

# Ensuring self-reliance of our country is our topmost priority: Vedanta

Vedanta (Aluminium & Power Business) CEO Ajay Kapur tells Millennium Post how the company sustains production for the country amidst the Coronavirus crisis while ensuring the safety of their people, communities, families and business partners



**T**ell us about how you are managing your operations amidst Covid 19 and what challenges are you facing?

The first and the toughest thing about dealing with COVID-19 is that everyone in the entire value chain of our business - our people, our communities, families and business partners - is safe. The second is continuity of operations as aluminium is a metal of strategic importance to the country. It is a vital raw material for electrical distribution, aerospace, defence, building & construction etc. Plus, producing aluminium is a continuous operation, meaning our alumina refinery, smelters, and power plants have to run 365x24x7. Since we are the country's largest producers of aluminium we are challenging ourselves to ensure that the wheels of manufacturing keep running with minimum resources and all precautions so that the country does not have to suffer.

Would you like to talk about some practices you are following at the plants to ensure business continuity?

We are running our plants with all due approvals from the government. Intensive precautions are being taken to protect our employees, business associates and communities against COVID-19, such as:

- » Maintaining social distancing and restricted movement in our plants, townships and adjoining areas
- » Using drones and other high-end technology for surveillance to ensure social distancing in plant and township premises
- » Providing meals and other essentials to workers in the plants and marginalised communities around our plants
- » Heightened standards of hygiene and sanitation in the plants, thermal scanning at entry points, self-isolation protocols and infrastructure
- » Rigorous use and distribution of Personal Protection Equipment (PPE) to employees and govern-

ment hospitals and safety kits comprising masks, soaps and sanitizers to underprivileged communities around our plants

- » Fumigation and disinfection within our plant and township premises, and also in peripheral villages and public places in the vicinity of our operations

How do you think India can leverage the COVID situation to emerge stronger and eventually thrive from an economic standpoint?

Over the past few weeks India has, rightly so, prioritised lives over livelihoods in one of the most progressive stances taken by any nation and has deservedly earned a lot of respect from the international community. There is now great opportunity for India to show the world how calibrated economic revival is possible. As they say, never waste a good crisis! This is a golden opportunity for India to be self-reliant. By extension, this is a great opportunity to revive our Make In India initiative.

As the largest producers of aluminium in the country, I can tell you about the Indian aluminium industry. It is a travesty that India is the only country in the world that imports 60 per cent of its aluminium demand, despite having surplus domestic production capacity. This results in India becoming a net exporter of aluminium. But exports have been impacted due to contracting demand from importing countries in the wake of the pandemic. This is a great opportunity for Indian aluminium producers to fulfill the domestic demand of the country, and even go a step further and try and capitalize upon the growing scepticism with China. And the government can really help bolster the domestic industry for the economy to bounce back.

The process of making aluminium, which is the second most important metal in the world, starts with bauxite ore which is refined to make alumina. The alumina is then smelted to make aluminium. The process of smelting is very energy intensive requiring continu-

ous thermal power. So, bauxite ore, power and labour account for 70-75 percent of the cost of production. India has the fifth largest reserves of good quality bauxite in the world, as against China which has poor quality bauxite reserves. India also has the fifth largest reserves of coal, globally. Hence, availability of large bauxite and coal reserves is a key competitive advantage that India enjoys in this sector. India also has large, efficient and globally competitive producers of primary aluminium.

These factors make India the second-largest producer of aluminium in the world well positioned to achieve self-sufficiency as well as become a major export hub.

Some digital or technological innovations deployed at your plants that have allowed business continuity while ensuring social distancing protocols to be practiced?

Vedanta's Aluminium and Power business' world-class plants are situated in remote locations across the country in Jharsuguda and Lanjigarh in Odisha, BALCO in Korba, Chhattisgarh and our power plant, TSPL, in Punjab. Intelligent automation deployed across our plants has helped sustain production with minimum manpower and increased accuracy. All the critical parameters of our plant operations are available to the relevant people on a real-time basis. Few examples:

- » Deployment of India's first Digital Smelter Solution at our Jharsuguda smelter is underway. It allows for remote monitoring and control of potline operations, enhances energy efficiency, reduces raw material consumption and arrests wastage of material through digital-twin technology and remote advisory system.
- » Implementation of SAP and Manufacturing Execution System (MES) across our plants ensures visibility of all critical plant operations and allows for decision making remotely through mobile applications, thus ensuring seamless sustainability of operations while employees can maintain social distancing and yet fulfil their activities on the plant floor.
- » Logistics Automation has enabled an entirely paperless process from mines to plants with increased efficiency and reduced leakages. Even within plants, all operational parameters are monitored virtually while ensuring there is minimum physical proximity. RFID sensors at each operational point capture automated operational parameters within the



