is an ongoing journey towards holistic excellence, and the sustainability mind-set is deeply embedded across our organisation, from boardroom to shop floor.

We are of the firm belief that as an organisation, we must proactively protect and rejuvenate the environment, instead of being driven by legislation or other external pressures. We are also certain that all our actions must dovetail into making us a responsible organisation that empowers all sections of society, including farmers and employees. To ensure that this strong belief continues to be translated into action, even in the emerging, fast-paced and dynamic business environment, we have rolled out our sustainability framework – **PRO, which stands for Proactively Responsible Organisation**. This framework stands on three strong pillars – PROfundity, PRObity and PROpinquity, which are reinforced by a set of guiding principles and goals.

In line with this framework, we have taken major strides to **PROtect** the environment. Over the last two decades, we have undertaken a large-scale modernisation drive and installed new-age machines, aiming to achieve a significant reduction in water and energy consumption per unit of produce. During the same period, we also constituted a special task force whose goal is to continuously hunt for ways and means to reduce the consumption of compressed air, water, steam and power. Further, we have introduced stringent self-audits to enhance process efficiency.

On the strength of these interventions, we were able to surpass the sustainability goals that we had set for ourselves. This gives us the confidence, not just to continue, but strengthen our drive in line with the Vardhman Sustainability Goals (VSGs) that we set out for ourselves.

An inclusive business strategy supports us in creating value for diverse stakeholders, to help them **PROsper**. It fills us with pride that we have helped hundreds of young women from the hinterlands, with scant economic opportunities, to work and grow with Vardhman. The conducive environment of the organisation helps these women feel safe in our precincts, transforming them into confident, skilled and productive individuals.

Our Sustainability Drive extends beyond our factory walls. The CSR initiatives at Vardhman, are concentrated towards the development of communities in the vicinity of our units. With an emphasis on Education, Sustainable Livelihood, Healthcare and Sanitation, we aim to empower these communities so as to make them self-sufficient.

To bring our sustainability journey full circle, we also focus on **PROliferating** the market with our green product portfolio. We are constantly researching raw materials and processes that have a minimal environmental footprint across fibre to fabric operations, including dyes and chemicals.

Marching towards the future, it is evident that true sustainability can be achieved only through a collaborative approach. Following this philosophy, we continuously engage with our vendors, customers and brands to help them achieve their sustainability goals.

This not only deepens our own understanding of sustainability and maturity of our processes, but also strengthens our social connect, owing to our deep engagement with the rural community, farmers and economically marginalised sections of the society.

While we pledge to continue our drive towards sustainable practices, we look forward to active engagement and participation of all our stakeholders to create a better world for the generations to come.

S.P. Oswal

Chairman & Managing Director
Vardhman Group



There is a growing concern and realisation in the society on immediate and long term impacts and challenges of climate change on our lives, future generations and the planet. If these challenges are not accorded the highest priority and not addressed individually and collectively, the outcomes could be quite grave for the human species.

Today, most governments, businesses, civil society organisations and individuals, are seeking, implementing and championing programmes to mitigate global warming in order to keep our planet safe for all living beings. At Vardhman, we too have amplified our focus on sustainability and recrafted our business strategy to deliver higher value across each of the triple bottom-lines.

While the sustainability ethos has been integral to Vardhman's DNA since its inception, with the introduction of our new integrated framework – 'PRO', we have set higher sustainability benchmarks, and now hold ourselves to even more stringent standards of environment management, resource conservation, community care and corporate governance.

From the Vice Chairman's Desk

We have varying parameters to measure our growth, and what brings them all together and clearly defines our path, are the **Vardhman Sustainability Goals, inspired by The United Nations' Sustainable Development Goals**. We fully endorse the underlying purpose and principles of the SDGs, and we dovetailed our management strategies so as to ensure that our growth also advances the SDGs.

The Textile Industry is centuries old, highly competitive, employment intensive, touches every living being and is marked by constant change in fashion trends and technology. While the scale, scrutiny and speed of change in the industry can overwhelm, we see it as an opportunity to trigger transformations that are lasting and broad-based.

We consistently work towards bettering our performance - incrementally and through trailblazing innovations. However, in our quest to find our edge, we also ensure we don't let our guard down. Our vision is to attain accelerated economic growth while rejuvenating the planet and its resources, and deliver large, positive, socio-economic value to all stakeholders.

Our products and processes have been evolving to keep pace with the growing awareness and knowledge of our collective and individual impact on the planet. Transparency and traceability are now as integral to our business, as timely delivery. Our green portfolio, with a focus on organic, recycled and sustainable fibres and fabrics, is constantly growing. Disclosures on environmental and social factors are being published in the public domain. Today, each employee of ours, is aware that creating a product of value, is so much more than just design, texture and colour. They know that people want companies to be responsible towards the planet and the communities that host them.

Our community initiatives are all undertaken with long-term sustainability being the keystone. In this regard, we have numerous projects that we either helm, or are contributors to.

Primarily, we work with large swathes of women from underprivileged backgrounds with no gateway to the mainstream economy. We give them gainful employment opportunities in the organised sector, handhold them as they step out of their cocooned world, help them widen their horizons and provide them a springboard for personal and professional growth. Empowering women has a cascading impact on society for generations and is proven to be an effective and efficient way to eradicate a host of societal evils, while cementing a strong foundation for a just, fair and happy society.

Education and health are two important building blocks that help accelerate prosperity and productivity of a community. We, therefore, focus on upgradation of school and hospital facilities in several of the villages and towns surrounding our operations.

Helping us in our endeavour of instilling long-term sustainability, is the trust and confidence we have earned over the years from our business partners and local communities. We are of the firm belief that it is only through partnerships and collaborations that true sustainability can be achieved.

On behalf of the Board and employees of Vardhman, I would like to take this opportunity to thank all of our valued business partners for their support and encouragement. I look forward to your continued cooperation to achieve even higher standards and benchmarks in different areas of sustainable development.

Suchita Oswal Jain

Vice Chairman & Joint Managing Director
Vardhman Group

Vardhman Sustainability Framework

Our framework focusses on a holistic, balanced and practical approach for addressing all three facets of sustainability - Environmental, Social and Economic.

Being Proactive

For us at Vardhman, it translates to anticipating problems before they occur and implementing preventive solutions. We want to stay ahead on the sustainability curve and be an active participant in shaping a world we want and will be proud to bequeath to future generations.

proactively

Being Responsible

Taking charge and creating positive outcomes for all stakeholders, honouring our commitments, and being dependable in times of need, is how we decode being responsible. Abiding by the law and a self-imposed criterion for ethical behaviour, are ingrained conditions.

responsible

organisation



protect

Proactively protect the environment and all its constituents



prosper

Be responsible for the prosperity of all stakeholders



proliferate

Provide a strong organisational thrust to proliferate the green product portfolio



Vardhmān

Vardhman Sustainability Framework



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The Pillars

The Vardhman sustainability framework stands on three strong pillars – PROfundity, PRObity, PROpinquity.



profundity

All transformations, large or small, have their origin in great knowledge, keen insight or intense observation. To seed a sustainable transformation, we at Vardhman, develop, encourage and draw upon PROfundity - the intellectual ability to penetrate deeply into ideas.



probity

All decisions and actions at Vardhman are undertaken with the highest degree of PRObity - the quality of having strong moral principles, honesty, decency and fairness. Good governance, integrity and adhering to the standards of our profession in letter and spirit, is embedded in Vardhman's culture.

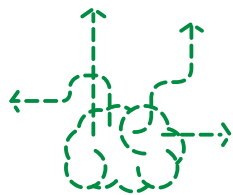


propinquity

Understanding the said and unsaid needs of our stakeholders is what we achieve through PROpinquity - the state of being really close to their aspirations. At Vardhman, we believe that strong relationships are the bedrock of sustainability, as they enable various stakeholders with diverse strengths to align and collaborate.

The Principles

The implementation of our sustainability framework is guided by four principles:



provoke

The best way to outperform is by setting audacious goals. The era for incrementalism is over. Sustainability demands big leaps through radical thinking. At Vardhman, we aim to PROvoke by setting ambitious benchmarks and asking out-of-the-box questions, which in turn inspires people to achieve and perform at their peak potential.



propel

Audacious goals can only be achieved by propelling innovation on all three fronts - products, processes and people. While speed is of essence in business, it is vital when it comes to sustainability. So, at Vardhman, we choose to propel and not just drive.



propagate

To reap the full benefits of a successful innovation and/or a good practice, it needs to be widely propagated - firstly across various facilities, divisions and hierarchies of the organisation and then, across the industry. Thus, at Vardhman we have set mechanisms for knowledge-sharing within the organisation and are active in industry bodies to imbibe and impart sustainability learnings externally.



prove

The proof of the pudding is in the eating, and at Vardhman, we measure effectiveness and efficiency of all innovations/interventions by the quantum of tangible, on-ground results. This allows us to calculate the ROI and make informed decisions. Also, there is no faster way to secure a buy-in and adoption from diverse stakeholders, than proven outcomes and a known ROI.



Vardhman

VSGs VARDHMAN SUSTAINABILITY GOALS

To align all members of the team and ensure consistent focus across the organisation on our ten material issues, we have set goals for each one of them.

