



# BUSINESS RESPONSIBILITY REPORT 2017-18

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 500 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")

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 second BRR which has non-financial disclosures for the Financial Year (FY) 2017-18. 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
<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>	2017-2018
<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>	1) Cold Rolled Stainless Steel Products 2) Stainless Steel Plates 3) Stainless Steel Sheets
<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	JSL mainly operates in India, with our manufacturing facility located in Jajpur, Odisha.  <u>Major sales offices of our company are at :</u> 1) Gurgaon 2) Kolkata 3) Mumbai 4) Ahmedabad 5) Baroda 6) Pune 7) Bangalore 8) Chennai 9) Hyderabad 10) Bhubaneswar
<b>10. Markets served by the company</b> <b>Local/State/National/International</b>	JSL is one of the largest domestic stainless steel producers and has global footprints that serve both National and International Markets and sectors like: <ul style="list-style-type: none"><li>• Automobile</li><li>• Transport</li><li>• Railway</li><li>• Architecture</li><li>• Building and construction</li><li>• Process engineering</li><li>• Consumer durables</li></ul>

## Section B: Financial Details of the Company

1. Paid Up Capital (INR)	₹ 124.41 crores
2. Total Turnover (INR)	₹ 10,963.67 crores
3. Total Profit after Taxes (INR)	₹ 318.27 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	₹ 2.26 crore 0.71%*

\*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 voluntarily incurs expenditure in the activities as mentioned below.

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

JSL has been involved in following major activities:

- Promoting Gender Equality and women empowerment
- Promotion of Education and Skill Training
- Integrated health
- Rural Development Projects

## Section C: Other Details

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

Yes, JSL has 5 direct subsidiaries.

- PT Jindal Stainless, Indonesia
- Jindal Stainless UK Limited
- Jindal Stainless FZE
- Iberjindal, Spain
- JSL Group Holdings Pte. Ltd.

### 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.

### 1. Details of Director/Directors responsible for BR\*\*

Name	DIN Number	Designation
Mr. Tarun Kumar Khulbe #	07302532	Whole Time Director

DIN Number (if applicable)	07302532
Name	Mr. Tarun Kumar Khulbe
Designation	Whole Time Director
Telephone number	+91 1141462000
e-mail id	tarun.khulbe@jindalstainless.com

***\*\*Currently, at JSL, we do not have an in-house structure to implement our policies, however, we have initiated the process of nominating a Director as an Implementer of the policies. We are also in the process of nominating a BRR Head. The Implementer shall review the policy implementation and this shall serve as a mechanism for us at JSL to effectively implement our policies.***

1	Do you have policy/policies for...?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		At JSL, we currently have policies in place, which directly and indirectly address 8 out of the 9 NVG Principles.								
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		All of JSL's policies are formulated after careful consideration and after consultation with key managerial personnel and relevant representatives of our stakeholder groups, who act in the best interest of our stakeholders.								



		Our website also has a 'Contact' section which serves as a platform for our stakeholders to contact us regarding any queries they may have.								
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		Currently, at JSL, we do not have an in-house structure to implement our policies, however, we have initiated the process of nominating a Director as an Implementer of the policies. We are also in the process of nominating a BRR Head. The Implementer shall review the policy implementation quarterly and this shall serve as a mechanism for us at JSL to effectively implement our policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	At JSL, we have a Stakeholders Relationship Committee at the Board level, which addresses the grievance of our shareholders.  Additionally, we also have a Whistle Blower policy which covers all our stakeholders' grievances.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		JSL's Secretarial auditors review majority of the policies which are formulated as per SEBI requirements and also check for compliance.  JSL's Internal auditors also reviews processes and policies and also covers implementation and makes notes of any deviations from the policies.								

*\* Currently, JSL does not have a formal policy in place to address public advocacy (P7 of NVG). However, it is our belief that our Code of Conduct does cover aspects of Responsible advocacy of public policy, like ethics and integrity.*

**b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):**

[illegible]

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)							Currently at draft stage		

### 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.

JSL assesses its BR performance annually.

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

JSL annually publishes Business Responsibility Report. These reports are on Company's website - <http://www.jslstainless.com>

### 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?

Yes, all internal stakeholders of JSL are subjected to work within the boundaries of this policy.

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.

No complaint was received during the past financial year related to ethics, transparency and accountability.



