

# Corporate Sustainability Report

2007-2009



People



Planet



Profit



*Bringing alive a billion dreams*

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# About the Report

“ This is JSW Steel’s fourth sustainability report covering sustainability performance data for FY 2007-08 and FY 2008-09, of the upstream works at Vijayanagar and the downstream units at Vasind and Tarapur. ”

“We have established a structured process for reporting on our sustainability performance. The report highlights our key sustainability risks and challenges and discusses on the approach and outcome of our engagement with key stakeholders. The report is based on the GRI G3 guidelines for sustainability reporting. It also addresses key sustainability performance indicators specified by the International Iron and Steel Institute and the UNGC principles.”

## Sustainability context

The economic boom in India and China has resulted in a rapid increase in demand for steel in recent years. While the steel demand and realizations scaled new highs in the first half of the calendar year 2008, both retracted in a period of two months due to global meltdown, contracting the demand by more than 25% and the price by 50%. This led to a reduction in operating margins for the Indian steel industry similar to its global peers and posed a short term challenge for the entire sector.

With the backdrop of this economic slowdown the steel industry faced a host of sustainability challenges like climate change, environmental protection, access to natural resources such as iron ore and coal, product innovation, employee health and safety, talent management and adding value to local communities. We have constantly engaged with industry leaders and associations like the World Steel Council to share knowledge, strategize and better manage these challenges.

## Stakeholder inclusiveness and responsiveness

This is an essential element of our approach towards understanding and acting on our sustainability priorities. We have instituted a process of identifying and prioritizing our key stakeholders and also effectively capturing their expectations. This report captures perspectives of our shareholders, financial institutions, customers, employees, suppliers, society, local community and NGO’s. We have set up effective communication channels to periodically provide information and engage with these stakeholders for appropriate addressal of their concerns. The section on “Managing stakeholder expectations” elaborates further on the process of stakeholder engagement.

## Materiality

This year, we deployed a multi dimensional process to capture core sustainability issues. Analysis of these issues is an important input to our business strategy and risk management framework. We have structured this years’ report around six focus areas which are also the essential elements of our sustainability strategy. These include energy conservation, climate change, employee health and safety, raw material security, environment management and giving back to the community.

We have measured our performance against these six core strategic areas and have reported the same in this report. For more information please refer the section on “Identifying sustainability risks and challenges”. We encourage open feedback on the contents of this report and look forward to hear from you. For any additional information please write to J K Tandon, CEO – Corporate Sustainability at [jugal.tandon@jsw.in](mailto:jugal.tandon@jsw.in)





# Business Profile



**“ JSW Steel Limited is part of the \$ 8.0 billion JSW conglomerate with an investment of ₹ 217,000 million. It is one of the fastest growing steel companies in India with a significant global outreach.”**

“Following the merger of Southern Iron and Steel Co. Ltd. we have as on March 31, 2009 installed crude steel making capacity of 4.8 MTPA in India with value added products constituting 37.5% (1.8 MTPA capacity) spread across four locations: Vijayanagar (Vijayanagar works), Salem (Salem works\*), Vasind and Tarapur (downstream units).

We commissioned the expansion project at Vijayanagar works increasing the capacity from 3.8 MTPA to 6.8 MTPA in February 2009. While expanding from 3.8 MTPA to 6.8 MTPA, Vijayanagar works added long products such as wire rod coils and TMT bars to its existing product portfolio of flat products. The downstream units produce cold rolled, galvanised and colour coated value added flat steel products.”

## OUR VISION



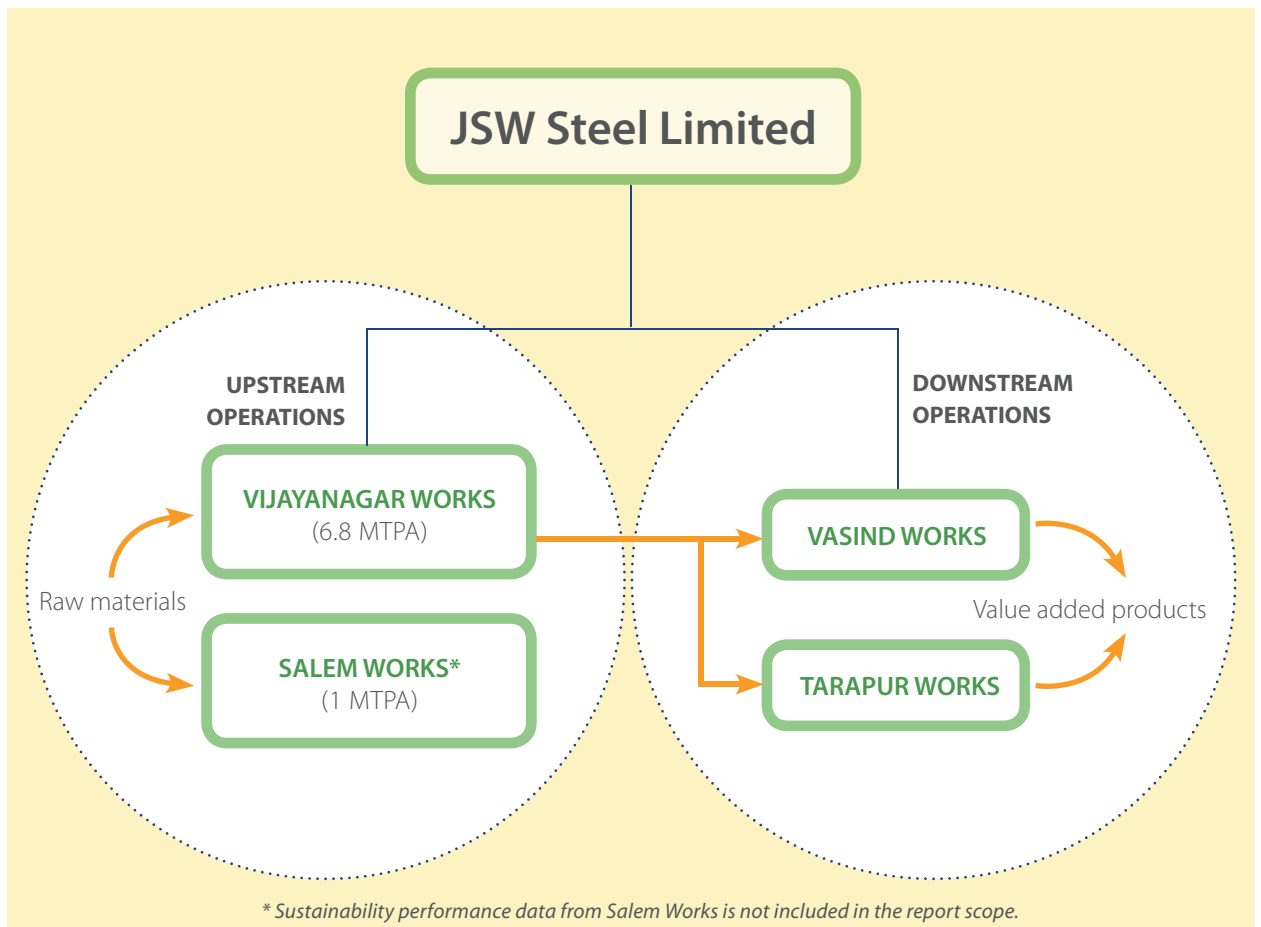
**Global recognition for size, culture and quality, while nurturing nature and society.”**

## OUR MISSION

Supporting the nation's growth in Power and Steel with Speed and Innovation.

## OUR CORE VALUES

- Crystal Clear
- Passion for Excellence
- Drive with Leadership
- Young Thinking
- Challenging status Quo



**Hot rolled products      Cold rolled products      Coated products      Long products**



The hot rolled products comprise of hot rolled coils, sheets and plates. We market our hot rolled products primarily to domestic clients. During the year 85% of the business was generated with institutional clients, while retail clients accounted for remaining 15%.



The cold rolled products comprise of mainly CRCA steel. We market our CRCA products mainly to domestic clients. This year majority of the business was transacted through dealer network with institutional clients being developed gradually.



Coated products comprise of galvanized steel, galvalume, pre-painted galvanized and pre-painted galvalume steel. Coated products are mainly used in construction sector. JSW Shoppe outlets and stockyards helped to reach the less impacted semi urban and rural sector for sale of such products.



The segment comprises of TMT bars, wire rods, spring steel flats, and merchant bars. These products are marketed through dealer networks and a set of institutional clients. We recently added 1.5 MTPA long product manufacturing facility taking our total capacity to 2.5 MTPA .

# Vice Chairman & Managing Director's Message

**“ I am convinced that sustainability brings significant value to the organization in terms of performance improvement; communication with stakeholders; exploring lesser traveled areas; establishing partnership and of these all, introspection.”**

## Dear Stakeholders,

I take pleasure in presenting our fourth sustainability report. Last year was an important year in JSW's evolution and growth as the market conditions comprehensively tested our will to survive, succeed and flourish in the midst of an economic meltdown. Although complete insulation from global tremors was not possible, what was possible was to construct a strategy that would allow us to bounce back as quickly as possible. This is precisely what we at JSW Steel set out to do over last couple of years.

We based our strategy on the unique trends that we discerned were emerging even in this gloom:

- marginal cost producers of steel in India were drastically cutting production due to high cost & liquidity crunch
- rural & semi-urban demand for steel had not dipped in India
- Indian fiscal systems and sound banking practices meant that compared to US and Europe we were on a much better footing
- the pro-active policies of the Government with its fiscal stimulus packages meant that the revival would be sooner than later in the Indian economy

In the fourth quarter of 2009 our strategy began yielding results. We not only wiped away our excess inventories but also restored normal production in all our production facilities. We could even commission our new 2.8 MTPA project by February 2009. With that, our total crude steel production capacity became 7.8 MTPA making us a leading player in India's steel sector. This also propelled us to stabilize and better the other two bottom lines. Poised to attain a position of excellence in the global arena we continue to walk on our path to sustainability with rigor and enthusiasm.

Our integrated management systems have been embraced by our employees and produced dramatic improvement in

environmental and social performance. We are an innovation driven organization and this year we have increased our efforts in the research and development. We filed 5 new patents and introduced 32 new value added products during FY 2008-09 on account of a robust R&D focus.

Our sustainability commitment and engagement efforts have resulted in strengthening our relationships with our stakeholders: shareholders, financial institutions, customers, employees, suppliers, society, local community and NGO's. We reaped the fruits of this engagement in terms of process improvements for better product quality; implementation of responsible supply-chain practices; enhanced employability of the youth from neighboring communities and compliance to regulatory requirements.

Attracting and retaining talent across the manufacturing sector remained a challenge for us as well. We focused our efforts in developing skill and knowledge base of our workforce and partnered with management institutes to enhance their employability and motivate them through life long learning initiatives. Our efforts resulted in reducing the attrition rate at downstream units.

I am convinced that sustainability brings significant value to the organization in terms of performance improvement; communication with stakeholders; exploring lesser traveled areas; establishing partnership and of these all, introspection. We as an organization have institutionalized this concept & will embrace principles of sustainability in every decision we make.

We have made this report informative, comprehensive and easy to read. I hope you find it useful. We strive to move our sustainability performance to the next orbit and your feedback would be extremely useful.



