ENVIRONMENTAL AND SOCIAL (E&S)

RISK POLICY

June 2023

Version 7.2

Contents

1.0 INTRODUCTION 4
1.1 Background 4
1.2 Objectives of this Policy 4
1.3 Review 4
1.4 Rationale for this Policy 4
2.0 BANK'S ESG COMMITTEE 6
2.1 ESG Committee 6
2.2 Engagement with External Stakeholders 7
3.0 UNDERSTANDING E&S RISK 8
3.1 Environmental Risk 8
3.2 Social Risk 8
4.0 E&S MANAGEMENT SYSTEM (ESMS) 9
5.0 GOVERNANCE FRAMEWORK 10
5.1 The ESG Committee 10
5.2 Senior Management 10
5.3 E&S Risk Team 10
5.4 Relationship Managers (RM) 10
5.5 Credit Officers 10
5.6 Credit Approval Authority 10
5.7 Legal Department 11
5.8 E&S risk assessment training & capacity development 11
6.0 EXCLUSION LIST 12
6.1 Clarifications 13
7.0 E&S RISK ASSESSMENT PROCEDURE 14
7.1 Screening 14
7.2 Applicability 14
7.3 E&S Risk Categorization 14
7.4 Risk Assessment/ Due-Diligence 16
7.5 Site visit 16
7.6 Corrective Action Plan (CAP) 16
7.7 E&S risk assessment approval 16
7.8 Documentation 16

7.9 Monitoring & review 16
7.10 Validity of E&S risk assessment 17
7.11 MIS & reporting 17
8.0 DEVIATION MANAGEMENT 18
8.1 Deferral management 18
8.2 E&S risk assessment applicable but not conducted 19
8.3 8.3 Delay in closing E&S queries 19
8.4 Client not agreeable to E&S CAPs 19
8.5 E&S CAPs not complied with by client 19

1.0 INTRODUCTION

1.1 Background

This Policy articulates the Bank's strategic commitment towards Environmental and Social (E&S) risk management and makes this an integral part of its Risk Management practices. Managing E&S Risk is an integral part of Bank's sustainable development initiative and credit risk assessment process. This policy is aligned with environmental and social risk management framework adopted by multilateral banks across the globe, which are internationally accepted as gold standard in E&S risk management.

1.2 Objectives of this Policy

- Setting strategic E&S objectives, such as offering new products that address E&S sustainability
- Incorporating E&S Risk considerations into all financing activities
- Excluding financing clients whose business activities do not meet the Bank's principles
- Communicating E&S expectations to all staff, clients and other external stakeholders
- Committing to improving the overall E&S performance of its portfolio through enhanced risk management.
- Committing to continually building capacity of Bank's staff to identify E&S risks.

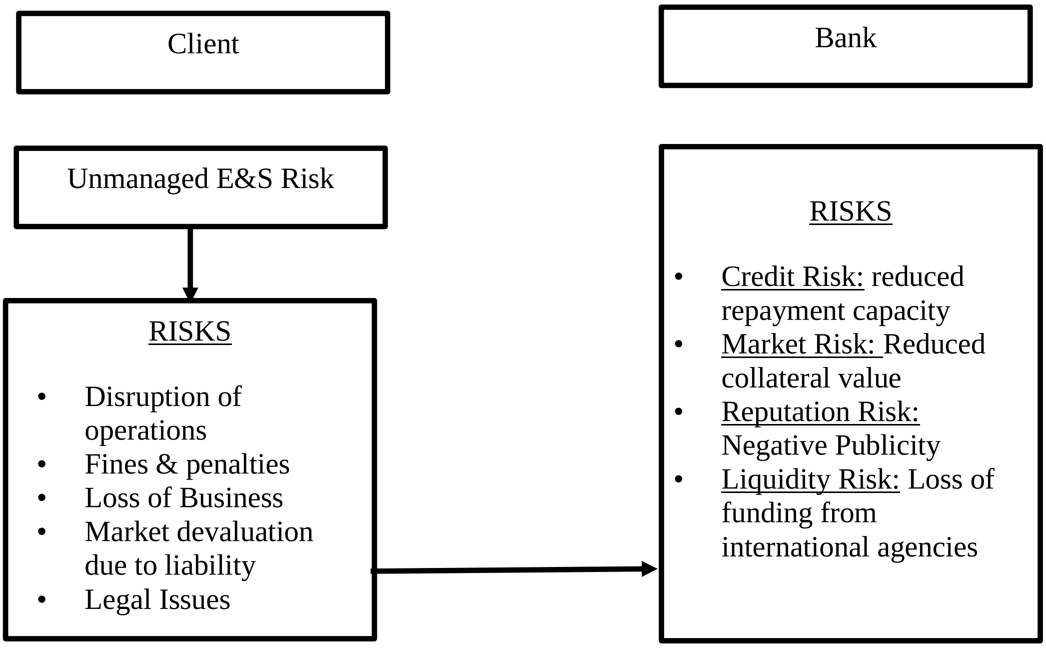
1.3 Review

This Policy shall be reviewed at annual intervals, or more frequently as warranted.

