



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

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E: secretarial.lud@vardhman.com

Ref. VSSL:SCY:AUG:2026-27

Dated: 25-Aug-2026

BSE Limited, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI-400001. Scrip Code: 534392	National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VSSL
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SUB: BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Dear Sir,

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Business Responsibility and Sustainability Report for the Financial Year 2025-26, which also forms part of the 16th Annual Report of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For VARDHMAN SPECIAL STEELS LIMITED

**SONAM
DHINGRA**

(SONAM DHINGRA)
COMPANY SECRETARY

Digitally signed by SONAM DHINGRA
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YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

CIN: L27100PB2010PLC033930

WWW.VARDHMANSTEEL.COM/

WWW.VARDHMAN.COM

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L27100PB2010PLC033930
2	Name of the Listed Entity	Vardhman Special Steels Limited
3	Date of Incorporation	14.05.2010
4	Registered office address	Vardhman Premises, Chandigarh Road, Ludhiana - 141010
5	Corporate address	Vardhman Premises, Chandigarh Road, Ludhiana - 141010
6	E-mail	secretarial.lud@vardhman.com
7	Telephone	0161-2228943-48, 2251200-201
8	Website	www.vardhman.com / www.vardhmansteel.com
9	Financial year for which reporting is being done	FY 2025-26
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited BSE Limited
11	Paid-up Capital (In ₹)	96,68,56,780
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
	Name	Mr. Jagdish Chand Sharma, Chief Sustainability Officer
	Contact	0161-2251201
	E mail	secretarial.lud@vardhman.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Whether the company has undertaken assessment or assurance of the BRSR Core?	Not undertaken, as assessment or assurance of BRSR Core is not mandatory for the Company under the applicable SEBI circulars.
15	Name of assessment or assurance provider	Not Applicable
16	Type of assessment or assurance obtained	Not Applicable

Note:

- A. The Company, recognized as a trusted supplier of high-quality special steels to leading automotive OEMs, has created a nationwide marketing network. Driven by an unwavering focus on customer needs, it has achieved rapid domestic growth and established a strong foundation for an international footprint.

II. Products/ Services

17. Details of business activities (accounting for 90% of the turnover)

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Steel Products	100%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Steel bars and bright bars of various grades and sizes	241	100%

III. Operations

19. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	1	10	11
International	0	0	0

20. Markets served by the entity

Number of locations		
Locations	Number	
A	National (No. of States)	13
	International (No. of Countries)	6
B	What is the contribution of exports as a percentage of the total turnover of the entity?	Although, VSSL is predominantly a domestic player, it enjoys an international presence in important markets for niche products. In FY26, exports comprised 8% of the Company's turnover (which includes 4% of exports to Aichi Forge, Thailand, Indonesia and Phillipines, through its trading arm in India).
C	A brief on types of customers	The Company serves a customer base that includes Indian and international component manufacturers across segments including passenger vehicles, two-wheelers, and commercial vehicles.

IV. Employees

21. Details as at the end of Financial Year

A. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
EMPLOYEES								
1	Permanent (E)	477	450	94.34	27	5.66	0	0
2	Other than permanent (F)	-	-	-	-	-	-	-
3	Total employees(E + F)	477	450	94.34	27	5.66	0	0
WORKERS								
4	Permanent (G)	923	922	99.89	1	0.11	0	0
5	Other than permanent (H)	609	607	99.67	2	0.33	0	0
6	Total workers (G + H)	1532	1529	99.80	3	0.20	0	0

B. Differently abled Employees and Workers:

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
DIFFERENTLY ABLED EMPLOYEES								
1	Permanent (E)	0	0	0	0	0	0	0
2	Other than Permanent (F)	0	0	0	0	0	0	0
3	Total differently abled employees (E + F)	0	0	0	0	0	0	0
DIFFERENTLY ABLED WORKERS								
4	Permanent (G)	0	0	0	0	0	0	0
5	Other than Permanent (H)	0	0	0	0	0	0	0
6	Total differently abled workers (G + H)	0	0	0	0	0	0	0

22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	14	3	21.43
Key Management Personnel	3	1	33.33

23. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	Turnover rate in current FY26			
	Male	Female	Other	Total
Permanent Employees	10.00%	3.00%	0.00%	10.00%
Permanent Workers	10.59%	100.00%	0.00%	10.71%

	Turnover rate in previous FY25			
	Male	Female	Other	Total
Permanent Employees	11.50%	15.30%	0.00%	11.85%
Permanent Workers	6.43%	0.00%	0.00%	6.43%

	Turnover rate in year prior to the previous FY24			
	Male	Female	Other	Total
Permanent Employees	13.40%	0.00%	0.00%	13.40%
Permanent Workers	7.00%	0.00%	0.00%	7.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

24. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
NIL				

VI. CSR Details

25. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes
 (ii) Turnover (₹ in Crores): 1,754.43
 (iii) Net worth (₹ in Crores): 1,277.32

VII. Transparency and Disclosure Compliances

26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No/NA) (If Yes, then provide web-link for grievance redress policy)	FY (2025-26)			FY (2024-25)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	Yes	Nil	Nil	Nil	1	Nil	Nil
Customers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Others	-	Nil	Nil	Nil	Nil	Nil	Nil

Web link for grievance redressal policy is https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/_Whistle_Blower_Policy.pdf

27. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

The Company has a structured Materiality Assessment process to identify business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the Company. The assessment was conducted in FY 2023-24 by external advisors, in line with global standards. As the outcome of the exercise, the material issues pertaining to environmental and social matters identified by the Company remains the same, covering both risks and opportunities.



Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Greenhouse Gas (GHG) Emissions	Risk	As the steel industry represents a substantial contributor to global carbon emissions, the transition toward future carbon neutrality requires established targets and decisive action. VSSL distinguishes itself with relatively low emissions within the broader steel industry through its adoption of electric arc furnace technology, resulting in significantly reduced GHG emissions of just 0.737 tons of carbon per ton of steel produced. Demonstrating its sustainability commitment, VSSL is actively intensifying its emission reduction initiatives while advancing toward its net-zero objective. Regulatory initiatives aimed at curbing GHG emissions in response to climate change threats may create substantial compliance expenses and operational challenges for industries, with mechanisms like the Carbon Border Adjustment Mechanism serving as prominent examples of these regulatory requirements.	VSSL seeks to mitigate risk through proactive technology adoption and sustained engagement with policymakers. As part of its ongoing commitment to sustainable business practices, VSSL will continue deploying relevant technologies to enhance operational efficiency across all business areas. The Company has established clear and measurable decarbonization targets, ensuring consistent advancement towards the comprehensive sustainability objectives.	Negative Financial Implications
2	Energy Management	Opportunity	Steel production demands substantial energy inputs, primarily derived from direct fossil fuel combustion and grid-purchased electricity, creating significant efficiency challenges for the industry. The strategic focus on VSSL's capability to enhance energy efficiency management while securing access to alternative energy sources. VSSL's investment in solar power infrastructure represents a substantial advancement, with capacity to satisfy approximately 40% of total energy requirements. VSSL's comprehensive action plan for green steel transition strategically combines renewable energy integration with advanced technological adoption, positioning the Company at the forefront of sustainable steel manufacturing, innovation and operational excellence in an increasingly carbon-constrained industry landscape.	Not applicable	Positive Financial Implications