1 WATER



REDUCE CONSUMPTION OF FRESH WATER AND REJUVENATE SOURCES

2 ENERGY



DECOUPLE GROWTH FROM ENERGY CONSUMPTION AND SHIFT TO GREENER SOURCES

3 GHG EMISSIONS



MINIMISE EMISSIONS AND CONTRIBUTE TO MITIGATION OF CLIMATE CHANGE

4 WASTE



MINIMISE, REUSE AND UPCYCLE WASTE TO REDUCE THE BURDEN ON LANDFILL

5 RAW MATERIAL



ENHANCE TRACEABILITY AND USE OF ETHICALLY AND SUSTAINABLY SOURCED RAW MATERIAL

6 PEOPLE



WORK CONDITIONS THAT INSPIRE PRODUCTIVITY AND TRAINING PROGRAMMES THAT ACCELERATE HOLISTIC DEVELOPMENT

7 COMMUNITY



EMPOWER THE MARGINALISED BY MAINSTREAMING THEM IN THE FORMAL ECONOMY

8 CHEMICALS



ELIMINATE HAZARDOUS CHEMICALS FROM ALL PROCESSES AND ADOPT GREEN CHEMISTRY

9 COLLABORATION

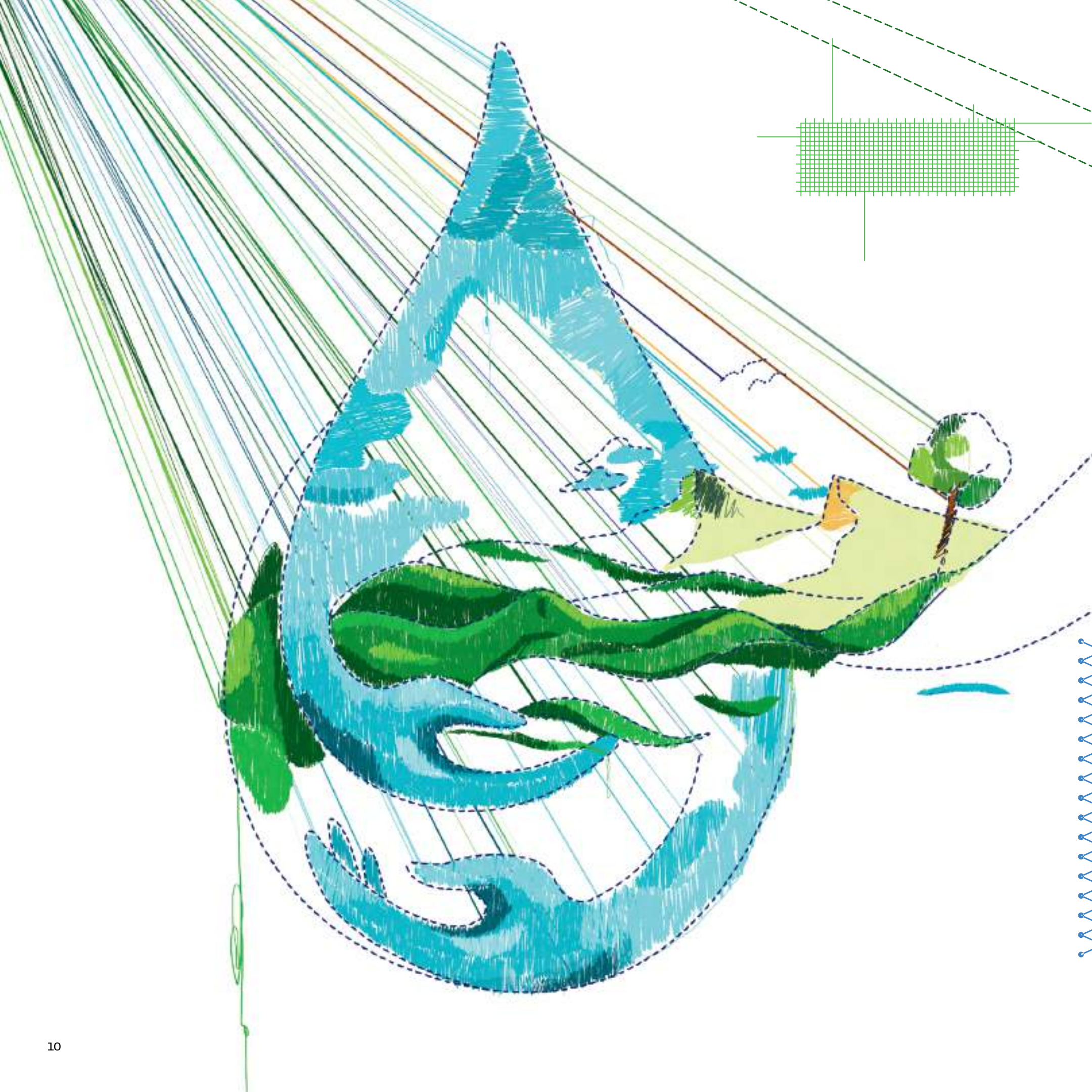


LEVERAGE ACCESS AND COMPETENCIES TO HELP CUSTOMERS REACH THEIR SUSTAINABILITY GOALS

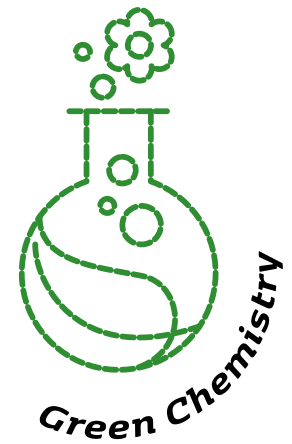
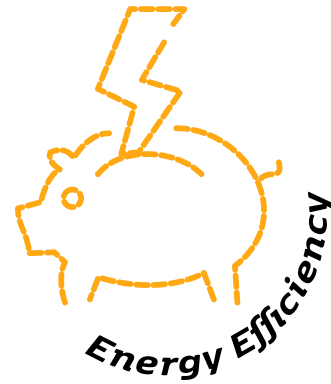
10 PRODUCT



RESPONSIBLE FASHION AND TRANSITION TO CIRCULAR ECONOMY



protect

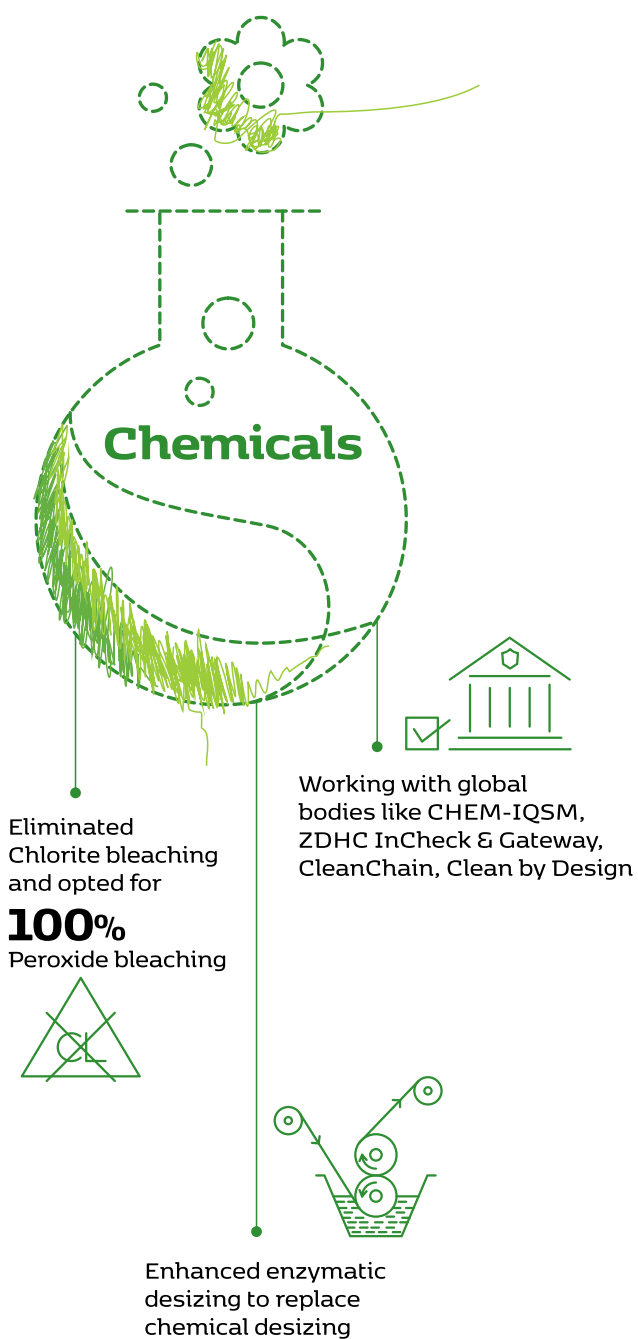
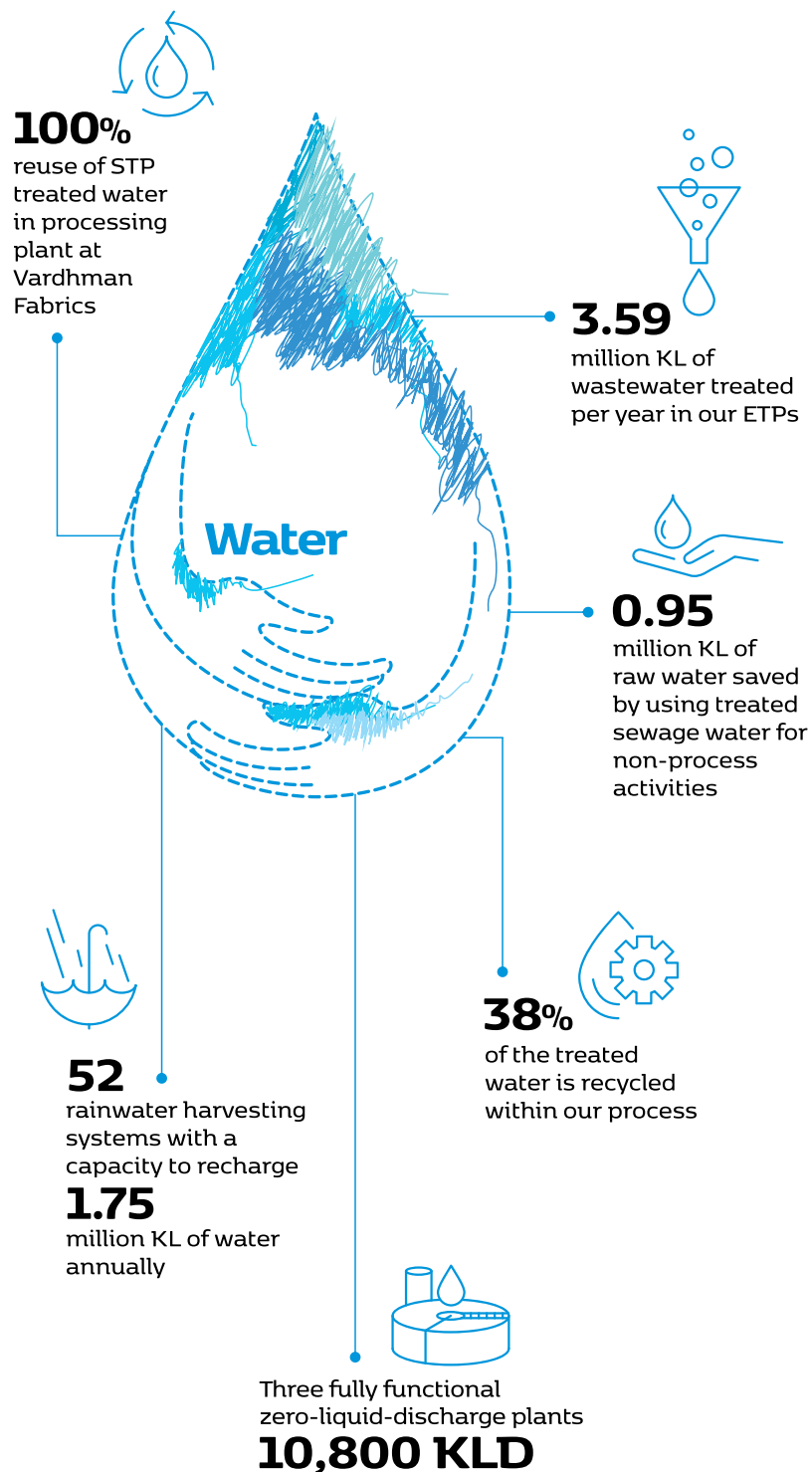


An organisation can truly be called 'progressively responsible' only when it protects not just the financial interest of its shareholders, but also secures environmental and societal interests and delivers holistic value.

At Vardhman, we are consistently improving our performance on all three fronts. While we continue to expand our business activities to deliver better shareholder returns, we are also investing in talent and technology, to continually lower our environmental footprint.

Sustainability is an integral parameter in all our business decisions, from ethical sourcing of raw material to reducing, reusing and recycling waste; from reducing consumption of freshwater to rejuvenating its sources and from decoupling growth from black energy to eliminating hazardous chemicals.

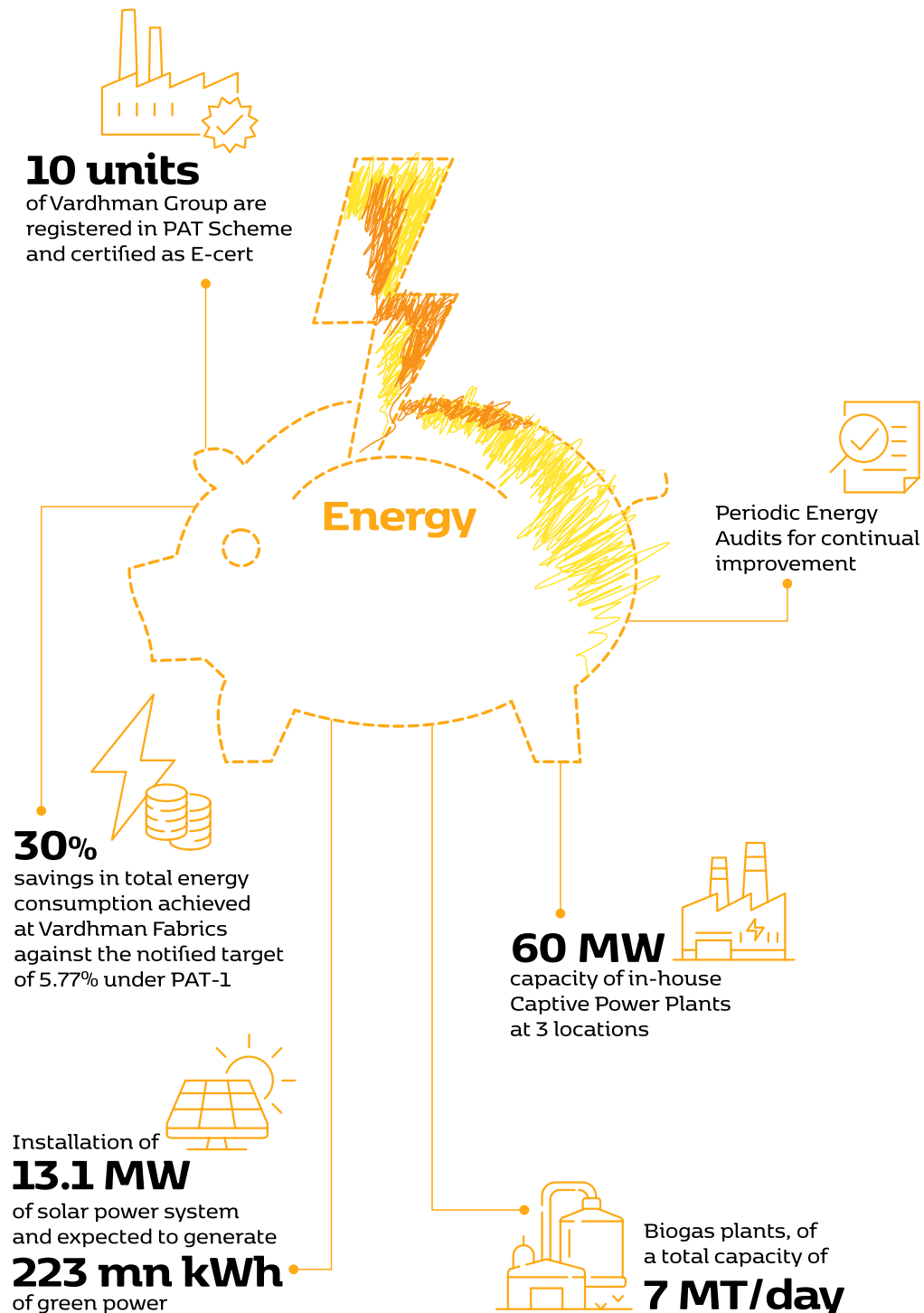
Performance Highlights



Higg Index Overall Score

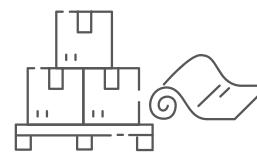
Baddi - 80

Budhni - 85



Solid Waste

Increased re-use of High-Density Polyethylene Sheet (HDPE) in pallet packaging from **50% to 95%**



