

# Business Responsibility Report

The reporting framework used in this report is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG)' released by the Ministry of Corporate Affairs, Government of India, in July 2011, which contains nine Principles and Core Elements for each of the Nine Principles.

This is RSWM's second Business Responsibility Report. This report is intended to transparently disclose the Company's performance based on the NVG principles and is meant for all our stakeholders. We welcome your thoughts, comments and feedback as this will allow us to improve on our reporting and disclosure standards.

If you would like to send us feedback about this report, please email to [padma.latha@lnjbhilwara.com](mailto:padma.latha@lnjbhilwara.com)

DISCLOSURES ON THE NINE PRINCIPLES AS CHARTED BY THE MINISTRY OF CORPORATE AFFAIRS IN THE NATIONAL VOLUNTARY GUIDELINES (NVG) ON SOCIAL, ENVIRONMENTAL AND ECONOMIC RESPONSIBILITIES OF BUSINESS.

## PRINCIPLE 1

### ETHICS, TRANSPARENCY & ACCOUNTABILITY

Businesses should conduct and govern themselves with ethics, transparency and accountability.

## PRINCIPLE 2

### PRODUCT LIFE CYCLE SUSTAINABILITY

Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.

## SECTION A

### General information about the Company

1	Corporate Identity Number (CIN) of the Company	L17115RJ1960PLC008216
2	Name of the Company	RSWM Limited
3	Registered address	Khariagram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan
4	Website	<a href="http://www.rswm.in">www.rswm.in</a>
5	E-mail id	<a href="mailto:rswm.investor@lnjbhilwara.com">rswm.investor@lnjbhilwara.com</a>
6	Financial Year reported	April 2020 to March 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Textile
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	Yarn / Fabrics / Denim
9	Total number of locations where business activity is undertaken by the Company	
	a) Number of International Locations (Provide details of major 5)	Nil
	b) Number of National Locations	9
10	Markets served by the Company – Local / State / National / International	India, Turkey, Egypt, Bangladesh, Brazil, USA, Korea, Italy, Spain, UK, Sri Lanka, Thailand, China and some other important global textile hubs.

## PRINCIPLE 3

### EMPLOYEE WELL-BEING

Businesses should promote the well-being of all employees.

## PRINCIPLE 4

### STAKEHOLDER ENGAGEMENT

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

## PRINCIPLE 5

### HUMAN RIGHTS

Businesses should respect and promote human rights.

## PRINCIPLE 6

### ENVIRONMENT

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

## PRINCIPLE 7

### RESPONSIBLE ADVOCACY

Businesses, when engaged in influencing public regulatory policy, should do so in a responsible manner.

## PRINCIPLE 8

### INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Businesses should support inclusive growth and equitable development.

## PRINCIPLE 9

### CUSTOMER VALUE

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

**SECTION B****Financial details of the Company**

1.	Paid up Capital (₹ in Crore)	23.55
2.	Total Turnover (₹ in Crore)	2,326.02
3.	Total profit after taxes (₹ in Crore)	21.61
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer to Annexure III of the Board's Report.
5.	List of activities in which expenditure in 4 above has been incurred	As per Annexure III of the Board's Report

**SECTION C****Other details**

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N A
3.	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	None
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer to Annexure III of the Board's Report.
5.	List of activities in which expenditure in 4 above has been incurred	Working towards eradicating hunger, poverty and malnutrition Promoting health care and sanitation Providing safe drinking water Promoting education and skill development Promoting gender equality, empowering women Setting up old age homes, day care centers and other facilities for senior citizens Ensuring environmental sustainability and ecological balance Protection of national heritage, art and culture Implementing measures for the benefit of armed forces veterans, war widows and their dependents Providing training to promote rural sports

**SECTION D****BR Information****1. Details of Director/Directors responsible for BR****(a) Details of the Director/Director responsible for implementation of the BR policy/policies**

1.	DIN Number	00061060
2.	Name	Riju Jhunjhunwala
3.	Designation	Chairman and Managing Director & CEO

**(b) Details of BR head**

1.	DIN Number (if applicable)	08195895
2.	Name	B M Sharma
3.	Designation	Joint Managing Director
4.	Telephone no.	0120-4390300
5.	Email id	jmd.rswm@lnjbhilwara.com

The details of members of Corporate Social Responsibility Committee and their roles and responsibilities are elaborated in CSR Annual Report.

