

## Annexure-C

# Business Responsibility and Sustainability Report

At Deepak Nitrite Limited, we are committed to sustainable development and responsible business practices. We recognise our responsibility to protect the environment, contribute to society and create long-term value for all our stakeholders. Sustainability is integrated into our core business strategies and decision-making processes.

We strive to minimise our environmental impact by adopting sustainable practices throughout our operations. This includes reducing greenhouse gas emissions, conserving water and energy, managing waste responsibly, promoting circular economy principles and aiming towards carbon neutrality. We continually invest in innovative technologies and processes to improve resource efficiency and mitigate environmental risks. We are committed to deliver safe and sustainable products to our customers. We ensure compliance with regulatory requirements and industry standards while proactively addressing product safety, quality and environmental aspects. We engage in research and development to create sustainable and eco-friendly solutions, contributing to a greener and more sustainable future.

We believe in creating shared value for the communities in which we operate. Through various social initiatives, we aim to uplift the well-being of society, promote education, healthcare and skills development and empower marginalised communities. We actively engage with our stakeholders to understand their concerns and aspirations, seeking collaborative solutions that benefit all, our business, society and environment at large.

Integrity, transparency and ethical conduct are fundamental to our corporate governance framework. We adhere to the highest standards of business ethics, ensuring fair and responsible practices across our operations. We strive for transparency in

reporting, regularly disclosing our sustainability performance and progress towards our goals. We value the trust placed in us by our stakeholders and work diligently to maintain it.

Our employees are our most valuable asset. We are committed to providing a safe and inclusive work environment that fosters diversity, equality and professional growth. We promote employee well-being, encourage continuous learning and development and recognise and reward their contributions. We believe in nurturing a culture of respect, collaboration and innovation.

We recognise that addressing sustainability challenges requires collective action. We actively seek partnerships and collaborations with like-minded organisations, industry peers, governments and non-governmental organisations to drive sustainable solutions, knowledge sharing and best practices.

We are dedicated to continuously improving our sustainability performance, setting ambitious targets and monitoring our progress. Our commitment to sustainability is an integral part of our long-term vision and we are determined to make a positive impact on the environment, society and the economy.

We thank all our stakeholders for their support, engagement and feedback, as together, we strive for a more sustainable future.

**For Deepak Nitrite Limited**

**Maulik D. Mehta**

Executive Director & CEO

Date: May 11, 2023

Place: Vadodara

## SECTION A

### GENERAL DISCLOSURES

#### I. Details of the listed entity

1	<b>Corporate Identity Number (CIN)</b>	L24110GJ1970PLC001735
2	<b>Name of the Entity</b>	Deepak Nitrite Limited
3	<b>Year of incorporation</b>	1970
4	<b>Registered office address</b>	Aaditya-I, Chhani Road, Vadodara - 390024
5	<b>Corporate address</b>	Aaditya-I, Chhani Road, Vadodara - 390024
6	<b>E-mail</b>	investor@godeepak.com
7	<b>Telephone</b>	+912652765200
8	<b>Website</b>	www.godeepak.com
9	<b>Financial year for which reporting is being done</b>	2022-23
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	BSE Limited and National Stock Exchange of India Limited
11	<b>Paid-up Capital</b>	₹ 27,27,86,082
12	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Shri Arvind Bajpai, Company Secretary Email: investor@godeepak.com Telephone: +912652765200
13	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)</b>	This report is prepared on standalone basis

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	Turnover (%)
1	Manufacturing of Chemicals	Manufacturing, Trading of Chemicals	100%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	Total turnover (%)
1	Sodium Nitrite	24117	18
2	NT	24119	15
3	Optical Brightening Agents	24119	15
4	MAHCL	24219	9
5	4 NOx	24219	8
6	EHN	24119	7
7	TFMAP	24219	7
8	DASDA	24119	5
9	SNA	24117	5
10	MMDPA	24297	2

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	2	7
International	0	0	0

**17. Markets served by the entity:****a. Number of locations**

National (No. of states)	25
International (No. of countries)	45

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

43%

**C. A brief on types of customers****S. No. Type of Customers**

1	Manufacturers of Chemicals
2	Manufacturers of products where chemicals produced by the Company are used as inputs

**Note:**

The Company is a chemical intermediates and other chemicals manufacturer. Thus, majority of customers are either chemical manufacturers or manufacturers of products where products of the Company are used as inputs.

**IV. Employees****18. Details as at the end of Financial Year:****a. Employees (including differently abled)**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>					
Permanent Employees (D)	1,469	1,425	97.00	44	3.00
Other than Permanent Employees (E)	91	91	100.00	0	0
<b>Total Employees (D + E)</b>	<b>1,560</b>	<b>1,516</b>	<b>97.18</b>	<b>44</b>	<b>2.82</b>
<b>WORKERS</b>					
Permanent Workers (F)	225	225	100.00	0	0
Other than Permanent Workers (G)	2,327	2,327	100.00	0	0
<b>Total Workers (F + G)</b>	<b>2,552</b>	<b>2,552</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

**b. Differently abled employees and workers**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
Permanent Employees (D)	2	2	100.00	0	0
Other than Permanent Employees (E)	0	0	0.00	0	0
<b>Total Employees (D + E)</b>	<b>2</b>	<b>2</b>	<b>100.00</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>					
Permanent Workers (F)	1	1	100.00	0	0
Other than Permanent Workers (G)	8	8	100.00	0	0
<b>Total Workers (F + G)</b>	<b>9</b>	<b>9</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

**19. Participation/Inclusion/Representation of women:**

Particulars	Total (A)	No. of Females (B)	% of Females (B/A)
Board of Directors	12	1	8.33%
Key Management Personnel <sup>1</sup>	2	0	0

**Note 1:** Excluding Key Managerial Personnel who are members of the Board of Directors.

**20. Turnover rate for permanent employees and workers**

Particulars	Turnover Rate in FY 2022-23 (%)			Turnover Rate in FY 2021-22 (%)			Turnover Rate in FY 2020-21 (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.23	19.05	14.37	13.55	8.82	13.43	11.97	0.00	11.68
Permanent Workers	2.63	0.00	2.63	5.06	0.00	5.063	20.99	0.00	20.99

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**
**21. (a) Names of holding/subsidiary/associate companies/joint ventures**

S. No.	Name of the holding/subsidiary/associate companies or joint (A)	Indicate whether holding or Subsidiary or Associate or Joint Venture(B)	% of shares held by listed entity (C)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity (D)?
1	Deepak Phenolics Limited	Subsidiary	100	Yes
2	Deepak Chem Tech Limited	Subsidiary	100	Yes
3	Deepak Nitrite Corporation Inc.	Subsidiary	100	Yes

**VI. CSR Details**
**22. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**
**ii. Turnover: ₹ 3,033.55 Crores**
**iii. Net worth: ₹ 2,623.74 Crores**
**VII. Transparency and Disclosure Compliances**
**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) If Yes, then provide weblink for grievance redressal policy	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0		0	0	
Investors (other than shareholders)	No	0	0		0	0	
Shareholders	Yes. <a href="https://www.godeepak.com/wp-content/uploads/2021/05/Investors-Grievance-redressal-policy.pdf">https://www.godeepak.com/wp-content/uploads/2021/05/Investors-Grievance-redressal-policy.pdf</a>	18	0		15	1	
Employees and workers	Yes. <a href="https://www.godeepak.com/wp-content/uploads/2021/05/2-DNL-Whistle-Blower-Policy.pdf">https://www.godeepak.com/wp-content/uploads/2021/05/2-DNL-Whistle-Blower-Policy.pdf</a>	0	0		0	0	
Customers	Yes. Customer Complaints are received by the relevant Sales team and thereafter, the same are entered into dedicated software for the same and processed as per the Standard Operating Procedure <a href="https://www.godeepak.com/wp-content/uploads/2021/05/Policy-on-Stakeholder-Engagement-1-9-2020.pdf">https://www.godeepak.com/wp-content/uploads/2021/05/Policy-on-Stakeholder-Engagement-1-9-2020.pdf</a>	28	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.	26	0	Complaints received were related to packing, labelling, weightment, etc. All the complaints received during the year have been resolved.
Value Chain Partners	No	0	0		0	0	

**24. Overview of the entity's material responsible business conduct issues:**

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity</b>	<b>Rationale for identifying the risk or opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (indicate positive or negative implication)</b>
1	Sustainable Chemistry	Opportunity	The growing recognition of our planet's fragility is propelling the transition towards sustainable solutions. Within our industry, customers are displaying a growing inclination to collaborate with suppliers and business partners who share their dedication and commitment to reduce their environmental footprints. Neglecting to incorporate sustainability into our operations and providing products that meet customers' sustainability and performance expectations can impact our value creation and growth trajectory.	We are strongly committed to driving sustainability in our operations through various initiatives aimed at reducing our carbon and water footprint. Our unwavering dedication to sustainable chemistry is evident in our product portfolio, which increasingly features circular-economy-compatible products. These value-added chemicals are manufactured from by-products, showcasing our proactive approach in utilising resources responsibly with consideration for the environment.	Positive - The Company has been making consistent efforts for sustainability and thus it is in a better position to differentiate its products from competitors.
2	Product Innovation	Opportunity	Our range of chemical intermediates serves diverse end-user industries, including petrochemicals, pharmaceuticals, agrochemicals, personal care, paper, textiles and more. Our customers within these industries consistently seek niche and high-performing products that enhance their own operations. Failing to innovate and enhance our product offerings to meet their evolving demands can have a significant impact on expanding our customer base or strengthening our relationships with existing customers.	By actively monitoring global trends, engaging in close collaboration with our customers and gaining a deep understanding of their product preferences, we continually enhance our range of cutting-edge chemistry solutions. Our relentless commitment to research and development enables us to expand our portfolio and refine existing products. We maintain unwavering dedication to invest in innovation, recognising its paramount importance in ensuring our continued success, regardless of the market conditions.	Positive - Better quality products and the introduction of new products into the market will generate more revenue through greater business with existing customers and the addition of new Customers.
3	Health and Safety	Risk	Given the inherent nature of our operations, our employees face a range of operational and safety hazards. It is crucial to address any process safety gaps and prevent occupational health and safety (OHS) incidents that could potentially harm our employees. Neglecting employee well-being and safety not only jeopardises their physical welfare but also poses risks to achieving production targets and can have adverse effects on our assets, environment and overall business reputation.	We prioritise continuous safeguarding of occupational health, safety and employee well-being. Stringent safety measures are implemented at all our sites, including regular safety audits and the provision of appropriate personal protective equipment to our employees. We actively promote safety awareness through campaigns and training initiatives.	Negative - Employee health and safety issues, if not addressed, would result in negative financial implications.

