



# BUSINESS RESPONSIBILITY REPORT 2019-20

Jindal Stainless Limited

## Introduction

In an age when enterprises are increasingly seen as critical components of the society, they are accountable not only to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance.

Ministry of Corporate Affairs, Government of India, developed the 'National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business' in 2011. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices.

Further Security Exchange Board of India (SEBI) has mandated top 1,000 listed companies of India by market capitalization to publish a Business Responsibility Report (BRR) based on NVG under SEBI Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR") as amended.

BRR serves as a tool to communicate the performance of organization on Economic, Social and Governance (ESG) parameters to its stakeholders. It also motivates the company to measure, disclose, and be accountable for organizational performance while working towards the goal of responsible and sustainable development.

JSL is delighted to present its BRR for the Financial Year 2019-20. This report is developed in-line with the 'suggested framework' by SEBI.

### Section A: General Information about the Company

<b>1. Corporate Identity Number (CIN) of the Company</b>	L26922HR1980PLC010901
<b>2. Name of the company</b>	Jindal Stainless Limited (“JSL/the Company”)
<b>3. Registered Address</b>	O.P. Jindal Marg, Hisar - 125 005 (Haryana)
<b>4. Website</b>	<a href="http://www.jslstainless.com">www.jslstainless.com</a>
<b>5. E-mail ID</b>	<a href="mailto:info@jindalstainless.com">info@jindalstainless.com</a>
<b>6. Financial year reported</b>	2019-20
<b>7. Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	Manufacture of Stainless Steel (2410)
<b>8. List three key products/services that the company manufactures/provides.</b>	<ol style="list-style-type: none"> <li>1) Cold Rolled Stainless Steel Products</li> <li>2) Stainless Steel Plates</li> <li>3) Stainless Steel Sheets</li> </ol>
<b>9. Number of locations where business activities are undertaken by the company</b> 1) Total number of International locations  2) Total number of National locations	<p>JSL mainly operates in India, with manufacturing facility located in Jajpur, Odisha.</p> <p><u>Major sales offices of our company are at :</u></p> <ol style="list-style-type: none"> <li>1) Gurugram</li> <li>2) Kolkata</li> <li>3) Mumbai</li> <li>4) Ahmedabad</li> <li>5) Vadodara</li> <li>6) Pune</li> <li>7) Chennai</li> <li>8) Hyderabad</li> <li>9) Bhubaneswar</li> </ol> <p>Further the Company through its foreign subsidiaries in Spain, Indonesia, Dubai and Singapore has marked its presence in key global locations.</p>
<b>10. Markets served by the company Local/State/National/International</b>	<p>JSL is the largest domestic stainless steel producers and has global footprints that serve both National and International Markets and sectors including:</p> <ul style="list-style-type: none"> <li>• Automotive</li> <li>• Railway &amp; Transport</li> <li>• Architecture</li> <li>• Building and construction</li> <li>• Chemical &amp; petrochemical</li> <li>• Capital goods</li> <li>• Consumer durables</li> </ul>

## Section B: Financial Details of the Company

1. Paid Up Capital (INR)	₹ 97,44,69,200
2. Total Turnover (INR)	₹ 12,320.11 crores
3. Total Profit after Taxes (INR)	₹ 152.88 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	NIL N.A.*

\*The Company is not mandated under Section 135 of the Companies Act, 2013 to incur expenditure under CSR, but guided by the vision and philosophy of its Founder Late Shri O.P. Jindal, the Company has planned interventions in the various fields including education & vocational training, integrated health care, women empowerment, social projects etc.

5. List of activities in which the expenditure in 4 above has been incurred.  
As explained above.

## Section C: Other Details

### Does the company have any Subsidiary Company/Companies?

Yes, JSL has 5 subsidiaries, namely:

- PT Jindal Stainless Indonesia
- Jindal Stainless FZE, Dubai
- Iberjindal S.L., Spain
- JSL Group Holdings Pte. Ltd., Singapore
- Jindal Stainless Park Limited

1. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No.

2. Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)

No.