## 2. Principle-wise (as per NVGs) BR Policy/policies

### (a) Details of compliance (Reply in Y/N)

	Corporate Governance for Ethics, Transparency and Accountability	Sustainability throughout the life-cycle of the product	Employee well-being	Responsive towards stakeholders	Promotion of human rights	Environmental protection	Responsible public policy advocacy	Inclusive growth & equitable development	Customer value
1	Do you have policies for:	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	N.A	Y	NA	Y	Y	Y	NA	Y
4	Is it a board approved policy? If yes, has it been signed by MD /owner/CEO /appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board / Director /Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	Y	Y
6	Indicate the link for the policy to be viewed online	Y	Y	Y	Y	Y	Y	Y	Y
	1. Code of Conduct	<a href="https://www.rswm.in/Code-of-Conduct">https://www.rswm.in/Code-of-Conduct</a>	<a href="http://115.241.144.10/rswm/PDF/Cert1/">http://115.241.144.10/rswm/PDF/Cert1/</a>	<a href="https://www.rswm.in/contact/">https://www.rswm.in/contact/</a>	<a href="http://115.241.144.10/rswm/pdf/4%20SA.pdf">http://115.241.144.10/rswm/pdf/4%20SA.pdf</a>	<a href="http://115.241.144.10/rswm/pdf/3%20EMS.pdf">http://115.241.144.10/rswm/pdf/3%20EMS.pdf</a>	<a href="http://115.241.144.10/rswm/PDF/Cert3/">http://115.241.144.10/rswm/PDF/Cert3/</a>	<a href="https://www.rswm.in/Rswm_CSR_POLICY">https://www.rswm.in/Rswm_CSR_POLICY</a>	<a href="http://115.241.144.10/rswm/pdf/2%20OMS.pdf">http://115.241.144.10/rswm/pdf/2%20OMS.pdf</a>
	2. Whistle Blower Policy	<a href="https://www.rswm.in/Whistle-Blower-Policy">https://www.rswm.in/Whistle-Blower-Policy</a>	<a href="http://115.241.144.10/rswm/PDF/Cert1/">http://115.241.144.10/rswm/PDF/Cert1/</a>	<a href="https://www.rswm.in/contact/">https://www.rswm.in/contact/</a>	<a href="http://115.241.144.10/rswm/pdf/4%20SA.pdf">http://115.241.144.10/rswm/pdf/4%20SA.pdf</a>	<a href="http://115.241.144.10/rswm/pdf/3%20EMS.pdf">http://115.241.144.10/rswm/pdf/3%20EMS.pdf</a>	<a href="http://115.241.144.10/rswm/PDF/Cert3/">http://115.241.144.10/rswm/PDF/Cert3/</a>	<a href="https://www.rswm.in/Rswm_CSR_POLICY">https://www.rswm.in/Rswm_CSR_POLICY</a>	<a href="http://115.241.144.10/rswm/pdf/2%20OMS.pdf">http://115.241.144.10/rswm/pdf/2%20OMS.pdf</a>
	3. Code of Fair Disclosure of Unpublished Price Sensitive Information. (UPS).	<a href="https://www.rswm.in/Code-of-Conduct-for-Insider-Trading">https://www.rswm.in/Code-of-Conduct-for-Insider-Trading</a>	<a href="http://115.241.144.10/rswm/PDF/Cert1/">http://115.241.144.10/rswm/PDF/Cert1/</a>	<a href="https://www.rswm.in/contact/">https://www.rswm.in/contact/</a>	<a href="http://115.241.144.10/rswm/pdf/4%20SA.pdf">http://115.241.144.10/rswm/pdf/4%20SA.pdf</a>	<a href="http://115.241.144.10/rswm/pdf/3%20EMS.pdf">http://115.241.144.10/rswm/pdf/3%20EMS.pdf</a>	<a href="http://115.241.144.10/rswm/PDF/Cert3/">http://115.241.144.10/rswm/PDF/Cert3/</a>	<a href="https://www.rswm.in/Rswm_CSR_POLICY">https://www.rswm.in/Rswm_CSR_POLICY</a>	<a href="http://115.241.144.10/rswm/pdf/2%20OMS.pdf">http://115.241.144.10/rswm/pdf/2%20OMS.pdf</a>
	4. Policy on Related Party Transaction	<a href="https://www.rswm.in/Related-Party-Transaction-Policy">https://www.rswm.in/Related-Party-Transaction-Policy</a>	<a href="http://115.241.144.10/rswm/PDF/Cert1/">http://115.241.144.10/rswm/PDF/Cert1/</a>	<a href="https://www.rswm.in/contact/">https://www.rswm.in/contact/</a>	<a href="http://115.241.144.10/rswm/pdf/4%20SA.pdf">http://115.241.144.10/rswm/pdf/4%20SA.pdf</a>	<a href="http://115.241.144.10/rswm/pdf/3%20EMS.pdf">http://115.241.144.10/rswm/pdf/3%20EMS.pdf</a>	<a href="http://115.241.144.10/rswm/PDF/Cert3/">http://115.241.144.10/rswm/PDF/Cert3/</a>	<a href="https://www.rswm.in/Rswm_CSR_POLICY">https://www.rswm.in/Rswm_CSR_POLICY</a>	<a href="http://115.241.144.10/rswm/pdf/2%20OMS.pdf">http://115.241.144.10/rswm/pdf/2%20OMS.pdf</a>
	5. Policy on Disclosure on Material Events and Information	<a href="https://www.rswm.in/Determination-Materiality-of-Events">https://www.rswm.in/Determination-Materiality-of-Events</a>	<a href="http://115.241.144.10/rswm/PDF/Cert1/">http://115.241.144.10/rswm/PDF/Cert1/</a>	<a href="https://www.rswm.in/contact/">https://www.rswm.in/contact/</a>	<a href="http://115.241.144.10/rswm/pdf/4%20SA.pdf">http://115.241.144.10/rswm/pdf/4%20SA.pdf</a>	<a href="http://115.241.144.10/rswm/pdf/3%20EMS.pdf">http://115.241.144.10/rswm/pdf/3%20EMS.pdf</a>	<a href="http://115.241.144.10/rswm/PDF/Cert3/">http://115.241.144.10/rswm/PDF/Cert3/</a>	<a href="https://www.rswm.in/Rswm_CSR_POLICY">https://www.rswm.in/Rswm_CSR_POLICY</a>	<a href="http://115.241.144.10/rswm/pdf/2%20OMS.pdf">http://115.241.144.10/rswm/pdf/2%20OMS.pdf</a>
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have an in-house structure to implement the policy?	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders grievances related to the policy?	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	-	Y	Y	Y	N	Y