**SAJJAN JINDAL**  
Vice Chairman & Managing Director

10 | A snapshot of our  
Performance

SUSTAINABILITY ISSUES	OUR FOCUS	KEY PERFORMANCE INDICATORS	FUTURE OUTLOOK
<b>Energy efficiency</b>	Energy efficiency is a thrust area at JSW Steel since inception. Various energy conservation initiatives have been planned and executed by energy conservation teams across operations through process optimization, six sigma, de-bottlenecking, automation and other modifications.	Specific energy consumption	<ul style="list-style-type: none"> <li>Engagement of internal / external stakeholders in working towards energy conservation programs</li> </ul>
<b>Climate change</b>	Climate change poses a global threat and we have been addressing it in a systematic manner. We have successfully registered one project activity as a CDM project that has a potential of reducing 72,000 tons of GHG emissions on an annual basis. We have planned to evaluate the carbon footprint of our operations in order to move towards a low carbon growth.	Specific GHG emission Total carbon credits generated Carbon footprint	<ul style="list-style-type: none"> <li>Identification of new opportunities for GHG emission reduction</li> <li>Registration of ongoing project activities as CDM projects</li> <li>Carbon inventory of operations</li> <li>Identification of low carbon – high growth opportunities</li> </ul>
<b>Employee health and safety</b>	We aim to proactively provide a safe working environment to all employees and contract labour working at our operations. We have implemented industry best practices, knowledge and skill development of all employees in areas of occupational health and safety management. The focus is to concentrate on aspects of behavioural safety and inculcate a safety culture across our operations and offices.	Frequency rate Severity rate Injury rate Toolbox talk Safety training Near miss incidents	<ul style="list-style-type: none"> <li>Engagement of internal / external stakeholders through mock-drills, employee health checkups and safety programs to improve work environment</li> <li>Assist neighboring industries and society, at large through workshops and seminars</li> </ul>
<b>Raw material security</b>	Availability of raw material like iron ore and coking coal is a major issue for all steel industries. Sharp increase in raw material costs combined with irregular supplies hamper the bottom-line of the company. Our aim is to reduce dependency on the virgin raw material through recycle, reuse and other planned R&D innovations.	Consumption of virgin raw material Consumption of scrap steel	<ul style="list-style-type: none"> <li>Focus on increasing the content of scrap steel (recycling) in crude steel manufacturing</li> </ul>
<b>Environment management</b>	We want to implement and improve effective environment management practices and comply with legal requirements across operations. We are currently focusing on Zero waste at all our facilities.	Specific water consumption Hazardous waste disposed Material efficiency & Steel recycling Air emissions ODS consumption Environmental management systems	<ul style="list-style-type: none"> <li>Achieve higher material efficiency through operational excellence and innovation</li> <li>Reduction of impact on the environment through propagation of 3-Rs and relevance, Use of best in class management systems</li> </ul>
<b>Giving back to the community</b>	We want to be recognised as a responsible corporate citizen with a planned investment of around 1.5% of our net profits to accelerate inclusive and participatory societal growth. The focus of our social responsibility initiatives is towards education, women empowerment, community health, model village development, garbage management, agriculture and imparting vocational trainings.	Total expenditure on social responsibility programs Total beneficiaries through self help group (SHG) formation, vocational training programs, educational initiatives, health camps and health awareness programs Children reached through mid day meals	<ul style="list-style-type: none"> <li>Following a structured program with stakeholders and taking mandate through survey and focused group dialogue</li> <li>Working with society to create talent through education, vocational trainings and women empowerment to benefit business and society</li> </ul>





VIJAYANAGAR WORKS

**2007-2008****Key Highlights**

- Usage of around eight percent of coal fines generated in the Corex process in the coal blend for coke making.
- Achieved a productivity of 2.3 t/m<sup>3</sup>/d from the blast furnace against the erstwhile benchmark of 2.1 t/m<sup>3</sup>/d.
- Achieved the highest number of heats achieved in a month in steel melting shop at 2,261 heats with 3x3 operation of the converters; an Indian record.
- Achieved an average refractory specific consumption for the year at 6.50 kg/ton of steel – a new Indian benchmark.

**Key Improvements**

- Optimized the use of sinter fines (constituting 12 % of the total charge) in place of iron ore fines in Corex that led to improved productivity and a reduction in the usage of coke and iron ore fines.
- De-silicised the hot metal at the blast furnace stage which improved its quality, equipment productivity and enhanced converter refractory life in the steel melting shop.
- Initiated better water utilization practices for blow down water and other water conservation measures for reduced water consumption in the iron making complex.

**Key Initiatives**

- Commissioned the coal drying plant in Corex, reducing moisture-related problems and fuel cost during iron making.
- Commissioned the RH degasser facilitating the removal of hydrogen from steel, a necessity for making the niche API-70X grade used in the automobile sector.
- Commissioned clarifier 1, for recycling of ETP lime slurry to prevent the direct discharge of hard lime and replacing it with diluted forms.
- Projects were undertaken during the year for improving the environment management comprising modifications and additions for de-dusting systems at the cast house and stock house at Corex and BF 2.

**2008-2009****Key Highlights**

- Reduced dependence on bought out and imported Coke by commissioning all the blocks of new recovery type coke ovens with a capacity of 1.5 MTPA.
- Established rail connectivity at low cost by in-house designing, between existing 3.8 MTPA operations and new 2.8 MTPA facilities for better operational flexibility.
- Modernization of the HSM mill completed to enhance the capacity from 2.5 MTPA to 3.2 MTPA.
- Added wire rod mill and rebar mill to the basket of value added products.

**Key Improvements**

- Increased coal dust injection from 60 kg/T to 70 Kg/T in blast furnace.
- LD gas recovery improved from 70 cu m/T to 101 cu m/T.
- Successfully developed APIX-70 grade slab used in manufacture of pipes for transporting petroleum products and gases.
- 200 TPH boiler commissioned leading to increased captive power generation capacity to 130 MW at CPP2.

**Key Initiatives**

- Replaced the usage of Corex gas in new recovery coke ovens by implementing the auxiliary consumption of coke oven gas generated within the unit, thereby saving the Corex gas for better utilization in the plant.
- Started higher usage of the coke oven gas by mixing with blast furnace gas, for various operational requirements in the plant.
- Increased product range in HSM with rolling of wider HR coils from 1270 mm to 1320 mm, thereby facilitating 3 slits compared to 2 slits earlier in service centre, resulting in yield improvement by about 0.5%.
- Applied for TS 16949: quality certification in CRM, which is a globally accepted and recognized standard for automobile steel.



VASIND WORKS

**2007-2008****Key Highlights**

- Obtained the 'GALVALUME' trademark from BIEC International, the worldwide licensor of the technology and know-how associated with 55% aluminum and 45% zinc alloy coated steel sheets - leveraging the 40 year-BIEC experience to appoint renowned suppliers from whom the key machineries for the galvalume line were procured.

**Key Improvements**

- 30 MW captive power plant is being set up at Tarapur to meet the requirement of downstream units. Civil work is in progress and the plant is scheduled to be commissioned by October 2008.
- New colour coating line No. 2 is being set up at Tarapur and is scheduled to be commissioned by end September 2008.
- Setting up of a railway siding at Vasind is in progress. Approval from railways has been received. The scheduled date of completion is by end of fiscal 2008-09.

**Key Initiatives**

- Converted DC drives to AC variants at several units of the rolling mill, HR plate mill and galvanizing lines to optimize the power consumption.
- Installed an energy management system that records the total units of power consumed by each cost center. This system generates an automatic e-mail on a daily basis, enabling an informed self control over the total power consumed by each of these.
- Installed capacitor banks to stabilize and maintain the plant factor towards the higher end, leading to qualification under incentive linked schemes run by the electricity board.
- Replaced Chrome 6 by Chrome 3, a more internationally accepted and environment friendly chemical used for antifinger print coating on galvanized products.
- Reduced the usage of colour in the colour coating line by optimizing the use of imported and domestically procured

**2008-2009****Key Highlights**

- New colour coating Line (0.132 MTPA) was commissioned in August 2008.
- Increased the production of HR Plates by eight percent.
- Operated galvanizing Unit at over 100% of the rated capacity in January 2009 and manufactured more than 80,000 tons against the installed capacity of 75,000 tons per month.

**Key Improvements**

- Optimized processes through six-sigma projects in CGL 2, primarily in the ceramic pot inductors and cooling blowers, among others resulting in power savings by 7kwh/t at Vasind.
- Reduced furnace oil consumption by 100 KL per annum by installing steam condensate recovery system at Vasind.
- Power savings by 200,000 KWH per annum at Tarapur by installing VVVF drive in pump houses.

**Key Initiatives**

- Converted CSD 3 at Tarapur to galvalume with dual pot arrangement for galvanizing and galvalume. The line can be switched from one product to another in just 1 hour. The process speed increased from 120 mpm to 150 mpm during conversion.
- Commissioned the new automatic gauge control system for better thickness control in hot rolling mill for consistent plate thickness.
- Commissioned the electrostatic oiler in the skin-pass mill for uniform oil control and lower oil consumption.
- Introduced additional port facility at Dharamtar (Alibaug) to accelerate material dispatch/stuffing in containers & import of coal for 30 MW CPP at Tarapur under commissioning.
- Developed the Z-test facility for HR plates.

# Expectations

“ We have identified and prioritized six key stakeholders for JSW Steel: shareholders, financial institutions, customers, employees, suppliers, society, local community and NGO's.”

“We have instituted a structured process for identification and prioritization of stakeholders and also to understand their concerns and expectations. The prioritization was based on our impact on them and their influence on our operations. Interactions with key stakeholders forms a part of the strategic action plan for the company. The table below articulates short term and long term expectations of the key stakeholders and our respective action plans to meet those expectations to further strengthen our partnership.”

	STAKEHOLDER EXPECTATIONS	METHOD OF ENGAGEMENT	ACTIONS	OWNER
<b>Customers</b>	Meeting delivery schedules/ Consistent supply	Customer end user requirements/ Price/ Commercial	Outreach to rural market segment through JSW Shoppe	HOD (Marketing)
<b>Employees</b>	Remuneration / Career growth/ Job rotation	HR practices / Skills & competence levels/ Employee perceptions/ Benchmark data / Training & development needs/ Compensation & recognition system	Offering ESOPs to employees, to inculcate a sense of belongingness	HOD (HR)
<b>Society / Local Community</b>	Drinking water/ Road/ Infrastructure/ Sustainable livelihoods generation programs	Community surveys / One-to-one interaction / Public meetings / Town hall sessions	Partnering with NGOs and government agencies for community development / Creation of sustainable livelihoods	Head (JSW Foundation)
<b>Suppliers</b>	Timely payments	Supplier performance/ Vendor rating/ Price movements	Exporting through partners for availing EPCG benefits/ Creating a win-win situation by entering into JVs, long term contracts etc.	HOD (Commercial)
<b>Share-holders</b>	Dividend/ Growth	Annual General Meeting, interactions through media, investor meets	Timely reporting of financial results	The Board/ Shareholders / Investors grievance committee
<b>Government</b>	Meeting legal requirements/ Generation of employment/ Regional development	Continued dialogue with Government on industry issues, regulatory reporting to statutory bodies, visits of government officials	Regulatory compliance	Legal cell
<b>Financial Institutions</b>	Interest payment/ Maintain credit worthiness	Investor meets, Analyst meets	Providing information to market analysts, timely reporting of financial results	HOD (Finance & Accounts)
<b>NGOs</b>	Sustainable community development	Social satisfaction survey, Continual dialogue through various CSR initiatives	Entering into partnerships with national and international NGOs to promote sustainable development	Head (JSW Foundation)

# Sustainability Risks and Challenges

“Management of resources to reach 10 MTPA at Vijayanagar works in a short duration; availability of key inputs such as iron ore, coking coal and fluxes; manpower retention and motivation; logistics management; and maintaining a robust financial profile are our strategic challenges towards sustainable growth.”

“We have envisioned certain strategic challenges for our sustainable growth as highlighted above. We have considered inputs from our senior management, internal and external stakeholders, and sustainability challenges for the steel manufacturing sector as highlighted by external bodies in arriving at these challenges. While we have made significant progress in addressing a few of them, we are in a phase of assessing our exposure to the remaining challenges.”



# Embedding Sustainability into Business Growth

“The overall business operations at JSW steel are driven by a set of values: crystal clear, drive with leadership, distributing the benefit and young thinking that help JSW steel achieve excellence on all aspects of its business.”

## JSW Steel's long term vision is to:

- Prepare and groom next generation of young thinkers
- Continuously drive cost stewardship in its value chain
- Nurture long lasting customer relationships, by anticipating and delivering beyond expectations
- Become a catalyst for growth amongst the nation's steel industry
- Market value added branded products for both domestic and global markets

## Risk management

We have an integrated, prudent and proactive approach to risk management to ensure that organizational objectives are achieved with reasonable predictability and resilience. We follow the Committee of Sponsorship Organization's (COSO) Framework of risk management. Process specific risk for 85 processes are identified and regularly reviewed by process owners. All risks are assessed for probability of occurrence and impact on occurrence. Impact on strategy, operations, reporting, compliance, employees, environment, health and safety is analyzed.

The risks are classified as high, medium and low and inherent controls and mitigation measures are considered. Process owners maintain process specific risk registers and updated and reviewed regularly. A risk sub committee of Directors (3 independent and 3 executive) meets quarterly to discuss new high risks, movement in high risks and action status.