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Water Management	Risk	Steel production demands substantial water volumes, creating material exposure for VSSL, which relies primarily on groundwater resources within an industrial zone experiencing increasing residential development. The emergence of residential areas surrounding industrial operations generates significant operational, regulatory, and reputational risks associated with water scarcity, escalating water acquisition costs, and potential regulations on effluent discharge and water consumption volumes.	VSSL is enhancing water efficiency through technological innovations and has installed a Sewage Treatment Plant while also planning the installation of an Effluent Treatment Plant.	Negative Financial Implications
4	Occupational Health and Safety	Risk	Steel production operations present significant occupational health and safety risks to employees and contractors due to high-temperature environments, heavy machinery, noise-induced hearing loss, chemical exposure, and electric hazards, requiring robust safety culture implementation and comprehensive health and safety policies. Worker injuries and fatalities can trigger regulatory penalties, damaging publicity, reduced workforce morale and productivity, and escalating healthcare and compensation costs.	VSSL fosters a strong culture of safety, committed to implementing rigorous safety compliance requirements to proactively eliminate health and safety issues. The Company reinforces this commitment through regular internal and external audits for ISO 14001 and ISO 45001 standards. VSSL maintains a dedicated Training Centre focused on health and safety to ensure continuous workforce competency.	Negative Financial Implications
5	Cyber security	Risk	VSSL acknowledges the critical significance of IT infrastructure and cybersecurity operations in maintaining business continuity and is dedicated to protecting sensitive information, technological assets, and shareholder value from cyber threats and security incidents. Increasing regulatory and statutory mandates, compliance with privacy and data protection regulations has become essential to prevent enforcement actions, financial penalties, and potential damage to corporate reputation and stakeholder trust.	VSSL's IT policy and strategy comply with the requirements of Digital Personal Data Protection Act, 2023. Additionally, we have implemented SAP S/4 HANA, an integrated ERP solution to deliver a more robust, dependable system with enhanced controls.	Negative Financial Implications

SECTION B:

MANAGEMENT AND PROCESS DISCLOSURES

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

The National Guidelines for Responsible Business Conduct (NGRBC), as prescribed by the Ministry of Corporate Affairs advocates nine Principles referred to as P1-P9 given below:

- P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive towards all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect and make efforts to protect and restore the environment
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Materiality of Events Policy	✓			✓					
Vigil Mechanism/ Whistle Blower Policy	✓			✓					
Related Party Transaction Policy	✓			✓					
Corporate Social Responsibility Policy					✓			✓	
Familiarization Program for Board Members	✓			✓					
Risk Management Policy		✓							
Policy for determining Material Subsidiary	✓			✓					
Archival Policy	✓								
Child Labour Prohibition Policy					✓			✓	
Code of Conduct	✓								
Code of Conduct for Directors & Senior Management	✓			✓					
Code for Independent Directors	✓			✓					
Forced Bonded Labour Prohibition Policy					✓			✓	
Sexual Harassment Redressal Policy			✓		✓				
Dividend Distribution Policy	✓			✓					
ESG Initiatives		✓	✓			✓		✓	✓
Environment, Health & Safety Policy			✓	✓	✓	✓			✓
Nomination and Remuneration Policy	✓			✓					
Determining Authority - Materiality of Events	✓								
Code of Practices and Procedures for Fair Disclosure of UPSI	✓						✓		
Human Rights Policy			✓	✓	✓				
Anti-Bribery & Anti-Corruption (ABAC) and Anti-Money Laundering (AML) Policy	✓								
Equal Opportunity Policy			✓		✓				
Privacy & Data Protection Policy	✓		✓		✓				✓
Stakeholders Grievance Redressal Policy				✓	✓			✓	✓
b. Has the policy been approved by the Board? (Yes/No/NA)	Yes, the policies have been approved by the Board.								
c. Web Link of the Policies, if available *	These policies are available on Company's website at the link https://www.vardhman.com/Investors/CompanyInformation								
2. Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes, policies have been translated into procedures and are being monitored regularly for implementation.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes, few of the enlisted policies of the Company have extended coverage to the value chain partners								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	VSSL's policies are framed and guided by the National Guidelines on Responsible Business Conduct (NGRBC), which draw from the UN Guiding Principles for Business and Human Rights (UNGPs), the UN Sustainable Development Goals (SDGs), the Paris Agreement on Climate Change, the Core Conventions of the International Labour Organization (ILO), and the Companies Act, 2013. The following international codes/ certifications/ labels/ and standards are adopted by the company. ISO 14001: 2015 - Environmental Management Systems (EMS) ISO 45001: 2018 - Occupational Health and Safety Management Systems ISO 9001: 2015 - Quality Management Systems ISO/IEC 17025: 2017 - General Requirements for the Competence of Testing and Calibration Laboratories IATF 16949: 2016 - Quality Management System Standard (Manufacture of Special Alloy Steel)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	VSSL has commitment to reduce GHG emissions and optimize energy consumption by meeting 40% of their electricity consumption by solar energy. The same has been commissioned in Feb'26 and will reduce our carbon footprint substantially.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We continue to adhere all the guiding principles.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

It gives me great pleasure to present the Business Responsibility and Sustainability Report of Vardhman Special Steels Limited. This report reflects our unwavering belief that sustainability is not a separate agenda but an integral part of how we operate, innovate, and create enduring value for all our stakeholders.

We have made decarbonisation a defining strategic priority, firmly integrating sustainability into our business model and decision-making processes. As a steel producer operating through the Electric Arc Furnace route with scrap as primary raw material, the Company's carbon intensity stands at 0.73 tCO₂ per tonne of steel, significantly lower than the Government of India's Green Steel benchmark of 2.2 tCO₂ per tonne and well below the industry average of 3.0-3.2 tCO₂ per tonne.

Our commitment to decarbonisation continues to gather momentum. The commissioning of our 40 MW AC solar power plant, generating nearly 9 crore units of clean energy annually and meeting close to 40% of our total energy requirement, represents a significant milestone in this journey. As a result, our carbon intensity has come down to below 0.50 tCO₂ per tonne. Combined with the successful implementation of a closed-loop circular economy model with Maruti Suzuki and our complete transition to Piped Natural Gas through a dedicated GAIL pipeline, these initiatives further strengthen our environmental credentials. With a clear roadmap in place, we remain committed to achieving net-zero carbon emissions by 2050, well ahead of India's national target.

Sustainability at VSSL extends beyond environmental stewardship. We firmly believe that our people are our greatest strength. During the year, we continued to invest in employee capability, safety, and engagement, while the successful implementation of SAP S/4HANA enhanced process integrity, transparency, and operational excellence across the organization.

We have also strengthened our manufacturing competitiveness through strategic investments in advanced technologies. The commissioning of the walking-beam reheating furnace and the Kocks precision rolling block has improved productivity, enhanced yield, and reduced burning losses per tonne. Our focus on resource efficiency has yielded encouraging results, with

water consumption declining despite increased production volumes following the commissioning of our Sewage Treatment Plant (STP). Through Project Prakriti, we continue to expand Miyawaki dense-forest plantations and rainwater harvesting initiatives, contributing to ecological restoration and water conservation across Punjab.

Equally important is our commitment to inclusive social development. Through Project Swasth Samaj, we have provided artificial limbs to more than 5,000 beneficiaries till date, helping restore mobility, independence, and dignity. Project Nari Shakti continues to empower women through vocational skill development, while Project Disha has expanded its impact through new partnerships, including an English-language learning programme in government schools in collaboration with the Government of Punjab. Under Project Khel Protsahan, we are promoting inclusive sporting excellence through support for athletes, including Paralympians. These initiatives reflect our conviction that meaningful progress is measured not only by business success but also by the positive impact we create in society.

Looking ahead, we recognize that the journey toward sustainable development will bring new challenges. Deepening circularity across the value chain, scaling renewable energy to support future growth, and meeting increasingly stringent global sustainability standards will require innovation, agility, and collaboration. We view these challenges as opportunities to strengthen our leadership position and create long-term value.

At VSSL, we remain confident that the future belongs to organizations that grow responsibly, innovate sustainably, and create prosperity that is shared by all. Guided by this philosophy, we will continue to build a stronger, greener, and more resilient enterprise for generations to come.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).
Mr. Jagdish Chand Sharma, Chief Sustainability Officer under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility Policies.
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).
Yes
If yes, provide details.

The Environmental, Social and Governance (ESG) Committee constituted by the Board of Directors of the Company evaluate the sustainability related issues from time to time.
10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually / Half yearly / Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The senior management of the Company reviews periodically the Company's performance with respect to various policies. The Board is also updated on important aspects of these reviews.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Status of compliance with all applicable statutory requirements is reviewed by the Board on a quarterly basis.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, in this financial year, we have conducted only internal assessments.								

If Yes, Provide name of the agency:

N.A.