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity</b>	<b>Rationale for identifying the risk or opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (indicate positive or negative implication)</b>
4	Climate Change	Risk	Climate change stands as one of the most critical challenges confronting our planet today. Given the energy and water-intensive nature of chemical production, our failure to reduce our environmental footprint can have significant repercussions on our standing within the industry and our relationships with customers, investors and society as a whole.	We have embraced environmental consciousness through our commitment to sustainable manufacturing practices. This commitment is evident in our focus on reducing utility consumption, extracting value from waste and adopting clean technologies. We are continuously striving to enhance our energy efficiency. Additionally, we ensure that the effluents, emissions and waste generated at our manufacturing facilities remain within the permissible limits set by the respective Pollution Control Boards.	Negative - Climate change related issues, if not addressed, would result in negative financial implications in long run.
5	Growth and Profitability	Opportunity	Maintaining a leading financial performance, characterised by robust growth and profitability, is crucial for sustaining investor confidence in our Company. It also enables us to pursue comprehensive value creation for all stakeholders. Despite the challenges posed by escalating input and energy costs, as well as ongoing volatility in foreign exchange rates, we are committed to upholding a strong and stable financial position. By navigating these market dynamics, we aim to preserve our standing within the industry and foster positive relationships with our customers, investors and society as a whole.	We allocate financial resources efficiently and adhere to best business practices and good governance principles, laying the foundation for a sustainable long-term business. Alongside making disciplined investments within a clear framework, we also adopt a rigorous approach to cost management to optimise our financial performance. Our strategic expansion across the value chain and agility in responding to market changes contribute to our resilience and sustain our performance in a dynamic business landscape.	Positive - A systematic approach in investment in future opportunities and financial allocation will result in sustainable growth.
6	Customer Relationships	Opportunity	In a rapidly evolving and highly competitive operating environment, the growth of our business is intricately tied to our customer base. Strengthening our relationships with customers is, therefore, a crucial aspect that can profoundly influence our value-creation capabilities.	We are dedicated to providing innovative and cost-effective products to retain and attract customers. We place significant emphasis on actively engaging with them and comprehending their needs to enhance the overall customer experience. This customer-centric approach has proven instrumental in fostering customer loyalty, which stands as one of our most prominent strengths in driving profitable growth.	Positive - A structured and transparent relationship with customers has the potential to expand business in both the short and long run, resulting in a sustainable and lucrative business.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk or opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implication)
7	Governance and Risk Management	Risk	Amid the dynamic landscape of the chemical industry, which is characterised by escalating macro-economic volatility, robust governance practices play a pivotal role in upholding ethical and transparent business operations. Meeting regulatory compliance requirements and effectively managing risks are paramount in ensuring responsible conduct and long-term sustainability.	<p>Our governance practices have been established by our competent and esteemed Board of Directors, comprising members with relevant industry expertise, independent thinking and extensive global exposure. Aided by practice transparency in financial reporting, sustainability efforts and other relevant disclosures and ethical decision-making processes, bolstered by effective risk management, serve as the foundation of our governance framework. We have instilled a culture of accountability and integrity across the company, recognising its vital role in promoting good governance practices.</p> <p>We implement and enforce a robust code of conduct and ethical standards to guide the behaviour and actions of employees at all levels. Our Board and management prioritise health, safety and environmental considerations by implementing robust safety protocols, promoting sustainable practices and minimising environmental impact. We have a comprehensive risk management framework to identify, assess and mitigate risks associated with operations, safety, environmental impact and compliance to solidify our governance approach. We ensure strict adherence to all applicable laws, regulations and industry standards to maintain compliance and mitigate legal and reputational risks. We have established Board Committees, such as Audit, Risk Management, Nomination and Remuneration committees and more to provide focussed oversight in critical areas. We regularly evaluate our governance practices, identify areas for improvement and implement necessary changes to enhance effectiveness and relevance and build trust with all stakeholders in line with global standards of ESG.</p>	Negative - Governance and Risk Management are essential for business sustainability, in case of their failure, it would have severe financial implications.

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity</b>	<b>Rationale for identifying the risk or opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (indicate positive or negative implication)</b>
8	People Strength and Development	Opportunity	Neglecting to consistently have the right individuals in place can significantly impact our ability to achieve our business objectives. At the core of our success and sustainable growth trajectory are our people. Our talented and dedicated team plays a vital role in driving our success and achieving our business goals. Their deep domain expertise, technical skills and innovative thinking enable us to develop and deliver value-added products, maintain quality that meets the exact standards and needs of our customers.	We invest in professional development of our workforce by providing training and growth opportunities to enhance their capabilities and ensure they remain at the forefront of the industry. Moreover, we foster a culture of collaboration, teamwork and inclusivity, which helps us harness their collective strengths and diverse perspectives of our employees. Through their unwavering commitment and passion, we continue to thrive and excel in the dynamic landscape of the chemical industry.	Positive - Efforts in ensuring the skill development of the workforce will lead to a more efficient workforce and improved productivity of the Company.
9	Fair Remuneration and Growth Opportunities for Employees	Opportunity	Offering fair remuneration and growth opportunities is crucial for driving employee motivation and maintaining smooth operations within our organisation (without any disruption or unrest as well as high retention ratio).	By providing competitive and equitable compensation in line with industry standards, we foster a positive work environment, reduce the risk of disruptions or unrest and promote high employee retention rates. Moreover, by offering growth opportunities such as training, career advancement and skill development programmes, we empower our employees to reach their full potential, further enhancing their motivation and dedication to the Company. Furthermore, we implement performance-based incentives to ensure that employees are rewarded for their contributions. Our commitment to fair and transparent practices is evident in our annual performance-based appraisal system, which evaluates the performance of all employees. Wages and increments for workers are determined in accordance with agreed-upon terms. As a rapidly expanding Company, we place significant emphasis on providing ample growth opportunities to our employees. We follow a structured approach to succession planning and actively cultivate a leadership pipeline to ensure the long-term success and continuity of our organisation.	Positive - An approach to help the workforce grow financially and develop within the Company will lead to a dedicated workforce and subsequently a profitable and successful business.



S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk or opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implication)
10	Digitalisation	Opportunity	Digitisation in the chemical industry drives efficiency, innovation, improved decision-making and sustainability. Embracing digital transformation is essential for chemical companies to stay competitive, adapt to evolving market dynamics and unlock new growth opportunities.	We are the early adopters of digitisation and this has enabled us to streamline processes through automation, increased operational efficiency and productivity. To match the scale and accelerated growth witnessed in the past decade, digitisation has played an invaluable role in making a tangible impact on the performance of our core functions, including innovation and manufacturing of chemical intermediates, as well as enabling functions such as logistics, HR, finance and administration. Data analysis and optimisation of various operations, such as supply chain management and inventory control have helped us make informed and right strategic choices, leading to better business outcomes. We have also invested in various digitisation-led initiatives to support our sustainability efforts by optimising resource usage, reducing waste and monitoring environmental impact.	Positive - Digitalisation is an enabler of business, which helps in reducing cost, improving efficiency etc. Thus, it would have a positive financial impact.
11	Supply chain Efficiency and Logistics Management	Opportunity	Complex and interconnected supply chains to source raw materials, manufacture products and deliver them to customers are an important part of our operations. Efficient supply chain management is thus crucial for ensuring uninterrupted operations, timely delivery and cost optimisation.	Effective supply chain strategies encompass procurement, logistics, inventory management, demand planning and supplier relationships. Key factors to address them include traceability, sustainability, risk mitigation and compliance with regulations and safety standards. We maintain a strong inbound and outbound logistics and distribution network. Utilising secure modes of transportation with GPS tracking technology, we can monitor the movement of key raw materials and finished goods in real-time. Our well-organised warehousing and distribution systems ensure prompt delivery of customer orders. By leveraging our manufacturing expertise, integrated facilities and agile operations, we consistently deliver reliable performance.	Positive - Effective supply chain management results in reduced time and cost of transportation and ensures material availability at right time, which leads to positive financial impact.
12	Community Development	Opportunity	The acceptance and support of the community in which our businesses operate are indispensable to our success. Engaging in community development initiatives helps establish us as a Company that cares, has a rich legacy of over 50 years and looks at business beyond profit-making to fostering trust.	Through our dedicated CSR wings, Deepak Foundation and Deepak Medical Foundation, we have positively impacted the lives of over 2 million individuals through a range of programmes. For further information on our community engagement and development activities, please refer to details on CSR activities of the Company covered under Social and Relationship Capital Chapter on the 90 pages in this report.	Positive - Community development programmes result in better image of the Company and better brand value, resulting in positive financial impact.

## SECTION B

### MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines of Responsible Business Conduct (NGRBC) Principles and Core Elements

- P1 Business should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.  
P2 Business should provide goods and services in a manner that is sustainable and safe.  
P3 Businesses should respect and promote the well being of all employees, including those in their value chains.  
P4 Businesses should respect the interests of and be responsive to all its stakeholders.  
P5 Businesses should respect and promote human rights.  
P6 Businesses should respect and make efforts to protect and restore the environment.  
P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.  
P8 Businesses should promote inclusive growth and equitable development.  
P9 Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
<b>Policy and management processes</b>										
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
b. Has the policy been approved by the Board?	Yes*	No*	No*	No*	No*	No*	No*	No*	No*	
c. Web Link of the Policies, if available	<a href="https://www.godeepak.com/responsible-chemistry/">https://www.godeepak.com/responsible-chemistry/</a>									
2. Whether the entity has translated the policy into procedures?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
3. Do the enlisted policies extend to your value chain partners?	No	No	No	No	No	No	No	No	No	
4. Name of the national and international codes/certifications/labels/standards adopted by your entity and mapped to each principle.						ISO 45001 Certification	ISO 14001, Responsible Care Certification	ISO 9001		
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has not set any specific goals with timeline, however, it is endeavour of the Company to ensure implementation of Principles of National Guidelines on Responsible Business Conduct. The Company will carefully assess its strategic position and develop specific goals, targets and commitments with timeline in due course.									
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	The performance against the goals and targets will be assessed in the subsequent Financial Years									
<b>Governance, leadership and oversight</b>										
7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements: Please refer to Statement of Shri Maulik D. Mehta at the beginning of this Report.										
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri Maulik D. Mehta, Executive Director & CEO									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, Shri Maulik D. Mehta, Executive Director & CEO is Director responsible for decision-making on sustainability related issues.									

\*Note: Certain policies do not require approval of Board of Directors under any statute. Such policies have been approved by Executive Director & CEO of the Company.

#### 10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee and Frequency								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
- Performance against above policies and follow-up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
- Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dedicated team for decision-making on Sustainability issues, led by Shri Maulik D. Mehta, Executive Director & CEO. The review is done on half yearly basis.									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	No	No	No	No	No	No	No	No
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated - Not Applicable.									

## SECTION C

## ESG DISCLOSURES

## PRINCIPLE 1

**Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable**

## Essential Indicators

## 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons covered by the awareness programmes
Board of Directors	4	Business Sustainability	100
Key Managerial Personnel	4	Business Sustainability	100
Employees other than BoD and KMPs	56	Business Sustainability	69
Workers	9	Business Sustainability	80

## 2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>					
Penalty/Fine	-	-	-	-	-
Settlement	Principle 6 - Respect and make efforts to protect and restore the environment	Gujarat Pollution Control Board	₹ 1,00,00,000	There was a fire incidence around warehouse of the manufacturing facility of the Company at Nandesari ('Plant') on June 2, 2022. The fire which included burning of bags and products within, also caused liberation of grey smoke thereby affecting ambient air quality in the nearby area, as per air monitoring carried out by Gujarat Pollution Control Board ('GPCB'). Further, dousing of fire generated large amount of waste water which was non-compliant due to usage of foam, as per samples drawn by GPCB outside the factory premises from GIDC storm water drain. As a consequence and considering the effluent so generated, both gaseous and liquid, GPCB, under provisions of Air (Prevention and Control of Pollution) Act, 1981 ('Air Act') and Water (Prevention and Control of Pollution) Act, 1974 ('Water Act'), had issued directions for closure of the Plant. The Company was directed by GPCB for payment of ₹ 1 Crores as an interim Environmental Compensation and to submit Bank Guarantee of ₹ 5 Lakhs each under Air Act and Water Act, along with revocation application.	No
Compounding fee	-	-	-	-	-
<b>Non-Monetary</b>					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

S. No.	Case Details	Name of the regulatory/enforcement agencies/judicial institution
1	Not Applicable	NA

**4. a. Does the entity have an anti-corruption or anti-bribery policy?**

Yes

**b. If yes, provide details in brief.**

The Code of Conduct of the Company, which is applicable to all the employees, covers the Anti-Corruption and Anti-Bribery Policy of the Company.

