

**Towards a
sustainable
future**



Sustainability Report
Year: 2022-2023

 **IT IS A GRI-ALIGNED REPORT**



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About the report

Electrosteel Castings Ltd. (ECL) is the pioneer and the largest manufacturer in South Asia in the field of DI pipe manufacturing. We strongly believe that environmentally and socially sustainable businesses are the foundation of a successful society. As an approach towards sustainable development, ECL has conducted a materiality assessment. The Reporting Principles, Universal Standard, and Topic Specific Standards are detailed in the GRI Standards and have been taken into account while preparing the Report.

The Report has been prepared in accordance with the requirements of the Global Reporting Initiative (GRI) Standards: Core Option and focuses on the material aspects of sustainability that are best suited for ECL's business.

This report showcases the performance and progress concerning Environmental, Social, and Governance (ESG) related aspects and also highlights ECL's performance against key performance indicators aligned with the United Nations Sustainable Development Goals (SDGs). ECL duly followed the in accordance reporting principles, namely, Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness and Verifiability for proper presentation of the reported information

This report is developed in a structured process involving internal

reflection of systems to map the performance of Electrosteel's material topics and mission targets. All data measurement and calculation techniques are carried out as per the GRI standards.

Any assumptions and/or exceptions made while reporting on the GRI disclosures are duly explained. The disclosures complying with the GRI standards are presented in the GRI Content Index at the end of the report. The GRI Sustainability Reporting Standards are designed with true multi-stakeholder contributions and engraved for the sake of public interest. **The report addresses all material topics and the development in the financial year 2022-23.** This report elaborates on the journey and the performance of ECL management towards attaining a sustainable environment in line with the identified material topics.

Our Important Certification

- Certified to ISO 9001:2015
- Certified to ISO 14001:2015
- Certified to ISO 45001:2018
- Certified to SA 8000:2014
- Certified to ISO 50001:2018



Towards a sustainable future

The organization and its reporting practices

Organizational Details (Disclosure GRI 2-1)

ELECTROSTEEL CASTINGS LIMITED (ECL), a public limited company (listed in NSE and BSE), is a six-decade-old organization engaged in Water Infrastructure Business and is the largest manufacturer of Ductile Iron (DI) Pipes in the Indian sub-continent (South Asia), having a production capacity of more than 7,00,000 TPA. Electrosteel is the pioneer to set up a Ductile Iron Spun Pipe Plant in India for the first time in 1994 using state-of-the-art technology and is the world's third largest producer of Spun (DI) pipes.

| | |
|----------------------------|--|
| Manufacturing units | ☞ Khardah, West Bengal |
| | ☞ Haldia, West Bengal |
| | ☞ Bansberia, West Bengal |
| | ☞ Elavur, Tamil Nadu |
| | ☞ Srikalahasthi, Andhra Pradesh |
| Corporate Office | G. K. Tower 19 Camac Street, Kolkata 700017 |
| Registered Office | Rathod Colony, Rajgangpur, Sundergarh, Odisha 770017 |

It has a strong brand presence around the globe. It caters to a large customer base spread around the Indian subcontinent, Europe, North and South America, Southeast Asia, Middle East, and Africa. Electrosteel has maintained its technological leadership by continual product innovation and technical upgradation. A widespread marketing network, supported by dedicated professionals, helps deliver the product to the customers' doorstep.

Electrosteel's Global Presence :

USA :

Electrosteel USA LLC
1101, Louisville Road
Savannah, Georgia
31415, USA.
Email: support@electrosteelusa.com
Website: www.electrosteelusa.com

SPAIN :

Electrosteel Europe, S.A Sucursal
En Espana
Calle Velazquez, 19 3° Derecha
v28001 Madrid, Spain
Email: jlyu@electrosteel.es
Website: www.electrosteel.com

UK :

Electrosteel Castings (UK) Limited
Ambrose House, Broombank Road
Trading Estate
Broombank Road Off Carrwood Road
Chesterfield, Derbyshire
S41 9QJ, United Kingdom
Email: sales@electrosteel.co.uk
Website: www.electrosteel.co.uk

ITALY :

Electrosteel Europe S.A.
Succursale Italia
Via Mecenate, 76/22,
20138 Milano (MI), Italy.
Email: a.firpo@electrosteel.it
Website: www.electrosteel.it

GERMANY :

Electrosteel Europe S.A.
Niederlassung Deutschland,
Bruder- Kremer- Str. 6
65549 Limburg a.d. Lahn,
Germany.
Email: cjf.hahang@electrosteel.fr
Website: www.electrosteel.de

FRANCE :

Electrosteel Europe S.A.
Zone Industrielle Nord
9, Rue Galilee
F13200 Arles, France
Email: cjf.hahang@electrosteel.fr
Website: www.electrosteel.fr

ALGERIA :

Electrosteel Algeria SPA
 Hai Alioua Fodil Villa N° 130,
 Cheraga 16002, Algiers, Algeria.
 Email: a.chadly@electrosteel-dz.com
 Website: www.electrosteel.com

BAHRAIN :

Electrosteel Bahrain Trading WLL
 Flat No 1, Building No 966,
 Road No 5218, Block 952 Ras
 Zuwayed,
 Kingdom of Bahrain
 Email:
 ecl.bahrain@electrosteel.com /
 apshukla@electrosteel.com

UNITED ARAB EMIRATES (UAE) :

Electrosteel Castings Gulf FZE
 Office No.: LB09021, Lob: 9
 P.O. Box: 261462,
 Jebel Ali Free Zone, Dubai, U.A.E.
 Email: sn.agarwal@electrosteel.com

QATAR :

Electrosteel Doha for Trading LLC
 P.O.Box - 80368,
 Office no. 502, 5th Floor
 Al Mansour Business Park, Umm
 Ghuwailina
 Email: vrungta@electrosteel.com /
 ecldoha@electrosteel.com

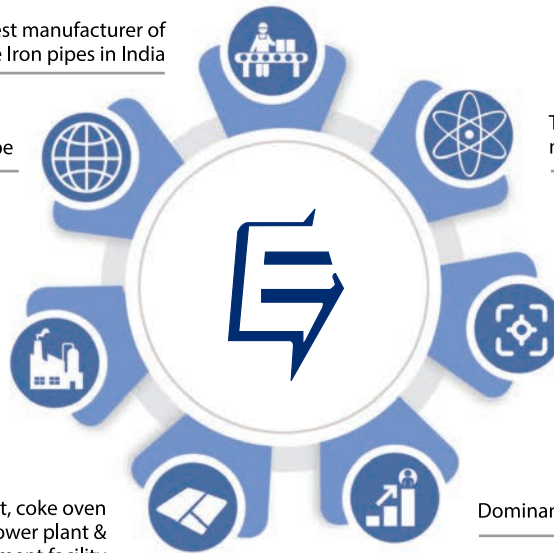
COMPANY SNAPSHOT


Pioneer and largest manufacturer of
 Ductile Iron pipes in India

Presence across the globe

Fully backward integrated
 manufacturing facility

Blast Furnace, Sinter plant, coke oven
 plant, Ferro Silicon plant, power plant &
 a sewage water treatment facility



Technologically advanced
 manufacturing units

Strong focus on quality control
 and operational sustainability

Dominant position in the export market

IMPORTANT MILESTONES

- ☞ Established in 1955 as a Steel Foundry at Khardah, near Kolkata West Bengal (India).
- ☞ Pioneer in making high nickel grinding media in the country.
- ☞ Gray Cast Iron Spun Pipe unit at Khardah in 1959.
- ☞ Gray Cast Iron Spun Pipe unit at Elavur (near Chennai) in 1982.
- ☞ First Ductile Iron Spun Pipe unit of the country at Khardah in 1994.
- ☞ DI Fittings making unit at Khardah started in 2001.
- ☞ Acquired Ductile Iron Pipe making facility at Srikalahasthi Pipes Ltd (SPL) in Andhra Pradesh in 2002.
- ☞ Established coke oven, sponge iron plant and a power plant in at Haldia in 2005.
- ☞ Srikalahasthi Pipes Ltd (SPL) Amalgamated with ECL in 2021
- ☞ Electrosteel is the biggest exporter of DI Pipes in India.
- ☞ Pipes are exported to 110 countries across 5 continents.
- ☞ More than 20000 projects successfully implemented with DI pipes and fittings made by Electrosteel.

Industry Outlook

India is witnessing an unprecedented era of economic progress and India today is competing with developed economies in the world and its growth is expected to hover around 7-10 per cent for next few years. Regarded as one of the fastest growing major economy, India is thriving hard to achieve the ambition of becoming an \$5 trillion economy. A steady growth in Gross Domestic Product has been witnessed for more than two decades, which is continuing.

In response to this staggering problem, the Govt. of India initiated the largest ever water supply initiative anywhere in the world, the Jal Jeevan mission, with an aim to connect all the rural house hold with piped water. At the same time AMRUT mission has been initiated to augment the urban water supply and sewage disposal. To cater this growing need, the Indian pipe and fittings market is growing at the rate of 10%-12% every year for more than a decade now.

Under the 'Jal Jeevan Mission', India has undertaken a very ambitious initiative and is already geared up for major expansion in water supply and distribution infrastructure in all the states. The government is to spend Rs 3.6 lakh crores by 2024 to provide tap water connections to every household. However so far Rs.3.10 lakh crores have been spent and in spite

of that in many states, the providing of home tap connections are still on the lower side. So, more government spending is expected under 'Jal Jeevan Mission'.

For urban water supply, AMRUT 2.0 is initiated to cover the uncovered areas in the urban conglomeration. The main aim is to make 500 identified AMRUT cities 'water secure', i.e., providing water connection to all house hold. It will also include 4,378 statutory small towns. AMRUT 2.0 scheme, has been launched on 01 October, 2021 for a period of 5 years i.e. from the financial year 2021-22 to 2025-26. The total outlay of AMRUT 2.0 is Rs. 2.99 lakh crores. Further growth in pipe demand is expected from AMRUT 2.0 in the coming years.

Traditionally, irrigation in India has been mainly canal based. However now there is a growing acceptance of piped irrigation to minimise the transmission loss due to percolation and evaporation and to avoid the complication of land acquisition. In many states a good number of Piped Irrigation Systems are coming up and other states are following. This has opened good scope for use of pipes and fittings in the irrigation sector in the last few years and the same is expected to grow, as more states experience the benefits of Piped Irrigation System.


MANUFACTURING FACILITIES
ELECTROSTEEL CASTINGS LTD.

WEST BENGAL

Khardah
 DI Pipe - 250,000 MTPA
 Liquid Metal - 258,000 MTPA
 Sinter - 360,000 MTPA
 Power Plant - 3.75 MW
 DI Fittings - 10,200 MTPA

Haldia
 Power Plant - 17 MW
 DI Fittings - 10,800 MTPA
 Coke - 324,000 MTPA
 Siico Manganese - 9MVA*1
 (16,260 MTPA)

Bansberia
 Pico coating and finishing plant

ANDHRA PRADESH

Subhalakhi
 DI Pipe - 400,000 MTPA
 Liquid Metal - 525,000 MTPA
 Sinter - 500,000 MTPA
 Power Plants - 22 MW
 Coke - 280,000 MTPA
 Ferro Silicon - 9MVA*2
 (16,000 MTPA)
 Cement - 99,000 MTPA

TAMIL NADU

Elavur
 CI Pipe - 50,000 MTPA

Entities included in the organization's sustainability reporting (Disclosure GRI 2-2)

The scope and boundary of this sustainability report include activities and operations only in ECL's corporate office in Kolkata, Khardah works, and Bansberia facilities located in India.

The audited consolidated financial statements, published in the Annual report and uploaded in website (To access: Annual report 2022-23), comprise financial data related to Electrosteel Castings Limited's five manufacturing units and Corporate office (referred to as the Holding Company in the Annual Report) and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"). The financial reporting pertaining to the current GRI reporting boundary has been referred to in Disclosure 201-1.

Though the organization operates five manufacturing plants, only two plants are considered in this GRI report for 2022-2023 .



Reporting period, frequency and contact point (Disclosure GRI 2-3)

Period: April 1, 2022 to March 31, 2023. The sustainability report is compiled annually. This report is aligned with the annual financial reporting.

The date of publishing of the report is May 15, 2024. The contact point for the report is -

Contact Person - Saibal Dutta

Contact Number - +91-9903143707

Email Id - esg@electrosteel.com

Linkage to the Content Index of this report - "Pg-107". After getting duly assured report, the organisation ensures that this report is accessible to all stakeholders and available on the company's website for public access.

Restatements of information (Disclosure GRI 2-4)

This is the first GRI-aligned sustainability report published in 2022-23, so this disclosure is not covered.

External assurance(Disclosure GRI 2-5)

The organisation maintains its integrity in external communication by carrying out assurance through a third-party assurance provider. The sustainability report is approved by the board of directors and assured by an external third party. The report has been framed in accordance with the Global Reporting Initiatives Framework (GRI-2021) to showcase performance and progress concerning Environmental, Social, and Governance (ESG) related aspects.

To access the assurance statement of an external third-party assurance provider, the link to provide -

The financial data in the report is

excerpted from the Company's Annual Report 22-23, which was audited by independent Statutory Auditors.

The authenticity of ESG-related data and systems disclosed in the Sustainability Report 2023 has been assured by M/s. BSI Group (India) Private Limited is an independent third-party assurance provider. The assurance is Type 2 Moderate (Limited) Level of Assurance and is based on the principles defined in AA1000AS v3, including the Global Reporting Initiative Sustainability Reporting Standards. The assurance statement of M/s. BSI Group (India) Private Limited is included in the report and covers the summary of the work performed, the manner in which the assurance engagement has been conducted and their conclusions on the Report. The overall responsibility of sustainability report assurance is with ECL's ESG committee supported by dedicated teams and unit level process owners.



Activities and Workers

Activities, value chain and other business relationships (Disclosure GRI 2-6)

Electrosteel Castings Limited is a pioneer in the production of ductile iron pipes, flange pipes and fittings. The organization designs, develops, manufactures and supplies centrifugally cast ductile iron pipes and fittings for water and sewage pipelines and related customer service. The activities include management functions, design and development, ductile iron pipes and fittings, finishing, LMW (blast furnace, sinter plant, RMHS, quality assurance, customer service, dispatch and purchasing.

Our suppliers in each tier are mainly contractors, wholesalers, and manufacturers with whom we maintain long-term business relationships.

Our downstream entities are our customers from various profiles:

- Direct State Govt. departments like

PHED/Water supply

- Direct Central Govt departments like MES/Railways etc.
- Govt./ Semi Govt. City Water supply / Sewerage boards (like KMDA)
- City/Town municipalities/or Municipal corporations
- Private small local contractors who work for Govt. Semi Govt. agencies
- Big Turn-key contractors like L&T, Megha, NCC etc.

The global customers are spread across the Indian subcontinent, South East Asia, Middle East, Europe, Africa, USA etc. Pipes are exported to more than 70 countries.

Our products are utilized by our customers mainly in the following activities:

- Drinking Water and Sewerage Sector
- Irrigation Sector
- Industrial Water supply

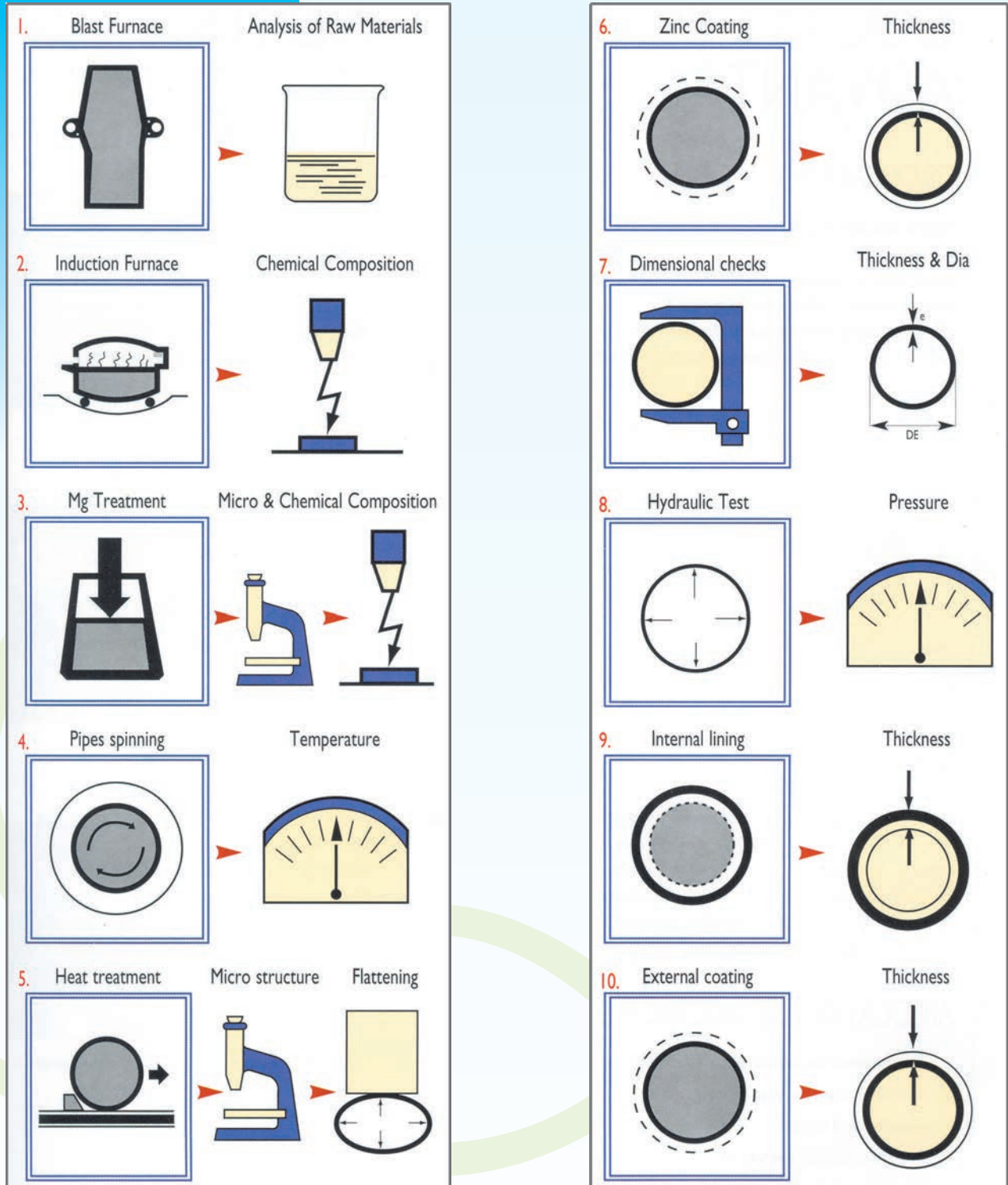
Other relevant business relationships that the organization has with entities that are not described as part of its value chain:

| | |
|---|---------------|
| North Dhadhu Mining Company Private Limited | Joint Venture |
| Domco Private Limited | |



Towards a sustainable future

Pipe Manufacturing Process



Employees (Disclosure GRI 2-7)

Electrosteel Castings Limited controls operations through its permanent Employees (staff + workmen), who are in the management grade. Only full-time permanent employees have been considered. The organization has a mix of staff of different age categories, which provides a good balance to the management. All the staff are of Indian nationality, and a majority of the staff are local to the region.



Table 1 (i) Employee Categorization staff

| Category | FY 22-23 | | | | | | Total |
|---------------------------|-----------|------------|------------|-----------|------------|-----------|------------|
| | Male | | | Female | | | |
| | <30 Years | 30-50Years | >50 Years | <30 Years | 30-50Years | >50 Years | |
| Jr. Management | 47 | 115 | 38 | 1 | 1 | 1 | 203 |
| Middle Management | 3 | 188 | 99 | 0 | 6 | 2 | 298 |
| Senior Management | 2 | 13 | 49 | 0 | 2 | 1 | 67 |
| Total No. of Staff | 52 | 316 | 186 | 1 | 9 | 4 | 568 |

Table 1 (ii) Employee Categorization - workers

| Category | (FY 22-23) | | | | | |
|-----------------------------|--------------------|----------------------|----------------|---------------------|------------------------|-----------------|
| | Male | | | Female | | |
| | Less than 30 Years | 30 years to 50 years | Above 50 Years | Less than <30 Years | 30 years to 30-50Years | Above >50 Years |
| On-roll or Permanent Worker | 0 | 449 | 189 | 0 | 0 | 0 |
| TOTAL | 638 | | | | | |

Table 2 (i) - Differently abled employees/staff

| KPI | (FY 22-23) | |
|--------------------------|------------|--------|
| | Male | Female |
| Total No. of Staffs | 554 | 14 |
| Differently abled staffs | 4 | 0 |

The majority of the staff are based locally. There are no significant fluctuations in the staff from previous years. The company does not operate with On-roll temporary or contractual employees. Usually, the company's workers can be differentiated into "On-roll" and "Other than On-roll or Contractor's workers." The details are given in Table 2 ii).

All the Employees and On-roll workers work full-time hours. The company does not operate with part-time employees and On-roll workers.

Workers who are not employees (Disclosure GRI 2-8)

Some workers are provided by outsourced agencies, and they are not employees of the organization. This arrangement allows the organisation to cater to varying workloads in various workshops within plants of the reporting boundary and in the Corporate office. The agencies employing these workers ensure that all social protection is ensured.

Table 2 (ii) Differently abled employees/staff

Location Wise - Other than On-Roll Workmen (Contractor's workmen) as on 31-03-2023

| Other than On-Roll | KW | BW | HO |
|--------------------|------|-----|----|
| Number of heads | 3655 | 355 | 43 |

Note:- All male & no differently abled workmen. The number of non-employee workers did not significantly fluctuate during the reporting period (2022-2023). The head count is calculated using the FTE (full-time equivalent) methodology.

Governance



Governance structure and composition (Disclosure GRI 2-9)

ECL's philosophy on Corporate Governance is centred on the principles of ethics and transparency, which it believes are essential for promoting efficient and sustainable business operations. The organization aims to establish good governance practices across all functions to ensure the creation of long-term value for all stakeholders.

ECL is committed to upholding the highest standards of corporate governance and strives to set industry-leading benchmarks in this regard. The organization believes that promoting and protecting the long-

term interests of all stakeholders is paramount while ensuring compliance with all legal and regulatory requirements.

ECL's approach to Corporate Governance extends beyond its business operations to meet the diverse needs of all stakeholders and society as a whole, with the aim of creating long-term sustainable value. The organization strongly emphasises transparency, effective leadership, and ethical business practices in all its endeavours. The organization's commitment to these principles sets a benchmark for corporate governance practices, and ensures that it remains at the forefront of responsible business operations.





Board of Directors

The board of directors forms the highest governing body. As of 31 March 2023, the board consisted of 18 (eighteen) members. It is well represented in terms of independence. There is only one independent woman director.

Overall, the board is comprised of the below structure:

- o Nine Independent, Non-Executive Directors, including one Independent Woman Director;
- o Seven Promoter, Executive Directors; and
- o Two Non-Promoter, Executive Directors.

The organization's chairman is an Independent, Non-Executive Director. The board's composition as of 31 March 2023 was in accordance with the provisions of the Act and Regulation 17 of the Listing

Regulations.

During the Financial Year **2022-2023**, 4 (four) Board Meetings were held.

There are 7 Board Committees, namely-

- o Audit Committee,
- o Nomination and Remuneration Committee,
- o Stakeholders' Relationship Committee,
- o Corporate Social Responsibility Committee,
- o Risk Management Committee,

A Policy on Board Diversity and Succession Planning for the Board of Directors and Senior Management as devised by the Nomination and Remuneration Committee is in place to ensure adequate diversity in the Company's Board of Directors and for orderly succession for appointments on the Board of Directors and Senior Management.

Table 3 - Board of Directors

| Name of the Director | Male | Specially Abled | Designation | Nationality |
|--------------------------------|--------|-----------------|---|-------------|
| Mr. Pradip Kumar Khaitan | Male | No | Chairman - Non executive director | Indian |
| Mr. Binod Kumar Khaitan | Male | No | Director | Indian |
| Mr. Amrendra Prasad Verma | Male | No | Director | Indian |
| Dr. Mohua Banerjee | Female | No | Director | Indian |
| Mr. Rajkumar Khanna | Male | No | Director | Indian |
| Mr. Jinendra Kumar Jain | Male | No | Director | Indian |
| Mr. Vyas Mitre Ralli | Male | No | Director | Indian |
| Mr. Bal Kishan Choudhury | Male | No | Director | Indian |
| Mr. Virendra Sinha | Male | No | Director | Indian |
| Mr. Umang Kejriwal | Male | No | Managing Director | Indian |
| Mr. Mayank Kejriwal | Male | No | Joint Managing Director | Indian |
| Mr. Uddhav Kejriwal | Male | No | Wholetime Director | Indian |
| Mr. Sunil Katial | Male | No | Wholetime Director & Chief Executive Officer | Indian |
| Mr. Ashutosh Agarwal | Male | No | Wholetime Director & Chief Financial Officer | Indian |
| Mrs. Radha Kejriwal Agarwal | Female | No | Wholetime Director | Indian |
| Mrs. Nityangi Kejriwal Jaiswal | Female | No | Wholetime Director | Indian |
| Mr. Madhav Kejriwal | Male | No | Wholetime Director | Indian |
| Mrs. Priya Manjari Todi | Female | No | Wholetime Director | Indian |

Nomination and selection of the highest governance body (Disclosure GRI 2-10)

The nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee and adopted by the Board of Directors governs the criteria for determining qualifications, positive attributes and independence of a Director and lays down the remuneration principles for Directors, Key Managerial Personnel and other staff. The policy lays down the procedure for selecting and appointment of Board Members and KMP and appointing executives other than Board Members and the compensation structure for Executive Directors, Non-Executive Directors, KMP and other senior management. (<https://www.electrosteel.com/pdf/nominationRemunerationPolicy.pdf>)

The policy includes provisions for identifying and selecting suitable candidates for appointment to senior management positions, taking into account factors such as professional qualifications, experience, and

personal qualities. It also outlines the criteria for evaluating the performance of senior management personnel and the Board of Directors.