**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, we incorporate sustainability initiatives into our operations. In an effort to reduce resource consumption, waste generation and hence reduce our impact on the environment, we use stainless steel scrap as one of the raw materials in the production and take measures right from the design stages enabling reduction of energy consumption for the following stainless steel products:

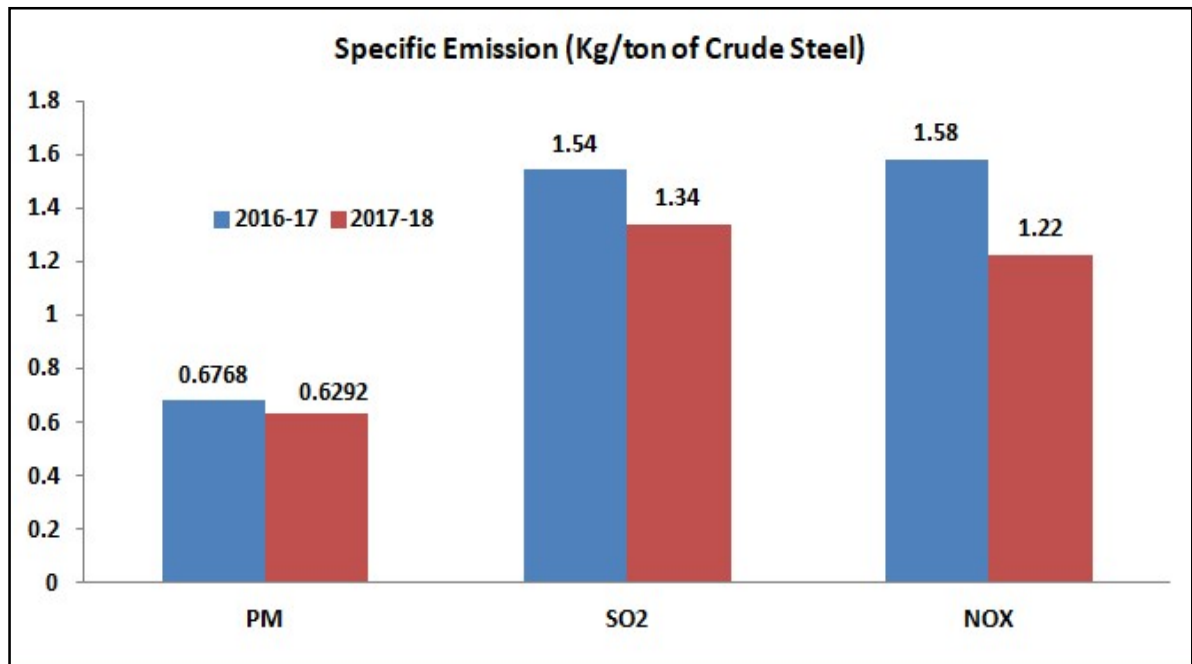
- 1) Steel slab
- 2) White coil
- 3) Sheets

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

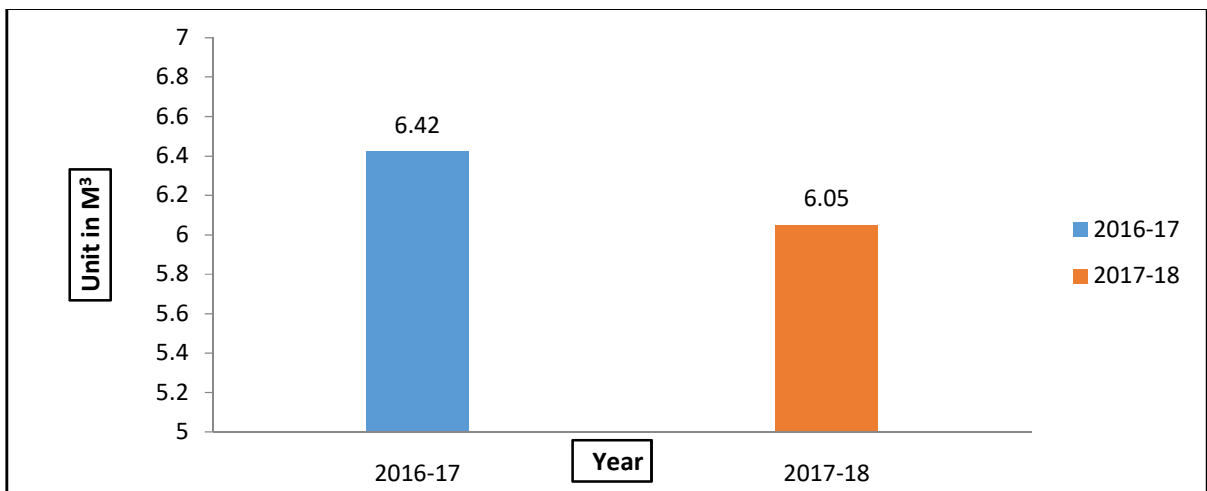
**(i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

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

At JSL, we have been successful in reduction of resources and impacts during our production processes. The significant reduction of specific emission (Kg/Ton of Crude Steel) has been achieved by 7 % for Particulate Matter (PM), 13 % for SO<sub>2</sub> and 22 % 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 6 % with respect to the previous year, as a result of initiatives taken towards water conservation measures like recycling and reuse of treated waste waters resulting from various in-house consumption, thereby reducing fresh water consumption.