Responsible disposal of hazardous and non-hazardous waste to government authorised vendors



Water

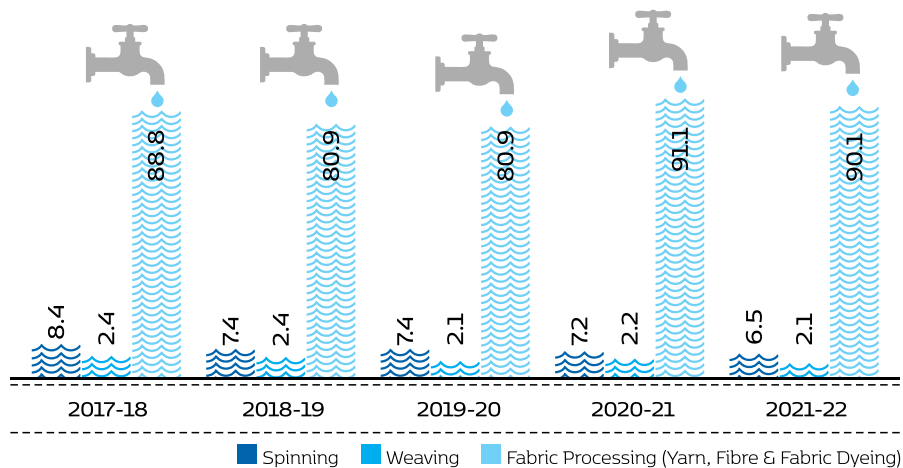
Water is used at our production sites for process and non-process activities. Our technology upgrades, conservation initiatives, rainwater harvesting and scientific management, has ensured continual availability of this precious resource for business activities and provided easy accessibility of potable water for the neighbouring communities. These efforts have brought social, economic, and environmental prosperity to neighbouring areas around our manufacturing facilities.

Fresh Water Consumption Trends

Over the years, due to persistent efforts, process innovations, investment in technology and heightened awareness among employees, we have achieved a downward trend in consumption of fresh water per unit of produce in our spinning, weaving and fabric processing (yarn, fibre and fabric dyeing) divisions. There's an equally intense focus on consumption of water in our non-process activities as well.

Specific Fresh Water Consumption - Process

KL/Ton



Specific Fresh Water Consumption - Non-Process

Litres/person

Business Division	2018-19	2019-20	2020-21	2021-22
Hostels and Worker Colonies	176	160	176	165

0.95 million KL of fresh water saved annually by using treated sewage water for flushing in plants and colonies.

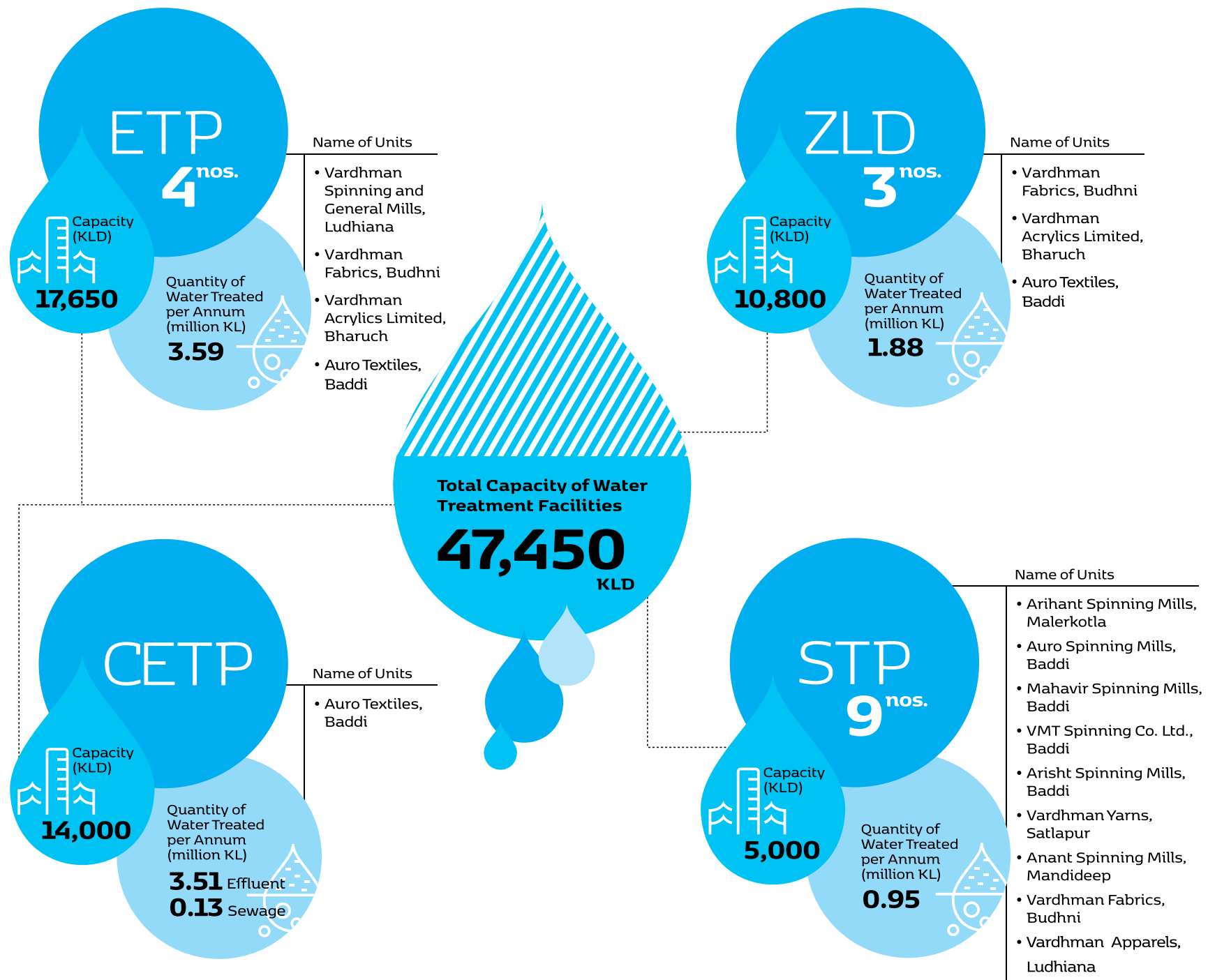


Effluent Treatment Plant, Ludhiana

Taking the Waste Out of Wastewater

Along with using less water, our efforts to reduce freshwater consumption are ably supported by our constant endeavour to recover and reuse water that has entered our system. Towards this goal, we have installed 9 STPs and 4 ETPs in the group, out of which 3 are Zero Liquid Discharge units. In Baddi, we are a part of an industrial cluster with a common effluent treatment plant (CETP). At all locations, our water treatment capacity has a lot of headroom to easily accommodate growth in production and expansion of capacity.





Recover and Reuse

We currently recycle around 38% of our process water and it is our constant endeavour to improve this figure by continuously monitoring and researching on potential water saving opportunities.

Process Water

Source of Water Recovery	Usage
ZLD Water	Fabric Processing
Treated Effluent Water	Washing of Acrylic, Green Belt
Treated Sewage Water	Fabric Processing, Green Belt, Flushing
Multiple Effect Evaporator Condensate	Fabric Processing
Caustic Recovery Plant Condensate	Fabric Processing

Non-Process Water

Sewage Treatment Plants (STPs) at our units treat domestic wastewater generated from the plant, canteens, colonies and hostels for non-process purposes.

Currently, we treat 0.95 million KL/annum of sewage water in our STPs, thereby saving 0.91 million KL/annum of groundwater. Treated sewage water is reused for gardening and flushing.

Water Recycle and Reuse

The 11,000 KLD capacity Effluent Treatment Plant at Vardhman Fabrics, Budhni, works solely on the Bio-oxidation process without any chemical treatment. The COD & BOD removal efficiency of the plant is 90-92% and 96-98% respectively.



ETP at Vardhman Fabrics, Budhni

The biologically treated effluent is recycled through RO & MEE for reuse in the process, and the balance ETP treated water is utilised for Green Belt Development. The overall recovery through RO & MEE is 99%. The MEE recovered salt is disposed at government authorised TSDF.

At Baddi also, we have a ZLD System with an effluent treatment capacity of 2000 KLD which works on the Bio-oxidation process after which treated effluent from ETP is then recycled through RO-MEE for process re-use.

Preserving Water Through Partnerships

While we have done quite well in effectively managing water ourselves, we believe that collaboratively, we can achieve more, hence we partner organisations with a shared vision to complement each other's strengths and make an even greater impact.

India Water Partnership with GAP and cKinetics



Auro Textiles and Vardhman Fabrics participated in a 1-year programme and identified utility areas with high water saving potential. The programme brought together the top 15 textile processing, dyeing and printing facilities of India with an objective to enhance efficiency of operations in order to reduce water-related environmental impacts such as excessive water consumption, wastewater management, energy and chemical use. This programme feeds directly into Gap Inc's sustainability goals of reducing water consumption in its supply chain.

WOMEN + WATER

Encouraged by the success of the India Water Partnership, GAP and Vardhman have embarked on a focussed project to reduce water risk to the mill as well as the local community.

51 villages in a radius of 25 kms around our factory have been identified for study and potential implementation of the project. The goal is to provide sustainable access to water for the community plus create a five-year water security plan for Vardhman.

Sustainable Collaborations

- **Inditex Care for Water Program (2022):** The program was launched by Inditex in collaboration with STS-Bluwin to monitor & reduce water consumption in its supply chain. Only mills that have achieved "Good" ranking as per Inditex norms are eligible to participate in this program to reach "Excellent" standard.
- **Clean by Design - Chemical & Waste Water** with Target, AII & STS-Bluwin - It applies best practices and procedures for improving inputs, reducing chemical use, careful oversight and operations of wastewater treatment and recycle and reuse where possible.
- **Clean by Design - Energy & Water (CBD +)** with GAP, AII & cKinetics - This program was launched in Auro Textiles Unit 2 in Jan 2021 and then saving projects are being implemented in printing division only.
- **Carbon Leadership Program** with Ralph Lauren, RESET Carbon & AII - dedicated to providing a holistic system that can help suppliers to reduce their energy consumption and carbon emission. Long term GHG & water reduction target will be given based on saving projects shared by unit and as per RESET Carbon's calculation tool.
- **Co2 Reduction Program with UNIQLO** - GHG reduction target set for 2030 as per UNIQLO's calculation tool and quarterly updates are shared with UNIQLO.
- **CHEM-IQSM Program with VF** - Proactive method for identifying and eliminating potentially harmful and banned chemicals before they enter VF's supply chain during the manufacturing process. Dyes and chemicals are screened for over 400 substances to avoid as per CHEM-IQ guidelines in approved labs.

Energy & Emissions

Energy management at Vardhman is focussed on achieving three objectives:



Cut GHG Emissions



Sharpen Cost-Competitiveness



Improve Energy Security

To further these goals, we continue to invest in energy-efficient technologies and renewable energy.