The remuneration aspect of the policy outlines the framework for determining the remuneration of senior management personnel, including fixed and variable components such as salaries, bonuses, and stock options. The policy also includes provisions for determining the remuneration of non-executive directors, taking into account their roles and responsibilities.

The Committee comprised of the following Directors as its members, as on 31 March, 2023:

- o Mr. Binod Kumar Khaitan, Chairman - Independent Director
- o Mr. Pradip Kumar Khaitan - Independent Director
- o Mr. Rajkumar Khanna - Independent Director
- o Mr. Jinendra Kumar Jain - Independent Director

Objectives and purpose of the Nomination and Remuneration Policy include:

- o The Policy seeks to enable the Company to provide a well-balanced, performance-related compensation package, taking into account shareholder interests, industry standards, and relevant Indian corporate regulations.
- o To formulate the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director and to recommend their appointment

Competencies relevant to the impacts of the organization are also considered for nominating and selecting the highest governance body members. The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board are:

Table 4 - Board Competency

| Name of the Director | Core Skills/Expertise/Competencies |
|----------------------------------|---|
| Mr. Pradip Kumar Khaitan | Industry / Sector related knowledge Strategy Development, Planning and Implementation Compliance and Legal / Regulatory Experience Corporate Governance and Ethics |
| Mr. Binod Kumar Khaitan | Industry / Sector related knowledge Corporate Governance and Ethics |
| Mr. Amrendra Prasad Verma | Finance and Accounting Corporate Governance and Ethics Risk Management |
| Dr. Mohua Banerjee | Sales and Marketing |
| Mr. Rajkumar Khanna | Industry / Sector related knowledge Finance and Accounting Corporate Governance and Ethics Sales and Marketing |

| Name of the Director | Core Skills/Expertise/Competencies |
|------------------------------------|--|
| Mr Jinendra Kumar Jain | Industry / Sector related knowledge Finance and Accounting Corporate Governance and Ethics |
| Mr. Vyas Mitre Ralli | Industry / Sector related knowledge Operations and Management Experience Corporate Governance and Ethics |
| Mr. Bal Kishan Choudhury | Finance and Accounting Compliance and Legal / Regulatory Experience Corporate Governance and Ethics |
| Mr. Virendra Sinha | Industry Sector related knowledge Operations and Management Experience Strategy Development, Planning and Implementation |
| Mr. Umang Kejriwal | Industry / Sector related knowledge Finance and Accounting Operations and Management Experience Corporate Governance and Ethics Strategy Development, Planning and Implementation Human Resources Management Risk Management |
| Mr. Mayank Kejriwal | Industry / Sector related knowledge Finance and Accounting Operations and Management Experience Corporate Governance and Ethics Strategy Development, Planning and Implementation Human Resources Management |
| Mr. Uddhav Kejriwal | Industry / Sector related knowledge Finance and Accounting Operations and Management Experience Corporate Governance and Ethics Strategy Development, Planning and Implementation Human Resources Management |
| Mr. Sunil Katial | Industry / Sector related knowledge Operations and Management Experience Strategy Development, Planning and Implementation |
| Mr. Ashutosh Agarwal | Industry / Sector related knowledge Finance and Accounting Operations and Management Experience Corporate Governance and Ethics Strategy Development, Planning and Implementation |
| Mrs. Radha Kejriwal Agarwal | Industry / Sector related knowledge Plant Operations Human Resources, Industrial Relations Information Technology General Administration |

| Name of the Director | Core Skills/Expertise/Competencies |
|---------------------------------------|---|
| Mrs. Nityangi Kejriwal Jaiswal | Industry / Sector related knowledge Profit Centre Head Branding and Communication Sales and Marketing |
| Mr. Madhav Kejriwal | Industry / Sector related knowledge Sales and Marketing Business and Product Development Strategy Development, Planning and Implementation |
| Mrs. Priya Manjari Todi | Industry / Sector related knowledge Operations and Manufacturing Purchase Marketing and Export |

The Nomination and Remuneration Committee has formulated a policy on board diversity and succession planning for the board of directors and senior management. This policy ensures adequate diversity in the Company's Board of Directors and orderly succession for appointments on the Board of Directors and Senior Management.

Table 5 - Board Composition

The details of each member of the Board as on 31 March 2023 are provided herein below:

| Name of the Director | Number of Directorship(s) in other public limited companies | No. of committee positions in other public limited companies | | Directorship in other listed entities (Category of Directorship) |
|--|---|--|--------|--|
| | | Chairperson | Member | |
| Independent, Non-Executive Directors | | | | |
| Mr. Pradip Kumar Khaitan DIN: 00004821 | 6 | 2 | 2 | Dalmia Bharat Limited (Independent, Non-Executive) India Glycols Limited (Independent, Non-Executive) Graphite India Limited (Independent, Non-Executive) CESC Limited (Non-Independent, Non-Executive) Firstsource Solutions Limited (Non-Independent, Non-Executive) |
| Mr. Binod Kumar Khaitan DIN: 00128502 | 1 | 1 | - | The Phosphate Co. Ltd. (Non-Independent, Non-Executive) |
| Mr. Amrendra Prasad Verma DIN: 00236108 | 3 | 3 | 1 | Solar Industries India Limited Independent, Non-Executive) |
| Dr. Mohua Banerjee (Woman Director) DIN: 08350348 | - | - | - | - |
| Mr. Rajkumar Khanna DIN: 05180042 | - | - | - | - |

| Name of the Director | Number of Directorship(s) in other public limited companies | No. of committee positions in other public limited companies | | Directorship in other listed entities (Category of Directorship) |
|---|---|--|--------|--|
| | | Chairperson | Member | |
| Independent, Non-Executive Directors | | | | |
| Mr. Vyas Mitre Ralli DIN: 02892446 | - | - | - | - |
| Mr. Bal Kishan Choudhury DIN: 00766032 | 1 | - | - | - |
| Mr. Virendra Sinha DIN: 03113274 | 2 | 1 | - | Texmaco Rail & Engineering Limited (Independent, Non-Executive) Andhra Paper Limited, (Independent, Non-Executive) |
| Mr. Jinendra Kumar Jain DIN: 00737352 (Independent, Non-Executive Director) | - | - | - | - |
| Non-Independent, Executive Directors (Managing Directors & Whole-time Directors) | | | | |
| Mr. Umang Kejriwal DIN: 00065173 | 2 | - | - | - |
| Mr. Mayank Kejriwal DIN: 00065980 | 4 | - | - | - |
| Mr. Uddhav Kejriwal DIN: 00066077 | 2 | - | - | - |
| Mr. Sunil Katial DIN: 07180348 | - | - | - | - |
| Mr. Ashutosh Agarwal DIN: 00115092 | 2 | - | - | - |
| Mrs. Radha Kejriwal Agarwal DIN: 02758092 | 4 | - | - | - |
| Mrs. Nityangi Kejriwal Jaiswal DIN: 07129444 | - | - | - | - |
| Mr. Madhav Kejriwal DIN: 07293471 | 5 | - | - | - |
| Mrs. Priya Manjari Todi DIN: 01863690 | - | - | - | - |

Declaration by Independent Directors

Mr. Pradip Kumar Khaitan, Mr. Binod Kumar Khaitan, Mr. Amrendra Prasad Verma, Dr. Mohua Banerjee, Mr. Rajkumar Khanna, Mr. B K Choudhury, Mr. Vyas Mitre Ralli, Mr. Virendra Sinha and Mr. Jinendra Kumar Jain, Independent Directors, have given declarations that they meet the criteria of independence as laid down in the Act and the Listing Regulations. Further, in terms of Rule 8(5)(iiiia) of the Companies (Accounts) Rules, 2014, as amended, the Board of Directors state that in the opinion of the Board, Mr. Jinendra Kumar Jain, whose appointment as Independent Director of the Company has been approved by the Shareholders during the year, is a person of integrity and possesses relevant expertise and experience. Further, Mr. Jain has successfully qualified the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

Chair of the highest governance body (Disclosure GRI 2-11)

The composition of the Board as of 31 March 2023 was in accordance with the provisions of the Companies Act 2013 and Regulation 17 of the SEBI LODR 2015. The Chairman of the organization is an Independent, Non-Executive Director. This is done to avoid any conflict of interest.

Role of the highest governance body in overseeing the management of impacts (Disclosure GRI 2-12)

The Board of Directors consistently evaluates the effects of their actions through various committees and sub-committees, ensuring that they stay informed about any potential impacts. Significant impacts are managed through appropriate decision-making. Additionally, the Board has established a specialized

ESG team to support businesses in creating and implementing policies and initiatives that align with their values and benefit both society and their bottom line. This team reports to the Executive Director, and their reports are reviewed annually by the Board of Directors, with additional reviews conducted in the event of significant occurrences. The highest governance body oversees the integration of sustainability considerations into the organization's core business processes. It ensures that sustainability is embedded in decision-making across all levels and functions of the organization, fostering a culture of sustainability and responsible business practices. Monthly review of the effectiveness of the Environmental performance, Occupational Health and safety and Training and CSR activities are reviewed by the Highest Governance body members.

Delegation of responsibility for managing impacts (Disclosure GRI 2-13)

The ESG director / Team leader is responsible for developing and implementing the team's overall strategy and ensuring that the team is working effectively towards its goals. The director also engages with senior management and board members to ensure that sustainability and social responsibility are integrated into the company's overall business strategy. In addition, the director oversees the work of other ESG team members, such as ESG analysts and coordinators.

Every member is the ESG Committee plays a crucial part in ensuring a company's ESG efforts are successful.

The members of ESG Cell are given below -

- 1) Mr. Atindra Narayan Dey, Department - Technical Services, Team Leader / ESG

- 2) Mr. Amit Basu, Department - Energy Management
- 3) Mr. Saibal Dutta, Department - Technical Services
- 4) Mr. Atanu Chowdhury - Human Resources
- 5) Mr. Gautam Biswas - Environment
- 6) Mr. Sukumar Mullick - Occupational Health and Safety
- 7) Mrs. Sangeeta Roy - Governance
- 8) Mr. Rajesh Sharma - Personal and Administration
- 9) Mr. G. Natarajan - QAD-SW

The ESG team reports are reviewed by the board of directors on an annual basis and as and when required.

Role of the highest governance body in sustainability reporting (Disclosure GRI 2-14)

The Board of Directors reviews the material issues and approves ESG Committee reports to higher management. In fact, the highest governance body frames the ESG committee and entrusts them to identify the material topics relevant to the Company's primary business. The highest governance body establishes policies and objectives related to sustainability reporting. It defines the organization's reporting strategy and determines the scope and boundaries of the report. Once the draft Sustainability report gets finalized, the highest governance body reviews it, gives its final input (if any) and finally approves it. The governing body ensures that the sustainability report is made publicly available and accessible to stakeholders. It demonstrates the organization's commitment to accountability and transparency by disclosing relevant information on sustainability performance, impacts, and progress.

Table 6 - Board Meetings

| Name of the Director | No. of meetings held | Meetings Attended |
|---|----------------------|-------------------|
| Mr. Binod Kumar Khaitan | 4 | 4 |
| Mr. Pradip Kumar Khaitan | 4 | 4 |
| Dr. Mohua Banerjee | 4 | 4 |
| Mr. Rajkumar Khanna | 4 | 4 |
| Mr. Amrendra Prasad Verma | 4 | 4 |
| Mr. Mahendra Kumar Jalan | 4 | 4 |
| Mr. Sunil Katial | 4 | 4 |
| Mr. Ashutosh Agarwal | 4 | 4 |
| Mr. Shermadevi Yegnaswami Rajagopalan * | 4 | 3 |
| Mr. Bal Kishan Choudhury | 4 | 4 |
| Mr. Vyas Mitre Ralli | 4 | 4 |
| Mr. Umang Kejriwal | 4 | 4 |
| Mr. Mayank Kejriwal | 4 | 4 |
| Mr. Virendra Sinha | 4 | 4 |
| Mrs. Radha Kejriwal Agarwal | 4 | 3 |
| Mrs. Nityangi Kejriwal Jaiswal | 4 | 3 |
| Mr. Madhav Kejriwal | 4 | 3 |
| Mrs. Priya Manjari Todi | 4 | 3 |

* Mr. Shermadevi Yegnaswami Rajagopalan (DIN: 00067000) has ceased to be a Director of the Company, with effect from 31 December, 2022.

Conflicts of interest (Disclosure GRI 2-15)

The organization has adopted the Code of Conduct, which applies to the Board Members and other senior management explaining the circumstances to avoid that may likely lead to a conflict of interest. The approach regarding the conflict of interest and the events or situations which result in a conflict of interest is defined in the Code of Conduct which is publicly available. **(Refer: Code of conduct of the company)**

The code specifies that no one shall engage in any business or activity that may be in conflict with the business pursued by the organization and to avoid scrupulous conflicts of interest with the organization. A conflict of interest exists where the interest of Director or member of the Senior Management conflicts with those of the organization. Directors and

members of Senior Management shall make full disclosure of material, financial and commercial transactions that may have a potential conflict with the interest of the organization at large, including dealing in organization shares and commercial dealings with the bodies in which they have shareholding or interest. No conflict of interest has been reported in the year 2022-2023.

Communication of critical concerns (Disclosure GRI 2-16)

Effective communication of critical concerns to the board of directors is essential for maintaining good corporate governance and ensuring that the board is aware of significant issues affecting the company. These communications are carried out during board meetings.

No communication for critical matters has been made in the year under consideration(2022-2023).



Remuneration policies (Disclosure GRI 2-19)

The remuneration aspect of the policy outlines the framework for determining the remuneration of senior management personnel, including fixed and variable components such as salaries, bonuses, and stock options. The policy also includes provisions for determining the remuneration of non-executive directors, taking into account their roles and responsibilities. The Nomination and Remuneration Policy is available at the organization's website. **(Nomination Remuneration Policy).**

Nomination and Remuneration Committee

There is a Nomination and Remuneration Committee ('NRC') in place with roles, powers and duties to be determined by the Board from time to time. Its terms of reference is following the provisions of Section 178 of the Act and Regulation 19(4) read with Schedule II (Part D) of the Listing Regulations.

The Committee comprised of the

following Directors as its members, as on 31 March, 2022:

- ☞ Mr. Binod Kumar Khaitan, Chairman - Independent Director
- ☞ Mr. Pradip Kumar Khaitan - Independent Director
- ☞ Mr. Jinendra Kumar Jain - Independent Director
- ☞ Mr. Rajkumar Khanna - Independent Director

All members of the NRC are Non-Executive Directors. Mr Binod Kumar Khaitan, an Independent Director, acted as the Chairperson of the Committee and was present at the organization's 67th Annual General Meeting, held on 16 September 2022, to answer shareholder queries

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- ☞ The scope of duties, the role and nature of responsibilities;

- ☞ The level of skill, knowledge and experience of the individual;
- ☞ Core performance requirements and expectations of individuals;
- ☞ The Company's performance and strategy; and
- ☞ Legal and industrial Obligations.

The objective of the Nomination and Remuneration is to formulate criteria for determining a director's qualifications, positive

attributes, and independence and recommend the appointment of directors.

It also requires formulation of criteria for the evaluation of the performance of independent directors and the board of directors;

During the Financial Year 2022-23, 2 (two) NRC meetings were held on 10 May 2022 and 14 February 2023. Attendance at the meetings held during the year is provided below (Table-9):

Table 7 - NRC Committee Meeting

| Name of the Director | No. of meetings held | Meetings Attended |
|---------------------------------------|----------------------|-------------------|
| Mr. Binod Kumar Khaitan | 2 | 2 |
| Mr. Pradip Kumar Khaitan | 2 | 2 |
| Mr. Rajkumar Khanna | 2 | 2 |
| Mr. Shermadevi Yegnaswami Rajagopalan | 2 | 1 |

* Mr. Shermadevi Yegnaswami Rajagopalan (DIN: 00067000), Independent Director, has ceased to be a Member of the Committee due to his resignation from the company's Directorship, effective 31 December 2022.

Process to determine remuneration (Disclosure GRI 2-20)

The organization's policy underlines the belief that the total fixed salary should be fair and reasonable after taking into account the following factors:

- ☞ The scope of duties, the role and

nature of responsibilities;

- ☞ The level of skill, knowledge and experience of the individual;
- ☞ Core performance requirements and expectations of individuals;
- ☞ The Company's performance and strategy; and
- ☞ Legal and industrial Obligations.



Message from Top Management (Disclosure GRI 2-22)



As an organization, our responsibility extends to not only the Industry we work in but also to our Environment and Society. For this reason, we aim to continuously identify key concerns of every stakeholder involved and address those.

ECL outperformed itself in 2022-2023. Our financial results, commitment, and address on sustainability problems are evidence of our success. In order to achieve our financial as well as sustainability goals, it is also crucial that the Group's governing bodies communicate effectively and transparently with one another.

ECL is continuing its efforts to convey its intention in an increasingly transparent manner with this sustainability report in accordance with GRI (Global Reporting Initiative). The group is dedicated to take a major role in creating a circular economy in this highly unpredictable and uncertain geopolitical and economic circumstances.

The company has taken measures to reduce its carbon footprint by significant process changes like modification of all its oil (fossil fuel) fired heat treatment furnaces in different plants to make them suitable for the use of Blast Furnace Gas (a

process by-product) as an alternative fuel, thus eliminating fuel oil usage. Multiple other efforts have been initiated to minimize the use water and energy. These steps and many others will lead India towards achieving net zero goals.

Our commitment to sustainability has always been a cornerstone of our operations and a key factor in our performance as a whole. We have a strong connection between sustainability, corporate governance and outstanding financial success. Thanks to our responsible supply chain model, we have cultivated with our business partners, and stake holders. Sensitive and responsible human resources policies demonstrate our concern for our staffs. We are pleased with what we have accomplished thus far and will keep putting an emphasis on responsible expansion. Our ESG initiatives will help deliver better results and strengthen ECL's position as a top ethical, sustainable, and customer-focused brand. We want to express our gratitude to the customers for their support and the overwhelmingly positive response to all of our product lines.

(Sunil Katial)
Director-in-Charge

Strategy, policies and practices
Policy commitments
(Disclosure GRI 2-23)

Electrosteel firmly believes in its commitment to responsible business conduct and human rights. It subscribes to international conventions on the issues.

These commitments have been made in line with the UN and ILO conventions on environmental rights and workers' rights, including fundamental human rights. The organization believes that where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used to postpone cost-effective measures to prevent environmental degradation.

These commitments are visible in the various policies which have been approved by the board of directors. These policies extend to the entire operations of the organization. The organization believes in implementing corporate governance practices in letter and in spirit. Some of the important codes, policies and programs adopted in this regard are

- Code of Conduct for the Board of Directors and Senior Management Executives;
- Code of Conduct for regulating, monitoring and reporting trading by Designated Persons and their Immediate Relatives;
- Code of Practices and Procedures

All staff, key management personnel, and Board of Directors commit to comply with the requirements of the policies as part of the agreement of employment. Policies that are classified as public are available at https://www.electrosteel.com/investor/code_of_conduct_and_policies.php

for Fair Disclosure of Unpublished Price Sensitive Information;

- Policy and Procedure for Inquiry in Case of Leak/Suspected Leak of Unpublished Price Sensitive Information;
- Vigil Mechanism/Whistle Blower Policy;
- Related Party Transaction Policy;
- Nomination and Remuneration Policy;
- Corporate Social Responsibility Policy;
- Policy for determining Material Subsidiaries;
- Policy on Board Diversity and Succession Planning for the Board of Director and Senior Management;
- Policy for determination of Materiality of Events/Information for disclosures;
- Familiarization Program for the Independent Directors.
- Dividend Distribution Policy.
- Policy & Manual/Procedure of Sexual Harassment at Workplace.
- Anti-competition policy
- Anti-bribery and corruption policy
- Policy for sustainable procurement
- Environment policy

| Sl. No. | Name / Description of Policy | Approved By | Accessible at | View as PDF | Policy applicable to | Policy communicated through |
|---------|--|--------------------|---------------|-------------|---|-----------------------------|
| 1 | Code of Conduct for the Board of Directors and Senior Management Executives | Board of Directors | ECL website | Click here | 1. Board of Directors 2. Senior Management 3. Senior Management Executives | |
| 2 | Code of Conduct for regulating, monitoring and reporting trading by Designated Persons and their Immediate Relatives | | | | | |
| 3 | Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information | Board of Directors | ECL website | Click here | | |
| 4 | Policy and Procedure for Inquiry in Case of Leak/ Suspected Leak of Unpublished Price Sensitive Information | | | | | |
| 5 | Vigil Mechanism/Whistle Blower Policy | Board of Directors | ECL website | Click here | Staffs of the Company or of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location, customers, contractors, vendors, suppliers or agencies | |
| 6 | Related Party Transaction Policy | Board of Directors | ECL website | Click here | | |
| 7 | Nomination and Remuneration Policy | Board of Directors | ECL website | Click here | Directors, Key Managerial Personnels and other staffs | |
| 8 | Corporate Social Responsibility Policy | Board of Directors | ECL website | Click here | | |
| 9 | Policy for determining Material Subsidiaries | Board of Directors | ECL website | Click here | | |
| 10 | Policy on Board Diversity and Succession Planning for the Board of Director and Senior Management | | | | | |

| Sl. No. | Name / Description of Policy | Approved By | Accessible at | View as PDF | Policy applicable to | Policy communicated through |
|---------|--|--------------------|-------------------|-------------|---|-----------------------------|
| 11 | Policy for determination of Materiality of Events/ Information for disclosures | Board of Directors | ECL website | Click here | | |
| 12 | Familiarization Program for the Independent Directors | Board of Directors | ECL website | Click here | Independent Directors | |
| 13 | Dividend Distribution Policy | | ECL website | Click here | | |
| 14 | Policy & Manual/Procedure of Sexual Harrassment at Workplace | | Empwin (Intranet) | Click here | 1. All categories of employees of Electrosteel. 2. It also applies to women not being an employee of Electrosteel but present at Electrosteel's workplace. | |
| 15 | Anti-competition policy | | | Click here | | |
| 16 | Anti-bribery and corruption policy | | | Click here | | |
| 17 | Policy for sustainable procurement | | | click here | | |
| 18 | Environment policy | MANAGING DIRECTOR | ECL website | Click here | | |



Embedding policy commitments (Disclosure GRI 2-24)

The Code of Conduct is formulated to ensure that all Directors and senior management personnel act within the limits of authority conferred upon them and function in the best interest of the Company and all stakeholders.

The Code of Conduct covers topics like honesty and integrity, conflict of interest, regulatory compliances, fair dealing, and protecting the confidentiality of information related to the organization. Protection of company assets, regular disclosures, compliance with the "Insider trading" code, gifts and donations. All Directors and Senior Management Executives take every reasonable step to ensure adherence to the laws of the land. In their decisions, they shall respect the necessity of protecting the environment around it, of the country, and the global environment as a whole and shall promote the same values. The directors and senior management shall give the highest respect for humans and human values and promote the same

No breach of the code of conduct has

occurred in the current year.

ECL has implemented quality management systems ISO 9001 to underscore its commitment to its customers, ensuring the best products. It has implemented an environmental management system, ISO 14001, to demonstrate its commitment to protecting the environment and preventing pollution. Emissions from energy continue to be the biggest cause of climate change. The organization's implementation of ISO 50001 is an effort to reduce its emissions due to energy consumption. The health and safety of its workers remain the highest priority. The organization has implemented occupational health and safety ISO 45001 to ensure that there is safe working environment. The organization's policy commitments to responsible business conduct, including the commitment to respect human rights, are demonstrated in its implementation of the social accountability management system SA 8000. It has established policies to demonstrate its commitment. Procedures are established to support the implementation of its policies.

RISK ASSESSMENT AND MITIGATION

RISK ASSESSMENT AND MITIGATIONS SECURE YOUR BUSINESS



The organization periodically reviews its risks arising from various sources, which can negatively impact its commitments and cause it to fail in achieving its goals and objectives. It has a Risk Management and Control System to ensure that the risks of the organization are identified and managed effectively. The risk and mitigation measures are integrated into strategic plans and into its management systems.