1.4 Rationale for this Policy

The adoption of this policy is not only a "morally" good decision; it also enables the Bank to mitigate risk. A crystallized E&S risk could easily translate into Credit Risk, Market Risk, - Operational Risk, Reputation Risk and Liquidity Risk for the Bank.

The Bank's transaction with a client can represent a financial, legal and/or reputational risk to the Bank. Because E&S issues are inherent in business, almost all clients would be exposed to some degree of E&S Risk. However, in most cases, clients may have control over the E&S issues associated with their business operations and can take necessary steps to mitigate these risks.



Some potential E&S risks may not seem significant or relevant at the time of approval, such as spills or explosions. These may seem unlikely to occur, but when they do, the E&S impact is potentially extremely high.

By implementing an E&S Management System (ESMS), the Bank can enhance its understanding of E&S risks associated with each transaction, which can be included in the credit appraisal (decision-making) process.

2.0 BANK'S ESG COMMITTEE

2.1 ESG Committee

The Bank shall form an Environmental, Social and Governance (ESG) Committee comprising of senior executives to oversee implementation of this Policy. The ESG Committee will oversee the progress of the Environment and Social Management Systems (ESMS) across the Bank, approve changes in procedure, provide guidance, and resolve conflict (if any). The ESG Committee will also approve the Board notes and progress reports prepared by the ESMS Team.

2.1.1 Composition

The ESG Committee shall comprise a Chairman, (a Management Committee member), ESMS Officer (Alternate Chairman) and at least two other senior members. The composition of the Committee will be as following:

- Rajeev Ahuja (Chairman)
- N Hari Prakash (Alternate Chairman)
- Pravin Jadhav (Member Secretary)
- Akshay Pandirkar
- Senior Members representing FI /FL, Agri Business, Diversity and Inclusion
- Other members, as may be invited by Chairman/Alternate Chairman

Non-Executive Director of the Bank may be invited by the Committee to update on the activities of the Committee.

In addition, the Chairman / Alternate Chairman could invite subject matter experts from reputed organizations like CDC and IFC to draw up on their experience.

2.1.2 Terms of Reference

The Terms of Reference (ToR) are as following: -

- Implementation of the Environmental and Social Management System (ESMS) across the Bank and appraise the Bank's Board on E&S related aspects
- Running financial literacy programmes in selected States
- Running financial inclusion programme for marginalized, economically weaker and business-wise less attractive sections in various States
- Development and delivery of financial products and services that enable more sustainable agricultural practices and results in resource conservation/ enhancement of resource efficiency
- Promoting gender diversity and social inclusion
- Other objectives as the Committee deems fit for adoption from time to time with the consent of the Management Credit Committee (MCC).

2.1.3 Periodicity of Meetings

The Committee shall meet at least once a quarter, or more frequently as required.

Meetings could be in person, telephonic and through live video steaming. The Member Secretary will circulate Minutes of Meeting (MoM) to all members.

The Committee shall provide quarterly updates to the Board on ESMS, Financial Inclusion, Financial Literacy and Sustainable Agri Business related matters.

2.2 Engagement with External Stakeholders

The Bank engages with external stakeholder like investors, regulators, various industry associations, and trade bodies, on regular basis, in order to voice their concern and provide feedback on regulatory policies.

The Bank officials will ensure that such engagements follow the below principles:

- Engage in a responsible manner
- Ensure fairness while voicing opinions
- Promote greater public good

3.0 UNDERSTANDING E&S RISK

A brief description of various E&S issues is given below.

3.1 Environmental Risk

Environmental issues may present themselves as temporary or permanent changes to the atmosphere, water, and land due to human activities, which can result in impacts that may be either reversible or irreversible. The following are the types of risks that may arise due to client's business operation. The intensity and degree of risks will vary as per the type of industry, scale and location, manufacturing processes adopted, etc.