## Sustainability and business growth

With an understanding that "responsible operations" is the key to sustainable growth, we have embedded environmental and social aspects into our strategic planning and governance processes. The business risk environment was developed after consideration of societal risks which include environmental pollution, local resentment and hazardous operations. We have also defined a few "critical success factors" for successful implementation of our business strategy indicated in the adjacent figure.

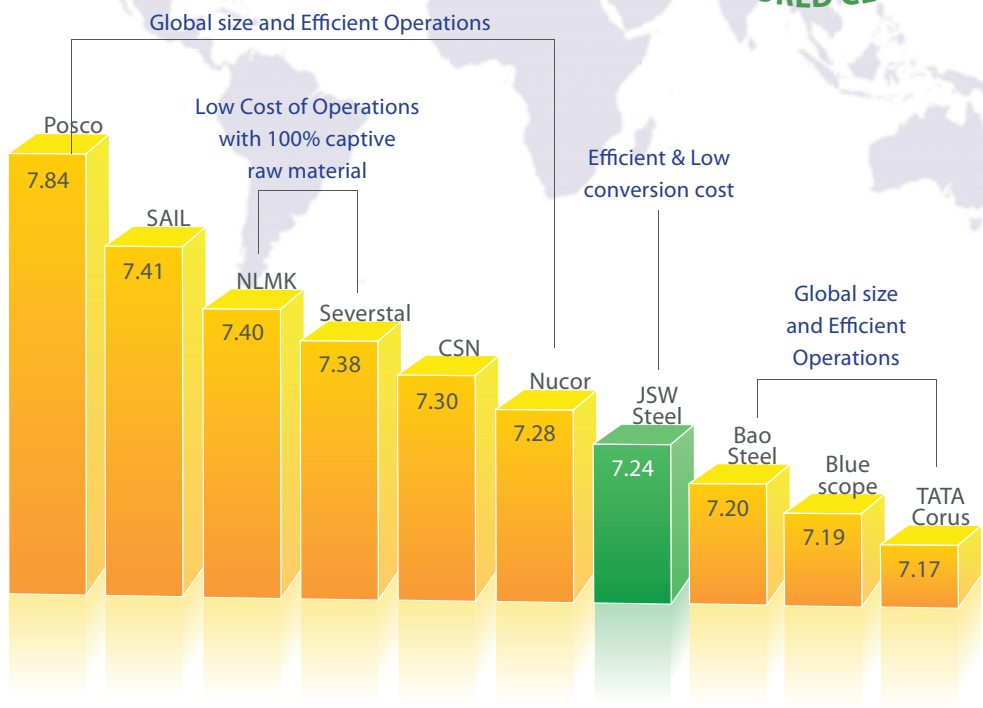
## Strategic action plans at JSW are monitored through a number of performance indicators:

- **Value for stakeholders:** Operate business in an efficient and financially sustainable way in order to supply steel products and solutions that satisfy our customer's needs and provide value to our stakeholders.
- **Safety and health:** Foster the concept of well-being amongst employees and provide them with a safe and healthy working environment.
- **Environmental protection:** Optimize the eco-efficiency of our products through life-cycle, increased energy and resource efficiency in the production and use of steel. We are committed to 3R's principle.
- **Local communities:** Demonstrate social responsibility by promoting values and initiatives in areas of health, education and livelihood generation.
- **Ethical standards:** Conduct our business with high ethical standards and demonstrate the same in our dealings with employees, customers, suppliers and the community.
- **Stakeholder engagement:** Engage with our stakeholders and independent third parties in constructive dialogue to find acceptable and sustainable solutions.

**Internal & External Environment Analysis**



**Long Term Sustainability Focus Areas and KPIs (2009-2012)**



**POTENTIAL TO IMPROVE FURTHER DUE TO**

- Scaling up capacities
- Increasing raw material security

**PARAMETERS FOR ACHIEVEMENT OF RATING (10/10)**

- Conversion costs
- Expanding capacity
- Location in high growth markets
- Labour cost



As a policy, Head of Safety and Head of Environment directly report to the Jt. Managing Director on all health, safety and environment matters and also to develop policies and strategies for maintaining high level of health, safety and environmental standards across our operations."

“ **Sustainability cannot be achieved without good governance. At JSW Steel, we have integrated economic, environmental and social dimensions within our corporate governance framework.**”

### Internal controls and audit

Our internal control system provides for adequate documentation of policies, guidelines, authorities and approval procedures covering all important functions of the company. The deployment of an ERP covers most of our operations supported by a defined on line authorization protocol. We have a strong internal audit department comprising of 25 executives reporting to the Audit Committee. The internal audit personnel follow rigorous international and national standards and practices to provide strength to our internal control mechanism. We have successfully integrated the COSO framework with the audit process to enhance the quality of its reporting (financial and sustainability), compatible with business ethics, effective controls and governance. The internal audit department prepares a risk based audit plan approved by the audit committee. The frequency of audits is decided based on the risk ratings of areas/ functions.

### Ensuring regulatory compliance

We have an excellent track record of adhering to various statutory requirements such as industrial labour laws, taxation issues, pollution control board norms and factory related acts. Further, we are also following the CREP guidelines given by MoEF for Integrated steel plant operations.

### Management systems

All processes are continuously monitored and analyzed for introducing any incremental improvements. We have systematically introduced QMS, EMS and OHSMS across our operations and are certified to ISO 9001, ISO 14001, and OSHA 18001. The implementation of TS 16949 certification of cold rolling mills is in progress. The key performance targets under each process are monitored and reported periodically by HODs, COO and CEO at various forums.

### Continual improvement

Improvement activities are identified through audits, external assessment, and customer feedback. Also under QMS, EMS and OHSMS improvement activities are identified which are taken up under Quality control, cross functional and six sigma themes. The prioritization is based on customer, employee safety or statutory requirements. Based on the availability of financial resources improvement initiatives are ranked, action plans are drawn and monitored. Further we have created 10 independent key support processes that interface and interact closely with the six strategic areas. Effective governance is one of those 10 processes.



For more information,  
please refer our Annual  
Report (FY 2008-09) on  
[www.jsw.in](http://www.jsw.in)

# Awards & Accolades

“ **JSW in its efforts towards propagating sustainable development received several external recognitions. We won the following prestigious awards during the period 2008-09 for excellence in various sustainability dimensions:**

## LIST OF AWARDS RECEIVED BY JSW ( 2007-2009 )

### Greentech Safety Award

April 2008

Gold award in metal and mining sector for outstanding achievement in safety management by Greentech Foundation

### CII Exim Award

November 2008

Commendation certificate for significant achievement towards business excellence

### G3 Awards for Good Green Governance

April 2008

Winner's trophy in the manufacturing category by SHRISHTI

### National Sustainability Award

November 2008

First prize for excellent performance in integrating steel plant operations

### TERI Corporate Environmental Award

May 2008

Certificate of appreciation for efforts towards environmental management and innovative initiatives amongst corporations with a turnover above ₹ 5,000 million

### CII ITC Sustainability Award

December 2008

Commendation certificate for significant achievement on the journey towards sustainable development

### CII National Energy Management Award

August 2008

Excellent energy efficient unit by CII

### National Award for Excellence in Water Management

December 2008

Adjudged as "Water efficient unit" by CII during national competition for excellence in water management

### Greentech Environmental Excellence Award

September 2008

Gold award in metal and mining sector for outstanding achievement in environmental management

### Golden Peacock Award

February 2009

Winner for Corporate Social Responsibility

### IMC Ramkrishna Bajaj National Quality Award

March 2009

Performance excellence trophy in Manufacturing category



▲ Golden Peacock Award - 2009  
Winner for Corporate Social  
Responsibility

Sajjan Jindal has been ►  
conferred the Willy Korf / Ken  
Iverson Steel Vision Award for  
his contribution to the steel  
industry - only the second  
Indian to receive the honour.



“ We adopted two pronged strategy of reducing the cost of production and of leveraging the growth in domestic demand, which was less impacted by global crisis, to increase our market share.”

“The global crisis in the 2008-09 had no parallel after the great depression of 1930 that shook the world economy and no company was insulated from this crisis. In spite of this turbulence and turmoil, we posted a crude steel production of 3.724 million tons and sold 3.428 million tons of various steel products during the year 2008 over the previous year.”

The growth would be much higher if the trial production and respective sales of 0.140 million tons and 0.076 million tons respectively from the recently commissioned expansion project in were to be included with the volumes from existing operations.

While the world crude steel production contracted by 25%, due to production cuts caused by severe demand contraction, we restored normal production in January 2009 and also commissioned the expansion project in February 2009 to become a leading player in the Indian steel industry with an installed capacity of 7.8 MTPA.

In view of the swift changes in strategies and our inherent strength, we remained profitable. We also worked out a business plan for the fiscal year 2010 to produce 6.4 million tons and sell 6.1 million tons of various steel products – a growth of 72% and 78% respectively over this year.

**Customer focus**

JSW Steel places paramount importance to customer delight. To comprehensively understand customers’ requirements and opinions we conduct bi-annual third party customer satisfaction surveys.

The results of the last survey conducted were encouraging for us with nearly 97% of our customers rating our relationship building and product quality attributes from good to excellent. We also engage with clients through customer meets at their respective locations. The agenda is not only to share the future plans and improvements of JSW Steel but also to understand their own growth plans.

In 2008, we also arranged a customer meet in Frankfurt for our export customers and in 2009 we arranged one for our long products customers at Vijayanagar works. We also conduct proactive visits of cross – functional teams comprising of related departments along with the customer account managers for understanding improvement areas on the quality, service issue and product development.

Particulars	Financial Year	
<b>Saleable Steel</b>	3.405 mn tons	2007-08
	3.428 mn tons	2008-09
<b>International Presence</b>	Over 100 Countries	31 March '09
<b>Dealer Base</b>	300 + nos.	31 March '09
<b>JSW Shoppe</b>	50 Outlets	31 March '09

LOCATION	PRODUCT	2007-08	2008-09
<b>Vijayanagar Works</b>	Slabs	3.171	3.079
	HR coils	2.717	2.519
	CR coils	0.060	0.344
<b>Downstream units</b>	HR plates	0.226	0.245
	Galvanised / Galvalume	0.745	0.723
	Colour coated	0.090	0.090
<b>Works</b>	Billets and blooms	0.456	0.645
	Rolled long	0.329	0.330
<b>Total crude steel production</b>		3.627	3.724

All values in million tons



## KEY FEATURES

- Maximizing value added products, customization, import substitution along with expanding pan India reach
- Consistent product quality and timely deliveries enacted a long term business relationship with its valued set of customers, both in domestic as well as international markets
- A prominent domestic supplier of flat and long steel products and a leading strategic exporter of coated products
- Leveraging operation's locational advantages to increase market share strategically in southern & western regions
- Growing towards rural and semi urban domestic markets having a large demand potential

	2005-06	2006-07	2007-08	2008-09
EBIDTA	21,290.00	29,219.00	35,068.50	30,926.70
Total taxes	1,3670.90	9,020.00	13,550.00	13,740.00
Gross sales	68,015.20	93,373.40	126,289.10	151,792.90
Profit after tax	8,565.30	12,920.00	17,281.90	4,585.00
Earnings per share (₹)	55.57	78.88	94.18	22.70
Wages and benefits	1,270.40	1,754.70	2,887.50	2,739.80

All figures in ₹ million except for "Earnings for Share"

# Intellectual capital Management

“ At JSW our efforts towards human resource management are directed at maximizing productivity and enhancing employee satisfaction by providing our workforce opportunity for growth, good quality of life and contributing to the overall well being.”

“The HR strategies and plans at JSW steel limited are deeply embedded within the company’s short term and long term growth plans. All policy level decisions are taken at our annual leadership meet that is attended by top executives from all group companies.”

The annual business plan covers the targets in important areas such as production, cost, quality, consumption of major consumables, marketing, price realization, HR initiatives, etc. These targets are used as guidelines for framing the tasks and targets and KRA’s of individuals under the performance management system. Also while designing the annual incentive scheme, targets as per the business plan are taken into account as the base and incentive payment is wholly based on the achievement of these targets.

Key initiatives taken during the period 2007-09 include Gallup engagement survey, new PMS development, 7 MT (expansion related) manpower deployments and implementation of compensation linked to performance management system.

The HR policies, strategies and plans emanate from the feedback received from the employees. The employee feedback regarding HR policies and other related subjects are obtained from regular interactions, various teams, surveys and open sessions, which are held periodically. The feedback is analyzed and then forwarded to the management during the annual leadership meet.