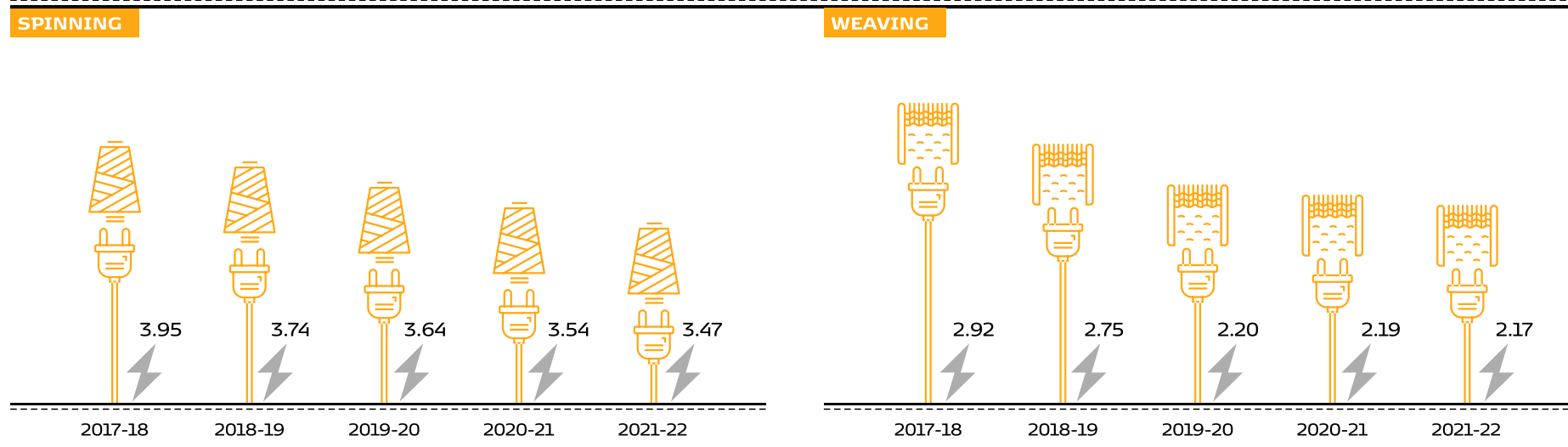


Utilisation of husk as fuel in power plant boiler to reduce coal usage

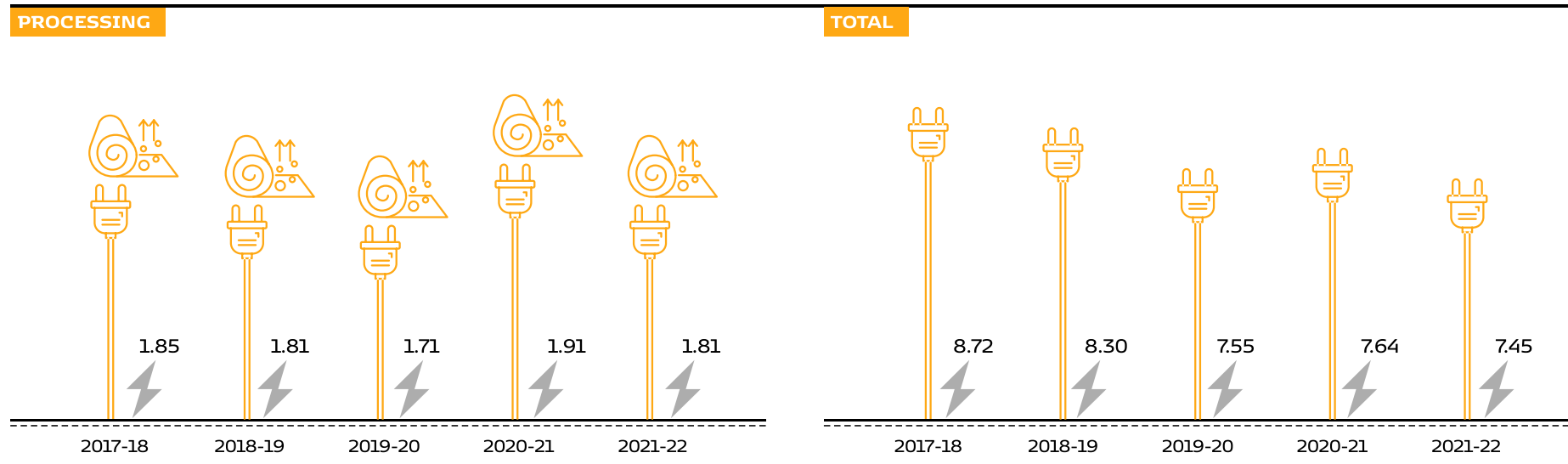
With a view to encourage collaboration and thought leadership in this vital area, Vardhman is an active member in the steering committee of Knowledge Exchange Platform (KEP), a collaborative initiative of Bureau of Energy Efficiency India, Institute for Industrial Productivity India and British High Commission. The role of the steering committee covers designing methodology and legal framework for the PAT scheme.

Five -Year Specific Energy Trends

kWh/kg



Our razor-sharp, persistent focus on energy, has been rewarded by a downward trend in energy consumption per unit of produce.



■ Key Energy Saving Initiatives Across the Group

- Energy audits to help identify energy saving opportunities in areas like electricity, steam and compressed air
- Utilisation of husk as fuel in power plant boilers to reduce coal usage
- Reuse of recovered condensate from steam consumption processes
- Hot water from steam condensate put to productive use in power plant boilers
- Reduction in heat loss by insulating hot surfaces
- Installation of APFC panels and harmonics mitigation system
- Replaced old motors with high efficiency motors
- Screw type compressors replaced with power efficient centrifugal compressors
- Ongoing investments in new-age energy efficient pumps, blowers, fans, etc.
- Replacement of old conventional fixtures with LED lights



Reuse of recovered condensate from steam consumption processes - Heat Exchanger, PTR Machine



Power efficient centrifugal compressor



APFC panels and Harmonics Mitigation System



Insulation of hot surfaces to reduce heat loss

Green Energy

Along with our unwavering focus on energy reduction, we are also enhancing the share of green energy in our energy mix.

■ Solar Power

Installation of 13.1 MW of solar power system, which includes 7.5 MW Ground Mounted and 5.6 MW Roof Mounted. The company generated 223 million kWh of green power. Solar-powered Kitchen Automation Equipment installed in four of our units, helps in saving LPG, year after year. Solar water heaters are in service at several hostels and residential campuses across the Group.

■ Biogas

Biogas plants, with a total capacity of 7 MT/day, are operational at two of our locations - Auro Textiles, Baddi and Vardhman Fabrics, Budhni. These plants produce 120 kg/day of biogas from organic waste. The gas is utilised in canteens and messes for cooking, and the residual is used as manure for horticulture.



■ Ground Mounted Solar Plant, Vardhman Fabrics, Budhni

Energy Saving - A Continuous Journey

Towards our goal of improving energy and financial performance, while also distinguishing our organisation as an environmental leader, we continue to ferret ways to save energy.

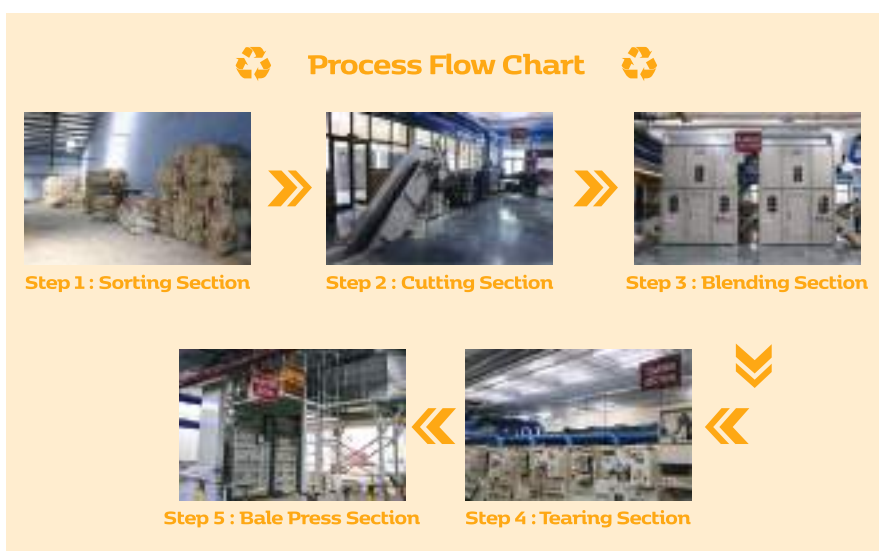
On the anvil are the following initiatives, which will help us push the energy saving envelope even further.

- Installation of Back Pressure Turbine of 1.5 MW to arrest thermal losses due to PRDS (Pressure Reducing Desuperheating System) in 45-ton boiler
- Installation of Level-III & IV Energy Efficient Transformers for power saving
- Compressed Air Distribution System optimisation through automation
- Replacement of high-pressure compressors with lower pressure compressors for reduction in power consumption
- Improvement in power distribution network to reduce losses

ReNova

Vardhman is a progressively responsible organization that delivers holistic value to environment. As a sustainable business, we strive to lower our environment footprint, do ethical sourcing of raw materials, re-use them and recycle waste for further use. We have been awarded with two awards at sustainability 4.0 organized by Frost and Sullivan & Teri.

Vardhman Recycling plant ReNova is set up at Baddi, Himachal Pradesh. ReNova Fibre Recycling Plant is first of its kind plant where waste is converted into valuable fibre and thus creating positive impact on our environment, society and economy. Our process takes care of textile waste. One of the most sustainable and scalable levers available is fibre-to-fibre recycling—turning textile waste into new fibres that are then used to create textile products. It avoids many polluting and energy-intensive processes that are used to make textiles from fresh materials.



Source Of Material

- **Pre-consumer Waste**
Spinning & Weaving Hard Waste

- **Pre-consumer Waste**
Fabric Clipping of Garment Units

Available Counts

- **Ring Count 16-40 Ne**
Recycled Content : Max 30%
(Preferable up to 20%)

- **Open End Count 10-20 Ne**
Recycled Content : Max 50%

Fibre Capacity - 6MT/Day

In our state-of-the-art facility, we have customized machines from M/s Laroche, M/s Balkan and M/s Perfect to preserve fibre quality with negligible fibre rupture for efficient use of fibre & deliver high-quality products.

SUCCESS STORY

VARDHMAN FABRICS

Perform, Achieve & Trade (PAT) Scheme was rolled out under the National Mission for Enhanced Energy Efficiency as part of the National Action Plan on Climate Change. The objective of the scheme is to incentivise energy efficiency by awarding tradable certificates to performers.

Vardhman Fabrics was given a target SEC (Specific Energy Consumption) of 1.7055 as per notification (2015-16) under PAT Cycle-II. By taking various initiatives, we achieved SEC of 1.1965 by M&V Auditor (2018-19).

Sr.No.	Particulars	PAT-II
1	Notified SEC	1.80
2	Target SEC as per notification (2015-16)	1.7055
3	Achieved SEC as per M&V Auditor (2018-19)	1.1965
4	% Achievement over the target	29.84%
5	No. of Energy Saving Certificates earn	11034



**1st in 'Composite Textile' and
2nd in 'Indian textiles' in
PAT Cycle – II**



Vardhman Fabrics, Budhni (MP) has been recognized as a Top Performer Designated Consumer for Textile Sector of PAT Cycle-II under National Mission for Enhanced Energy Efficiency (NMEEE)

Chemicals

Use of chemicals in the textile industry has gone beyond just spot cleaning and washing activities. From yarn formation to fabric pre-treatment and from dyeing to finishing chemicals are used in multiple processes. Increased use of chemicals has intensified the responsibility to mitigate the impact on environment. This awareness has made Vardhman a vigilant organisation and we have a robust chemical management system in place.



We have identified and eliminated potentially harmful and banned chemicals from our manufacturing process through CHEM-IQSM, and are registered on the ZDHC InCheck & Gateway.

We upload our chemical inventory on monthly basis on ZDHC Accredited Platform to ensure MRSL compliance.

Bi-annual wastewater testing was conducted as per ZDHC waste water guidelines and report indicated 'No Detection' on any hazardous substances.

Our chemical sustainability efforts don't stop at procuring the right chemicals, but are pervasive across all stages of our operations.



**VARDHMAN
CHAMPIONING
GREEN CHEMISTRY**

**The finished fabric is Oeko-Tex
Class-I certified.**

**All manufacturing units are
ISO 14001 certified for the
Environmental Management
System, and ISO 45001 for
Occupational Health and Safety
Management System.**

Waste

In manufacturing, 'using less to produce more' is right, but not enough. It is also important that we do right with what is left behind. When it comes to managing waste, our first priority is to reduce and reuse, wherever possible, and responsibly dispose whatever little is left.

This effective management of waste sharpens cost competitiveness, ensures regulatory compliance, strengthens community relations and keeps the environment clean for future generations.

We have dedicated hazardous waste, e-waste and scrap management facilities across the group, complying with all legal requirements associated with these wastes.



■ Hazardous waste material storage facility, Baddi



Hazardous waste and biomedical waste is handed over to the State Pollution Control Board authorised Treatment, Storage and Disposal Facility (TSDF), while non-hazardous and e-waste is given to State Pollution Control Board authorised vendors.

All necessary precautions required for the safe storage of hazardous wastes such as FRP coating, secondary containment for spent oil storage, firefighting measures and availability of necessary PPE, are in place.

Reducing Plastic

Over the last two years, Vardhman Fabrics reduced its plastic consumption by imparting training, relooking legacy parameters, enhancing reuse and adopting new packing methodologies.

| 60-65 GSM HDPE film for stretch packing

New Packing Methodology

- Started stretch packing, and shifted from a 90-95 GSM HDPE to a lower density HDPE of 60-65 GSM
- Initiated the switch from using HDPE sheets in roll form for pallet packing to specifically cut pieces, thereby reducing wastage and making a savings of 30-40%



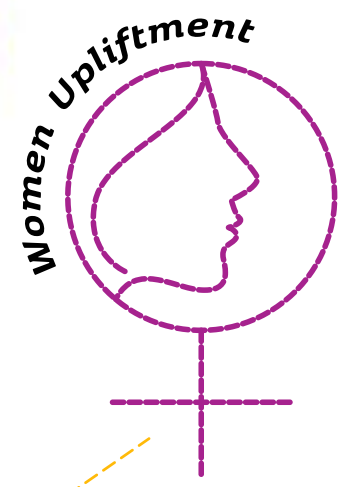
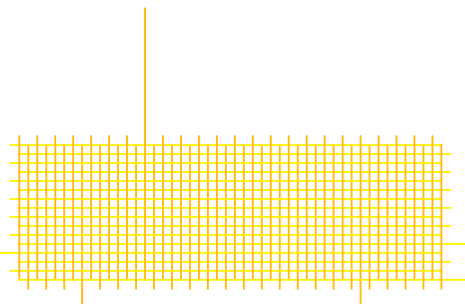
In the past two years, Vardhman Fabrics reduced its plastic consumption by **60%**

Increased Reuse of HDPE Sheets

- From 50-55% to 90-95%
- Prohibited use of fresh HDPE in departments where old HDPE could be reused
- Trained workmen on how to avoid damage to the HDPE while opening rolls



| Single use plastic sheets replaced with reusable HDPE sheets for covering



prosper



At Vardhman, we look at our business as an efficient creator of prosperity for not only our shareholders but also for our employees, marginalised sections of society and the local community in which we operate.

