

SOP Title:

Sustainable Procurement

SOP ID / Version Control

Field	Details
SOP Number	SOP/SPC/001
Version	1.0
Date of Creation	01/01/2022
Last Reviewed	31/03/2025
Next Review Date	31/03/2026
Approved By	Pradeep Kumar Dungarwal

1. Supplier Sustainability Code of Conduct

Varsha Stones International Private Limited will establish and enforce a **Supplier Sustainability Code of Conduct** that outlines expectations for ethical business practices, environmental responsibility, and social sustainability. All suppliers will be required to adhere to these standards to ensure that their operations align with the company's sustainability goals.

Objective: Ensure that suppliers meet the company's ethical and sustainability criteria.

2. Integration of Social and Environmental Clauses into Supplier Contracts

The company will integrate social and environmental clauses into all supplier contracts. These clauses will cover expectations related to labour rights, environmental sustainability, and compliance with relevant regulations.

Objective: Ensure that sustainability requirements are part of the contractual obligations of suppliers.

3. Risk Assessment of Adverse Sustainability Impacts in the Supply Chain

Regular assessments will be conducted to evaluate potential sustainability risks within the supply chain. These assessments will focus on identifying and mitigating risks related to environmental damage, human rights violations, and supply chain disruptions.

Objective: Identify and address sustainability risks to prevent harm to the environment and communities.

4. Supplier Assessment on Environmental and Social Practices

Suppliers will be regularly assessed on their environmental and social practices. This includes evaluating their performance on issues such as waste management, energy use, water consumption, worker welfare, and community impact.

Objective: Ensure that suppliers operate in alignment with the company's social and environmental goals.

5. Training of Buyers on Social and Environmental Issues Within the Supply Chain

The company will provide training to all procurement personnel on the importance of social and environmental issues within the supply chain. This training will equip buyers with the knowledge needed to make responsible procurement decisions and assess supplier practices effectively.

Objective: Ensure that procurement decisions are informed by social and environmental considerations.

6. On-Site Audits of Suppliers on Environmental and Social Issues

On-site audits will be conducted to evaluate the environmental and social performance of suppliers. These audits will help identify areas for improvement and ensure compliance with sustainability standards.

Objective: Verify supplier adherence to sustainability practices and ensure transparency in operations.

7. Capacity Building of Suppliers on Sustainability Risks

The company will engage in capacity building initiatives with suppliers to help them understand and mitigate sustainability risks. This may include providing resources, training, and support on topics such as waste reduction, energy efficiency, and labour rights.

Objective: Build supplier capacity to meet environmental and social sustainability standards.

8. Incentive Programs for Suppliers Based on Their Environmental and Social Performances

Incentive programs will be introduced for suppliers based on their environmental and social performance. Suppliers who demonstrate strong sustainability practices will be rewarded with preferential terms or recognition.

Objective: Motivate suppliers to improve their sustainability performance.

9. Sustainable Procurement Objectives Integrated into Buyer Performance Reviews

Sustainable procurement objectives will be integrated into the performance reviews of procurement staff. This will ensure that environmental and social considerations are prioritized in procurement decisions.

Objective: Align procurement team performance with the company's sustainability goals.

10. Worker Voice Surveys or Grievance Mechanisms for Suppliers

The company will encourage the implementation of worker voice surveys or grievance mechanisms within the supplier organizations to ensure that employees have a platform to report concerns related to working conditions, wages, or other issues.

Objective: Empower workers in the supply chain to voice concerns and improve working conditions.

11. Actions to Work with Women-Owned Businesses in the Supply Chain

Varsha Stones International Private Limited will actively work with women-owned businesses in the supply chain by promoting inclusivity and providing support to ensure that women-led businesses have equal opportunities for growth and participation.

Objective: Support the inclusion and growth of women-owned businesses within the supply chain.

12. Actions to Work with Businesses Owned by Minorities or Vulnerable Groups in the Supply Chain

The company will prioritize working with businesses owned by minorities or vulnerable groups, ensuring equal opportunity and supporting diversity in the supply chain.

Objective: Promote diversity and inclusivity within the supply chain by supporting minority and vulnerable group-owned businesses.

13. Actions to Advance Diversity, Equity, and Inclusion in the Workforce of Suppliers

The company will work with suppliers to advance diversity, equity, and inclusion (DEI) in their workforce. This will include encouraging suppliers to adopt DEI practices and implement policies that foster inclusive working environments.

Objective: Ensure that suppliers maintain inclusive and equitable work environments that align with the company's values.

Acknowledgment

I, Pradeep Kumar Dungarwal, hereby confirm that the policies outlined in this SOP reflect the commitment of Varsha Stones International Private Limited to sustainable procurement and supplier engagement. This document serves as a guideline for suppliers and procurement teams to align their actions with our sustainability goals.

For Varsha Stones International Pvt. Ltd.


Director

Signature:

Date: 1st January 2022