(b) If answer to the question at serial number 1 against any principal, is 'No', please explain why: (Tick up to 2 options)

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The Company has not understood the Principles									
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3. The company does not have financial or manpower resources available for the task									
4. It is planned to be done within the next 6 months									
5. It is planned to be done within the next 1 year									
6. Any other reason (please specify)									

NOT APPLICABLE

### 3. Governance related to Business Responsibility

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	We have constituted a Corporate Social Responsibility (CSR) Committee of the Board which oversees our CSR Activities. The Committee meets quarterly to assess the BR performance and align strategies in line with external realities.
b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the Second Business Responsibility Report and published annually as part of the Annual Report. Previous report can be accessed at <a href="https://www.rswm.in/Business_Responsibility_Report-2019-20">https://www.rswm.in/Business_Responsibility_Report-2019-20</a>

## SECTION E

### Principle-Wise Performance

#### Principle 1

#### Corporate Governance for Ethics, Transparency and Accountability

Ethical business practices and high governance standards have been the bedrock of our business policies and practices. Efficient conduct of the business of the Company through complete transparency in discharging its corporate responsibilities and accurate accountability thereof has resulted in sustained business excellence and delivering value to all our stakeholders.

The composition of the Board of Directors of the Company is governed by the Companies Act, 2013 and SEBI Regulations 2015. As on March 31, 2021, the Company has 10 Directors on its Board (including the Chairman), of which 5 are independent, 5 are executive/non-executive, non-independent directors.