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA



SECTION C:

PRINCIPLE WISE

PERFORMANCE DISCLOSURE

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

PRINCIPLE

01

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Business performance and strategy, Changes in economic and industrial scenario, CSR, Sustainability initiatives, Renewable energy related matters, health and safety, employee well-being, etc.	100%
Key Managerial Personnel	4	Business performance and strategy, Changes in economic and industrial scenario, CSR, Sustainability initiatives, Renewable energy related matters, health and safety, employee well-being, etc.	100%
Employees other than BoD and KMPs	176	Leadership & Self-Development, Health & Safety, POSH, Whistle Blower Mechanism, Grievance Handling, Employee well-being, HIRA Awareness, Training, Skill-upgradation and Sustainability (TPM & 5S Awareness, Kaizen, Problem Solving & Analytical Tools).	100%
Workers	280	Health & Safety, POSH, Whistle Blower Mechanism, Grievance Handling, Employee well-being, HIRA Awareness, Emergency Evacuation, Accident Prevention Training, Skill upgradation and Sustainability (TPM & 5S Awareness, Kaizen, Problem Solving & Analytical Tools).	100%

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Monetary

Penalty/ Fine

Details of penalty or fine					
Sr. No.	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
1	P1	Superintendent, Central Tax, Range-V, Division-IV (Chakan), Pune-I Commissionerate	11,56,000	Penalty imposed on account of second e-way bill generated by our customer mentioning the invoice number raised by the Company on that customer.	Yes
2	P1	Office of the Superintendent of CGST and Central Excise, Range- II, Chennai	45,382	Penalty imposed for non-payment of tax under the provisions of section 74(1) read with Section 74(9) of the CGST/ TNGST Act, 2017 read with Section 20 of the IGST Act, 2017.	Yes
3	P1	Office of the Assistant Commissioner of Commercial Taxes, Local Goods & Service Tax Office, Bengaluru, Karnataka	250	Penalty imposed on account of failure to pay the profession tax and file the return in FORM 4 within the stipulated time as provided under Section 10(2) of the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.	No

Settlement

Details of settlement					
Sr. No.	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
	NIL	NIL	NIL	NIL	NIL

Compounding fee

Details of compounding fee					
Sr. No.	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?
	NIL	NIL	NIL	NIL	NIL

Non- Monetary

Imprisonment

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

Punishment

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

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

Sr. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1.	Penalty imposed on account of second e-way bill generated by our customer mentioning the invoice number raised by the Company on that customer.	Commissioner of Central Tax (Appeals), Pune
2.	Penalty imposed for non-payment of tax under the provisions of section 74(1) read with Section 74(9) of the CGST/TNGST Act, 2017 read with Section 20 of the IGST Act, 2017.	Appellate Authority, GST Appeals, Chennai

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

Yes. We have an anti-corruption and anti-bribery policy designed to ensure that our operations and business activities comply with applicable laws and the highest ethical standards, while also preventing and detecting fraud, bribery, and corruption. This policy is fully aligned with our persistent commitment to preventing corruption, as reflected in the Company's Code of Conduct and Ethics.

The policy is available for review on the Company's website at the following link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Anti-Bribery,_Anti-Corruption_&_Anti-Money_Laundering_Policy.pdf

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

	FY (2025-26)	FY (2024-25)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY (2025-26)		FY (2024-25)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY (2025-26)	FY (2024-25)
Number of days of accounts payables	64	48

9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY (2025-26)	FY (2024-25)*
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	60.79	57.78
	b. Number of trading houses where purchases are made from	95	113
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	57.10	51.42
Parameter	Metrics	FY (2025-26)	FY (2024-25)*
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	6.26	5.42
	b. Number of dealers / distributors to whom sales are made	6	8
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100	100
Parameter	Metrics	FY (2025-26)	FY (2024-25)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.00	0.00
	b. Sales (Sales to related parties / Total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

*Previous year figures have been re-grouped and re-arranged.

Leadership Indicators

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

Awareness programmes conducted for value chain partners on any of the Principles during the financial year			
Sr. No.	Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
NIL			

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

Yes

If Yes, provide details of the same.

The Company has a Code of conduct which is applicable to all directors and senior employees of the Company. It aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All senior employees are required to read and understand this code and agree to abide by it.

The Code of Conduct is available at the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Code_of_Conduct_for_Directors_&_Senior_Management.pdf

PRINCIPLE

02

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

Essential Indicators

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

	FY (2025-26)	FY (2024-25)	Details of improvements in environmental and social impacts
R & D	100%	100%	All of VSSL's R&D spending is fully aligned with one or more of the nine Principles outlined in the National Guideline for Responsible Business Conduct.
Capex	58.79%	0%	In the next year, we are planning to put up an Effluent Treatment Plant and upgrade our Fume Extraction System which will help us to further improve ambient air quality.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. The Company has procedures in place for sustainable sourcing. As a manufacturer of special steels, it primarily uses iron scrap as its key raw material, thereby promoting resource efficiency and contributing to the circular economy. This approach supports sustainable procurement practices by reducing dependence on virgin raw materials and minimizing environmental impact.

- If yes, what percentage of inputs were sourced sustainably?**

In FY2025-26, 100% of our raw material was sourced sustainably.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste (d) other waste.**

In line with our dedication to sustainability, we've set up dedicated facilities throughout our entity to manage different types of waste, including hazardous waste, e-waste and scrap material. To ensure responsible disposal, we partner with authorized recyclers and file returns with the appropriate statutory bodies. Our main goal is to prioritize reduction and reuse, striving to minimize waste.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

No

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators

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

The entity conducted Life Cycle Perspective/Assessments (LCA)							
Sr. No.	NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web-link.
1.	241	Steel bars and bright bars of various grades and sizes.	100%	Cradle to gate	No	No	N.A.

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

There is no significant social or environmental concerns and risks arising from the disposal of Company's products. However, the dust getting generated during production is collected through the Fume Extraction Systems installed by the Company and is disposed off with the agency duly authorized by the State Pollution Control Board.

Action taken to mitigate significant social or environmental concerns and/or risks arising from production or disposal of products / services		
Name of Product / Service	Description of the risk / concern	Action Taken
NOT APPLICABLE		

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

Indicate input material	Recycled or re-used input material to total material	
	FY (2025-26)	FY (2024-25)
Ferrous Scrap	86%	89%

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

	FY(2025-26)			FY(2024-25)			
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed	
Plastics (including packaging)	Nil	Nil	23.73	Nil	Nil	29.14	
E-waste	Nil	Nil	0.37	Nil	Nil	0.32	
Hazardous waste:	Nil	Nil	Dust 2804.47 Spent Oil 8.28	Nil Nil	Nil Nil	Dust 3637.38 Spent Oil 5.23	
	Name Of Other Waste	FY(2025-26)			FY(2024-25)		
		Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Other waste	Bio-Medical Waste	Nil	Nil	0.005	Nil	Nil	0.006

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

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

PRINCIPLE

03

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	450	450	100	450	100	NA	NA	450	100	450	100
Female	27	27	100	27	100	27	100	NA	NA	27	100
Other	-	-	-	-	-	-	-	-	-	-	-
Total	477	477	100	477	100	27	100	450	100	477	100
Other than permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	922	922	100	922	100	-	-	922	100	922	100
Female	1	1	100	1	100	1	100	-	-	1	100
Other	-	-	-	-	-	-	-	-	-	-	-
Total	923	923	100	923	100	1	100	922	100	923	100
Other than permanent workers											
Male	607	-	-	607	100	-	-	-	-	607	100
Female	2	-	-	2	100	2	100	-	-	2	100
Other	-	-	-	-	-	-	-	-	-	-	-
Total	609	-	-	609	100	2	100	-	-	609	100

Note: Laborers employed through contractors and their subcontractors have been classified as workers. These workers are not on the direct payroll of the Company.