- Air emissions and ambient air quality
- Energy use and conservation
- Climate change
- Wastewater and water quality
- Water use and conservation
- Hazardous materials use
- Wastes
- Land contamination
- Biodiversity and natural resources

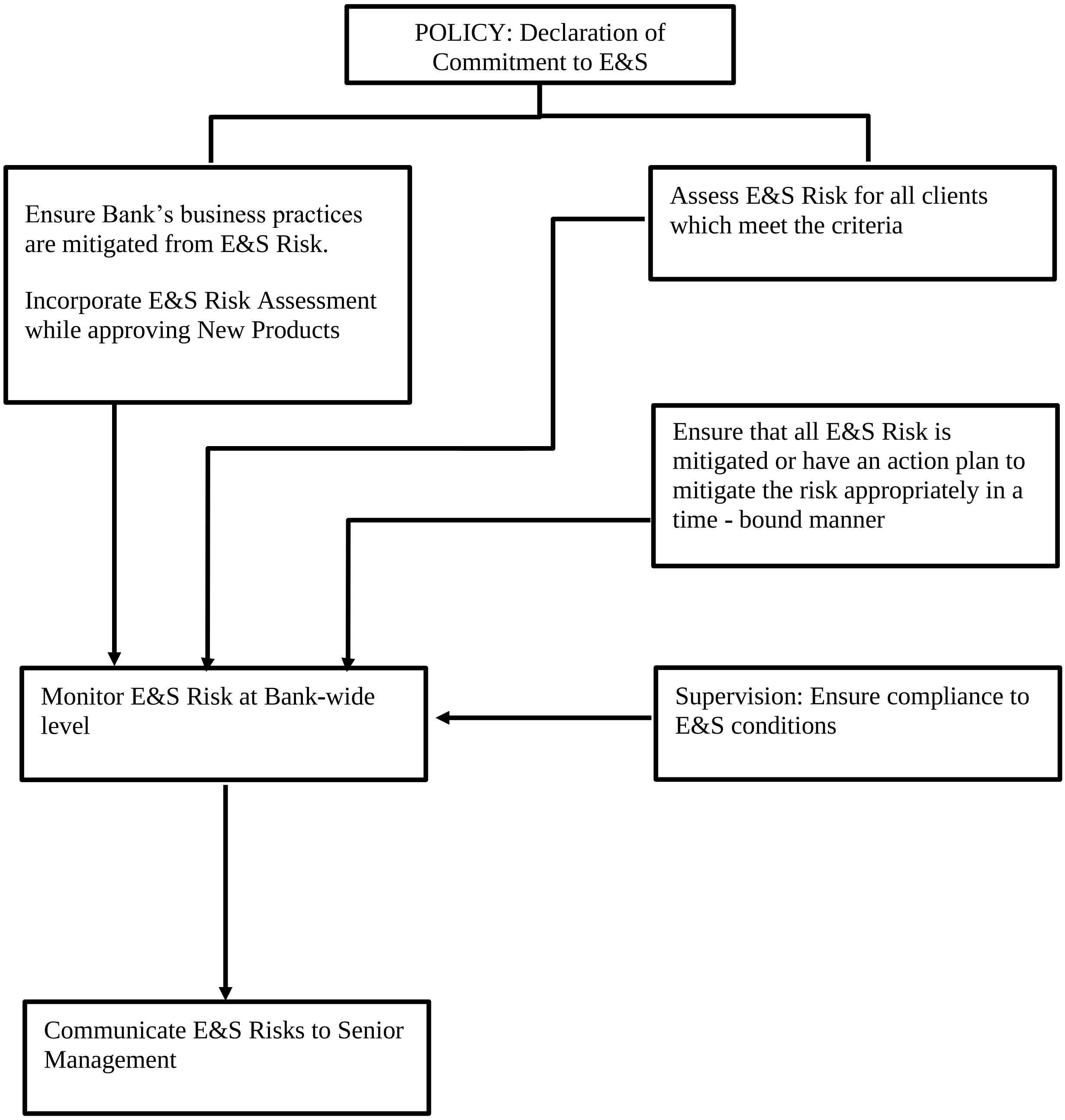
3.2 Social Risk

Social issues may emerge in the workplace and may also impact surrounding communities. Performance in the areas listed below can represent social risks to the client's operation:

- Labour and working conditions
- Occupational health and safety
- Community health, safety, and security
- Diversity, Equity, Inclusion (DEI) and Gender based violence (GBH)
- Land acquisition and involuntary resettlement
- Indigenous peoples
- Cultural heritage

4.0 E&S MANAGEMENT SYSTEM (ESMS)

An ESMS is necessary for the successful implementation of this Policy and ensuring that a proper E&S Risk assessment is carried out for all clients. The Bank's ESMS framework is described below.



5.0 GOVERNANCE FRAMEWORK

For successful implementation of this policy, role of various stakeholders is defined below.

Further, relevant training would be provided to all relevant stakeholders.