As one of our most valuable assets, our employees are our prime-movers and they help us scale greater heights. Thus, we invest time and resources to ensure their overall growth and well-being.

We strongly believe that we are an integral part of our local communities and it is our responsibility to empower them and stimulate inclusive growth. Towards this objective, we undertake multiple initiatives, with the same level of meticulousness and dedication, as we do to our business projects. Over the years, we have created a strong symbiotic relationship with our host communities which is built on professionalism and mutual trust.



EMPLOYEES

The first responsibility that an organisation has, is towards the prosperity and well-being of its employees. We recognise the vital importance of employees in our growth story and foster an atmosphere of trust, ownership and learning, while empowering them with ever expanding opportunities.



■ A proud member of our 24,000+ happy workforce

Safety

Our employees are the most valuable asset and looking after their health and safety is our top-most priority. We have embedded health and safety risk assessment in all our process and capex decisions and strive to prevent, and promptly address, any work-related injuries by integrating hazard prevention/reduction.

Safety Audit

Regular inspections of all the workplace facilities, warehouses, sensitive areas such as the chemical and HSD storage area, boilers and captive power plants are undertaken, to ensure that all safety guidelines and policies are followed.

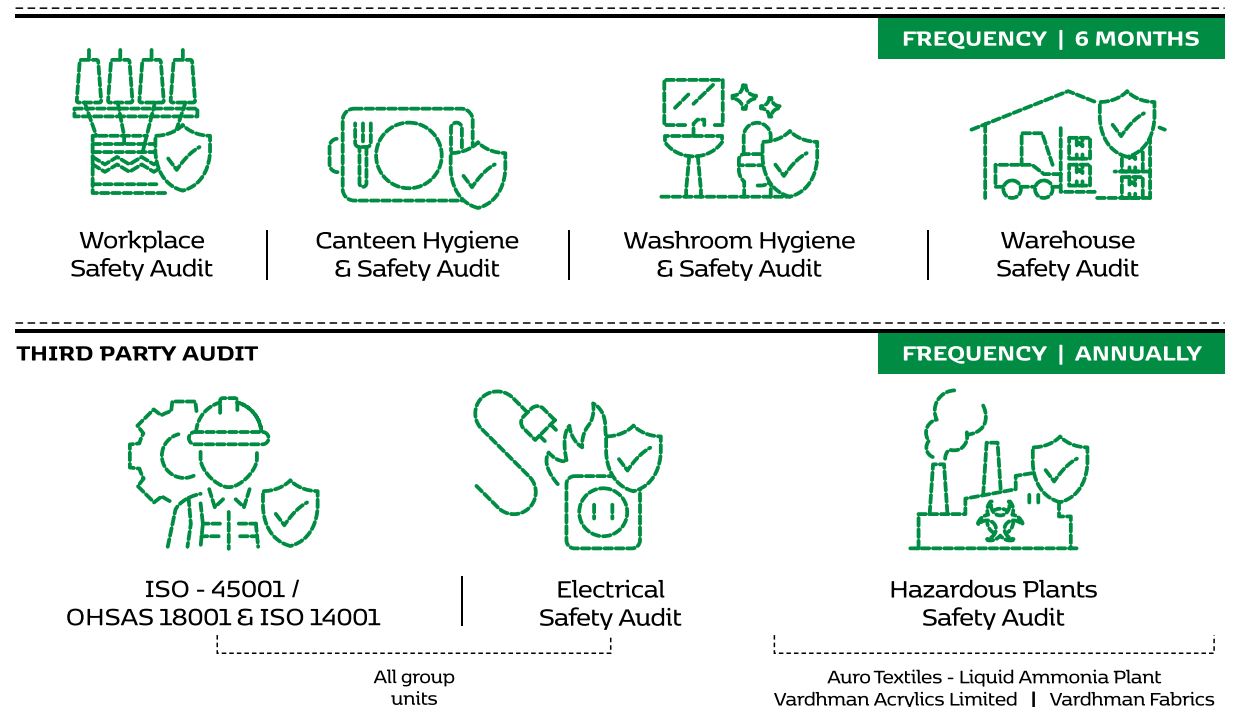


40 TPH Boiler, Baddi

■ Safety Culture

In order to inculcate and propagate safety as a culture, rather than just as a checklist item, the following measures are taken at all our units:

- Exhaustive safety training session is an integral part of induction for all new recruits
- Periodic training sessions on material handling, fire-fighting, chemical usage, health and safety
- Participation of worker representatives in safety committee meetings along with management representatives
- Periodic lux level monitoring of workplace, as also audiometric test and eyesight tests for workers
- System based maintenance of machines and equipment



- Provision and compulsory usage of personal protective equipment, such as nose masks, ear plugs, safety helmets, gloves, shoes, etc.
- Trained and qualified fire-fighting teams in all group units. Plus, a well-equipped set up of fire-fighting equipment, such as fire extinguishers, fire hydrants, fire hose reels and emergency escape windows
- Continual improvement of safety systems through safety kaizens, better surveillance mechanisms and installation of machine guards
- Well documented and comprehensive safety manual containing workplace policies and procedures to guide employees while at work
- Emergency Preparedness & Response Plan to assist with planning and execution of appropriate actions in response to local emergencies
- Behaviour based safety approach to develop a positive mindset about safety in employees
- LOTO (Lock Out Tag Out) system for Electrical & Maintenance related work
- Road Safety campaigns to generate awareness about traffic rules and road safety
- Regular Mock Drills

Special Safety Training



Fire Safety Training Session, Budhni

1,093

workers across the organisation trained by Red Cross

19,546

female workers provided safety training

One Day Safety Officer

To propagate a safety culture and create higher ownership among employees, Vardhman practices the concept of 'One Day Safety Officer' (ODSO).

Every week one employee is appointed as the ODSO. The head safety officer guides the ODSO in his/her duties. The ODSO does safety rounds in the selected departments and submits a report to the safety officer, who after studying it, circulates it to the selected departments.

Benefits

- Fresh pair of eyes result in different and special observations
- ODSO becomes a personal stakeholder
- Increase in safety ownership and responsibility
- Improved safety supervisory skills. The ODSOs are used as safety supervisors during plant annual shutdown maintenance activities, to ensure safe working
- Helps reinforce the safety culture within their own department

Girls Hostel, Budhni

Health & Well-being

We are invested in the overall wellness of our employees and undertake comprehensive programmes to augment their well-being.

Nutritious meals prepared in automated kitchens and provision of clean washrooms equipped with all amenities, are basic to all units. To ensure continual focus and create a spirit of healthy competition, at the end of every financial year, top three units are felicitated based on their scores. Each unit is also equipped with a fully functional occupational health centre which is staffed with a qualified doctor and medical attendant.



Serving up wholesome, fresh and hot meals, Budhni



Check-up at Occupational Health Centre

Continuous Learning & Development

At Vardhman, we encourage our employees to be lifelong learners and constantly enhance their professional skills and evolve their personal attributes.

Lifelong learning enhances their understanding of the dynamic, fast-changing world and provides them with more and better career growth opportunities, higher job contentment, improved interactions with colleagues and other stakeholders and above all, a better quality of life.

Towards this objective, we have put in place a training calendar that provides consistent opportunities, and are also collaborating with external stakeholders to leverage their unique competencies and thereby widen the horizons of our employees.

P.A.C.E.

Launched in 2007 by Gap Inc., the P.A.C.E. programme (Personal Advancement and Career Enhancement) was created to support women in the global apparel industry. Although women represent a large portion of the workforce in this industry, they are often deprived of opportunities to advance in their careers as they lack the necessary education and skills.

GAP extended this programme in the apparel industry in 2016 and Vardhman Fabrics, Budhni was selected as a model unit in India.

Understanding the unique challenges faced by female workers, P.A.C.E. aims to empower them by improving their knowledge and skill set, increasing their confidence, sharpening their communication skills and teaching them time management, thereby making them economically independent and confident decision makers.



Regular Training & Workshops

Right from induction to functional orientation training and from attitudinal training to FTE training, the system is so designed that professional advancement is in-built. A thriving culture of Training Programs ensures constant intellectual stimulation, self-learning in new areas and application of the newfound knowledge to solve business challenges.



FTE training

Workshops by external faculties and thought leaders help our team members become conversant with emerging trends in areas like sustainability and the probable impact on our industry.

Quality Circles

The formation of 'Quality Circles' is embedded in Vardhman's work culture. It sharpens the analytical and problem solving skills of our employees. They are taught to identify issues impacting their daily work routine, and learn to collaboratively resolve them and present the methodology and outcomes on a public platform.

Our teams have overcome barriers of formal college education and language, and won acclaim and recognition on global platforms.

Awards & Appreciation

Initiatives such as Karamveer Appreciation Programme, where the workman with the best contribution is recognised and Prerna Board, where the names of employees with the best contribution are displayed, help in appreciating the employees for their hard work, thus motivating them to aim for bigger goals.

Women Empowerment

True empowerment of women includes women's ability to participate equally in society; their access to and control over productive resources, access to decent work, control over their own time and lives; and providing equal and meaningful participation in decision-making at all levels and in every facet. Economic mainstreaming is the lever that enables this holistic empowerment, especially for rural women who are severely deprived on all the above counts.

At Vardhman, we have successfully transitioned thousands of rural girls into organised, mainstream economy. We have provided them economic advancement through enhanced income and higher return on labour, access to opportunities through capacity building and skills training, nurtured their decision making capability in different spheres, trained them on life-skills, and shored up their self-confidence.

In the process, not only have we transformed their lives, but have also created empowered change agents, who are spearheading grass-root transformation in their area of influence.

Transforming Lives of Rural Young Women

Indian women are at a dual disadvantage. Given that the Indian society continues to be highly conservative and patriarchal, it is a massive challenge for women to step out of their house, and outside the boundary of their village, for work. The few who manage to break these patriarchal shackles, tend to end up in unstable, unsafe and low wage jobs in the informal sector.

■ Integrated with Business Strategy

Vardhman has consciously integrated in its talent strategy, a large pool of young rural women who have never worked before. To ensure longevity, this powerful, socially-empowering intervention has been approached as a sustainable, competitive business advantage.

Compared to normal recruitment, it is way tougher, as it involves reaching out to areas where development has not arrived, comprises shattering age-old beliefs, demands investing heavily in training and taking on the responsibility of a guardian. But it also offers a large, waiting-to-be-tapped talent pool, that brings with it unbridled enthusiasm and commitment.

■ Institutionalised Processes

The entire process, from identification of candidates to counselling village elders to on-boarding of first-timers, has been institutionalised. An efficient and effective rural outreach programme that educates rural communities on the positive aspects of encouraging their girl children to become breadwinners, is now well-entrenched as a Standard Operating Procedure.



■ Rural Outreach - conversations that usher change, Budhni

As part of the programme, a facility visit is arranged for parents, daughters and elders of the village, so that they can get a first-hand account of the working conditions, interact with other girls from similar socio-economic backgrounds and make an informed decision.

Also in place, is a finely honed, on-boarding programme that ensures the transition from an at-home village girl, to a gainfully employed individual, is smooth, stress-free and enjoyable.

The third and most vital piece of this transformation journey, is to bolster their self-confidence and instil in them a higher self-worth, by introducing them to their productive potential, imparting professional skills, providing them the platform to perform and activating soft skill enablers that cater to their unique needs.

The combined impact of this well-crafted outreach, on-boarding and mainstreaming, has empowered individuals with expanded horizons.

■ Encouraging Outcomes

Nothing accelerates acceptance faster, than positive results. The initial scepticism and apprehensiveness vanished as soon as parents, neighbours and other girls witnessed the holistic transformation of members of initial batches. They proved to be the best ambassadors of this women empowerment drive.

Over the last 5 years, we have had nearly 9,020 women workers join our workforce. Today, they constitute a fair share of our workforce and more than 80% of these women are from a rural background.



Advocacy for Equal Professional Rights for Women

At Vardhman, we are truly committed to the cause of equal opportunity employment. Due to an archaic law, women were disadvantaged as they were not allowed to work in the night shift.

Vardhman, through persistent advocacy, convinced the state government of Punjab to pass a bill allowing women to work in the night shift. Later, the same permissions, to allow women to work in all three shifts, were procured from the Madhya Pradesh and Himachal Pradesh Governments as well.

As a vocal supporter and an early adopter, we felt it was our duty to ensure that we deliver on the responsibility, allay apprehensions of safety and demonstrate how this could multiply employment opportunities for women.