**c. Provide weblink (if any)**

[https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/Code%20of%20Conduct\\_Senior%20Management.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/Code%20of%20Conduct_Senior%20Management.pdf)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number of complaints	Remarks	Number of complaints	Remarks
Complaints received in relation to issues of Conflict of Interest of the Directors	0	Not	0	Not
Complaints received in relation to issues of Conflict of Interest of the KMPs	0	Applicable	0	Applicable

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable.

**Leadership Indicators**

**1. a. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board?**

Yes

**b. If yes, provide details for the same.**

As per the Code of Conduct applicable to the Board of Directors, Directors must avoid any conflicts of interests with the Company. Directors will not enter into, without the prior approval of the disinterested members of the Board, any transaction or relationship with the Company in which they have a financial or personal interest (either directly or indirectly, such as through any relative (as defined under Section 2(77) of the Companies Act, 2013 or any statutory modification or re-enactment thereof), or an organisation with which the Director is affiliated, or any transaction or situation which otherwise involves a conflict of interest. The link to the Code of Conduct for Directors is [https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/Code\\_of\\_Conduct\\_for\\_Director.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/Code_of_Conduct_for_Director.pdf)

**PRINCIPLE 2****Businesses should provide goods and services in a manner that is sustainable and safe.****Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D <sup>1</sup>	6%	6%	Efficiency improvement, emission reduction, energy conservation, improved effluent treatment.
Capex <sup>1</sup>	5%	5%	Reduction in usage of non-renewable energy, increased water recovery, recycling capacity, improved organic reduction efficiency.

Note 1: Estimated Figures.

2. **a. Does the entity have processes for sustainable sourcing?**

Yes

The sustainable sourcing policy of the Company is available at the link: <https://www.godeepak.com/wp-content/uploads/2021/05/Sustainable-Procurement-Policy-1-4-2021.pdf>

- b. If yes, what percentage of inputs were sourced sustainably?**

19% of the inputs were sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for Plastics, E-waste, Hazardous waste and other waste**

Product	Details
Plastics (including packaging)	All plastic waste generated was given to Extended Producer's Responsibility ('EPR') registered plastic waste processor.
E-waste	All e-waste generated was given to Pollution Control Board ('PCB') registered recycler
Hazardous Waste	All hazardous waste generated was disposed to PCB-registered, TSDF, CHWIF, Co-processing facility, Pre-processing facility.
Other Waste	Not applicable

Plastics (including packaging): The Company recycles all its plastic waste through authorised vendors.

E-Waste: This is not applicable as the Company is not reclaiming any electronic items. All E-waste generated in-house is handed over to certified vendors for safe disposal.

Hazardous Waste: The Company ensures responsible waste management practices where waste is being segregated, stored, labelling, transportation and sold to recyclers/co-processing to cement industries/disposed to third party treatment facility in line with legal compliance under Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016.

4. **a. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities?**

Yes

- b. Whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

Yes

**PRINCIPLE 3**
**Businesses should respect and promote the well-being of all employees, including those in their value chains**
**Essential Indicators**
**1. a. Details of measures for the well-being of employees:**

Category	Health insurance			Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	1,425	1,425	100	1,425	100	0	0	0	0	0	0
Female	44	44	100	44	100	44	100	0	0	0	0
<b>Total</b>	<b>1,469</b>	<b>1,469</b>	<b>100</b>	<b>1,469</b>	<b>100</b>	<b>44</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	91	91	100	91	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>91</b>	<b>91</b>	<b>100</b>	<b>91</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**b. Details of measures for the well-being of workers:**

Category	Health insurance			Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	225	225	100	225	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>225</b>	<b>225</b>	<b>100</b>	<b>225</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	2,327	2,327	100	2,327	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,327</b>	<b>2,327</b>	<b>100</b>	<b>2,327</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI*	100	100	Yes	100	100	Yes

\* Note: As per applicability under the Employees' State Insurance Act, 1948.

**3. a. Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

No

**4. a. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?**

Yes

**b. If so, provide a web-link to the policy**

<https://www.godeepak.com/wp-content/uploads/2021/05/Diversity-Equal-Opportunity-and-Freedom-of-Association-1-9-2020-.pdf>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	NA	NA	NA	NA
Female	100%	NA	NA	NA
<b>Total</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No	Details
Permanent Workers	Yes	Each recognised union have their grievances committee covering all permanent workers. These committees approach the management for grievances and grievances are resolved judiciously.
Other than Permanent Workers	Yes	Periodic Meetings of representatives of Human Resources Department are held with other than permanent workers to resolve their grievances, if any.
Permanent Employees	Yes	Grievance Committees are in place to redress the grievances.
Other than Permanent Employees	Yes	Periodic Meetings of representatives of Human Resources Department are held with other than permanent employees to resolve their grievances, if any.

**7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

	FY 2022-23			FY 2021-22		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of Association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of Association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,469	0	0	1,370	0	0
- Male	1,425	0	0	1,330	0	0
- Female	44	0	0	40	0	0
Total Permanent Workers	225	225	100	231	231	100
- Male	225	225	100	231	231	100
- Female	0	0	0	0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	On Health and Safety Measures			On Skill Upgradation		On Health and Safety Measures			On Skill Upgradation	
	Total (A)	No.(B)	% (B/A)	No.(C)	% (C/A)	Total (D)	No.(E)	% (E/D)	No.(F)	% (F/D)
<b>EMPLOYEES</b>										
Male	1,425	989	69.40	752	52.77	1,330	864	64.96	584	43.91
Female	44	18	40.91	23	52.27	40	15	37.50	18	45.00
<b>Total</b>	<b>1,469</b>	<b>1,007</b>	<b>68.55</b>	<b>775</b>	<b>52.76</b>	<b>1,370</b>	<b>879</b>	<b>64.16</b>	<b>602</b>	<b>43.94</b>
<b>WORKERS</b>										
Male	225	225	100	27	12	231	231	100	10	4.33
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>225</b>	<b>225</b>	<b>100</b>	<b>27</b>	<b>12</b>	<b>231</b>	<b>231</b>	<b>100</b>	<b>10</b>	<b>4.33</b>

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (C)	% (C/D)
<b>EMPLOYEES</b>						
Male	1,425	1,425	100	1,330	1,330	100
Female	44	44	100	40	40	100
<b>Total</b>	<b>1,469</b>	<b>1,469</b>	<b>100</b>	<b>1,370</b>	<b>1,370</b>	<b>100</b>
<b>WORKERS</b>						
Male	225	225	100	231	231	100
Female	0	0	0	0	0	0
<b>Total</b>	<b>225</b>	<b>225</b>	<b>100</b>	<b>231</b>	<b>231</b>	<b>100</b>

**10. Health and safety management system:**
**a. Whether an occupational health and safety management system has been implemented by the entity?**

Yes

**If yes, the coverage of such system?**

All the manufacturing facilities of the Company, have implemented HSE management system in line with ISO 45000 and ISO 14001. Plan-Do-Check-Act cycle is followed for the continual improvement.

**Key features of HSE systems:**

- 1) Occupational Health & Safety (OHS) is considered as line-management responsibility.
- 2) Well defined and communicated responsibility, accountability and authority of persons who identify, evaluate or control OHS hazards and risks.
- 3) Promote cooperation and communication among members of the organisation, including workers and their representatives, to implement the elements of the organisation's OHS management system.
- 4) Well established HSEQ policy and measurable objectives.
- 5) Identification and elimination or control of work-related hazards and risks and promote health at work.
- 6) Health promotion programmes are being organised.
- 7) Periodic review by Top leadership on the performance of the OHS management system.
- 8) DNL is Responsible Care Logo holder Company. All locations are audited and performance is evaluated through team of auditors.
- 9) Following seven codes of Responsible Care are in practice:
  - I) Process Safety Code
  - II) Employee Health & Safety
  - III) Pollution Prevention
  - IV) Distribution Safety
  - V) Product Stewardship
  - VI) Community Awareness & Emergency Response
  - VII) Security Code
- 10) DNL has received EcoVadis Silver medal in its latest assessment done in the year 2022.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Hazard Identification and Risk Assessment ('HIRA') and Hazard and Operability Study ('HAZOP').

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Yes



**11. Details of safety-related incidents, in the following format:**

		FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.6104	0
	Workers	0	0
Total recordable work-related injuries	Employees	10	7
	Workers	7	5
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.****1. DNL is a Responsible Care logo holder company. Some of the measures for safe working environment is listed below:**

- 1) Regular training on HSE-related matters are provided to all employees, workers as well as to new joiners.
- 2) We maintain an organised and orderly facility.
- 3) We communicate hazards to everyone in the facility.
- 4) DCS controlled processes.
- 5) We are using engineering controls.
- 6) Treatment of waste in ETP.
- 7) All statutory requirements are fulfilled.
- 8) We provide PPE for everyone entering our plants.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	100
Working Conditions	100

Assessments are carried out by the following:

- 1) Responsible Care Audit
- 2) Third Party Audits
- 3) IMS Audit
- 4) Internal Audit

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

1. There was an incidence of fire at the Nandesari facility of the Company, on June 2, 2022. As part of corrective actions, following steps have been taken:
  - 1) The Company has carried out thorough Safety Assessment of all the manufacturing facilities through Ernst & Young.
  - 2) Risk assessment of all plants before restarting operations.
  - 3) Strengthening of Fire hydrant system.
  - 4) Strengthening of Fire smoke detector and manual call points with hooter.
  - 5) Strengthening of CO<sub>2</sub> flooding system for all MCC panel.
  - 6) Procurement of fire tender & fire jeep.

Apart from the above, various corrective actions/measures have been taken as recommended in the third party independent assessment.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees or Workers.**

	<b>Employees</b>	<b>Workers</b>
Any life insurance or any compensatory package in the event of death of employees or workers	Yes	Yes

The Company has in place a Death in Harness Policy for all the employees and workers of the Company.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Standard terms of the Contracts with Value Chain partners contain clauses requiring value chain partners to comply with such legal requirements for collection/deduction of statutory dues and depositing the same with appropriate authorities. Further, the payment to such value chain partners are released upon verification of such deposition.

**3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	FY 2022-23			FY 2021-22		
	Total No. of affected Employees/Workers	No. of Employees/Workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	Remarks	Total No. of affected Employees/Workers	No. of Employees/Workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	Remarks
Employees	0	0	No such incidence of employees suffering high consequence work-related injury or ill health.	0	0	No such incidence of employees suffering high consequence work-related injury or ill health.
Workers	0	0	No such incidence of workers suffering high consequence work-related injury or ill health.	0	0	No such incidence of workers suffering high consequence work-related injury or ill health.

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career ending resulting from retirement or termination of employment?**

No.