5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The policies are implemented under the directions of Board/Managing Director/Whole Time Director.								
6	Indicate the link to view the policy online?	<p>JSL's policies relating to our external stakeholders can be viewed on the website at <a href="http://www.jslstainless.com/Policies.html">http://www.jslstainless.com/Policies.html</a></p> <p>Our policies relating to our employees, internal stakeholders are available on Company's Intranet.</p>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		<p>JSL's policies relating to external stakeholders can be viewed on the website at <a href="http://www.jslstainless.com/Policies.html">http://www.jslstainless.com/Policies.html</a></p> <p>Our policies relating to our employees, internal stakeholders are available on Intranet.</p> <p>Our Intranet also has a 'Contact' section which serves as a platform for our stakeholders to contact us regarding any queries they may have.</p>								
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	N	N	Y	N	Y	Y
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**b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):**

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

### 3. Governance related to BR

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Company assesses the BR performance of the various principles on continual basis.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

JSL publishes Business Responsibility Report, as and when it is applicable to the Company. These reports are on Company's website -

[https://www.jslstainless.com/business\\_responsibility\\_report.php](https://www.jslstainless.com/business_responsibility_report.php)

## Section E: Principle Wise Performance

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

All employees/stakeholders of JSL are subjected to work within the boundaries of this policy. The Company ensures compliance of ethical standards by its vendors/ suppliers/consultants/ contractors etc through appropriate clauses in the works contracts to which they are obligated.

- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

NIL

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

JSL being an Integrated Stainless Steel producer, produces Stainless Steel Slab that passes through Rolled Mill to produce flat products of Black Coil and white finished Coil, as a leading supplier in India. Measures have been taken during design stages enabling reduced energy consumption.

- 2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

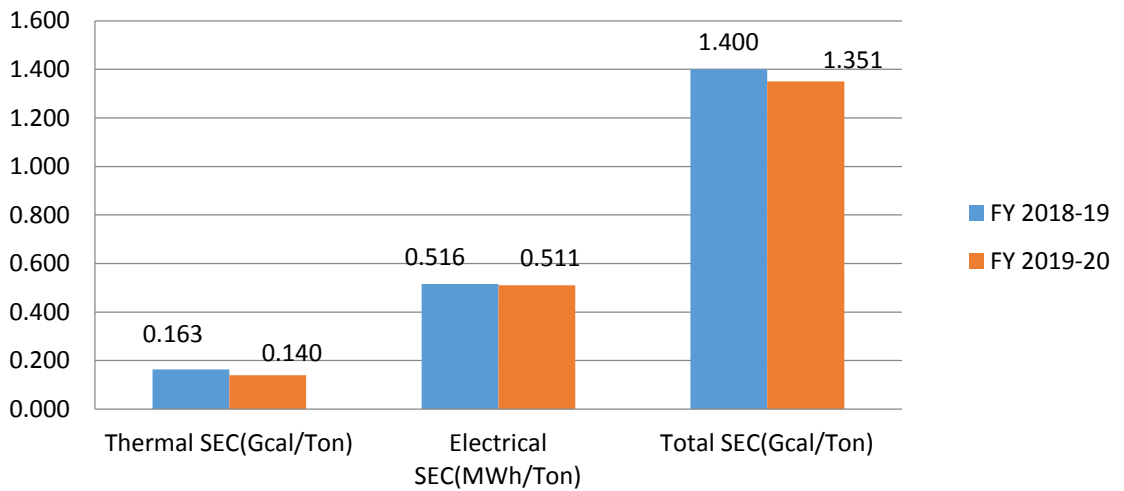
(i) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

(ii) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

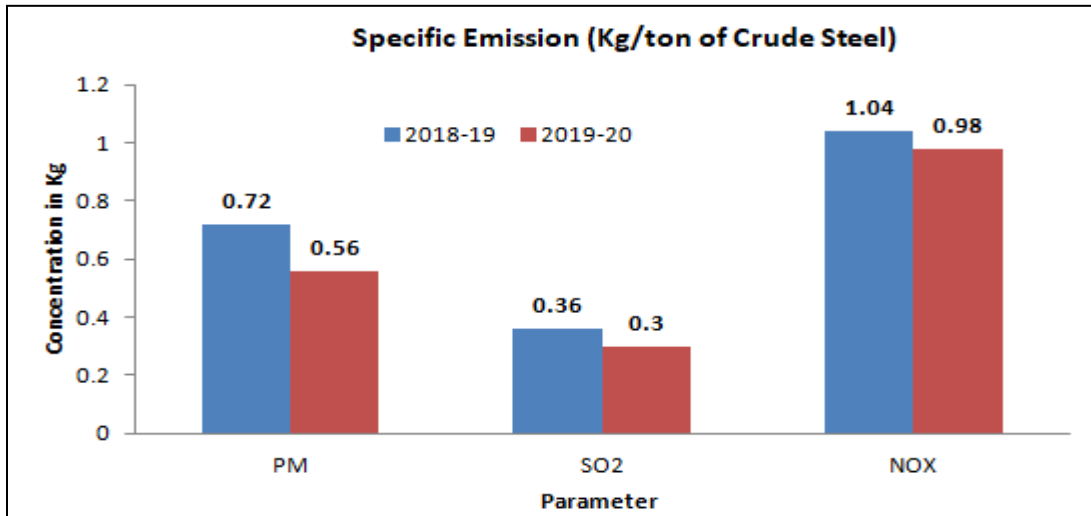
JSL committed towards Energy Efficiency & Energy Conservation. JSL is a certified ISO 50001:2011 organization. We have taken many steps towards optimal use of available Energy Resources. The reduction in Specific Energy Consumption per ton of Crude Stainless Steel during FY 2019-20 compared to previous Year is 3.55%.



