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Outgrowing Challenges

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OUTGROWING CHALLENGES

Gurdeep Singh, Chief Commercial Officer, Vedanta Aluminium is deploying innovative strategies to build a robust supply chain.

By Prajakta Karnik



It will not be an exaggeration to say that Vedanta, one of the leading diversified natural resources companies, is shaping a 'metal-strong' future for India. Vedanta Aluminium, a business of Vedanta, is one of the world's leading producers of alumin-

ium, with an annual turnover of over USD 6.5 billion and sales in more than 30 countries.

For a company of this scale, managing its costs becomes crucial while focusing on the RoIs (return on investments) to create value for the

▲ Aerial view of Vedanta Aluminium's plant at Jharsuguda, Odisha.

shareholders and its people. Gurdeep Singh, who is the person on our cover, has been associated with Vedanta for almost 11 years now. He is currently serving as the Chief Commercial Officer at Vedanta Aluminium and spearheading one of the most critical

operations in the company, which is optimising the logistics and supply chain costs.

Coming with over 25 years of work experience across manufacturing, automobile, services, oil & gas and now metals and mining industries, Singh has done his Engineering from Thapar Institute of Engineering & Technology, Patiala and holds an MBA degree from ISB, Hyderabad.

According to Singh, his exposure to these industries has helped him in understanding the functions of the supply chain and engineering solutions to reduce costs. In his words, “When I was working in the manufacturing and automobile sector, I worked on the shop floor, which gave me hands-on experience of what goes into production and manufacturing, its challenges, and structured methodologies like Lean Six Sigma to solve them. That is where my interaction with machinery and spares and my infatuation for technology started. When I moved into the services industry, it honed my communication skills and improved my overall personality.”

At Vedanta Aluminium, Singh is bringing into practice all the learnings of the past. “It has been a fantastic journey. I have been not just into implementing technology in

procurement and supply chain, but also transforming and optimizing materials management practices. Vedanta had give me an opportunity set up a central supply chain function at Cairn (the company’s oil & gas business), after which, through Vedanta’s marquee senior leadership development program – ‘Management Act-Up’, I started looking after the commercial function of Vedanta’s aluminium business.”

Facing Headwinds

The disruptions caused due to the Covid-19 pandemic, Russia-Ukraine conflict, lockdowns in China, etc. have spared no businesses, whether big or small. But thanks to the prudent steps taken by Singh’s team under the leadership of Vedanta Aluminium CEO Rahul Sharma, they have helped the company to not just sail through the tough times but also increase revenue.

“The Covid-19 pandemic, the Ukraine conflict and lockdoes in China brought a lot of challenges such as constricted logistics capacity leading to multifold increase in freight costs, port congestions, etc. But as our Chairman Anil Agarwal reiterates, these are not challenges but opportunities. So, this philosophy is ingrained in our mindset as our cul-



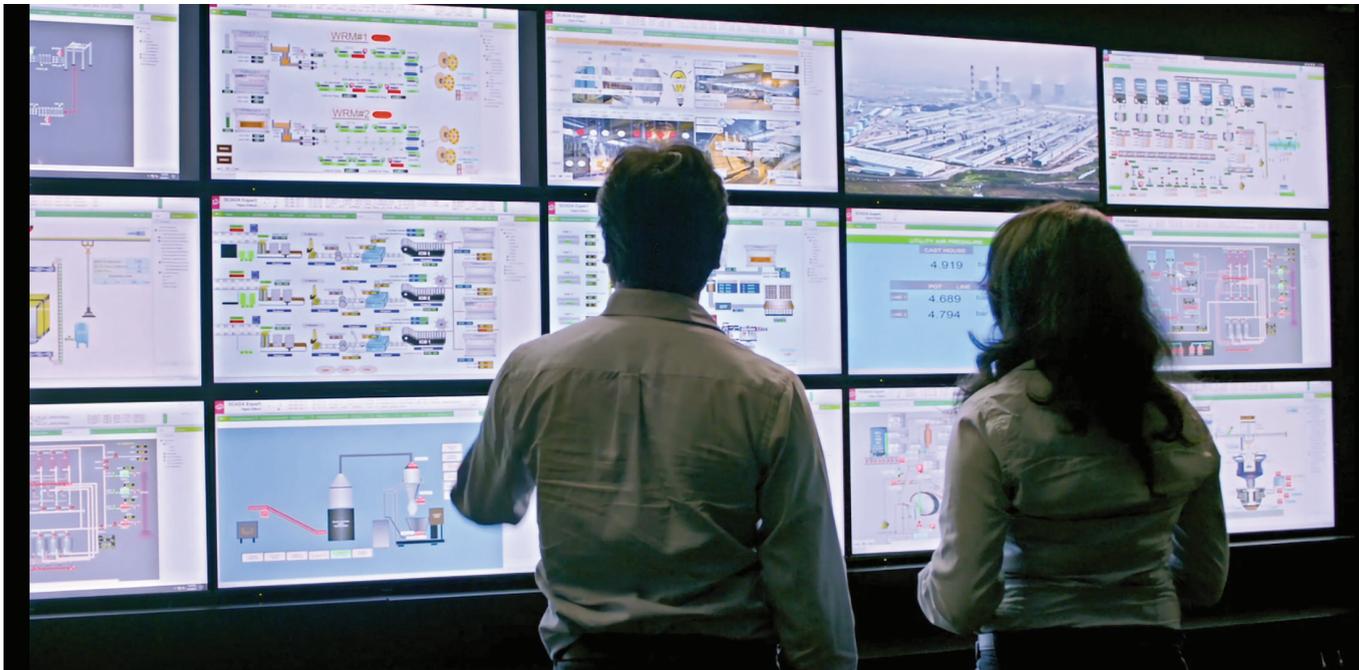
✦ Gurdeep Singh, Chief Commercial Officer, Vedanta Aluminium.

