

ESSAR GROUP

Health, Safety and Environment

Driving Safety - Policy Directive

Essar is committed to protecting the health and safety of those involved with our activities, and the people who come into contact with our operations. One of the major safety risks in our company activities is travel on road, which needs to be addressed and adequate control measures put in place. We will therefore

Ensure that our employees, consultants and all contractors, in particular road transport contractors are aware of our driving safety policy and standards and where necessary, work with our contractors to raise their standards;

Educate and train employees and contractors towards driving safety requirements.

Monitor driving safety performance and audit road transportation aspects and transport contractors on regular basis for continuous improvement.

Driving Safety - Policy Directive

Drivers Competency and Training

Drivers must be appropriately assessed, licensed, trained and medically fit to operate the vehicle. Drivers should be selected based on their driving competency and past performance and this needs to be verified before deployment and ensured by transport contractors. Training on 'Defensive driving, First aid & Journey Management' shall be carried out at least once in two years and for all new drivers.

Competency assessments should be carried out to ensure competency of drivers and medical check up carried out to ensure fitness.

Driving and Duty Hours

Drivers must be appropriately rested and alert. It is to be ensured that the drivers have sufficient rest hours and off periods to enable safe driving. Sufficient breaks should be given, while driving long distance.

Drugs / Alcohol

Vehicles shall not be driven by drivers, while under the influence of alcohol, drugs, narcotics or medication that could impair the driver's ability to safely operate the vehicle.

Mobile Phones / Two Way communication device

Drivers must not use a mobile phone or two way radio while operating the vehicle (this includes use of hands free device). In addition to non use of mobile phones, other distractions like smoking, eating and drinking, is not permitted by drivers while driving.

Vehicles

Vehicles shall be fit for purpose and maintained in safe working order in line with manufacturers' specifications and local legal requirements. In addition, passenger cars should be installed with seat belts. Drivers should carry out daily and weekly vehicle checks to ensure the condition of the vehicle. The number of passengers travelling in the vehicle should not exceed the manufacturer's specification for the vehicle / should be appropriate for safe travel.

Seatbelts

Fastening of seat belt is compulsory for everyone including passengers seated on the back seat of cars / seat belt should be worn by all occupants at all times a vehicle is in motion. If any car on company duty does not have a seat belt, the same shall be reported to the respective administration dept / other concerned for corrective action.

Speed Limits

Speed limits should be appropriate to the hazards present in the driving environment and speed limits near schools and villages should be restricted so as to be safe. Drivers should be cautioned to slow down, if they over speed. Speed limits as per the road signs should be followed. Passengers shall not ask the driver to overspeed to catch up with time.

Journey Management - Passenger Vehicles

All journeys made in remote locations and places where monitoring is required eg : long distance travel, should follow Journey Management Plan (JMP). Travel within city, work site to home etc. will not need JMP.

Night Driving -Passenger Vehicles

Night driving / driving in dark should be restricted and controlled, particularly long distance travel outside cities / towns. During emergencies or other operational requirements night driving permission shall be obtained from the respective HOD before starting the journey and additional controls e.g. speed limit exercised. It is recommended that employees avoid long distance journeys on road during night on personal travel as well, as most accidents occur at night.

Securing of Loads

Loads must be secure and should not exceed manufacturer's specification and legal limits for the vehicle.

Incidents / Accidents

In case of accidents, the same should be reported immediately to the respective supervisors and investigations carried out and actions taken to prevent recurrence. Drivers shall familiarize themselves with the emergency response procedures associated with travel.

Two-Wheelers

All employees and contractors should compulsorily use "certified crash helmets" while riding two-wheelers on company work (both driver and pillion rider). Essar expects that all employees and consultants wear helmets when driving two-wheeler during personal travel.

This policy directive shall be strictly observed by all Essar employees, contractors and consultants and respective Head of departments are accountable for ensuring that it is implemented at all locations under their control.

Shashi Ruia

Chairman

Place : Mumbai Date : 9th October 2007