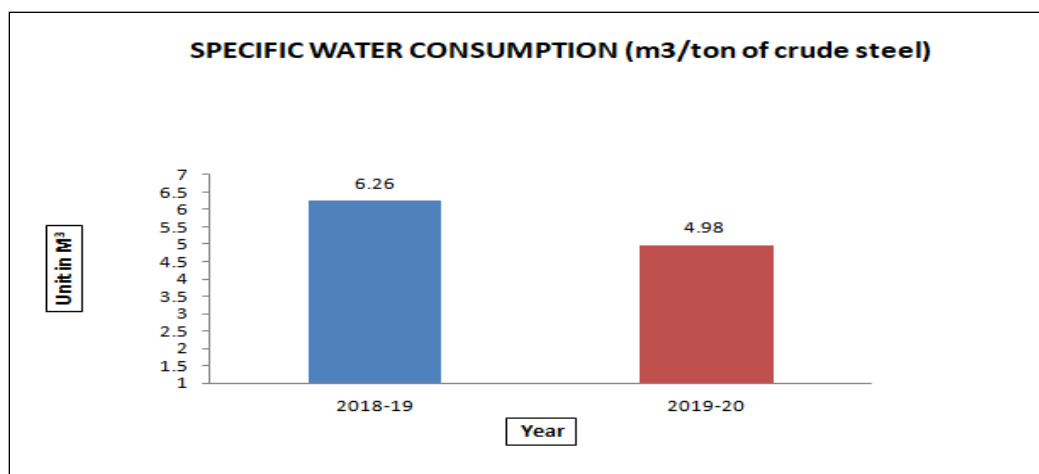
## Specific Energy Consumption (SEC)



The specific emission (Kg/Ton of Crude stainless Steel) has been reduced by 23 % for Particulate Matter (PM), 17 % for SO<sub>2</sub> and 6 % for NO<sub>x</sub> with respect to the last year through better control of operation of Pollution control equipment and optimum consumption of resources.



The specific water consumption (m<sup>3</sup> /Ton of Crude Steel) has reduced by about 20 % with respect to the last year by initiatives taken towards water conservations measures by way of recycle and reuse of treated waste waters in various in-house consumptions, thereby reducing fresh water consumptions.



- 3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

At JSL, We strive to achieve sustainability by way of optimizing consumption as well as building a value chain that is more robust yet environmentally friendly. A Considerable amount of input raw materials are recyclable materials such as Stainless Steel / MS / Cu Scrap and other alternative materials which consumed for production purposes. Further, we aspire to channel more and more efforts into sourcing our other raw materials in a sustainable manner in future.

We have a clear preference to work with ISO 14001 and OHSAS 18001 certified contractors, suppliers & vendors for our major service requirements. Ensuring that all our contractors, suppliers and vendors maintain human resource policies including disciplinary practices, fair remuneration, working hours and health, environment & safety-related clauses in their jobs and contracts. We closely monitor the compliance of these aspects constantly to ensure sustainability across our supply chain.

- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, JSL promotes procurement of goods & services from local producers and processors. A large quantity of the material is sourced from Domestic Suppliers including local Suppliers. Local economies are promoted by deploying various local Supply & services such as hiring equipment, procuring raw materials, stationery items, food supplies, manpower hiring, fabrication works and other materials. JSL also developed Self Help Group (SHG) run by women as a part of Women Empowerment under Corporate Social Responsibility (CSR) Policy of JSL. These SHGs are providing training on livestock management and advanced skill development resulting strategically benefits the Company.

By ensuring local procurement and deployment of local Services wherever possible, we consistently strive to contribute to the improvement of local economies.