The organization's worldwide activities expose it to varying degrees of risk and uncertainty. The organization has identified and categorized the risks associated with its business into Economic Risk, Competitor Risk, Industrial Risk, Environmental Risk, Foreign Exchange Risk, and Payment Risk.

Economic Risk- The project may fail

to produce revenues to meet its operating costs and debt obligation. The economic risk represents this risk. The organization has taken various steps, including backward integration, which comprises brownfield expansions, e.g., Sinter Plant, Sponge Iron Plant, Coke Oven Plant, Power Plant from waste heat recovery, Ferro Silicon Plant, upgrading and expanding manufacturing capacities. It also explores alternate sources for the procurement of critical raw materials in case of delay in manage resources to meet the financial obligations. Further, various cost control measures are an ongoing process. To avoid price volatility for critical items, the organization enters into contracts for bulk quantity and keeps exploring alternate sources of supply.

Competitor Risk - With the entry of new players and the inevitable competition from other alternative industries, the organization constantly analyses the competitors from both marketing and strategic points through the assessment of the strengths/weaknesses of each competitor. The commitment to ensure the highest quality of products, product enhancement efforts, and global presence through its subsidiaries, have established the brand image of the product as the most preferred brand with the customers. With the thrust given by the Government of India on water and water-related projects and due to the anticipated growth in water requirement in India, the demand for DI Pipes is expected to grow substantially in the next few years, and the organization is confident of retaining its market share.

Industrial Risk- The organization ardently believes in recognizing its people's talent & their potential as one of the major sources required for achieving success in this competitive market. As a measure to achieve this, the organization continues to pay sincere attention to people development by evolving a continuous learning human resource base to help them improve their potential and fulfil their aspirations. It is essential to have staff engagement in various spheres to create a congenial, conducive and healthy work culture. The organization, through its highly professional team of Management,

has been successful in maintaining an excellent labour relation over the years. As a consequence of such harmonious relations, the organization has grown by leaps and bounds over the years and will continue to do so over the coming years. The organization is optimistic that with a team of loyal, devoted and dedicated workforce, labour relations will continue to strengthen further and play an important role in the growth and success of the organization.

Environmental Risk- Environmental aspect and impact analysis is carried out to identify the environmental risks. The mitigation strategy includes 4R (reuse, recycle, reduction, reprocess) methodology, use of green fuel, and minimizing the existing fuel consumption. Environmental parameters like air emission, quality of effluent and noise are monitored by advanced mechanisms of engineering techniques not only to mitigate the risk level but to ensure compliance with legal requirements. The organisation's effective waste management cell ensures the generation and disposal of waste, both hazardous and non-hazardous, in an environmentally safe manner and complying with the regulatory directives.

Foreign Exchange Risk- Foreign exchange is vulnerable to market fluctuations, which can result in exchange rate risk, also known as currency risk. This financial risk arises

from exposure to unexpected changes in the exchange rate between two currencies. Due to the significant imports and exports of raw materials, the organization faces the risk of exchange rate fluctuations.

The organization has implemented a comprehensive risk management review system to mitigate this risk. The organization actively hedges its foreign exchange exposures within defined parameters by utilizing various instruments. Additionally, the organization conducts periodic reviews of its risk management initiatives and seeks expert advice on a regular basis to refine its hedging strategies.

Payment Risk- Payment risk refers to the potential for financial loss resulting from non-receipt, delayed receipt, or partial receipt of payments. If payments are incorrect or delayed, costs may arise from transferring funds back, interest charges, replacement costs, and other types of fees. Additionally, the principal may be lost if payments are not received or received only partially. Due to the fact that major water infrastructure projects are either funded by the government or aided by foreign sources, the risk of payment default is relatively low. Moreover, evaluating the creditworthiness of customers has reduced the risk of default among other customer segments. Also, the organization mitigates its risk through credit insurance, which covers the risk of export receivables, excluding subsidiaries.

Risk Management Process



During the Financial Year 2022-23, 4 (four) Risk Management Committee meetings were held on 10 May 2022, 12 August 2022, 11 November 2022, and 14 February 2023. Attendance at the said meetings is provided below:

Table 8 - Risk Committee Meeting

| Name of the Director | No. of meetings held | Meetings Attended |
|-------------------------|----------------------|-------------------|
| Mr. Binod Kumar Khaitan | 4 | 4 |
| Mr. Vyas Mitre Ralli | 4 | 4 |
| Mr. Sunil Katial | 4 | 4 |

**Processes to remediate negative impacts
(Disclosure GRI 2-25)**

ECL has instituted a grievance mechanism to address grievances from stakeholders, including shareholders, etc. The Internal Complaints Committee has been constituted with the presiding officer as Ms Radha Kejriwal Agarwal. Customer complaint is handled as per the documented procedure under the quality management system. The workers and other staff can meet the HOD and HR and express their grievances. There are other initiatives like "Meet the COO", where the

workers can meet the COO with a prior appointment to express their grievances. The company has systems in place to receive and redress grievances of other stakeholder groups. They can register their grievances through various modes as listed in the website. The Company has a mechanism in place to monitor the implementation of the CSR projects and the concerns of the beneficiary community. The organization tracks the effectiveness of the measures by monitoring the grievances received and closed. The pending grievances are tracked till closure.

Table 9 - Stakeholder Grievance

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | Current Financial Year 2022-23 | | | Previous Financial Year 2021-22 | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | | 0 | 0 | NA | 0 | 0 | NA |
| Staff and workers | | 0 | 0 | NA | 0 | 0 | NA |
| Shareholders | As per SEBI LODR Regulations | 25 | 0 | Nil | 17 | 0 | Nil |
| Investors (other than shareholders) | | 0 | 0 | NA | 0 | 0 | NA |

* There are no high-impact grievances under the 25 grievances. All are of low impact.

Mechanisms for seeking advice and raising concerns (Disclosure GRI 2-26)

A Vigil Mechanism (Whistle Blower Policy) (**ECL-Whistle Blower Policy**) has been formally constituted as per Section 177(9) of the Companies Act, 2013 to provide a safe and confidential environment for staff or stakeholders to report any unethical or illegal activities that they may witness or be aware of within the organization. The policy ensures that the whistle blower is protected from retaliation or victimization and that the organization investigates and takes appropriate action against any wrongdoing.

The policy outlines the reporting procedures, the persons or authorities to whom the report can be made, the protections provided to whistle-blowers, the investigation process, and the consequences of non-compliance with the policy. It also emphasizes the importance of confidentiality and the fact that the whistle-blower's identity will not be disclosed unless it is necessary for the investigation and appropriate action.

The Company believes in conducting its constituents' affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical

behaviour. No instance of a whistleblower has been reported.

ECL also have a robust 3-tier Grievance handling procedure :

STEP-1 :

Employees, personnel and other stakeholders can raise concerns for a thorough investigation by the competent authority through the following means:

- a. Submit a written complaint in the suggestion box.
- b. May communicate to Assistant General Manager -P&A verbally, over telephone or mail.

STEP -2:

If a complainant is dissatisfied with the outcome of Step 1 process in their organization, they may escalate the complaint/grievance to the Certifying Body ie British Standards Institute.

STEP:3

If a complainant is dissatisfied with the outcome or complaint process at the CB level (Step 2), he/she may escalate their complaint to Social Accountability Accreditation Services (SAAS) in the following contact details over telephone or mail.

Compliance with laws and regulations (Disclosure GRI 2-27)

As a responsible corporate citizen, ECL conforms to its obligation to operate within the democratic and constitutional framework. It acknowledges the legislative and policy frameworks established by the Government, which provide guidance and boundaries for its growth and operations. The organization acknowledges that these frameworks are developed collaboratively with the participation of all stakeholders, including peer players.

The organization monitors legal compliance, including acts, rules, other applicable regulations and standards defined by the government of India or other bodies. These include compliance related to corporate governance, labour welfare, human rights, environmental acts and rules, occupational health and safety, data privacy, and product safety. The Board

of Directors regularly monitors these compliances in its meetings.

Penalties/Strictures imposed by Stock Exchanges/SEBI or any Statutory Authority on any matter related to Capital Markets during the last 3 years An adjudication order dated 31 March 2016 had been passed by the Securities and Exchange Board of India ('SEBI') imposing a penalty of Rs. 50 Lakh under Section 23A(a) and Rs. 50 Lakh under Section 23E of the Securities Contract (Regulation) Act, 1956, on the Company for violation of Clause 36 of the erstwhile Listing Agreement, read with Section 21 of Securities Contract (Regulation) Act, 1956. The Company had filed an appeal before the Securities Appellate Tribunal ('SAT') against the said order. However, SAT, Mumbai, vide its order, has, inter alia, dismissed the said appeal filed by the Company and directed the Company to deposit the penalty of Rs. 1 Crore with SEBI within 30 days. Thereafter, the Company had filed a second appeal before the Hon'ble Supreme Court of India. However, in the meantime, as a bona fide gesture, the Company had deposited the aforesaid penal amount of Rs. 1 crore, under protest and without prejudice to its rights under applicable laws. As of the date of this Report, the matter is pending with the Hon'ble Supreme Court of India.

Except for the above, the Stock Exchanges, SEBI, or any statutory authority imposed no penalties/strictures on the Company on any matter related to capital markets during the last three years.

Membership of associations (Disclosure GRI 2-28)

The organization continuously engages with national trade and industry bodies to communicate and advocate its public policies

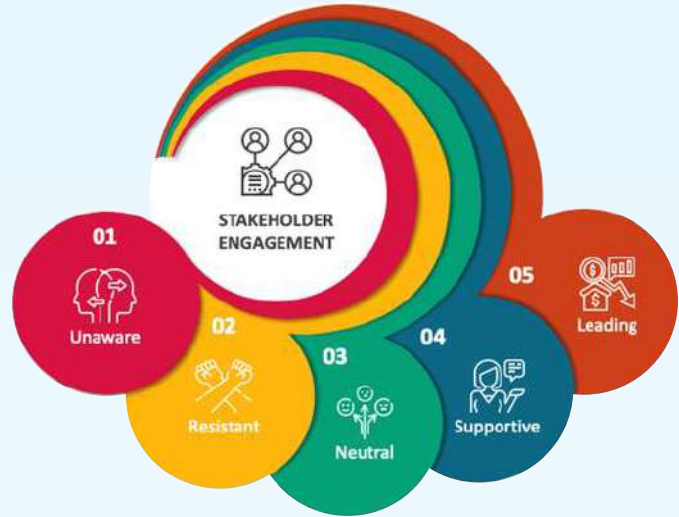
The bodies include: -

- Confederation of Indian Industry
- Engineering Export Promotion Council
- Indian Chamber of Commerce
- Global Reporting Initiative
- United Nations Global Compact



Stakeholder Engagement

STAKEHOLDER ENGAGEMENT



Approach to Stakeholder Engagement (Disclosure GRI 2-29)

The organization engages with other stakeholders through the various committees and subcommittees. It may also directly engage with the stakeholders it has identified by various means suitable for the purpose.

Table 10 - Stakeholder engagement

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication | Frequency of engagement | Purpose and scope of engagement |
|-------------------|--|--|--------------------------------------|---------------------------------|
| Customers | No | Letters, emails, website of the Company and stock exchanges, newspaper, advertisements, meetings | Ongoing basis - as and when required | Business related matters |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication | Frequency of engagement | Purpose and scope of engagement |
|-------------------|--|---|--|--|
| Shareholders | No | Press releases email advisories; facility visits; in-person meetings; investor conferences; conference calls | <p>As Quarterly: Financial statements in IndAS and IFRS; earnings call; exchange notifications; press conferences</p> <p>o Half Yearly : CEO message on halfyearly financial performance and summary of significant events</p> <p>o Continuous : Investors page on the ECL website</p> <p>o Annual : Annual General Meeting: Annual report needed:</p> | <ul style="list-style-type: none"> o Educating the investor community about ECL integrated value creation model and business strategy for the long term o Helping investors voice their concerns regarding company policies, reporting, strategy, etc. o Understanding shareholder expectations |
| Employees | No | Letters, emails, website of the Company, pamphlets, intranet, notice board | Ongoing basis - as and when required | <p>Human resource policies and rules</p> <ul style="list-style-type: none"> o Career management and growth prospects o Work culture, health and safety matters |

Stakeholder relationships

The Stakeholder Relationship Committee has been formed in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Schedule II (Part D) of the SEBI. The Stakeholders' Relationship Committee, seeks to resolve the grievances of the security holders of the organization including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, issue of fresh/duplicate debenture certificate, general meetings, etc. It also reviews the measures taken for effective exercise of voting rights by shareholders.

The committee oversees the performance of the registrar & share transfer agent of the organization and review of adherence to the service standards adopted by the organization in respect of various services being rendered by the registrar & share transfer agent.

Besides the committee has been entrusted with the responsibility to:-

- a. Review of the various measures and initiatives taken by the organization for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the

organization.

- b. To review and monitor implementation and compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- c. To recommend measures for the overall improvement of the quality of investor services and related matter.
- d. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as applicable.
- e. To perform such other functions as may be necessary or appropriate for the performance of its duties.

At the beginning of the year under review, there was no complaint remaining unresolved. During the period under review, 17 (seventeen) investor complaints were received by the Registrar & Share Transfer Agent of the organization, which were duly resolved to the satisfaction of the shareholders. There was no pending complaint at the end of the year.

Collective bargaining



Collective bargaining agreements (Disclosure GRI 2-30)

The staff is free to form groups for collective bargaining as required. The organization has published the SA8000 policy, which underlines its commitment. Staff engagement in various spheres is essential to creating a congenial, conducive, and healthy work culture. The organization, through its highly professional management team, has been successful in maintaining an excellent labour relationship over the years.

At present, Collective bargaining is only prevalent for workers. The percentage is zero.

Material Topics

The process to determine material

topics (Disclosure GRI 3-1)

The organization has carried out the materiality assessment in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards' material topics, in accordance with the GRI Standards. The organization, by virtue of its operations, can positively and negatively impact society, the environment and the economy. There may be positive impacts on the economy and indirect impacts on the local community. Negative impacts may include higher pollution levels. It is up to the organization to identify the impacts and mitigate them. ECL has identified the material topics by determining the context of the organization, determining the stakeholders and conducting brain

storming and group discussions with the stakeholders. The stakeholders identified include the internal as well as external stakeholders upstream and downstream to the organization.

The issues discussed have been prioritized based on the actual and potential impacts as perceived by the stakeholders. The topics were assessed on a 10x10 matrix based on the importance to ECL and the importance to stakeholders.

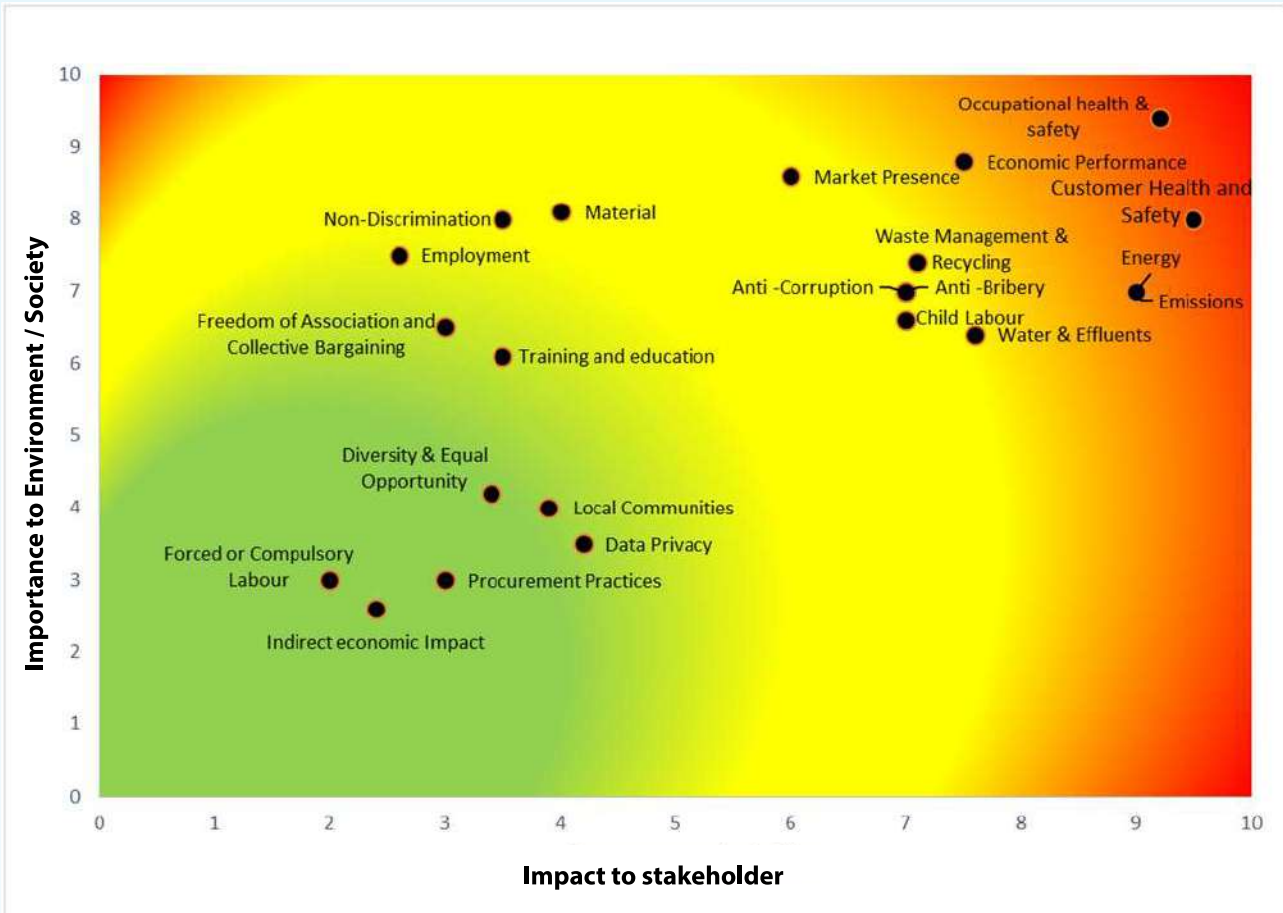
The topics represent an organization's most significant impacts on the economy, environment and people, including impacts on their human rights. Changes in risk and opportunities related to material topics are regularly assessed through ongoing dialogue and engagement with stakeholders.

The material issues include governance topics, environmental topics and social topics

| Stakeholders | Key Concerns |
|------------------------------------|--|
| Employees | Training & Development, Health & Safety, Grievance Redressal, Rewards & Recognition, Fair Compensations of employees, Diversity & Equal Opportunities, Leaves and Benefits, Insurance coverage |
| Board Members & Top Management | Climate Risk Management, Health & Safety, Pollution(air & Water), Fulfilment of statutory compliances, Energy Management, Data Security |
| Customer | Timely Deliveries, High quality Products/Materials, Design Support, Customer Service, Compliance with Health & Safety, Strong Ethics, Morality, trustfulness, Competitive prices, Anti-corruption, Anti-bribery practices: Good Governance practices, Long term value creation, Product improvement on feedbacks, Trainings and awareness programs, Waste Management, Climate Risk Management(Energy & Emissions), Water & Air Pollution, Child Labour Prohibition |
| Investors | Sustainable Business, Risk & Opportunities due to climate change, Water conservation, Improved ROI & capital appreciation, Economical Performance, Anti-corruption, Anti-bribery practices: Good Governance practices, Reduction in carbon footprint, Transparency in relationships, Data Security, Update with industry trends, Vision of board |
| Local Communities | CSR activities, Voluntary works, healthcare support, community investment, Employment creation, Bridging skill gaps, Supporting local entrepreneurship, Effective Waste Management, Liquid effluent management/Air & water pollution control, Increase Plantation, Water Conservation, Noise Pollution Control |
| Statutory & Regulatory Authorities | Fulfilment of statutory compliances, Safety and Environmental Practices, Waste management, Tax compliances, Liquid effluent management/Air & water pollution control, Water Conservation, Noise Pollution Control, Energy Consumption |
| Suppliers | Fulfilment of statutory compliances, Safety and Environmental Practices, Waste management, Tax compliances, Liquid effluent management/Air & water pollution control, Water Conservation, Noise Pollution Control, Energy Consumption |

List of material topics (Disclosure GRI 3-2)

Based on our ongoing dialogue and engagement with our stakeholders, the organization has finalized the list of material ESG topics to ensure we reflect emerging topics. The material ESG topics identified during this process enable our organization to set appropriate goals, prioritize our investments and actions and provide meaningful disclosures throughout this report. The colour coding :


Table 11 - Material Topics

| Sl. No. | Material Topics | List of Topics | GRI Indicators | UN SDG |
|---------|--|---------------------------|----------------|-----------|
| 1 | Governance, Strategies & Stakeholders Approach | Anti -Corruption | 205 | 16 |
| | | Anti-competitive Behavior | 206 | 16 |
| 2 | Economic Performance | Economic Performance | 201 | 8 |
| | | Market Presence | 202 | 8 |
| | | Indirect economic Impact | 203 | 8 |
| | | Procurement Practices | 204 | 8 |
| 3 | Climate Change- Energy & Emissions | Energy | 302 | 7, 12, 13 |
| | | Emissions | 305 | 7, 12, 13 |
| 4 | Water Resource management/ Circularity in water resource | Water & Effluents | 303 | 6 |

| Sl. No. | Material Topics | List of Topics | GRI Indicators | UN SDG |
|---------|--|--|----------------|----------|
| 5 | Waste Management/Promoting Circular Economy | Material | 301 | 12 |
| | | Waste | 306 | 6 |
| 6 | Health & Safety(including customer relationship) | Occupational health & safety | 403 | 3 |
| | | Customer Health and Safety | 416 | 12 |
| 7 | Human Resource Development & human rights | Employment | 401 | 5, 10 |
| | | Training and education | 404 | 5, 10 |
| | | Freedom of Association and Collective Bargaining | 407 | 5, 10 |
| | | Child Labour | 408 | 12, 9 |
| | | Forced or Compulsory Labour | 409 | 12, 9 |
| 8 | Diversity & Equal Opportunity | Diversity & Equal Opportunity | 405 | 5, 10 |
| | | Non-Discrimination | 406 | 5, 10 |
| 9 | Local Communities Development & CSR activities | Local Communities | 413 | 11, 1, 2 |
| 10 | Data Security | Data Privacy | 418 | 9 |



The ESG strategy is an integral part of the long-term, globally aligned strategic imperatives and operating priorities. It is deeply embedded in the vision, mission and values of the organization. The organization continuously seek to identify ways to broaden the commitments to ESG efforts and make progress on the goal of making life in the homes, communities and operations better today and in the future.

**Economic Performance
(Disclosure GRI 201)**

The organisation's economic performance is the true indicator that the organization's sustainable practices are effective. The organisation's economic growth positively impacts the locals' economy directly and indirectly. The growth of the organization results in the improvement of the region. The organization impacts human rights positively due to its positive human rights practices. However, this might also impact the availability of local resources like water. The growth depends upon the high quality of products the organization has committed to delivering to its customers. Under the quality policy implemented for ISO 9001, the organization has committed to

ensuring its customers' satisfaction. Quality of products is fundamental to its sustenance. The products comply with all national and internal applicable standards, including IS 8329, ISO 2531/EN545 /EN598/ AWWA-C151 and other standards as customers require. The organization ensures that all policies and procedures are followed in order to prevent negative impacts.

**Direct economic value generated and distributed
(Disclosure GRI 201-1)**

Electrosteel Castings Limited strives to develop a business strategy that is built on the pillars of excellence, innovation, integrity, and transparency that consistently generates profits for all stakeholders. The organization is able to create and generate substantial economic value owing to an extensive network of suppliers, a sound and established business strategy, a wide range of products, a robust market presence, and effective financial management. A Strong budget and financial policies, with the best inventory control, have helped the organization to maintain its financial strength over the years. The details of the revenue generated given in the report conform to the boundary scope - Khardha and Bansberia plant only.

Table 12 - Production

| | Unit | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|-------------|------|---------|---------|---------|---------|
| DI Pipe | Ton | 309404 | 265892 | 278286 | 314705 |
| DI Fittings | Ton | 7945 | 7626 | 10371.4 | 10666 |
| Pig | Ton | 31009 | 29703 | 62623 | 35128 |
| Total | Ton | 348359 | 303221 | 351280 | 360499 |

Table 13 - Total Turnover (INR in Million) & Domestic Turnover (Rs. in Crore)

Total Turnover of the Plants within the scope of this report -

| 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------|---------|---------|---------|
| 2250.56 | 2024.26 | 2755.78 | 3516.03 |

Domestic Turnover -

| 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------|---------|---------|---------|
| 1226.50 | 1227.20 | 1606.87 | 2040.34 |

Table 14 - Export Turnover (Rs. in Crore)

Domestic Turnover -

| 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------|---------|---------|---------|
| 1024.06 | 797.06 | 1148.91 | 1475.69 |

Financial implications and other risks and opportunities due to climate change (Disclosure GRI 201-2)

ECL considers climate change a significant risk factor that can affect the organisation's financial performance. It encourages effective transformation towards energy transition and a sustainable future. ECL is an active participant in various climate-related forums for identifying and adopting various technologies to support climate change mitigation and adaptation.