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent in the following format:

	FY (2025-26)	FY (2024-25)
Cost incurred on well-being measures as a % of total revenue of the company	0.18%	0.17%

2. Details of retirement benefits

Sr. No	Benefits	FY (2025-26)			FY (2024-25)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
1.	PF	100	100	Yes	100	100	Yes
2.	Gratuity	100	100	Yes	100	100	Yes
3.	ESI	37	67	Yes	29	71	Yes

Others – Please specify

Details of Other Retirement benefits

Sr. No	Name of Benefits	FY (2025-26)			FY (2024-25)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1.	NPS	4	Nil	Yes	5	Nil	Yes

3. Accessibility of workplaces

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

Yes. The Company is committed to providing an inclusive and accessible workplace for all employees, including persons with disabilities. Its facilities and offices are designed, to the extent feasible, in compliance with the provisions of the Rights of Persons with Disabilities Act, 2016.

The Company continues to take necessary measures to enhance accessibility through appropriate infrastructure, safe working conditions, and supportive policies, ensuring that differently abled employees can work with dignity, safety, and equal opportunity.

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

Yes. The Company has in place an Equal Opportunity Policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016. The policy outlines the Company's commitment to providing equal employment opportunities, non-discrimination, and an inclusive work environment for all employees, including persons with disabilities.

https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Equal_Opportunity_Policy.pdf

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	NA	NA	NA
Female	NA	NA	NA	NA
Other	NA	NA	NA	NA
Total	100%	NA	NA	NA

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

If yes, give details of the mechanism in brief.	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	The mechanism is governed by the Company's Grievance Redressal Policy, which provides a structured three-tier process for addressing concerns in a fair and timely manner: • Stage I: The employee/worker submits the grievance in writing to the immediate supervisor. If the resolution is not satisfactory, the matter may be escalated. • Stage II: The grievance is escalated to the concerned Sectional Head and, if required, further to the Head of Department and the Industrial Relations Department. • Stage III: In case the grievance remains unresolved, it is referred to the Grievance Redressal Committee for final resolution. This structured framework ensures transparency, timely resolution, and fair treatment of all grievances across the organisation. The policy is available at: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Stakeholders_Grievance_Redressal_Policy.pdf
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY (2025-26)			FY (2024-25)		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	477	Nil	Nil	451	Nil	Nil
Male	450	Nil	Nil	428	Nil	Nil
Female	27	Nil	Nil	23	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	923	Nil	Nil	912	Nil	Nil
Male	922	Nil	Nil	911	Nil	Nil
Female	1	Nil	Nil	1	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers:

Category	FY (2025-26)					FY (2024-25)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F / D)
Employees										
Male	450	450	100	410	91.11	428	428	100	391	91.36
Female	27	27	100	27	100	23	23	100	22	95.65
Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	477	477	100	437	91.61	451	451	100	413	91.57
Workers										
Male	922	922	100	893	96.85	911	911	100	857	94.07
Female	1	1	100	1	100	1	1	100	1	100
Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	923	923	100	894	96.86	912	912	100	858	94.08

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

Category	FY (2025-26)			FY (2024-25)		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	450	450	100	428	428	100
Female	27	27	100	23	23	100
Other	Nil	Nil	Nil	Nil	Nil	Nil
Total	477	477	100	451	451	100
Workers						
Male	922	922	100	911	911	100
Female	1	1	100	1	1	100
Other	Nil	Nil	Nil	Nil	Nil	Nil
Total	923	923	100	912	912	100

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No/ NA). yes, the coverage such system?

Yes. VSSL has implemented an Occupational Health and Safety Management System and is certified under ISO 45001. This framework enables the Company to systematically identify workplace hazards and implement appropriate risk control measures, thereby minimizing incidents and injuries.

The Company actively promotes a strong safety culture across its operations. Employees receive regular health and safety training through the in-house Safety DOJO centre, a dedicated learning environment designed to simulate real-life working conditions and enhance practical skills. In addition, periodic mock fire drills are conducted, and Safety Month is observed annually to reinforce awareness.

To support employee well-being, the Company organizes routine health check-up camps. An Occupational Health Centre has also been established within the plant premises, staffed with two qualified doctors and support personnel, along with tie-ups with nearby hospitals to ensure prompt medical assistance.

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

VSSL, in partnership with Aichi Steel Corporation, Japan has integrated robust occupational health and safety practices into its day-to-day operations. As part of this approach, a dedicated 5-minute safety meeting is conducted daily to reinforce the Company's commitment to worker safety and awareness.

For the identification of work-related hazards and assessment of risks on both routine and non-routine activities, the Company adopts structured processes such as GEMBA observations, Hazard Identification and Risk Assessment (HIRA), and Root Cause Analysis (RCA). These tools enable systematic evaluation of workplace conditions, identification of potential risks, and implementation of appropriate mitigation measures to ensure a safe working environment.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?

Yes. VSSL has established processes that enable workers to report work-related hazards and remove themselves from unsafe situations.

The Company has two full-time Safety Officers responsible for monitoring workplace safety, identifying risks, and recording any unsafe activities or conditions. The observations and data gathered through worker interactions, safety audits, customer audits, and insights from Root Cause Analysis (RCA) are reviewed and acted upon by the HR/Admin Head to ensure timely corrective measures.

VSSL also places strong emphasis on training and awareness, encouraging employees to actively participate in hazard identification and mitigation, thereby fostering a proactive and safety-driven work culture.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes. VSSL provides employees and workers with access to a range of non-occupational medical and healthcare services.

In addition to an in-house dispensary staffed by two full-time physicians, employees and workers can avail medical services at nearby hospitals with which the Company has established corporate tie-ups. Furthermore, some employees are covered under the ESI scheme and others are covered under Mediclaim policy, ensuring access to appropriate and quality medical treatment.

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

Safety Incident/Number	Category*	FY (2025-26)	FY (2024-25)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	1.60	1.23
Total recordable work-related injuries	Employees	0	0
	Workers	8	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*including in the contract workforce

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

The Company adopts proactive measures to maintain a safe and healthy workplace environment. Regular Hazard Identification and Risk Assessment (HIRA) exercises are conducted to systematically identify and mitigate potential risks across both routine and non-routine activities. By addressing hazards at their source, the likelihood of accidents and injuries is significantly reduced.

Employees undergo comprehensive training in occupational health and safety practices, including Behaviour-Based Safety (BBS), a proactive approach focused on observing, analysing, and improving employee behaviour to prevent incidents. Training also covers safe operation of machinery and equipment, proper handling of hazardous substances, and adherence to established safety protocols.

VSSL places strong emphasis on the provision and correct use of Personal Protective Equipment (PPE). Employees are provided with necessary safety gear such as helmets, gloves, safety shoes, goggles, and ear protection, along with adequate training to ensure proper usage.

In addition, safety awareness is reinforced through visual communication across facilities. Initiatives such as health camps, sharing of safety best practices and Kaizens, along with signage, labels, posters, and other visual aids, are used to effectively convey key safety messages. These serve as constant reminders and play a crucial role in strengthening a robust safety culture.

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

	FY (2025-26)			FY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	No complaints were reported during the year.	Nil	Nil	No complaints were reported during the year.
Health & Safety	Nil	Nil		Nil	Nil	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%, ISO 45001 Audit has been conducted.
Working Conditions	100%, Internal Audit

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant safety-related incidents were reported during the year. Accordingly, no major corrective actions were required.

However, the Company has a well-defined framework to address any potential risks or concerns arising from assessments of health and safety practices and working conditions. This includes conducting Root Cause Analysis (RCA), implementing corrective and preventive actions, strengthening safety protocols, and enhancing employee training through initiatives such as Behaviour-Based Safety (BBS).

Continuous improvements are also driven through regular Hazard Identification and Risk Assessment (HIRA), safety audits, and workplace inspections to proactively mitigate risks and ensure a safe and healthy working environment.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)	Yes. The Company extends life insurance and compensatory benefits in the event of the death of any employee or worker. Such support is provided through multiple schemes, including Employee State Insurance (ESI), Group Personal Accident (GPA) insurance, Mediclaim, Group Term Insurance, and the Employees' Deposit Linked Insurance (EDLI) scheme, ensuring financial protection and support to dependents.
(B) Workers (Y/N).	

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

The Purchase order with the value chain partners mentions all the requirements of all applicable statutory provisions, including the timely payment of statutory dues. Being a principal employer, VSSL ensures that all relevant clauses pertaining to applicable labour laws are thoroughly validated and upheld by both parties involved.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2025-26)	FY (2024-25)	FY (2025-26)	FY (2024-25)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No/ NA)

Yes. The Company provides transition support to facilitate continued employability and manage career endings arising from retirement. Such assistance is extended on a case-to-case basis, subject to employee request and approval by the Management.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

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

VSSL is in the process of identifying its value chain and developing a strategy to engage them on significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.