We recruit fresh graduates and diploma engineers, while experienced executives are only recruited for critical positions where existing skills are not adequate to meet the job requirements. We also out source certain routine jobs to contractors, supplementing the key functional areas.

## Career development

At JSW Steel, we manage the career development of our employees through cross functional exposure. Career planning is done for identified and potential executives in order to prepare them for taking up new challenges ahead, including smooth transition of succession planning of senior executives by the immediate subordinates.

We have an annual appraisal system for all employees. On the basis of the self appraisals filled in by employees and subsequent approvals by the reporting managers, employee development plans are created to serve as a ready reference for the development and progress of each employee.

## Leadership and succession management

To enable second line of leadership to take additional responsibilities emerging from the expansion activities, potential successors are identified in key areas for ensuring smooth running of our operations. JSW Steel believes in creating tomorrow’s leaders by appropriate identification and nurturing of potential talent. We have structured a few initiatives around leadership development and succession management like;

- **Leadership competency framework:** Define leadership competencies for organizational success; reinforce competencies through focused training, feedback and mentoring-coaching initiatives
- **Succession management process:** Identify key leadership positions; groom leaders from within the organization
- **180° input process:** Identify the leadership potential and areas for development for emerging leaders. This initiative is backed by individual development plans
- **Horizontal integration:** Responsibility delegated to top executives with an aim to make the organization leaner

## Tapping employee feedback

We have been conducting surveys by independent agencies from academic institutions to understand employees better. The feedback received from such surveys is utilized for improving upon our HR policies. We also send our employees to other national and international steel plants for studying the best HR practices adopted in the sector.

**Training and development**

JSW Steel has consistently invested in growing the team learning curve, for an important reason- it believes that people are the most important asset, providing sustained growth over the long term.

We emphasize the importance of training at every level. The budget allocated for per capita training man days is one of the highest in the steel industry. Three exclusive Management Development Programs (MDPs) for senior and middle management have been conducted at Indian Institute of Management, Ahmedabad and Bengaluru. Development of e-learning modules for graduates for upgrading their professional qualifications is under progress.

We also believe in upgrading the skill of the existent workforce to further enhance our talent pool and also equip them with life long employability opportunities. We have engaged with BITS Pilani to enable our diploma holder employees to pursue Bachelor of Science course. The first batch of such 50 employees from Vijayanagar works will graduate in 2010.

**Induction training**

We provide a compressed induction training program of 15 days for all new recruits. This program comprises of in-depth technical and operational training at the shop floor level. Besides theoretical concepts, the trainings are designed to give exposure on practical, behavioural, safety and environment aspects. Engineer trainees (Graduate Engineer Trainees) are at also trained on advanced technical and operational subjects.

**Year round training**

At JSW Steel, we have created a training calendar, based on senior management’s feedback and in line with the development needs identified during the performance appraisal. The training modules also include wellness programs on stress management and yoga.

**Overseas training**

We regularly send teams to reputed global steel manufacturers to strengthen their insight into steel manufacture. Training effectiveness is evaluated comparing pre training performance with that of post training.

**Employee welfare**

We have initiated various employee welfare activities aimed at enhancing motivation levels. We have also created a township for our associate employees, accommodating over 2,000 families. In FY 2008-09, we provided benefits worth ₹ 214 million to our permanent employees through meal vouchers, maternity benefits, annual bonus, leave travel allowance, performance reward, conveyance reimbursement, vehicle and housing loan subsidies.

**JSW- an equal opportunity employer**

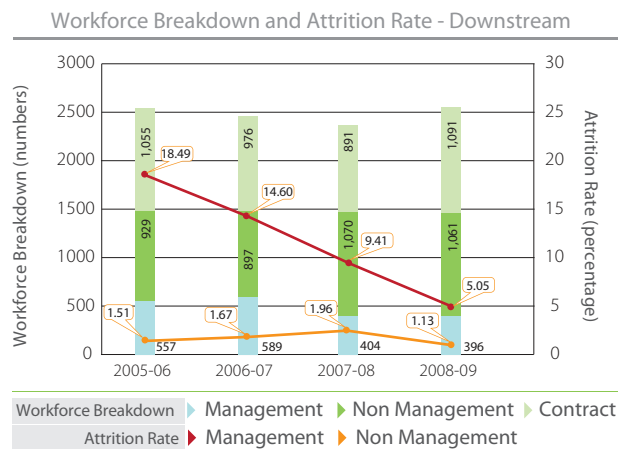
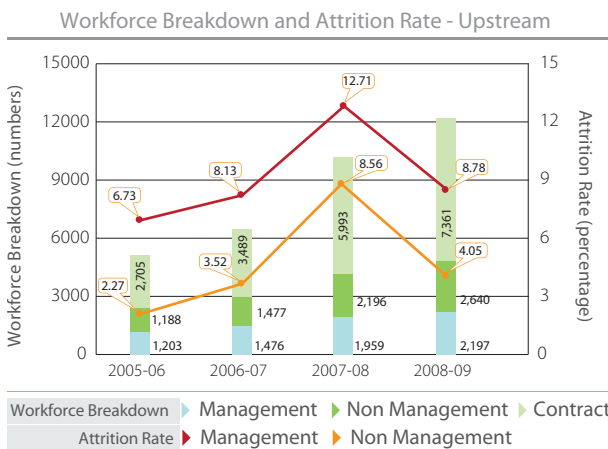
JSW Steel is an equal opportunity employer and does not discriminate employees on the basis of race, religion and gender. In line with this, we also encourage women to take up challenging positions across operations.

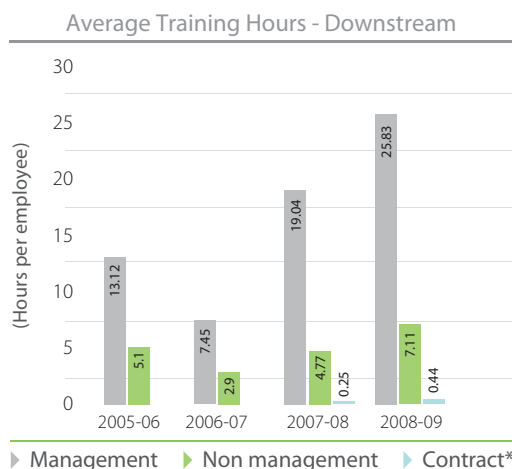
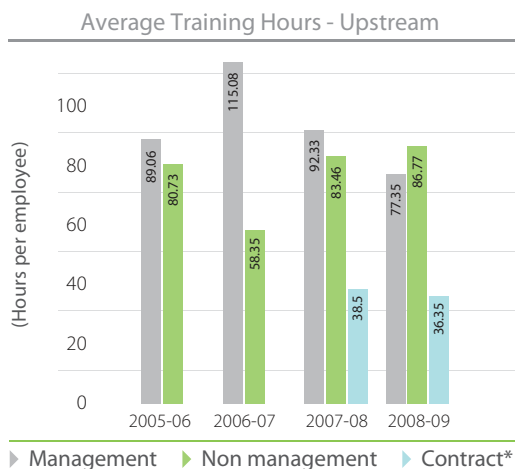
**Rewards and recognitions for employees**

Rewards strengthen an employee’s competitive spirit and motivation levels. We have designed several reward schemes for our employees under individual and group reward systems.

**“Mera Sujhav”- suggestion scheme**

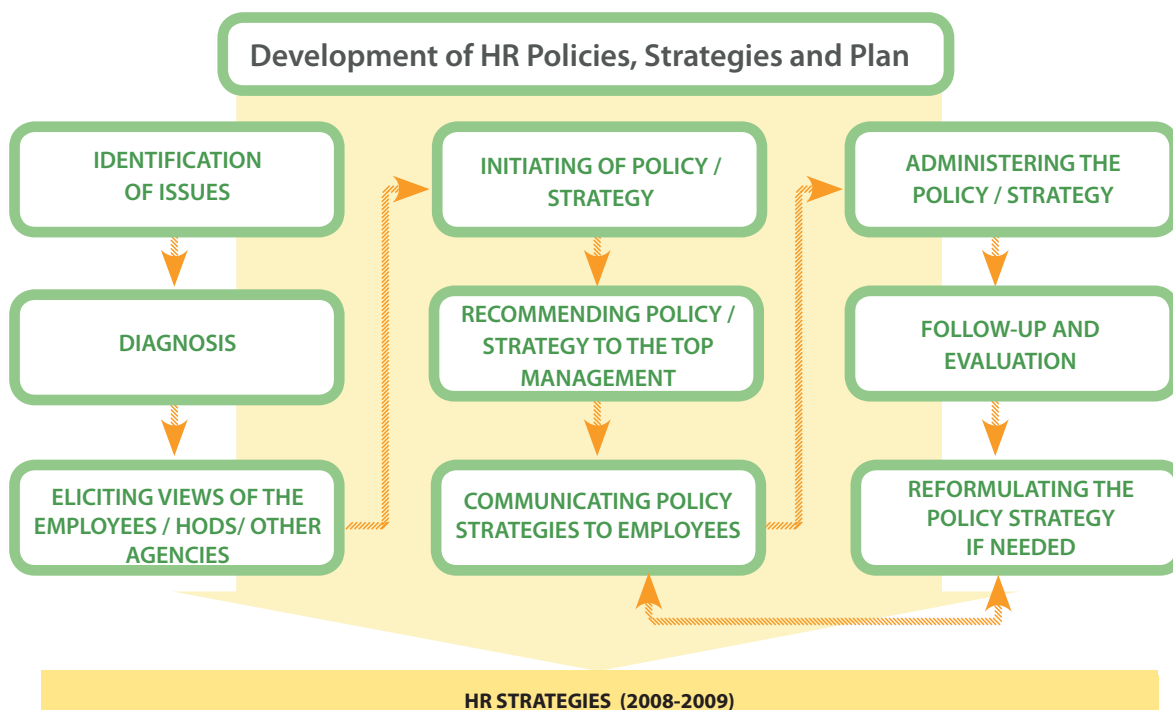
This suggestion scheme is held every year to tap the hidden potential of employees. Savings due to this suggestion scheme amounted to ₹ 1.2 billion in 2007-08 and ₹ 1.3 billion in 2008-09. The total number of suggestions received from employees was 12,895 and the suggestions accepted for implementation stood at 8,088. In order to encourage suggestions from employees on a continued basis we also declare monetary rewards. In 2007-08 the total reward amount for employees was ₹ 2.2 million.





\* Mapping of training hours for contract personnel started from 2007-08

\* Mapping of training hours for contract personnel started from 2007-08



### HR STRATEGIES (2008-2009)

#### Manpower Planning and Talent Acquisition

- Manpower budget 10 MT - employees based on position / function / location / skills / competencies
- Job descriptions for all positions
- Strict watch on teeth to tail ratio
- Recruitment manual - giving details of requirements for each position
- Identify key gaps (critical positions, budget vs actual numbers)
- Introduce testing elements for senior level

#### Talent Management

- Identify critical positions at Top, Senior & Middle management levels and their successors

#### Talent Development

- Competency mapping by SHL and Training to meet competency gaps
- Management Development Program
- E-learning module for GETs
- To create training infrastructure at group level for management training

#### Organisational Development

- Gallup workplace engagement study



**INDIVIDUAL REWARD SYSTEM**

- Retention Bonus
- Best Suggestion Award
- Late S Chandrashekhar Memorial Best Employee Award
- Best Safety Man Award
- Young Thinkers Award
- Bravery and Courage Award
- Best Quality Circle
- Best Employees of JSW & Associate Employees
- Intellectual Property Rights
- Best Contractor

**GROUP REWARD SYSTEM**

- Significant Performance
- Exemplary Work
- Intellectual Property Rights
- Best Suggestion
- Best Safety Department
- Interdepartmental
- National & International
- Best Green Belt Development Award

CORE AREA OF EVALUATION	MEASURE	SCORES			
		2005	2006	2007	2008
<b>Motivated Manpower</b>	Equal opportunities	52	73	78	85
	Educational facilities	76	80	73	79
	Quality of work life	84	70	74	80
<b>Trust</b>	Grievance redressal	72	81	80	88
<b>Relationship</b>	Communication	83	78	81	86
<b>Motivated Manpower</b>	Manpower rationalization and impact on motivation	-	91	88	96
	Quality of work life	87	72	75	81
<b>Trust</b>	Grievance redressal	77	85	82	89
<b>Environment</b>	Environment policy	89	74	75	81

# Energy conservation & Climate Change

“Energy conservation initiatives have been taken in different areas over the years using six sigma methodology; de-bottlenecking techniques; process modification and automation.”

