

Bharat Aluminium Company Limited (BALCO)

STRATEGIC ASSET MANAGEMENT

POLICY No: BALCO/POLICY/08

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BALCO believes in having a structured approach to asset optimization through the implementation of focused initiatives for improving asset life and increasing throughput and reliability with minimum cost in a sustainable manner that involves all stakeholders.

This policy is applicable to all Individuals responsible and accountable for the operation and maintenance of all assets in BALCO.

BALCO will:

- Provide a systematic approach to assess the Equipment performance and judge the performance of different SBU's in terms of Asset management through criticality analysis, condition appraisal and the refurbishment plans thereof;
- Provide a framework for the operations and plant maintenance activities; equipment maintenance; utility operations and maintenance; building and ground maintenance; facilities protection and security; departmental safety and environmental compliance and thereby setting up of asset management objectives;
- Steer the maintenance plan for execution for maximizing equipment availability, optimizing production level, minimizing rejection, while complying with Vedanta sustainability standards and other applicable requirements;
- Involve all personnel in improvement activities with a focus on eliminating defects and waste;
- Define roles and responsibilities at each level i.e. planning team, engineers (Operations and Maintenance), area in-charges, contractors, business excellence / central team and SBU heads and skill enhancement thereof;
- Ensure that departments undertake continual improvement projects through focused improvement projects (FIP's), Quality Circle initiatives (QC) and incremental improvements (Kaizens) and HODs review these activities on a monthly basis to track the progress and to provide mid-course correction, if needed.

We shall measure and report progress against this policy and review performance on a periodic basis to ensure ongoing management of assets and shall communicate this policy to all relevant stakeholders. Asset Optimization Score Cards for individual areas are audited on a monthly basis by the central team and are reviewed by Heads of businesses.

RAJESH KUMAR
CEO & WTD BALCO