PRINCIPLE

04

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

Essential Indicators

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

Stakeholder Identification Process

Methodology for Identification: The Company employs a comprehensive approach to identify key stakeholder groups through systematic engagement methods including:

- Surveys to collect structured feedback and insights
- Interviews for in-depth understanding of stakeholder perspectives
- Focus groups to facilitate collaborative discussions
- Consultation sessions to ensure broad participation

External Stakeholder Groups

- a. Shareholders and Investors: Integral to the Company's financial ecosystem and governance structure
- b. Suppliers: Critical components of the supply chain network and operational continuity
- c. Local Communities: Directly impacted by Company operations, requiring active engagement for social license to operate

Internal Stakeholder Groups

- a. Employees: Central to daily operations and organizational success, representing the workforce backbone
- b. Senior Management Team: Responsible for strategic decision-making and organizational leadership



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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	- Email - SMS - Advertisement - Website - Social Media - Customer Surveys - Customer Meets - Business Interactions - Audits by customers	Regular	Topics and concerns raised: Product Launches, Brand Promotion & Communication, Technical & Commercial approvals, Customer Satisfaction & Feedback, New Technology or Process adopted. Purpose: To ensure customers receive reliable, fairly priced, and innovative solutions while maintaining transparent communication and responsive feedback mechanisms. Scope: Covers product availability and quality, honest brand messaging, compliance and pricing approvals, collection and action on customer feedback, and adoption of new technologies or processes that benefit customers.
2	Employees	No	- Email - SMS - In House Magazines - Engagement Activities - Employee Satisfaction Surveys	Regular	Topics and concerns raised: Career Growth, Training & Development, Improvement Plans, Long-Term Strategy, Awareness Campaigns, Health & Safety Initiatives. Purpose: To support employee development, align individual goals with organizational direction, foster continuous improvement, and ensure a safe, informed work environment. Scope: Covers promotion pathways and skill-building programs, performance improvement plans, communication of long-term strategic objectives, internal awareness drives, and workplace health and safety measures.
3	Communities & NGO partners	Yes	- Community & Local Authority Meets - Direct Engagement - Community Visits - Partnership with NGO's	Regular	Topics and concerns raised: Need Assessment, Expectation and Feedback on impact/ success of CSR Projects. Purpose: To identify community needs, align stakeholder expectations, and evaluate the effectiveness and outcomes of CSR initiatives. Scope: Covers baseline need assessments, gathering and managing stakeholder expectations, and collecting feedback on project impact, success metrics, and lessons learned.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
4	Value Chain Partners	No	- Email - SMS - Vendor Visits & Meet	As & when required	Topics and concerns raised: Quality, Timely Payments, ESG Consideration (Sustainability, Safety Checks, Compliances, Ethical Behavior), ISO & OHSAS Standards, Supply Chain Issues, Technical Training Sessions, New Technology Launches by Vendors. Purpose: To ensure reliable quality, fair payments, ethical compliance, and mutual capability growth. Scope: Covers quality standards, timely payments, ESG (sustainability, safety, compliance, ethics), Safety standards, supply chain resolutions, vendor training, and new vendor-led technologies.
5	Media	No	- Press Releases - Quarterly Results - Annual Reports - Website	As & when required	Topics and concerns raised: Performance Reporting, Award & Achievements, Initiatives etc. are reported. Purpose: To transparently communicate organizational progress, recognitions, and strategic actions to the public. Scope: Covers performance reporting, awards and achievements, and key initiatives shared through media channels.
6	Shareholders & Investors	No	- Annual General Meeting - Email - Stock Exchange intimations - Investor Meet - Annual Report - Quarterly Results - Media Releases - Company Website	As & when required	Topics and concerns raised: Profitability & Stability, Growth Prospects, Major Events. Purpose: To demonstrate financial health, future value creation, and material developments affecting investment decisions. Scope: Covers profitability and financial stability, growth opportunities and projections, and disclosure of major corporate events.

Leadership Indicators

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

The materiality assessment on sustainability issues- third party assessment in the financial year 2023-24, wherein one-on-one interaction was done with multiple stakeholders and their opinions were gathered. This provided 360 degree perspective on the risks & opportunities on the economic, environmental and social topics relevant and significant to VSSL. The Company has established ESG Committee to discuss the ESG issues and provide guidance.

The Company has constituted an ESG Committee to deliberate on ESG matters and provide strategic guidance. Regular updates on key ESG developments, such as major decisions regarding the setup of a solar power plant, health and safety, waste management, CSR, employee well-being, and related topics are communicated to Board members to inform relevant strategic decisions.

These committees meet regularly to review performance in their respective areas, assessing the Company's achievements, challenges, and opportunities. Such evaluations are essential for identifying improvement areas and implementing strategies that drive positive change.

The resulting reports are subsequently presented to the Board. The Board, comprising key stakeholders and decision-makers, actively reviews these reports to obtain a holistic understanding of the Company's economic and ESG performance.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

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

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

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

Vulnerable Groups	Concerns	Action Taken
Underprivileged Community from Rural, Urban and Peri-Urban Areas	Healthcare facilities to needy people	● Organized camps in the State of Punjab for providing Artificial Limbs to needy persons.
		● Financial support to Punarjot Eye Bank for free eye cataract surgery in the State of Punjab for needy people.
		● Installed RO filter systems for providing clean drinking water facility in various schools/ colleges and parks in Ludhiana.
		● Financial support to DMC Hospital, Ludhiana for free delivery of needy women belonging to slum areas & BPL Family.
		● a) Conducted Medical camps; b) Fogging spray in summers in the nearby areas, c) Installed Sanitary Napkin Machines in Schools & Colleges and distributed Sanitary Napkins in slum areas and conducted sessions on menstrual health.
		● Provided five waste management vehicles to Municipal Corporation, Ludhiana for lifting of waste and conducting various campaigns for cleanliness in slum areas.
	Underprivileged Women	● Expansion of Mera Bill App Project - Strengthening of Women Micro-Entrepreneurs (WME) through Digital Literacy in the State of Punjab.
		● Financial support to District Administration, Ludhiana under the Project 'Punjab Sakhi Mela' for promotion of Women Micro-Entrepreneurs.

Vulnerable Groups	Concerns	Action Taken
Underprivileged Community from Rural, Urban and Peri-Urban Areas	Education to needy students	- Supporting education of children belonging to slum area and/or needy families and distributed school kits to needy students. - Promotion of English programme project in various Govt. Schools in association with Govt. of Punjab. - Financial support to Indian Red Cross Society, Ludhiana for District Transformation Internship Program. - Financial contribution to Samantha Foundation for promotion of education among poor and needy students. - Developed 3 e-classrooms in Ludhiana and adjoining Districts. - Exposure visit of 100 students belonging to slum areas to Pushpa Gujral Science City, Kapurthala.
	Financial support in the field of Sports to needy and disadvantaged section of society	- Promotes sports among students in Ludhiana in association with Casademy (Centre of Sports Excellence)/ India Khelo Football/Badminton Association. - Financial support to Ludhiana Cares Sports Academy for promotion of Basketball among village boys & girls.
	Greenbelt development and other initiatives for overall betterment of environment	- Development & Maintenance of Miyawaki Forests & Parks in the State of Punjab. - Provided e-Rickshaws to Guru Angad Dev Veterinary and Animal Sciences University, Ludhiana, for movement of visitors, students and old people within the University.
	Disaster Management	Financial support towards Punjab Flood Relief under Disaster Management.