ECL's Board of Directors understands the importance of climate change issues to its business and its stakeholders. Understanding the risks and opportunities posed by climate change on business, physical, regulatory, and market-related issues, the Board and its committees actively oversee climate change issues.

ECL's Board committees, including the Corporate Social Responsibility, Sustainability, and Audit and Risk Management Committees, are informed of the identification of climate risks. The Board of Directors has delegated the responsibility for extra-financial disclosures, including climate change, to the CEO.

Climate-related risks and opportunities are identified and assessed in two processes in the organization: the environment management system and Enterprise Risk Management. Further, ECL has integrated climate change risks, including physical and transition risks, as part of the organization's enterprise-level risk management framework.

Defined benefit plan obligations and other retirement plans (Disclosure GRI 201-3)

A separate fund is available under the Provident Fund Act to cover pension liabilities. The value of the plan's liabilities is met by the organization's general resources. All staff are covered by the provident fund. The present fund completely meets the organization's financial obligation. The employer and the employers contribute equally to the fund as per the existing legal provident fund rules.

The employer contributes to the superannuation fund as well as to the provident fund. The employee's gratuity fund scheme is managed by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Ltd. The present value of

the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Participation in retirement plans is mandatory.

All the employees including workers and employees are covered

Financial assistance received from the government (Disclosure GRI 201-4)

The organization reporting boundary covering Khardha Works, Bansberia, and Head Office received no financial assistance in the reporting year. However, the organization shows a deferred income in the form of Financial Assistance under the Industrial Infrastructure Development Fund (IIDF) towards Capital expenditures incurred for manufacturing DI Pipes as specified in the Industrial Investment Promotion Policy 2005-2010 and 2010-2015. The same is also referred to in the

<https://www.electrosteel.com/investor/annual-reports.php>.

**Market Presence
(Disclosure GRI 202)**

The organization creates a positive market impact through its compliance with the local laws of fair wages and including the regional competent workforce available in the area. A positive market creates an atmosphere of trust and cooperation between the local community and neighbouring industries and paves

the way for smooth and sustainable growth. The organization does not exploit the local population and provides a reasonable wage to all its staff, and also shows the way to other agencies working for the organization.

The employee wages are determined by experience, skill and knowledge. A fair wage improves employee retention and positively impacts

industrial relations. The organization aims at ensuring that staff get fair wages, which is a fair representation of the living wage. Periodic assessments and surveys are carried out to assess the region's living wage and the cost of food baskets. Annual increments are provided to the staff so that the increase in the cost of living is compensated and also provides a fair disposable income.



Ratios of standard entry-level wage by gender compared to local minimum wage (Disclosure GRI 202-1)

ECL provides fair wages to all staff and workers. All workers get more than the legally stipulated minimum wage. The organization endeavours to provide more than minimum wages to other than permanent workers also. The organization pays more than the minimum wage to the permanent workers.

Table 15 - Comparison with minimum wage

| Category | FY 2022-23 | | FY 2021-22 | | FY 2020-21 | |
|------------------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Equal to Minimum wage | More than minimum wage | Equal to Minimum wage | More than minimum wage | Equal to Minimum wage | More than minimum wage |
| Permanent staffs | | | | | | |
| Male | 0% | 100% | 0% | 98.23% | 0% | 100% |
| Female | 0% | 100% | 0% | 100% | 0% | 100% |
| Permanent worker | | | | | | |
| Male | 0% | 100% | 0% | 100% | 0% | 100% |
| Female | 0% | 100% | 0% | 100% | 0% | 100% |
| Other than Permanent worker | | | | | | |
| Male | 3.77% | 96.23% | 4.8% | 95.2% | 4.95% | 95.05% |
| Female | No female worker | | | | | |

Proportion of senior management hired from the local community (Disclosure GRI 202-2)

The company's main manufacturing Plant, which is considered in this report, is in the State of West Bengal, which the company defines as 'local'. About 90% of senior management are local. The proportion of senior managers recruited from a local community is defined locally in the respective sales market or at the production location.

As per regulation 16 of SEBI Listing Obligations and Disclosures Requirements (LODR) Regulation, the organization ensures that the definition of "**Senior Management**"

is accurately aligned. The definition of "Senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Significant locations denote Countries and regions with major production sites or major sales locations.



Indirect economic impacts (Disclosure GRI 203)

Electrosteel believes that its operation has a positive economic impact on the local area and communities. It has generated direct and indirect employment in the area by virtue of its operations and through the various ways it interacts with the local communities. Indirect economic impacts include financial and economic upliftment of the local community through its fair wage practices, adherence to health and safety norms, and commitment to protecting the environment. The additional consequences of the direct impact of financial transactions and the flow of money between an organization and its stakeholders create additional opportunities for indirect economic growth and contribute to the growth of the regional economy.

Infrastructure investments and services supported (Disclosure GRI 203-1)

The organization carries out various development programmes under its corporate social responsibility programmes. In accordance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the organization has a Corporate Social Responsibility (CSR) Committee. The CSR Committee has formulated and recommended the Corporate Social Responsibility Policy of the Company, which has been approved by the Board. Health check-up camps are also organized for families of the staff' family and local communities as a part of CSR activities.

Some of the nature of CSR activities undertaken by Electrosteel are -

1. Eradicating hunger, poverty, and malnutrition; promoting health care, including contributing to the Swatch Bharat Kosh set up by the Central Government to promote sanitation and make safe drinking water available.
2. Medical and health care.
3. Promoting education, including special education, employment enhancing vocational skills, especially among children, women, the elderly, and the differently abled, and livelihood enhancement projects.
4. Rural Development projects.
5. Women empowerment.
6. Animal Welfare and Rural Development projects.
7. Flood Relief.
8. Promotion of Sports.

Participation in sports positively impacts society in general. The organization believes in encouraging sports among youth. It promotes and awards good performance among staff who participate in sports, and it appreciates the staff and their family members for good performance. The organization also promotes sports by sponsoring annual sports meets.

Significant indirect economic impacts (Disclosure GRI 203-2)

The organization creates employment opportunities and income growth by procuring from local suppliers in the category of small suppliers. This not only provides additional income but also uplifts the community due to the other social protection that is introduced. There has been an increase in the procurement from within the district.

Table 16 - Indirect Economic Benefit

| Category | FY Current Financial Year (22-23) | | FY Current Financial Year (21-22) | | FY Previous Year (20-21) | |
|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------|--------------------------|-----------------------|
| | MSME | Small Producer | MSME | Small Producer | MSME | Small Producer |
| Directly sourced from MSME | 0.62% | 5.83% | 0.71% | 1.86% | 0.69% | 1.37% |
| | Within District | Neighbouring district | Within District | Neighbouring district | Within District | Neighbouring district |
| Sourced directly from within the district and neighbouring districts | 17.78% | 35.68% | 6.18% | 25.19% | 3.06% | 26.49% |

Procurement Practices (Disclosure GRI 204)

Strong procurement practices impact society in multiple ways. Having a sustainable supply chain strengthens the organization's resilience. Suppliers are selected long-term based on their ability to supply material and their willingness and commitment to support the organization's efforts in sustainability. Local suppliers are preferred where available. Procurement contracts are not exploitative in nature and allow the suppliers to grow and develop.



The organization aims to develop structured relationships with critical and strategic suppliers, sub-contractors and partners to achieve greater benefits, including sustainability. They believe its commitments to good governance, environment and social practices extend to its supply chain. Suppliers are expected to share the same concern on maintaining a sustainable environment and take all steps to reduce the emission of greenhouse gases and conserve natural resources such as water, oil, minerals, etc.

A Sustainable Procurement Policy and Supplier's Code of Conduct have been established. This emphasizes the need for suppliers to demonstrate compliance with applicable legislation regarding Labour and Human Rights, working conditions, Health and Safety, the Environment, and Anti-bribery or Anti-corruption practices.

Suppliers shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential health and safety incidents and occupational injury or illness

arising out of an associated occurring in their natural course of work.

Suppliers shall not indulge in any unfair trade practices or use of child labour. Suppliers are to ensure that a remediation policy is available in case underage children are found to be working at the site. The Suppliers must not employ forced labour, including debt bondage labour and human trafficking.

They must provide legally mandated benefits, including social insurance.

100% of the value chain has been assessed on health, safety and working conditions, and no non-compliance was observed.

Proportion of spending on local suppliers (Disclosure GRI 204-1)

Due to the industry's nature and the raw materials required to manufacture its products, there is a reduced opportunity to engage local suppliers. However, the organization tries to engage with the local supplier wherever feasible.

Table 17 - Spending on local suppliers

| Category | FY Current Financial Year (22-23) | | FY Current Financial Year (21-22) | | FY Previous Year (20-21) | |
|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------|--------------------------|-----------------------|
| | MSME | Small Producer | MSME | Small Producer | MSME | Small Producer |
| Directly sourced from MSME | 0.62% | 5.83% | 0.71% | 1.86% | 0.69% | 1.37% |
| | Within District | Neighbouring district | Within District | Neighbouring district | Within District | Neighbouring district |
| Sourced directly from within the district and neighbouring districts | 17.78% | 35.68% | 6.18% | 25.91% | 3.06% | 26.49% |

Anti-Corruption (Disclosure GRI 205)

Corruptions has a very deep negative impact on the society, the organization and the nation. In ECL, corruption can happen at various functions. The organization has carried out a risk assessment to determine areas where it can happen. Corrupt staffs not only endanger their own career but also endanger the organization and its operation. It is the objective of the company that there is no incident related to corruption. The Anti-Bribery and Corruption Policy provides guidance on compliance to various laws and regulations, both domestic and international, relating to Anti-Bribery and Corruption. The company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implement and enforce effective systems to counter bribery and corruption to its staffs and third parties. Trainings are provided to the staffs to avoid and refrain from any transaction which may be perceived as corrupt.

Operations assessed for risks related to corruption (Disclosure GRI 205-1)

The organization has assessed its entire operations and identified areas where corruption could arise. It has taken necessary measures to minimize the risk. ECL maintains strict controls to prevent and detect corruption, follows specific accounting rules and procedures for reporting information, and ensures accurate and reasonably detailed books and financial records, including entertainment and travel expenses.

Communication and training about anti-corruption policies and procedures (Disclosure GRI 205-2)

The Anti-Bribery and Corruption Policy is available on our website, and every stakeholder is advised to follow it dedicatedly. A formal training process regarding this policy is unavailable right now, but the organization is working on this matter.

Confirmed incidents of corruption and actions taken (Disclosure GRI 205-3)

No confirmed corruption incident has been reported. No staff were disciplined or dismissed for any corruption-related incident. No incidents of violation of the anti-corruption policy were reported with the business partners. No business partners were terminated or not renewed. There were no public legal cases regarding corruption brought against the organization or its staff during the reporting period.

Anti-Competitive Policy (Disclosure GRI 206)

Healthy competition has a positive impact on the overall economy. Anti-competitive practices destroy the economy. Electrosteel firmly believes in its responsibility to create a positive economy with healthy competition. Electrosteel has formulated an Anti-Competitive Policy. The organization expects that staff conduct business activities on behalf of ECL in a manner that supports fair and open competition, with honest and transparent business practices that comply with competition and anti-trust

laws. The policy applies to Electrosteel Castings Limited and its subsidiaries and to all staff, including directors, officers, independent contractors and other persons subject to an employment-type relationship with ECL as well as business partners. The organization prohibits price-fixing agreements, illegal boycotting of suppliers or clients, bid rigging, cartel conduct, predatory practices, exclusive dealing, misuse of market power, etc. The organization has zero tolerance for violation of policies.

Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices (Disclosure GRI 206-1)

Electrosteel Castings Limited is strongly committed to complying with antitrust laws around the world. The

organization has a robust antitrust compliance program that involves every level of the organization (including senior leadership) and includes mandatory antitrust policies, compliance procedures and controls, an extensive training program, and processes for periodic review, monitoring and auditing. The organization regularly updates their antitrust compliance program to address changing business conditions, antitrust law and enforcement developments, and emerging risks.

There are no legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant.

Protecting the Environment



Environment Stewardship

Protection of environment is vital for the sustainability of the planet. The organization, due to the nature of products and operations can have a significant potential negative impact on the environment. Recognizing this, the organization has implemented a documented environmental management system (ISO14001:2015 certified) that aims to balance its activities in all aspects while optimizing the use of natural resources and complying with applicable legal and statutory requirements.

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Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that: **Electrosteel Castings Limited**
 30 and 48 B.T. Road
 P.O. Sukchar
 Dist. 24 Parganas (North) 700 115
 West Bengal
 India

Holds Certificate No: **EMS 686668**

and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

Design, Development, Manufacture and Supply of Centrifugally Cast Ductile Iron Pipes, Fittings, Accessories and their Joints for Water, Sewerage, Gas & Ash Pipelines.

For and on behalf of BSI:

Theuns Kotze, Managing Director Assurance - IMETA

Original Registration Date: 2003-03-25

Latest Revision Date: 2024-01-23

Effective Date: 2024-03-25

Expiry Date: 2027-03-24

Page: 1 of 2



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An aspect-impact analysis matrix is utilized to assess all activities, and necessary measures are taken to minimize the impact on the environment within and around the factory premises. The organization identifies environmental risks and opportunities related to its activities and conducts a life cycle analysis from raw material acquisition to end-of-life of the product. Advanced eco-friendly technology is used to reduce pollution levels and minimize the usage of natural resources



Materials (Disclosure GRI 301)

Material contributes to the direct and indirect economic, environmental, and social impact. Responsible use of the material is fundamental to ensure the profitability of the operations. Further, ensuring good quality material that is safe and does not contain any harmful substances is vital to the health and safety of its staff. The organization ensures that material is free from defects and responsible consumption is ensured by following the quality practices defined under its quality management systems ISO 9001. The organization believes that natural resources should be preserved and every opportunity to reduce the use of virgin material should be

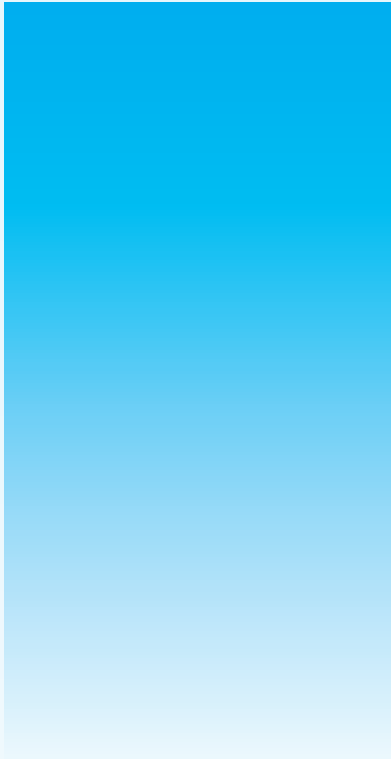
explored and encouraged.

Materials used by weight or volume (Disclosure GRI:301-1)

The integrated production facilities include the Sinter Plant, Coke Oven Plant, Blast Furnace, Pig Iron Plant, Sponge Iron Plant, Fittings Plant and Captive Power Plant. The integrated manufacturing facility helps the organization to minimise production costs as the organization strongly believes that cost competitiveness is a key component of success. The organization continuously endeavours to improve cost competitiveness by adopting various innovative and cost-saving measures in operations.

Table 18 - Non- Renewable Material used to produce primary product - DI Pipes and Fittings

| Total weight or volume of Non-renewable materials that are used to produce the organization's primary products Ductile Iron pipes and fittings (in MT) | FY 2021-2022 | FY 2022-2023 |
|--|--------------|--------------|
| | | 666223 |



Details are given below :

| Materials | 2021-2022 | 2022-2023 |
|--------------------|-------------------|-------------------|
| | Quantity (Tonnes) | Quantity (Tonnes) |
| Iron Ore Lump | 135754 | 191134 |
| Iron Fines | 294339 | 266553 |
| Iron ore pellet | 3819 | 11768 |
| Metallurgical coke | 147806 | 139924 |
| Coke Fines | 19171 | 12814 |
| Lime stone | 18798 | 1431 |
| Limestone fines | 4894 | 49 |
| Dolomite | 127 | 287 |
| Dolomite fines | 35799 | 34,473 |
| Quartzite | 2122 | 3,641 |
| Manganese ore | 3594 | 2,436 |

As such, there are no renewable materials used in the production of the organization's primary product.

No significant packaging materials are used to package the organization's primary product. Minor semi-finished goods are used during the manufacturing process and are negligible for accounting.



Recycled input materials used
(Disclosure GRI:301-2)

Electrosteel intends to increase the proportion of recycled material without affecting the quality of the product. A circular economy is vital to tackle the current global challenges on climate and material. ECL intends to increase the share of renewables and the lifespan of the materials in the usability loop. This will further reduce the demand for virgin raw materials limiting the stress on the natural resources. ECL will continually improve its resource efficiency and recycling efforts to reduce its product footprint.

Table 19 - Recycled input material

| Recycled input materials used | FY 2021-22 | Percentage of recycled input materials used (%) |
|--------------------------------|-------------------|---|
| Material | Quantity (Tonnes) | |
| Coke Fines (Khardah Works) | 5922 | 0.85 |
| Iron Ore Fines (Khardah Works) | 40140 | 5.78 |
| MBF Sludge | 7226 | 1.04 |

| Recycled input materials used | FY 2022-23 | Percentage of recycled input materials used (%) |
|--------------------------------|-------------------|---|
| Material | Quantity (Tonnes) | |
| Coke Fines (Khardah Works) | 6202 | 0.88 |
| Iron Ore Fines (Khardah Works) | 46293 | 6.54 |
| MBF Sludge | 9846.83 | 1.39 |



Energy Management (Disclosure GRI: 302)

Energy consumption has a major negative impact on carbon emissions by the organization. The organization primarily uses fossil fuels, contributing to greenhouse gas (GHG) emissions. It also has a negative impact on the depletion of natural resources. Fuels used internally include metallurgical coke, coal, LDO, HSD, LPG etc. Non-renewable fuel sources cover fuels purchased by the organization. The electrical energy is purchased from Distribution Companies. Purchased electricity is used in the processes, lighting, and other electrical equipment for the offices, including air conditioning, IT equipment, etc.

The organization has adopted an energy policy through which it commits to promoting energy conservation measures by implementing suitable operational practices and involving staff at all levels.

ECL also ensures that it complies with applicable legal and other energy use, consumption, and efficiency requirements. A strong effort is made to continually improve energy performance through the adoption of energy-efficient technology and services. Energy objectives and targets are set, and information and necessary resources for achieving them are provided.

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Certificate of Registration

ENERGY MANAGEMENT SYSTEM - ISO 50001:2018

This is to certify that:

Electrosteel Castings Limited
P.O. Sukchar
30 BT Road
24 Parganas (North) 700 115
West Bengal
India

Holds Certificate No:

ENMS 689328

and operates an Energy Management System which complies with the requirements of ISO 50001:2018 for the following scope:

The Manufacture of Centrifugally Cast Ductile Iron Pipes, Ductile Iron Fittings, accessories and jointing materials for water, sewerage, gas and ash transportation pipeline through Significant Energy Uses such as Hot Blast Stoves, Annealing Furnaces, Induction Furnaces, Ovens, Sand Dryers, Pumps, Fans & Internal Transport.

For and on behalf of BSI:


Theuns Kotze, Managing Director Assurance - IMETA

Original Registration Date: 2018-05-08

Latest Revision Date: 2024-05-03

Effective Date: 2024-05-08

Expiry Date: 2027-05-07

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Information and Contact: BSI, Kitemark Court, Davy Avenue, Knowlhill, Milton Keynes MK5 8PP. Tel: + 44 345 080 9000
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The organizations strive to reduce energy consumption through use of efficient technologies and upgradation of infrastructure. It has implemented effective Energy Management System having UKAS accredited ISO 50001:2018 certification.

The organization has reduced its energy consumption through various energy reduction programmes and using energy efficient technology. Further the organization increased its electricity consumption through renewable energy. However the organization has noted an increase in use of fuel.



Energy consumption within the organization (Disclosure GRI 302-1)

The various types of energy sources comprising of metallurgical coke, Coal, LDO, HSD, LPG, Electricity etc., required at DIW (Ductile Iron Works) and LMW (Liquid Metal Works) plant are shown below -

Table 20 - Total energy Consumption (GJ)

| | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|--------------|------------------|------------------|------------------|------------------|
| Electricity | 5,31,240 | 4,42,978 | 5,16,802 | 5,39,606 |
| Fuels | 66,40,691 | 55,69,926 | 65,52,205 | 64,21,174 |
| TOTAL | 71,71,931 | 60,12,904 | 70,69,007 | 69,60,780 |

Generic conversion factors are used to convert Kilowatt-hours (for electricity) and Kcal (for fuels) to Gigajoules. 1KWh = 0.0036 GJ has been considered to arrive at the Energy consumption due to Electricity. 1 Kcal = 4.186X10⁻⁶ GJ has been considered to arrive at the Energy consumption due to fuel.

The source of the emission factors is UK Government GHG Conversion Factors for Company Reporting.

For ready reference, the link - (<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>) can be used.

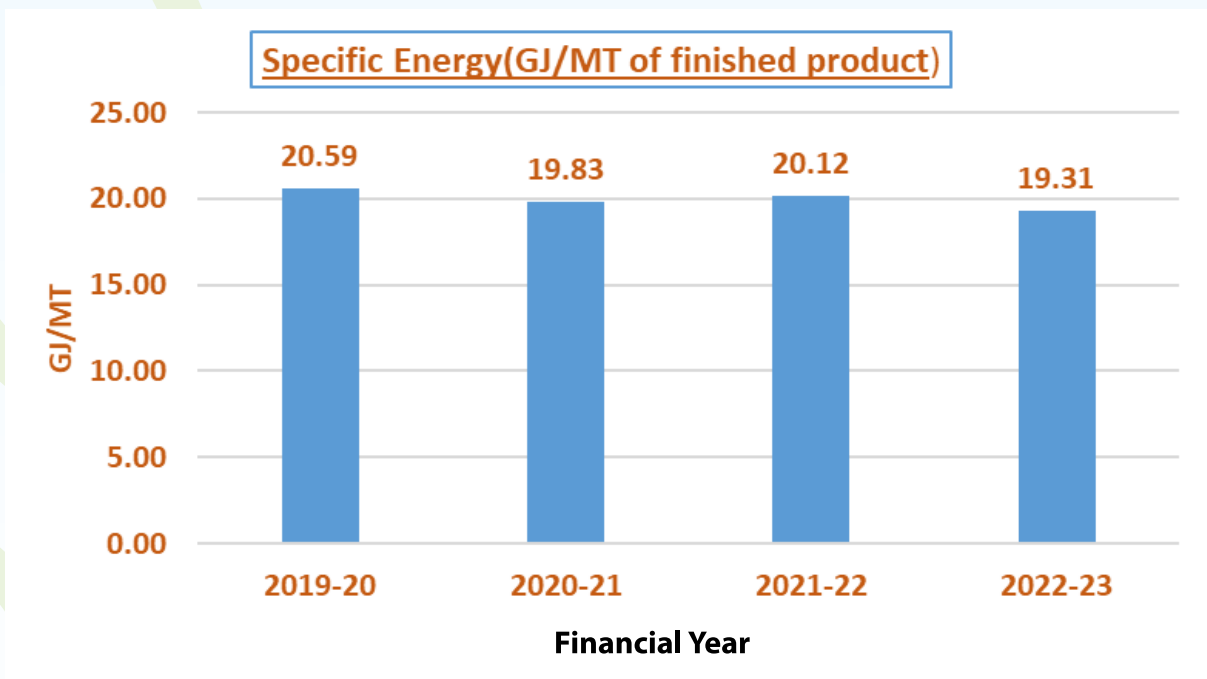
Energy intensity (Disclosure GRI 302-3)

DI pipe manufacturing is an energy-intensive process. The organization's majority of energy consumption is from the manufacturing process. The organization strives to reduce its specific energy consumption by improving its operations, arresting energy leaks, using heat recovery techniques, and using various state-of-the-art energy-efficient technologies. There has been a reduction in specific energy consumption in comparison to previous years. Energy consumption outside the premise is not included due to the non-availability of quality data. The base year used for this data is 2019-20 due to the availability of quality information.

Table 21 - Specific Energy (GJ/MT of production)

| Production Data | UOM | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|--|-------|-----------|-----------|-----------|-----------|
| Total Finished Product | MT | 348359 | 303221 | 351280 | 360499 |
| Fuels (Coal, Coke, Diesel and LPG) | GJ | 66,40,691 | 55,69,926 | 65,52,205 | 64,21,174 |
| Electrical Energy | GJ | 5,31,240 | 4,42,978 | 5,16,802 | 5,39,606 |
| Total Energy | GJ | 71,71,931 | 60,12,905 | 70,69,006 | 69,60,780 |
| Specific Energy (GJ/MT of finished product) | GJ/MT | 20.59 | 19.83 | 20.12 | 19.31 |

*The ratio calculated is based only on the energy consumption data within the premises. Fuels and Electricity is only considered for calculation of the Intensity ratio.