To ensure accountability and monitoring, the Board has constituted various committees such as: Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Relationship Committee. These committees met periodically during the year to supervise, review performance and advice on the necessary direction to be taken.

**Code of Conduct:** RSWM's Code of Conduct aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. It extends to all directors and senior employees of the Company. They are mandated to read and understand this code and agree to abide by it.

The Code of Conduct is available at the Company's website link <https://www.rswm.in/Code-of-Conduct>

**Vigil Mechanism/ Whistle Blower Policy:** The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Uniform Listing Agreement aims to provide a channel to the employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safe guards against victimization of employees and Directors and provides for direct access to the Chairman/Chairman of the Audit Committee in exceptional cases.

The vigil Mechanism/ whistle blower policy is available at the company's website link: <https://www.rswm.in/Whistle-Blower-Policy>

## Principle 2

### Sustainability of Products & Services across Life-cycle

RSWM has built its business framework on the 3P philosophy – People, Planet and Profit. These facets of sustainability play a pivotal role in formulating every business strategy at the Company.

#### People

People are the cornerstones of RSWM's success and sustained growth. Their dedicated passion and disciplined efforts have positioned RSWM as one of the leading players in the Indian textile industry. This was very clearly reflected during FY21 when the Company went all out to secure the safety and well-being of its people and their families. Rajasthan, where the Company's facilities are located, was one of the worst hit states by the pandemic. The leadership team and the middle management ensured that its people remained physically fit and mentally healthy through multiple initiatives. This ensured that RSWM was among the first textile organisations to commence operations as the lockdown was opened.

RSWM continued to invest in growing its people – their skills and capabilities – through knowledge-enhancing initiatives. This was particularly relevant during the lockdown, as it kept its team engaged and enhanced their skill sets – critical for mental well-being of the individual. For this the Company has institutionalized a training calendar to upgrade technical know-how and behavioural qualities.

Team building is an essential part of RSWM's people practices. The Company encourages cross functional teams to address complex operational challenges. It leverages people knowledge for operational improvements by encouraging members to suggest and implement ideas. Team bonding happened through cultural events and festival celebrations.

RSWM does not lose sight of the people surrounding its operating facilities. The Company continued to focus on fund development initiatives in neighbouring villages with the objective of growing and sustaining the livelihood.

As the Covid pandemic ran riots in Rajasthan, the Company implemented multiple strategies to contribute to the well-being of communities by providing basic necessities, sanitisation kits, masks and other household needs. It also undertook a number of awareness campaigns to educate communities about the pandemic, and important self-protection measures.

#### Planet

- 1) **Responsible sourcing:** The Company sources its raw materials from environment respecting vendors for its man-made and natural fibre requirements. Man-made fibre are sourced from reputed corporates that are environmentally conscious and compliant with global environment standards. For natural fibre, the Company sources its requirements from mandis at the fair market prices. Furthermore, the Company assists cotton grower to enhance their farm output.
- 2) **Recycling fibre and fabric:** The Company has made significant investment in a unit for recycling plastic bottles into polyester fibre. This unit supplied 12.45% of the total raw materials consumed in FY21. RSWM has also invested in equipment that converts post-consumer waste fabrics into new usable fibres.
- 3) **Renewable energy:** The Company, with an aim to reduce consumption of fossil fuel, enhanced its dependence on renewable energy. This trend is expected to continue over the coming years.
- 4) **Resource utilisation:** Value maximization from available resources has, over the years, transformed into an organisation culture. Aligning with this ethos, optimising resource utilisation has always been on top of the Company's agenda. The Company, every year, implements numerous initiatives to reduce its energy and utilities consumption.
- 5) **Pollution management:** RSWM endeavours to improve operational efficiencies which helps in reducing waste generation.

#### Profits

Profits and profitability is the ultimate motive of every business enterprise. This is true for RSWM too for it enables the Company to reward its shareholders for their trust reposed in the Company's management.

The Company continues to seek and capitalise on opportunities to enhance business profitability. On the one hand, the team continues to move up the product value chain, on the other the team perseveres to optimise costs. The combination of these factors helps in increasing business margins and profits.