PRINCIPLE

05

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY (2025-26)			FY (2024-25)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	477	59	12.37	451	52	11.53
Other than permanent	0	0	0	3	0	0
Total Employees	477	59	12.37	454	52	11.45
Workers						
Permanent	923	81	8.78	912	78	8.55
Other than permanent	609	0	0	596	0	0
Total Workers	1532	81	5.29	1508	78	5.17

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

Category	FY (2025-26)					FY (2024-25)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	450	0	0	450	100	428	0	0	428	100
Female	27	0	0	27	100	23	0	0	23	100
Other	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	1	0	0	1	100
Female	-	-	-	-	-	2	0	0	2	100
Other	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	922	12	1.30	910	98.70	911	75	8.23	836	91.77
Female	1	0	0	1	100	1	0	0	1	100
Other	-	-	-	-	-	-	-	-	-	-

Category	FY (2025-26)					FY (2024-25)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Other than Permanent										
Male	607	580	95.55	27	4.45	594	569	95.79	25	4.21
Female	2	2	100	0	0	2	2	100	0	0
Other	-	-	-	-	-	-	-	-	-	-

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

a. Median remuneration / wages:

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	11	435000	3	6833608	Nil	Nil
Key Managerial Personnel	1	8764318	1	2136707	Nil	Nil
Employees other than BoD and KMP	447	456909	25	301293	Nil	Nil
Workers	922	235622	1	198590	Nil	Nil

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY (2025-26)	FY (2024-25)
Gross wages paid to females as % of total wages	2.37%	2.18%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?(Y/N)

Yes. The Company's management and grievance redressal mechanism serve as the focal point for all employees to report human rights issues.

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

A formal grievance/complaint mechanism is in place to address concerns related to human rights violations. Employees are entitled to formally lodge any grievance in writing with their Head of Department or Supervisor. All grievances are handled confidentially and impartially.

Employees can report incidents of human rights violations through the following channels:

- Writing to ethics@vardhman.com.
- Direct submission to the respective unit grievance committee/ in writing to the HR department, outlining the issue and desired resolution.

Once a grievance is reported, an acknowledgment will be sent to the complainant within 24 hours. The investigation process will aim to conclude within 15 working days.

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

	FY (2025-26)			FY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	No complaints were reported during the FY.	Nil	Nil	No complaints were reported during the FY.
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/ Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY (2025-26)	FY (2024-25)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

The Company enforce an unwavering zero-tolerance stance against any form of discrimination or sexual harassment in the workplace. All allegations and concerns are handled with maximum discretion and confidentiality to protect reporting parties. Employees, contractors, or representatives found substantiated to have engaged in discriminatory behaviour or sexual misconduct will face appropriate disciplinary measures, up to and including termination of employment or relationship with the Company.

Links of the policies:

Sexual Harassment Redressal Policy- https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Sexual_Harassment_Redressal_Policy.pdf

Human Rights Policy - https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Human_Right_Policy.pdf

The Company is committed to maintaining a safe, respectful, and inclusive work environment where all individuals are treated with dignity and professionalism.

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

Yes. Human rights requirements are a core part of our agreements, service POs, and contracts, ensuring workmen's health, safety, and welfare. The annexure of these terms & conditions is circulated with the work order copy.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plant and offices are assessed internally for all these human rights issues.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

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

Leadership Indicators

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

The Company is dedicated in ensuring that all employees are treated with equal dignity, respect and rights. To support this commitment, we have established a Human Rights Policy. The primary goal of this policy is to uphold and protect human rights, while fostering a safe and healthy working environment for all employees.

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

Currently, VSSL is in the process of conducting Human Rights due diligence.

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

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	VSSL has a process of assessing its Value chain partners on issues of child labour & forced labour. The minimum criteria for approving a value chain partner is being formulated to include issues like Discrimination, Sexual Harassment etc.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	

Others – please specify+

Details of other assessments of value chain partner		
Sr. No.	Name of other assessment	% of value chain partners (by value of business done with such partners) that were assessed
Nil		

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

Not Applicable

PRINCIPLE

06

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Units	FY (2025-26)	FY (2024-25)
From renewable sources			
Total electricity consumption (A)	Gigajoules(GJ)	35274	Nil
Total fuel consumption (B)	Gigajoules(GJ)	Nil	Nil
Energy consumption through other sources (C)	Gigajoules(GJ)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Gigajoules(GJ)	35274	Nil
From non-renewable sources			
Total electricity consumption (D)	Gigajoules(GJ)	658604	681394
Total fuel consumption (E)	Gigajoules(GJ)		
Natural Gas		352637	340645
Furnace oil		-	2350
Diesel		6258	5797
LPG		1365	1826
Energy consumption through other sources (F)	Gigajoules(GJ)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	Gigajoules(GJ)	1018864	1032012
Total energy consumed (A+B+C+D+E+F)	Gigajoules(GJ)	1054138	1032012
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoules(GJ)/₹	0.0001 GJ/₹	0.0001 GJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoules(GJ)/\$₹	0.0012 GJ/\$₹	0.0012 GJ/\$₹
Energy intensity in terms of physical Output	Gigajoules(GJ)/MT	4.3547 GJ/MT	4.1675 GJ/MT
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF which is 20.34 for India.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

Not Applicable

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)

No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

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

Parameter	FY (2025-26)	FY (2024-25)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	264529	232799
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	264529	232799
Total volume of water consumption (in kilolitres)	264529	232799
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000015 KL/₹	0.000013 KL/₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	0.0003 KL/\$₹	0.0003 KL/\$₹
Water intensity in terms of physical output	1.0928 KL/MT	0.9401 KL/MT
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF which is 20.34 for India.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
No

If yes, name of the external agency.

Not Applicable

4. Provide the following details related to water discharged:

Parameter	FY (2025-26)	FY (2024-25)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
No

If yes, name of the external agency.

Not Applicable

5. Has the entity implemented a mechanism for Zero Liquid Discharge? (Y/N/NA) If yes, provide details of its coverage and implementation.

The Sewage Treatment Plant (STP) was implemented in July, 2023 and has now stabilized. In FY 25-26, it has treated 29,507 cubic meters of water. In next phase, plans are underway for implementing an Effluent Treatment Plant (ETP).

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY (2025-26)	FY (2024-25)
NOx	Mg/Nm ³	Ambient – 23.5	Ambient – 32
SOx	Mg/Nm ³	Ambient – 12.81	Ambient – 14
Particulate matter (PM)	Mg/Nm ³	EAf- 20.25 RHF - 16.08	EAf-16.2 RHF - 14.8
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

Not Applicable

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

Parameter	Unit	FY (2025-26)	FY (2024-25)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	41532	45401
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	136848	140646
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent/₹ turnover	0.00001	0.00001
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent/₹	0.00021	0.00021
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent /MT of Billet Production	0.737	0.730
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF which is 20.34 for India.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

Not Applicable.

8. Does the entity have any project related to reducing Green House Gas emission? (Y/N/NA)

Yes

If Yes, then provide details.

- a. The Company is strategically taking actions by adopting nature-based solutions that lead to reduction in greenhouse gas emissions and contribute towards protection of nature.
- b. As part of our sustainability strategy, we have switched over to greener fuel, and eliminated Furnace oil consumption. We have ensured that energy intensity per rupee of turnover is maintained at 0.0001.
- c. We've replaced steam boiler, which ran on furnace oil with a new VD mechanical pump powered by electricity. This change has significantly reduced emissions. Additionally, we have completely replaced the use of furnace oil with natural gas for ladle heating.
- d. The fume extraction system (FES) installed at the LRF (Ladle Refining Furnace) is designed to collect dust particles before they are released into the air.
- e. We have developed 24.2 acres of forests using Miyawaki Technique at various locations in Ludhiana and at Chali Khoo, Amritsar. In addition to this, we have also developed Greenbelt areas and parks at various locations in Ludhiana.
- f. To safeguard our essential water resources and maintain sustainability, we prioritize proper treatment and safe disposal of wastewater. By closely monitoring effluent levels and adhering to standards set by Central and State Pollution Control Boards, we ensure that our Sewage Treatment Plant (STP), operational since July 2023 and having treated 29,507 cubic meters of water in 2025-26 continues to function effectively. Next in our agenda is the implementation of an Effluent Treatment Plant (ETP) for further enhancement.
- g. We've been consistently investing in water conservation efforts to replenish groundwater.
- h. We prioritize reducing and reusing waste whenever possible, only disposing of what is necessary in a responsible manner. Our dedicated facilities manage hazardous waste, e-waste, and scrap, fully compliant with legal requirements. All hazardous waste is handed over to authorized facilities approved by the State Pollution Control Board. In the financial year 2025-26, we have disposed off 2,804.47 MT of FES dust, incurring a cost of ₹1.53 Crores for its transportation and disposal.
- i. The Company's proactive stance on sustainability and environmental responsibility is evident in its efforts to diversify its energy mix, conserve energy and water, and manage plastic waste. In addition to this, the solar power plant has been commissioned in Feb'2026. During the months of Feb and Mar'2026, we have received 98 lakh solar units. It will meet our 40% of the power requirement, which will reduce our Carbon Footprint substantially.