**5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

JSL has taken several initiatives to adopt the mechanism to recycle in waste product into the process activity. Waste generated from JSL plant operations including Fly ash from Captive Power Plant is being reused 100% by nearby brick and sheets manufacturers. Other waste namely mill scale from Cold Rolling Mill, Bag Filter dust from Steel Melting Shop are being reused in Ferro Alloy making in the form of briquettes. Slag from Steel Melting Shop & Ferro Alloy Plant being generated is processed in Metal Recovery plant/Jigging Plant for recovery of valuable metal. Hazardous Wastes namely used oil & waste oil is being sold 100% to authorised dealer for further recycling. E waste generated from the plant is being sold to authorize re-processors. Sludge from BOD plant of Coke Oven is being reused in Coke Oven battery.

**Principle 3: Businesses should promote the wellbeing of all employees**

**1. Please indicate the total number of employees**

1,680 employees

**2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.**

6,378 employees

**3. Please indicate the number of permanent women employees.**

88 employees

**4. Please indicate the number of permanent employees with disability.**

Nil

**5. Do you have an employee association that is recognized by management?**

No

**6. What percentage of your permanent employees are a member of this recognized employee association?**

Not applicable

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

During the year, we received no complaints relating to child labour, forced labour, involuntary labour and sexual harassment.

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

At JSL, we place high importance on the safety of our employees and to ensure this, 100% of our employees received health and safety training. We also encourage constant learning as well as personal and professional development. To achieve this goal, we provided soft and technical skill up-gradation to 41.69% of our employees. We continue to focus our efforts on training our employees and add holistic value.

**Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.**

- 1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, at JSL, we have identified investors, shareholders, and employees, local communities, civil societies, NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, government, regulators and competitors as our key stakeholder groups. Engagement responsibility for each stakeholder group is entrusted with specific teams in our Company.

- 2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, we have identified vulnerable and disadvantaged section through our CSR programs. Focus has been given to women from low income group and special skill training programs have been developed for them. Focus has also been given to the Farming community by providing Agri based training session. Special education on Indian Sign Language for differently abled school children was also provided.

- 3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

Women, children, adolescent girls, marginal farmers, downtrodden/underprivileged sections of the demography residing in the peripheral areas/villages of the company have been identified in due course of need assessment and socio economic studies conducted at various times. The CSR initiatives taken up for the same on voluntary basis are Farmers Development Project to

improve income of the farming community, Making of Sanitary Napkin Unit to change traditional un-hygienic behavior, designing and manufacturing safety jackets by women group, providing skill training to students of Polytechnic on Stainless Steel Fabrication, providing support to students engaged in Nursing Institute, Education & nutritional support to kids, special education on Indian Sign Language for differently abled school children was provided. The Company also provided support to student interested in studying medical or building carrier in Football.

#### **Principle 5: Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

At JSL, we respect human rights and the policy is embedded in our Company's Code of Conduct. However, we do not have a separate standalone Human Rights Policy and we are currently in the process of working towards formulating one. We recognize and address the issues relating to Business and Human Rights as per the United Nations Guiding Principles on Business & Human Rights and we selectively highlight these to our senior management. We also support and encourage the following of best human rights practices with our business associates. We have been engaged with various institutions, which promote Human Rights like the NHRC, Bombay Chambers of Commerce, CII, Institute of Business and Human Rights, London, Global Business Institute of Human Rights, U.K., OHCHR, Geneva besides others. Our endeavor is to learn and share global good practices and embed them into our system. We are also a part of the UNGC and ensure timely submission of the COP, which has a large part on issues relating to Human Rights.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

We received no complaints regarding violation of human rights, during the reporting period.

#### **Principle 6: Business should respect, protect, and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

JSL has established, implemented, an Environment Policy on Conservation and prevention of Environmental damage, which extends to all subsidiaries/suppliers and others. The process is being maintained for continually improving the Environment Management System to ensure complete satisfaction and value creation for all stake holders. With respect to the suppliers and contractors, environmental rules and regulations are clearly stated in the general terms and conditions of the order/ contract being given. JSL takes every step in managing environment

related activities as per ISO 14001. The quality objective and policy on Environment management is being regularly reviewed to reflect the current business requirement.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company addresses the global and regional environmental issues and has taken the responsibility to address the various challenges being a responsible corporate. JSL strives to set benchmarks in respective sector, and hence, invests constantly on process improvements and new technologies. However the company is in process to reflect these issues in company webpage.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes, as part of ISO 14001, ISO 9001 and ISO 45001 certifications (Integrated Management System Certification), JSL undertakes continuous assessment of the potentiality of environmental risks. JSL also undertakes internal and external audits under IMS Certification to assess the implementation of its environment related activities.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

No, the company has not taken any project related to Clean Development Mechanism during the year 2019-20.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

Yes, at JSL, we have undertaken multiple initiatives towards cleaner technology for the entire operation of our plant. We have undertaken a number of Energy Conservation initiatives as part of PAT Scheme governed by BEE, MOP Govt. of India & allocated with 20887 numbers of Energy Saving Certificates for surpassing the targets assigned during PAT Cycle-II. The Electrical Energy savings achieved during FY 2019-20 is 11510 MWh with an investment of INR 459.8 Lakhs.