5.1 The ESG Committee

The ESG Committee of senior executives of the Bank oversees the implementation of ESMS across the Bank, tracks progress and reports to the Bank's Board. Please refer to Section 2.0 for the composition, terms of reference and meeting periodicity of the ESG Committee.

5.2 5.2 Senior Management

Senior Management involvement is crucial to the successful implementation of this Policy as they establish the Bank's E&S requirements and oversee deployment.

In cases of unresolved E&S issues or non-compliance associated with a transaction that cannot be resolved by the Relationship Managers and Risk department, Senior Management determines the appropriate course of action to follow, to reduce the Bank's potential exposure to E&S risk, which may include taking legal action against the client, if necessary.

5.3 E&S Risk Team

The E&S risk Team is headed by an ESMS Officer of the rank Vice President or above.

he E&S risk team is responsible for developing the Bank's E&S Risk Policy in consultation with Senior Management. The team evaluates the E&S risks at the portfolio level and provides assistance to Relationship Managers and Credit Risk Managers in (a) evaluating transaction level E&S risks and (b) client's E&S performance.

It will also prepare and report back performance of the ESMS system to the ESG Subcommittee and subsequently to the Board.

The E&S risk team is also responsible for developing and updating the procedures and documents that are part of the Bank's ESMS system.

5.4 Relationship Managers (RM)

RMs are responsible for following the procedures of the E&S Risk Policy at the transaction level. They discuss and negotiate possible E&S mitigation measures with the client.

5.5 Credit Officers

Credit officers are responsible for evaluating the E&S risks at the level of individual transactions and make a recommendation to the Credit Approval Authority/ Investment Committee, on whether to proceed with a transaction.

5.6 Credit Approval Authority

The credit approval authorities are responsible for deciding if E&S risks are acceptable to the Bank's overall exposure to risk before proceeding with a transaction.

5.7 Legal Department

The Legal department ensures that the Bank's E&S requirements are incorporated in legal documentation for each transaction. The Legal Department may advise if a client's noncompliance with E&S clauses constitutes a breach of contract and is considered an Event of Default under the terms of the legal agreement that requires follow up by Senior Management.

5.8 E&S risk assessment training & capacity development

The E&S risk team will also carry out capacity development of wholesale business RMs/ credit risk teams w.r.t. existing and emerging E&S risks and mitigants.

E&S risk capacity development takes place through (a) face to face (F2F) training and (b) through e-learning.

F2F training takes place at various office locations to maximize reach.

The E&S risk team has developed a comprehensive E-learning module called 'E&S Risk Assessment". This module is mandatory for wholesale business and credit risk teams and is included in learning roadmap for respective teams.

Support for training is provided by E&S risk team and Bank's Learning and Organizational Development (L&OD) team.

Any deliberate non-compliance like non-completion of E&S risk e-learning module will result in interventions by Management Disciplinary Action Committee (MDAC).

6.0 EXCLUSION LIST

As a part of this policy, the Bank has listed down activities/ businesses that are not permitted to be financed. This list is derived from IFC's list of excluded activities, with certain modifications*. This shall be revised automatically when IFC revises its exclusion list.

Table 1: RBL Bank's Exclusion List

No.	List of Excluded Activities (Applies to all clients)
1)	Production or trade in any product or activity deemed illegal under Indian laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under CITES.
2)	Production or trade in weapons and munitions
3)	Production or trade[1] in alcoholic beverages (excluding beer and wine)
4)	Production or trade[1] in tobacco
5)	Gambling, casinos and equivalent enterprises
6)	Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded
7)	Production or trade in un-bonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
8)	Drift net fishing in the marine environment using nets in excess of 2.5 km. in length
9)	Production or activities involving harmful or exploitative forms of forced labor (Forced labor means all work or service, not voluntarily performed that is extracted from an individual under threat of force or penalty)/harmful child labor
10)	Commercial logging operations for use in primary tropical moist forest
11)	Production or trade[1] in wood or other forestry products other than from sustainably managed forests
12)	Pornography and/or Prostitution
13)	Racist and/or anti-democratic media

[1] There is a waiver from this exclusion list for retail loans up to ₹ 10 crore for individual borrowers' annual revenue up to ₹ 100 crore in trading of tobacco products and wooden furniture, packaging materials (with plywood boxes, cardboard boxes, wooden pallets, crates etc.) and corrugated boxes (including shops that source wood from local markets with legal /tax invoice/ bills) and restaurants with bar. The total exposure to excluded activities will be monitored and is capped till 2% of the Bank's total loan book

No.	Additional List of Excluded Activities (Applicable ONLY to Microfinance clients)
1)	Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.
2)	Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.