Business surplus is prudently deployed in repaying its debt, investing in business to capitalise on opportunities and

rewarding shareholders. Ever since its inception, the Company has not defaulted in repaying its debts.

### Principle 3

#### Employee Well-being

Today, where machines, technology and products are largely similar, the only factor that retains customers is how you service them. This means that every customer relation is successful because of the people involved in nurturing that relation.

In keeping with this reality, RSWM considers its team as an invaluable asset. The Company has a culture of empowerment that values and respects individual potential and helps each one achieve it to the fullest. The individual is made to feel like he owns the jobs and not just perform it. Also, the Company strive hard to improve the quality of work-life for total job satisfaction and social harmony of its people.

RSWM has institutionalised important training practices for its team members including workmen. It has various HR monitored development activities that are carried out from time to time for employees at different levels. The organization subscribes to various economic, environmental and social or charters, codes or voluntary initiatives.

As part of the training curriculum, the Company organises seminars at regular intervals for promoting environmental awareness among its people. It also promotes other activities such as gardening and folk activities for boosting employee morale. As part of its people-centric initiatives, the Company provides subsidized lunch to its people, free accommodation to workers and free of cost education to the worker's children.

1. Total number of employees – 19,699 (including contractual manpower)
2. Total number of employees hired on temporary/contractual/casual basis. – 1,746
3. Number of permanent women employees. – 2,181 (including contractor female employees)
4. Number of permanent employees with disabilities - NIL
5. Do you have an employee association that is recognized by management – Yes
6. What percentage of your permanent employees is members of this recognized employee association? –100%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. – None

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

- (a) Permanent Employees –100%
- (b) Permanent Women Employees –100%
- (c) Casual/Temporary/Contractual Employees –100%
- (d) Employees with Disabilities – Nil

The policies on the principle of Employee well-being are available on the Company's website at the following link:- <http://115.241.144.10/rswm/PDF/Cert1/>

Child Labour: The Company does not employ any child labour.

Sexual Harassment: RSWM endeavors to provide a harmonious working environment for female employees and has adopted a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year, no such complaints were received. The Company has complied with the provisions relating to the constitution of Internal Compliance Committee under the Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013.

Bonded Labour: The Company does not have any bonded labour.

#### RSMW's Covid Support Policy

To extend interim support to the deceased employee's family who have lost their life due to dreadful COVID -19. In the sad event of this unfortunate demise, the management has decided that the employee's family will receive the following support from the Company:

- 1) Half of the monthly salary or minimum of ₹25000/- per month, whichever is higher, for two years to the family of deceased employee.
- 2) Education expenses ₹5000/- per month for school/college going children, if any, for three years.
- 3) Extend the Mediclaim policy benefit to the family for three years.
- 4) Employment to the dependent as per the qualification/skills

#### Principle 4 Stakeholder Engagement

Every business has multiple stakeholders who provide vital inputs, essential to the functioning of business operations. Hence, it becomes pertinent to maintain seamless communication with them at periodic intervals.

RSWM being a large organisation has a sizeable number of stakeholder groups each with distinct priorities and diverse interests. We therefore developed a structured method for identification of stakeholder groups, understanding their

concerns and incorporating their views in our sustainability strategy.

The senior and middle management teams actively engage with all stakeholder groups throughout the year. Material matters arising from stakeholder engagements are managed as part of the risk management process.

One of the reasons for the Company's prominence in the Indian textile industry has been its collaborative approach towards various internal and external stakeholder groups.