**PRINCIPLE 4****Businesses should respect the interests of and be responsive to all its stakeholders.****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company believes that the stakeholders who are affected the most by the business as well as those who affect the Company, the most are key Stakeholders for the Company. The Key Stakeholders are identified as Customers, Investors, Community, Employees and Suppliers.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	Email Face-to-face Meetings Pamphlets Phone Calls SMS Website Virtual meetings Advertisement	Daily	Routine discussions like price variation, timely supply of products, etc.
2	Investors	No	Face-to-face Meetings Notice Board/Stock Exchange Announcements Website Phone Calls Earnings concalls Email Newspaper	Quarterly	Financial performance, Operational performance, Growth plans, challenges faced by the Company, Material information, Notices of general meeting, Board meetings.
3	Community	Yes	Community Meetings Advertisement Face-to-face Meetings Newspaper Notice Board Pamphlets Website	Monthly	Community shares their experiences, views and expectations from the Company.
4	Employees	No	Email Face-to-face Meetings Notice Board Pamphlets Phone Calls SMS Intranet Other	Daily	Feedback on policies, suggestions, queries on HR policies, trainings on sustainability, health and safety, career development.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
5	Suppliers	No	Advertisement Email Face-to-face Meetings Newspaper Pamphlets Phone Calls SMS Website Virtual meetings	Daily	Quantity and quality of products and services, payment terms, deliverables.

### Leadership Indicators

#### 1. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

The Company has been working for betterment of community since over 40 years with Deepak Foundation, which was set up in 1982 by Shri C. K. Mehta, Chairman Emeritus & Founder of the Company. Deepak Foundation is in constant touch with the community in and around surrounding area of the Company's operations to address issues, if any relating to social development. Further, the CSR Programs of the Company are designed and aimed keeping in mind the needs of the community, including vulnerable/marginalised groups, after detailed need assessment.

## PRINCIPLE 5

### Businesses should respect and promote human rights

#### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent Employees	1,469	1,469	100	1,370	1,370	100
Other than permanent Employees	91	91	100	83	83	100
Total Employees	1,560	1,560	100	1,453	1,453	100
<b>WORKERS</b>						
Permanent Workers	225	225	100	231	231	100
Other than permanent Workers	2,327	2,327	100	1,840	1,840	100
Total Workers	2,552	2,552	100	2,071	2,071	100

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Equal to Minimum Wage			More than Minimum Wage		Equal to Minimum Wage			More than Minimum Wage	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	1,469	0	0	1,469	100	1,370	0	0	1,370	100
Male	1,425	0	0	1,425	100	1,330	0	0	1,330	100
Female	44	0	0	44	100	40	0	0	40	100
Other than Permanent	91	0	0	91	100	83	0	0	83	100
Male	91	0	0	91	100	83	0	0	83	100
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
Permanent	225	0	0	225	100	231	0	0	231	100
Male	225	0	0	225	100	231	0	0	231	100
Female	-	0	0	0	0	0	0	0	0	0
Other than Permanent	2,327	0	0	2,327	100	1,840	0	0	1,840	100
Male	2,327	0	0	2,327	100	1,840	0	0	1,840	100
Female	0	0	0	0	0	0	0	0	0	0

**3. Details of remuneration or salary or wages:**

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD) <sup>1</sup>	8	₹ 15,00,000	1	₹ 25,00,000
Key Managerial Personnel <sup>2</sup>	5	₹ 3,79,00,000	-	-
Employees other than BoD and KMP	1,420	₹ 6,41,551	44	₹ 7,58,321
Workers	225	₹ 7,46,655	-	-

**Notes:**

- Consisting of Non-Executive Directors and Independent Directors.
- Key Managerial Personnel include Chairman & Managing Director, Whole-time Directors, Chief Financial Officer and Company Secretary.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes

The Executive Directors of the Company led by the Chairman & Managing Director are primarily responsible for addressing the issues arising out of impact, if any, caused by the business.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Mechanism is in place for redressal of grievances of human rights issues.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at Workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human Rights Related Issues	0	0	0	0	0	0

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has a Policy on Ethics, Human Rights and Labour, which anonymity of the complainant and also prevents victimisation of the complainant.

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes

**9. Assessments for the year on human rights issues**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

**10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

Awareness and training sessions are conducted regularly to spread awareness and promote human rights.

**Leadership Indicators**
**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

Nil, as there were no human rights grievances or complaints.

**PRINCIPLE 6**
**Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>Unit</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Total electricity consumption (A)	MJ	32,98,88,473	32,90,63,416
Total fuel consumption (B)	MJ	1,09,74,64,366	1,36,40,41,655
Energy consumption through other sources (C)	-	0	0
Total energy consumption (A+B+C)	MJ	1,42,73,52,839	1,69,31,05,071
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	MJ/₹	0.05	0.07
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No. However, the Company is under process of obtaining assurance from an independent agency for GHG emissions.

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

No

**3. Provide details of the following disclosures related to water, in the following format:**

<b>Parameter</b>	<b>Unit</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Water withdrawal by source (in kilolitres)	kilolitres	0	0
(i) Surface water	kilolitres	0	0
(ii) Groundwater	kilolitres	0	0
(iii) Third party water	kilolitres	14,01,633	14,85,063
(iv) Seawater/desalinated water	kilolitres	0	0
(v) Others	kilolitres	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitres	14,01,633	14,85,063
Total volume of water consumption (in kilolitres)	kilolitres	14,01,633	14,85,063
Water intensity per rupee of turnover (Water consumed/turnover)	kilolitre/₹	0.000046	0.000059
Water intensity (optional) – the relevant metric may be selected by the entity	-	0	0

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge?**

Yes

If yes, provide details of its coverage and implementation.

The unit-II of Hyderabad facility of the Company has implemented Zero Liquid Discharge system (ZLD).

Details of ZLD system are as follows:

1. Effluents with high TDS are first given primary treatment and then processed through a multi-effect evaporator system, from which the concentrate effluent is sent to a fluidised bed recovery system to recover sodium sulfate salt and treated water is being reused in the process.
2. Sewage treated in Sewage Treatment Plant followed by RO plant. RO permeate for reuse and RO reject for evaporation.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	ppm	11.691	14.879
SOx	ppm	54.579	62.213
Particulate matter (PM)	mg/Nm3	38	48
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	0	0
Hazardous air pollutants (HAP)	-	0	0

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,38,304	1,84,346
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	84,305	74,039
Total Scope 1 and Scope 2	Metric tonnes of CO <sub>2</sub> equivalent	2,22,609	2,58,385
Total Scope 1 and Scope 2 emission per rupee of turnover		0.0000073	0.0000103
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No. However, the Company is under process of obtaining assurance from an independent agency for GHG emissions.

**7. Does the entity have any project related to reducing Green House Gas emission**

The Company is making various efforts towards reduction of Green House Gases (GHG) by investing in newer technologies and equipment, which help improving efficiency and thus reducing input at the same time lower energy consumption. In addition, the Company is also making efforts in increasing use of renewable energy by installation of rooftop solar power plants. The recycling of waste water and waste generated is also aimed at reducing GHG emissions.

**8. Provide details related to waste management by the entity, in the following format:**

<b>Parameter</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	202.27	219.86
E-waste (B)	0.11	0.79
Bio-medical waste (C)	0.02	0.01
Construction and demolition waste (D)	0	0
Battery waste (E)	0.22	0.46
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	74,710.30	79,092.17
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>74,912.92</b>	<b>79,313.29</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste - Hazardous waste</b>	0	0
(i) Recycled	64,190.94	65,472.21
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>64,190.94</b>	<b>65,472.21</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste - Hazardous waste</b>	0	0
(i) Incineration	4.80	2,246.84
(ii) Landfilling	10,717.16	11,594.24
(iii) Other disposal operations	0	0
<b>Total</b>	<b>10,721.96</b>	<b>13,841.08</b>

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company ensures responsible waste management practices whereby waste is being segregated, stored, labelling, transportation and sold to recyclers/co-processing to cement industries/disposed to third party treatment facility in line with legal compliance under Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016. Moreover, 86% of the total waste generated in FY 2022-23 has been sent for reuse/recycle purpose i.e. 45,158 MT of waste sent to recycler for producing the value-added product out of waste and 19,033 MT of co-processing waste sent to third party Cement plant as alternative fuel resources material.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

<b>S. No.</b>	<b>Location of operations/offices</b>	<b>Type of operations</b>	<b>Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.</b>
-	-	-	-

The Company does not have any operations or offices in or around ecologically sensitive areas.



**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
-	-	-	-	-	-

Environmental Impact Assessment was not required to be done during the financial year 2022-23 since the Company has valid Environment Clearances for all of its manufacturing facilities.

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N).**

Yes

Subject to disclosure made at Question 2 of Principle-1 of this report, the Company is compliant with all the above mentioned acts and rules.

**Leadership Indicators****1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>From renewable sources</b>			
Total electricity consumption (A)	MJ	9,141	0
Total fuel consumption (B)	MJ	0	0
Energy consumption through other sources (C)	-	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>MJ</b>	<b>9,141</b>	<b>0</b>
<b>From non-renewable sources</b>			
Total electricity consumption (D)	MJ	32,98,88,473	32,90,63,416
Total fuel consumption (E)	MJ	1,09,74,64,366	1,36,40,41,655
Energy consumption through other sources (F)	-	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>MJ</b>	<b>1,42,73,52,839</b>	<b>1,69,31,05,071</b>

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22	Level of treatment
Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water			
- No treatment	0	0	-
- With treatment – please specify level of treatment	0	0	-
(ii) To Groundwater			
- No treatment	0	0	-
- With treatment – please specify level of treatment	0	0	-
(iii) To Seawater			
- No treatment	0	0	-
- With treatment – please specify level of treatment	0	0	-
(iv) Sent to third-parties			
- No treatment	0	0	-
- With treatment – please specify level of treatment	6,92,413	5,67,737	The effluent is being treated in well-designed effluent treatment facility followed by primary, biological and tertiary treatment
(v) Others			
- No treatment	0	0	-
- With treatment – please specify level of treatment	0	0	-
<b>Total water discharged (in kilolitres)</b>	<b>6,92,413</b>	<b>5,67,737</b>	

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No.

**3. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,76,792	-
Total Scope 3 emission per rupee of turnover		0.000016	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?**

No. However, the Company is under process of obtaining assurance from an independent agency for GHG emissions.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Water recycled from effluent	Established low temperature evaporation technology based on mechanical vapour compression system. Around 95% high quality condensed water is recovered from the generated effluent without use of heat generation and rejection units, with lower water recovery cost. Further, recovered water has been reused in operations for washing purpose.	Conservation of natural resources

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

Yes, onsite and offsite emergency preparedness plan is in place.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant impact.

**PRINCIPLE 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**
**1. a. Number of affiliations with trade and industry chambers/associations: 5**
**b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	The Federation of Indian Chambers of Commerce and Industry	National
2	Indian Chemical Council	National
3	Confederation of Indian Industry	National
4	Federation of Gujarat Industries	State
5	Gujarat Employees Organisation	State

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
-	-	-

There were no issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities, hence no corrective actions were required.

**PRINCIPLE 8****Businesses should promote inclusive growth and equitable development****Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
-	-	-	-	-	-

There was no requirement for Social Impact Assessments (SIA)

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY (In ₹)
-	-	-	-	-	-	-

There are no projects underway for which Rehabilitation and Resettlement (R&R) are required.

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company's Environmental, Health and Safety Department as well as Corporate Affairs function remain in constant touch with the community and other associated organisation.