6.1 Clarifications

For clients with multiple lines of business, where one or more lines of business fall within the exclusion list, the financing activity is permitted in following cases:

- If the excluded activities form less than 20% of the company's overall revenue, or
- If funding can be clearly established towards an activity which is not on the excluded list.

In the case of supplies to Armed forces, non-arms related products are not to be considered. Such products include food poultry and other non-armament related supplies.

Any clarifications if required must be cleared with the Bank's E&S risk team.

7.0 E&S RISK ASSESSMENT PROCEDURE

The assessment of E&S Risk is an integral part of the Bank's credit sanctioning process. It is the joint responsibility of Business and Risk teams, to ensure successful implementation.

The Policy provides an overview of the E&S risk management process. The E&S risk team has prepared the following 'E&S Risk Assessment Procedure' for providing guidance to all concerned teams while conducting E&S due diligence.

7.1 Screening

As part of its commitment to E&S causes, the Bank does not finance activities as per Exclusion List.

7.2 Applicability

Assessment of E&S Risk is mandatory where overall credit exposure > ₹ 40 crore and at least one facility having tenor more than 12 months" to all transactions other than those falling under Central Pollution Control Board's (CPCB) Red list for which the current threshold i.e. "₹ 8 crore and at least one facility having tenor more than 12 months" will continue to apply to ensure no High & Substantial risk transactions are missed out which currently account for just 17% of total E & S Risk assessed transactions.

Central Pollution Control Board's (CPCB) Red list is given in the Annexure I.

However, E&S due diligence is not necessary for:

a) NBFC/ MFI clients
b) Transactions involving only treasury limits/ non-SLR instruments
c) Retail loans
d) Transactions involving only invoice discounting / lease rent discounting
e) Transactions with 100% cash/ FD backed facilities

However, E&S risk assessment is applicable for 100% Standby Letter of Credit (SBLC) or 100% Mutual Fund (MF) backed facilities.

7.3 E&S Risk Categorization

Risk categorization provides an initial assessment of the environmental and social risk associated with the transaction. It may be noted that several factors influence the categorization of a project, including scale, location, sensitivity and magnitude of impacts.

The risk categorization also helps in determining the E&S risk assessment process.

With effect from April 2019, E&S risk will be categorized into four categories (i) High, (ii) Substantial, (iii) Moderate, and (iv) Low risk as per the new Environmental and Social Standard (ESS) published by World Bank in October 2018.

Definition of these four risk categories is presented below in Table 2.

Table 2: Definition of Different E&S Risk Categories

High Risk	Substantial Risk	Moderate Risk	Low Risk
Client's E&S risk profile could be characterized by: • long term environmental and social impacts negatively affecting local environment and community • May extend beyond the boundaries of plant even with control measures • E&S impacts are diverse, irreversible and/or unprecedented in nature • Residual, unmitigated or unforeseen E&S risks are present	Client's E&S risk profile could be characterized by: • Environmental and social (E&S) impacts are medium to short term • E&S impacts are limited to the plant boundary with control measures • May or may affect local community • Readily addressed through mitigation measures. • Residual, unmitigated or unforeseen E&S risks may or may not be present	Client's E&S risk profile could be characterized by: • Environmental and social (E&S) impacts are short term • E&S impacts are limited to the plant boundary with control measures • Does not affect local community • Readily and completely addressed through mitigation measures. • Residual or unforeseen E&S risks not present	Client's E&S risk profile could be characterized by: • Minimal or no environmental and social (E&S) risks. • No manufacturing / construction activities involved
Examples#: Mining, Thermal power plants, Cement, Pulp and Paper	Example: Pharmaceuticals, Chemical industries, Large EPC contractors, Foundry	Example: Small EPC Contractors, Agro based industries, Plastic moulding	Example: Trading, service sector industry

Note: # - the industry classification shown here is illustrative only. E&S risks associated with individual transaction may be different considering <u>site-specific risks</u>, <u>compliance history</u> and <u>client's Internal Risk Controls (IRC) (a combination of policy, procedures, management willingness and availability of capable manpower)</u> to manage associated E&S risks. Please consult the E&S risk team for more clarification on transaction specific risks.

7.4 Risk Assessment/ Due-Diligence

The purpose of the risk assessment/ due diligence is to review any potential E&S risks associated with the business activities of a client, which could present a potential risk to the Bank.

E&S due diligence involves the identification, quantification and evaluation of E&S risks. The scope and extent of due diligence exercise would be based on the risk category as well as quantum of exposure.

The first step towards E&S due diligence requires a desktop review. This is based on reviewing publicly available information, raising pertinent queries and discussions with the client.