Figure 1 - Specific Energy Consumption (GJ/MT of production)


Reduction of energy consumption (Disclosure GRI 302-4)

The steps taken or impact on the conservation of energy:

- Design modification of SDP Annealing Furnace gas burners to increase Blast Furnace Gas (a process byproduct) flow and thus reduce LDO consumption by approximately 30KI/month.
- The development and use of quick-drying bitumen paint for pipe coating have reduced the number of paint curing ovens and, thus, LDO consumption by approximately 25 KI/month.
- Automation of all Ladle/Hopper heating systems to reduce LDO consumption by approximately 13 KI/month.
- Replacement of existing burners of Sand Dryers with fuel-efficient burners & installation of burner automation system to reduce LDO consumption by approximately 3 KI/month.
- Installation of Solid State Reactive Power Compensator in place of a Capacitance-based power factor

correction device to improve plant Power Factor from 98% to >99%.

- In addition to the above, several actions have been taken to improve the energy performance of plant and equipment, e.g., temperature-based Cooling Tower control in DIW, installation of energy-efficient IE3 motors in Boiler feed water pumps, and replacement of conventional lights with LED lights in all the plants.
- 8 Solar street lights have been installed during the year in KW main gate & oil storage tank areas.

Types of energy included in reductions are mainly confined to fuel and electricity energy. Total reduction achieved in 2022-2023 with respect to base year (2019-2020), 461439 GJ.

The base year used for this data is 2019-20 due to the availability of quality information.

Reductions in energy requirements of products and services (Disclosure GRI 302-5)

Due to the nature of the product, there is no requirement for any energy during the product use.

**Water and Effluent
(Disclosure GRI 303)**

Fresh water is a precious natural resource. The organization uses fresh water in the production of ductile iron pipes. This water is primarily from the underground water table. This negatively impacts as it depletes and reduces the water table level in the region. The organization shares its commitment to preserve and conserve fresh water. To fulfill its objective of reduction of water consumption and recycling water, it

has implemented various improvement actions in line with the Environmental Policy. The organization assesses its water usage and implements action to reduce consumption and also to recycle the wastewater. The actions include assessing water systems and ensuring no leakages within the organization. Waste water is collected and treated in the water treatment plant.



Interactions with water as a shared resource (Disclosure GRI 303-1)

In accordance with UN Sustainable Development Goal 6 on Clean Water and Sanitation, responsible and efficient consumption of water resources is essential to ensure future water supply meets demand. ECL admits that water is a shared resource as all its water withdrawals are from

the ground and it may affect the neighboring communities. ECL recognizes the importance of water-related issues and aims to become "Water Neutral". This can be achieved by replenishing 100% of the water used through increasing water recycling and water harvesting. ECL's Board of Directors and committees, such as Corporate Social

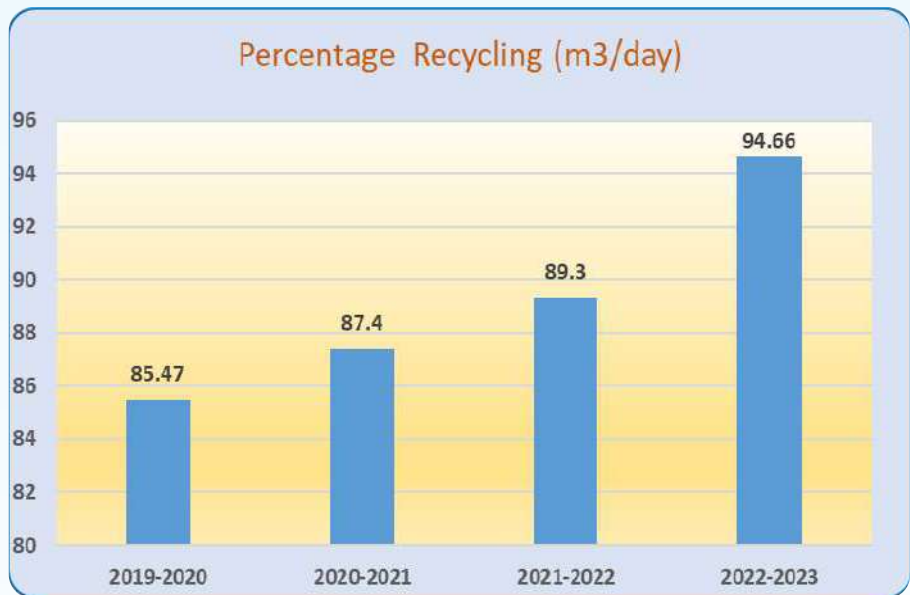
Responsibility, Sustainability, and Audit and Risk Management, are well-informed about the water risks. The organization also monitors any grievances on water reported by local communities. Also, it ensures that all legal compliances with respect to water are complied with as per the consent to operate approved by the state pollution control board.

Management of water discharge-related impacts (Disclosure GRI 303-2)

The organization releases water into the common water body. Polluted water can negatively impact the land and affect the quality of the water table and the water body. To reduce any negative impact of polluted water on the land and the water body, it treats the water so that it meets the minimum quality standards established by the pollution control board. The organization ensures that the water is treated as per applicable laws before being released. The water is tested by an external third-party agency approved by the West Bengal Pollution Control Board. The testing includes the

physical, chemical, and biological properties of the water so that it is safe for discharge into the surface. The organization has an opportunity to use the treated water for its internal use in the DIW(Ductile iron works) and LMW(Liquid metal works) Plants. The treatment plant is effectively monitored daily to ensure that the equipment is functioning and the level of pollutants in the released water does not exceed the defined limits. There has been no incidence of polluted water being released accidentally or otherwise. No grievance on water discharge has been reported.

Figure 2 - Recycling of Treated water within the Plant



Water withdrawal (Disclosure GRI 303-3)

Fresh water is precious natural resource. Managing this scarce resource is the need of the hour. ECL makes every effort to reduce freshwater consumption at the plants and colonies and also conserve water through water harvesting. ECL has resolved to achieve Zero Discharge of water in all its operations with sustained efforts like stringent discipline in water

consumption and treatment, recycling, and reuse of water. There are efforts made to increase the recycling of water and reduce the dependence on groundwater. The organization does not operate in a water-stressed area.

Water testing is done during withdrawal periodically and the Total dissolved solids have been found to be less than (<) 1000mg/L.

Table 22 - Water withdrawal

| Parameter | FY 2021-22 | FY 2022-23 |
|--|----------------------|----------------------|
| (i) Surface water | - | |
| (ii) Groundwater | 1303660.00 KL | 1128149.30 KL |
| (iii) Third party water | - | |
| (iv) Seawater/ desalinated water | - | |
| (v) Others | - | |
| Total volume of water withdrawal (i+ ii+ iii + iv+ v) | 1303.66 ML | 1128.14 ML |

* Water withdrawal and consumption of Corporate office is not taken into consideration due to non- availability of quality data.

Water discharge
(Disclosure GRI 303-4)

The wastewater from operations is treated in an Common Effluent treatment plant (CETP), which has a capacity of 3200cum per day. The treatment process includes primary treatment, secondary treatment, and sludge conditioning. The Common ETP is designed to treat the wastewater discharged from various plant units and comply with the WBPCB (West Bengal Pollution Control Board) norms for various parameters before being discharged into the municipality

canal. There is no process water discharge from premises other than Khardah works. Domestic water discharge from other premises has not been declared due to non-availability of quality data. The water discharged is periodically tested at the point of discharge, and the Total dissolved solids have been found to be less than (<) 1000mg/L. The organization does not operate in a water-stressed area, so treated water is not discharged in such areas. After treatment about 90-95% treated water is recycled and rest is discharged in to surface water.

Priority substances of concern

The state pollution control board has identified the key priority substances as the pH value, total suspended solids, biochemical oxygen demand, chemical oxygen demand, oil and grease, zinc, cyanide, ammonia nitrogen, and iron. The water undergoes thorough treatment at a

single effluent treatment plant and is then released through a designated outlet as per the consent to operate approved by the State pollution control board. It's worth noting that there have been no reported instances of non-compliance in the reporting year, which indicates that the established limits by the authorities have not been exceeded.

Figure 3 - Common Effluent treatment plant at Khardah



Table 23 - Water discharge

| Parameter | FY 2021-22 | FY 2022-23 |
|---|------------|------------|
| Water discharge after treatment | | |
| Discharged to surface water with treatment (Physical & Chemical treatment in ETP) | 94.67 ML | 44.682 ML |

Water consumption
(Disclosure GRI 303-5)

Groundwater sourced through bore wells is the only source of water consumption for production. In addition, water is also utilized for non-production purposes like drinking, washing, cleaning, gardening, and toilets. It's important

to note that an increase in production could lead to a rise in water usage. At present, water is not withdrawn from any other source, but the organization is mindful of the need to evaluate other areas where water conservation and reuse can reduce withdrawal. There haven't been any modifications to water storage. The organization recognizes the

opportunity to improve its water usage practices. The Organization does not operate in the water-stressed area.

Water consumption in the Corporate office has not been considered due to the non-availability of quality data. The organization intends to report this in the near future.

Table 24 - Water consumption

| Parameter | FY 2021-22 | FY 2022-23 |
|-------------|------------|------------|
| Groundwater | 1208.99 ML | 1083.45 ML |

Emissions
(Disclosure GRI 305)

Emissions have a negative impact on both the local and global environment, contributing to air pollution & global warming. Emissions resulting mainly from fuel combustion during production can include greenhouse gases and other

pollutants that harm the health of local communities. Harmful emissions such as NOx and SOx must be monitored and reported to ensure their impact is managed effectively. Electrosteel greatly monitors and measures air emissions, including GHG, NOx, and SOx, and has installed pollution prevention equipment to

reduce their impact. The company have established operational control procedures which are communicated to concerned staff and workers, and everyone is trained to follow them responsibly. The company also comply with legal standards and reports concerned emissions to the appropriate authorities.



**Direct (Scope 1) GHG emissions
(Disclosure GRI 305-1)**

The Scope 1 GHG emissions are a result of the direct use of fuel for its manufacturing process. The GHG emission is closely monitored considering its importance to global climate change in context with the UN SGD 2030 commitments and India's national commitment.

India has several commitments to the United Nations Global Compact (UNGC), including Reducing the economy's carbon intensity by at least 45% by 2030 compared to 2005 levels and achieving net zero by 2070.

Carbon dioxide remains the main greenhouse gas. Emissions of other

GH Gases from plant operation are insignificant in comparison to it. The emissions are calculated by direct measurement of energy sources consumed (coal, coke, diesel and LPG). While calculating emissions, internationally accepted standards are considered using the carbon dioxide conversion factors. Emission calculation has been done considering only CO₂ emission and there is no Biogenic emission. The source of the Emission factor is IPCC 2006. All conversion factors used are provided in the annexure to the report. The emissions are reported for the areas that are under operational control. The year 2019-20 has been taken as a baseline due to the quality of data available.

Table 25 - Scope 1 Emission

| Emission (CO ₂ in Tonnes) | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|--------------------------------------|------------|------------|------------|------------|
| Scope 1 | 655468 | 551495 | 656620 | 636887 |

**Indirect (Scope 2) GHG emissions
(Disclosure GRI 305-2)**

The organization's scope 2 emissions are caused by their consumption of purchased electricity from the Power Distribution Co grid. The emission factors for this electricity are obtained from values provided by the Central Electricity Authority and are reported in the report's annexure. Three sites, including the head office and factories, report their electricity energy usage. The base year used for this data is 2019-20 due to the availability of quality information. As there is no

major change in the emission factor of 2022-2023 from the base year (2019-2020), hence the base year is kept unchanged. While calculating emissions, internationally accepted standards are considered using the carbon dioxide conversion factors. Emission calculation has been done considering only CO₂ emission. Location-based emission factors have been taken for Scope-2 emission.

The report includes an annexure containing all the conversion factors utilized. Emissions are only reported for areas under operational control.

Table 26 - Scope 2 Emission

| Emission (CO ₂ in Tonnes) | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|--------------------------------------|------------|------------|------------|------------|
| Scope 2 | 116578 | 97209 | 116280 | 123360 |

Other indirect (Scope 3) GHG emissions (Disclosure GRI 305-3)

Although the organization has not yet monitored its Scope 3 emissions, it recognizes the potential for significant reductions in this area. Improving its Scope 3 emissions will be a key focus for the company in the future.

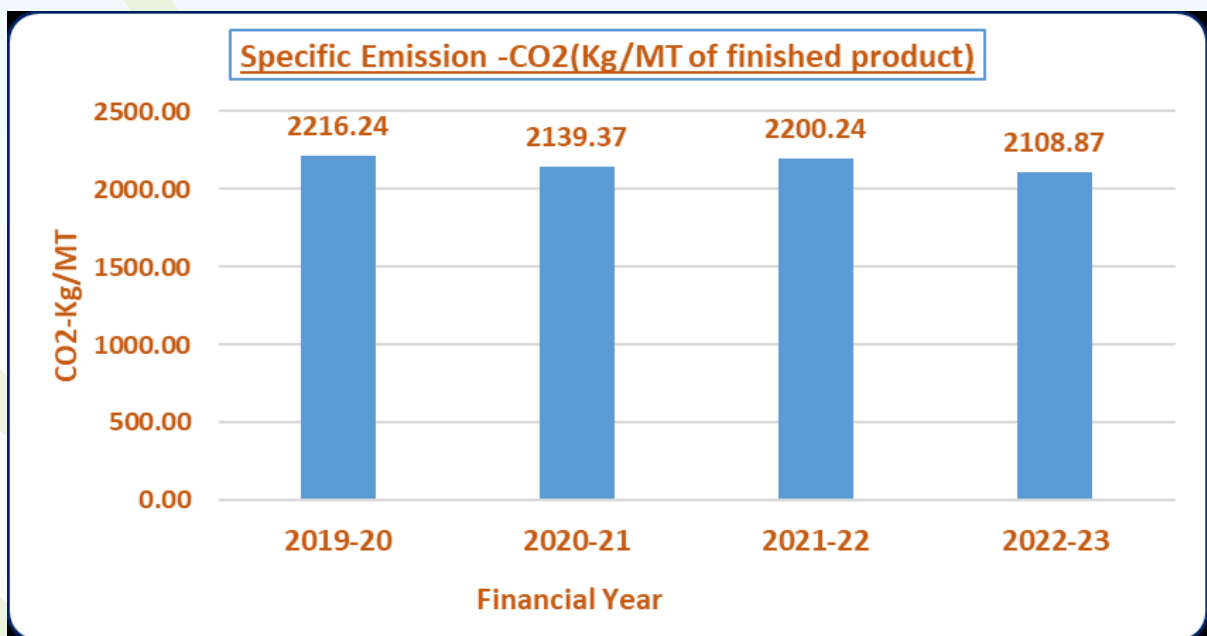
GHG emissions intensity (Disclosure GRI 305-4)

The organization's emission intensity is precisely measured from its Khardah and Bansberia works and its corporate office in Kolkata. This intensity considers the carbon dioxide emission captured in Scope 1 and Scope 2. The calculation is based on per metric tonne of production, ensuring accurate and reliable results.

Table 27 - Annual CO₂ emission intensity (Kg/MT of production)

| Production Data | UOM | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|--------------|---------------------|---------------------|---------------------|---------------------|
| Total Finished Product | MT | 348359 | 303221 | 351280 | 360499 |
| Thermal -CO ₂ Emission | kg | 65,54,67,792 | 55,14,94,550 | 65,66,19,832 | 63,68,87,292 |
| Electrical -CO ₂ Emission | kg | 11,65,77,768 | 9,72,09,139 | 11,62,80,344 | 12,33,59,973 |
| Total Emission | kg | 77,20,45,560 | 64,87,03,689 | 77,29,00,176 | 76,02,47,265 |
| Specific Emission-CO₂ (Kg/MT of finished product) | kg/MT | 2216.24 | 2139.37 | 2200.24 | 2108.87 |

Figure 4 - Total year wise CO₂ emission (KG/MT)



**Reduction of GHG emissions
(Disclosure GRI 305-5)**

This significant reduction directly results from the organization's efforts to improve energy efficiency by using more advanced equipment and promoting better employee behavior. The 2019-20 baseline year was selected based on the availability of high-quality data. The total reduction in GHG emissions from the baseline year is 38707 tonnes of CO₂ (Scope-1 and Scope-2). Going forward, the organization will continue to investigate areas where additional reductions can be achieved.

**Emissions of ozone-depleting substances (ODS)
(Disclosure GRI 305-6)**

The organization currently lacks a reliable system for detecting significant emissions of ODS.

Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions (Disclosure GRI 305-7)

Regular monitoring is conducted for the emission of pollutants such as NO_x and SO_x. The emissions reported are derived from stack sample test reports. Third-party agencies approved by the state pollution control board test these emissions to ensure compliance with legal standards. The reports indicate no instances of noncompliance.

Table 28 - Air emission NO_x SO_x

| Parameter | Unit | FY 2022-23 | *FY 2021-22 |
|------------------------|---------------------|------------|-------------|
| NO _x | mg /Nm ³ | 81.24 | 72.53 |
| SO _x | mg /Nm ³ | 63.79 | 70.76 |
| Particulate matter(PM) | mg /Nm ³ | 39.80 | 38.37 |

In addition, tests are also conducted on the ambient air quality surrounding the factory to guarantee that the factory's operations do not pollute the air beyond legal limits.

Emission factors are taken from IPCC 2006 CO₂ Emission Factors to calculate the emission.

Waste (Disclosure 306)

An organization's waste can be hazardous and negatively impact the land, water and air during its handling, storage and disposal. The wastes can have potential and actual negative impacts on the environment as well as on the health of the stakeholders involved in its handling, storage and disposal. By the nature of its operation, the organization produces hazardous and non-hazardous wastes. To reduce the negative impact of waste, it is important to manage the waste in a safe and healthy manner and dispose of it as per legal requirements. As an ISO 14001-certified

organization, a systematic approach is taken to contribute to the environmental pillar of sustainability. This approach aims to protect the environment and respond to changing environmental conditions while balancing socio-economic needs. The organization is aware that the reduction of waste also contributes to the economic growth of the organization. Operational control procedures are established to reduce waste which are implemented under ISO 9001. The adopted procedures ensure a reduction in the generation of unnecessary waste due to rejection in the process.



Waste generation and significant waste-related impacts (Disclosure 306-1)

Waste generation primarily arises from by-products during production and from the combustion of solid fuels and rejections from the process. Some waste can also arise from packaging

material and other support activities like maintenance etc. The waste reported arises from the waste generated in the factory from the operation.

There is an increase in waste reuse/recycle from the previous year.

Table 29 - Waste Category

| Parameter | FY2021-22 MT | FY 2022-23 MT |
|-----------|--------------|---------------|
| Recycled | 46062 | 52495 |
| Reuse | 0 | 0 |



Management of significant waste-related impacts (Disclosure 306-2)

The organization has a well-defined waste management cell undertaking all necessary initiatives for storing, handling, and disposing waste per statutory requirements.

- Recycling packaging wastes
- Reusing waste and byproducts.
- Reuse/recycling of mould cooling and pipe testing water

ECL adopts the best systematic approach for waste collection, treatment, and disposal, and the

organization engages with authorized third-party waste handlers for the management of generated wastes in line with contractual or legislative obligations, which is strictly ensured by ECL by tracking and supervising the aftercare outside the operating premises. Depending upon the nature, the waste may be used as input to other processes or disposed of as landfilling.

Operation control procedures and legal directives are followed to reduce the use of hazardous and toxic chemicals in products and processes.



Waste generated (Disclosure GRI 306-3)

Waste generated have been reported based on the actual quantity measured disposed periodically.

Table 30 - Waste generated

| Parameter | FY 2020-2021 (In MT) | FY 2021-2022 (In MT) | FY 2022-2023 (In MT) |
|--|-----------------------|-------------------------|---------------------------|
| Plastic waste | Nil | Nil | Nil |
| E-waste | 1.5 | 0.51 | 1.11 |
| Bio-medical waste | 0.02 | 0.009 | 0.009 |
| Battery waste | 0.5 | 0.748 | 0.184 |
| *Other Hazardous waste. | Zn Dust -550 | Zn Dust -525 | Zn Dust - 512 |
| | Spent Oil -10 | Spent Oil -9.75 | Spent Oil - 11.64 |
| | Waste Oil -0.5 | Waste Oil -0.81 | Waste Oil - 3.04 |
| | ETP Sludge - 35 | ETP Sludge - 37.6 | ETP Sludge - 45.07 |
| | Used asbestos- 2 | Used asbestos- 3.27 | Used asbestos- 3.96 |
| | Flue Dust- 0.1 | Flue Dust- 0.14 | Flue Dust- 0.15 |
| | Discarded container-8 | Waste paint-2.66 | Waste paint- 2.63 |
| | | Discarded container-8.7 | Discarded container-9.866 |
| Other Non-hazardous waste generated (Break-up by composition i.e. by materials relevant to the sector) | Granulated Slag-98000 | Granulated Slag-115383 | Granulated Slag-122480 |
| | Cement Slurry -6200 | Cement Slurry - 8956 | Cement Slurry - 7205 |
| | Coke Fines-4900 | Coke Fines-6130 | Coke Fines-5988 |
| | Iron ore Fines-22500 | Iron ore Fines-40040 | Iron ore Fines-46465 |
| | MBF Sludge-6300 | MBF Sludge-7226 | MBF Sludge-9846.83 |
| | Metal Scrap-14000 | Metal Scrap-15453 | Metal Scrap-17319 |
| | Ladle Slag-2600 | | |
| Total | 155108 | 193777 | 209893 |

* The organization does not include the domestic waste generation from Corporate office for reporting purpose due to unavailability of quality data.

Waste diverted from disposal (Disclosure GRI 306-4)

An important step towards sustainable use of natural resources is the implementation of the 4R approach: recycle, reuse, reprocess, and reduction. As part of this initiative, the waste management system focuses on recycling and reusing iron ore fines and Coke fines, a non-hazardous waste repurposed as a raw material for a sub process.

Table 31 - Waste Diverted

| Parameter | FY 2021-22 MT | FY 2022-23 MT |
|--|----------------------------|----------------------------|
| Recycled- Non Hazardous (On-site) (Iron Ore fines and Coke fines+ MBF Sludge) | 53394 (40040+6128+7226) | 62299 (46465+5988+9846) |
| Other recovery operations - Granulated Slag (Used in Cement industry) | 115383 | 122480 |
| Other recovery operations - Pipe & Metal strap (Used in Foundry industry) | 15453 | 17319 |
| Recycled - Hazardous (Spent oil +Waste Oil+Zn Dust+ Discarded container) | 544.26 | 536.55 |
| Reused | 0 | 0 |
| Total Waste diverted | 184,774.26 | 202,634.55 |

Waste directed to disposal (Disclosure GRI 306-5)

The hazardous waste is disposed of through agencies that are authorised by state pollution control boards. E-waste is disposed of through e-waste recyclers. Non-hazardous wastes are stored in designated places, and some of the wastes are recycled or reused in the process, and the rest is sold or disposed of by outside agencies. Agencies are responsible for disposing of the waste as per the requirements of the laws. The organization does not

have visibility of the disposal by these agencies. To mitigate the risk that agencies may dispose of the waste in an environmentally damaging manner, the organization only employs approved agencies for both hazardous waste as well as non-hazardous waste disposal. The organization does not carry out any incineration nor does it carry out any landfilling within its premises.

There is a decrease in waste disposed to outside agencies from the previous year

Table 32 - Disposed to waste collection (offsite)

| Parameter | FY 2020-2021 MT | FY 2021-2022 MT | FY 2022-2023 MT |
|---|-----------------|-----------------|-----------------|
| Disposed through waste collection agencies - Hazardous | 37.10 | 43.67 | 51.81 |
| Disposed through waste collection agencies - Non-Hazardous : Cement Slurry (mainly used for landfilling) | 6200 | 8956 | 7205 |

Customer Health and Safety (Disclosure GRI 416)

The organization believes that products should not harm customers during installation, use, and end-of-life disposal. Accurate and timely product information is provided to customers in the form of specifications and drawings. Customer health and safety requirements are considered during product design and the selection of raw materials.

Assessment of the health and safety impacts of product and service categories (Disclosure GRI 416-1)

The organization ensures that products comply with national and international legal requirements, including the Bureau of Indian Standards for the ISI mark and also to British Kitemark and others. All the

range of Electrosteel products complies with BS 6920 and are duly approved by Hygeine Institute, Germany , DWI and WRAS. **Products recommended for approval under Regulation 31 of DWI are listed in the "List of Approved Products for use in Public Water Supply in the United Kingdom" published on the DWI website -**

<https://cdn.dwi.gov.uk/wp-content/uploads/2021/05/20152135/soslistcurrent-May21.pdf>

Incidents of non-compliance concerning the health and safety impacts of products and services (Disclosure GRI 416-2)

No incident of noncompliance has impacted the customers' health and safety. Quality checks are done at each strategic point.

Hygiene-Institut des Ruhrgebiets
 Institut für Umwelt-Hygiene und Toxikologie
 Direktor: Dr. Thomas Siegmund-Götter
 Legal Entity: Verein zur Bekämpfung der Volkskrankheiten im Ruhrkohlengebiet e.V.