The Company has been working for the betterment of community since over 40 years with Deepak Foundation, which was set up in 1982 by Shri C. K. Mehta, Founder of the Company. Deepak Foundation is in constant touch with the community in and around the surrounding area of the Company's operations to address issues, if any relating to social development.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	11%	13%
Sourced directly from within the district and neighbouring districts	19%	19%

**Leadership Indicators**

1. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Help Desk Project	1,93,588	0.42
2	De-addiction Centre	4,609	3.43
3	Mobile Health Unit	1,11,333	49.28
4	Laboratory and Diagnostics Services	20,196	7.53
5	Palliative Care Facilities	597	31.66
6	Nutrition and Wellness Programme for ICDS	8,222	51.75
7	Adolescent Anaemia	3,300	84.45
8	Mobile Library	7,163	46.52
9	ICDS Programme	7,881	12.97
10	Remedial Education in English and Maths	509	45.78
11	Home Health Aid	450	95.78
12	Entrepreneurial Activities for SHGs	268	100
13	Vocational Training - Samaj Suraksha Sankul	256	5.47
14	Housekeeping and Cookery Course	135	43.70
15	Udyojika	104	100
16	Skills Training for Palliative Care	285	27.72
17	Integrated Animal Healthcare	424	-
18	Use of Sexed Semen Technology to Benefit Dairy Farmers	400	-
19	Smart Village Development	5,470	50
20	Sangaath	57,925	70.26
21	Flood Relief	805	-

**PRINCIPLE 9**
**Businesses should engage with and provide value to their consumers in a responsible manner**
**Essential Indicators**
**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

Mechanism	Details
Web-based system for Customer Complaints	Customer Complaints are received by the relevant Sales team and thereafter, the same are entered into dedicated web-based system for Consumer Complaints Management and processed as per the Standard Operating Procedure.  Site-specific SOPs are established and these SOPs have detailed workflow and resolution process. The Process is stringently followed across the Company.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	28	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.	26	0	Complaints received were related to labelling, packing, handling etc. All the complaints received during the year have been resolved.

**4. Details of instances of product recalls on account of safety issues:**

	Product	Number	Reasons for recall
Voluntary recalls	0	0	NA
Forced recalls	0	0	NA

**5. a. Does the entity have a framework/policy on cyber security and risks related to data privacy?**

Yes. The Company has a robust framework for cyber security and for protection of Data. The IT infrastructure of the Company is secured with robust firewall systems, intrusion detection and prevention systems and access controls. The systems of the Company are protected with strong authentication mechanisms and encryption technologies to safeguard sensitive information and minimise the risk of data breaches.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not Applicable

**Leadership Indicators****1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

S.No.	Channel	Web-link
1	Website	<a href="https://www.godeepak.com/catalog/">https://www.godeepak.com/catalog/</a>
2	Brochure	<a href="https://www.godeepak.com/wp-content/uploads/2021/05/Product-Brochure.pdf">https://www.godeepak.com/wp-content/uploads/2021/05/Product-Brochure.pdf</a>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

1. Being an Intermediate chemicals manufacturer Company, the Products of the Company are as per requirements of the customers and the customers are well aware about the safe usage of the products of the Company. However, the Company regularly updates the customers as well as supply chain partners about the safe and responsible usage of the products through various means.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

1. Though the Company is not providing any essential services, it maintains a healthy communication with the customers and keep them regularly informed about any planned stoppage of plant operations which may cause any delay in supply of products. Apart from the above, the Company also keeps all the stakeholders informed about disruption in operations, if any, caused due to any reason through regular channel of communication with each of the stakeholders.

**4. Provide information relating to data breaches.**

- a. Number of instances of data breaches along with impact.  
No instances of data breaches were observed.
- b. Percentage of data breaches involving personally identifiable information of customers.  
Nil

# Annexure-D

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

#### 1. Brief outline on CSR Policy of the Company:

The Company's CSR policy is to remain a responsible corporate entity mindful of its social responsibilities to all stakeholders including consumers, shareholders, employees, local community and society at large.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1)	Shri Sudhir Mankad*	Chairman - ID	3	2
2)	Dr. Swaminathan Sivaram*	Member - ID	3	2
3)	Shri Deepak C. Mehta <sup>#</sup>	Chairman - ED	3	3
4)	Shri Sanjay Upadhyay	Member - ED	3	3
5)	Smt. Purvi Sheth <sup>#</sup>	Member - ID	3	1
6)	Shri Punit Lalbhai <sup>#</sup>	Member - ID	3	1

Abbreviations: ED: Executive Director; ID: Independent Director

\* Shri Sudhir Mankad ceased to be Chairman of the Committee and Dr. Swaminathan Sivaram ceased to be Member of the Committee upon completion of second term as Independent Director on August 7, 2022.

<sup>#</sup> Shri Deepak C. Mehta designated as Chairman of the Committee and Smt. Purvi Sheth and Shri Punit Lalbhai appointed as the Members of the Committee w.e.f August 8, 2022.

#### 3. (a) Provide web-link of Composition of CSR committee, CSR Policy of the Company and CSR projects approved by the Board are disclosed on the website of the Company:

<https://www.godeepak.com/corporate-governance/#compositeof-committees>

<https://www.godeepak.com/investor-compliances/>

<https://www.godeepak.com/social-responsibility-activities/>

#### 4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:

NA

5 (a) Average net profit of the Company as per Section 135(5). : ₹ 631.82 Crores

(b) Two percent of average net profit of the Company as per section 135(5) : ₹ 12.64 Crores

(c) Surplus arising out of the CSR projects or programs or activities of the previous Financial Years. : NIL

(d) Amount required to be set off for the Financial Year, if any : NIL

(e) Total CSR obligation for the Financial Year (5b+5c-5d) : ₹ 12.64 Crores

6 (a) Amount spent on CSR Projects (both ongoing and other than ongoing projects) : ₹ 11.94 Crores

(b) Amount spent in Administrative Overheads : NIL

(c) Amount spent on Impact Assessment, if applicable : NIL

(d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 11.94 Crores

(e) CSR amount spend or unspent for the Financial Year :

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 11.94	₹ 0.70	April 25, 2023	NA	Nil	NA

**(f) Excess amount for set off, if any: Nil**

Sr. No.	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the Company as per section 135(5)	N.A.
(ii)	Total amount spent for the Financial Year	N.A.
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N.A.
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	N.A.

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Years(s)	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to Fund as specified under Schedule VII as per second proviso to Section 135(5) if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	2019-20	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	TOTAL	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**8. Whether any capital assets have been created or acquired through CSR spent in the Financial Year:**

Yes       No

If yes, enter the number of capital assets created/acquired: 122

Furnish the details relating to such asset(s) so created or acquired through CSR spent in the Financial Year:

Sr. No.	Short Particulars of the Property or asset(s) [including complete address and location of the property]	Pin code of the Property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	School Sanitation Facilities for Girls and Boys Address: Rupapura Primary School, Rupapura, Tal-dist. Vadodara	391340	February 25, 2023	5,94,917/-			
2.	Renovation of School Sanitation Facilities and Aash Area, created New Facility of Hand Wash and Drinking Water Address: Jasapura Primary School, Jasapura Village, Sherkhi Group Panchayat, Tal-Dist. Vadodara	391330	March 23, 2023	4,20,430/-			
3.	6 No-HP Laptop, 6 No-Long Throw Projector, 6 No-Title Make Ceramic Damapura Primary School, Damapura Village, Vadodara Interactive Board, 6 No-5.1 Audio Channer Speaker Set 6-Routers	391340	March 11, 2023	9,18,000/-			
4.	12 Nos-CCTV Camera System Installed		March 07, 2023	1,90,000/-			
5.	1 No-Task Change Automatic School Bell		March 09, 2023	26,466/-			
6.	1 No-Public Announcement System		February 21, 2023	1,01,992/-			
7.	4 Nos-Godrej Leg Type Cupboard with 5 MM Glass		February 27, 2023	5,48,565/-			
8.	80 Nos-Two Seater Benches		February 27, 2023				
9.	3 Nos-Reading Table 5' x 3'		February 27, 2023				
10.	3 Nos-Reading Table 2.6' x 2.6'		February 27, 2023				
11.	25 Nos-Plastic Chair		February 27, 2023				
12.	20 Nos-Iron Base Stool		February 27, 2023				
13.	2 Nos-White Board (Soft Board)		February 27, 2023				

CSR Registration No: CSR00002452  
**Society for Village Development in Petrochemicals Area (SVADES)**

**Address:**  
C-882, Sector-1, Reliance Township, Vadodara-391345.

Sr. No.	Short Particulars of the Property or asset(s) [including complete address and location of the property]	Pin code of the Property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
14.	28 Nos-Shoe Rack	391340	February 27, 2023				
15.	2 Nos-Dish Rack		February 27, 2023				
16.	8 Nos-Steel Office Table 4' x 2' x 2.6'		February 27, 2023				
17.	8 Nos-Staff-cum- Office Chair with Cousion		February 27, 2023				
18.	1 No-computer Table 4' x 2' x 2.6'		February 27, 2023				
19.	2 Nos-Magazine Rack		March 31, 2023	15,104/-			
20.	1 No-News Paper Reading Stand		March 31, 2023				
21.	1 No-Steel Frame Cabinet with Lock		March 31, 2023	44,781/-			
22.	1 No-Steel Cabinet for Electrical Main Board		March 31, 2023				
23.	C-Shaped Platform with Steel Frame Cabinet with Elecrtrification and Earthing		January 20, 2023	3,15,364/-			
24.	80W working Model Laboratory-Stem Model		January 20, 2023	4,18,900/-			
25.	Fire Ball for Laboratory and Library		March 03, 2023	4,956/-			
26.	Library Books		March 16, 2023	7,275/-			
27.	Drum Set with Bugal		March 31, 2023	5,900/-			
28.	Laboratory Equipments with Chemicals		March 25, 2023	37,276/-			
29.	Branding for Equipments		March 01, 2023	7,457/-			
	<b>TOTAL</b>			<b>36,57,383/-</b>			
	<b>Help Desk New Emergency Ward, Beside Bhatuji Mandir, S.S.G Hospital, Vadodara</b>	390001					
30.	Wi-Fi Camera		January 20, 2023	4,147/-			
31.	Laptop		March 31, 2023	36,250/-			
32.	Furniture & Fixture		December 30, 2022	15,104/-			
33.	Mobile Phone		February 09, 2023	14,798/-			
	<b>De-addiction &amp; Counselling Center #19-5, Opposite Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Hyderabad</b>	500055					
34.	UPS		May 17, 2022	15,400/-			
	<b>Mobile Health Unit Bungalow No-46, Sarjan Villa Society, Village Bhensli, Dahej</b>	392130					
35.	CCTV Camera		January 30, 2023	31,364/-			
	<b>Mobile Health Unit Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha</b>	402109					
36.	Medical Equipment		December 31, 2022	3,700/-			
	<b>Mobile Health Unit Flat No-201, 2<sup>nd</sup> Floor, Wing 3, Mateshwari Desire, Near Kakaji Ni Wadi, Banquet Hall, Akurli, Panvel</b>	410206					
37.	Furniture & Fixture		March 23, 2023	17,000/-			
38.	Medical Equipment		September 30, 2022	4,500/-			
39.	Medical Equipment		February 28, 2023	3,200/-			
	<b>Setting up Palliative Care Facilities Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>	390019					
40.	Medical Equipment		October 17, 2022	1,963/-			

CSR Registration No: CSR00002452  
**Society for Village Development in Petrochemicals Area (SVADES)**  
**Address:**  
 C-882, Sector-1, Reliance Township, Vadodara-391345.