The E&S team would endeavour that E&S queries are raised within a period of 15 working days from receipt of necessary information, for at least 95% of the transactions eligible for E&S risk assessment.

The E&S Risk team shall circulate the necessary formats and templates to assist RMs and Credit Officers to conduct the E&S assessment/ due diligence.

7.5 Site visit

For 'High', 'Substantial' and 'Moderate' risk, site visit is required in addition to the desk-top review. Site visit from E&S risk perspective is not required for 'Low' risk categories. However, credit risk team (RCH/NCH) may mandate the business and/or E&S risk team to conduct site visit irrespective of E&S risk category.

7.6 Corrective Action Plan (CAP)

The E&S due diligence process also helps to identify necessary mitigation measures to reduce/ mitigate the E&S risks. In case unmitigated E&S Risk issues are observed, a formal corrective action plan (CAP) should be proposed. Such corrective action plans (CAPs) must be mutually agreed with the client, and should have clearly defined timeframe for implementation, and monitoring mechanisms. However, for minor issues, which can be easily addressed and resolved in a short time, there is no need to incorporate into the action plan but should nonetheless be documented in the assessment.

7.7 E&S risk assessment approval

For all High, Substantial, and Moderate E&S risk rated transactions only E&S risk team could approve the E&S risk. For all 'Low' E&S risk transactions the RCH could approve the associated E&S risks.

7.8 Documentation

The Bank need to dovetail E&S requirements into documentation with clients requiring compliance with the Bank's E&S requirements. This helps the Bank to minimize exposure to E&S risks associated with a Client's operations throughout the lifetime of a transaction and gives the Bank legal recourse in case of non-compliance.

The Legal Department is involved in developing and inserting the necessary clauses on E&S matters into legal agreements.

7.9 Monitoring & review

Once a transaction has been approved, the compliance to the CAP is verified. Also, it is important to conduct fresh E&S review along with annual reviews, as E&S issues and compliance status may have undergone a change since the last review. While the responsibility of day-to-day monitoring of CAPs will rest with the RMs, the Credit Administration Department (CAD) monitors the overall achievement of the CAPs.

7.10 Validity of E&S risk assessment

Under normal circumstances existing E&S risk assessment may need to be revisited and redone as production process, key raw materials consumption, pollution load, labour and working conditions etc. may change over time. These needs to be factored in the fresh E&S assessment.

Existing E&S risk assessment for all ‘High’ risk transactions will need to be redone every 3 years from the date of closure of earlier E&S risk assessment; whereas for ‘Substantial’ and ‘Moderate’ (‘Medium’ E&S risk rated transactions prior to April 2019) risk transactions E&S assessment will be redone every 4 years. E&S risk assessment for ‘Low’ risk transactions will need to be redone 5 years.

Notwithstanding above, in case of any major material change(s) in terms of (a) new location(s), (b) new product(s), (c) modified manufacturing process, (d) significant changes in workforce (+30 - 40%) and/or (e) any environmental, safety or social incident - E&S risk team may mandate fresh E&S risk assessment to be conducted.

7.11 MIS & reporting

The following reports are filed with E&S Risk team for aggregation and monitoring E&S Risk at portfolio level, to enable the Bank to have a better understanding of its overall exposure to E&S risk through its portfolio.

- E&S Assessment reports (desktop reviews and Site visit)
- Corrective Action Plan
- Compliance reports for Corrective Action Plan
- Other relevant documents

Periodic portfolio updates are provided to ESG Committee, Senior Management, and the Board.

8.0 DEVIATION MANAGEMENT

The success of E&S risk assessment program relies on if (a) timely completion of E&S risk assessment, (b) identifying, documenting, and addressing foreseeable E&S risks, (c) developing adequate CAPs for mitigating E&S risks identified, (d) red flagging residual, unmitigable or unforeseen risks to higher authorities; and (e) complying with CAPs in timely manner.

The Bank has identified five possible deviations associated with E&S risk assessment, viz. (a) E&S deferral, (b) transactions where E&S risk assessment is applicable but not conducted, (c) delay in closure of E&S queries, (d) E&S CAPs issued not agreed by the client, and (e) Client's non-compliance with existing E&S CAPs. These deviations, if unaddressed, could materially or potentially jeopardize the E&S risk management system.

8.1 Deferral management

Prima facie, all deferral requests will be discouraged. Deferral for conducting E&S risk assessment and /or site visit are exceptions and accorded only during a business exigency. All E&S risk assessment deferrals will be approved by Head - Enterprise Risk post written recommendation by E&S Risk team.

In the absence of Head – Enterprise Risk, Chief Risk Officer or if both are absent, E&S risk team member(s) could approve the deferral subject to post-facto ratification of deferral. Henceforth, E&S risk assessment / site visit deferral requests included in CAM will be considered as invalid.