#### Stakeholder engagement matrix

Stakeholder segment	Key engagement forums	Key issues
Investors	Presentations, analyst meets and general meetings, press releases, other communication through mail	Demonstration of LNJ Bhilwara Group's ethical and governance practices, transparent and adequate disclosure, business and profitability performance and prospects and capital appreciation
Employees	Employee engagement initiatives, continuous interaction with management, appraisals, grievance redressal mechanism	Productivity, training, learning and development, career growth, work environment and culture
Suppliers/Partners	Meetings with key national and international suppliers by senior management, supplier visits, suppliers' meet	Discussion on business issues and requirements, quality improvements, business plans and information on applicable statutory requirements and safety standards
Customers/Dealers	Regional meets, Periodic visits by the marketing and branding teams, visits to dealers, need-based visits, visits by senior management to key customers and dealers	Timely redressal of issues, understand aspirations and evolving trends, market knowledge and technology exchange, servicing solutions also include virtual meet with customers by senior management including JMD.
Community	community visits by company management, periodic cultural meets, attendance by company executives at CSR programs	CSR initiatives and Affirmative Action (AA) initiatives addressing priority areas of improving lives and livelihood.
Government/Regulators	Plant visits, symposia and advocacy platforms	Compliance, Ethics, Corporate governance, Corporate citizenship

#### Principle 5 Human Rights

RSWM strictly adheres to the basic principles of human rights as defined in the Indian Constitution. The human rights principle (of dignity of workforce regardless of the nation, location, language, religion, ethnic origin or any other status of an individual) is enshrined in its people policies and practices.

The Company, through its redressal mechanism instituted at every unit, ensures a healthy and safe work environment. The Labour Welfare Officer ensures that all basic amenities necessary for a congenial working ecosystem are in place in every manufacturing location and is available to all workers.

Further, the senior officials of the plant and the senior management of the Company regularly interact with the workers to address their grievances with the objective of maintaining a harmonious working environment.

RSWM is certified under OHSAS 18001 by BSI since 2013. During the year, no complaints were received pertaining to human rights violation.

#### Principle 6 Protection and Restoration of the Environment

RSWM is committed to undertake continuous efforts in reducing the adverse impact of its products and facilities on the Earth and its environment. The Company's dedication goes beyond compliance with the law and encompasses the integration of sound environmental practices into its business decisions. It is guided by its environmental principles and consider the environment in all aspects of its business.

**Water management:** RSWM manufactures fabrics dyed with advanced techniques that use less water and chemicals. The Company treats all its post-process water in its effluent treatment plant and further purifies it via reverse osmosis before returning it to the environment as clean as when

used initially. The Company has also set up Sewage Water Treatment Plants at its operating facilities. The treated water is used for plantation activities. Over the years, the Company has successfully implemented numerous initiatives to reduce the consumption of fresh water. In 2020-21, the Company has implemented important measures which also reduced water consumption – a detailed review of which is mentioned in Annexure IV of the Director's Report.

**Energy management:** For RSWM, energy consumption is not just a cost element, but is considered as its burden on the Earth. As a result, the Company zealously works toward reducing its energy consumption at all levels. The shopfloor team continuously monitors energy consumption real-time; this is then analysed and steps to optimise consumption are implemented. The Company continues to replace legacy equipment with contemporary and energy-efficient variants; lighting solutions have been altered in favour of LED solutions. For detailed information on the Company's energy conservation measures in 2020-21, kindly refer to Annexure IV of the Director's Report.

**Clean energy:** The Company's clean energy initiative comprises of 22.7 MW solar installation and tie-ups for sourcing 20 MW of wind power.

### Recycle & waste management

RSWM is one of the few textile players in India who can claim to be converting waste into wealth.

**1) Yarn to fabric:** The Company recycles post-consumer waste fabrics into new usable fibres. About 30 tonnes of waste fabrics is effectively and efficiently recycled every month.

**2) Plastic to fabric:** Plastic/PET bottles have become a menace for the Earth – on land and in water. RSWM, albeit in a small way, is trying to address this issue. The Company has invested in a 120 MT/day green fibre unit which processes about 150 MT of waste plastic bottles per day into green fibre, which is then spun into yarn. In FY21, this plant has received approval from global brands with regard to the fibre quality and its usage for their products.

### Principle 7

#### Responsible Advocacy

RSWM'S long-standing commitment to being a responsible organization is pivoted in its ability to embrace and align with global sustainability best practices. The Company's operations are ISO 9001: 2008 (Quality Management Systems) and ISO 14001: 2004 (Environmental Management Systems) certified.

RSWM's emphasis on improvement in health and safety of its workers continues to remain strong. All hazards and its associated risks have been identified across its facilities – mitigation measures have been suitably implemented. Any risk that deems to be high in the Hazard Identification and Risk Analysis (HIRA) are prioritized and completely taken care of in the management plan.