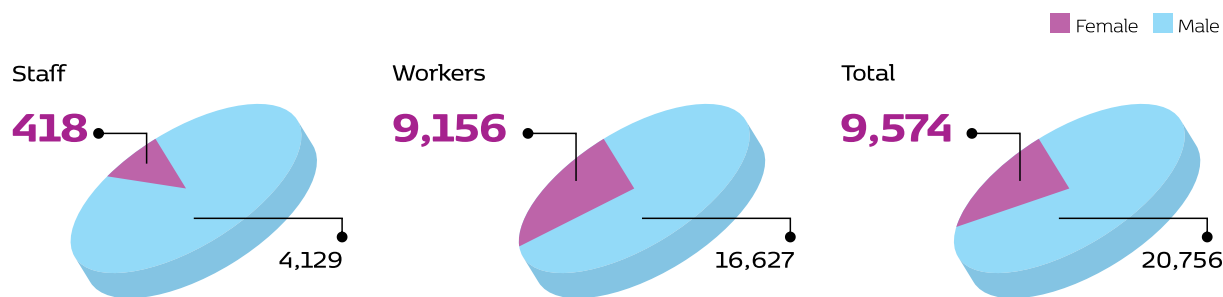
From deputing female shift officers, to adding on Industrial Relations Associates, and from more security guards to special facilities for safe commute, we left no stone unturned to ensure women are comfortable and secure while working in the nightshift. Thanks to these efforts, women form 19% of our nightshift workforce and Vardhman has become a beacon for other organisations.



Women workers punching in for the night shift, Baddi

Women Employees

At Vardhman, we actively encourage gender diversity and women play an integral role across all functions including handling advanced machinery on the shop floor, research and development, quality management, garment designing and management roles.



19 hostels built and operated by Vardhman

5,000 women provided accomodation



Girls Hostel, Budhni

True Holistic Development

The first formal employment opportunity for these girls is also the first instance when they have stepped out of their sheltered village life. Along with the excitement for a better life, enhanced material comforts and a liberating sense of freedom, there is a lot of trepidation.

At Vardhman, we have set up a host of sensitive support mechanisms that mentor and hand-hold each candidate at all stages of the journey.

Along with their economic and professional well-being, we also invest heavily in their physical and mental well-being, to ensure the holistic development of each individual.

Physical Well-being

Mental Well-being

Economic Well-being

Professional Well-being

Societal Well-being

■ Physical Well-being

■ Safe and Hygienic Living Conditions

For young women who come from villages that are not close to our factory premises, we have created women's hostels that provide safe, clean and comfortable living accommodation, where camaraderie resides and lifelong friendships are formed.

Each hostel has a trained, compassionate warden and enabling infrastructure such as a well-equipped activity room, library, dispensary and a shop that stocks essential commodities.



■ Well ventilated and airy hostel rooms, Budhni

■ Personal Hygiene

Good personal hygiene is vital for good health. As most of our young female employees hail from disadvantaged backgrounds, they often lack the resources and education to practice good personal hygiene. Training sessions on personal hygiene are conducted for new recruits on a regular basis and enablers like sanitary pad dispensers are installed in each hostel.



■ Vardhman enables scores of rural young women to step out of poverty and embrace an empowered new life.

■ Nutritious Food & Good Dietary Habits

Constricted by their family circumstances, many women who join our workforce have a nutrition deficit and not-so-healthy dietary habits. Wholesome, hot, fresh meals that include seasonal vegetables, lentils and salads are provided daily from our highly modern and mechanised kitchens. The menu is formulated by a qualified nutritionist.



■ Girls hostel dining room, Budhni

■ Health Check-ups

Regular health camps and check-ups are organised for our employees, to not only keep diseases and illnesses at bay, but to also emphasise the importance of leading a healthy lifestyle. Awareness Camps have been hosted on Dengue, Malaria, Water Borne Diseases, Eye Infection, Harmful Effects of Tobacco (Gutka), Cardiac problems, Diabetes, HIV, etc.



Every unit is equipped with an occupational health centre, operational throughout the week, and open 24 hours.

■ Sports and an Active Lifestyle

To promote physical fitness, we actively encourage sports activities by not only providing facilities and equipment, but also by periodically organising tournaments and sports meets such as: **Softball Cricket Tournament | Volley Ball Tournament | Kho-Kho Tournament | Annual Sports Meet**

Our female, as well as male employees are encouraged to join teams and participate in state level sports competitions. Healthy, competitive spirits and teamwork have helped them win many laurels.



■ Vardhman's Women Kabaddi teams - State Champions



2018 saw the organisation of State Level Sports Competition by the Madhya Pradesh Government's Labour Welfare Department.

In the Kabaddi Championship, the top two positions were bagged by Vardhman Yarns and Vardhman Fabrics.

■ Mental Well-being

Being away from home, developing new support structures and navigating a new culture can be overwhelming. We at Vardhman, are sensitive to these changes our employees experience, and have formulated interventions that promote mental well-being through joyous moments that celebrate life and opportunities to bond and make friends.



■ Yoga session at the girls hostel

Numerous special days and festivals are celebrated in the units and the hostels. Dance competitions, birthday celebrations, motivational movie sessions, Teachers' Day celebrations, Fun Days, New Year, Christmas, plus traditional festivals like Diwali, Teej, Janmashtami and Holi, ensure that there is laughter and joie de vivre in the corridors of Vardhman.



■ Celebrating the religious festival Hariyali Teej

■ Economic Well-being

The key benefit of a formal job in a mainstream industry, is a regular pay check, financial wherewithal to make long cherished dreams come true and trigger a positive upward cycle of progress. Along with a stable job, at Vardhman, the women employees are imparted training on how to manage their finances, including how to save.

The organisation is replete with numerous narratives of women breadwinners changing the fortunes of their families.

Mohati Singh's family, burdened with severe debt, struggled to even put 2 meals on the table, in a day. To meet their basic requirements and financial needs, they were regularly forced to borrow from their landlord. Eventually, Mohati learned of the opportunity to work at Vardhman and joined the workforce to help alleviate her family's financial situation. Her determination and dedication, along with the platform provided by Vardhman, soon enabled her to send money back home to her struggling parents and gradually clear her family's debt, giving them a better life and her, a newfound sense of confidence and pride.

Munni Devi, insists her life has changed for the better since beginning to work at Vardhman. The motivation she garnered from her seniors and officers at work has helped support her family and provide better education for her children. Today she is the proud mother of a son who is a Sub Divisional Officer.

■ Professional Well-being

To enhance professional skills of new hires, especially since they are from backgrounds with little to no exposure in the industrial field, Vardhman organises regular Behavioural and Technical Training programmes on topics ranging from fire and safety, team work, personality development, positive thinking, stress management and communication skills. All designed to help them excel and make a place for themselves in the mainstream economy.

To educate them about their rights, so that they can avoid exploitation, awareness sessions are organised on topics like Sexual Harassment and Human Rights.

When it comes to the needs of our employees, and this applies to our male employees as well, we have an open door policy to listen to them. We also hold regular communication meetings with all the different categories of workers, to facilitate this process.

■ 100% Women-operated Processes

Certain sections of our units, such as mending machines, cotton sorting and hand knitting ball sizing, are entirely operated by woman workers, as they are intuitively more adept at these tasks.

In our garment unit, the majority of workers on the shop floor are women.



■ Garment unit, Ludhiana

Four key platforms have been institutionalised to further these goals:

Manav Vikas Kendra

Vardhman Training and Development Centre

Quality Circle (QC)

Personal Advancement & Career Enhancement (PACE)



■ Vardhman team which won the Gold Award at QCFI State level competition

■ Skill Upgradation

Upgradation of skills enable women to climb up the professional ladder, feel a sense of achievement and boost their confidence.

Our units house a large number of advanced, technical and mechanised equipment and the operators need to have a fair understanding of computers to operate them. We run a programme to identify and train capable female employees to run these machines. Currently, we have 24 trained female computer operators, who also provide training to other workers.



■ Advanced equipment training

■ Societal Well-being

The new socio-economic status and life skills that woman employees gain at Vardhman, empowers not only them, but also their families and society. They become change agents of society within their community by helping dismantle archaic practices, blind beliefs and social evils.

Other young girls and their families get inspired by the transformation and improved lifestyles that they see in these women employees. Encouraging stories from parents who visit their daughters amplify the motivation and resolve of more girls to join a formal workforce.

Many of our female employees leave the job when they get married. But they take with them the learnings and continue to seed and steer change in their local community.

SUCCESS STORY

YOUNG STARS REACH FOR THE STARS

At Vardhman, we mentor young girls to rise above just their work and truly reach for the stars. Thus, when they do their best and are showered with accolades and awards, we are just as proud of them as their families!

KSHITIZ, the Quality Circle team from Vardhman Fabrics, includes Anjali, who discontinued her studies after the 12th grade, and Amita who has studied only till the 8th grade.

Thanks to their innate intelligence and Vardhman's enabling environment, their project and its presentation won many awards, including a GOLD at the National Convention on Quality Circle at Mysore.

They were invited to present at the Sentosa World Convention Center in Singapore in front of a global audience.

While it was an exciting opportunity, the challenges were just as intense:

- Convincing the families of the girls, who hail from remote villages, to allow them to travel overseas
- Training the girls to present in English, since they primarily converse in Hindi
- Reformatting the presentation to suit the criteria of the ICQCC
- Conversion of all Hindi slides to English

Training the team to present in English was a tough task as it involved not only learning the language but being fluent in it and presenting with confidence on a technical subject. The plucky girls took it as a challenge and worked really hard, putting in hours and hours of practice and with constant support and guidance from colleagues and mentors, they mastered the art of presenting their case study in English.

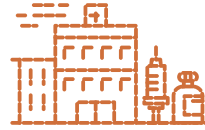
The hard work truly paid off, as the team's flawless presentation was met with a standing ovation! The highly impressed judges believed that deep, practical and intangible knowledge gained from Quality Circles, along with a whole lot of confidence and conviction, helped them deliver a great presentation deserving the prestigious Gold Award!



COMMUNITY



Education



Healthcare



Rural Development



Disaster Relief Support

Beyond our massive thrust on women empowerment, Vardhman 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 and disaster relief.



Empowered community members, Budhni

Education

Education is a powerful tool to trigger progress. It creates a plethora of opportunities that provide employment, improves socio-economic indicators and ensures a secure future.

It is our goal to promote quality education and make it available to underprivileged sections of society.

We endeavour to do so by setting up schools and colleges with upgraded facilities such as proper infrastructure, clean washrooms, computers and boundary walls that create a safe and comfortable learning environment.

Infrastructure

With the intent of facilitating the education of children belonging to underprivileged sections of society, the Group started Vardhman School Development Program (VSDP). Under the program, we focus on developing infrastructure in government schools and facilitate an environment that foster learning.

The Group has supported Sri Aurobindo College of Commerce and Management, Ludhiana in setting up a state-of-the-art auditorium to ensure the holistic development of students. With a seating capacity of 834 persons, the beautiful auditorium is equipped with modern amenities and the latest infrastructure.



Inauguration of The Mother Auditorium at SACCM, Ludhiana

64,654 students benefitted from this project; majority of whom are children of migrant labourers employed in nearby factories.

We have extended support to 165 Government Schools and 245 Anganwadis in 6 states which include Punjab, Madhya Pradesh, Himachal Pradesh, Maharashtra, Rajasthan and Odisha. We also installed 100 water coolers with RO systems in government schools.



PROJECT NANDINI

An initiative to help break the silence on menstrual hygiene and health, Project Nandini seeks to shatter the taboo around menstruation. Menstrual hygiene and education is the need of the hour. Young girls from underprivileged backgrounds rarely receive the right guidance and information on the importance of maintaining personal hygiene for their menstrual health.

Social norms, for ages, have forbidden even a discussion on menstrual health or the problems associated with it. Many women consider it to be a disease that makes them impure. Understanding the need of spreading awareness on the topic and realising that it could be done only through adolescent girls, Vardhman engaged Action India to launch Project Nandini.

The Group launched Project Nandini in five Government Schools of Punjab in the year 2019. The project was welcomed by schools and within a short span of time, 19 government schools became a part of this initiative. Sanitary napkin vending machines have been installed in schools to make napkins accessible and affordable, besides incinerators for their safe disposal.

Owing to project's success, it has been further extended to Baddi region in Himachal Pradesh & Budhni in Madhya Pradesh, covering 8 slums besides 19 government schools and 7 Villages. So far, over 6545 adolescent girls have been benefitted and 14989 villagers have been educated on MHM under this program.



Project Nandini launch event, Budhni, Madhya Pradesh

Punjab State Government, embracing the initiative, has offered complete support. Ms. Sagrika Jain from Vardhman is personally involved in the project and has raised the slogan - **“Aao milkar chuppi todein”** (Let's break the silence, together), to vocalise the change.

Project Nandini is sure to scale greater heights, while emphasising why a period should not be a full stop to a girl's education.

Digital Literacy

In today's world, digital literacy is a must for an individual to participate in the global digital economy.

Vardhman has set up advanced computer labs in educational institutions and government schools to improve digital literacy among underprivileged children in the communities around our factories.