- plant.
- » Digital collaboration platforms are used to connect employees working from home, remote service providers and plant sites at all times. The collaboration platform helps employees to share video and image content and critical operation parameters with all relevant stakeholders for a sustaining the operations 24x7.
- » Improved sanitisation tunnels at plant entry points for staff and 'no-touch' handwashing stations, have been set up at various locations inside the plant premises to ensure good hygiene among employees and business partners.
- » Over 1000 litres of sanitisers were prepared according to WHO norms in our plant laboratories for our own use as well as for free distribution in adjoining areas. Sanitiser were not readily available locally when the pandemic broke out.
- » Biometric punch has been discontinued for clocking attendance and only card-based (chip-based unique identity

- cards) clocking activated to avoid physical touch, in addition to relaxed shift timings to prevent crowding at exit gates.
- » A multi-level virtual war-room has been created to monitor the evolving COVID situation daily and take decisions accordingly. Our plants are situated in remote locations across the country and have their own captive townships where employees and their families reside. Several innovative solutions have been deployed to ensure hygiene, social distancing and availability of essential items at our townships:
- » We launched a 'Farm to Fork' project at our BALCO plant in Korba, Chhattisgarh when the pandemic broke out. It provides home-delivery of local produce to our township residents directly from the farmers in the vicinity of the plant through an easy-to-use app developed in-house for the lockdown period. It protects our employees and their families from supply chain vagaries while providing a ready market to the local farmers.

- » To manage footfall and social distancing at township stores selling vegetables, milk, groceries etc, an online timeslot-booking portal has been developed in-house to regulate the number of people and timings during which they can go to the neighborhood shops to buy essentials. Additionally, areas outside these stores have been demarcated for people to queue up as per social distance protocol.
- » Creation of a digital Emergency Control & Command Center for monitoring township and for employees to report any cases or seek help.
- » Telemedicine facility in township hospitals so patients can make a phone call for consultation with doctors instead of a physical visit. Further, a 24x7 medical helpline and home-delivery of medicines has been initiated.
- All of these are over and above heightened levels of workplace sanitisation & hygiene, rigorous social distancing, self-isolation measures where applicable, and remote working where possible, thermal scanning at entry points etc. being

maintained across all operations.

Business disruptions due to COVID-19 - a coping strategy that is working?

The disruption is here to stay for a while. The adage 'change is the only constant' has never been truer. Right from the supply chain to the customers, every leg of the value chain is facing disruptions. In our rapid growth in such a regulated sector as metals and mining we have ingrained in our work culture that disruptions are not one-time cataclysmic events, but rather, regular occurrences. How we adapt and use them as opportunities to future-proof ourselves is the bedrock of how we do business.

We had immediately set up a war room when this pandemic broke out to monitor the progression of the impact and respond to it in the best possible way. We have empowered our teams on ground across all locations to take decisions in the interest of our employees, communities, business partners and the company.

We have reached out and extended all kinds of support to the central and state governments as well as district administrations, and all of them have been remarkably responsive. Our Chairman, Mr. Anil Agarwal has pledged a Rs. 201 crore fund for fighting COVID-19. We are also rapidly learning from and sharing best practices with industry peers and our consultants.

A lasting leadership lesson that Covid-19 has taught you?

We are indeed faced with one of the biggest challenges the world has ever seen, and we also know, there will be a lot of pain before it is behind us. The mightiest businesses and economies are facing the same pressures that all of us are facing here. Everyday, in fact every hour, can bring new and unforeseen developments. There is no textbook and no ready answers. Each of us must find our own answers. And we can do so through, what I like to call the 4 Cs: Calmness > Collaboration > Cooperation > Communication.

While we wait for the pandemic to pass, our leaders and our teams are gearing up to Reimagine-Reboot-Re-engineer-Reinvent our business, think of innovations, and leverage digital technologies for business excellence.

I'm proud that all our people are all standing on our feet, head on shoulders, chin high with a steely resolve to emerge stronger by finding practical solutions to the emerging situation. As I tell my team - this is a heavyweight boxing championship and we have to go through the 15 rounds and emerge champions on the other side.