In case the E&S risk assessment process is not completed within the approved timelines / or any extension of deferral tenor is required, the escalation matrix provided in Table 3. The max tenor associated with 1st, 2nd and 3rd deferral request is also presented in Table 3 below.

Deferral Request	**Deferral Requester**	**Approved by**	**Max deferral tenor**		
			NTB	**Renewal**	**Hunting line#**
1st	Relationship Manager (RM) and supported by RCH	Head-Enterprise Risk	90 days from date of deferral	30 days from date of deferral	90 days post disbursement#
2nd	Zonal Business Head (ZBH) and supported by National Credit Head (NCH)	Head-Enterprise Risk	45 days	15 days	45 days
3rd	Business Head (BH) & supported by Chief Credit Officer (CCO)	Head-Enterprise Risk	45 days	45 days	45 days

Note: # - for hunting line transactions prior support from ZBH will be required.

No further deferral beyond third deferral will be provided without explicit support from Management Credit Committee (MCC).

8.2 E&S risk assessment applicable but not conducted

E&S Risk assessment applicability criteria is presented in Sec. 7.2 Applicability. However, it is possible, that, in certain eligible transactions E&S risk assessment may be missed out.

When such a transaction is flagged by E&S risk team / CAD team / Audit team, the concerned business team will obtain a lump-sum deferral of 90 days from Head – Enterprise Risk for completion of E&S assessment after receiving support from Business Head (BH).

In case, the E&S is not completed within the stipulated 90 days' timeline such cases shall be escalated to:

- ZBH and NCH – for resolution.
- BH, CCO and Exception Management committee (EMC) - for noting and guidance.

8.3 8.3 Delay in closing E&S queries

In NTB transactions, wherein E&S risk assessment has been initiated, but E&S queries are open/ partially closed for more than 90 days (post issue) shall be escalated to:

- ZBH and NCH - for resolution.
- BH, CCO and EMC - for noting and guidance.

8.4 Client not agreeable to E&S CAPs

In NTB cases, where CAPs have been stipulated by E&S risk team, however the client is not agreeable to such CAPs, following courses shall be adopted for resolution:

- In case the E&S CAPs stipulated are related to obtaining / submitting statutory approvals or licenses and the client is not agreeing, such cases shall be escalated to ZBH and NCH for resolution.
- In rest of the cases, client's response (i.e., reasons for disapproval of CAPs) to be presented to MCC for their examination along with compensating mitigants and MCC's decision to be captured in writing.

8.5 E&S CAPs not complied with by client

Transactions, where E&S CAPs have been included in sanction letter and accepted by the client, but not being complied with – the concerned business team will be advised to approach MCC and seek an MCC waiver for removal of concerned E&S condition duly incorporating rationale behind such request along with compensating mitigants to the potential E&S risks.

Where such non-compliance/breach of E&S conditions raises the potential risks/ liability to the Bank, the sanctioning authority may take necessary action to enforce the right to recall the loan, if necessary, in consultation with legal department.

Annexure I

List of CPCB Red list industries (*latest available at the time of publishing this policy version*)