Under this programme, we have set up 10 computers labs, provided 165 computers along with other necessary accessories and software.

Case Study

Promoting Education in Tribal Land

Objective

To bring primary education to children belonging to the tribal village of Bheem Kothi in Madhya Pradesh.

Action

For the village of Bheem Kothi and its tribal inhabitants, the nearest town (Budhni) lies 23 km away.

Separated by dense forests and the risk of encounters with wild animals always present, the population of 200 people lack basic infrastructure including electricity, road connectivity and most importantly, education. To bring them basic education, the government had set up a primary school that was operated in a temporary shed.

From Vardhman, we undertook a survey to identify the problem areas that needed our attention the most. We resolved to centre our CSR activities around the school and to construct a school building that was more permanent in nature.

The CSR team prepared a proposal that highlights the importance of primary education for early development of children.

Along with the construction of the school, we also focussed on developing roads, housing, electricity and potable water facilities.

Outcome

Our intervention at Bheem Kothi has greatly benefitted the village with it being added to the Government census record since the year 2002. Our involvement has helped bring the village under the focus of district administration.

Furthermore, the past two years have seen the village benefiting from various Rural Development Schemes, including Pradhan Mantri Gramin Sadak Yojna, Pradhan Mantri Awas Yojna and Rural Electrification Project in the form of solar street lights.

Healthcare

While it is essential to ensure good health and overall well-being of our employees, it is equally important that underprivileged sections of our community get access to affordable and effective healthcare. To accomplish our goal of taking healthcare to the masses, Vardhman provides healthcare equipment, infrastructure and other facilities to local dispensaries and hospitals.

Government health institutions like primary health centres, community health centres and regional hospitals are the focal points for marginal, needy and the general public, to access health services. To strengthen the infrastructure of the hospitals situated in the vicinity of our manufacturing units, we provide them with advance medical equipment from time to time besides financial contribution for the treatment of poor patients.



■ X-ray department set-up by Vardhman at the Community Centre, Nalagarh

Maternity & Childcare

As part of our efforts to improve the physical health of women and children, Vardhman provided equipment such as colour doppler, ultrasound machine, ambulance, water cooler and modular toilets for outdoor patients at the Mother & Child Hospital (MCH), Ludhiana.

Vardhman Group has also contributed INR 1.20 crore for the construction of a paediatric ward at a district hospital of Hoshangabad, where patients from the neighbouring villages come for treatment, and equipped it with all the necessary amenities.



■ Ultrasound machine provided by Vardhman at MCH, Ludhiana

Healthcare for the Economically Marginalised

One of the major challenges that India currently faces is to improve health indicators, especially of those living below the poverty line.

As a responsible corporate citizen, we have committed ourselves to raising the standards of and strengthening the healthcare system in the vicinity of our production facilities.

Vardhman has collaborated with Christian Medical College & Hospital (CMCH), Ludhiana for making the treatment of haematological disorders and cancer affordable for economically backward patients. To that end,

- Vardhman has committed to make a **contribution of INR 5 lakh per year** in the form of a medical grant to the Clinical Haematology Diagnostic Fund.
- We have signed an **MoU with CMCH for an annual grant of INR 25 lakh per year** for cancer patients.
- Vardhman has also provided medical equipment worth **INR 17.63 crores** to the Government and Charitable Hospitals.
- In order to ensure access to affordable and effective healthcare for the underprivileged, Vardhman Group contributed **INR 5.05 crores** to the Poor Patient Welfare Fund of PGIMER, Chandigarh and Dayanand Medical College and other institutions.
- Constructed and handed over well equipped 'State of the Art' Rehabilitation Centre worth **INR 5.05 crores** to the CMC Hospital, Ludhiana.
- Contributed **INR 9.88 crores** to combat COVID-19 pandemic.



Advanced medical equipment provided by Vardhman to various hospitals



Constructed well equipped state-of-the-art Rehabilitation Center at CMC, Ludhiana



Health Check-up Camps

We also organise health awareness programmes to educate and encourage people in our communities to be more vigilant towards their health.

In FY 2021-22, we organised health check-up camps for people living in nearby villages of our manufacturing units in Himachal Pradesh, Madhya Pradesh and Punjab regions.

A total of 68 medical health camps were organised in 105 villages, through which more than 12,550 villagers were examined and received necessary medications.

Blood Donation Drive

A blood donation drive with the slogan 'Be the hero you always wanted to be - Donate Blood' was organised at all our manufacturing locations. **The 14 blood donation camps witnessed 1,300 units of blood being collected by the Civil Hospital and other regional blood banks.**

Such events help raise awareness about the need for regular blood donations, which in turn ensure that all individuals and communities have access to affordable and timely supply of safe and good quality blood.



Blood donation camp, Ludhiana

Rural Development

When rural communities flourish, the nation flourishes. At Vardhman, we undertake various initiatives ranging from electrification and provision of safe drinking water to inculcating good hygiene and teaching new skills. The goal is to bridge the access gap in these communities, enhance their dignity and empower them to be self-reliant.



▮ Vardhman Block constructed at Govt. Senior Secondary School at Sekhewal, Ludhiana



▮ Hand pump installed at a school in Budhni



▮ Public sit-out created by Vardhman in Baddi



▮ Community Center Constructed by Vardhman at Kalujhanda, Baddi



Shoolini Mela, Solan



Plantation on road side with tree-guards, Baddi

Grills and brickwork done by Vardhman as part of Heritage pond renovation and rejuvenation in Baddi

■ Rural Electrification through Solar Power

590 solar lights were installed in villages surrounding our plants in Madhya Pradesh to promote affordable and clean energy.

■ Providing Safe Drinking Water

- 19 borewells and 28 hand pumps were provided in the villages surrounding our plants in Budhni, so that the villagers get access to safe and clean drinking Water.
- A 200-year-old pond in Baddi was renovated with the help of the Nalagarh Heritage Society.

■ Strengthening Community Bonds through Celebrations

To promote rural sports and culture, Vardhman sponsors local cultural events like Shoolini Mela in Solan and tournaments for sports like kabaddi, kushti and kickboxing.

Sports, Arts & Culture

To promote health & fitness, we have Constructed Indore Badminton Hall & provided Gym Equipment to Police DAV Public School, Police Line, Ludhiana. Other than that, a Paralympic player, Mr Akash Mehra was provided fund to upgrade his artificial legs & Supported Ms. Malika Goal, a silver Medallist in shooting in Asian Game for her training.

In the direction of supporting the heritage, we provided financial assistance to Guru Nanak Dev Committee for completion of the Seminar Hall at Ludhiana. Contribution was made to SAPTAK Annual Music Festival under project Sangeet Sankalp Saptah to scout talent, train, discover, and promote traditional arts and culture in the field of Indian Classical Music. Bhopal Literature & Art Festival was also supported by the organization.

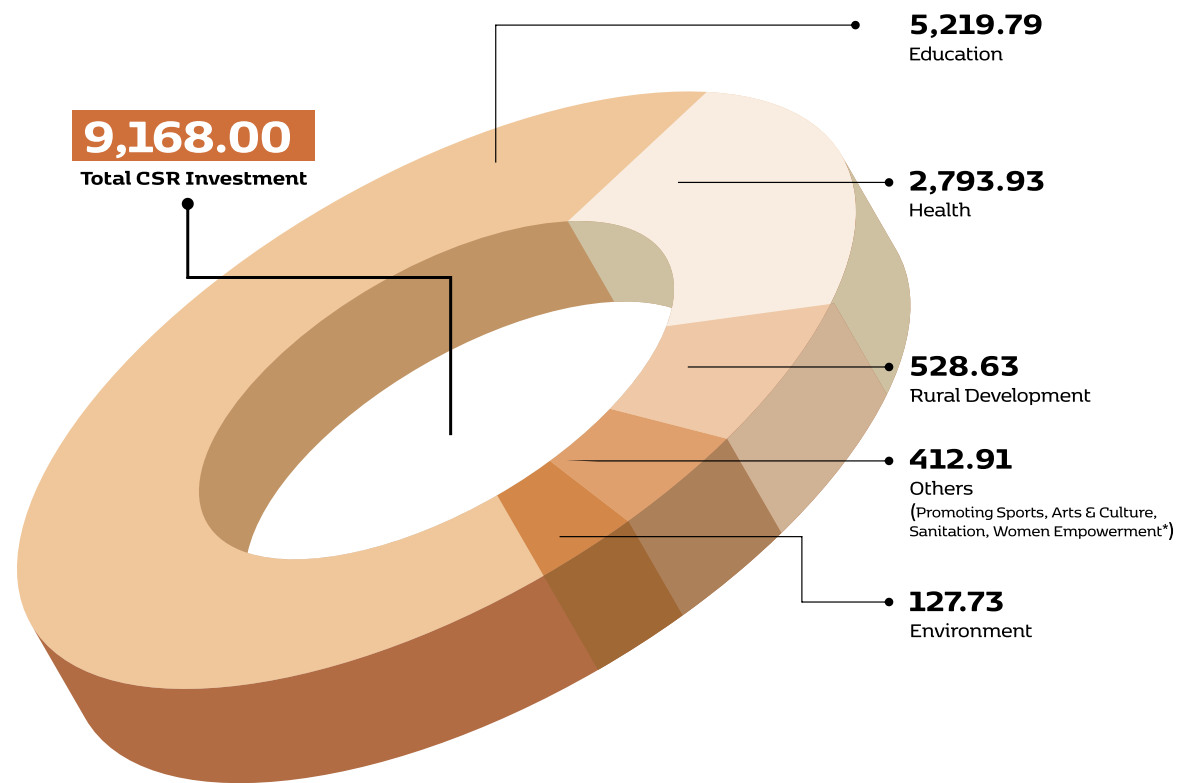
■ Hygiene and Sanitation

- 78 toilet blocks for students were constructed in government schools in Madhya Pradesh, Himachal Pradesh and Punjab and 3 community toilets provided for the residents of nearby villages in Baddi and Ludhiana.
- Township beautification project was undertaken in Baddi under which footpaths, drainage and seating points have been created on both sides of the road, besides plantation of trees and proper garbage disposal arrangements.

■ Tree Plantation

- 4.5 Lacs saplings have been planted at Budhni and Mandideep in Madhya Pradesh and Baddi in Himachal Pradesh. A 5.5 kilometre area has been developed as a green belt in Budhni, Mandideep and Baddi regions.
- Local women in Budhni were encouraged to develop nurseries and saplings were purchased from these nurseries for the plantation drive, thus, providing them livelihood.

CSR Investment Dashboard



*The mainstreaming of rural women in the Vardhman workforce is not accounted as a CSR spend and thus does not reflect in the above chart.



Welfare for Armed Force Veterans

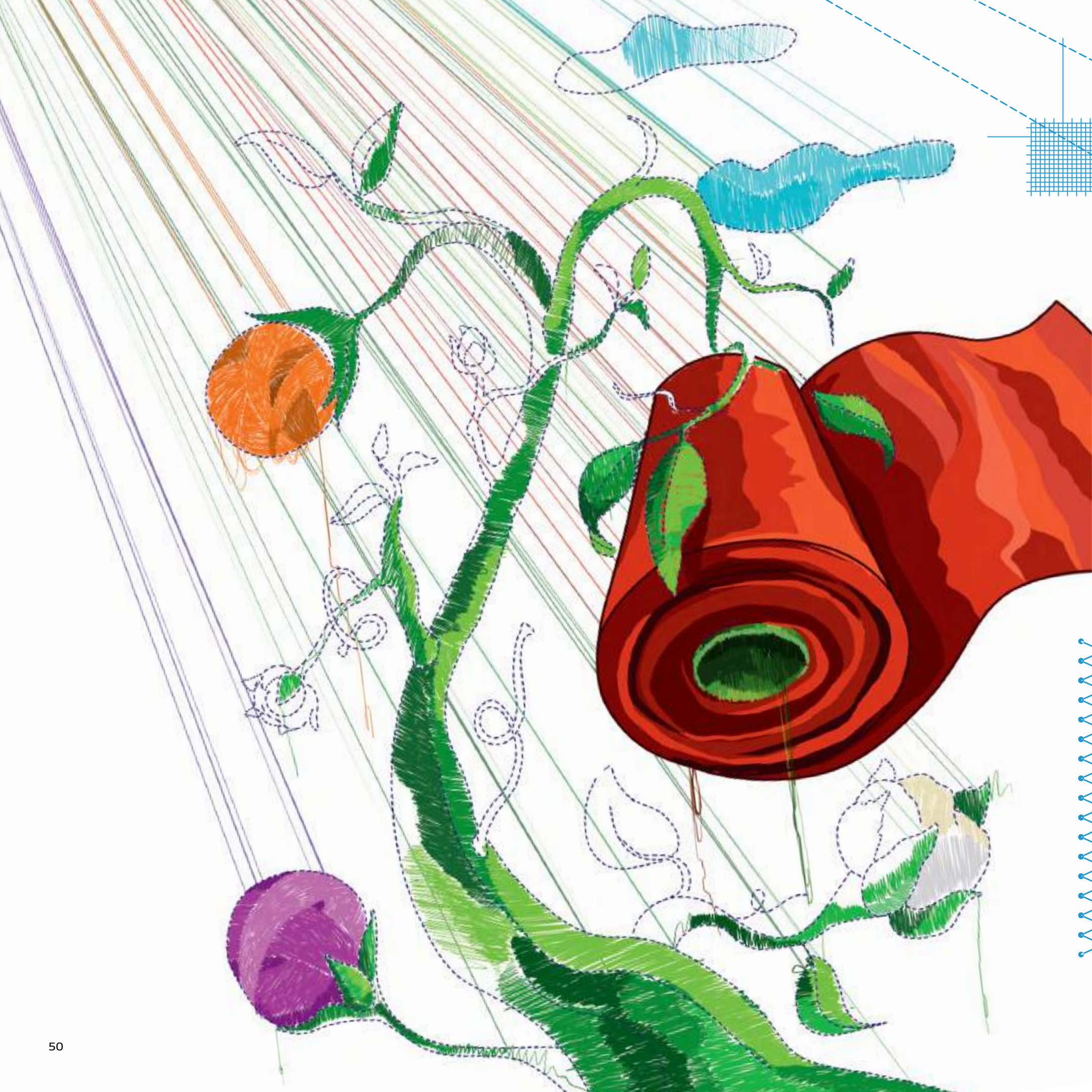
To express our gratitude and thank the Brave hearts of our country, we made financial contribution to Kendriya Sanik Board and District Sainik Board, Ludhiana. 63 Rashtriya Rifles (Bihar) was provided with 150 Blankets, 100 Track Suits and 50 Wheel Chairs for Ex-Servicemen and Veer Naaris while 100 Blankets were handed over to 1971 war veterans to convey our respect and regards.