- 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, in an effort to reduce resource consumption and our impact on the environment across our value chain, we use stainless steel scrap as one of the key raw materials in the production of our

products. We also aspire to channel our efforts into sourcing our other raw materials in a sustainable manner in the future.

We have a clear preference to work with ISO 14001 and OHSAS 18001 certified contractors, suppliers and 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 and 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 prefers for procurement of goods and services from local vendors and small producers by hiring equipment and services as well as procuring minor raw materials, stationary items and food supplies. It also recruits workers from local communities for construction and operation of plants. Minor fabrication works and materials are also sourced from local suppliers.

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.

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

At JSL, we follow the policy of four R's -- Recycle, Reduce, Reuse and Recover that minimizes the risk of solid waste contamination. We have taken several initiatives to adopt a mechanism to recycle waste products into our process activities. 100% of the waste generated from our plant operations including Fly ash from Captive Power Plant is reused by brick and asbestos manufacturers nearby. Other waste products generated, like mill scale from Cold Rolling Mill, Bag Filter dust from Steel Melting Shop are reused in Ferro Alloy making. Slag from Steel Melting Shop & Ferro Alloy Plant is processed in Metal Recovery plant/Jigging Plant for recovery of valuable metal. Apart from this, 100% of hazardous waste oil is sold to an authorized dealer for further recycling.

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

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

1487 employees

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

5269 employees

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

63 employees

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

1 employee

**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 67.5% 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.

**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 are Farmers Development Project to improve income of the farmers, women empowerment projects, ZMQ MIRA channel to create awareness on prenatal and post-natal care targeting women and adolescent girls, Sanitary Napkin Making Unit to change traditional un-hygienic behavior, Early Childhood care and education projects etc.

**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

**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.**

At JSL, we have established and implemented an Environment Policy on Conservation and prevention of Environmental damage, which also extends to all our subsidiaries. A process is maintained for continually improving our Environment Management System to ensure complete satisfaction and value creation for all stakeholders. With respect to our suppliers and contractors, environmental rules and regulations are clearly stated in the general terms and conditions of the order/ contract being given. We take every step and measure possible in managing environment related activities as per ISO 14001. The quality objective and policy on Environment management is 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. At JSL, we incorporate environmental concerns into all our activities. Being an energy intensive industry, we understand our responsibility towards addressing regional and global environment issues. We are currently developing a climate change strategy which includes various measures to improve energy performance both in the immediate future and in the long run. We strive to set benchmarks in our sector, and hence, invest constantly on process improvements and new technologies.

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

Yes. At JSL, as part of ISO 14001, ISO 9001 and OHSAS 18001 certifications (Integrated Management System Certification), we undertake continuous assessment of the potentiality of environmental risks. We also undertake internal and external audits under IMS Certification to assess the implementation of our 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. At JSL we did not undertake any project related to Clean Development Mechanism during the year 2017-18.

**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 installed and commissioned 2 Waste Heat Recovery Boilers at our Ferro-Alloy complex to produce steam for generation of 13MW power. Similar efforts towards various energy efficient measures have undertaken resulting savings of electrical energy of 15341 MWh and thermal energy of about 26903 Giga Joule during the year 2017-18.

**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 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.**

We received no such Show Cause/legal notice from the regulatory bodies such as CPCB/ SPCB during the reporting period.

**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:**

The Company is member of following trade bodies and association :-

- FICCI
- ASSOCHAM
- CII
- PHD Chamber of Commerce & Industry

**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)**

No

**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 around 14 non-governmental agencies and also through its 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 the weakest sections of the society such as women, children, farmers etc. The programs generate

employment and livelihood opportunities, improving living standards of the community in-turn improving the economy 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, Jindal Stainless Limited has conducted its impact assessment of CSR activities through a third party evaluator "SROI". The impact assessment report is available on the company's website. The third party evaluator gave feedback on the initiatives undertaken, impact on the lives of the stakeholders and improvements required.

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

Examples of Projects undertaken	Amount spent in INR
Promotion of Education & Skill Training	79,34,589
Women Empowerment & Gender Equality	40,26,822
Community Health care	42,46,244
Rural Development Projects	64,52,162
<b>TOTAL</b>	<b>2,26,59,817</b>

**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 while executing the solar photovoltaic irrigation project, farmers group is formed, bank account opened and regular saving from farmers are ensured to meet the post maintenance of the solar systems. The SHGs promoted under women empowerment ensure that the loans of banks are repaid in time and there is no unpaid amount over the SHGs.



**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