“Steel making consumes large amount of energy, mainly derived from coal, a natural resource. Measures to conserve energy and improve efficiency leads to reduced use of this natural resource. Hence to map energy consumption trends against benchmarks, we closely monitor it on a daily basis across our operations.”

Majorly, coal constitutes to our direct energy consumption at Vijayanagar works. By-product fuel gases generated in iron and steel making units meets the internal gaseous fuel requirements of reheating furnace, and other utilities. The surplus by-product gases are used for power generation. Electricity is sourced from JSW Energy Ltd. at Vijayanagar works.

At Vasind and Tarapur works the direct energy requirement are met through petro fuels such as LPG, Furnace Oil, LDO, and HSD. Electricity is sourced from state electricity grid at Vasind and Tarapur units.

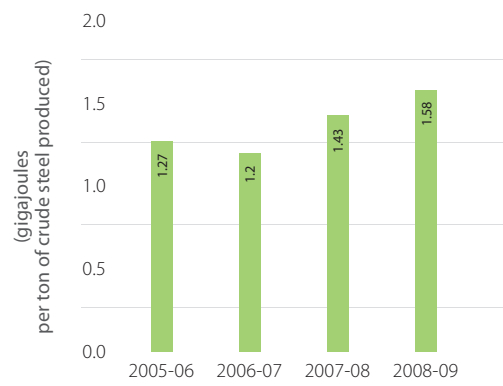
The graphs indicate the trends of energy consumption figures at upstream and downstream units for the past four years. There has been a steady decrease in the specific energy consumption at Vijayanagar works due to the following measures taken for energy conservation:

- Increase in coal dust injection in blast furnace from 60 kg/ton to 70 kg/ton
- Enhancement of LD gas recovery from 70 cum/tcs to 101 cum/tcs
- Installation of 200TPH boiler using waste gases for enhancing the power generation at CPP-2 using waste gases

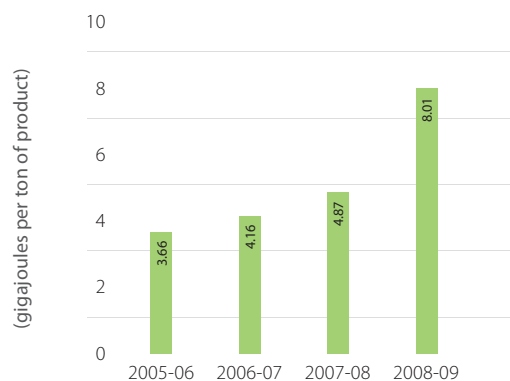
Specific Direct Energy Consumption - Upstream



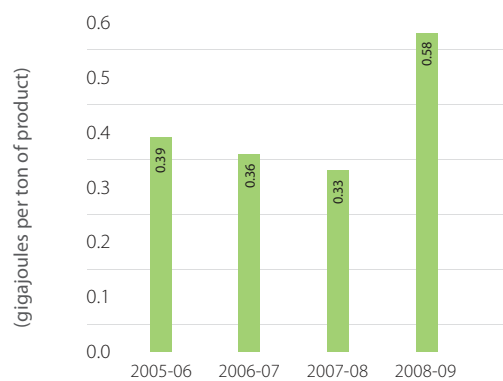
Specific Indirect Energy Consumption - Upstream



Specific Direct Energy Consumption - Downstream



Specific Indirect Energy Consumption - Downstream



On account of these energy conservation initiatives taken at upstream works, the specific energy consumption has decreased over the past two years. As compared to 2006-07, the specific direct energy consumption has decreased by nearly 23 % in 2008-09.

However, the specific indirect energy consumption majorly electricity, increased due to commissioning of wire rod mill and bar rod mill. The specific energy consumption at downstream units increased due to commissioning of new value added product facilities such as 0.13 MTPA color coated line.

### ISLANDING SCHEME AT VIJAYANAGAR WORKS

- The electrical power system of JSW Steel Ltd. and JSW Energy Ltd. is synchronized with the state electricity grid. Any disturbance in the grid directly affects the steel plant operations. In order to prevent interruption, an islanding scheme was designed and implemented to isolate the critical load of steel plant from external disturbances.
- This islanding scheme helped to: avoid unexpected tripping of captive power owned generating units; avoid total black out of steel plant; avoid tripping of vital utilities such as oxygen plant; swift restoration of the non-critical units in case of tripping, and safe operation.

#### GHG Emissions

In steel manufacturing carbon-dioxide emissions form the major component of GHG emissions. The total direct and indirect CO<sub>2</sub> emissions have been presented in the graphs given below.

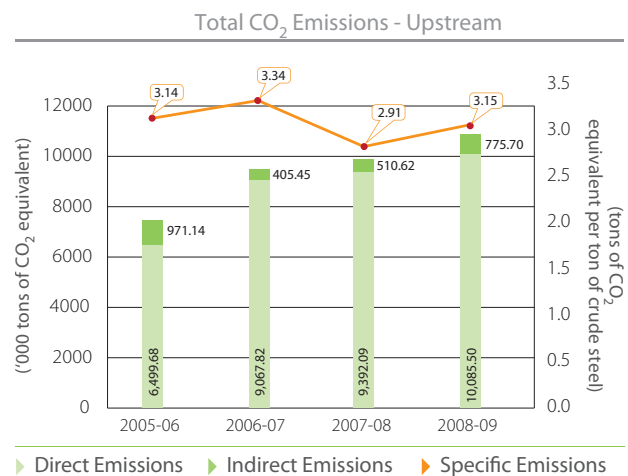
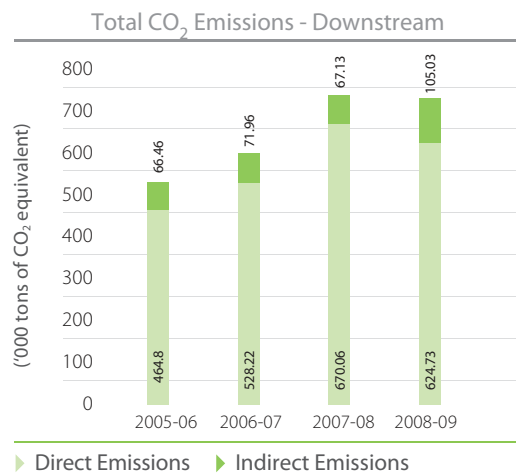
Vasind unit registered a 19 % decrease in consumption of ozone depleting substances while at the Vijayanagar works the ODS consumption was maintained at par with the previous year's consumption.

The Tarapur unit has successfully eliminated the usage of ozone depleting substances and we plan to do the same at the other operations in the coming years.

#### Clean Development Mechanism

JSW Steel has taken a lead in utilizing the opportunity provided under the Clean Development Mechanism. One project activity has been registered as a CDM project that has a potential of reducing 72,000 tons of GHG emissions per year. This has resulted in a benefit of ₹ 1,111.10 million in 2007-08 and ₹ 485.80 million in 2008-09. In addition to above two projects related to use of waste gases for power generation are under the process of registration at UNFCCC.

We have instituted the Earth Care Awards for Excellence in Climate Change Mitigation and Adaptation, along with The Times of India. These awards felicitate individuals and industry representatives for initiatives in management of natural resources and mitigation of greenhouse gases.





“ Our focus on water conservation at Vijayanagar works helped us achieve the lowest specific water consumption amongst integrated steel plants in India.”

#### RAW MATERIALS

Steel making at Vijayanagar works involves use of natural resources such as coal, iron ore, fluxes, and water; which have the potential to create an impact the environment, if not managed appropriately. The downstream units at Vasind and Tarapur process large volume of intermediate products such as slabs, coils that have a relatively low potential of impacting the environment.

At Vijayanagar, we import coke, an intermediate product, when we are short of coke. In order to calculate the raw materials consumption and specific consumption, we have considered the equivalent coal, if coke were not to be purchased.

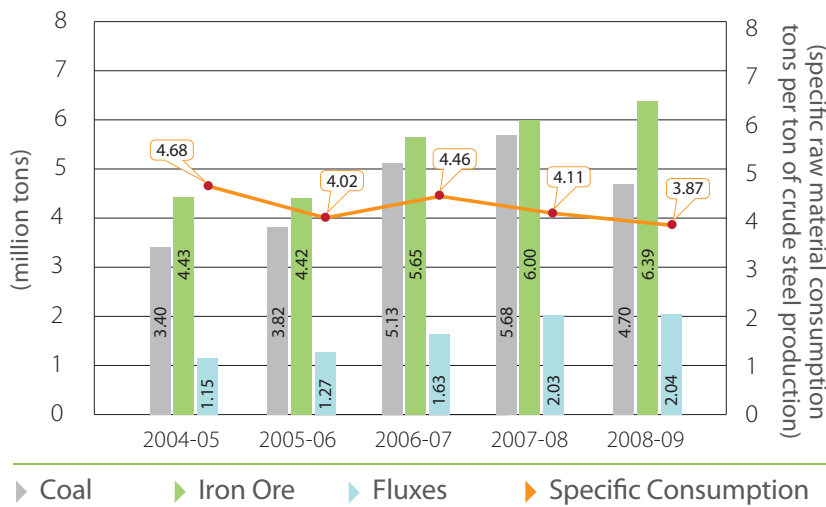
The normalized consumption of major solid raw materials and their specific consumption is shown in the adjacent graph. The specific conservation of raw material is higher as the beneficiation of low grade ore is carried out at Vijayanagar works.

Steel is an intermediate product, which is further processed for producing commercial goods for mass consumption. Being an environment friendly product, it is ideally suited for recycling and also its magnetic property make it easy for segregation and use in steel converters.

However, steel used in developing countries like India has a long life cycle after which the rejects (steel scrap) can be recycled back for steel making. The scrap generated within the steel works while processing steel for finished products is totally recycled. Further scrap collected from other sources is also used in steel making.

We use DRI an alternative when steel scrap is not available. In 2008-09, we used 9,668 tons of DRI in steel production. Use of DRI reduces the specific energy consumption besides reducing the carbon dioxide generation from steel works.

Raw Material Consumption - Upstream



**Some of the measures to reduce the burden on natural resources taken up at upstream include:**

- Improving the quality of locally available inferior grade iron ore by ore beneficiation
- Use of iron ore fines for agglomeration for iron making
- Sourcing of low ash and low sulphur coal for iron making
- Increased use of solid wastes generated in steel making

WATER

Water is a crucial resource for steel making. Our continuous efforts are directed towards reducing fresh water consumption and increasing the recycle and waste water reuse. At the upstream works, water is sourced from Tungabhadra dam situated 30 km from the site, while at the downstream works water is sourced from the local municipal sources.

At the upstream works we have created a cascading system of water reuse, where the blow-down water from one process is effectively utilized as make-up in another unit; the surplus stored in guard ponds.

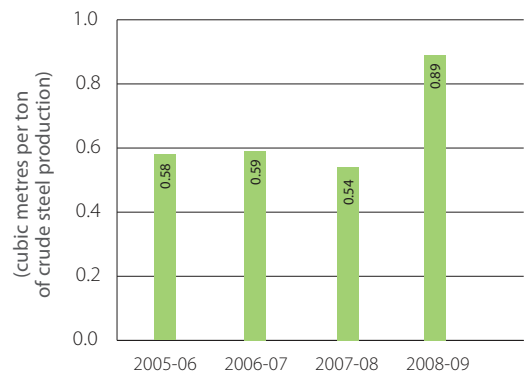
This guard pond water subsequently, is used to meet the requirements of the beneficiation plant and horticultural activities. We have installed water treatment plants across all units with primary and secondary treatment stages for water recycling.