SUCCESS STORY

Awards

- India CSR Project of the Year Award 2021
- India CSR Leadership Award 2021
- 8th CSR India Award 2021 by Greentech Foundation





proliferate

Fashion is a huge economic force that provides livelihood to millions of people around the world. It is an integral part of society and culture as it allows people to express their personality and celebrate their individuality. With growing human responsibility towards our environment, fashion needs to go beyond economic and social benefits and produce products that are environment-friendly.

Keeping in step with the times, we at Vardhman have developed an exciting green product portfolio based on three key aspects – Green Inputs, Green Processes and Green Collaborations.



Green Fibres

The following sustainable fibres are used in the manufacture of yarns and fabrics at Vardhman.



Natural Fibre



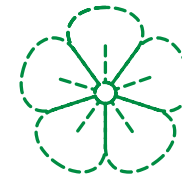
Recycled and BCI Cotton



Wool



Hemp

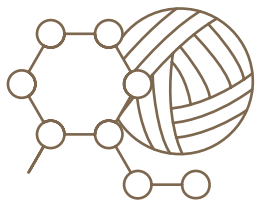


Linen



Silk

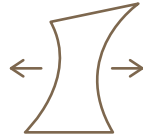
REGENERATED FIBRE



Man-made Fibre



Eco Vero



Modal



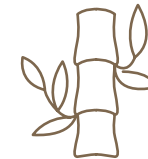
Tencel



Refibra



Liva Eco

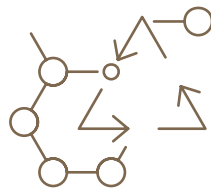


Bamboo

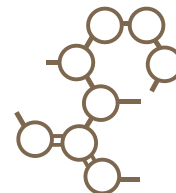


FSC - Viscose

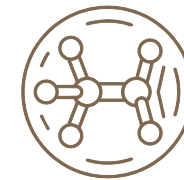
SYNTHETIC



Recycled Polyester
Recycled Nylon



Biodegradable Polyester



Acetate Fibre
(Eastman Naia)



Recycled Filaments
(Polyester)



Biodegradable
Cocona 37.5

Sustainable Cotton

To promote sustainable cultivation of cotton, we have collaborated with several global cotton programmes such as Organic Cotton, Fair Trade Cotton, Cotton Made in Africa, Recycled Cotton and Better Cotton Initiative (BCI). We source three major types of cotton - Organic, BCI, and Recycled Cotton and our focus is on Responsible Sourcing, Traceability, Transparency and Certifications.



Quantum of Sustainable Cotton Sourced

Organic Cotton around
24,407 tons

BCI Cotton over
42,474 tons

Recycled Cotton
522 tons*

We procure organic cotton from certified farm groups, ensuring they have a valid scope certificate. We also get transaction certificates of organic cotton sourced from suppliers and accordingly share them to maintain traceability. Additionally, we provide the organic yarn certificates to our customers duly authorised by Control Union - our external certification agency.

**Initiated in 2018*

Better Cotton Initiative - Project Pragati

Vardhman is a member of Better Cotton Initiative (BCI) since 2011. In 2015, we became its implementing partner in Gujarat and launched Project Pragati. The Project currently has 3 Producer Units (PU) and we are working with 9,292 farmers. We are planning to start 1 producer unit under set up phase in Karnataka.



The following activities are being implemented under this project for the betterment of farmers:

■ Integrated Nutrient Management (INM) Training

This training focusses on promoting the balanced use of organic, inorganic and biological fertilizer to maintain optimum soil fertility. Farmers are educated on the importance of maintaining organic matter of the soil through the use of compost, green manuring, inter-cropping of legume crops and seed treatments. Also, a part of the training, is learning about the harmful effects of nitrogenous fertilizers and importance of foliar application of micronutrients.

■ Farmer Training

We arrange meetings of farmers with subject matter experts (SME). Lectures for farmers are conducted by Junagadh agriculture faculty, where farmers are trained on various subjects such as sowing techniques, cotton cultivation practices, optimum use of water and BCI production principles.

Farmers are also trained on integrated nutrient and water management, integrated pest and diseases management, fibre quality and contamination problems in cotton.

■ Soil Testing

Soil testing is done prior to sowing, to determine type and quantity of fertilizers/pesticides. Farmers are also taught about the role of various nutrients and their deficiency symptoms, measures to be taken before sowing cotton crops for damage control and life cycle of Pink Bollworm (PBW) for better management practices.

■ Integrated Pest Management (IPM) Training

To reduce excessive reliance on chemical control measures and adopt alternative approaches, farmers are trained in management of cotton stalks before sowing to break the life cycle of PBWs, destruction of affected flower buds, use of bio-pesticides and neem oil, rotation of pesticide groups and use of recommended doses to avoid resistance to them, observing Economic Threshold Level (ETL) while using chemical pesticides and recognising different types of pesticides based on their label colours. Farmers are also trained about the Highly Hazardous pesticides (HHP's) and its measures to eliminate them with safer alternatives.

■ Use of PPE

This training programme stresses on the use of personal protective equipment (PPE) while dealing with pesticides to avoid any hazardous side effects.



We procure 25-30% of BCI cotton from our own BCI certified projects operating in Gujarat

Project	2017-18	2018-19	2019-20	2020-21	2021-22
No. of Villages	48	51	80	60	70
No. of Farmers	9,456	10,054	13,949	9,471	9,292
Land Area (in hectare)	15,973	18,230	24,173	13,702	13,564

■ Contamination Control Training

Trainings are held in BCI villages to sensitise farmers and workers about the problem of contamination of cotton and its consequences. Exposure visits of farmers are also arranged at ginning factories to make them aware about the problems of contamination.

■ Field Demonstration

Field demonstrations are held wherein BCI practices and conventional practices are followed and difference in results can be witnessed by farmers. This motivates them to replicate the practices in their farms for healthy crops and better yield.

■ Women/Farmers/School Meetings

Meetings are conducted to instil an awareness among the labourers about best practices. Meetings focussing on social awareness for women, importance of education for children and ills of child labour are also organised.

■ Water Sampling

Checking the quality of water before the cotton season begins, is crucial to cotton farming, as it helps the farmers to understand if it is suitable for their agricultural land and crop, or not. Crop growth is affected by the quality of water; hence it is important to educate farmers about water sampling.

■ Water Stewardship

Water stewardship implies judicious use of water, in a way that it is socially equitable, environmentally sustainable and economically beneficial. Farmers are taught about drip irrigation technique and its benefits on Cotton Crop at different stages of crop development.

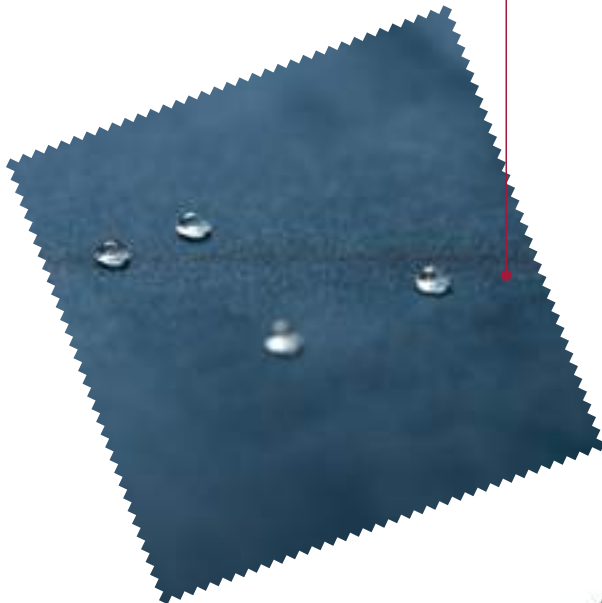


Green Fabric Finishes

Finishing is a process that lends desirable attributes to fabric. We have incorporated several green alternatives to ensure a sustainable finish that helps achieve product performance without lowering product sustainability.

Fluorine-free, Water Repellent Finish

It uses 60% renewably sourced raw materials and is up to three times more durable than existing fluorinated repellents.



Anti-mosquito Finish

Specially formulated by HealthGuard® Premium Protection, it reduces and prevents diseases caused by mosquitoes. The world's first combined anti-mosquito, anti-fungal and anti-bacterial treatment, this finish is safe for humans and the environment and provides up to 85% efficacy even after several cleans.



miDori® bioDry 1.0

A plant-seed based softener that uses no crude oil and/or palm oil and has a considerably lower CO₂ footprint.



SILVADUR™ Antimicrobial

A durable, effective odour control technology for textiles that is recyclable and reusable. It uses silver ions (Ag+) instead of silver particles and is non-toxic, non-sensitising, and non-irritating to human skin.

Green Collaborations

Formaldehyde-free easy care, and Zero Formaldehyde Resin for crease recovery agent

Eliminates the use of Formaldehyde that is known for its toxic effects.



Wrinkle-free finish

Mechanical Finishes

We use mechanical finishes such as Sueding/Peaching to achieve softness. The fabric surface is abraded by using EMERY Paper in the Sueding/Peaching machine. With AIRO Finish, softness is imparted to the fabric through a beating mechanism that uses air. And through Calendaring, we achieve brightness on the fabric surface by an ironing effect on a calendaring machine.



AIRO Finish

Recycling PET Bottles

Fabric Innovation with Reliance Industries

We have partnered with Reliance Industries Ltd. to produce the new-age fabric R|Elan and its brands, such as Green Gold.

Manufactured by recycling used PET bottles, the fabric will be used in creating trousers and denim. R|Elan Fabrics have one of the lowest carbon footprints due to their eco-friendly manufacturing attributes, a zero-waste concept - where all the material is either used in process, or sold in market and ensures maximum water is recycled either in manufacturing or horticulture.



Ms. Suchita Jain VC & JMD Vardhman Group with
Mr. Gunjan Sharma, CMO - Polyester Division, Reliance

Vardhman Textiles Ltd. has partnered with Reliance Industries Ltd. (RIL) to manufacture innovative R|Elan Fabric 2.0 - a next generation eco-friendly fabric in line with latest fashion trends, fulfilling lifestyle needs as well as Sustainability Goals.

Green Certifications

We remain in step with the latest global sustainable practices in terms of legal and voluntary compliances through numerous certifications for our products and processes.



Green at Every Step



Salt-less E-Control Dyeing



WEAVING

- Shifted from synthetic sizing chemicals to **100% natural green products** which do not contain any type of synthetics like PVA, Acrylic or Polyester Resin
- These give BOD/COD value of 0.3 and above as compared to 0.1 in case of synthetic chemicals
- Softener used is also a **natural wax with pure hydrogenated palm oil base** as compared to others which are major tallow based or synthetic stearic acid based
- Remanant yarn (i.e. extra yarn left after beam preparation) **reduced from 5.50% to 2.70%** thereby reducing waste



DESIZING

Added facility of enzymatic desizing instead of chemical desizing



DYEING

Shifted from conventional salt-based dyeing process to **salt-less dyeing like E-Control dyeing** thereby **reducing salt consumption by 50% and TDS reduction by 15-20%**



MERCERISATION

- **Installed two Caustic Recovery Plants** that can recover caustic upto 90%
- **Eco-Washers are installed to reduce water and acid consumption**



BLEACHING

Stopped Chlorine bleaching and opted for **100% peroxide bleaching**



SCOURING

Added process of Bio-Scouring



Caustic Recovery Plant



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

CIN: L17111PB1973PLC003345

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