EMERGENCY: +49 201 200 2242 (24h)
ELECTROSTEEL CASTINGS LIMITED
 30, B.T. Road, Kharodah
 PO-SARAJWAL
 KOLKATA-700 115
 INDIA

Water's Factory Address:
 Rudolphstr. 21
 46177 Essen
 Telefon: +49 201 200 2242
 Intern: +49 201 200 2242 278
 Telefax: +49 201 200 2242 211
 E-Mail: info@electrosteel.de
 Website: www.esl.de
 Faxnummer: +49 201 200 2242
 Contact person: Gert Dörmann
 Gebotswort: 18.11.2022

TEST CERTIFICATE
 according to the DVGW Code of Practice W 347
 "Hygienic requirements for cement-bound materials for drinking water supply" (status 2006-05)

Product: Cement Mortar Lining with Sulphate Resisting Portland Cement (Birla SRPC) for Electrosteel DI pipes and Fittings

Specimen: ductile iron pipe with cement mortar lining (inside: grey, outside: blue) measuring: ED = 116 mm, ID = 99 mm, length = 250 mm

Test result:
 The test specimen meet the requirements of the DVGW Code of Practice W 347 (status 2006-05) according to the last report no.: **K-36460-23-SI** dated **18.11.2022** as far as the material is qualified technically:

| Scope | Products / Components | Assessment |
|-------|---|------------|
| I | mortar lining of cast iron pipes and steel pipes | passed |
| II | concrete pipes ≥ DN 300, reservoirs, cementitious coatings of reservoirs | passed |
| III | cement for tiles, joint filler, coating of fittings (e.g. for sealing joints) | passed |
| IV | concrete components in protective areas of drinking water plants I, II, III | passed |

This test certificate is valid beginning with the date of issue and is ending by 18.11.2027 as far as there are no changes in the formula. After this time it can be extended for further 5 years if desired.

The Director of the Hygiene-Institute
 Dr. rer. nat. Nicole Kröger
 Head of the Dept. for water hygiene material testing

Water Quality test certificate from Hygeine Institute, Germany.

Approval Number: 1906506
 Foot Hopen: M766372

Water Regulations Advisory Scheme Ltd.
 Unit 12,
 White Road,
 Pony Fair Industrial Estate,
 Clumber,
 Newark,
 NP11 4EG

2nd July 2019
 Electrosteel Castings Ltd
 30 B.T. Road,
 PO Sarajwal, District 24 Parganas (N),
 West Bengal,
 743171,
 India

**WATER REGULATIONS ADVISORY SCHEME LTD. (WRAS)
 CONSECUTIVE MATERIAL APPROVAL**

The material referred to in this letter is suitable for contact with wholesome water for domestic purposes having met the requirements of BS6920-1:2000 and/or 2014 'Stability of non-toxic products for use in contact with water intended for human consumption with regard to their effect on the quality of the water'.

The reference relates solely to its effect on the quality of the water with which it may come into contact and does not signify the approval of its mechanical or physical properties for any use.

COATINGS, PARTS & LININGS - FACTORY APPLIED PIPE & FITTINGS COATINGS. 5030

ELECTROLINE ES 1212: Factory applied, white coloured, two-component, solvent-free epoxy coating. Mix base and hardener in a 2:1 volume ratio. Cure for 7 days @ 23°C - 30°C. For use with water up to 25°C.

This material is only approved for the mixing and curing conditions that appear on the approval. If the mixing and/or curing conditions are varied from those specified on the approval then the materials are not covered by the scope of the approval.

APPROVAL NUMBER: 1906506
APPROVAL HOLDER: ELECTROSTEEL CASTINGS LTD

This is a re-approval of 1407536 which is valid between July 2014 and July 2016.

The Scheme reserves the right to withdraw approval.

Approval 1906506 is valid from August 2019 until August 2024

An entry, as above, will accordingly be included in the Water Fittings Directory on-line under the section headed "Materials which have passed full tests or effect on water quality".

The Directory may be found at www.wras.co.uk/waterfitting

Yours faithfully,

 Jason Furnival
 Approvals & Enquiries Manager
 Water Regulations Advisory Scheme

The Water Regulations Advisory Scheme Ltd. Registered in England No. 15560551 Registered Office: 12, White Road, Newark, Nottinghamshire, NG24 0EG
 Tel: +44 (0)1332 337 430 Fax: +44 (0)1332 337 431 Email: enquiries@wras.co.uk Web: www.wras.co.uk

Water Quality approval from Water Regulations Advisory Scheme Ltd. (WRAS)

Towards a sustainable future

**WORK LIFE
CULTURE
Employment
(Disclosure GRI 401)**

Electrosteel endeavors to provide a reasonably comfortable working environment and foster a team spirit among all its staff and also those who are employed through other agencies, considering the nature of the industry. The employment practices at ECL are governed by policies encompassing zero tolerance towards workplace discrimination and harassment, directed towards adherence to applicable laws, and upholding the spirit of human rights. ECL's code of conduct defines the adoption of the highest standards of personal and

professional integrity and ethical conduct at the workplace. The HR policies established by the organization are communicated to all staff. In line with ECL's commitment to achieve 100% sensitization towards sexual harassment, POSH (Prevention of Sexual Harassment) awareness programmes are provided to all staff including contract workers which clearly explains the acceptable code of behavior expected from them. The organization has trained security personnel in areas of emergency, first aid, and human rights. Jal Samman



New employee hires and employee turnover (Including permanent workers) (Disclosure GRI 401-1)

There were 67 new employees (Who are not workers) are hired in the reporting year - FY 2022-2023. The organization is able to attract new workforce. Almost 50% of its new hires were from the age group of 21-30 years. This ensures that the average size of the workforce has been reduced. A younger workforce will

bring in fresh energy and enthusiasm and pave the way to create young leaders. On the other hand, this may increase the turnover in the coming years if adequate steps to retain the new staff are not taken. The organization recognizes the need for experience and has hired 39% from the age group of 30-40 years. There is a need to balance the gender diversity as all the new hires were male. More effort be taken to increase the female gender among the staff.

Table 33 - New Hires (Permanent employees other than workers)

| Age Group | No. of Hires | Hire percentage (%) | Gender | | Reporting Area | | |
|------------|--------------|---------------------|------------|--------------|----------------|-----------|-----------|
| | | | Male Works | Female Works | Khardah Office | Bansberia | Corporate |
| 21-30 Yrs | 28 | 41.79 | 27 | 1 | 20 | 2 | 6 |
| 30- 40 Yrs | 26 | 38.80 | 22 | 4 | 16 | 3 | 7 |
| 40- 50 Yrs | 11 | 16.41 | 11 | 0 | 6 | 0 | 5 |
| 50- 60 Yrs | 1 | 1.49 | 1 | 0 | 0 | 1 | 0 |
| >60 Yrs | 1 | 1.49 | 1 | 0 | 0 | 1 | 0 |

The organization is able to retain its employee as the turnover rate is only -

- 7.92% (excluding retirement / Death)
- 9.86% (including retirement / Death)

Table 34 - Turnover (Permanent employees other than workers)

| Total Employees at the end of the reporting period (2022-2023) | Gender | | Total Employee (except permanent workers) |
|--|--------|--------|---|
| | Female | Male | |
| | 14 | 554 | 568 |
| Total hires | 5 | 62 | 67 |
| Resignation | 2 | 43 | 45 |
| Retirement | 0 | 11 | 11 |
| Death | 0 | 0 | 0 |
| Termination | 0 | 0 | 0 |
| Total Turnover | 2 | 43 | 45 |
| Total Turnover (Including retirement and death) | 2 | 54 | 56 |
| Turnover Rate (Excluding retirement and death) | 0.35% | 7.57% | 7.92% |
| Turnover Rate (Including retirement and death) | 0.35% | 9.50% | 9.86% |
| Hire Rate | 0.88% | 10.91% | 11.79% |

* Employee register is active and it get activated in SAP-HR on a real-time basis.

Table 35 - Turnover (On-roll workers)

Details of Turnover of On-Roll Workmen at YR -2022-2023

| Year | Strength | Resigned | Retired | Terminated | Expired | Total attrition | Total left as on 31-03-2023 | Turnover % |
|-------------|----------|----------|---------|------------|---------|-----------------|-----------------------------|------------|
| 2022 - 2023 | 653 | 3 | 11 | 0 | 1 | 15 | 638 | 2.30 |

There are no female workmen and there are no differently abled workmen.

Year-on-year, the organization presents a Long Service Award to all staff and staff members who have dedicated 25 years of service to ECL. In the reporting period (due to COVID situations, previous year was also included), 9 staff were felicitated for their dedication and long-term service to the organization



Benefits provided to full-time employees that are not provided to temporary or part-time employees (Disclosure GRI 401-2)

Full-time employees of the company are entitled to the following benefits

- | | | |
|---|--|---|
| <ol style="list-style-type: none"> 1. Personal Loan against salary - across all the operating locations. 2. Own Your Car Policy - for all eligible employees across all operating locations. 3. Group Term Insurance Policy - across all the operating locations. 4. Family Mediclaim Policy - across | <p>all the operating locations.</p> <ol style="list-style-type: none"> 5. Personal Accidental Policy - across all the operating locations. 6. Mobile connection facility - across all the operating locations. 7. Canteen facility at Khardha and Bansberia 8. Transportation facility from Khardha and Bansberia 9. Personal protection equipment for all eligible employees 10. Uniform for all eligible Workers across all the operating locations. | <ol style="list-style-type: none"> 11. Maternity leave benefits - for all eligible Workers across all the operating locations. <p>The rules and the guidance on how to avail the benefits are given in the relevant policy document.</p> <p>The organization provides health insurance and accident insurance to all its employees. Both male and female employees get access to health insurance and accident insurance. Both permanent and other than permanent staff get access to insurance.</p> |
|---|--|---|

Table 36 - Standard Benefits

| Category | Health Insurance | Accident Insurance | Maternity Benefits | Paternity Benefits |
|-----------------------------|---------------------------------|--------------------|--------------------|--------------------|
| Permanent Staffs | | | | |
| Male | 86.2% | 100% | 0% | 0% |
| Female | 100% | 100% | 0% | 0% |
| Other than permanent staffs | | | | |
| Male | 100% | 100% | 0% | 0% |
| Female | No female non-permanent workers | | | |

Employees are provided with retirement benefits, including Provident Fund, Gratuity, and Employee State health insurance. All workers are covered for PF, ESI, and Gratuity.

Table 37 - Retirement benefits

| Category | FY 2022-23 | | FY 2021-22 | | FY 2020-21 | |
|----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|
| | Staffs Covered | Workers Covered | Staffs Covered | Workers Covered | Staffs Covered | Workers Covered |
| Provident Fund | 100% | 100% | 100% | 100% | 100% | 100% |
| Gratuity | 100% | 100% | 100% | 100% | 100% | 100% |
| ESI | 100% | 100% | 100% | 100% | 100% | 100% |

Expectant women have leave provisions available as per the regulatory maternity leave policy of 26 weeks, or 182 days. However, no parental leave policy is available.

Occupational Health and Safety

(Disclosure: 403; 403-1)



Human life is of utmost importance. The production of ductile pipe involves exposure to various physical, chemical, ergonomic and other safety hazards. This can negatively impact their health and safety of the staffs, workers, visitors, and their families as well as neighboring local community. Electrosteel Castings Limited prioritizes a safe work environment for all stakeholders. The organization ensures protection of lives of all staffs, workers, visitors, and any other person within the organization's operation as committed in the occupational health and safety (OH&S) policy. The drive to implement OH&S Policy is not due to any legal requirements but due to company's vision to give a ZERO HARM working environment to all Staffs and workers. The policy is documented and communicated to stakeholder within the operations.

Staffs who do not follow the rules and through their action endangers the life of other staffs are subjected to disciplinary action. The mission is to establish a mature safety culture, creating a conducive work environment for staffs. Management of hazards is carried out as per standard operating procedures. Monitoring of the effectiveness is done by periodical audits, inspections and testing of system. The policy and directives in the manual are mandatory for the entire Electrosteel Group. The health & safety policy applies to all staffs, consultants, contracted workers and visitors to Electrosteel sites as well as staffs working at customer sites or travelling for work purposes.

*OHSAS is not included for Corporate office.



Occupational health and safety management system

The occupational health and safety management system ISO 45001 has been implemented to reduce negative impacts on health and safety on Voluntary basis. It covers all operations and all stakeholders within the physical boundaries of the factories and head office. It focuses on maintaining safe production, eliminating hazards, and minimizing risks to achieve zero accidents and health issues. ECL continuously reviews and improves the system to keep up with technological advancements and statutory requirements.

Towards a sustainable future

Hazard identification, risk assessment, and incident investigation (Disclosure: 403-2)

Electrosteel Castings Limited prioritizes workplace safety through ongoing hazard identification risk assessment process. For each process a trained team carried out the assessment and determines the risk. Mitigation is carried out by including proactive measures, such as safe operating procedures, kaizen, and poka-yoke. The company also uses departmental and contractor

safety risk registers to identify and eliminate work-related hazards. OH&S performance indicators are monitored, and corrective actions are taken when necessary. Hierarchy of controls are applied to mitigate the health and safety risks. The first priority is to evaluate to see if the hazard can be eliminated.

Workers are trained to identify hazards and report them. The workers can report any concern to their immediate supervisor. Policies are implemented to ensure that reporting of hazards does

not incur any retaliatory action.

Incidents including near miss and accidents are reported and recorded. ECL's Incident Reporting and Investigation methodology identification of immediate causes and the root causes or the underlying causes. The root causes or the underlying causes are identified are mitigated through countermeasures and are also communicated to all units to improve the safety management system.

Staffs are aware of the hazards and are free to remove themselves from harm without fear of any reprisals. No retaliation is carried out against any worker who has reported any incident or taken any action to remove themselves and other coworkers from the immediate harm. Company also complies with SA 8000:2014.

Activity-wise responsibility of Hazard Identification and Risk Assessment (HIRA) followed by Electrosteel -

| SL. NO. | ACTIVITIES | RESPONSIBILITY |
|---------|--|--|
| 1. | Hazards are to be identified considering Human factor & past incidents / Accidents / Near-Miss accidents. Staffs are to be consulted who are involved in the process of Hazards identification and Risk Assessment (HIRA) | Concerned Section In-Charge in Consultation with Workmen Representative of HIRA Committee. |
| 2. | Risk assessment will be carried out by : i) Using Identified factors that may be contributing to the Risk ii) Review Health and Safety information from an authoritative source. iii) Evaluation of how severe will be the harm to be predicted by type of injuries/ illness/ damages/ no. of people exposed/ possible change effect from exposure of Hazard iv) Determining the likelihood of occurrence of harm. Risk Assessment to be documented vide Format No. WF-20-01-01 | Concerned Section In-Charge HODs and Head - OH&S |
| 3. | Risk to be controlled by : i) Elimination of Hazard ii) Substitution of Hazard iii) Isolation of Hazard iv) Engineering Control v) Administrative Control vi) Use of Personal Protective Equipment | Concerned Section In-Charge in Consultation with HODs |
| 4. | Hazards Identification, Risk Assessment and control to be reviewed against each activities at least once in a year vide Format No. WF-20-01-01A | Concerned HODs |
| 5. | Hazard Identification, Risk Assessment and control will be an ongoing process. HIRA will be carried out when there is a change in work system includes installation of new equipment and changes in Raw Materials vide Format No. WF-20-01-01A | Concerned HOD in Consultation with Head-OH&S |

**Occupational Health Services
(Disclosure: 403-3)**

ECL has established a robust health monitoring system for all its staffs including contract workers. All the manufacturing units have in place a medical clinic with round-the-clock care available through a dedicated team of doctors and nurses, ambulances, and supplies. The occupational health doctor periodically perform routine check-ups and address any findings. In the event of any urgent health issue, the employee is transported to the nearest hospital via the ambulance onsite.

The organization also organizes health camps for all staffs. Furthermore, for the safety and well-being of its contract staffs, ECL makes payments to third party contractors to facilitate their health insurance

services. The various health services provided to the staffs cover all the aspects of occupational and non-occupational health hazards and organize general health check-ups along with job-specific check-ups e.g. audiometry, vision, x-ray etc.

The water for drinking is periodically tested and has been found fit for testing as per the Indian standards established by Bureau of Indian Standards (IS 10500). The test parameters include chemical as well as biological properties of the water.

The sensitive health related information is maintained in a secure manner. Only the relevant worker is authorized to access the information. No discrimination is carried out on basis of the health of the worker. ESI and Mediclaim facility.

**Worker participation, consultation, and communication on occupational health and safety
(Disclosure: 403-4)**

Safety committee is constituted with worker and managerial staff. Tool box talks are also held daily. Workers are provided information on hazards through material safety data sheets, operating procedures, hazard identification and risk assessment. Staffs, workmen and contractor are involved as a team member in Hazard Identification, Risk Assessment and determination of control measure. Staffs, workers and contractors gets regular updates and information on any changes.

Workmen and contractor are consulted in Investigation of Incident.

Workmen participate in development and review of OH&S policies and associated objectives.

Activity-wise responsibility for Participation & Consultation on OH&S followed by Electrosteel -

| SL.NO. | ACTIVITY | RESPONSIBILITY |
|--------|--|-----------------------------|
| 1 | Workmen and Contractor are to be involved as a team member in Hazard Identification, Risk Assessment and determination of control measure. | Concerned Section In-charge |
| 2 | Workmen and Contractor are to be consulted in Investigation of Incident. | Concerned Section In-charge |
| 3 | Workmen are to participate in development and review of OH&S policies and associated objectives. | Concerned Section In-charge |
| 4 | Workmen and Contractor are to be consulted in case of any changes on process that may have impact on OH&S issues. | Concerned Section In-charge |

| SL.NO. | ACTIVITY | RESPONSIBILITY |
|--------|--|---|
| 5 | Workmen and Contractor are to be participate in committees on OH&S matters. | Concerned Section In-charge |
| 6 | Workmen and Contractor are to be informed about their participation arrangement though notice, circular, email Workmen are also informed as to who is their OH&S representatives | Concerned Section In-charge, HOD, Head OH&S |
| 7 | Interaction meeting with external interested parties like Factory Directorate are arranged from time to time on OH&S matter. | Head OH&S |
| 8 | Details of participation and consultation arrangement with staffs and workmen on OH&S matters are explained in work instruction no. WF-21-01 | Head OH&S |

Worker training on occupational health and safety (Disclosure: 403-5)

Training modules were refined according to the best EHS practices and learning objectives defined. The leadership and management team are trained in aspects such as safety management systems, incident investigation, audit, and emergency management.

Workers receive training on hazards, dangerous situation, and proper use of PPE. The trainings are conducted during joining of the organization. Refresher trainings are provided periodically. Training on how to respond in emergency situations is also provided as part of the emergency response plan. The organization maintain and provides, fire prevention and protection equipment. Staffs are trained to fight fire and to respond to emergency situations. Mock drills are carried out as per planned arrangements to test preparedness of the system.

| SL.NO. | ACTIVITY | RESPONSIBILITY |
|--------|--|---|
| 1 | Relevant information relating to OH&S HAZARDS AND OH&S management system is to be communicated to user department through email, circular, display in notice boards and departmental meeting including OH&S Committee meeting. | Concerned HOD's/ Head OH&S |
| 2 | Dissemination of information on OH&S matters to Contractors, suppliers and other visitors take place through interaction meeting arranged periodically | Concerned HOD's/ Head OH&S |
| 3 | Visitors are informed on OH&S requirement through instruction/ display/ visitor card at entrance of factory | Concerned HOD's/ Head OH&S |
| 4 | Communication from external interested parties (e.g. statutory authorities, Contractors and suppliers) in the form of non-compliance / variation from standers or statutory requirements are received and documented. Those are communicated to Concerned HOD's as per need. | Occupier/Manager of the Factory/Head OH&S/ Head P&A |

| SL.NO. | ACTIVITY | RESPONSIBILITY |
|--------|---|----------------|
| | Example: Communications from statutory Authorities are received by Occupier / Manager of the Factory and the same are documented by Head OH&S. The company response to relevant communications from external interested parties through Occupier / Manager of the Factory.. | |
| | KWT | |
| | Mock Drill | |



Promotion of worker health (Disclosure: 403-6)

When it comes to employee welfare management, ECL values and prioritises its staffs' health. With a variety of health and training programmes, initiatives to encourage health and fitness, and other efforts, ECL seeks to establish a comprehensive culture of health throughout all facets of its staffs' lives. The infrastructure needed to promote employee health and wellbeing is in place across all of ECL's offices and business divisions, and the company actively encourages its staff members to take part in these activities and programmes.

Various health related promotion are conducted by the company to Promote the workers health like -

- i) Free Health check-up camp organized on 19-07-2022 at

Factory Dispensary with collaboration with M/s Suraksha Diagnostics.

- ii) Organised free Eye Checkup Camp for ECL family in association with M/s. Lawrence & Mayo on 14.12.2022 & 19.01.2023 respectively.
- iii) Periodical Health check up of every Staffs.

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships (Disclosure: 403-7)

The occupational health and safety of workers are fully under control of the organization and within the premises of the operations. Due to the nature of work, the staffs and workers are exposed hazardous

chemicals which can impact health. The organization has identified areas where such occupational disease risks are significant and carries out health surveillance to detect. Regular functional tests of liver, lungs, eyes, hearing, blood etc. are carried out to detect any such issue. In case of any suspected disease, treatment is provided as advised by the medical doctor. The staffs or workers are not required to work in any other situations where the organization is not in control of the work or the site. If any employee or worker is travelling for any business reasons, the travel and other arrangements are done with the best interest of the person's health and safety. The travel policy of the organization covers any arrangements to be made.

Electrosteel follows a well defined procedure for Incident investigation -

| SL.NO. | ACTIVITY | RESPONSIBILITY |
|--------|--|-------------------------------------|
| 1 | Company maintain records of accident in register at OHC and investigations are being carried out by a team comprising of HODs', Representative of OH&S department, Section in charge/Shift In charge, OH&S committee member & witness. | Head OH&S/Concerned HODs'/Unit Head |
| 2 | Investigation should be carried out in a timely manner and it has to be done in such a way that must include physical evidence, with witnesses. | Section In charge/ Shift Incharge |
| 3 | The process of investigation is coordinated by Head OH&S. | Head OH&S |
| 4 | Scope of investigation includes accidents & incident/near miss accident that could have led to serious injury/harm. | Head OH&S |

Workers covered by an occupational health and safety management system

(Disclosure: 403-8)

All workers (100%), regardless of whether working under the organization directly or indirectly, are equally covered by the occupational health and safety management system. There is no discrimination for any worker who is not an employee.

Location Wise On-Roll Employee and workmen as of 31.03.2023 (closing) who are covered by Occupational Health and Safety management system

| On-Roll Workmen | KW (Khardha Works) | BW (Bansberia Works) | HO (Camac street) | Total nos. of Employees covered | Percentage (%) of On-Roll Employees covered |
|-----------------|--------------------|----------------------|-------------------|---------------------------------|---|
| Number of heads | 996 | 35 | 175 | 1206 | 100 |

Location Wise other than On-Roll Employee (Workmen) as of 31.03.2023

| Other than On-Roll | KW (Khardha Works) | BW (Bansberia Works) | HO (Camac street) | Total nos. of Employees covered | Percentage (%) of On-Roll Employees covered |
|--------------------|--------------------|----------------------|-------------------|---------------------------------|---|
| Number of heads | 3655 | 355 | 43 | 4053 | 100 |

Organization complies with ISO 45001:2018 and are audited by third-party certification bodies.

Work-related injuries (Disclosure: 403-9)

Details of the accident has been shown -

Table 38 - Injury Rate

| Parameters | 2020-2021 | | 2021-2022 | | 2022-2023 | |
|--|---------------|-----------------|---------------|-----------------|---------------|-----------------|
| | Khardha Works | Bansberia Works | Khardha Works | Bansberia Works | Khardha Works | Bansberia Works |
| Number of fatalities/death | 0 | 0 | 0 | 0 | 0 | 0 |
| Manpower | 4361 | 480 | 4384 | 480 | 4392 | 480 |
| High-consequence work-related injuries (excluding fatalities) - Lost time injury | 19 | 04 | 14 | 03 | 12 | 03 |
| Man Days Lost | 1380 | 233 | 1011 | 265 | 843 | 243 |
| Frequency Rate | 1.757 | 3.36 | 1.288 | 2.52 | 1.102 | 2.52 |
| Incident Rate | 4.36 | 8.33 | 3.19 | 6.25 | 2.73 | 6.25 |
| Severity Rate | 127.597 | 195.73 | 92.988 | 222.61 | 77.375 | 204.133 |
| Recordable- work related injury | NIL | NIL | NIL | NIL | NIL | NIL |

The concerned rates have been calculated based on 1000,000 hours worked.

The Injury rate calculated covers all staff and workers irrespective of the nature of the job.

Work-related ill health (Disclosure: 403-10)

The occupational health risk assessment system proactively identifies hazards, assesses potential risks, and implements appropriate measures to mitigate them to protect the health and well-being of all staff and contract workers.