✦ Employees at Jharsuguda smelter.

ture and we focus on innovative solutions and come out more resilient or do things with unprecedented efficiency in such challenging situations,” he said.

According to Singh, over the years,





↑ Logistics control tower monitoring room at Vedanta Aluminium, Jharsuguda.

← Vedanta employees at cast house in BALCO.

OVER THE YEARS, WE HAVE BUILT A ROBUST SUPPLY CHAIN AND SO WE'RE ABLE TO HANDLE COMPLEX SITUATIONS

MT to 5 MT, acquisition of mines, integration on the bauxite side and working with the Odisha government, have given the company a competitive edge over other players. Vedanta is India's largest aluminium producer, with operations in Odisha and Chhattisgarh.

"Due to our vertical integration approach, we have become more competitive in the market and more resilient to any fluctuations on the raw material supplies and cost. The London Metal Exchange price fluctuation is not something anyone control, which we have been tackling for quite some time by being humble and nimble so that our costs are under control," Singh said with a smile of satisfaction.

The company has also forged international tie-ups with companies for new technologies and with logistics firms for seamless movement of ma-

Vedanta Aluminium has built a robust supply chain and therefore the company is capable of handling any complex situations. "We have been through various cyclical changes and over the years, we have evolved as an organization. We are flexible and have put to action a trained supply chain management system, which allows us to immediately change tracks and respond quickly to the changing environment," Singh said

Becoming Future-ready

Understanding the importance of

evolving technology in achieving growth targets, Vedanta has been one of the major corporates to forge global tie-ups to bring in technologies in every aspect of operations --procurement, manufacturing, and delivery of high-quality finished goods. Singh notes that early adoption of technology has been one of the key drivers of Vedanta Aluminium's growth.

Besides, its vertical integration program which includes increasing the capacity at its Lanjigarh (Odisha) alumina refinery from the current 2

materials and finished goods. “We have done strategic partnerships with international vendors where we are literally open for them to bring their best-in-class technologies, people, and resources to our systems and help us improve. These steps have helped us manoeuvre through the turbulent times. From a supply chain standpoint, even integrating and collaborating with large logistics players, helped us manage through these times,” Singh added.

Digitalising Processes

The company has embarked on a digital transformation journey to unlock efficiencies, arrest leakages, enhance productivity, adaptability and sustainability across the value chain, with focus on bolstering the supply chain.

Singh explained that the company has built digital logistics control towers for its inbound and outbound materials like, alumina and finished goods. “In fact, we were early movers to deploy multi-constraint-based analytics modelling in our alumina control tower. It gives us end-to-end visibility of our raw material movement. With the use of data analytics and robotics process automation, these digital control towers help us deliver substantial logistics cost reductions, better efficiencies, effective procurement planning and business predictability.”

Fostering Skills

One of the core strengths of Vedanta Aluminium, Singh says, is its people and the company has been investing



← Railway operations at Vedanta BALCO.

↓ Vedanta's aluminium smelter at BALCO.



VEDANTA ALUMINIUM HAS REDUCED ITS CARBON FOOTPRINT BY 12% AT ITS LARGEST SMELTER, IN FY22

heavily in creating a skilled manpower which is future-ready.

“Under our digital program, which is anchored by the top management, a lot of training programs on the digital front are being rolled out and people are encouraged to come up with digital solutions. On one hand we are encouraging them but at the same time we are developing their skillsets to meet the ever-evolving digital era. Besides, within procure-





ment and supply chain, we encourage people to move from one role to the other so that they get exposed to various working scenarios and develop a multi-faceted skillset over years. Also, they are given a chance to directly interact with our Chairman and Vice Chairman, and present their ideas through Vedanta's flagship program – Chairman Workshops. So, there is a lot of growth opportunity, lot of focus on innovation and on improving risk-taking capabilities," Singh noted.

Singh quipped that he sometimes feels that had he become a part of this organisation much earlier in his career, he would have grown much faster.

Inculcating Sustainability

Every business today is working towards achieving ESG (environmental, sustainability and governance) goals.

For Vedanta, Singh says that ESG is not just a mere ticking the box function, but the company is going beyond and has made huge investment plans and started elaborate programs to achieve net zero carbon by 2050.

Apart from the various programmes that the group has undertaken to reduce greenhouse gas emissions, Vedanta Aluminium is also encouraging local and domestic procurement, setting up sustainability due diligence and awareness for tier 1 and tier 2 partners; sourcing renewable power, deploying India's largest fleet of electric forklifts; adopting diversity, and inclusion including transgender employees into our core operations.

Vedanta Aluminium recently unveiled the first low carbon aluminium, in fact, the first major green metal from India - Restora (low-carbon aluminium) and Restora Ultra (ultra-low

Employee in Vedanta Aluminium potline operations.

carbon aluminium). Vedanta's Restora is being manufactured using renewable energy resulting in GHG emission intensity that is well below the global threshold of 4 tonne of CO2 equivalent per tonne of aluminium manufactured, and Restora Ultra has an even lower near-zero carbon footprint that is amongst the lowest in the world.

"We at Vedanta Aluminium have already reduced the carbon footprint by around 12 per cent at our largest smelter, in FY22 over the previous fiscal year, while increasing production by 20 per cent. I am also leading the supply chain community of practice at Vedanta that drives ESG agenda in supply chain. We are working on three themes transforming communities, transforming the planet, and transforming the workplace," Singh added. 