CSR Registration No: CSR00000353  
**Deepak Foundation**

**Address:**  
 Nijanand Ashram premises,  
 Adjoining L&T Knowledge City,  
 On NH-8, Vadodara – 390019,  
 Gujarat, India



Sr. No.	Short Particulars of the Property or asset(s) [including complete address and location of the property]	Pin code of the Property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
41.	Medical Equipment <b>Nutrition &amp; Wellness Program for ICDS Beneficiaries, Bunglow No-46, Sarjan Villa Society, Village Bhensli, Dahej</b>	392130	December 30, 2022	1,600/-			
42.	CCTV Camera		January 30, 2023	39,205/-			
43.	Tablet		October 14, 2022	34,400/-			
44.	Computer & Printer		March 24, 2023	47,850/-			
45.	Furniture & Fixture		March 27, 2023	29,909/-			
46.	Medical Equipment		October 14, 2022	2,744/-			
47.	Medical Equipment		February 28, 2023	2,150/-			
48.	Medical Equipment <b>ICDS Program Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara</b>	391340	March 15, 2023	3,550/-			
49.	Tablet		July 31, 2022	51,000/-			
50.	Printer		March 17, 2023	14,900/-			
51.	Laptop <b>Mobile Library Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara</b>	391340	March 23, 2023	34,250/-			
52.	Books		May 18, 2022	19,497/-			
53.	Books		June 09, 2022	20,685/-			
54.	Books		June 30, 2022	21,444/-			
55.	Books		August 08, 2022	22,454/-			
56.	Books		August 31, 2022	23,793/-			
57.	Books		October 6, 2022	23,074/-			
58.	Books		November 17, 2022	23,215/-			
59.	Books		December 09, 2022	23,217/-			
60.	Books		December 31, 2022	23,217/-			
61.	Books		January 6, 2023	2,250/-			
62.	Books		January 31, 2023	24,002/-			
63.	Books		February 28, 2023	1,08,305/-			
64.	Tablet <b>Mobile Library Pilvavadu Fadiyu, At-Vadiya, Taluka- Savli Dist-Vadodara</b>	391520	July 14, 2022	1,70,000/-			
65.	Books		November 11, 2022	25,496/-			
66.	Books		December 31, 2022	12,000/-			
67.	Books		January 31, 2023	22,384/-			
68.	Books		February 17, 2023	84,056/-			
69.	Books		February 28, 2023	12,720/-			
70.	Books		March 07, 2023	13,320/-			
71.	Books		March 15, 2023	3,000/-			
72.	Books		March 24, 2023	14,900/-			
73.	Books		March 28, 2023	23,010/-			
74.	Books		March 31, 2023	84,577/-			
75.	Tablet		October 31, 2022	1,72,000/-			
76.	Laptop		October 31, 2022	47,000/-			
77.	Motherboard		October 31, 2022	8,900/-			
78.	Tablet		November 25, 2022	86,000/-			
79.	Computer		December 19, 2022	37,200/-			
80.	Tablet		January 25, 2023	87,000/-			
81.	Hard Disk		March 07, 2023	5,200/-			
82.	Furniture & Fixture		November 21, 2022	11,741/-			
83.	Furniture & Fixture		November 30, 2022	1,500/-			

CSR Registration No: CSR00000353

**Deepak Foundation****Address:**

Nijanand Ashram premises,  
Adjoining L&T Knowledge City,  
On NH-8, Vadodara – 390019,  
Gujarat, India

Sr. No.	Short Particulars of the Property or asset(s) [including complete address and location of the property]	Pin code of the Property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
84.	Furniture & Fixture		February 17, 2023	7,670/-			
85.	Battery for E- Rickshaw		November 11, 2022	24,800/-			
86.	Vehicle (Ecco)		December 23, 2022	5,36,372/-			
87.	Vehicle (Ecco) (Fabrication)		January 25, 2023	17,700/-			
	<b>Smart Class Set up in Schools Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>						
88.	Interactive Flat Panel		October 31, 2022	11,71,386/-			
	<b>Home Health Aide Course #19-5, Opposite Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Hyderabad</b>						
89.	Wi-Fi Camera		February 16, 2022	13,200/-			
90.	Furniture & Fixture		January 31, 2023	28,880/-			
91.	Lab Equipment		May 19, 2022	2,98,540/-			
92.	Medical Equipment		August 31, 2022	13,146/-			
	<b>Home Health Aide Course Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>	390019					
93.	Lab Equipment		May 19, 2022	2,98,540/-			
94.	Medical Equipment		February 17, 2023	5,378/-			
	<b>Entrepreneurial Activities through SHG Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara</b>	391340					
95.	Furniture & Fixture		March 30, 2023	2,550/-			
	<b>Facility Management &amp; Services Course Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>	390019					
96.	Computer		July 31, 2022	30,200/-			
	<b>Skill Training for Palliative Care Attendants Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>	390019					
97.	Furniture & Fixture		February 28, 2023	7,700/-			
	<b>Integrated Animal Health Care Centre Deepak Medical Foundation, Near GIDC Office, Nandesari, Vododara</b>	391340					
98.	CCTV Camera		December 27, 2022	16,402/-			
99.	Computer & Printer		December 27, 2022	50,310/-			
100.	Equipment		March 31, 2023	35,100/-			
101.	Furniture & Fixture		November 23, 2022	29,382/-			
102.	Furniture & Fixture		November 28, 2022	21,523/-			
103.	Refrigerator		November 30, 2022	11,000/-			
	<b>Demographic Surveillance Study (DSS) Nijanand Ashram, Near Laxmi Studio, Adjoining L&amp;T Knowledge City, On NH-8, Ta &amp; Dist Vadodara</b>	390019					
104.	Software		October 31, 2022	2,54,757/-			
	<b>Sangaath (Help Desk) Deepak Medical Foundation, Near GIDC Office, Nandesari, Vododara</b>	391340					

CSR Registration No: CSR00000353

**Deepak Foundation**
**Address:**

 Nijanand Ashram premises,  
 Adjoining L&T Knowledge City,  
 On NH-8, Vadodara – 390019,  
 Gujarat, India

Sr. No.	Short Particulars of the Property or asset(s) [including complete address and location of the property]	Pin code of the Property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
105.	Printer		November 17, 2022	17,200/-			
106.	Laptop		December 09, 2022	47,000/-			
107.	Furniture & Fixture		February 28, 2023	11,800/-			
	<b>Sangaath Saraswati Bunglow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha</b>	402109					
108.	Printer		January 31, 2023	30,680/-	CSR Registration No: CSR00000353	<b>Deepak Foundation</b>	
109.	Furniture & Fixture		February 09, 2023	18,200/-			
110.	Lamination Machine		January 19, 2023	20,520/-			
111.	Lamination Pouch		March 21, 2023	12,200/-			
112.	Tablet		January 19, 2023	66,080/-			
	<b>Sangaath At Reva Ginning and Pressing Factory, Kawant Boriyad Road, In Front of Hardik Hospital, Naswadi</b>	391150					
113.	Furniture & Fixture		March 31, 2023	34,020/-			
	<b>Total</b>			<b>47,98,377/-</b>			
	<b>Shree Krishna Hospital, Karamsad, Anand, Gujarat</b>	388325					
114.	Operation Table		March 17, 2023	6,13,600	CSR Registration Number: CSR00002068	<b>Charutar Arogya Mandal</b>	
115.	Bilirubonometer		February 01, 2023	82,000			
116.	OT Light		March 17, 2023	5,50,000			
117.	Arthroscopy Instruments		January 18, 2023	4,95,000			
118.	Light Source With Cable		January 05, 2023	60,000			
119.	Telescope 30 Degree		November 23, 2022	1,72,295			
120.	Centrifuge machine		March 24, 2023	95,002			
121.	Distance Vision Chart		March 27, 2023	33,600			
	<b>Total</b>			<b>21,01,497</b>			
122.	<b>Construction of New Hospital building at Jalaram Marg, Karelibaug, Vadodara, Revenue Survey No 694 paiki, Moje : Kashba</b>	390018	March 01, 2023	95,40,295	CSR Registration Number: CSR00003940	<b>Medical Care Center Trust</b>	
						<b>Address:</b>	
						Jalaram Marg, Karelibaugh, Vadodara - 390018, Gujarat, India	

(All the fields should be captured as appearing in the revenue record, flat no. house no. Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

### 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Your Company has undertaken a major CSR Project for supporting Medical Care Centre Trust (CSR Registration No.: CSR00003940) in construction of a new Hospital Building and renovation of their existing hospital buildings at Vadodara. The construction of new hospital building required various government approvals for commencement of work. There was a delay in receipt of the necessary approvals for commencement of Construction work of the new Hospital building, which resulted in delay in execution of the Project. Accordingly, the amount which was envisaged to be spent during the year, could not be spent. Since the said CSR project was classified as the ongoing project by the Board of Directors, the unspent amount of ₹ 0.70 Crores towards the said ongoing project was transferred to a separate Bank Account on April 25, 2023 as required under the provisions of the Act and the rules made thereunder which shall be spent in the subsequent Financial Year.

For and on behalf of the Board

**Deepak C. Mehta**

Chairman & Managing Director  
Chairman of CSR Committee  
(DIN: 00028377)

Place : Vadodara  
Date : May 11, 2023

# Annexure-E

## NOMINATION AND REMUNERATION POLICY

### 1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Regulations as amended from time to time, this policy on nomination and remuneration of Directors on the Board of the Company, Key Managerial Personnel and other employees in the Senior Management is formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and of the Listing Regulations with the Stock Exchanges.

This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, appointment and removal of the Directors, Key Managerial Personnel and Senior Management employees and matters relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Pursuant to the requirement of Section 178 of the Companies Act, 2013 and the Listing Regulations with the Stock Exchanges, the Company has a duly constituted Nomination and Remuneration Committee.

### 2. OBJECTIVE OF THE POLICY

- 2.1. The objective of this Policy is to outline a framework to ensure that the Company's remuneration levels are aligned with best industry practices and are good enough to attract and retain competent Directors on the Board, Key Managerial Personnel and the Senior Management Personnel of the quality required. The key objectives of this Policy include:
  - (i) guiding the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management employees.
  - (ii) evaluating the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
  - (iii) recommending to the Board the remuneration payable to the Directors and setting forth a policy for determining remuneration payable to Key Managerial Personnel and Senior Management employees.

- 2.2. While determining the remuneration for the Directors, Key Managerial Personnel and Senior Management employees, regard should be given to prevailing market conditions, business performance and practices in comparable companies, also to financial and commercial health of the Company as well as prevailing laws and government/other guidelines, to ensure that pay structures are appropriately aligned and the levels of remuneration remain appropriate.
- 2.3. While designing the remuneration package it should be ensured:
  - (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate person, to ensure the quality required to run the Company successfully.
  - (ii) Remuneration to Directors, Key Managerial Personnel and Senior Management employees involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- 2.4. Some part of the remuneration package may be linked to the achievement of corporate performance targets of the Company and a strong alignment of interest with stakeholders.
- 2.5. The Committee shall observe the set of principles and objectives as envisaged under the Companies Act, 2013 ("Act") (including Section 178 thereof), rules framed there under and the Listing Regulations including, inter-alia, principles pertaining to determining qualifications, positives attributes, integrity and independence.
- 2.6. In this context, the following Policy has been formulated by the Nomination and Remuneration Committee and recommended to the Board of Directors for adoption.

### 3. EFFECTIVE DATE

This Policy shall be effective from the date of its adoption by the Board.