**Some of the water conservation initiatives adopted across works are:**

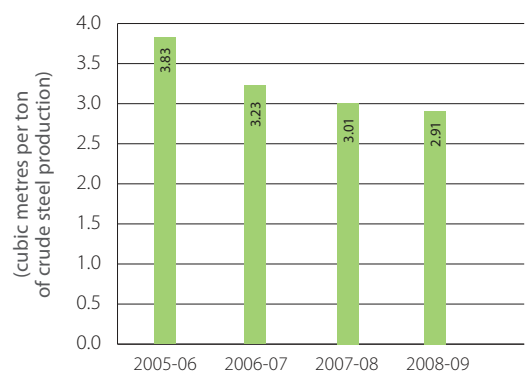
- Collection of 12,000 m3 / day of seepage water from ponds
- Re-use of blow-down water of CPP-2, Corex I and II for slag & coke quenching and ore washing
- Up-gradation of sewerage system at Vidyanagar township to enable reuse of treated water

The consumption of water in the downstream units has shown an increase due to the commissioning of new value added product facilities.

Specific Water Consumption - Downstream



Specific Water Consumption - Upstream



## AIR

We have adopted clean steel making technologies to reduce air emissions. The major air pollutants of concern are particulate matter, SOx and NOx. Various air pollution control equipment such as ESPs, bag filters, cyclones and venturi scrubbers have been installed across operations to control process dust emissions. The fugitive dust emissions are controlled by the use of water sprays and bag filters. SOx control is ascertained by the use of low sulphur coal, and desulphurization of coke oven gas.

### AIR EMISSIONS - DOWNSTREAM WORKS

YEAR	SPM	SOx	NOx
2005 - 06	0.093	0.550	0.011
2006 - 07	0.076	0.664	0.005
2007 - 08	0.040	0.668	0.004
2008 - 09	0.135	1.041	0.012

kgs per ton of production

### AIR EMISSIONS - UPSTREAM WORKS

YEAR	SPM	SOx	NOx
2005 - 06	0.84	0.53	1.48
2006 - 07	0.90	0.44	1.12
2007 - 08	1.24	0.79	1.23
2008 - 09	1.48	1.31	1.55

kgs per ton of crude steel produced

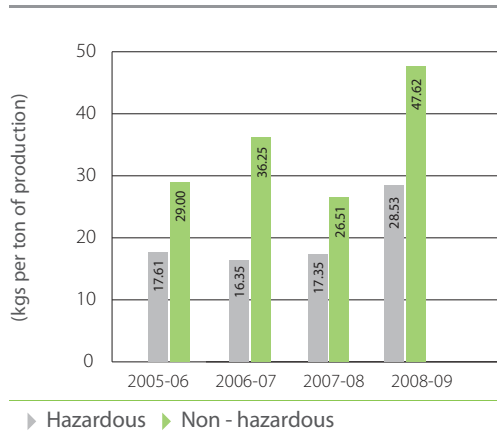
NOx control is exercised by use of special burners. The trend of specific emissions of air pollutants at upstream is increasing due to shift of iron making technologies from Corex to Blast Furnace. To reduce environmental impacts related to transportation of goods in the vicinity of our operations, we have constructed cement roads.

## SOLID WASTE

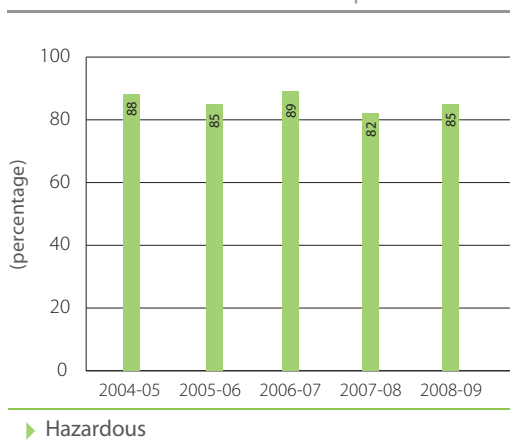
The major solid wastes generated in steel manufacture at Vijayanagar are slag, sludge, and dust. Slag is generated largely from blast furnaces and the steel melting shops. All granulated slag is sold for cement making. A part of BOF slag is used in sinter plant and Corex units to utilize its lime content.

Sludge is generated in water treatment plants. The pellet plant is the largest sludge consumer – accounting for 90% of the BOF sludge and 65% of Corex and BF sludge. The unutilized quantity of the sludge is securely stored in the slime pond. Mill scales are mainly generated from the HSM plant, and continuous casting units. Being iron-rich waste, the entire quantity of mill scales is recycled through the sinter plant. The dust collected from the bag filters is also used in sinter making. Non-process solid waste includes tyres, bag filter fabrics, rubber, cables, etc. These wastes are either incinerated in an incinerator or sold to authorised vendors.

Specific Waste Disposed - Downstream



Utilisation of Solid Waste - Upstream



The hazardous waste generated comprises oil derived from hydraulic lube and waste water treatment plants. Used oil is sold to government approved re-processors while the other hazardous wastes like sludge from BOD plant and CRM are incinerated in the coke ovens. The decanter sludge is also used in the coke ovens as a replacement of coke. The acid sludge generated is used in the acid recovery plant for recovery of acid. ETP sludge generated at downstream units is sent to an authorized waste disposal site.

Steel products are environment friendly, due to their relatively low impact on environment during its intended use. The special types of steel manufactured today are lighter, stronger, thinner, with high corrosive and mechanical properties. This has resulted in reducing the weight of steel during use and helped to decrease the environmental impact during its end use.

**ECO FRIENDLY PLASTIC RECYCLING UNIT**



The plastic hazard caused due to non judicial usage of plastic polybags and their subsequent disposal into water bodies, land and haphazard burning results in the gradual loss of the existing ecological balance and causes related health hazards.

Under this initiative, CEE has established an 'Eco-friendly Reuse and Recycling Unit'(CEE-ERU) especially for recycling of plastic carry bags. In this unit, polybags are reused through the polybags weaving method.

The concept of plastic weaving (PW) unit has been popularized by CEE's Waste and Resource Management group, as part of its mandate to address the reuse and recycling of dry waste from domestic garbage.

JSW Foundation, Panchayat Samiti Palghar & Centre for Environment Education, Nehru Foundation for Development – Ahmedabad jointly setup one such unit in a backward adivasi village called AGWAN near Tarapur.



The work for installation and initial training was completed by CEE. This project helped to create new business opportunities with minimal investment for the villagers. Charkha, a user and environment friendly technology was used to provide employment opportunities reducing total dependency on electricity for running the units.

The plastic woven products would eventually fetch at a good rate in the market when converted into value added products like bags, mobile covers, folders, fancy bags, etc. this would ensure that such units become self-sustainable and also profitable.

**“ In order to ensure safe operating conditions, several safety interlocks have been in-built in all the processes, and manufacturing units. In addition to the above, HAZOP studies are carried out by an external agency. The recommendations are implemented to ensure safe operations.”**

“The safety management system OHSAS – 18001 is definite driver in all our safety efforts. Safety audits and mock drills are carried out regularly for safety assessment. An apex safety committee headed by CEO reviews the safety performance periodically.”

At JSW Steel, our aim is to manufacture steel in a safe working environment. The focus is clearly on prevention rather than remedial action. Based on the outcome of various safety studies, all departments have taken up OH&S objectives to reduce safety and occupational health risks to ALARP (As Low As Reasonably Practicable) levels. We have made significant improvements in our safety performance in terms of injury rate and lost day rate for both upstream and downstream operations over last two years. However, we deeply regret the loss of three lives due work related fatalities during the period under review. We are continuously working towards further improving our safety management systems.

We have a 31 member apex safety team that takes care of the safety needs of our works and units. This team is well supported by plant level safety committees comprising of equal representation from management and non management staff. The apex team is responsible for formulating the safety training calendar, arrangement and maintenance of safety equipment at respective shop floors and maintenance of safety records. The team designates one safety manager at every shop floor to ensure adherence to safety norms during operations.

Employee training includes safety induction; tool box talk; mock drills; use of PPEs; first-aid and rescue operations; and fire fighting.

A few important safety measures include-

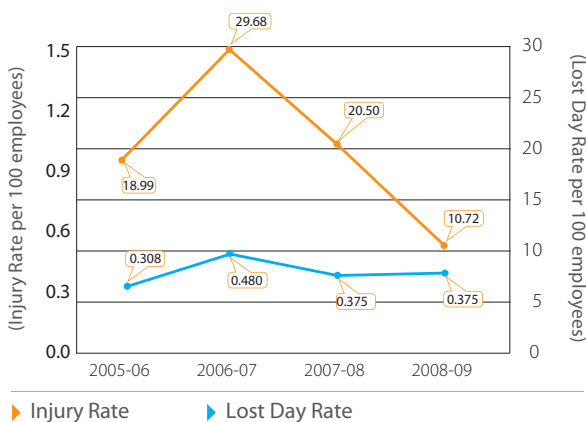
- Special clothing provided to all the employees in hot zones
- CO sensors in hazardous areas
- Identification of high noise areas
- Mirrors at sharp turns on roads
- Hooter signals at unmanned railway crossings

We have dedicated Occupational Health Center across operations with facilities for carrying out periodic medical check-up of all employees. Additionally, at Vijayanagar works, the Jindal Sanjivani Hospital (JSH) caters to requirements of emergency hospitalization in case of injuries.

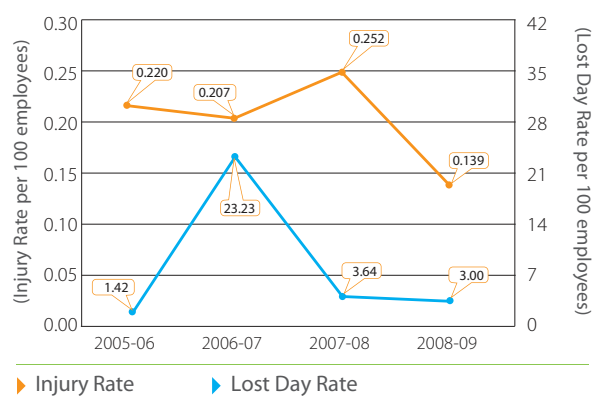
JSH also undertakes other activities like:

- Regular health check-up camps for employees
- Audiometric tests
- Eye-checkup
- Executive health check-up

Injury Rate and Lost Day Rate - Upstream



Injury Rate and Lost Day Rate - Downstream





# Giving back to the Community

“**The vision of the Foundation is to understand and connect with the expectation of our stakeholders and collectively move towards enhancing to livelihood opportunities, for the youth around our plant locations.”**

“Headed by Mrs. Sangita Jindal, the JSW Foundation drives all social initiatives on behalf of the company. Empowering communities and enabling them grow as we grow is deeply ingrained in our business approach. The overarching philosophy is to emerge as responsible corporate citizens, investing around 1.5% of our net profits towards accelerating inclusive and participatory societal growth.”

The JSW Foundation is the umbrella organization which facilitates the social initiatives of JSW Steel. This was established as a trust for addressing the concerns of the employees, their families and the local communities residing around our operations.

The activities of the Foundation started with employee welfare and management of townships but have expanded radically since inception. The JSW Foundation believes in the policy of ‘People First’ for its developmental vision.

The objective is to make a difference in the socio- economic environment where JSW Steel has operations, either individually or in partnership with government bodies, NGOs and the community at large. The Foundation aims to touch upon all aspects of the individual’s life through focus areas of education, health, livelihoods and capacity building (with special attention to women’s empowerment), natural resource management, sports, arts and culture. Its activities stem from the leadership’s firm belief that business is dependent on society for its growth and prosperity and those islands of prosperity will not survive for long in the vast sea of poverty and unfulfilled basic needs.