Pre-employment tests are carried out to detect health issues that may be aggravated during employment prevention.

Health surveillance is carried out for loss of vision, auditory sensitivity, colour blindness, etc., according to legal requirements. Chest X-rays are taken annually for food handlers and once every three years for other identified staff. Pulmonary function tests are taken annually for identified employees engaged in dust and mist-prone environments.

ECL considers the work-related

ergonomic risk factors caused by prolonged standing/sitting, repetitive positions, and awkward postures to be extremely significant, as they can lead to major musculoskeletal disorders. To avoid these risks, the organization conducts ergonomic modifications and exercises at the workplace.

No fatality has been reported in the period (2022-2023) due to Work ill health-related injury.

All employees - permanent, contractual and workers both permanent and contractual are covered by the HIRA.

The organization follows Hazard Identification & Risk Assessment (HIRA) and has various SOPs and WI to monitor any potential Work-related ill health.

Training and Education (Disclosure : 404)

Training and skill development form an integral part of the employee engagement plan for building future leaders to take the business to new heights in a sustainable manner. Training and development help in improving employee skills and has a positive impact on human rights also.

ECL places a high significance on the learning and development of human resources as it continues to grow as an organization by expanding its market presence with an increased focus on global markets. Training needs are determined in multiple ways. Training needs are identified during performance appraisal or when new technology or process is introduced. Staff and workers may also recognize their own training needs. The training is provided at all levels based on need identification.

ECL prepares an annual training calendar for staff, permanent and contract workers by carefully analyzing the training needs identified based on roles and responsibilities. Trainings are planned based on the availability of the stakeholders, the faculty and the organization's needs. Training effectiveness is monitored after the training through tests and performance evaluation. The organization strives to achieve completion of all planned.



First-Aid Training



Gas Safety Training by Ex-Deputy Chief Inspector of Factory, Chemical

Average hours of training per year per employee (Disclosure 404-1)

In the reporting year, the organization conducted 45 trainings for Permanent Employees, which covered all topics related to business, health and safety, social accountability, environment, product quality, etc.

New staffs are given induction training on quality, environment, occupational health and safety and social accountability.



Table 39a) - Average hours of Training (Employees - Staff)

| Traning Hours for FY 2022-2023 (Hrs) | Average training hours per employee | Average training hours per female | Average training hours per male |
|--------------------------------------|-------------------------------------|-----------------------------------|---------------------------------|
| 3993 | 7.03 | 2.57 | 7.14 |

*Average hours of each training programme has been taken as 3 hours for Employees - Staff.

Table 39b) - Average hours of Training (Employees - Workers(On roll + Other than On roll))

| Traning Hours for FY 2022-2023 (Hrs) | Average training hours per employee workers | Average training hours per female | Average training hours per male worker |
|--------------------------------------|---|-----------------------------------|--|
| 21686 | 5.43 | 0 | 5.43 |

Programs for upgrading employee skills and transition assistance programs (Disclosure 404-2)

ECL empowers staff across the organization with the required competencies through upskilling, providing role clarity, and adequate resources to motivate them and help them realize their maximum potential. Training is provided by internal or external faculty within the organization. The employee may also avail of external training where a need is identified.

Transition assistance programs are not provided to staff and workers on retirement or termination of employment.

Table 40 a) - Trainings Theme (Employee)

| SI No | Training Theme |
|-------|---|
| 1 | CONVEYOR BELTS |
| 2 | ANALYTICAL THINKING & DECISION MAKING |
| 3 | BASIC STATISTICAL PROCESS CONTROL TOOLS |
| 4 | BLAST FURNACE |
| 5 | CALIBRATION for LABORATORY PERSONEEL |
| 6 | CHEMICAL HANDLING |
| 7 | COATING PROCESS |
| 8 | CRANE MAINTENANCE |
| 9 | DECISION MAKING |
| 10 | EFFECTIVE COMMUNICATION |
| 11 | ELECTRICAL SAFETY |
| 12 | EMPLOYEES' PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952 WITH FOCUS ON EMPLOYEES' PENSION SCHEME, 1995" |
| 13 | ENergy MANAGEMENT SYSTEM : ISO 50001 |
| 14 | ENVIRONMENT MANAGEMENT SYSTEM |
| 15 | FIRST AID TRAINING - REFRESHER COURSE |

| SI No | Training Theme |
|-------|---|
| 16 | GAS SAFETY |
| 17 | HEAT TREATMENT |
| 18 | HYDRAULICS |
| 19 | IFC FLOWCHART |
| 20 | LEADERSHIP & TEAM BUILDING |
| 21 | LEGAL ASPECTS OF ENVIRONMENT |
| 22 | LUBRICATION |
| 23 | LV SWITCHGEAR |
| 24 | MACHINE ALIGNMENT |
| 25 | MANAGERIAL DEVELOPMENT (Habit Coaching) |
| 26 | MECHANICAL TESTING |
| 27 | ON SITE EMERGENCY PLAN |
| 28 | ONE DRIVE AWARENESS |
| 29 | POWER QUALITY |
| 30 | PRESENTATION SKILL |
| 31 | PRODUCT ORIENTATION |
| 32 | SA 800 MANAGEMENT SYSTEM |
| 33 | SAP - PM MODULE |
| 34 | SAP - PP MODULE |
| 35 | SAP - SD MODULE |
| 36 | SINTERING |
| 37 | SUPPLY CHAIN MANAGEMENT |
| 38 | SURAKSHA SHAKTI |
| 39 | TIME MANAGEMENT, PLANNING & SCHEDULING |
| 40 | TPM BASICS |
| 41 | VIBRATION ANALYSIS |
| 42 | WASTE MANAGEMENT |
| 43 | WATER MANAGEMENT |
| 44 | WEALTH AWARENESS SESSION |
| 45 | WELLBEING THROUGH EXPRESSIVE ART |

If any employee is not performing, he or she is provided with counselling to identify the reasons for poor performance. In the event due to any reason, the worker or employee wishes to leave or is terminated due to poor performance, severance pay as per the terms and conditions of the employment is provided.



Table 40 b) - Trainings Theme (Workers)

| SI No | Training Theme (2022-23) |
|-------|--|
| 1 | TPM (JH & 5S) |
| 2 | ISO 9001:2015 |
| 3 | ISO 14001:2015 |
| 4 | OCP,Significant Aspect-Impact & MSDS |
| 5 | SA 8000:2014 |
| 6 | ISO 50001:2018 |
| 7 | ISO 45001:2018 |
| 8 | On Site Emergency Plan & Disaster Control |
| 9 | HIRA |
| 10 | Fire Safety |
| 11 | Gas Safety |
| 12 | First-Aid |
| 13 | Safe Materials Handling |
| 14 | Safe practice of welding & gas cutting & Safe cylinder Handling |
| 15 | Working at Height |
| 16 | Use of PPEs |
| 17 | Electrical Safety |
| 18 | Unsafe Act |
| 19 | Scaffolding |
| 20 | Sampling of Incoming materials |
| 21 | Discipline & Alertness of Security Personnel |
| 22 | Behavioural Training on_Attitude,Values,Work Culture and Work Ethics |
| 23 | Behavioural Training on_Productivity Improvement |
| 24 | Behavioural Training on_Problem Solving & Creativity |
| 25 | Behavioural Training on_Positive Mindset |
| 26 | Technical & SOP |

All attendees of Worker training constitute Male workers only.

Percentage of employees receiving regular performance and career development reviews (Disclosure 404-3)



The performance management system involves the evaluation of an individual against the set of Key Result Areas (KRA)/Individual goals. The evaluation help managers to successfully evaluate staffs from the perspective of succession planning and focusing on the career advancement of the employee. This also helps in

strategically aligning the workforce with the organization's goals and commitments. PMS involves a two-way discussion between the staff and reporting manager. The goals/KRA's are tailor-made for an individual based on the behavioural competency framework considering the performance, potential, and department goals.

Table 41 - Performance Management System (Employee-staff excluding Workmen)

| Staffs(in %) eligible for PMS | FY 2022-2023 | | |
|--|--------------|---------|-----------|
| | Female (%) | Male(%) | Total (%) |
| Not eligible (Employees on probation as Trainee) | 0.7 | 5.8 | 6.5 |
| Eligible | 1.4 | 92.1 | 93.5 |

* Performance management for Permanent Workers is governed by a Tripartite agreement with respective Workers' unions.

**Diversity and Equal Opportunity
(Disclosure 405)**

A diverse organization is a vibrant organization. Diversity in staff has a positive impact on society, staff and the organization also. A diverse workplace fosters team spirit and enhances employee engagement. The diversity and Equal Opportunity mission at ECL strives to build a diverse workspace that guarantees equal remuneration and fair treatment to all staff irrespective of race, ethnicity, gender, age, religion, disabilities, sexual orientation, and culture. Electrosteel Castings Limited believes in providing equal opportunity to all its staff. The Diversity and Equal Opportunity policy aims to nurture and ensure an inclusive workplace throughout Electrosteel Castings Limited. All

differences are welcomed and respected. The organization is open to different ideas and perspectives. Every employee has an equal opportunity to grow. The organization does not tolerate any discrimination or harassment that can disturb its social fabric.

**Diversity of governance bodies and staffs
(Disclosure: 405-1)**

The organization recognizes that women's participation at various levels is low. Due to the nature of work and health and safety concerns, women are reluctant to work in this industry. The ratio of female staff and workers is less than 5%. However, the organization may promote improved health and safety working conditions and aim to improve the gender gap.

Table 42a) - EMPLOYEE CATEGORISATION (Governance Bodies)

| Employee Category | FY 2022-2023 | | | | | | Total |
|----------------------------|--------------|------------|-----------|---------------|------------|-----------|-------|
| | Male (Nos.) | | | Female (Nos.) | | | |
| | <30 Years | 30-50Years | >50 Years | <30 Years | 30-50Years | >50 Years | |
| Governance Body / Director | 1 | 1 | 12 | 0 | 3 | 1 | 18 |

| Employee Category | FY 2022-2023 | | | | | | Total |
|----------------------------|--------------|------------|-----------|------------|------------|-----------|-------|
| | Male (%) | | | Female (%) | | | |
| | <30 Years | 30-50Years | >50 Years | <30 Years | 30-50Years | >50 Years | |
| Governance Body / Director | 5.55 | 5.55 | 66.66 | 0.00 | 16.66 | 5.55 | 100 |

Table 42b) - EMPLOYEE CATEGORISATION (Excluding workers)

| Employee Category | FY 2022-2023 | | | | | | Total (Nos.) |
|----------------------------------|--------------|------------|------------|---------------|------------|-----------|--------------|
| | Male (Nos.) | | | Female (Nos.) | | | |
| | <30 Years | 30-50Years | >50 Years | <30 Years | 30-50Years | >50 Years | |
| Jr. Management | 47 | 115 | 38 | 1 | 1 | 1 | 203 |
| Middle Management | 3 | 188 | 99 | 0 | 6 | 2 | 298 |
| Senior Management | 2 | 13 | 49 | 0 | 2 | 1 | 67 |
| Total No. of Staff (Nos.) | 52 | 316 | 186 | 1 | 9 | 4 | 568 |

| Employee Category | FY 2022-2023 | | | | | | Total (%) |
|-----------------------------|--------------|--------------|--------------|-------------|-------------|-------------|---------------|
| | Male (%) | | | Female (%) | | | |
| | <30 Years | 30-50Years | >50 Years | <30 Years | 30-50Years | >50 Years | |
| FJr. Management | 8.27 | 20.24 | 6.69 | 0.17 | 0.17 | 0.17 | 35.71 |
| Middle Management | 0.52 | 33.09 | 17.42 | 0 | 1.05 | 0.35 | 52.43 |
| Senior Management | 0.35 | 2.28 | 8.62 | 0 | 0.35 | 0.17 | 11.77 |
| Total Percentage (%) | 9.14 | 55.61 | 32.73 | 0.17 | 1.57 | 0.69 | 100.00 |

No one belongs to a minority / vulnerable group within the Governance body and Employees.

Efforts are being made to improve the inclusion of more female workers and staff.

Non-Discrimination (Disclosure 406)

Discrimination is a violation of the fundamental human right to be treated equally and fairly. The organization's staff are of diverse nature, religion, caste, colour, etc. Therefore, the organization perceives that there is a risk of discrimination violating human rights.

Discrimination prevents staff from performing to their full capability and, therefore, contributes to the waste of human resources.

Recognising the negative impact, the organization has established a Non-Discrimination Policy As committed in the **Non-Discrimination Policy**, the organization does not

discriminate between nationality, religion, race, gender, caste, creed, physical ability, colour, sexual orientation or by any other means during any point of employment. Disciplinary action under organization rules and applicable legal provisions will be taken against any person, regardless of position, if proven to carry out discriminatory behaviour. Grievance mechanisms are available to report any instances of discrimination.

Incidents of discrimination and corrective actions are taken (Disclosure No. 406-1)

No incidents of discrimination have been reported. The company also has a prevailing Whistleblower Policy to identify any cases of Discrimination.

Freedom of Association & Right to Collective Bargaining (Disclosure No. 407)

The Management of Electrosteel

strongly believes that Freedom of Association & Right to Collective Bargaining is the most fundamental right of any employee or worker. The organizations believe that practising them can positively impact the fundamental rights practices. The organization believes that granting such freedom is fundamental to ensuring a trustworthy and dedicated workforce, which is required to achieve high performance and improved productivity. The organization believes that implementation of SA8000 is an indicator that the organization believes in the freedom of association and collective bargaining. Processes established as per SA8000 ensure that this fundamental right is available throughout the employment till the employee or worker leaves the organization. Every employee and worker is given the right and no

retaliation is carried out if anyone exercises their right.

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk (Disclosure No. 407-1)

Human Rights Impact Assessment in our operations and supply chain, detailed in the report, is managed through continuous engagement and diverse interventions embedded in many of our standard operating procedures and practices. The focus of these assessments ranges from highlevel due diligence to more salient aspects, in particular those relating to health, safety or child labour. In the ECL Supplier audit format, a clause is embedded which encourages suppliers to have Freedom of Association and the right to collective bargaining. For every 5 years, the company commits to a Memorandum of Understanding with the prevailing workers union where details of benefits, including wage increases on a year-on-year basis, are written, and the same is followed until the end of the 5-year tenure.

The organization has assessed the operation for possible violation of right of association and collective bargaining. No risk has been identified regarding this fundamental freedom of the worker in the operations and at any supplier's premises. Any issues/grievances are peacefully addressed and amicably settled through different processes, like discussion across the table, counselling, workers' participation and collective bargaining on mutually acceptable terms. No retaliation is carried out against any worker if they wish to engage in collective bargaining.

Child Labour (Disclosure No. 408)

Child labour is heinous crime.

Electrosteel strictly prohibits employment of any child labour in its organization as committed in the SA 8000 policy. There is a strict monitoring of all suppliers and service providers and at the time of entry of any employee into the organization. Legal identity proofs like Aadhaar cards, school mark sheets and other approved documents are verified to ensure that there is no entry of any child labour (below 14 years). If any child labour is identified, he or she is sent to school. A young worker (age between 14-18 years) is engaged only after school hours, and the total hours of schooling and work do not exceed 10 hours. Female young workers are not employed at night, and male young workers are engaged only with their consent. The organization maintains a documented remediation procedure for child labour.

Operations and suppliers at significant risk for incidents of child labour (Disclosure No. 408-1)

The organization periodically assess the effectiveness of the controls at the factory sites. Periodic assessments are carried out at supplier sites to ensure that there is no child labour. During these assessments, no suppliers or sites have been identified as having a significant risk of child labour. No instance of child labour has been reported or detected in the reporting period. There is a strict monitoring of all suppliers and service providers and at the time of entry of any employee into the organization. Legal identity proofs like Aadhaar cards, school mark sheets and other approved documents are verified to ensure that there is no entry of any child labour (below 14 years).

Forced or Compulsory Labour (Disclosure No. 409)

The Social Accountability 8000 policy prohibits any forced or compulsory labour. The organization does not support the use of forced or compulsory labour. The organization does not employ any forced labour. The organization does not ask staff to submit any documents at the time of employment. No caution money is asked to be deposited during the time of employment. The employee is free to terminate the work with an organization without any retaliation by giving due notice as per the rules. In case of any concern, the employee is free to raise a grievance in this regard as per the grievance redressal mechanism.

Operations and suppliers at significant risk for incidents of forced or compulsory labour (Disclosure No. 409-1)

No instance of forced or compulsory labour has been reported or detected in the reporting period in the operations or at the suppliers.

Due diligence is carried out regarding suppliers of critical Items, which include paint, cement, rubber gaskets, fitting accessories, packing materials, etc. Suppliers' risks on social and governance issues applicable to suppliers of these critical items are assessed. Reasonable efforts are made to ensure that such suppliers adequately address significant risks. The organization monitors these suppliers through an internal audit program.

Local Communities (Disclosure 413)

Electrosteel works with the communities in various corporate social responsibility projects. The Corporate Social Responsibility Policy is formulated to lay down the activities to be undertaken by the Company as a part of their

responsibility towards the society. ECL works in the following thematic areas:-

- Healthcare and Sanitation,
- Education
- Livelihood Enhancement:
- Environment Care
- Rural Infrastructural Projects
- Sports & culture
- Contribution to relief funds

Operations with local community engagement, impact assessments, and development programs (Disclosure 413-1)

Electrosteel believes that companies are responsible for contributing to the well-being of society and the planet. It works to eradicate hunger, poverty and malnutrition, promoting health care, including preventive health care and sanitation, and contributing to the Swatch Bharat Kosh set up by the Central Government.

Few projects include

- Cold water distribution-ECL has always been beside people in the scorching summer heat. The company has opened up 4 cold water Distribution Points in the Local area. Cold water is distributed to anybody who drops in with thirst. People are also given a handful of Soaked Chana.
- Supporting sports & games has always been a verse of pride for ECL. A cricket tournament was organized in Kali Sangha ground, Khardah.
- In the summer's scorching heat, ECL stands beside the Traffic Police to keep them hydrated and fresh by distributing Glucon D packets. 300 packets were distributed amongst the traffic personnel.

- ECL KW lent its help to RODDHA, a local NGO that works for people in distress. They organized a cultural programme on the eve of Rabindra Jayanti, which included children and local people.
- The International Academy of Science & Research arranged and celebrated World Environment Day on 6th June 2022 along with NESI & ISNA. We sponsored the event. A discussion on "Living sustainability in harmony with nature" was the topic of discussion. Approx. 100 participants attended the discussion. The programme was organised at N R Sen Auditorium, Rajabazar Science College, Kolkata.
- A cultural programme was organized by Khardah Artiste Group and veteran Football player Sri Ranjit Mukherjee in remembrance of the Late Uttam Kumar (Mahanayak) and the Late

Mohd. Rafi (Mahagayak). Artists like Monomoy Bhattacharya. Pranay Majumder, Suchimita Bhattacharya. Debashish Bhattacharya, etc, were present to perform. Electrosteel has lent its helping hand to felicitate a local physically handicapped student who has scored 98% in the Madhyamika exam this year.

- Electrosteel has always had good relations with the local press. Barrackpore Press Club and ECL have been associated for the past 10- 12 years and have done many projects together, such as safety posters during Puja, Puja parikrama maps, cultural programmes, etc.
- Modification and Repair of the Walkway from Adarsha Pally to Khardah Rly. Station.

Blood Donation Camp :



Bosepara Madhurmath, KW had organized a Blood Donation camp. Approx. 50 persons donated their blood.

Operations with significant actual and potential negative impacts on local communities
 (Disclosure 413-2)

There are no actual or potential negative impacts identified for the local communities.



Customer Privacy (Disclosure 418)

ECL's privacy policy is available on the website (<https://s3-ap-south-1.amazonaws.com/empwin-live-new/documents/1653562039.PDF>). It collects personal information only to the extent it is required for legitimate business or legal purposes. All personal data is collected and shared with internal users based on need. Personal data is encrypted.

The Board oversees and holds senior management accountable for global information security and privacy programs. It assesses business needs and associated risks and reviews strategy. The Board provides recommendations for managing privacy risks.

Cyber security is important to protect data privacy from data breaches. With increasing cybersecurity incidents, ECL understands the importance of good cyber security practices. IT security cyber security policies are framed and testing of websites and applications is carried out to determine

vulnerabilities. Network security and end-point security are maintained through the use of firewalls. Software vulnerabilities are scanned and updated with the latest patches. Devices that have reached the end of life are not permitted to connect with the organization's network. All endpoints have anti-virus. Firewall is installed to protect the network from external threats. Web filtering is carried out. Emails are protected from attacks such as spam, ransomware, phishing, etc. Information security is taken very seriously. No employee is allowed to use USB drives, connect to external email etc.

All staffs are trained on data privacy and cyber security requirements.

Substantiated complaints concerning breaches of customer privacy and losses of customer data (Disclosure 418-1)

No complaints have been received for data security. No breach of information or loss of personal data has been reported in the current year.

Our Future

In conclusion, the sustainability report demonstrates our ongoing commitment to social responsibility, environmental stewardship, and strong governance practices. We recognize that sustainability is essential for the long-term success of our business and the well-being of our communities. The organization remain

dedicated to improving the sustainability performance, engaging with stakeholders, and collaborating with partners to drive positive change. It believes that by prioritizing social, environmental, and governance considerations, it can create a better future for the planet and its inhabitants.