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

Parameter	FY (2025-26)	FY (2024-25)*
Total Waste generated (in metric tonnes)		
Plastic waste (A)	23.73	29.14
E-waste (B)	0.37	0.32
Bio-medical waste (C)	0.005	0.006
Construction and demolition waste (D)	0	1534
Battery waste (E)	3.67	3.96
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Dust – 2804.47 Spent Oil – 8.28	Dust - 3637.38 Spent Oil - 5.23
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Slag –28892 Scrap - 27482	Slag – 36990 Scrap - 30784
Total (A+B + C + D + E + F + G + H)	59214.53	72984.04

Parameter	FY (2025-26)	FY (2024-25) [#]
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000034 MT/₹	0.0000041 MT/₹
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	0.00007 MT/\$₹	0.00008 MT/\$₹
Waste intensity in terms of physical output	0.2446 MT/MT	0.2947 MT/MT
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY (2025-26)	FY (2024-25)
(i) Recycled	27482	30784
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total	27482	30784

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY (2025-26)	FY (2024-25) [#]
(i) Incineration	NA	NA
(ii) Landfilling	2804.47	3637.38
(iii) Other disposal operations	28928.06	38562.66
Total	31732.53	42200.04

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF which is 20.34 for India.

[#]Previous year data has been re-grouped and re-arranged.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

Not Applicable

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has special facilities for managing hazardous waste, electronic waste, plastic waste, bio-medical waste and scrap materials. We make sure to follow all legal rules for handling these types of waste. Our main goal is to reduce waste and reuse whatever we can. We dispose off the rest responsibly. To manage waste effectively, we undertake the following key steps:

Waste reduction: We look for ways to produce less waste by improving our processes and finding better practices, aiming to reduce the total amount of waste generated. In the financial year 2025-26, we generated 31,733.658 metric tonnes of waste, down from 42,200.036 metric tonnes in the previous financial year 2024-25.

Recycling & Reuse: We try to adopt ways to reuse materials in our operations. In the financial year 2025-26, we recovered a total of 27,482 metric tonnes of waste through recycling.

Responsible disposal: We make sure to dispose of waste that can't be reduced, recycled, or reused in a responsible manner. Hazardous and biomedical waste goes to Treatment, Storage, and Disposal Facilities approved by the State Pollution Control Board. Non-hazardous waste and e-waste are given to vendors authorized by the State Pollution Control Board. This ensures that all waste disposal meets regulations and guidelines. In the financial year 2025-26, a total of 2,804.47 metric tonnes of FES dust was disposed off through landfilling.

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

The above requirement does not apply to the Company, as it has no operations/offices located in/around ecologically sensitive areas.

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with?	If no, the reasons thereof and corrective action taken, if any.
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NA

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

Sr. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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NA

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

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

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

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

Leadership Indicators

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

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

Details For each facility / plant located in areas of water stress (for each plants there will be separate tables)

Sr. No.	Particulars		
1	Name of the area	Focal Point, Ludhiana	
2	Nature of operations	Steel Making	
3	Water withdrawal, consumption and discharge in the following format:		
	Parameter	FY (2025-26)	FY (2024-25)*
	Water withdrawal by source (in kilolitres)		
	(i) Surface water	NA	NA
	(ii) Groundwater	264529	232799
	(iii) Third party water	NA	NA
	(iv) Seawater / desalinated water	NA	NA
	(v) Others	NA	NA
	Total volume of water withdrawal(in kilolitres)	264529	232799
	Total volume of water consumption (in kilolitres)	264529	232799
	Water intensity per rupee of turnover (Water consumed / turnover)	0.000015 KL/₹	0.000013 KL/₹

Sr. No.	Particulars		
	Water Intensity in terms of physical output (optional) – the relevant metric may be selected by the entity	1.0928 KL/MT	0.9401 KL/MT
	Water discharge by destination and level of treatment (in kilolitres)		
	(i) Into Surface water	-	-
	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
	(ii) Into Groundwater	-	-
	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
	(iii) Into Seawater	-	-
	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
	(iv) Sent to third-parties	-	-
	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
	(v) Others	-	-
	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
	Total water discharged (in kilolitres)	NA	NA

*Previous year data has been re-grouped and re-arranged.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

Not Applicable

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

Whether total Scope 3 emissions & its intensity is applicable to the company?(Y/N)

No

Parameter	Unit	FY (2025-26)	FY (2024-25)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	-	Not Assessed	Not Assessed
Total Scope 3 emissions per rupee of turnover	-	Not Assessed	Not Assessed
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	Not Assessed	Not Assessed

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

*Previous year data has been re-grouped and re-arranged.

If yes, name of the external agency.

Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Water conservation	To safeguard our essential water resources and maintain sustainability, we prioritize proper treatment and safe disposal of wastewater. By closely monitoring effluent levels and adhering to standards set by Central and State Pollution Control Boards, we ensure that our Sewage Treatment Plant (STP), operational since July 2023 and treated 29,507 cubic meters of water in 2025-26, continues to function effectively. Next in our agenda is the implementation of an Effluent Treatment Plant (ETP) for further enhancement.	Utilization of treated wastewater in process activities results in a reduction in the amount of usage of fresh water.
2.	Ground water recharging initiatives	We've been consistently investing in water conservation efforts to replenish groundwater.	Initiative to contribute towards replenishment of ground water.
3.	Waste Management	We prioritize reducing and reusing waste whenever possible, only disposing of what's necessary responsibly. Our dedicated facilities manage hazardous waste, e-waste, and scrap, fully compliant with legal requirements. All hazardous waste is handed over to authorized facilities approved by the State Pollution Control Board. In the financial year 2025-26 we disposed off 2,804.47 tons of FES dust, incurring a cost of ₹1.53 Crores for its removal and disposal.	We have adopted integrated waste management policy following a 'prevent reuse-recycle- dispose' value chain. This has led to waste reduction, compliance with regulations and thereby reducing the impact of waste on the environment.
4.	Solar Plant	The solar power plant has been commissioned in Feb'2026. During the months of Feb and Mar'2026, we have received 98 lakh solar units. Going forward, it will meet our 40% of the power requirement, which will reduce our Carbon Footprint substantially.	This would reduce dependence of non-renewable sources of energy.
5.	Energy Conservation	Power consumption at LRF reduced by 8 kWh/MT from previous year by process optimization. Reduced power consumption by modification in the heat exchanger at O2 Plant. Power Saving at Hydraulic Power Pack of MFLT machine by converting Bar transfer operation from hydraulic to pneumatic.	Saving in consumption of energy
6.	Air Emissions	We've swapped out our old steam boiler, which ran on furnace oil, for a new VD mechanical pump powered by electricity. This change has significantly reduced emissions. Additionally, we've completely replaced the use of furnace oil for ladle heating with natural gas. The fume extraction system (FES) installed at the LRF (Ladle Refining Furnace) is designed to collect dust particles before they are released into the air. By optimizing the power usage through speed control, the LRF FES has achieved annual savings of ₹42 lakhs. We have developed 24.2 acres of forests using Miyawaki Technique at various locations in Ludhiana and at Chali Khoo, Amritsar. In addition to this, we have also developed Greenbelt areas and parks at various locations in Ludhiana.	These initiatives will reduce our carbon footprint and help us to achieve our ESG goals of contributing to a greener and more sustainable environment.

5. Does the entity have a business continuity and disaster management plan? (Y/N/NA). Give details in 100 words/ weblink.