## VISION



“**Empowered communities with sustainable livelihoods.”**

## MISSION

- To contribute towards the social and economic development of communities that we operate in, especially women and children
- To ensure that we care for environment by minimizing pollution by using environment friendly technologies by planting trees to make earth greener
- To nourish the soul of nation by encouraging art and cultural activities
- To internalize values by practicing ethical behavior in all business operations interactions



**MRS. SANGITA JINDAL**  
Chairperson, JSW Foundation

## JSW FOUNDATION - FOCUS AREAS

### EDUCATION

- To sensitize the need for education among regular and contract employee children
- To make learning process in surrounding village schools more exciting
- To build confidence amongst school drop outs to join back
- To provide a parental control through monitoring first generation learners
- To demonstrate innovation methods at government schools, improving learning methods



### AGRICULTURE

- Enhancing crop yields by improving farming technologies
- Adopt ecological farming practices to reduce soil and water pollution
- Achieve self sufficiency in quality seed availability integrate horticulture and dairy activities in farming system
- Make pesticide free farm outputs available to consumers



### COMMUNITY HEALTH

- To provide doorstep medical care by conducting general health check-ups
- To prevent the spread of HIV/AIDS cases enhancing rural awareness
- To provide a special health care for the old persons by conducting cataract screening and free surgeries
- To identify potential HIV cases through STI / RTI check-up camp



### MODEL VILLAGES

- Developing rural infrastructure (roads, drainage systems, library and art centre, among others)
- Sensitizing rural eco friendliness through enhanced tree planting
- Creating sanitary facilities for effective disposal of solid waste and improving living conditions
- Accelerating rural socio cultural development



### GARBAGE MANAGEMENT

- To create garbage free villages by using garbage handling mechanism
- To minimize waste produced by introducing recycling and reusing technologies
- To create rural awareness about the importance of hygiene and the critical role people play to make that a reality



### VOCATIONAL TRAINING

- Realizing participatory and inclusive growth
- Maintaining social harmony by improving quality of life
- Nourishing local talent to enhance employability
- Catering to industry requirements in Bellary and other places
- Arresting distress migration through livelihood creation



### WOMEN EMPOWERMENT

- To create livelihoods for rural women by providing revolving fund, skill training and other linkage services
- To empower rural women to reduce gender based discrimination



### ART, CULTURE & HERITAGE

- Conservation of select monuments at Hampi a world heritage site
- Promotion of local arts including performance arts





ACTIVITIES	BENEFICIARIES
<ul style="list-style-type: none"> <li>Supported small business and dairying through SHG formation and federated them as Mahila Dairy Development Group</li> </ul>	<ul style="list-style-type: none"> <li>350 rural women</li> </ul>
<ul style="list-style-type: none"> <li>Set up rural BPO centers</li> </ul>	<ul style="list-style-type: none"> <li>300 women</li> </ul>
<ul style="list-style-type: none"> <li>Trained and employed rural women with JSW's associate companies</li> </ul>	<ul style="list-style-type: none"> <li>81 rural girls</li> </ul>
<ul style="list-style-type: none"> <li>Imparted training on tailoring to rural women</li> </ul>	<ul style="list-style-type: none"> <li>200 rural women</li> </ul>
<ul style="list-style-type: none"> <li>Established Computer Assisted Learning Centres in government schools to make the learning more exciting and joyful</li> </ul>	<ul style="list-style-type: none"> <li>8,700 higher primary school students</li> </ul>
<ul style="list-style-type: none"> <li>Established balwadi schools</li> </ul>	<ul style="list-style-type: none"> <li>322 children and 25 local girls</li> </ul>
<ul style="list-style-type: none"> <li>Introduced accelerated learning methodology</li> </ul>	<ul style="list-style-type: none"> <li>925 slow learners (children)</li> </ul>
<ul style="list-style-type: none"> <li>Set up mobile libraries for children</li> </ul>	<ul style="list-style-type: none"> <li>1,062 children</li> </ul>
<ul style="list-style-type: none"> <li>Set up village learning centres</li> </ul>	<ul style="list-style-type: none"> <li>400 dropouts</li> </ul>
<ul style="list-style-type: none"> <li>Introduced Akshaya Patra mid-day meal for schools</li> </ul>	<ul style="list-style-type: none"> <li>1,14,000 children from 402 schools</li> </ul>
<ul style="list-style-type: none"> <li>Provided plates and glasses for mid-day meal schemes</li> </ul>	<ul style="list-style-type: none"> <li>2,700 children</li> </ul>
<ul style="list-style-type: none"> <li>Provided slates, notebooks and sports kit</li> </ul>	<ul style="list-style-type: none"> <li>Nearly 10,000 families</li> </ul>
<ul style="list-style-type: none"> <li>Developed rural infrastructure (school compound walls, class rooms, toilets, roads, drainages, garbage management and drinking water facilities)</li> </ul>	<ul style="list-style-type: none"> <li>92 youths and 75 girls</li> </ul>
<ul style="list-style-type: none"> <li>Conducted vocational training courses (welding and gas cutting, masonry, tailoring, self-employment and educational training)</li> </ul>	<ul style="list-style-type: none"> <li>5705 patients</li> </ul>
<ul style="list-style-type: none"> <li>Set up general health camps</li> </ul>	<ul style="list-style-type: none"> <li>1,232 patients (401 operated)</li> </ul>
<ul style="list-style-type: none"> <li>Conducted eye camps</li> </ul>	<ul style="list-style-type: none"> <li>1,008 employees, 85 BPO employees, 35 school teachers, 87 truckers on national highway, 15,000 families of surrounding villagers</li> </ul>
<ul style="list-style-type: none"> <li>Conducted HIV/AIDS awareness programme</li> </ul>	<ul style="list-style-type: none"> <li>Around 100 children</li> </ul>
<ul style="list-style-type: none"> <li>Organized sports camps; sponsored individuals and teams</li> </ul>	<ul style="list-style-type: none"> <li>60 farmers from four villages</li> </ul>
<ul style="list-style-type: none"> <li>Conducted Agro Eco Systems Improvement programme</li> </ul>	<ul style="list-style-type: none"> <li>Covered five villages; 7,350 families and a population of 32,500</li> </ul>
<ul style="list-style-type: none"> <li>Organized garbage management in surrounding villages</li> </ul>	<ul style="list-style-type: none"> <li>Vaddu village (1,700 families covering 7500 people)</li> </ul>
<ul style="list-style-type: none"> <li>Popularized model village development</li> </ul>	



## EDUCATION

### Jindal Education Trust

Jindal Education Trust runs three English medium schools – Jindal Vidya Mandir and Jindal Adarsh Vidyalaya at Vidyanagar, along with Jindal Vidya Mandir at Vasind.

The IMC-Ramkrishna Bajaj national quality cell has recognized the quality of education imparted at the Vasind school. Over 28 children from a labour colony (Vidyanagar) were admitted to school in the period 2007-08 and 2008-09.

### Rajeev Gandhi Institute for Steel Technology

Collaborating with the Karnataka government, we have formed the Rajeev Gandhi Institute for Steel Technology, offering courses in line with requirements of the steel industry.

The institute aims at conducting formal diploma, degree and PG courses in engineering (especially steel manufacture, mining, management and safety, among others). One year "Post Diploma Industrial Safety (PDIS)" course also being conducted since July 2006.

### Fulfilling education needs for employees

We have collaborated with premiere engineering college such as BITS, Pilani to enhance employee skills and knowledge.

### Scholarship for employee community achievement

We provide an annual scholarship of ₹ 25,000 per head to help talented children of employees.

### Educational initiatives for surrounding villages

School development & monitoring committee formed by government authorities have been utilised to drive rural educational initiatives, helping villagers to avail of our educational initiatives.

### Accelerated learning programme

Covering 19 government primary schools – in co-ordination with Akshara Foundation – the programme aims to improve reading, writing and numerical abilities of slow learners. Around 954 students from 19 schools were targeted and around 775 students completed this programme. In 2008-09, the programme helped around 312 slow learners and 185 dropouts across 20 Village Learning Centres.

### Akshaya Patra, the mid-day meal programme for school children

The JSW Foundation has collaborated with Akshaya Patra to provide mid-day meal to more than 1,13,861 students from 402 government schools in and around Karnataka's Bellary district and to 15 schools in Palghar in Thane district of Maharashtra to prevent dropout levels. The Foundation provides ₹ 10 million annually for this initiative with enthusiastic contributions from the Company's employees.





**Computer assisted learning centres**

Collaborating with Azim Premji Foundation and the Government of Karnataka, we have set up Computer Assisted Learning Centres in 25 government schools with 107 computers. Local youth have been appointed to teach in these centres for one year, benefiting 10,000 students across 25 schools. Nearly 104 girls were trained in typing skills at various CALC centres with 43 joining 'Data halli' (our rural BPO).

**Balwadis**

The JSW Foundation has set up 19 balwadis to provide quality education to rural children, creating employment opportunities to local women. These women run balwadis in their houses charging nominal fees.

JSW Foundation's Vishala balwadis are run free of cost; about 14 balawadis (334 children) and 18 mobile library centres (1010 children) are being run in surrounding villages.



**Children mobile libraries**

We have taken an initiative to set up mobile libraries at 20 villages to grow reading habits among rural children (6-14 years). The balwadi teachers charge nominal fees for library membership, helping 500 children and creating livelihoods for 20 rural women.

**Village learning centres**

Spread across 20 villages these centres help rural school dropouts (aged 6-14 years) to join mainstream education. Rural educated women conduct 'bridge courses' for these dropouts for enhancing their motivational levels through special evening programmes. Around 295 children have been main streamed through these interventions.

**Summer camps**

Organized during summer holidays across 20 villages these camps to enhance creative skills of rural children; around 785 children participated so far, of which 297 children from 11 villages benefited in 2008-09.



## COMMUNITY HEALTH

### Health check up camps

The JSW Foundation conducts two general health check-up camps every month across 19 villages providing screening and free medication facilities to around 150 patients on an average per camp. Around 35 general health camps were organised totaling 5,125 patients, of which 14 were conducted in 2008-09 where 1,686 were treated.

The Foundation also conducted household surveys in selected villages around the plant locations to ascertain prevalence and intensity of physical and mental disability in collaborations with vocational training providers for this segment.

### Free cataract camps

Free cataract camps are conducted every month to treat cataract patients. On an average 100-130 patients are screened and 40-50 patients are operated in each camp.

Around 12 eye camps were organized and a total of 1,165 were screened, 442 were identified with cataract and 397 were operated.

### Sexually transmitted infections & reproductive tract infection camps

One camp is conducted each month in the surrounding villages of Plant, with the coordination of MYRADA (NGO).

Around 70-100 patients are screened every month – through door-to-door visits – and free medication is arranged by the JSW Foundation.

Around seven STI/RTI camps were held and 564 patients availed of the opportunity to get treated for gynecological problems.





**HIV/AIDS intervention**



To prevent and create awareness against HIV/AIDS, JSW Foundation undertakes various initiatives like organizing street plays. 12 street plays were organised so far – and celebrating World AIDS Day, among others.

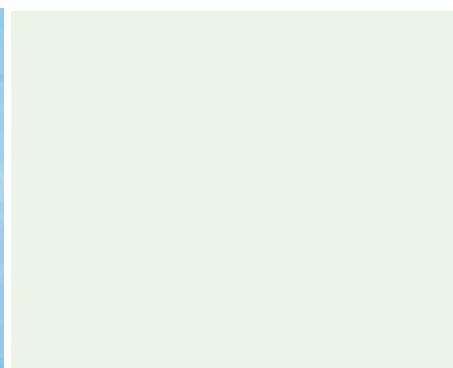


**Lifeline Express**

Lifeline Express is one of its kind partnership project where international and national level NGOs, Indian Railways, Government of India & State Governments, Health departments and also the corporate bodies are working together to take health care to every corner of our country. In FY 2008-09 we were associated with Lifeline Express as a local sponsor of its 100th project, which was at Atgaon, approximately 14 kms away from Vasind. Association with lifeline Express Project gave us a platform to reach out to the marginalized sections of society residing in the periphery of Vasind.

Lifeline Express Project at Atgaon spanned during 20th April to 8th May. The train equipped with two state-of-the-art operation theatres was parked at Atgaon station. In Midland factory, which is located 1 km away from Atgaon station, a screening centre, medical laboratory and 200-bedded hospital, was developed for pre & post operative care. It also had facilities for nurses to stay, and staying and meal arrangements of all the patients & their relatives. During the project duration 1631 patients got registered for screening and 296 patients were operated for cleft lips.





## WOMEN EMPOWERMENT



### Tailoring training

JSW Foundation has set up a tailoring centre to provide tailoring training to the women in the neighbouring villages. So far around 300 women have been trained on tailoring skills and about 50 have been facilitated to pass the tailoring examination conducted by Dept. of Technical Education, Govt. of Karnataka. The women are also facilitated to undergo an advanced training in tailoring in coordination with Dept. of Small Scale Industries, Bellary.



### Mahila Dairy Development Group (MDDG) / Self Help Groups (SHGs)

JSW Foundation formed the Mahila Dairy Development Group (MDDG), providing loans (₹ 8,000 to ₹ 10,000 per SHG member) to encourage rural entrepreneurship. The programme now covers around 350 members – started with four women – divided into 25 SHGs. The groups are also encouraged to save ₹ 100 each member per month to extend loans in the form of micro finance. Out of 136 SHG members – 74 people took loans for dairy activity, while the rest availed loans for small businesses.