| GRI content index | | | | | | |
|--|--|---|------------------------|------------------------------|---|-----------------------------|
| Statement of use | | Electrosteel Castings Limited has reported in accordance with the GRI Standards for the period 1 April 2022 to 31 March 2023. | | | | |
| GRI 1 used | | GRI 1: Foundation 2021 | | | | |
| Applicable GRI Sector Standard(s) | | Not Applicable | | | | |
| GRI content index is clearly presented, in a manner consistent with the Standards, and the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. | | | | | | |
| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF NO. |
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| General disclosures | | | | | | |
| GRI 2: General Disclosures 2021 | The Organisation and its reporting practices: | | | | | |
| | 2-1 Organizational details | Pg - 8 | | | | N.A |
| | 2-2 Entities included in the organization's sustainability reporting | Pg - 12 | | | | N.A |
| | 2-3 Reporting period, frequency and contact point | Pg - 12 | | | | N.A |
| | 2-4 Restatements of information | Pg - 13 | | | | N.A |
| | 2-5 External assurance | Pg - 12 | | | | N.A |
| | Activities and workers: | | | | | |
| | 2-6 Activities, value chain and other business relationships | Pg - 14 | | | | N.A |
| | 2-7 Employees | Pg - 17 | | | | N.A |
| | 2-8 Workers who are not employees | Pg - 18 | | | | N.A |
| | Governance: | | | | | |
| | 2-9 Governance structure and composition | Pg - 19 | | | | N.A |
| | 2-10 Nomination and selection of the highest governance body | Pg - 22 | 2-10(b) | Confidentiality constraints. | Due to the sensitivity of the data, the organization is not disclosing it in the report . | N.A |
| 2-11 Chair of the highest governance body | Pg - 26 | | | | N.A | |

| | | | | | |
|--|---------|----------------------|-------------------------------------|--|-----|
| 2-12 Role of the highest governance body in overseeing the management of impacts | Pg - 26 | | | | N.A |
| 2-13 Delegation of responsibility for managing Impacts | Pg - 26 | | | | N.A |
| 2-14 Role of the highest governance body in sustainability reporting | Pg - 26 | | | | N.A |
| 2-15 Conflicts of interest | Pg - 28 | | | | N.A |
| 2-16 Communication of critical concerns | Pg - 28 | | | | N.A |
| 2-17 Collective knowledge of the highest governance body | | 2-17(a) | Confidentiality constraints. | Due to the sensitivity of the data, the organization is not disclosing it in the report . | N.A |
| 2-18 Evaluation of the performance of the highest governance body | | 2-18(a), (b) and (c) | Confidentiality constraints. | Due to the sensitivity of the data, the organization is not disclosing it in the report . | N.A |
| 2-19 Remuneration policies | Pg - 29 | 2-19(a) | Confidentiality constraints. | Due to the sensitivity of the data, the organization is not disclosing it in the report . | N.A |
| 2-20 Process to determine remuneration | Pg - 30 | | | | N.A |
| 2-21 Annual total compensation ratio | | 2-21 b) and c) | Information unavailable/ Incomplete | The data within our scope boundary is presently unavailable. It will be provided from next report. | N.A |
| Strategy, policies and practices: | | | | | |
| 2-22 Statement on sustainable development strategy | Pg - 31 | | | | N.A |
| 2-23 Policy commitments | Pg - 32 | | | | N.A |
| 2-24 Embedding policy commitments | Pg - 35 | | | | N.A |

| | | | | | | | |
|---|--|---------|------------------------|------------------------------|---|--|-----|
| | 2-25 Processes to remediate negative impacts | Pg - 38 | | | | | N.A |
| | 2-26 Mechanisms for seeking advice and raising concerns | Pg - 39 | | | | | N.A |
| | 2-27 Compliance with laws and regulations | Pg - 40 | | | | | N.A |
| | 2-28 Membership associations | Pg - 41 | | | | | N.A |
| Stakeholder engagement: | | | | | | | |
| | 2-29 Approach to stakeholder engagement | Pg - 42 | | | | | N.A |
| | 2-30 Collective bargaining agreements | Pg - 45 | | | | | N.A |
| Material topics | | | | | | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Pg - 45 | | | | | N.A |
| | 3-2 List of material topics | Pg - 46 | | | | | N.A |
| Governance, Strategies & Stakeholders Approach | | | | | | | |
| GRI 205: Anti-corruption 2016 | 3-3 Management of material topics | Pg - 56 | | | | | N.A |
| | 205-1 Operations assessed for risks related to corruption | Pg - 56 | | | | | N.A |
| | 205-2 Communication and training about anti-corruption policies and procedures | Pg - 56 | 205-2 d) and e) | Confidentiality constraints. | Due to the sensitivity of the data, the organization is not disclosing it in the current report . | | N.A |
| | 205-3 Confirmed incidents of corruption and actions taken | Pg - 56 | | | | | N.A |
| GRI 206: Anti-competitive Behavior 2016 | 3-3 Management of material topics | Pg - 56 | | | | | N.A |
| | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Pg - 57 | | | | | N.A |

| Economic Performance | | | | | | |
|---|--|---------|----------------------|------------------------------------|---|-----|
| GRI 201: Economic Performance 2016 | 3-3 Management of material topics | Pg - 49 | | | | N.A |
| | 201-1 Direct economic value generated and distributed 201-a I) | Pg - 49 | 201-1 a II) and iii) | Information unavallable/incomplete | The quality data not available. It will be reported from the next report. | N.A |
| | | | 201-1 b | Not Applicable | We don't have any such different criteria for defining EVG&D separately at country, regional, or market levels. | N.A |
| | 201-2 Financial implications and other risks and opportunities due to climate change | Pg - 50 | 201-2 a v) | Information unavallable/incomplete | Quality data not available. It will be reported from the next report. | N.A |
| | 201-3 Defined benefit plan obligations and other retirement plans | Pg - 50 | | | | N.A |
| 201-4 Financial assistance received from government | Pg - 50 | | | | N.A | |
| GRI 202: Market Presence 2016 | 3-3 Management of material topics | Pg - 51 | | | | N.A |
| | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | Pg - 51 | | | | N.A |
| | 202-2 Proportion of senior management hired from the local community | Pg - 52 | | | | N.A |
| GRI 203: Indirect Economic Impacts 2016 | 3-3 Management of material topics | Pg - 53 | | | | N.A |
| | 203-1 Infrastructure investments and services supported | Pg - 53 | | | | N.A |
| | 203-2 Significant Indirect economic Impacts | Pg - 53 | 203-2 a) , b) | Information unavallable/incomplete | Quality data is currently not available. Organization intends to report from the next report. | N.A |
| GRI 204: Procurement | 3-3 Management of material topics | Pg - 54 | | | | N.A |

| | | | | | | |
|---|--|---------|----------------------|-------------------------------------|--|-----|
| nt Practices 2016 | 204-1 Proportion of spending on local suppliers | Pg - 55 | | | | N.A |
| Climate Change- Energy & Emissions | | | | | | |
| GRI 302: Energy 2016 | 3-3 Management of material topics | Pg - 63 | | | | N.A |
| | 302-1 Energy consumption within the organization | Pg - 65 | 302-b) | Not applicable | There is no significant non-renewable generation is there. | N.A |
| | | | 302-c) I),iii) & iv) | Not applicable | Energy consumed for heating is included in fuel consumption and cooling is included in Electricity consumption and steam consumption is not applicable. | N.A |
| | 302-2 Energy consumption outside of the organization | | 302-2 | Information unavailable/ incomplete | Quality data is not available. The organization intends to collect proper data on Energy consumption outside the organization within a couple of years and report accordingly. | N.A |
| | 302-3 Energy intensity | Pg - 66 | | | | N.A |
| | 302-4 Reduction of energy consumption | Pg - 67 | | | | N.A |
| | 302-5 Reductions in energy requirements of products and services | Pg - 67 | 302-5 | Not applicable | Due to the nature of the product, there is no requirement of energy during product use. | N.A |
| GRI 305: Emissions 2016 | 3-3 Management of material topics | Pg - 72 | | | | N.A |
| | 305-1 Direct (Scope 1) GHG emissions | Pg - 73 | 305-1 c) | Not applicable. | We do not produce any Bio-genic emission. | N.A |
| | 305-2 Energy Indirect (Scope 2) GHG emissions | Pg - 73 | 305-2 b) | Not applicable | Electrical energy is purchased from DISCOM grid only. | N.A |
| | 305-3 Other indirect (Scope 3) GHG emissions | Pg - 74 | 305-3 a) to g) | Information unavailable/ Incomplete | Quality data not available. The organization intends to report it within a couple of years. | N.A |

| | | | | | | |
|--|--|---------|------------------------------|--|--|-----|
| | 305-4 GHG emissions intensity | Pg - 74 | | | | N.A |
| | 305-5 Reduction of GHG emissions | Pg - 75 | | | | N.A |
| | 305-6 Emissions of ozone-depleting substances (ODS) | Pg - 75 | 305-6 | Information unavailable / incomplete | Quality data is not available. Company intends to report it in the next report. | N.A |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Pg - 75 | 305-7 a iii), iv), v) | Not applicable | Not applicable to the industry | N.A |
| | | | 305-7 b) | Not applicable | Not applicable to the industry | N.A |
| Water Resource management/Circularity in water resource | | | | | | |
| GRI 303: Water and Effluents 2018 | 3-3 Management of material topics | Pg - 68 | | | | N.A |
| | 303-1 Interactions with water as a shared resource | Pg - 68 | | | | N.A |
| | 303-2 Management of water discharge-related impacts | Pg - 69 | | | | N.A |
| | 303-3 Water withdrawal | Pg - 69 | 303-3 b) | Not applicable | The Plants within the scope and boundary are not in Water stressed area. | N.A |
| | 303-4 Water discharge | Pg - 70 | | | | N.A |
| | 303-5 Water consumption | Pg - 72 | 303-5 b) | Not applicable | Water is not being consumed from the water-stressed area. | N.A |
| 303-5 c) | | | Not applicable | Water storage does not have a significant impact on water resources. | N.A | |
| Waste Management/Promoting Circular Economy | | | | | | |
| GRI 301: Materials 2016 | 3-3 Management of material topics | Pg - 60 | | | | N.A |
| | 301-1 Materials used by weight or volume | Pg - 60 | 301-1 a)j | Information unavailable / incomplete | Some Semi finished material used to package the organization's primary product. Company intends to report it by next report. | N.A |

| | | | | | | |
|--|--|---------|--------------|------------------------------------|--|-----|
| | | | 301-1 a)ii | Not applicable | Renewable materials are not used to produce and package the organization's primary products – Pipes and fittings. | N.A |
| | 301-2 Recycled Input materials used | Pg - 61 | | | | N.A |
| | 301-3 Reclaimed products and their packaging materials | | 301-3 | Not applicable | The organization has not reclaimed any material after end of life. This is due to the long life of the product, and other operational constraints. | N.A |
| GRI 306: Waste 2020 | 3-3 Management of material topics | Pg - 73 | | | | N.A |
| | 306-1 Waste generation and significant waste-related impacts | Pg - 76 | | | | N.A |
| | 306-2 Management of significant waste-related impacts | Pg - 76 | | | | N.A |
| | 306-3 Waste generated | Pg - 77 | | | | N.A |
| | 306-4 Waste diverted from disposal | Pg - 78 | 306-4 b) | Not applicable | As no hazardous materials are used for recycling, | N.A |
| | 306-5 Waste directed to disposal | Pg - 78 | 306-5 b), c) | Information incomplete/unavailable | Quality data is not available as of now. The organization intends to provide these data by next report. | N.A |
| Health & Safety(including customer relationship management) | | | | | | |
| GRI 403: Occupational Health and Safety 2018 | 3-3 Management of material topics | Pg - 85 | | | | N.A |
| | 403-1 Occupational health and safety management system | Pg - 85 | | | | N.A |
| | 403-2 Hazard Identification, risk assessment, and Incident investigation | Pg - 86 | | | | N.A |

| | | | | | | |
|--|---|---------|----------------------------|-------------------------------------|---|-----|
| | 403-3 Occupational health services | Pg - 88 | | | | N.A |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Pg - 88 | | | | N.A |
| | 403-5 Worker training on occupational health and safety | Pg - 89 | | | | N.A |
| | 403-6 Promotion of worker health | Pg - 91 | | | | N.A |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Pg - 91 | | | | N.A |
| | 403-8 Workers covered by an occupational health and safety management system | Pg - 92 | 403-8 a ii) | Not applicable | As the Organization engages third party audit. | N.A |
| | | | 403-8 b) | Not applicable | As all workers are included under Occupational Health and safety management system. | N.A |
| | 403-9 Work-related injuries | Pg - 92 | 403-9 a)iv,v, b)iv,v, .d,g | Information incomplete/ unavailable | Quality data is not available as of now.The organization intends to provide these datas by next report. | N.A |
| | 403-10 Work-related ill health | Pg - 93 | 403-10 a),b),c),d),e) | Information incomplete/ unavailable | Quality data is not available as of now.The organization intends to provide these datas by next report. | N.A |
| GRI 416: Customer Health and Safety 2016 | 3-3 Management of material topics | Pg - 79 | | | | N.A |
| | 416-1 Assessment of the health and safety impacts of product and service categories | Pg - 79 | | | | N.A |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | Pg - 79 | | | | N.A |

| Human Resource Development & human rights | | | | | | |
|--|--|----------------------|------------------------------------|--|---|-----|
| GRI 401: Employment 2016 | 3-3 Management of material topics | Pg - 81 | | | | N.A |
| | 401-1 New employee hires and employee turnover | Pg - 81 | | | | N.A |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Pg - 83 | 401-2 a -iii) | Information incomplete/unavailable | Presently, no information is available from the company; however, the company aims to include such a policy in a couple of years. | N.A |
| | | | 401-2 a -vi) and vii) | Confidentiality constraints | The company intend not to disclose such data as of now due to the prevailing CPR policy. | |
| 401-3 Parental leave | | 401-3 b), c), d), e) | Information incomplete/unavailable | Presently, the company does not offer a parental policy; however, it aims to include such a policy in a couple of years. | N.A | |
| GRI 404: Training and Education 2016 | 3-3 Management of material topics | Pg - 93 | | | | N.A |
| | 404-1 Average hours of training per year per employee | Pg - 94 | | | | N.A |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | Pg - 95 | 404-2 b) | Information Incomplete/unavailable | Presently no programs persist however company aims to include such programs in next report. | N.A |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | Pg - 99 | | | | N.A |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 3-3 Management of material topics | Pg - 101 | | | | N.A |
| | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Pg - 102 | | | | N.A |

| | | | | | | |
|--|---|----------|-------------------------|--|---|-----|
| GRI 408: Child Labor 2016 | 3-3 Management of material topics | Pg - 102 | | | | N.A |
| | 408-1 Operations and suppliers at significant risk for Incidents of child labor | Pg - 102 | | | | N.A |
| GRI 409: Forced or Compulsor y Labor 2016 | 3-3 Management of material topics | Pg - 102 | | | | N.A |
| | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Pg - 102 | | | | N.A |
| Diversity & Equal Opportunity | | | | | | |
| GRI 405: Diversity and Equal Opportunit y 2016 | 3-3 Management of material topics | Pg - 100 | | | | N.A |
| | 405-1 Diversity of governance bodies and employees | Pg - 100 | | | | N.A |
| | 405-2 Ratio of basic salary and remuneration of women to men | | | Information incomplete/ unavailable | The data within our scope boundary is presently unavailable. It will be provided from next report. | N.A |
| GRI 406: Non- discriminat ion 2016 | 3-3 Management of material topics | Pg - 101 | | | | N.A |
| | 406-1 Incidents of discrimination and corrective actions taken | Pg - 101 | 406-1 b) | Information Incomplete/ unavailable | Information unavailable/incompl ete at present. The company intends to report the same in the next report. | N.A |
| Local Communities Development & CSR activities | | | | | | |
| GRI 413: Local Communit ies 2016 | 3-3 Management of material topics | Pg - 102 | | | | N.A |
| | 413-1 Operatlons with local community engagement, Impact assessments, and development programs | Pg - 103 | 413-1 v, vi and viii | Information Incomplete/ unavailable | Information unavailable/incompl ete at present. The company intends to report the same in the next report. | N.A |
| | 413-2 Operations with significant actual and potential negative Impacts on local communities | Pg - 104 | | | | N.A |
| Data Security | | | | | | |

| | | | | | | |
|---|---|----------|--|--|--|-----|
| GRI 418: Customer Privacy 2016 | 3-3 Management of material topics | | | | | N.A |
| | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Pg - 105 | | | | N.A |

GRI Sector Standards Not Applicable

| TOPIC | EXPLANATION |
|------------------|-------------|
| [Not Applicable] | |

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Conversion Factors

| Serial | Fuel | CO ₂ emission norm | | Reference |
|--------|----------------------------|-------------------------------|--------|--|
| 1 | Metallurgical coke & fines | 3017.400 | Kg/Ton | IPCC 2006 |
| 2 | PCI Coal | 2440.680 | Kg/Ton | |
| 3 | Low VM Anthracite Coal | 2624.610 | Kg/Ton | |
| 4 | Diesel Oil | 2.67 | Kg/Lit | |
| 5 | LPG | 2.985 | Kg/Kg | |
| 6 | Electricity | 0.823 | Kg/kWh | CDM - CO ₂ Baseline Database Dec, 2023 - Central Electricity Authority (cea.nic.in) |





INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No: SRA-806422

Electrosteel Castings Limited Sustainability Report for FY 2022-2023

The British Standards Institution is independent to Electrosteel Castings Limited (ECL) and has no financial interest in the operation of ECL other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for ECL only for the purposes of assuring its statements relating to its Sustainability report, more particularly described in the scope, below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This statement is intended to be used by stakeholders & management of ECL. The stage 1 and 2 assurances were completed by using hybrid model of onsite visits and remote assessment using immersive techniques which was conducted over Microsoft Teams video-conferencing tool, where the assessor and the client representatives connected through the computer systems and internet. All the sites covered in the scope of assessment except Bansberia were verified by using physical onsite visits for Economic, Environmental and Social KPIs individually.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by ECL. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

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BSI Group India Private Limited T: +91 11 4762 9000
The Mira Corporate Suites info.in@bsigroup.com
Plot 1-2, Ishwar Nagar bsigroup.com/en-IN
Mathura Road, New Delhi-110065
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INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No: **SRA-806422**

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BSI Group India Private Limited T: +91 11 4762 9000
The Mira Corporate Suites info.in@bsigroup.com
Plot 1-2, Ishwar Nagar bsigroup.com/en-IN
Mathura Road, New Delhi-110065
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Scope

The scope of engagement agreed upon with ECL includes the following:

1. The assurance covers the Sustainability Report for FY 2022-2023 of the ECL, prepared "In accordance" with GRI Universal Standards 2021, and focuses on systems and activities of ECL covering the Ductile Iron Pipes manufacturing units located in Khardah works (KW) - 30,48,49 BT Road, Khardah, P.O. - Sukchar, Dist.- 24 Parganas (N), Kolkata-700115, West Bengal; Ductile Iron Pipe coating and finishing plant located in Bansberia Works (BW) - Vill - Chak Bansberia, Saptagram Panchayat, P.O.- Adconagar, Dist. - Hooghly, West Bengal; and corporate office at G.K Tower, 19 Camac Street, Kolkata-700017, West Bengal in India during the period from 1st April 2022 to 31st March 2023.

2. The AA1000 Assurance Standard, AA1000AS v3, Type 1 moderate level engagement evaluates the nature and extent of ECL's adherence to all four AA1000 AccountAbility Principles: Inclusivity, Materiality, Responsiveness, and Impact. The specified sustainability performance information/data disclosed in the report has been evaluated.

Opinion Statement

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance standard, AA1000AS v3 and GRI Universal Standards 2021. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that ECL's description of their self-declaration of compliance with the GRI Standards were fairly stated.

We conclude that the ECL's Sustainability Report for FY 2022-2023 review provides a fair view of the ECL's CSR programmes and performances during FY 2022-2023. We also believe that the sustainability report for FY 2022-2023 Economy, Environment, and People performance disclosures are fairly represented. The sustainability performance disclosures disclosed in the report demonstrate ECL's efforts recognized by its stakeholders. The intended users of our assurance report are the management and stakeholders of ECL.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- A top-level review of issues raised by external parties that could be relevant to ECL's policies to provide a check on the appropriateness of statements made in the report.
- Discussion with senior executives and their external consultant on ECL's approach and methodology of collection and evaluation of stakeholder engagement. We had no direct contact with external stakeholders.
- Interview with staff and authorities involved in sustainability management, report preparation and provision of report information were carried out.
- Review of key organizational developments.

BSI Group India Private Limited T: +91 11 4762 9000
The Mira Corporate Suites info.in@bsigroup.com
Plot 1-2, Ishwar Nagar bsigroup.com/en-IN
Mathura Road, New Delhi-110065
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- Review of supporting evidence for claims made in the reports.
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000 AccountAbility Principles Standard v3.
- A sample-based assessment of the reliability and quality of information as company's performance provided in the sustainability report.

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact and the GRI Standards is set out below:

Inclusivity

This report has reflected a fact that ECL is seeking the engagement of its stakeholders through numerous channels such as Meetings with regulators, business partners, suppliers, investors, and employees along with feedback processes from customers, and submission of various reports to the relevant stakeholders. The process of stakeholder engagement clearly addresses the various types of stakeholders involved, their modes of engagement together with their frequencies of interaction. Stakeholder interaction exercise has been conducted across own operations covering all management levels to identify and understand their concerns among the identified universe of material topics.

This report focuses on the activities undertaken by Electrosteel Castings Limited covering the Ductile Iron Pipes manufacturing units located in Khardah works (KW) - 30,48,49 BT Road, Khardah, P.O. - Sukchar, Dist.- 24 Parganas (N), Kolkata-700115, West Bengal; Ductile Iron Pipe coating and finishing plant located in Bansberia Works (BW) - Vill - Chak Bansberia, Saptagram Panchayat, P.O.- Adconagar, Dist. - Hooghly, West Bengal; and corporate office at G.K Tower, 19 Camac Street, Kolkata-700017, West Bengal in India during the period from 1st April 2022 to 31st March 2023. This report covers the fair reporting and disclosure for Economy, Environment, and People information.

In our professional opinion, the report covers the ECL's inclusivity issues that demonstrates participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Materiality

ECL publishes sustainability information that enables its stakeholders to make informed judgments about the company's management and performance.

The material topics identified are Anti-corruption, Anti-competitive Behaviour, Economic Performance, Market Presence, Indirect economic Impact, Procurement Practices, Energy, Emissions, Water & Effluents, Material, Waste, Occupational health & safety, Customer Health and Safety, Employment, Training and education, Freedom of Association and Collective Bargaining,

BSI Group India Private Limited T: +91 11 4762 9000
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Child Labour, Forced or Compulsory Labour, Diversity & Equal Opportunity, Non-Discrimination, Local Communities, Data Privacy. In our professional opinion the report covers the ECL's material issues by using ECL materiality matrix, internal and external stakeholder consultation and boundary mapping.

Responsiveness

ECL has implemented the practice to respond to the expectations and perceptions of its stakeholders. Feedback from all the internal stakeholder representatives were collected along with few selected external stakeholders.

In our professional opinion nothing has come to our attention to suggest that the responses related to identified material topics are not adequately represented in the report.

Impact

ECL has also demonstrated that adequate systems are in place to monitor, measure and be accountable for their actions that affect the economy, the environment, society, stakeholders, and the organization itself.

GRI-reporting

Electrosteel Castings Limited provided us with their self-declaration of compliance "In accordance with" the GRI Universal Standard, 2021.

Based on our Assessment review, we are able to confirm that social responsibility and sustainable development disclosures in all 3 categories (Economy, Environment, People) are reported "In accordance with" the GRI Universal Standard 2021. It is the responsibility of ECL corporate to notify GRI post publishing the report.

In our professional opinion the self-declaration covers ECL Corporate's social responsibility and sustainability issues. On the basis of the assessment undertaken, nothing has come to our attention to suggest that the Report does not properly describe the general disclosures (GRI 2: 2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7, 2-8, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-20, 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 2-29, 2-30), materiality related disclosures (GRI 3-1 to GRI 3-3).

BSI Group India Private Limited T: +91 11 4762 9000
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Plot 1-2, Ishwar Nagar bsigroup.com/en-IN
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The Following material topic disclosures as stipulated in the GRI Standards.

- GRI 201: Economic Performance 2016 – 201-1, 201-2, 201-3, 201-4
- GRI 202: Market Presence 2016 – 202-1, 202-2
- GRI 203: Indirect Economic Impacts 2016 – 203-1
- GRI 204: Procurement Practices 2016 – 204-1
- GRI 205: Anti-corruption 2016 – 205-1, 205-2, 205-3
- GRI 206: Anti-competitive Behaviour 2016 – 206-1
- GRI 301: Material 2016 – 301-1, 301-2
- GRI 302: Energy 2016 – 302-1, 302-3, 302-4
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5
- GRI 305: Emissions 2016 – 305-1, 305-2, 305-4, 305-5, 305-7
- GRI 306: Waste 2020 – 306-1, 306-2, 306-3, 306-4, 306-5
- GRI 401: Employment 2016 – 401-1, 401-2
- GRI 403: Occupational Health and Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9
- GRI 404: Training and Education 2016 – 404-1, 404-2, 404-3
- GRI 405: Diversity and Equal Opportunity – 405-1
- GRI 406: Non-discrimination 2016 – 406-1
- GRI 407: Freedom of Association and Collective Bargaining 2016 – 407-1
- GRI 408: Child Labor 2016 – 408-1
- GRI 409: Forced or Compulsory Labor 2016 – 409-1
- GRI 413: Local Communities 2016 – 413-1, 413-2
- GRI 416: Customer Health and Safety 2016 – 416-1, 416-2
- GRI 418: Customer Privacy 2016 – 418-1

BSI Group India Private Limited
The Mira Corporate Suites
Plot 1-2, Ishwar Nagar
Mathura Road, New Delhi-110065
India

T: +91 11 4762 9000
info.in@bsigroup.com
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**Competency and Independence**

The assurance team was composed of Lead auditors experienced in industrial sector, and trained in a range of environmental, social, sustainability standards and frameworks including GRI Universal Standard 2021, BRSR, GARP, AA1000AS, ISO10002, ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 14064, ISO 14067, ISO 14068 etc. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Assurance Level

The type 1 moderate level of assurance provided is in accordance with AA1000 Assurance standard, v3 in our review as defined by the scope and methodology described in this statement.

Responsibility

It is the responsibility of ECL's senior management to ensure the information presented in the sustainability report is accurate. It is also left to the decision of the ECL management on the publishing / submission of the report to any of their stakeholders. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Reliability

The assurance statement on the performance was issued based on the evidence collected from ground level provided by the employees of ECL. The sample activity data selection was on random basis and selection is done by BSI auditor.

The assessment covering the Ductile Iron Pipes manufacturing units located in Khardah works (KW) - 30,48,49 BT Road, Khardah, P.O. - Sukchar, Dist.- 24 Parganas (N), Kolkata-700115, West Bengal; Ductile Iron Pipe coating and finishing plant located in Bansberia Works (BW) - Vill - Chak Bansberia, Saptagram Panchayat, P.O.- Adconagar, Dist. - Hooghly, West Bengal; and corporate office at G.K Tower, 19 Camac Street, Kolkata-700017, West Bengal in India during the period from 1st April 2022 to 31st March 2023. The assurance team was convinced that the performance information presented in the report are reliable and representative.

BSI Group India Private Limited T: +91 11 4762 9000
The Mira Corporate Suites info.in@bsigroup.com
Plot 1-2, Ishwar Nagar bsigroup.com/en-IN
Mathura Road, New Delhi-110065
India

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**Quality**

The quality of information was checked through cross verification of data. Field level measurement and records were verified with the procurement and supply chain invoices/bills. Interview with the responsible persons detailed the activities, maintenance, and process performance. The fitness of the measuring devices, frequency of measurement and recording, competency of the person concerned, and review & approval of information were checked and found in conformance.

Performance Information

ECL Sustainability Report has addressed their Economy, Environment, and People performance through GRI Universal Standard 2021 topic disclosures. The assurance team has evaluated the requirements of the GRI disclosures for general disclosures and those relevant to the material topics.

For the specific data presented in the report, technical/compilation errors which were identified during the sampling process were corrected and presented in the final report.

Based on the processes and procedures conducted with a moderate assurance, there is no evidence that the Economy, Environment and People data information presented in the Electrosteel Castings Limited's Sustainability Report for the period FY 2022-2023 are not materially correct and are not a fair representation of their Economy, Environment and People performance.

Issue Date: 13/05/2024

For and on behalf of BSI:

Theuns Kotze
Managing Director, BSI – IMETA



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