### 4. DEFINITIONS

- 4.1. In this Policy the following terms shall have the meaning assigned to them:
  - (i) "**Act**" means The Companies Act, 2013 and rules made thereunder.

- (ii) **“Board of Directors”** or **“Board”** means the Board of Directors of the Company.
- (iii) **“Committee”** means Nomination and Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations.
- (iv) **“Company”** means “Deepak Nitrite Limited.”
- (v) **“Director”** shall mean a member of the Board of Directors of the Company appointed from time to time in accordance with the Articles of Association of the Company and provisions of the Act.
- (vi) **“Employees’ Stock Option”** means the option given to the Directors, other than Independent Directors, officers or employees of a Company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- (vii) **“Executive Director”** shall mean a Director who is in the whole-time employment of the Company other than Managing Director.
- (viii) **“Financial Year”** shall mean the period ending on the 31<sup>st</sup> day of March every year.
- (ix) **“Independent Director”** shall mean a Director referred to in Section 149 (6) of the Act read with the Listing Regulations.
- (x) **“Key Managerial Personnel”** or **“KMP”** shall have the meaning ascribed to it in the Act.
- (xi) **“Listing Regulations”** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and for the time being in force.
- (xii) **“Managing Director”** means a Director who, by virtue of the Articles of Association of the Company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
- (xiii) **“Policy”** or **“this Policy”** means, “Nomination and Remuneration Policy.”
- (xiv) **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- (xv) **“Senior Management”** means the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the management one level

below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

- 4.2. Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and/or Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

## 5. APPLICABILITY

This Policy is applicable to:

- (i) Directors (Managing Director, Executive Director, Independent Director and Non-Independent Director)
- (ii) Key Managerial Personnel
- (iii) Senior Management employees
- (iv) Other Employees

## 6. NOMINATION AND REMUNERATION COMMITTEE

### 6.1. Role of the Committee:

- (a) Identifying persons who are qualified to become Director and who may be appointed in Senior Management cadre in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- (b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy, relating to the remuneration for the Directors, Key Managerial Personnel and employees.
- (c) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates.

- (d) Formulating the criteria for evaluation of Independent Directors and the Board.
- (e) Devising a policy on Board diversity.
- (f) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors.
- (g) The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Executive Directors.
- (h) While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- (i) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (j) recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- (k) any other role as may be specified by the Board.

### 6.2. Composition of the Committee

- (a) The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least two-thirds shall be Independent Directors.
- (b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and/or the Listing Regulations.
- (c) Composition of the Committee shall be disclosed in the Annual Report.
- (d) Term of the Committee shall continue unless terminated by the Board of Directors.

### 6.3. Chairman of the Committee

- (a) Chairman of the Committee shall be an Independent Director.
- (b) Chairman of the Company (whether Executive or non-Executive) may be appointed as a member of the Committee but shall not Chair the Committee.
- (c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- (d) Chairman of the Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### 6.4. Frequency of the Meetings of the Committee

The meeting of the Committee shall be held at such intervals as may be required.

### 6.5. Committee Member's Interest

- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### 6.6. Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be two (2) members or one-third of the members of the Committee, whichever is greater, including at least one independent director in attendance.

### 6.7. Voting at the Meeting

- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## 7. APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

- 7.1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and Senior Management employee.
- 7.2. A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment as a Director, Key Managerial Personal or Senior Management employee.
- 7.3. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for such appointment.
- 7.4. The appointment as recommended by the Committee to the Board shall be subject to the approval of the Board.

**7.5. Criteria for appointment of Independent Director:**

- 7.5.1. The proposed appointee shall comply with the criteria specified in the relevant provisions of the Act and/or the Listing Regulations. He or she shall not, directly or indirectly, represent the interest of any specific vendor or customer or stakeholder and shall have business reputation and strong ethical standards and possess leadership skills and business experience including board procedures.
- 7.5.2. The Independent Director shall fulfill the qualification and requirements specified under the Act and Listing Regulations.
- 7.5.3. He or she shall also declare his or her independent status prior to appointment to the Board and maintain the same during his or her tenure as an Independent Director. Being a Director of the Company, he or she shall adhere to the Code of Conduct stipulated for the Director.

**7.6. Criteria for appointment of Managing Director / Executive Director:**

- 7.6.1. The Company can have more than one Managing Director or Executive Director.
- 7.6.2. The appointee(s) shall have good educational background, preferably with specialization in the field. He shall have exemplary skills and leadership qualities to lead the Company or as the case may be the function assigned to him.
- 7.6.3. Depending on the role and responsibility, he shall have hands on experience in the relevant field. For example as ED (Operations) is expected to have adequate knowledge and experience about the plant operations and related issues. The suitability of the candidate shall be determined on a case-to-case basis by the Committee. Being a Director of the Company, Managing Director / Executive Director shall adhere to the Code of Conduct stipulated for the Director.
- 7.6.4. He or she shall fulfill the conditions as specified under Part I of Schedule V of the Act. However, in case the conditions specified under Part I of Schedule V of the Act is not fulfilled, such appointments shall be subject to the approval of the Central Government.

**7.7. Criteria for appointment of KMPs:**

- 7.7.1. Pursuant to the requirement of Section 203 of the Act, the Company is required to appoint a Managing Director / Manager / Chief Executive Officer and in their absence an Executive Director as Whole Time KMP.
- 7.7.2. The Company may also appoint a Chief Executive Officer (CEO) who may or may not be a Director. The qualification, experience and stature of the CEO

could be in line with that of the Executive Director. Where the CEO is designated as KMP, he shall act subject to the superintendence and control of the Board.

- 7.7.3. The Company is also required to appoint a Chief Financial Officer (CFO) as KMP as per the requirement of the Act. The CFO shall preferably be a Chartered Accountant or a Cost & Management Accountant or holds an equivalent qualification and have relevant work experience. He shall be well versed with finance function including but not limited to funding, taxation, forex and other core matters. As required under the Listing Regulations, the appointment of CFO shall be subject to approval of the Audit Committee.
- 7.7.4. As required under the said Section of the Act, a Company Secretary (CS) is also required to be appointed by the Company as a KMP. The CS shall have the prescribed qualification and requisite experience to discharge the duties specified in law and as may be assigned by the Board / Managing Director / Executive Director from time to time.
- 7.7.5. KMPs, other than Managing Director and/or Executive Director shall adhere to the Code of Conduct stipulated for the Senior Management.

**7.8. Criteria for appointment of Senior Management employees:**

- 7.8.1. Senior Management employees shall possess the requisite qualifications, expertise and experience depending upon the requirement of the relevant position.
- 7.8.2. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- 7.8.3. Senior Management employees shall adhere to the Code of Conduct stipulated for the Senior Management.

**7.9. Term / Tenure****7.9.1. Managing Director and Executive Director**

The Company shall appoint or re-appoint any person as its Managing Director / Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

**7.9.2. Independent Director**

- (a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.



- (b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- (c) The Independent Director shall comply with the requirement of number of directorships he or she can hold as prescribed under the provisions of the Act or the Listing Regulations including any amendment thereto from time to time.

### **7.10. Familiarization Programme for Independent Directors**

The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

### **7.11. Evaluation**

- 7.11.1. Subject to Schedule IV of the Companies Act, 2013 and Listing Regulations, the Committee shall carry out the evaluation of Directors periodically.
- 7.11.2. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.
- 7.11.3. The Independent Directors at their separate meeting shall review, on yearly basis, the performance of Non-Independent Directors and the Board as a whole.
- 7.11.4. The Independent Directors at their separate meeting shall also review, on yearly basis, the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- 7.11.5. The entire process of the Performance Evaluation shall be kept in strict confidence and shall not be disclosed to any person except to those required to perform their duties under the Act.
- 7.11.6. All the records of Performance Evaluation process and outcome shall be maintained by the Company Secretary of the Company and shall be kept at the Registered Office of the Company. Such records shall be preserved till such time as may be decided by the Board from time to time or as required under the Act.

### **7.12. Removal**

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP and Senior Management employees subject to the provisions and compliance of the applicable laws, rules and regulations.

### **7.13. Retirement**

The Director, KMP and Senior Management employees shall retire as per the applicable provisions of the Act and/or the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management employees in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company, in accordance with the provisions of the Act and approval of members, wherever required.

## **8. REMUNERATION**

### **8.1. Remuneration to Managing Director:**

- 8.1.1. The remuneration comprising of salary, allowance, perquisites and other benefits payable to Managing Director will be determined by the Committee and recommended to the Board for approval.
- 8.1.2. In addition to the remuneration as stated in 8.1.1. above, Managing Director shall also be paid a Commission, calculated with reference to the Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors, subject to the overall ceiling stipulated in Section 197 and other relevant provisions of the Act.

#### **8.1.3. The Managing Director shall be entitled to the following perquisites / allowances:**

- (i) Housing – Rent free furnished residential accommodation. In case no accommodation is provided by the Company, Managing Director shall be paid house rent allowance as may be decided by the Board of Directors.
- (ii) Re-imbursment of gas, electricity, water charges and furnishings.
- (iii) Re-imbursment of medical expenses incurred for self and members of his family, as per rules of the Company.
- (iv) Leave travel concession for self and members of his family, as per rules of the Company.
- (v) Fees of clubs subject to maximum of two clubs.
- (vi) Medical insurance, as per rules of the Company.



- (vii) Personal Accident Insurance, as per rules of the Company.
- (viii) Provision of car and telephone at residence.
- (ix) Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per rules of the Company.
- (x) Retirement and other benefits, as per rules of the Company.

8.1.4. The remuneration and commission to be paid to the Managing Director shall be as per the statutory provisions of the Act and the rules made thereunder for the time being in force and shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

8.1.5. The remuneration / commission payable to Managing Director shall be reviewed by the Board after close of each Financial Year and based on the Profits made by the Company in that Financial Year, Managing Director shall be paid such enhanced remuneration as the Board may decide subject to the ceiling limits specified in Section 197 and other applicable provisions of the Act read with Schedule V of the Act.

8.1.6. The Managing Director shall not be entitled to sitting fees for attending the meetings of the Board or any Committee thereof.

## 8.2. Remuneration to Executive Director:

### 8.2.1. Fixed Pay

- (a) Executive Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the provisions of the Act and rules made thereunder for the time being in force.
- (b) The Fixed Pay of Executive Director shall comprise of salary, perquisites, allowances and other benefits. The perquisites, allowances and other benefits to the Executive Director shall include but not be limited to the following:
  - (i) Re-imbursement of medical expenses incurred for self and members of his family, as per policy of the Company.
  - (ii) Leave travel concession for self and members of his family, as per policy of the Company.
  - (iii) Medical and other insurances, as per policy of the Company.

- (iv) Company Car with Driver.
- (v) Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per the policy of the Company.
- (vi) Retirement and other benefits, as per policy of the Company.
- (vii) Hardship Allowance as applicable in accordance with the policy of the Company.

(c) The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### 8.2.2. Variable Pay

In addition to the salary, perquisites, allowances and other benefits as mentioned above, Executive Director will also be entitled to a Variable Pay by way of Performance Linked Incentive. This amount shall be paid annually after the end of each Financial Year. The Performance Linked Incentive shall be in the range of 0% to 25% of cost to the Company or such other amount as may be decided by the board of directors from time to time upon recommendation of Nomination and Remuneration committee.

### 8.2.3. Loyalty Bonus

In addition to the above, Executive Director shall also be entitled for the Loyalty Bonus as per policy of the Company.