### Unorthodox job trainings

The JSW Foundation has initiated training for operating heavy earth moving vehicles for the women having higher secondary level of education. So far around 80 women from the surrounding villages have been facilitated for placement with the associate companies.





**DATA HALLI ( RURAL BPO CENTER )**

The JSW Foundation, along with a leading BPO consultant, has formed a 100-seat non-voice BPO to enhance rural employment for women; over 400 girls across 30 villages and three towns across a 40 km radius of Vijayanagar Works were benefited.

The project provides a monthly earning potential of up to ₹ 5,500 for girls who have completed secondary and senior secondary standards. This year four girls from the BPO got employment opportunities in the government-run 'Nemmadu Kendras' (e-governance cells).





### VOCATIONAL TRAINING PROGRAMMES

JSW Foundation engaged the Nettur Technical Training Foundation (NTTF), – an ISO 9001 certified and world renowned vocational training provider, – to impart vocational training in the field of mechanical maintenance, electrical maintenance and computer application.

Each year around 200 students benefit through these training courses, which enhance their employable skills. The training is imparted at subsidized tuition fees and students from the entire state of Karnataka can enroll for the courses.

The courses are conducted at the newly built O.P. Jindal Vocational Training Centre at Toranagallu. The course duration is one year and after successful completion, the trainees are issued certificates.

The successful candidates are also provided 100% job placement. Similarly 'Shramsadhana' Vocational Training Centre (SVTC) at



Vasind is operational since March 2003 that provided training to 266 students in this year.





## AGRICULTURE

The project area comprises four villages (Antapura, Kodal, Nagalapura and Kurekappa) based on the crops grown and the farmer interests, around 60 locals were selected and divided into six groups. JSW Foundation has formed linkages with the University of Agricultural Sciences (Dharwad) for providing critical bio-inputs and the Department of Agriculture (Karnataka) for supplying seed material and gypsum.

During 2008-09, we organized study tours for farmers to the University of Agricultural Sciences (Dharwad), introducing farmers to innovative farming practices. They were given regular training on composting, vermi-composting, preparation of bio-fertilizers and bio-pesticides. The result was encouraging: farming input cost declined by ₹ 900 per acre, keeping the yield at the same level.





## ART, CULTURE & HERITAGE

### Monument restoration

We approached the Asiatic Society of India and the Government of Karnataka to restore the heritage temples at Hampi through the formation of Hampi Foundation. We also restored 'Manmatha Kunda' – a pond of mythological importance near Sri Virupaksheshwara temple. Further, we co-sponsor the annual Hampi festival and this year re-published a book on Hampi – 'New Light on Hampi'.

### Other programmes

**To promote and restore art and culture, we have taken the following initiatives -**

- Promoted the local performing arts such as 'bylata', 'dollar kunitha' and mythological dramas in the surroundings areas of the plant in Toranagallu.
- JSW Foundation constructed 'Rangamandira', an art theatre in Vaddu (model village).

- JSW Foundation has formed 'Kala Sangha' – art association among the employees for promoting local arts and culture; this group performs programmes to highlight the local art and culture periodically. They also identify the renowned local artists and felicitate them.
- A workshop was commissioned to conduct residential art camps for artists across the country.
- Kaladham (art centre) was developed in Vidyanagar township, promoting various art forms.





## SPORTS

To encourage rural sports the JSW Foundation has formed the Jindal Squash Academy, Jindal Badminton Academy, Jindal Swimming Academy and Jindal Table Tennis Academy.

These academies provide necessary trainings and students have attained national-level success in many events.



## MODEL VILLAGE

The JSW Foundation selected Vaddu to develop as a model village; the village had around 1,700 households in June 2008.

Divided into two phases, the first phase focused on development of roads and pathways, drainage system up-gradation, construction of public toilets, garbage management, street lights and tree plantation.

Around 450 m of drainage work and 1,930 m of road work along with a community toilet was developed. Phase II of the programme would comprise construction of schools, drinking water facilities, public-health centre, 'rangamandira' and roof water harvesting.



## GARBAGE MANAGEMENT



We initiated 'Shuchi Grama' – a garbage management project --- in the villages of Toranagallu, along with Vaddu, Basapura, Toranagallu-RS and Talur villages, covering 7,350 families. This programme was developed in consultation with local panchayat members, local leaders, gram panchayat secretaries, women self-help groups, youth organizations and school authorities.

Under this initiative, various programmes were implemented to enhance awareness about health and hygiene through door-to-door campaigns, mass campaigning by school children and SHGs, street plays and workshop for 'suchi mitras', amongst others.

## SOCIAL SATISFACTION SURVEY

We believe in a two way dialogue process while dealing with communities around. Our upstream unit at Vijayanagar conducts an annual social satisfaction survey to understand the socio-economic conditions of the villages surrounding the unit, analyze their needs and focus our CSR initiatives to meet their needs.

The results over the years have been positive indicating a positive impact our CSR initiatives. The survey conducted in 2007-08 included several new villages in line with the growing outreach of our initiatives. The 2007-08 survey results have shown significant improvement in the average percentage of families earning more than ₹ 25,000 per month.

On an average 53.91% of total population of the villages earn more than ₹ 25,000 per month. There was also a visible improvement in the literacy rate of the villages in 2007-08 which increased to 73.07 % from 72.28%



KPMG was engaged by JSW Steel Limited ('JSW Steel') to provide an independent assurance over JSW Steel's 2007-2009 Corporate Sustainability Report ('the Report').

KPMG's responsibility is to provide "limited assurance" on the Report content as described in the scope of assurance below. We have covered all reported performance indicators as defined by the Global Reporting Initiative's G3 Guidelines for Sustainability Reporting. The assurance report should not be taken as a basis for interpreting JSW Steel's overall performance, except for the aspects mentioned in the scope below.

### Scope of Assurance

The scope of assurance covers the following aspects of the Report:

- The sustainability specific data and information covering JSW Steel's downstream units at Vasind and Tarapur and upstream works at Toranagallu
- Data and information for the period 01 April 2007 to 31 March 2008 and 01 April 2008 to 31 March 2009
- JSW Steel's internal protocols, processes, and controls related to the collection, collation, and reporting of sustainability performance data
- JSW Steel's approach to identifying material issues and engaging with its stakeholders

### Exclusions

The assurance scope excludes:

- Aspects of the Report other than those mentioned above
- Data and information outside the defined reporting period
- JSW Steel's statements that express its opinions, beliefs, aspirations, expectations or aims or describe future intentions
- Issues related to Intellectual Property Rights and other competitive issues
- Financial performance indicators that were sourced from JSW Steel's 2007-2008 and 2008-2009 annual reports

### Methodology adopted for Assurance

We conducted our work in accordance with International Federation of Accountants' (IFAC) International Standard for Assurance Engagements [ISAE 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information]. We conducted our engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

The process of assurance involved -

- Discussions with selected Senior Executives at upstream works at Toranagallu and downstream units at Vasind and Tarapur to understand their perspectives on sustainability, their expectations, and future plans
- Site visits to upstream works at Toranagallu and downstream units at Vasind and Tarapur for:
  1. Testing reliability and accuracy of data on a sample basis
  2. Understanding assumptions / thumb rules considered
  3. Assessment of the stakeholder engagement process through interviews with concerned personnel and review of relevant documentation
  4. Review of the processes deployed for collection, compilation, and reporting of sustainability

performance indicators at upstream works at Toranagallu and downstream units at Vasind and Tarapur

5. Checking the Report's contents to ascertain the application level criterion as mentioned in the Global Reporting Initiative's G3 Guidelines for Sustainability Reporting
6. Review of the Report to ensure that there are no disclosures that are misrepresented or inconsistent with our findings.

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected on account of confidentiality, our team physically verified the documents.

### Responsibilities

JSW Steel's Management is responsible for the content of the Report, identification of the key issues, engagement with stakeholders and the Report's presentation.

Our responsibility is to express our conclusions in relation to the assurance scope. We conducted the engagement with a multidisciplinary team including specialists in ISAE 3000, stakeholder engagement, auditing environmental and social information, having experience in similar engagements in the metals and mining sector. This assurance report is made solely for the Management of JSW Steel in accordance with the terms of our engagement. Our work has been undertaken so that we might state to JSW Steel those matters which we have been engaged to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than JSW Steel for our work, for this report, or for the conclusions we have reached. Any dependence that any such third party may place on the Report is entirely at its own risk.

### Observations

- The Report elaborates on critical sustainability issues identified by JSW Steel in consultation with its key stakeholders
- The Report articulates JSW Steel's approach towards stakeholder engagement. Further, outcome of this dialogue has been presented in the Report with a special focus on local community and customers
- The Report covers JSW Steel's performance on GRI G3 core sustainability indicators
- JSW Steel has deployed internal processes to ensure that performance indicators are checked for completeness and accuracy. However, the data management systems at upstream and downstream operations have scope for improvement in terms of integrating sustainability Key Performance Indicators into the mainstream Management Information System

### Conclusions

On the basis of our assurance methodology, nothing has come to our attention that would cause us not to believe that:

- The Report presents JSW Steel's sustainability performance covering its operations as mentioned in the scope
- Material issues that have an impact on JSW Steel and are of interest to its stakeholders have been highlighted in the Report
- The process of engaging with key stakeholders to map their expectations and its subsequent outcome has been reported



**Arvind Sharma**  
Director  
KPMG



“ To indicate that a report is GRI-based, report makers declare the level to which they have applied the GRI Reporting Framework via the “Application Levels” system.”

“To meet the needs of beginners, those somewhere in between, and advanced reporters, there are three levels in the system. They are titled C, B, and A. The reporting criteria at each level reflect a measure of the extent of application or coverage of the GRI Reporting Framework.”

REPORT APPLICATION LEVEL		C	C+	B	B+	A	A+
STANDARD DISCLOSURES	G3 Profile Disclosures OUTPUT	Report 1:1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	REPORT EXTERNALLY ASSURED	Report on all criteria listed for Level C plus: 1:2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	REPORT EXTERNALLY ASSURED	Same as requirement for Level B	REPORT EXTERNALLY ASSURED
	G3 Management Approach Disclosures OUTPUT	Not Required		Management Approach Disclosures for each Indicators Category		Management Approach Disclosures for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of Economic, Social and Environmental.	Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human Rights, Labour, Society, Product Responsibility.	Report on each core G3 and Sector Supplement* Indicator with due regards to the Materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its mission.			

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Business profile	06	2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9	2.3, 2.5, 2.6, 2.7, 2.8, 2.9: For details please refer our website <a href="http://www.jsw.in">www.jsw.in</a>
Vice Chairman & MD's Message	08	1.1	
A snapshot of our performance	10		
Managing stakeholder expectations	14	4.14, 4.15, 4.16, 4.17, PR5, PR8	PR8: No such complaints
Sustainability risks and challenges	15	1.2, 4.11, SO2	
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Awards & Accolades	20		
Economic performance	22	DMA EC, EC1, EC4	EC1: For further information please refer to our 2007-08 and 2008-09 annual reports. EC4: We have received no financial assistance in FY 07-08 and FY 08-09. EC6: No policy on local suppliers
Intellectual capital management	24	DMA LA, DMA HR, EC3, EC5, EC7, LA1, LA2, LA3, LA4, LA5, LA8, LA10, LA11, LA12, LA13, LA14, HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9	LA4, LA5: We have no trade unions. LA13: For composition of governance bodies please refer to our 2007-08 and 2008-09 annual reports. HR1, HR2, HR3, HR8: We are currently developing a Human Rights policy to cover these aspects. HR4, HR6, HR9: No such incident has occurred. HR5, HR7: No such operations exist
Energy consumption and climate change	28	DMA EN, EC2, EN3, EN4, EN5, EN6, EN7, EN16, EN17, EN18	
Environment management	30	DMA PR, EN1, EN2, EN8, EN9, EN10, EN11, EN12, EN13, EN14, EN15, EN19, EN20, EN21, EN22, EN23, EN24, EN25, EN26, EN27, EN28, EN29, EN30, PR1	EN11, EN12, EN13, EN14, EN15, EN25: None of our operational units are located in biodiversity protected areas. EN28: there have been significant fines related to environmental regulations.
Employee health and safety	34	LA6, LA7, LA9, PR2, PR3	LA9: No trade unions across operations. PR2: No such incident. PR3: No such product.
Giving back to community	36	DMA SO, EC8, EC9, SO1	
Assurance Statement	51	3.13	
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