RSWM is a member of several industrial and trade associations. These are listed as under:

- Confederation of Indian Industry (CII)
- The Denim Manufacturing Association
- The Cotton Textile Export Promotion Council (TEXPROCIL)
- Federation of Indian Exporters Organization (FIEO)
- Indian Spinners Association (ISA)
- Rajasthan Textile Mills Association (RTMA)
- Synthetic and Rayon Textile Export Promotion Council (SRTEPC)
- Rajasthan Employers Association
- Indian Merchant Chambers (IMC)
- Northern India Textile Research Association (NITRA)
- South India Textile Research Association (SITRA)

Being an industrial house, its major concern areas are those public policies which deal with industry/business. Therefore, majority of its submissions are related to economic policy changes and other issues, which affect the sustainability and competitiveness of the industry.

These platforms are utilized to update the industry concerns to the relevant government offices through seminars, delegations and memorandums. Through these forums, the Company provides inputs sought by the State & Central Governments related to the current problems faced by the industry, future prospects and policy imperatives required to overcome bottlenecks.

These forums are used to advance the cause of the industry and are not used to take up Company specific issues.

### Principle 8

#### Supporting Inclusive Growth and Equitable Development

Through CSR (Corporate Social Responsibility) initiatives as well as an ingrained mechanism for sustainable development in core business activities, RSWM supports the principles of inclusive growth and equitable development. The Company has in effect, a detailed CSR policy monitored by a CSR Committee appointed by the Board of Directors.



CSR initiatives at RSWM are developed with a key emphasis on promoting education, offering advanced health care facilities, contributing to rural development, conservation of environment etc.

A number of CSR programs are pursued within close proximity to our units to enable supervision and maximize the impact of these developmental activities.

Areas of intervention	Initiatives and programs
Poverty eradication	The Company implemented numerous initiatives for eradicating hunger, poverty and malnutrition. It also organised camps and programs for creating awareness and promoting preventive health care and sanitation. The team funded and installed solutions to provide safe drinking water. These activities were organised in villages proximate to its manufacturing facilities at Banswara, Bhilwara, Udaipur & Sikar (Rajasthan).
Education & skill development	The Company implemented carefully created programs for promoting education, including special education and employment enhancing vocation skills especially for children, women, elderly, and the specially-abled to help them become self-dependent. It also undertook livelihood enhancement projects. These interventions were organised at Banswara, Bhilwara, Udaipur & Sikar (Rajasthan)
Gender inequality	The Company focused its efforts on promoting gender equality by empowering women. Towards this end, the Company funded numerous projects such as setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens. The Company also undertook measures for reducing inequalities faced by socially and economically backwards groups. These projects were undertaken at Bhilwara, Udaipur & Sikar (Rajasthan)
Culture & Heritage	The Company worked on the restoration of buildings and sites of historical importance and works of art; it facilitated in setting up public libraries and in promoting the development of traditional arts and handicrafts.

## Principle 9

### Providing Value to Customer

Aspirations know no bounds. As such, customer requirements continue to remain dynamic and evolve over a period of time. As such adding value to a customer emerges as key to a sustainably business relation. Adding value would encompass delivering on commitments (quality and delivery) sustainably. It also includes raising the bar of the customers business through new products and knowledge sharing.

At RSWM, we try to understand what drives value for our customers and offer best quality products with a prime focus on developing memorable customer experience.

In keeping with our customer first philosophy, RSWM engages with its customers at multiple forums to know the customer satisfaction level so that necessary steps may be taken to enhance the same.

The inputs received are then forwarded to the respective business teams for undertaking new developments besides remedial action, as may be required.

In keeping with customer requirements, the Company introduced numerous yarn and denim fabric variants which were well received by customers – details of which are mentioned in Annexure IV of the Directors' Report.

The Company received some customer complaints during the period under review. Of this, 100% were amicably resolved. Further, there is no case pending against the Company regarding unfair trade practices.

Further, the Company engages with customers at multiple knowledge-sharing forums to exchange ideas on emerging trends, new technologies and innovative products. These engagements cements a lasting bonding between RSWM and its customers.