### 8.2.4. Payment of Variable component / Increments

- (a) Payment of Variable component of the remuneration of the Executive Director for a particular Financial Year and increments to the existing remuneration structure of Executive Director shall be recommended by the Chairman & Managing Director of the Company to the Committee based upon the individual performance and also the Company's performance as per policy of the Company.
- (b) The Committee shall review the payment of Variable component of the remuneration of the Executive Director for a particular Financial Year and increments to the existing remuneration structure of Executive Director as recommended by the Chairman & Managing Director of the Company and recommend the same to the Board for its approval. Such Variable component

and proposed enhanced remuneration as recommended by the Committee to the Board should be within the overall limits of managerial remuneration as prescribed under the Act and rules made thereunder.

- (c) The Executive Director shall also be entitled to reimbursement of all legitimate expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.

8.2.5. Executive Director shall not be entitled to sitting fees for attending meetings of the Board or any Committee thereof.

### **8.3. Minimum Remuneration**

Where, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director(s) and Executive Director(s) in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

### **8.4. Remuneration to Independent Director and Directors other than Managing Director/ Executive Director:**

#### **8.4.1. Sitting Fees**

The Independent Director / Directors other than Managing Director and Executive Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The Sitting Fee paid to Independent Directors, shall not be less than the Sitting Fees payable to other Directors.

The sitting Fees payable to Independent Director/ Directors other than Managing Director and Whole-time Director shall be decided by the Board of Directors from time to time and shall be reviewed every 3 (Three) years.

#### **8.4.2. Commission on the Net Profits**

Apart from receiving the Sitting Fees, Independent Director(s) / Non-Independent Director(s) may be paid Commission on the Net Profits of the Company for a particular Financial Year within the monetary limit approved by shareholders, subject to the limit

not exceeding 1% of the Net Profits of the Company computed as per the applicable provisions of the Act. The amount of Commission payable to each Independent Director / Non-Independent Director for a particular Financial Year shall be decided by the Chairman of the Company and shall be approved by the Board.

#### **8.4.3. Stock Options**

Independent Director shall not be entitled to any stock option of the Company.

### **8.5. Provisions for excess remuneration**

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. Subject to the approval of Central Government, the Shareholders of the Company may waive recovery of such excess remuneration by passing an Ordinary Resolution.

### **8.6. Remuneration to KMP and Senior Management employees:**

8.6.1. The remuneration to KMP and Senior Management employees shall comprise of Fixed Pay and Variable Pay and governed by the DNL HR Policy.

8.6.2. Remuneration of a KMP and Senior Management at the time of their appointment will be recommended by the Managing Director / Executive Director to the Committee. The Committee shall review such remuneration and recommend the same to the Board for approval. Any subsequent modification to the remuneration of KMP shall be decided by the Managing Director / Executive Director as may be authorized by the Committee.

#### **8.6.3. Fixed Pay**

The Fixed Pay of KMP and Senior Management employees shall comprise of salary, perquisites, allowances and other benefits as per policy of the Company. The break-up of the pay scale and quantum of perquisites including but not limited to employer's contribution to P.F, pension scheme, medical expenses etc. shall be decided by the Managing Director / Executive Director.

#### **8.6.4. Variable Pay**

The remuneration of KMP and Senior Management employees will also comprise performance linked

variable pay which may vary from 0% to 16% of the cost to the Company. This amount of variable pay shall be paid annually after the end of each Financial Year and will be entirely based on the individual's performance and Company's performance as per policy of the Company. Such Variable Pay for a particular Financial Year shall be decided by the Managing Director / Executive Director.

#### **8.6.5. Hardship Allowance and Loyalty Bonus**

In addition to the above, KMP and Senior Management employees shall also be entitled for the Hardship Allowance and Loyalty Bonus as per policy of the Company.

- 8.7. The remuneration to other employees of the Company shall be governed by DNL HR Policy.

#### **8.8 Loans and Advances to Employees**

- (a) The Loan, advance and other financial assistance facilities to the employees shall be governed by the DNL HR policy as amended from time to time and shall be considered as a part of 'conditions of service' for employees of the Company.
- (b) Advances to the employees for the purpose of performance of his duties shall be governed by the DNL HR Policy as amended from time to time and shall be considered as a part of 'conditions of service' for employees of the Company.

### **9. BOARD DIVERSITY**

9.1. The Board of Directors shall have the optimum combination of Directors from the different areas / fields like operations, projects, production, management, quality assurance, finance, legal, sales and marketing, research and development, Human Resources etc. or as may be considered appropriate.

9.2. The Board shall have at least one Director who has accounting or related financial management expertise.

### **10. DISCLOSURE**

This Policy shall be disclosed in the Board's Report.

### **11. REVIEW OF THE POLICY**

This Policy shall be reviewed by the Committee after every three years.

### **12. AMENDMENTS TO THE POLICY**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the competent authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## Annexure-F

### DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013:

#### PART (A) – DISCLOSURE AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2023 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year ended March 31, 2023:

Name of the Director/ KMP	% Increase in Remuneration* in the FY 2022-23	Ratio to Median Remuneration
Shri Deepak C. Mehta Chairman & Managing Director	0.00	109.22
Shri Sanjay Upadhyay Director (Finance) & Group CFO	14.12	77.03
Shri Maulik D. Mehta Executive Director & CEO	15.20	59.22
Shri Ajay C. Mehta Non-Executive Director	0.00	2.34
Shri Meghav D. Mehta <sup>1</sup> Non-Executive Director	NA*	NA*
Shri Sandesh Kumar Anand Non-Executive & Non Independent Director	0.00	3.91
Shri Sudhir Mankad <sup>2</sup> Independent Director	NA*	NA*
Dr. Richard H. Rupp <sup>3</sup> Independent Director	NA*	NA*
Dr. Swaminathan Sivaram <sup>4</sup> Independent Director	NA*	NA*
Shri Sanjay Asher Independent Director	38.89	3.91
Smt. Purvi Sheth Independent Director	38.89	3.91
Shri Dileep Choksi Independent Director	0.00	3.13
Shri Punit Lalbhai <sup>5</sup> Independent Director	NA*	NA*
Shri Vipul Shah <sup>6</sup> Independent Director	NA*	NA*
Shri Prakash Samudra <sup>7</sup> Independent Director	NA*	NA*
Shri Somsekhar Nanda <sup>8</sup> Chief Financial Officer	NA*	NA
Shri Arvind Bajpai Company Secretary	14.47	NA

# Excluding sitting fees.

\* Since the remuneration is only for part of the year (current/ previous), the percentage increase in remuneration is not comparable hence % increase in Remuneration in FY. 2022-23 and ratio to the median remuneration not stated.

- Shri Meghav D. Mehta has been appointed as a Non-Executive Director of the Company w.e.f. May 4, 2022.
- Shri Sudhir Mankad ceased to be Independent Director upon completion of his second term on August 7, 2022.
- Dr. Richard H. Rupp ceased to be Independent Director upon completion of his second term on August 7, 2022.
- Dr. Swaminathan Sivaram ceased to be Independent Director upon completion of his second term on August 7, 2022.
- Shri Punit Lalbhai has been appointed as an Independent Director w.e.f. August 8, 2022.
- Shri Vipul Shah has been appointed as an Independent Director w.e.f. August 8, 2022.
- Shri Prakash Samudra has been appointed as an Independent Director w.e.f. August 8, 2022.
- Shri Somsekhar Nanda has been appointed as a Chief Financial Officer w.e.f. August 3, 2022.

**Notes:**

1. In the Financial Year 2022-23, there was an increase of 7.83% in the median remuneration of employees.
2. There were 1,694 permanent employees on the rolls of the Company as on March 31, 2023.
3. Average Percentile increase already made in the salaries of employees other than Managerial Personnel in the last Financial Year was 14.50% and average percentile increase in remuneration of Managerial Personnel was 9.77%.

Shri Deepak C. Mehta, Chairman & Managing Director of the Company is also Chairman & Managing Director of Deepak Phenolics Limited ("DPL") a Wholly Owned Subsidiary of the Company.

As per the term of his appointment, he is entitled to profit related commission from DPL. For the Financial Year 2022-23, the Commission to Shri Deepak C. Mehta from DPL is ₹ 18 Crores.

Average increase in remuneration of both, managerial and non-managerial personnel were determined based on the overall performance of the Company.

Key result areas of the managerial personnel are broadly to achieve Company's growth and performance target, achieving the same against various adverse externalities globally, devising sustenance strategy to combat global forces like competition, exchange rate etc, which, in turn, enhance shareholders' value. Remuneration of the managerial personnel is based on the Nomination and Remuneration Policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

As against above, remuneration for non-managerial personnel is based on an internal evaluation of assigned target area which are broken into subsets of key result areas of the managerial personnel.

4. It is affirmed that the remuneration is as per the Nomination & Remuneration Policy of the Company.

For and on behalf of the Board

**Deepak C. Mehta**

Chairman & Managing Director  
(DIN: 00028377)

Place : Vadodara  
Date : May 11, 2023

## Annexure - G

### INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

#### (A) Conservation of Energy:

- (i) Steps taken or impact on conservation of energy:
- Replacement of coal feed boiler with multi fuel feed boiler to reduce cost.
  - Energy Audits are conducted at all locations and energy conservation initiatives are implemented.
  - Chilling compressors consuming high power are being replaced with energy efficient chilling compressors to reduce specific power consumption.
  - Low efficiency old motors are replaced with high efficient IE3 motors.
  - 125 watts HPMV lamp are being replaced with 39 watts LED.
  - High power consuming motors are being provided by VFD (variable frequency drive) to reduce energy consumption.
- (ii) Steps taken for utilizing alternate sources of energy:
- Use of PRT (pressure reducing turbine) to generate power in place of PRV (pressure reducing valve).
  - Use of alternate source such as Solar power.
  - Use of Hybrid power (wind power + solar power) is under consideration.
- (iii) Capital investment on energy conservation equipment:
- Total ₹ 34.13 Crores capex are approved related to energy conservation.

#### (B) Technology Absorption:

- (i) Efforts made towards technology absorption:
- Technology developed for import substituted products.
  - In-house development of “platform technology” where similar chemistry can be successfully intensified at world best level.
- (ii) Benefits derived like product yield improvement, cost reduction, product development or import substitution:

- Innovative processes developed for import substituted products in the in-house Research & Development facility through Process Engineering Research & Innovation (PERI) Lab.
- Continuous chemical processes developed to reduce raw materials consumption norms and by-products formation, also evaluated alternative routes to make cheaper and cleaner technologies.
- Batch Process yield improvement been successfully demonstrated and running commercially for better sustainability in the market and cost reduction to build profit.

(iii) Information regarding technology imported, during the last 3 years: Nil

(iv) Information regarding in-house technology developed, during the last 3 years: 5 Nos. and applied for patents: 3 Nos.

(v) Expenditure incurred on Research and Development:

Particulars	₹ in Crores	
	2022-23	2021-22
a) Capital	4.07	7.43
b) Recurring	16.65	14.86
<b>Total</b>	<b>20.72</b>	<b>22.29</b>
<b>Total R&amp;D expenditure as a percentage to total turnover</b>	<b>0.68%</b>	<b>0.89%</b>

#### (C) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	₹ in Crores	
	2022-23	2021-22
Total Foreign Exchange Earned	1312.81	1056.73
Total Foreign Exchange Outgo	426.59	108.30

For and on behalf of the Board

**Deepak C. Mehta**

Chairman & Managing Director  
(DIN: 00028377)

Place : Vadodara  
Date : May 11, 2023