Sr. No.	**Industries Categorised as Red under CPCB Notification No. B/29012/ESS(CPA)/2015-16 dated 07.03.2016**
1)	Isolated storage of hazardous chemicals (as per schedule of manufacturing, storage of hazardous chemicals rules ,1989 as amended)
2)	Automobile Manufacturing (integrated facilities)
3)	Industries engaged in recycling /reprocessing/ recovery/reuse of Hazardous Waste under schedule iv of HW (M, H& TBM) rules, 2008 - Items namely - Spent cleared metal catalyst containing copper, spent cleared metal catalyst containing zinc
4)	Manufacturing of lubricating oils, grease and petroleum-based products
5)	DG Set of capacity > 5 MVA
6)	Industrial carbon including electrodes and graphite blocks, activated carbon, carbon black
7)	Lead acid battery manufacturing (excluding assembling and charging of lead acid battery in micro scale)
8)	Phosphate rock processing plant
9)	Power generation plant [except Wind and Solar renewable power plants of all capacities and Mini Hydel power plant of capacity <25MW]
10)	Industries engaged in recycling / reprocessing/ recovery/reuse of Hazardous Waste under schedule iv of HW (M, H& TBM) rules, 2008 - Items namely - Spent catalyst containing nickel, cadmium, Zinc, copper, arsenic, vanadium and cobalt.
11)	Processes involving chlorinated hydrocarbons
12)	Sugar (excluding Khandsari)
13)	Fibre glass production and processing (excluding moulding)
14)	Fire crackers manufacturing and bulk storage facilities
15)	Industries engaged in recycling/ reprocessing/ recovery/reuse of Hazardous Waste under schedule iv of HW (M, H& TBM) rules, 2008 - Items namely - Dismantlers Recycling Plants -- Components of waste electrical and electronic assembles comprising accumulators and other batteries included on list A, mercury-switches, activated glass cullets from cathode-ray tubes and other activated glass and PCB-capacitors, or any other component contaminated with Schedule 2 constituents (e.g. cadmium, mercury, lead, polychlorinated biphenyl) to an extent that they exhibit hazard characteristics indicated in part C of this Schedule.
16)	Milk processes and dairy products (integrated project)
17)	Phosphorous and its compounds
18)	Pulp & Paper (wastepaper based without bleaching process to manufacture Kraft paper)
19)	Coke making, liquefaction, coal tar distillation or fuel gas making
20)	Manufacturing of explosives, detonators, fuses including management and handling activities
21)	Manufacturing of paints varnishes, pigments and intermediate (excluding blending/mixing)
22)	Organic Chemicals manufacturing
23)	Airports and Commercial Air Strips
24)	Asbestos and asbestos based industries
25)	Basic chemicals and electro chemicals and its derivatives including manufacturing of acid
26)	Cement
27)	Chlorates, per-chlorates & peroxides
28)	Chlorine, fluorine, bromine, iodine and their compounds
29)	Dyes and Dye- Intermediates
30)	Health-care Establishment (as defined in BMW Rules)
31)	Hotels having overall wastewater generation @ 100 KLD and more.

Sr. No.	Industries Categorised as Red under CPCB Notification No. B/29012/ESS(CPA)/2015-16 dated 07.03.2016
32)	Indus tries engaged in recycling/ reprocessing/ recovery/reuse of Hazardous Waste under schedule iv of HW (M, H& TBM) rules, 2008 - Items namely - Lead acid battery plates and other lead scrap/ashes/residues not covered under Batteries (Management and Handling) Rules, 2001.
33)	Indus tries engaged in recycling / reprocessing/ recovery/reuse of Hazardous Waste under schedule iv of HW (M, H& TBM) rules, 2008 - Items namely - Integrated Recycling Plants -- Components of waste electrical and electronic assembles comprising accumulators and other batteries included on list A, mercury switches, activated glass cullets from cathode-ray tubes and other activated glass and PCB-capacitors, or any other component contaminated with Schedule 2 constituents (e.g. cadmium, mercury, lead, polychlorinated biphenyl) to an extent that they exhibit hazard characteristics indicated in part C of this Schedule.
34)	Manufacturing of glue and gelatine
35)	Mining and ore beneficiation
36)	Nuclear power plant
37)	Pesticides (technical) (excluding formulation)
38)	Photographic film and its chemicals
39)	Railway locomotive workshop /Integrated road transport workshop/Authorized service enters
40)	Yarn / Textile processing involving any effluent/emission generating processes including bleaching, dyeing, printing and colouring
41)	Chlor Alkali
42)	Ship Breaking Industries
43)	Oil and gas extraction including CBM (offshore & onshore extraction through drilling wells)
44)	Industry or process involving metal surface treatment or process such as pickling/ electroplating/paint stripping/ heat treatment using cyanide bath/ phosphating or finishing and anodizing / enamellings/ galvanizing
45)	Tanneries
46)	Ports and harbour, jetties and dredging operations
47)	Synthetic fibres including rayon, tyre cord, polyester filament yarn
48)	Thermal Power Plants
49)	Slaughterhouse (as per notification S.O.270(E)dated 26.03.2001) and meat processing industries, bone mill, processing of animal horn, hoofs and other body parts
50)	Aluminium Smelter
51)	Copper Smelter
52)	Fertilizer (basic) (excluding formulation)
53)	Iron & Steel (involving processing from ore/ integrated steel plants) and or Sponge Iron units
54)	Pulp & Paper (wastepaper-based units with bleaching process to manufacture writing & printing paper)
55)	Zinc Smelter
56)	Oil Refinery (mineral Oil or Petro Refineries)
57)	Petrochemicals Manufacturing (including processing of Emulsions of oil and water)
58)	Pharmaceuticals
59)	Pulp & Paper (Large-Agro + wood), Small Pulp & Paper (agro based-wheat straw/rice husk)
60)	Distillery (molasses/ grain/ yeast based)

Details can be found on the following link,
https://cpcb.nic.in/openpdffile.php?id=TGF0ZXN0RmlsZS9MYXRlc3RfMTE4X0ZpbmFsX0RpcmVjdGlvbnMucGRm