



50  
YEARS IN INDIA

Mahindra  
SANYO



## CASE STUDY: MAHINDRA SANYO SPECIAL STEEL PRIVATE LIMITED

# SCIENCE-BASED TARGETS

### Validated Targets

Mahindra Sanyo Special Steel commits to reducing Scope 1 and Scope 2 emissions per tonne of steel produced **35% by 2030**, against a 2016 base-year.

Mahindra Sanyo also commits to reducing Scope 3 emissions per tonne of steel produced by **35% by 2030** against a 2016 base-year.



### About Mahindra Sanyo Special Steel Private Limited

Mahindra Sanyo Special Steel Pvt. Ltd., incorporated in 1962 by Mahindra & Mahindra as Mahindra Ugin Steel Company Ltd., is a joint venture between Mahindra & Mahindra India, Sanyo Special Steel Co. Ltd. Japan, and Mitsui & Co. Ltd. Japan. Mahindra Sanyo is a leading manufacturer of carbon, alloy and stainless steel for the automobile, machine building, power, and railway sectors. As India's leading alloy and special steel manufacturer, MSSSPL is the preferred supplier to many multinational and domestic customers, as well as, the Indian government for over 50 years.

### Inclination Towards Science-Based Targets

Mahindra Sanyo aims at incorporating sustainability into every aspect of its business operations and value chain. The company aims to achieve this by setting science-based targets, and keeping track of the progress against environmental performance, with a steady focus on resource conservation, and the reduction of greenhouse gas (GHG) emissions and consumption of conventional fuel-based energy. Mahindra Sanyo has committed to the Science-Based Targets initiative (SBTi) to demonstrate the steel industry's potential of adopting green practices in its operations and across the value chain, and to stand out among top-notch steel plants.

Anand Mahindra, Chairman, Mahindra Group, pledged commitment of the Mahindra Group to SBTi, aligning its emissions reduction targets and activities with the latest climate science and the Paris Agreement goals. In April 2018,

Mahindra Sanyo became the first company in India and the first steel company in the world to have its GHG emissions reduction targets validated by the SBTi.

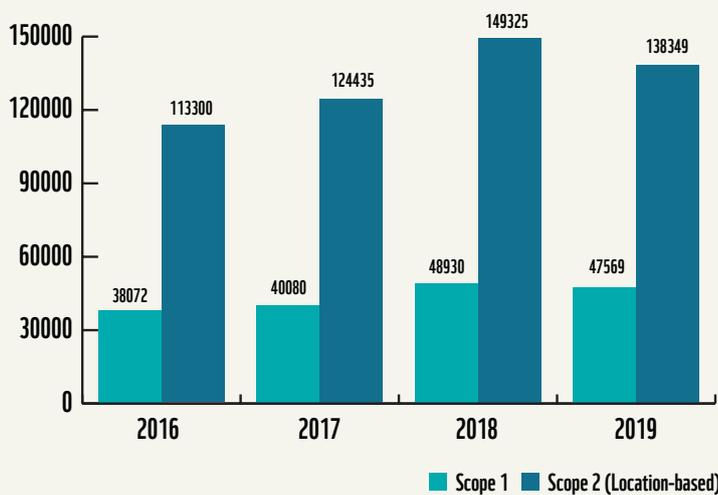
Committing to science-based targets adds value to the company by increasing the credibility with external stakeholders, inspiring to adopt innovative technologies, increasing resilience, and futureproofing the company’s growth.

## Strategic Approach to Meet Science-Based Targets

Setting a long-term goal has helped the company develop a sustainability framework in order to achieve its GHG emissions reduction target. The company aims to ensure low carbon emissions, GHG mitigation, and improved energy efficiency by adopting a number of measures, such as installing low-carbon lighting and motion sensors, revamping furnaces; reducing cycle times for ladle furnaces; implementing a more efficient, electric-arc and oxyfuel technologies in furnaces; improving pumps; installing a 6 MW waste heat recovery boiler and new burners for preheating ladles; and switching from oil to natural gas in all furnaces by 2020. So far, these initiatives have helped Mahindra Sanyo reduce its Scope 1 and 2 emissions

by 6% since 2018.

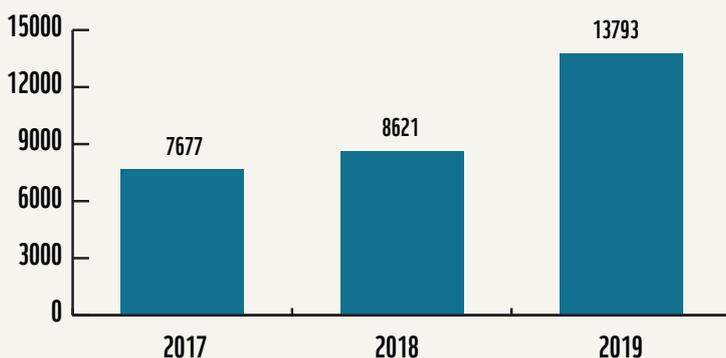
Figure 1: Emissions Profile (metric tonnes CO<sub>2e</sub>)



With a continued push on increasing the uptake of clean energy, the company has successfully installed a new, 4 MW solar plant and increased its RE procurement through Power Purchase Agreements (PPA) by 80%, from 2017 to 19. This has helped the company reduce its electricity consumption by 2% and meet 4% of its power requirements through renewable sources from 2017 to 18. The company aims to consume 32% of its total power from renewable energy sources by 2022.

Purchased goods and services, capital goods, fuel-and-energy-related activities, and upstream and downstream transportation and distribution accounts for Mahindra Sanyo’s Scope 3 emissions. The company is chalking out an approach to implement sustainability in its operations across the entire supply chain, and to ensure a reduction in Scope 3 emissions.

Figure 2: Renewable Energy Consumption (MWh)



Science-based targets complement Mahindra Sanyo’s business strategy and ensure that company’s transformational action aligns with the current climate science. It provides the company with a clear road map for taking action against climate change and also future-proofs company’s growth and profitability.

This case study has been prepared by WWF-India, based on a case study prepared by CDP India in February 2020. Available at: <https://sciencebasedtargets.org/case-studies-2/mahindra-sanyo/>

Disclaimer: Science Based Targets initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments. In India, WWF and CDP have collaborated and launched Science-Based Targets initiative Incubator which is supported by Shakti Sustainable Energy Foundation(SSEF). We are thankful to SSEF for their support.