The Company understands that emergencies and disasters can happen unexpectedly. To keep everyone safe, including our employees, local communities, and the environment, we have a plan in place. This plan helps us respond effectively to emergencies in our area. We regularly test and evaluate our plan to make sure it works well. This includes reviewing it with management, having third-party audits, and practicing mock drills. These steps help us see how prepared we are, find ways to improve, and make any necessary changes to be better at responding to emergencies.

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

The Company's value chain has not resulted in any significant adverse impacts on the environment. We're committed to being environmentally responsible at every step of our business operations, working to reduce any negative effects on the environment as much as possible.

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

Value chain partners were not assessed specifically for environmental impacts. We plan to formalize the process in the coming years.

8. How many Green Credits have been generated or procured:

a. By the listed entity	Nil
b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Nil



PRINCIPLE

07

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

06

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/International)
1.	Confederation of Indian Industries (CII)	National
2.	Engineering Export Promotion Council of India (EEPC)	National
3.	Society of Indian Automobile Manufacturers	National
4.	Chamber of Industrial & Commercial Undertaking (CICU)	State
5.	Steel Furnace Association of India	National
6.	Alloy Steel Producers Association (ASPA)	National

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

Sr. No.	Name of authority	Brief of the case	Corrective action taken
		Nil	

Leadership Indicators

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

Sr.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link,if available
			Nil		



PRINCIPLE

08

Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Sr. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
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Not Applicable

VSSL had spent ₹2.76 Crores on CSR in FY 2025-26 on issues of Environment, Promoting Education, Women Empowerment, Healthcare, Promoting Sports, Disaster Management, Promotion of Art & Culture, etc. Currently, Social Impact Assessments is not a compliance requirement, but as a responsible business, VSSL conducts internal assessments of these programs to evaluate the efficacy of the programs in terms of delivering the intended benefits to the target beneficiary and in gaining insights for improving the design and impact of future initiatives.

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

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

VSSL has been in the same location i.e. C-58, Focal Point, Ludhiana (Punjab) since its inception and there has been no issues on Rehabilitation and Resettlement.

- Describe the mechanisms to receive and redress grievances of the community.**

VSSL is a part of an industrial area and being a member of the industrial area, community grievances are addressed jointly with the industry association. The Company maintains a dedicated full-time CSR manager who oversees all operational CSR programs and serves as the primary contact point for community concerns. Stakeholders seeking grievance redressal may directly approach the CSR manager or alternatively submit their complaints to the Compliance Officer for appropriate action at secretarial.lud@vardhman.com.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY (2025-26)	FY (2024-25)
Directly sourced from MSMEs/ small producers	23.84%	22.88%
Sourced directly from within the district and neighbouring districts	39.83%	47.24%*

*Previous year data has been re-grouped and re-arranged.



5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

	FY (2025-26)	FY (2024-25)
Rural	0	0
Semi-urban	0	0
Urban	100%	100%
Metropolitan	0	0

Leadership Indicators

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

Sr. No.	Details of negative social impact identified	Corrective action taken
	Not Applicable	

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

Sr. No.	State	Aspirational District	Amount spent (In ₹)
	Nil		

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No/NA)**

No

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

Not Applicable

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

Not Applicable

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

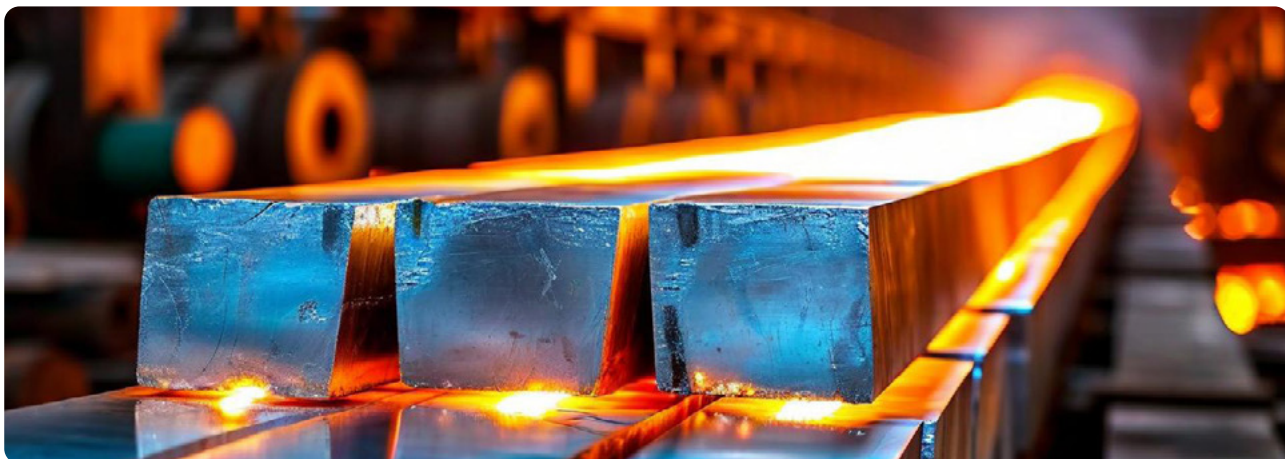
Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	Nil			

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

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
	NA		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Strengthened Women Micro-Entrepreneurs (WME) through Digital Literacy in the state of Punjab.	1,364	100%
2.	Supported education of children belonging to slum area and/ or needy families and distributed stationary to needy children.	49	
3.	Developed three E-classrooms in Ludhiana and adjoining Districts.	2,500	
4.	Promoted English Programme project in various Govt. Schools in association with Govt. of Punjab.	1,975	
5.	Developed Miyawaki Forest at 5 acres of land situated in Sangrur and developed Park at 3 acres of land situated at Metro Road, Ludhiana.	Community at Large	
6.	Provided Artificial Limbs to needy persons in the States of Punjab, Haryana and J & K.	1,453	
7.	Financial support to Punarjot Eye Bank for conducting cataract surgeries of needy people in the State of Punjab.	100	
8.	Financial support to DMC Hospital, Ludhiana, for conducting free deliveries of needy women.	25	
9.	Installed RO filter systems for providing clean drinking water facility in various schools/ colleges and parks in Ludhiana.	Community at Large	
10.	Financial support towards Punjab Flood Relief under Disaster Management.	Community at Large	
11.	Provided financial support for the Cultural Event, Saras Mela' organized at PAU, Ludhiana	Community at Large	
12.	Promotion of sports amongst students in Ludhiana in association with India Khelo Football/ Badminton Association/ Cares Sports Academy.	560	



PRINCIPLE

09

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

1. Modes of Communication: VSSL operates on a B2B model, supplying to Tier-1 suppliers of OEMs. Multiple communication channels are employed to engage with customers for receiving complaints and feedback.
2. Standard Operating Procedure (SOP) for Complaints: The Company has a detailed SOP in place to handle customer complaints within defined timelines, ensuring timely and systematic response.
3. Engagement Forums for Feedback: Management and the Company engage with customers at various forums to assess customer satisfaction levels. These interactions help identify areas requiring corrective or preventive actions.
4. Action on Inputs: Feedback and inputs received from customers are forwarded to the respective business teams to undertake new developments and corrective actions, as necessary.

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

VSSL operates on a B2B model, supplying to Tier-1 suppliers of OEMs. Since all specifications are determined by the OEM's requirements, the OEM provides all related information on environmental, social, recycling, safe disposal, and other such aspects.

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

3. Number of consumer complaints in respect of the following

	FY (2025-26)		Remark	FY (2024-25)		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	No complaints were received during FY	Nil	Nil	No complaints were received during FY
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	Nil	Nil		Nil	Nil	

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

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

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

Yes

If available, provide a web-link of the policy

The policy is available at the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Special%20Steels%20Ltd/Privacy_&_Data_Protection_Policy.pdf

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

Not Applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

c. Impact, if any, of the data breaches

Nil

Leadership Indicators

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

The web link for the information on products and services: <https://www.vardhmansteel.com/>

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

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

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

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

4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

Yes. Being a B2B supplier we disclose the relevant information required by the customer. The Company engages with its customers and conducts periodical surveys to assess the satisfaction levels related to service, delivery, quality of product, complaint handling etc.