JSL has taken initiatives to add Renewable Energy to its Energy Requirements. We have procured & consumed around 18986 MWh of Non-SOLAR Energy during FY 2019-20. We have also initiated a Floating Solar Project of capacity 5 MWp for which feasibility study has been completed.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the emissions/waste generated by the Company at plant site is within the permissible limits in accordance to the statutory norms stipulated by CPCB/SPCB.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No legal notice received from SPCB/CPCB. However one direction has been received from State Pollution Control Board, Odisha regarding implementation of surface runoff management system during the FY 2019-20. Compliance report with time bound action plan has been submitted to SPCB, Odisha for compliance and work for the same is in progress.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

JSL is a member Federation of Indian Chamber of Commerce & Industry (FICCI), the Confederation of Indian Industry (CII) and Association of Chamber of Commerce & India (ASSOCHAM).

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

JSL has been involved in advocacy related to Economic reforms, Sustainable Business, Raw material security etc. These interactions with the Government help in partnering with an aim for the holistic development of the sector in India.

**Principle 8: Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

At JSL, we have a number of programs for our marginalized stakeholders with the aim of supporting inclusive growth. The company is committed to understand the developmental needs of the underprivileged communities in the CSR operational villages located in the remote and rural areas surrounding its periphery to create an inclusive and equitable society. The company has a structured mechanism for Corporate Social Responsibility and Sustainable Development. It has partnered with non-governmental agencies through Jindal Stainless Foundation to identify the community needs, causes of deprivation, process of exploitation and inequality in the society and designed its programs to address the issues. The CSR Projects are targeted towards empowering women the weakest sections of the society, children, farmers etc. The programs generate employment and create livelihood opportunities, improving living

standards of the community in-turn improving the socio economic condition of rural community of the operational villages.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

All our projects and programs are covered under Jindal Stainless Foundation. Our CSR teams undertake direct projects and also ensure implementation through NGO partners/ academic institutions/ other trusts & foundations.

**3. Have you done any impact assessment of your initiative?**

Yes, JSL has conducted impact assessment of CSR activities through third party evaluation by Data monitoring system and its analysis through a partner agency. The data analysis has helped in getting an understanding of the effect and impact of the various projects.

JSL has been also periodically carrying out internal human rights audit and in an earlier stance a broader audit was carried out across locations by an international organisation Mazars. In addition the Company has carried out SROI by and third party as also the Sustainability Report, which has a large section on Human Rights audit.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

Since there were no profits (calculated in accordance with the provisions of Section 198 of the Companies Act, 2013) during last three financial years, therefore the Company is not mandated under Section 135 of the Companies Act, 2013 to incur expenditure on CSR for the financial year 2019-20. However being guided by the vision and philosophy of its Founder Late Shri O. P. Jindal, the Company has planned interventions in various fields including education & vocational training, integrated health care, women empowerment, social projects, rural infrastructure development, environment sustainability & sports.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

For successful implementation and adoption of our community projects, we consult and engage with all appropriate stakeholders, right from the inception of the projects. Communities are also involved in delivery, as well as monitoring phases of the programs.

For example in ASMITA and SAHAJ, the projects are being carried out by women group that are engage in making of Safety Jackets and Sanitary Napkins. The project has been registered Udyog Aadhaar, and received certificate issued from Ministry of Micro, Small & Medium Enterprises



(MSMEs), Govt of India, under Service Category. Similarly JIIT Computer Education Center and JIIT Electrical Center has also registered under MSMEs and received its Udyog Aadhaar number.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

There are no major customer complaints pending. Minor customer complaints received during the course of regular operations are resolved by appropriate departments.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

The Labeling on our Products is done as per the requirements stipulated under various Standards such as ASTM/ASME/EN/BIS etc. We also understand our Labeling is meeting the norms of Taxation & Weights and Measures Department as the same is being Audited/Checked by these relevant Authorities from time to time. In addition, JSL provides standard information as required by its customers.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

Nil

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes