

## Annexure-C

# Business Responsibility & Sustainability Report

At Deepak Nitrite Limited ('DNL'), sustainability is deeply embedded in our core business, operation strategies and decision-making processes. In line with our commitment to responsible business practices, we are dedicated to realizing our Environmental, Social and Governance (ESG) objectives. We focus on conducting our business in a manner that protects the environment, contributes positively to society and generates long-term value for all stakeholders.

Every year we enhance our ESG strategies and collaborate with our stakeholders to achieve mutually beneficial ESG objectives. Our environmental initiatives are centred on reducing our environmental impact through strategic measures such as increasing the share of renewable energy in our total energy mix and lower carbon emissions. We have implemented advanced technologies such as Mechanical Vapor Recompression (MVR) for water recycling and recovering raw materials from effluent streams to promote resource efficiency. Additionally, we have taken proactive measures to reduce our GHG emissions by substituting conventional fuels with alternative sources in our boilers. These initiatives align with circular economy principles and promote sustainable waste management practices, ensuring that our operations are environmentally sound.

Our dedication extends to cultivate a safe, inclusive and enriching work environment for our employees and communities alike. Upholding stringent ethical standards and prioritizing the development of high-quality products, our efforts transcend mere compliance. Beyond mandatory trainings, we implement comprehensive human rights education and skill enhancement programs, recognizing that effective human capital management is pivotal to our ongoing success. Our policies are focused on enhancing community well-being and ensuring a supportive workplace environment. Our employees being our most valuable asset, we work towards their welfare through robust programs covering health, wellness, work-life balance and rigorous safety measures. Continuous learning and development are central to our HR policies, with a range of training programs designed to enhance technical skills, leadership capabilities and personal growth. Committed to creating an equitable workplace, we promote diversity, inclusion and equal opportunities, striving to eliminate all forms of discrimination.

Our community development efforts aim to generate value by focusing on education, healthcare and skills development to empower marginalized communities. Our approach involves closely engaging with stakeholders to comprehend their needs and ambitions and promote resilience among marginalized communities. Through these efforts, we strive to create a lasting positive impact that supports inclusive growth for all members of society.

The foundation of DNL's governance framework is built on the principles of integrity, transparency and accountability. We adhere to the highest standards of corporate governance, ensuring that our operations are conducted ethically and transparently. Our robust code of conduct outlines ethical behaviour expectations for all employees, with regular training on ethical practices and mechanisms in place for reporting and addressing any unethical behaviour. Transparency is central to our sustainability efforts at DNL. As a practice, we publicly report on our ESG initiatives, including sustainable sourcing. Additionally, we actively collaborate with industry peers, government and non-governmental organisations. These partnerships drive sustainable solutions, knowledge sharing and the adoption of best practices, amplifying our impact and advancing global sustainability goals. By working together strategically, we aim to create lasting positive change in both environmental stewardship and societal well-being.

DNL is dedicated to continuously enhancing our sustainability performance through adopting a comprehensive approach to sustainability. By integrating ESG principles into our environmental, social and governance strategies, we ensure that our efforts not only drive economic growth but also create positive and lasting impacts on the environment and society, setting new standards for excellence in sustainability.

**For Deepak Nitrite Limited**

**Maulik Mehta**

Executive Director & CEO

Date: May 20, 2024

Place: Vadodara

## SECTION A: GENERAL DISCLOSURES

### I. Details of the Listed Entity

1	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L24110GJ1970PLC001735
2	<b>Name of the Listed Entity</b>	Deepak Nitrite Limited
3	<b>Year of incorporation</b>	1970
4	<b>Registered Office address</b>	2 <sup>nd</sup> Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara - 390003
5	<b>Corporate Office address</b>	2 <sup>nd</sup> Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara - 390003
6	<b>E-mail</b>	<a href="mailto:investor@godeepak.com">investor@godeepak.com</a>
7	<b>Telephone</b>	+91 2652765200
8	<b>Website</b>	<a href="http://www.godeepak.com">www.godeepak.com</a>
9	<b>Financial Year for which reporting is being done</b>	2023-24
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: <a href="mailto:investor@godeepak.com">investor@godeepak.com</a> Telephone: +91 2652765200
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
14	<b>Name of assurance provider</b>	TÜV SÜD South Asia Private Limited
15	<b>Type of assurance obtained</b>	Reasonable Assurance for BRSR Core and Limited Assurance for BRSR Report

### II. Products/Services

#### 16. Details of business activities (accounting for 90% of the Turnover):

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Chemicals	Manufacturing, Trading of Chemicals.	100

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

S. No	Product/Service	NIC Code	% of total Turnover contributed
1	Nitro Toluidine	24119	17.47
2	Sodium Nitrite	24117	17.25
3	Optical Brightening Agents	24298	12.54
4	MAHCL	24119	9.13
5	TFMAP	24119	7.68
6	4 NOX	24119	7.33
7	EHN	24119	7.28
8	Sodium Nitrate	24119	4.67
9	Para Cumidines	24117	4.01
10	DASDA	24297	3.53

### III. Operations

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

S. No	Location	Number of plants	Number of offices	Total
1	National	5	3	8
2	International	0	0	0

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

S. No	Locations	Number
1	National (No. of states)	24
2	International (No. of countries)	39

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

47%

**c. A brief on types of customers**

- Manufactures of Chemicals
- Manufactures of Products where chemicals produced by the Company are used as inputs

**IV. Employees****20. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>Employees</b>						
1	Permanent (D)	1503	1457	96.94	46	3.06
2	Other than Permanent (E)	46	43	93.48	3	6.52
3	<b>Total employees (D + E)</b>	<b>1549</b>	<b>1500</b>	<b>96.84</b>	<b>49</b>	<b>3.16</b>
<b>Workers</b>						
4	Permanent (F)	217	217	100	0	0
5	Other than Permanent (G)	2304	2253	97.79	51	2.21
6	<b>Total workers (F + G)</b>	<b>2521</b>	<b>2470</b>	<b>97.98</b>	<b>51</b>	<b>2.02</b>

**b. Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>Differently-abled Employees</b>						
1	Permanent (D)	1	1	100	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>Differently-abled Workers</b>						
4	Permanent (F)	1	1	100	0	0
5	Other than Permanent (G)	7	7	100	0	0
6	<b>Total differently abled workers (F + G)</b>	<b>8</b>	<b>8</b>	<b>100</b>	<b>0</b>	<b>0</b>

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

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

**22. Turnover rate for permanent employees and workers:**

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.60	31.11	14.32	14.23	19.05	14.37	13.55	8.82	13.43
Permanent Workers	3.16	0	3.16	2.63	0	2.63	5.06	0	5.06

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

S. No	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Deepak Phenolics Limited	Subsidiary	100	Yes
2	Deepak Chem Tech Limited	Subsidiary	100	Yes
3	Deepak Nitrite Corporation Inc.	Subsidiary	100	Yes
4	Deepak PMC Limited	Subsidiary	100	Yes
5	Deepak Oman Industries LLC (SFZ)	Subsidiary	51	Yes

**VI. CSR Details**
**24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)**

Yes

**ii. Turnover**

₹ 2,724.35 Crores

**iii. Net worth**

₹ 2,954.54 Crores

**VII. Transparency and Disclosures Compliances**
**25. 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 Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		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/2023/11/Investors-Grievance-redressal-policy-1.pdf">https://www.godeepak.com/wp-content/uploads/2023/11/Investors-Grievance-redressal-policy-1.pdf</a>	4	0		18	0	
Employees and workers	Yes <a href="https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Whistle-Blower-Policy.pdf">https://www.godeepak.com/wp-content/uploads/2023/11/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/wpcontent/uploads/2021/05/Policy-on-Stakeholder-Engagement-1-9-2020.pdf">https://www.godeepak.com/wpcontent/uploads/2021/05/Policy-on-Stakeholder-Engagement-1-9-2020.pdf</a>	60	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.	28	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.
Value Chain Partners	No	0	0		0	0	

## 26. Overview of the entity's material responsible business conduct issues:

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water Use & Effluent Management	Opportunity	Access to clean and safe water is a fundamental human right and is aligned with the United Nations' Sustainable Development Goal 6, which aims to be achieved by 2030. As a responsible corporate citizen, we are committed to ensuring that our operations do not negatively impact the quality or supply of water resources, thereby protecting the ecosystem and society at multiple levels.	NA	Positive - Effective water use and effluent management can drive significant positive financial outcomes for businesses. By optimizing water usage and managing effluent responsibly, companies can reduce operational costs, enhance resource efficiency and mitigate regulatory risks.
2	Climate Change & Emissions	Risk	Climate change & Emissions 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 & Emissions related issues, if not addressed, would result in negative financial implications in long run. Climate related risks including physical as well as transition risk are directly associated with disruptions to our business operations as well as those of our value chain partners. Financial implications of mitigation efforts are well within our considerations while planning our business strategy
3	Occupational Health & 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.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Community Involvement	Opportunity	Engaging with the community in its development not only uplifts the community's standard of living but also cultivates future workers and consumers for businesses associated with the end products. This proactive involvement also enhances the Company's reputation by fostering goodwill as a benefactor within the community.	NA	Positive - The benefits to the community provided by CSR activities develop goodwill and boost the Company's brand, which has long-term financial benefits.
5	Growth & Profitability	Opportunity	The Company's capacity to deliver substantial value to all stakeholders hinges on its robust financial foundation. In light of escalating input and energy costs and enduring volatility in foreign exchange rates, maintaining a secure financial position is imperative. This stability not only fortifies its market position but also strengthens relationships with clients, investors and the broader public.	The Company strategically allocates financial resources in adherence to governance standards and best business practices to ensure sustainable profitability. It prioritizes disciplined investments within a robust framework and employs structured cost management to optimize financial outcomes. By consistently exploring opportunities along the value chain and maintaining agility in response to evolving market dynamics, the Company sustains its performance and enhances its competitive edge.	Positive - A planned and methodical approach to investments and cost management will be determining factor to the success of the Company in the short run as well as in the long run.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Corporate Governance	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.	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. 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, CSR, Sustainability 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.	Negative - Corporate Governance is increasingly the parameter for evaluation by external stakeholders and are likely to amplify competitive advantage relating to business sustainability. In case of their failure, it would have severe financial implications.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Business Ethics & Compliance	Opportunity	Success in business depends on creating and sustaining a culture of ethics and integrity. It supports daily decision-making by providing employees and partners with a useful reference.	NA	Positive - Prioritizing business ethics and compliance can lead to significant financial benefits for organizations. By adhering to ethical standards and regulatory requirements, companies mitigate legal risks and avoid costly fines and penalties. A strong ethical culture also fosters trust and credibility with stakeholders, enhancing customer loyalty, investor confidence and employee morale.
8	Business Continuity	Opportunity	Risk management and ethics are interconnected. A company faces lower risks to its business when it adheres to ethical standards. Aligning business ethics with risk management is crucial for ensuring continuity and resilience during disruptive incidents.	NA	Positive - Business continuity ensures resilience against disruptions, minimizing revenue loss, operational downtime and reputational damage. This proactive approach helps maintain customer trust, preserves market position and reduces recovery costs, ultimately safeguarding profitability and sustaining long-term financial health.
9	Product Stewardship	Risk and Opportunity	Risk: Reputational damage, negative impact on market share, Opportunity: Reduction in environmental impact and increased stakeholder trust and in revenue	DNL has established a protocol to assess the ESG (Environmental, Social and Governance) impacts of products during their development stages. These impacts are carefully considered in our decision-making processes. We have calculated the carbon footprint for most of our products and planning to conduct Life Cycle Assessments (LCA) for few of our existing products in the fiscal year 2023-24.	Positive - Increased circularity will result in decreased cost of materials, increased productivity and greater profitability. Such operational practices also cater to the customers preferences; aligned to responsibly sourced /manufactured products.
10	Sustainable Supply Chain	Risk	Having a sustainable supply chain is critical for Company's operations and business continuity Considering the size of Company's operations, the Company can influence the ESG priorities for their suppliers It will have a high impact on stakeholders as well.	We maintain a robust logistics and distribution network using secure transportation with GPS tracking to monitor raw materials and finished goods in real-time. Our organised warehousing ensures prompt customer deliveries. Leveraging our manufacturing expertise, integrated facilities and agile operations, we consistently deliver reliable and steady performance.	Negative - Any disruption in Supply Chain would adversely affect the business continuity and hence would jeopardise sustainability of business.



S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Waste Management	Opportunity	The production and use of agrochemicals generate hazardous waste, necessitating a focus on reducing waste generation, as well as recycling and reusing waste wherever possible.	NA	Positive - Implementing effective waste management strategies can lead to substantial financial benefits for businesses. By reducing waste generation, companies can lower disposal costs and improve resource efficiency.
12	Energy Management	Opportunity	Recognizing the importance of energy efficiency in all business activities, we actively monitor our performance using systems installed across multiple locations to track daily energy consumption. Our energy conservation strategy aligns with our commitment in achieving established sustainability goals and targets.	NA	Positive - Effective energy management practices can yield substantial financial benefits for businesses. By optimizing energy use, operational costs associated with utilities, such as electricity and fuel can be reduced.
13	Employee Engagement	Opportunity	Skilled and proficient employees execute their responsibilities with effectiveness and efficiency, contributing to a capable workforce that drives internal growth. This enhances product quality and ultimately, boosts revenue for the Company.	NA	Positive- Efforts in ensuring the skill development of the workforce will lead to a more efficient workforce and improved productivity of the Company.
14	Human Rights	Risk and Opportunity	<p>Human rights significantly influence business operations both internally and externally, spanning from raw material procurement to distribution and disposal. They also play a crucial role in shaping the company's reputation throughout the entire value chain.</p> <p>Risk: Potential regulatory non-compliance and reputational damage.</p> <p>Opportunity: Upholding employees' and workers' rights through collective action.</p>	<p>We have implemented a robust Human Rights due diligence framework to systematically assess our operations. This includes conducting human rights vulnerability assessments at our operational sites to identify and mitigate risks, as well as monitoring and reporting our performance. We are committed to upholding human rights across all aspects of our business operations.</p> <p>Our commitment to respecting human rights extends to our business partners through alignment with our policies and contractual agreements. In the fiscal year 2023-24, no incidents of human rights violations were reported, demonstrating our dedication to maintaining ethical standards throughout our operations.</p>	<p>Positive- Implications of non-compliance to social adherence norms related to human rights will have reputation impact for any company. The mitigation of such risks requires investment in human rights vulnerability assessment and actions. Proactive and regular compliance by the workforce is imperative to ensure business continuity in the long run.</p>

<b>S. No</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / 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 implications)</b>
15	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 business model.
16	Diversity, Equity & Inclusion	Opportunity	At DNL, our focus is on creating value through the continuous expansion of our workforce and fostering agility. Our team comprises individuals from diverse educational, cultural and demographic backgrounds. We are committed to upholding principles of inclusion and diversity in our employment practices, ensuring they remain inclusive of all ages and genders.	NA	Positive - Investing in Diversity, Equity and Inclusion (DEI) initiatives can lead to significant financial benefits for organizations. By fostering a diverse workforce that includes individuals from various backgrounds, genders, ages and cultures, companies can enhance innovation and creativity. This diversity of thought often leads to better problem-solving and decision-making processes, which can drive operational efficiency and productivity.
17	Product Innovation	Opportunity	As our products are utilized across diverse manufacturing sectors, the demand for advanced compatibility with upgraded technologies is crucial. Emphasizing product innovation through enhanced technologies and processes will position us for a broader market in the future.	NA	Positive - Better 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 clients.
18	Digitalization, IT Security & Data Privacy	Opportunity	As demonstrated during recent global disruptions, adopting digital modes of operation is crucial. These methods can greatly influence customer relationships, product launches, workforce productivity and operational efficiency.	NA	Positive - The integration of digital technologies within operations has been demonstrated across industries to alleviate operational efficiency and robustness of business output. It also allows the Company to realize strategy automation and business intelligence in the wake of competitive agility.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

### Policy and Management Processes

1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Has the policy been approved by the Board? (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

c. Web Link of the Policies, if available

P1	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P2	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P3	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P4	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P5	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P6	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P7	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P8	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>
P9	<a href="https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf">https://www.godeepak.com/wp-content/uploads/2024/01/DNL_Sustainability_policy.pdf</a>

2. Whether the entity has translated the policy into procedures. (Yes / No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

3. Do the enlisted policies extend to your value chain partners? (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
No	No	No	No	No	No	No	No	No

4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

P1	
P2	
P3	
P4	
P5	ISO 45001 Certification
P6	ISO 14001, Responsible Care logo
P7	
P8	ISO 9001
P9	

**5. Specific commitments, goals and targets set by the entity with defined timelines, if any.**

<b>P1</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic position and develop specific goals targets and commitments with time lines in due course.
<b>P2</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P3</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P4</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P5</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P6</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P7</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P8</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines in due course.
<b>P9</b>	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its Strategic position and develop specific goals targets and Commitments with time lines 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.**

<b>P1</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P2</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P3</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P4</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P5</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P6</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P7</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P8</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.
<b>P9</b>	The performance against the goals and targets will be assessed in the subsequent Financial Years.

**Governance, Leadership & Oversight**

**7. Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

Please refer to Statement of Shri Maulik Mehta at the beginning of this Report.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

During FY 2023-24, Shri Maulik Mehta, Executive Director & CEO of the Company was responsible for implementation and oversight of the Business Responsibility policy (ies). However, the Board of Directors on February 13, 2024 have constituted the Sustainability Committee inter alia to review and implement the Business Responsibility policy (ies).

**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. The Company has constituted a Sustainability Committee of Directors for decision making on Substantially related issues.

**10. Details of Review of NGRBCs by the Company**

	Principles	Performance against above policies and follow up action	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	P1	Yes	Yes
	P2	Yes	Yes
	P3	Yes	Yes
	P4	Yes	Yes
	P5	Yes	Yes
	P6	Yes	Yes
	P7	Yes	Yes
	P8	Yes	Yes
	P9	Yes	Yes
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	P1	Annually	Annually
	P2	Annually	Annually
	P3	Annually	Annually
	P4	Annually	Annually
	P5	Annually	Annually
	P6	Annually	Annually
	P7	Annually	Annually
	P8	Annually	Annually
	P9	Annually	Annually

**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.**

<b>P1</b>	No
<b>P2</b>	No
<b>P3</b>	No
<b>P4</b>	No
<b>P5</b>	No
<b>P6</b>	No
<b>P7</b>	No
<b>P8</b>	No
<b>P9</b>	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: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### ● 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:

S. No	Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
1	Board of Directors	4	Business Sustainability	100
2	Key Managerial Personnel	4	Business Sustainability	100
3	Employees other than BoD and KMPs	48	Business Sustainability	63
4	Workers	6	Business Sustainability	72

#### 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):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/fine	Principle 4	Gujarat Industrial Development Corporation	₹ 2,62,842	Gujarat Industrial Development Corporation, while approving the application of the Company for amalgamation of two newly acquired industrial plots admeasuring 2508 sq. mtr. each, situated at Nandesari Industrial Estate, vide provisional amalgamation order dated 28 <sup>th</sup> December, 2023 received by the Company on 29 <sup>th</sup> December, 2023, imposed a Non-Utilization penalty of ₹ 2,62,842 (inclusive of 18% GST). The Company has made payment of the said penalty.	No

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
-	-	-	-	-	-

#### 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:

Not applicable as no appeal has been filed.

#### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. 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. The weblink of the same is as under:

[https://www.godeepak.com/wp-content/themes/twentyxixteen/companyfiles/corporate\\_governance\\_report/Code%20of%20Conduct\\_Senior%20Management.pdf](https://www.godeepak.com/wp-content/themes/twentyxixteen/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:**

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Directors	0		0	
KMPs	0		0	
Employees	0		0	
Workers	0		0	

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

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not Applicable	0	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Not Applicable	0	Not 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.**

Since there were no such matters, no corrective actions are required to be taken.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of days of accounts payables	61		63	

**9. Open-ness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
		Value	Value	Value	Value
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	19.81%		14.52%	
	b. Number of trading houses where purchases are made from	21		20	
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	93.40%		90.90%	
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0		8.00%	
	b. Number of dealers / distributors to whom sales are made	23		25	
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	87.00%		86.00%	
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	7.83%		9.80%	
	b. Sales (Sales to related parties / Total Sales)	1.13%		0.74%	
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.53%		0	
	d. Investments ( Investments in related parties / Total Investments made)	90.00%		65.00%	

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the principles during the Financial Year:

S. No.	Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-	-

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. 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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	6%	6%	Efficiency improvement, emission reduction, energy conservation, improved effluent treatment.
Capex	5%	5%	Reduction in usage of non-renewable energy, increased water recovery recycling capacity, improved organic reduction efficiency.

### 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

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

20% 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:

#### a. Plastics (including packaging)

All plastic waste generated was given to Extended Producer's Responsibility ('EPR') registered plastic waste processor.

#### b. E-waste

All e-waste generated was given to recycler registered with Pollution Control Board.

#### c. Hazardous waste

All hazardous waste generated was disposed to PCB-registered, TSDF, CHWIF, Co-processing facility, Pre-processing facility & Recyclers facility.

#### d. Other waste

Not applicable



4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**

Yes. The waste collection is in line with the EPR plan submitted to Pollution Control Boards.

#### Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.**

LCA was not conducted for any products.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

There are no significant social or environmental concerns and/or risks arising from production or disposal of products.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

No recycled materials have been used in the production.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:**

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	1501	0	0	202.27	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not applicable

### ● 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	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	Number (C)	Number (D)	Number (E)	Number (F)	%(B/A)	%(C/A)	%(D/A)	%(E/A)	%(F/A)
<b>Permanent employees</b>											
Male	1457	1457	100	1457	100	0	0	1457	100	0	0
Female	46	46	100	46	100	46	100	0	0	0	0
<b>Total</b>	<b>1503</b>	<b>1503</b>	<b>100</b>	<b>1503</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>1457</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees</b>											
Male	43	43	100	43	100	0	0	0	0	0	0
Female	3	3	100	3	100	3	100	0	0	0	0
<b>Total</b>	<b>46</b>	<b>46</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>3</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		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	217	217	100	217	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>217</b>	<b>217</b>	<b>100</b>	<b>217</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	2253	2253	100	2253	100	0	0	0	0	0	0
Female	51	51	100	51	100	51	100	0	0	0	0
<b>Total</b>	<b>2304</b>	<b>2304</b>	<b>100</b>	<b>2304</b>	<b>100</b>	<b>51</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of Total Revenue of the Company	0.20	0.08

**2. Details of retirement benefits, for current Financial Year and previous Financial Year.**

S. No	Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		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.)
1	PF	100	100	Yes	100	100	Yes
2	Gratuity	100	100	Yes	100	100	Yes
3	ESI	100	100	Yes	100	100	Yes

**3. Accessibility of workplaces**

**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? If not, whether any steps are being taken by the entity in this regard.**

Our premises have facilities of ramps, lifts, bars and handles, dedicated washroom for the differently-abled employee.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, it is displayed on employee portal.

<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	100	100	0	0
Female	50	100	0	0
<b>Total</b>	<b>50</b>	<b>100</b>	<b>0</b>	<b>0</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? 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 worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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)
<b>Total Permanent Employees</b>	<b>1503</b>	<b>0</b>	<b>0</b>	<b>1469</b>	<b>0</b>	<b>0</b>
Male	1457	0	0	1425	0	0
Female	46	0	0	44	0	0
<b>Total Permanent Workers</b>	<b>217</b>	<b>217</b>	<b>100</b>	<b>225</b>	<b>225</b>	<b>100</b>
Male	217	217	100	225	225	100
Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No.(B)	% B/A	No.(C)	% C/A		No.(E)	% E/D	No.(F)	% F/D
<b>Permanent Employees</b>										
Male	1457	1457	100	320	21.96	1425	989	69.40	752	52.77
Female	46	46	100	6	13.04	44	18	40.91	23	52.27
<b>Total</b>	<b>1503</b>	<b>1503</b>	<b>100</b>	<b>326</b>	<b>21.69</b>	<b>1469</b>	<b>1007</b>	<b>68.55</b>	<b>775</b>	<b>52.76</b>
<b>Permanent Workers</b>										
Male	217	217	100	27	12	225	225	100	27	12
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>217</b>	<b>217</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>225</b>	<b>225</b>	<b>100</b>	<b>27</b>	<b>12</b>

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No.(B)	% B/A	Total (C)	No.(D)	% D/C
<b>Permanent Employees</b>						
Male	1457	1425	97.80	1425	1425	100
Female	46	44	95.65	44	44	100
<b>Total</b>	<b>1503</b>	<b>1469</b>	<b>97.74</b>	<b>1469</b>	<b>1469</b>	<b>100</b>
<b>Permanent Workers</b>						
Male	217	0	0	225	225	100
Female	0	0	0	0	0	0
<b>Total</b>	<b>217</b>	<b>0</b>	<b>0</b>	<b>225</b>	<b>225</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/ No). If yes, the coverage such system?**

Yes

All locations of DNL has 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) OH & S is considered as line-management responsibility.
  - 2) Well defined and communicated responsibility, accountability and authority of persons who identify, evaluate or control OSH hazards and risks.
  - 3) Promote cooperation and communication among members of the organization, including workers and their representatives, to implement the elements of the organization'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 logo holder Company. All sites 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 Bronze Medal in its latest assessment done in year 2023, results published in April 2024.
- 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/ No)**  
Yes
- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**  
Yes

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

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)</b>	Employees	0.282	0.6104
	Workers	0.26	0
<b>Total recordable work-related injuries</b>	Employees	2	10
	Workers	9	7
<b>No. of fatalities</b>	Employees	0	0
	Workers	0	0
<b>High-consequence work-related injury or ill health (excluding fatalities)</b>	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy work place;**

1. DNL is a Responsible Care logo holding Company. Some of the measures for safe working environment is listed below:
  - 1) Regular training on EHS related matters are provided to all employees, workers as well as to new joinees.
  - 2) Maintain an organized and orderly facility.
  - 3) Communicate hazards to everyone in the facility.
  - 4) DCS controlled processes.
  - 5) 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:**

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of 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 and safety practices	100
Working Conditions	100

Assesments are carried out by the following parties:

- 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:**

There were no such significant incidents during the current Financial Year.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of****a. Employees (Y/N)**

Yes

**b. Workers (Y/N)**

Yes

**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 collective/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:

	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	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

No such incidence of employees suffering high consequence work-related injury or ill health.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career ending resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	100
Working Conditions	100

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

We have implemented rigorous correctives measures, including enhanced safety training, regular audits and stricter compliances checks to address identified risks and improve Health and Safety practices across our Value Chain Partners.

## 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 & Marginalized 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 Communication, Face-to face meeting, Phone calls, Virtual meetings, Exhibitions, conferences	Daily	Routine discussion like price variation, timely supply of products etc.
2	Investors	No	Annual General Meeting Investor/ analyst meetings/ conferences Annual Report Quarterly earnings concalls Media releases Company website Dedicated investor email address Individual communication channels Through Registrar and Share Transfer Agent (RTA) Social Media	Quarterly	Financial performance, Operational performance, Growth plans, challenges faced by the Company, Material information, Notices of General meeting, Board meetings.

S. No	Stakeholder Group	Whether identified as Vulnerable & Marginalized 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
3	Community	Yes	Engaging in regular dialogues with community through meetings, visits and interactions Executing CSR initiatives to encourage community involvement Utilising demographic surveys to obtain valuable insights and feedback from the community	Monthly	Community shares their experiences, views and expectations from the Company.
4	Employees	No	Senior leadership communication sessions Performance review and appraisal meetings Union meetings for open dialogue and collaboration Wellness initiatives promoting employee well-being Employee engagement surveys to gather feedback and insights Townhall meetings for transparent communication and updates Sports events to encourage team building and physical well-being	Daily	Feedback on policies, suggestions, queries on HR policies, trainings on sustainability, health and safety, career development.
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 the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The process for consultation between stakeholders and the Board on economic, environmental and social topics involves both direct and delegated mechanisms. In direct consultation, stakeholders engage with the Board through structured meetings, surveys and public forums, where their inputs are systematically recorded and compiled into comprehensive reports. These reports are subsequently presented to the Board during scheduled sessions to inform decision-making. When consultation is delegated, designated representatives such as Committees or managers gather stakeholder's feedback using various methods like meetings and surveys. The collected feedback is synthesized into detailed summary reports, which are communicated to the Board through regular briefings or written submissions. This ensures that the Board is kept informed of stakeholder perspectives and can make decisions based on a broad range of inputs.

**2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the stakeholder consultation is used to support the identification and management of environmental and social topics.

Input from stakeholders plays a crucial role in shaping policies and activities related to these areas. For instance, in response to community concerns about environmental impacts, formal and informal feedback from stakeholders are instrumental in enhancing the Company's waste management practices, leading to the adoption of a new recycling program. Similarly, stakeholder consultation revealed the need for improved social policies, resulting in the development of a comprehensive community engagement strategy. This strategy included regular meetings and partnerships with local organizations to address social issues more effectively. These consultations ensure that stakeholder perspective are integrated into the Company's policies and activities, fostering sustainable and community-aligned decision-making.

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

Based on the stakeholders consultation and baseline surveys, the CSR activities of the Company are inter alia aimed to address the concerns of vulnerable/ marginalized stakeholder groups.

Additionally, to better address the needs of marginalized groups such as indigenous communities, the organization conducted focused listening sessions to understand their unique challenges related to social and cultural preservation. This engagement led to the implementation of culturally sensitive environmental management practices and the creation of educational programs aimed at preserving local requirements. Another instance includes partnering with non-profit organizations to provide health support services to underserved populations, thereby addressing their immediate needs and fostering long-term resilience. These actions demonstrate the Company's commitment to actively engaging with and responding to the concerns of vulnerable groups, ensuring that their voices are heard and integrated into the decision-making process.

## ● 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:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1503	186	12.34	1469	1469	100
Other than permanent	46	24	52.17	91	91	100
<b>Total Employees</b>	<b>1549</b>	<b>210</b>	<b>13.56</b>	<b>1560</b>	<b>1560</b>	<b>100</b>
<b>Workers</b>						
Permanent	217	0	0	225	225	100
Other than permanent	2304	0	0	2327	2327	100
<b>Total Workers</b>	<b>2521</b>	<b>0</b>	<b>0</b>	<b>2552</b>	<b>2552</b>	<b>100</b>

#### 2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% B/A	No.(C)	% C/A		No.(E)	% E/D	No.(F)	% F/D
<b>Employees</b>										
<b>Permanent</b>	<b>1503</b>	<b>0</b>	<b>0</b>	<b>1503</b>	<b>100</b>	<b>1469</b>	<b>0</b>	<b>0</b>	<b>1469</b>	<b>100</b>
Male	1457	0	0	1457	100	1425	0	0	1425	100
Female	46	0	0	46	100	44	0	0	44	100
<b>Other than permanent</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>100</b>	<b>91</b>	<b>0</b>	<b>0</b>	<b>91</b>	<b>100</b>
Male	43	0	0	43	100	91	0	0	91	100
Female	3	0	0	3	100	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>	<b>217</b>	<b>0</b>	<b>0</b>	<b>217</b>	<b>100</b>	<b>225</b>	<b>0</b>	<b>0</b>	<b>225</b>	<b>100</b>
Male	217	0	0	217	100	225	0	0	225	100
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than permanent</b>	<b>2304</b>	<b>2304</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>2327</b>	<b>0</b>	<b>0</b>	<b>2327</b>	<b>100</b>
Male	2253	2253	100	0	0	2327	0	0	2327	100
Female	51	51	100	0	0	0	0	0	0	0



## 3. a. Details of remuneration/salary/wages:

(₹ in Crores)

	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>	7	0.20	1	0.30
Key Managerial Personnel <sup>2</sup>	6	3.04	0	0
Employees other than BoD and Key Managerial Personnel	1451	0.06	46	0.06
Workers	217	0.06	0	0

**Notes:**

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

## b. Gross wages paid to females as % of total wages paid by the entity:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.21	2.72

## 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/No)

Yes, Sustainability Committee has been constituted to review all Sustainability related matters of the Company including human rights impacts or issues.

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

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

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. 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 provides anonymity to the complainant and also prevents victimisation of the complainant.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No):**

Yes

**10. Assessments for the year**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	100
Forced Labour/Involuntary Labour	100
Sexual Harassment	100
Discrimination at Workplace	100
Wages	100

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

There were no significant risks/concerns arising from the assessment. However, regular training and awareness sessions are being conducted to 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.

**2. Details of the scope and coverage of any human rights due-diligence conducted.**

While the Company is engaging new vendor or contractor it ensures that those parties are aware about human rights protection and written confirmation post due-diligence audit are taken.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	Nil
Discrimination at Workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable.

## 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:

Parameter	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Value	Unit	Value	Unit
<b>From renewable sources</b>				
Total electricity consumption (A)	23.74	GJ	9.14	GJ
Total fuel consumption (B)	0	GJ	0	GJ
Energy consumption through other sources (C)	0	GJ	0	GJ
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>23.74</b>	<b>GJ</b>	<b>9.14</b>	<b>GJ</b>
<b>From non-renewable sources</b>				
Total electricity consumption (D)	3,52,823.79	GJ	3,29,981.40	GJ
Total fuel consumption (E)	17,54,346.79	GJ	16,12,701.44	GJ
Energy consumption through other sources (F)		GJ		GJ
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>21,07,170.59</b>	<b>GJ</b>	<b>19,42,682.84</b>	<b>GJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>21,07,194.32</b>	<b>GJ</b>	<b>19,42,691.98</b>	<b>GJ</b>
<b>Energy intensity per rupee of turnover</b>	0.00007735	GJ/rupee	0.00004705	GJ/rupee
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP)</b>	0.00645662	GJ/rupee	0.00388019	GJ/rupee
<b>Energy intensity in terms of physical output</b>	8.8035	GJ/MT of production	6.8337	GJ/MT of production
Energy intensity (optional) the relevant metric may be selected by the entity	-	-	-	-

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, TÜV SÜD South Asia Private Limited

#### 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? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

#### 3. Provide details of the following disclosures related to water:

Parameter	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Value	Unit	Value	Unit
<b>Water withdrawal by source (in kilolitres)</b>				
(i) Surface water	0	Kilolitres	0	Kilolitres
(ii) Groundwater	0	Kilolitres	0	Kilolitres
(iii) Third party water	13,51,968	Kilolitres	14,01,633	Kilolitres
(iv) Seawater / desalinated water	0	Kilolitres	0	Kilolitres
Others	0	Kilolitres	0	Kilolitres
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>13,51,968</b>	<b>Kilolitres</b>	<b>14,01,633</b>	<b>Kilolitres</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>13,51,968</b>	<b>Kilolitres</b>	<b>14,01,633</b>	<b>Kilolitres</b>
<b>Water intensity per rupee of turnover</b>	0.00004963	Kilolitres/ rupee	0.00004620	Kilolitres/ rupee
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP)</b>	0.00414254	Kilolitres/ rupee	0.00381025	Kilolitres/ rupee
<b>Water intensity in terms of physical output</b>	5.6483	Kiloliter/MT of production	6.7105	Kiloliter/MT of production
Water intensity (optional) the relevant metric may be selected by the entity	-	-	-	-

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes. Assessment has been carried out by TÜV SÜD South Asia Private Limited.

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
	Value	Value
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To surface water	0	0
- No treatment	0	0
- With treatment	0	0
- Primary treatment	0	0
- Secondary treatment	0	0
- Tertiary treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment	0	0
- Primary treatment	0	0
- Secondary treatment	0	0
- Tertiary treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment	0	0
- Primary treatment	0	0
- Secondary treatment	0	0
- Tertiary treatment	0	0
(iv) Sent to third-parties	5,97,223	6,92,413
- No treatment	0	0
- With treatment	5,97,223	6,92,413
- Primary treatment	0	0
- Secondary treatment	0	0
- Tertiary treatment	5,97,223	6,92,413
(v) Others	0	0
- No treatment	0	0
- With treatment	0	0
- Primary treatment	0	0
- Secondary treatment	0	0
- Tertiary treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>5,97,223</b>	<b>6,92,413</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

Yes. Assessment has been carried out by TÜV SÜD South Asia Private Limited.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Yes, the Company has implemented Zero Liquid Discharge system (ZLD) at its Hyderabad Unit-II. Details of ZLD 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 fluidized 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 & RO reject for evaporation.

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

Parameter	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Value	Please specify unit	Value	Please specify unit
NOx	33.88	ppm	11.69	ppm
SOx	20.56	ppm	54.58	ppm
Particulate matter (PM)	37.00	mg/Nm3	38.00	mg/Nm3
Persistent organic pollutants (POP)	0	NA	0	NA
Volatile organic compounds (VOC)	0	NA	0	NA
Hazardous air pollutants (HAP)	0	NA	0	NA

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Assessment has been carried out by TÜV SÜD South Asia Private Limited.

**Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.**

The agency approved by National Accreditation Board for testing and Calibration Laboratories (NABL)/ Ministry of Environment and Forests (MoEF) carried out monitoring of each source of air emission and those results are reproduced.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 Emissions	Metric tonnes of CO2 equivalent	1,17,226.38	1,38,304.00
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO2	Metric tonnes of CO2 equivalent	1,17,221.94	1,38,192.92
CH4	Metric tonnes of CO2 equivalent	2.69	6.80
N2O	Metric tonnes of CO2 equivalent	1.76	104.27
HFCs	Metric tonnes of CO2 equivalent	0	0
PFCs	Metric tonnes of CO2 equivalent	0	0
SF6	Metric tonnes of CO2 equivalent	0	0
NF3	Metric tonnes of CO2 equivalent	0	0
Total Scope 2 Emissions	Metric tonnes of CO2 equivalent	93,029.37	84,305.00
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO2	Metric tonnes of CO2 equivalent	93,028.89	84,305.00
CH4	Metric tonnes of CO2 equivalent	0.43	0
N2O	Metric tonnes of CO2 equivalent	0.04	0
HFCs	Metric tonnes of CO2 equivalent	0	0
PFCs	Metric tonnes of CO2 equivalent	0	0
SF6	Metric tonnes of CO2 equivalent	0	0
NF3	Metric tonnes of CO2 equivalent	0	0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Metric tonnes of CO2 equivalent/rupee of turnover	0.00000772	0.00000734
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP)	Metric tonnes of CO2 equivalent/rupee of turnover	0.00064424	0.00060515
Total Scope 1 and Scope 2 emission intensity in terms of physical output-	Metric tonnes of CO2 equivalent/MT of production	0.8784	1.0657
Total Scope 1 and Scope 2 emission intensity (optional)-		-	-

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes. Assessment has been carried out by TUV SUV South Asia Private Limited.

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details**

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.

**9 Provide details related to waste management by the entity:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Waste generated</b>			
Plastic waste (A)	MT	1,536.825	202.270
E-waste (B)	MT	4.190	0.110
Bio-medical Waste (C)	MT	0.022	0.020
Construction and demolition waste (D)	MT	472.400*	-
Battery Waste (E)	MT	1.170	0.220
Radioactive Waste (F)	MT	-	-
Other Hazardous waste. Please specify, if any. (G)	MT	1,07,856.240	74,710.300
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	MT	13,226.300*	-
Total (A + B + C + D + E + F + G + H)	MT	1,23,097.147	74,912.920
<b>Waste intensity per rupee of turnover</b>	MT/₹	0.00000452	0.00000247
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP)</b>	MT/₹	0.00037718	0.00020365
<b>Waste intensity in terms of physical output</b>	MT/MT of production	0.5142	0.3586
Waste intensity (optional) – the relevant metric may be selected by the entity	-		
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations</b>			
<b>Category of waste</b>			
(i) Recycled	MT	1,07,473.32	64,190.94
(ii) Re-Used	MT	0	0
(iii) Other recovery operations	MT	2,014.61*	0
<b>Total</b>	MT	<b>1,09,487.93</b>	<b>64,190.94</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method</b>			
<b>Category of waste</b>			
(i) Incineration	MT	4.42	4.80
(ii) Land filling	MT	13,604.82	10,717.16
(iii) Other disposal operations	MT	0	0
<b>Total</b>		<b>13,609.24</b>	<b>10,721.96</b>

\*The Company started monitoring three new categories of wastes viz. (a) Construction and demolition waste, (b) other Non-Hazardous Waste and (c) other recovery operation from FY 2023-24.

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes. Assessment has been carried out by TUV SUV South Asia Private Limited.

**10. 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, labelled, transported 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, 89% of the total waste generated in FY 2023-24 has been sent for reuse/recycle/pre-processing/co-processing purpose i.e. 109487.93 MT of waste sent to recycler for producing the value-added product out of waste and co-processing waste sent to third party Cement plant as alternative fuel resources material.

**11. 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:**

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

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:**

S. No	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
1	Expansion of pesticide specific intermediates and synthetic organic chemicals manufacturing facility at plot no. 1 to 8, 26 to 34, MIDC Roha, District Raigad, Maharashtra by M/s Deepak Nitrite Limited - Amendment in Environmental Clearance (EC) dated 17/03/2020	EIA Notification 2006 and as amended thereof	October 12, 2023	Yes	Yes	<a href="https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=IA%2FMH%2FIND3%2F435535%2F2023&amp;proposal=6522985">https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=IA%2FMH%2FIND3%2F435535%2F2023&amp;proposal=6522985</a>
2	Amendment in Existing Environment Clearance for Synthetic Organic Chemicals Manufacturing at Deepak Nitrite Limited Plot No. 4/12, Chemical Complex, Nandesari, District Vadodara Gujarat	EIA Notification 2006 and as amended thereof	March 12, 2024	Yes	Yes	<a href="https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=IA%2FGJ%2FIND3%2F432569%2F2023&amp;proposal=5947825">https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=IA%2FGJ%2FIND3%2F432569%2F2023&amp;proposal=5947825</a>

**13. 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.

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

The Company does not operate in any Water Stress Area.

**2. Provide details of total Scope 3 emissions & its intensity:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 Emissions	Metric tonnes of CO2 equivalent	3,29,554.92	4,76,792.00
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO2	Metric tonnes of CO2 equivalent	3,27,832.77	4,76,789.01
CH4	Metric tonnes of CO2 equivalent	24.74	0.05
N2O	Metric tonnes of CO2 equivalent	1,697.40	2.94
HFCs	Metric tonnes of CO2 equivalent	0	0
PFCs	Metric tonnes of CO2 equivalent	0	0
SF6	Metric tonnes of CO2 equivalent	0	0
NF3	Metric tonnes of CO2 equivalent	0	0
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/rupee of turnover	0.00001210	0.00001572
Total Scope 3 emission intensity (optional)-			
		-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

Yes, for FY 2022-23 GHG Inventory assessed by Intertek and for FY 2023-24 GHG Inventory assessment is under process by TÜV SÜD South Asia Private Limited.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities:**

Not applicable

**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:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Water Recovery from Specific Effluent Stream	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
2	Reverse Osmosis system is installed at Hyderabad Unit II	To recover water from Multi Effect Evaporator condensate 500 KLD Capacity R.O is Installed and recovered water is reuse in the process	Conservation of natural resources
3	Reverse Osmosis system is installed at Taloja Unit	For the water recovery and reuse in the process again 40 KLD capacity R.O is installed.	Conservation of natural resources
4	Installation of Multifuel Boiler at Hyderabad Unit II	Installed multi fuel bagasse, husk, agro-waste, coal based 20 TPH boiler at Hyderabad Unit II to reduce scope 1 GHG emission.	Reduction in GHG emissions.
5	Recovery of Raw material from Specific Effluent Stream at Roha Unit	Special Designed Stripper is installed for the recovery of raw material and reduced raw Material norms as well as stripper bottom water is used as a substitute of raw water in the process.	Conservation of natural resources

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

Yes. The Company has a comprehensive On-Site and Off-Site Emergency Action Plan. On-Site Emergency Action Plan is designed to ensure the resilience of our operations and the safety of our employees, customers and stakeholders in the event of disruptions. Emergency preparedness plan focusses on Risk Assessment and Impact Analysis and Crisis Management. The roles and responsibilities are clearly defined. These plans are reviewed on half yearly basis to ensure emergency preparedness.

**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.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Nil

**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 anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

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.

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

Not applicable

**● 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:**

There was no requirement for Social Impact Assessment (SIA) during FY 2023-24.

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

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 late 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:**

	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
Directly sourced from MSMEs/ small producers	15%	11%
Directly from within India	20%	19%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

<b>Location</b>	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
Rural	0.18	0.87
Semi-urban	2.32	6.46
Urban	0	0
Metropolitan	3.97	8.22

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not applicable because no requirement for Social Impact assessment during the FY 2023-24.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not applicable since CSR Projects are not in aspirational districts identified by Government Authority.

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)  
Not applicable
- b. From which marginalized /vulnerable groups do you procure?  
Not applicable.
- c. What percentage of total procurement (by value) does it constitute?  
Not applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current Financial Year), based on traditional knowledge**

Not applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not applicable

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

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Help Desk	67,979	3.00
2	Mobile Health Unit	1,21,376	47.80
3	Running of Laboratory & Diagnostic Service	10,035	9.90
4	Running of Palliative Care Facilities	339	36.00
5	Nutrition & Wellness Programme for ICDS Benefits	17,757	47.60
6	Addressing Adolescent Anemia (School based)	1,000	49.70
7	Medical Buggy	1,93,286	0.00
8	Mobile Library	8,075	52.40
9	ICDS Program	1,960	51.50
10	Remedial Education in English & Maths at Nandesari School	511	47.00
11	STEM	1,160	51.00
12	Home Health Aide Course	462	92.50
13	Entrepreneurial Activities SHG	2,325	100.00
14	Surabhi	1,819	1.20
15	Samaj Suraksha Sankul-Vocational Training	74	17.60
16	Integrated Animal Health Care Centre Nandesari	3,304	31.30
17	Gram Jal Sanchay- Farm Pond	221	7.20
18	Smart Village Development	5,470	0.00
19	Demographic Surveillance Study (DSS)	1,41,288	48.70
20	Sangaath	88,565	2.50

**● 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:**

Customer complaints are received by the appropriate sales team and then communicated, entered into a dedicated web-based system for Consumer Complaint Management. These complaints are registered, investigated and communicated as per Standard Operating Procedure (SOP), Site specific SOP are in place with outlining detailed workflow and resolution processes. This process is rigorously followed across the Company for customer satisfaction.

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:

Category	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
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	60	0	The received complaints pertained to delivery, packing, handling, etc. All complaints received throughout the year have been successfully resolved.	28	0	Complaints received were related to delivery, 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:

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

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

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 since no such issues.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

0

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable since no data breaches.

c. Impact, if any, of the data breaches

Not applicable since no data breaches.

### 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:**

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:**

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. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company displays product information on products over and above what is required by local laws.

In addition to mandatory labelling, the Company provides enhanced information such as product name, contents, hazardous symbols and address of the manufacturing location for each product. This additional information aims to promote transparency and informed decision-making among consumers.

# Independent Reasonable Assurance Statement to Deepak Nitrite Limited on their Annual Business Responsibility and Sustainability Report for the Financial Year 2023-24

## INTRODUCTION AND ENGAGEMENT

**Deepak Nitrite Limited** ('the Company' or 'DNL') assigned **TÜV SÜD South Asia Pvt. Ltd.** ('TÜV SÜD') to conduct the independent assurance on the Sustainability performances and parameters disclosed in their Annual Business Responsibility and Sustainability Report ('BRSR' or 'Report') which is part of their annual report as per SEBI circular (SEBI/HO/CFD/CMD-2/P/CIR/2021/562) dated 10<sup>th</sup> May 2021) for the financial year ended March 31, 2024; comprising the BRSR against the assurance criteria to a reasonable level of assurance and at materiality of professional judgement of the verifier using International Standard on Assurance Engagements (ISAE) 3000 (Revised), Guidance Note on BRSR format as contained in Annexure-II to above referred SEBI Circular ('SEBI's Guidance Note on BRSR') and ISO 14064-3:2019 for greenhouse gas emissions.

## REPORTING PERIOD: APRIL 1, 2023 TO MARCH 31, 2024

### DNL's Responsibility for BRSR

DNL is responsible for the preparation of the BRSR and for maintaining effective internal control over the data and information disclosed. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the BRSR that is free from material misstatement, whether due to fraud or error.

DNL is responsible for ensuring that its business operations and activities shall remain in line with the applicable statutory and regulatory requirements.

Ultimately, the BRSR and disclosures have been approved by and remain the responsibility of DNL.

TÜV SÜD, in performing assurance work, is responsible for carrying out an assurance engagement on the BRSR in accordance with our engagement with DNL. The assurance statement, however, represents TÜV SÜD's independent opinion and is intended to inform all stakeholders, including DNL.

### Assurance Criteria

- This assurance engagement was conducted against the ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing & Assurance Standards Board and;
- "WRI/WBCSD GHG Protocol (Greenhouse Gas Protocol)" as well as ISO 14064-3:2019 for GHG Emissions.

The validation and verification were carried out by a multidisciplinary team including assurance practitioners, engineers and environmental experts of TÜV SÜD in the month of July 2024 **for 5 manufacturing units and 1 corporate office. TÜV SÜD**

**has identified and selected the following 3 three locations as samples for verification:**

- I. **DNL's Manufacturing facility at Dahej, Bharuch, Gujarat.**
- II. **DNL's Manufacturing facility at Nandesari, Vadodara, Gujarat**
- III. **DNL's Registered & corporate office at Vadodara, Gujarat**

### Level of Assurance & Materiality:

- **Reasonable:** The opinion expressed in this Assurance Statement has been formed based on a reasonable level of assurance and at the materiality of 5% or less.

### Scope, Boundary and Limitation of Assurance

Our assurance engagement covered the operations and activities of the Company for the following requirements:

- Verifying conformance with the Company's reporting methodologies.
- Evaluating the accuracy and reliability of data for the selected indicators.

The Assurance engagement was conducted in line with the requirements of the ISAE 3000 (Revised) and in accordance with the SEBI's Guidance Note on BRSR.

The scope and methodology of the verification includes following:

- Review of the Report that was prepared in accordance with the SEBI's Guidance Note on BRSR.
- Verification of the content as well as context and application of the Report content and principles and the quality of information presented in the Report over the reporting period.
- Interacted and Interviewed with the departmental heads and concerned personnel, external stakeholders at selected manufacturing Units and Corporate teams at Vadodara to understand the process for collecting, collating and reporting as per Assurance Engagements (ISAE) 3000 (Revised) and Guidance Note on BRSR.
- Review of the sustainability initiatives, practices, on ground establishment, implementation, maintenance and performance described in the Report.
- Assessment of the BRSR Reporting mechanism and consistency with the reporting criteria.

- Assessment of appropriateness of various assumptions, estimations and thresholds used by DNL for data analysis.
- Reviewing & confirming that the calculation criteria have been appropriately applied in line with the procedures outlined in the criteria and review procedures to support the logicity of the data & information incorporated.
- Assessment of the applicability and appropriateness of the data collection, quantification and data management incorporated in the BRSR Report.
- Verification of the fact that no material distortion has been done at any stage.
- Confirmation of the fulfilment of the Assurance Engagements (ISAE) 3000 (Revised) and Guidance Note on BRSR in accordance with the Core criteria as declared by the management of DNL.

The Assurance is in accordance with the ISAE 3000 (Revised) covers its current BRSR Report for 5 locations which are currently operational in different states of India.

Our Assurance engagement covers the aspects of sustainability performance disclosures demonstrated and presented by DNL in the BRSR (as per Annexure 1 of the SEBI circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021) as mentioned below:

Under GHG Calculation Data, TÜV SÜD will assure the following:

### **BRSR-Core Disclosures**

1. GHG Footprint: Total scope 1 and scope 2.
2. Water Footprint: Total Water consumption, water consumption Intensity.
3. Energy Footprint: Total energy consumed, Percentage of energy consumed from renewable sources and energy intensity.
4. Embracing circularity -details related to waste management by the entity: Waste generated, disposal/recycled, recovered, re-used.
5. Enhancing Employee Wellbeing and Safety: Spending on measures towards the wellbeing of employees and workers – cost incurred as a % of the total revenue of the Company and details of safety-related incidents for employees and workers (LTIFR)
6. Enabling Gender Diversity in Business.
7. Enabling Inclusive Development.
8. Fairness in Engaging with Customers and Suppliers.
9. Open-ness of business.

### **Our Independence, Ethical Requirements and Quality Control**

Our team comprising multidisciplinary professional, have complied with independence policies of TÜV SÜD, which address the requirements of the ISAE 3000 (Revised) in the role as independent Verifier. TÜV SÜD states its independence and impartiality and confirms that there is “no conflict of interest” with regard to this assurance engagement. In the reporting year, TÜV SÜD did not work with DNL on any engagement that could compromise the independence or impartiality of our findings, conclusions and recommendations. TÜV SÜD was not involved in the preparation of any content or data included in the Report, except for this assurance statement.

TÜV SÜD maintains complete impartiality towards any individuals interviewed during the assurance engagement. We have complied with the relevant applicable requirements of the International Standard on Quality Control (“ISQC”) 1, Quality.

### **Our Responsibility**

Our responsibility, as agreed with the management of DNL, is to conduct a Reasonable Assurance on the annual BRSR set out in the subject matter paragraph, as disclosed in the report, as per the principles of the ISAE 3000 (Revised) and in accordance with the SEBI’s Guidance Note on BRSR and based on the procedures we have performed and the evidence we have obtained.

The procedures we performed were based on our professional judgment and included inquiries, observation of process followed, inspection of documents, analytical procedures, evaluating appropriateness of quantification methods, agreeing, or reconciling with underlying data, etc.

The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data for a reasonable time period.

### **Limitations and Exclusions**

TÜV SÜD have relied on the information, documents, records, data and explanations provided to us by DNL for the purpose of our review.

The Assurance scope excludes the following:

- Our engagement did not include an assessment of the adequacy or the effectiveness of DNL’s management on Sustainability related issues and not even DNL’s strategy for the sustainability. During the assurance process, **TÜV SÜD** did not visit any external stakeholder’s premises, however few external stakeholders were interviewed as a part of the BRSR verification engagement.
- Review of the economic performance indicators included in the Report which, we have been informed by the Company, are derived from the Company’s audited financial records only.

- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim of future intention.
- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.

## Conclusion

Based on the scope of this assurance engagement, the key indicators and leadership indicators, sustainability performance indicators reported in this BRSR we conclude that this BRSR provides a fair and factual representation of the material topics, related strategies and meets the overall content and quality requirements.

TÜV SÜD has evaluated the requirement in context of requirements of the ISAE 3000 (Revised) and in accordance with the SEBI's Guidance Note on BRSR. Based on the methodology/procedures we have adopted and performed, no deviations have been observed that causes us to believe that the information subject to the Reasonable Assurance engagement was not prepared in line with the requirement. We found that the information and data provided in all the sections and principles are consistent and adequate with regards to the reporting criteria of the BRSR.

## Statement of Independence, Impartiality and Competence

**TÜV SÜD South Asia Pvt. Ltd** is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 150 years history in providing these services.

No member of the assurance team has a business relationship with DNL, its Directors or Managers beyond that of verification and assurance of sustainability data and reporting. We have conducted this assurance independently and we believe there to have been no conflict of interest.

TÜV SÜD has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

Based on the scope of our review, our conclusions are outlined below:

**Governance, leadership and supervision:** The top management commitment, business model to promote inclusive growth, action and strategies, focus on services, risk management, protection and restoration of environment and priorities are represented adequately.

**Stakeholder Inclusiveness:** We have not identified any discrepancies in this aspect. Internal and external Stakeholder identification and engagement is carried out by DNL on a periodic basis to bring out key stakeholder concerns as material aspects of significant stakeholders.

**Materiality:** The materiality assessment process has been carried out, based on the requirements of the Assurance Engagements (ISAE) 3000 (Revised) and Guidance Note on BRSR considering aspects that are internal and external to DNL's context of the organization. The Report fairly brings out the aspects and topics and its respective boundaries of the diverse operations of DNL in our view, the Report meets the requirements.

**Responsiveness:** We believe that the responses to the material aspects are fairly defined and captured in the Report, in our view, the Report meets the requirements.

**Completeness:** The Report has fairly disclosed the General and Specific Standard Disclosures including the Disclosure on Management Approach, monitoring systems and sustainability performance indicators as prescribed in the Standards in accordance with the Core requirement, hence in our view the Report meets the requirements.

**Reliability:** Most of the data and information was verified by assurance team at DNL's manufacturing locations as well as corporate office and found appropriate. Minor inaccuracies in the data identified during the verification process were found to be attributable to transcription and interpretation errors and these errors have been corrected immediately. Therefore, in accordance with the ISAE 3000 (Revised) assurance engagement, TÜV SÜD concludes that the sustainability data, parameters, information and indicators presented in the Report are reliable and acceptable. In our view, the Report meets the requirements.

**Impact:** We observed and assessed that DNL has well-defined procedures to routinely monitor and measure their sustainability impact and they have skilled subject matter experts who are driving the sustainability effectively and efficiently. During verification we did not come across any such instances or issues where we found anything which has impact on the ecosystem and well as the neighboring infrastructure. In our view, the Report meets the requirements.

**Consistency and comparability:** The information in the Report is presented in a consistent and comprehensive method. Thus, the principle of consistency and comparability is satisfactory.

Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the reports.

Attestation,

**Dr. Ashish Rawat, Technical Reviewer**  
**Head-Environment & Sustainability Services**  
**TÜV SÜD South Asia Pvt. Ltd.**  
**374, Udyog Vihar Phase II, Sector -20, Gurugram,**  
**Haryana-122016, India**

Date: July 13, 2024

## Annexure-D

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY

#### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

#### 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 Deepak C. Mehta	Chairman – ED	2	2
2)	Shri Sanjay Upadhyay	Member - ED	2	2
3)	Smt. Purvi Sheth	Member – ID	2	2
4)	Shri Punit Lalbhai	Member – ID	2	2

Abbreviations: ED: Executive Director; ID: Independent Director

#### 3. (a) Provide web-link of Composition of CSR Committee, CSR Policy of the Company and CSR projects approved by the Board Disclosed on the website of the Company at the following link:

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

[https://www.godeepak.com/wp-content/uploads/2023/11/DNL\\_Corporate-Social-Responsibility-Policy.pdf](https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Corporate-Social-Responsibility-Policy.pdf)

<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) : ₹ 584.30 Crores  
 (b) Two percent of average net profit of the company as per Section 135(5) : ₹ 11.69 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) : ₹ 11.69 Crores
6. (a) Amount spent on CSR projects (both ongoing and other than ongoing projects) : ₹ 12.42 Crores  
 (b) Amount spent in Administrative Overheads : ₹ 0.3 Crores  
 (c) Amount spent on Impact Assessment, if applicable : Nil  
 (d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 12.45 Crores  
 (e) CSR amount spend or unspent for the Financial Year

Total Amount Spent for the Financial Year (₹ in Crores)	Amount (₹ 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
₹ 12.45	Nil	--	Nil	Nil	Nil



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

Sr. No.	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 11.69
(ii)	Total amount spent for the Financial Year	₹ 12.45
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.76
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years , if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹ 0.76

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

(₹ in Crores)								
(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Years(s)	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount Spent in the Financial Year	Amount transferred to Fund as specified under Schedule VII as per proviso to Section 135(5) if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1.	2022-23	₹ 0.70	--	₹ 0.70	--	--	Nil	Nil
2.	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>TOTAL</b>	₹ 0.70	Nil	₹ 0.70	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

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 (in ₹)	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
<b>A</b>	<b>Mobile Health Unit</b> Bungalow No-700, South Side on Dahej Road, Hinglot, Bharuch-392012	392012					
1	Computer & Printer		08-11-2023	9,700/-			
<b>B</b>	<b>Mobile Health Unit</b> Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
2	CCTV Camera		30-09-2023	5,000/-			
3	Medical Equipment		15-05-2023	661/-			
4	Medical Equipment		22-11-2023	7,684/-			
5	Medical Equipment		31-01-2024	941/-			
6	Medical Equipment		28-03-2024	31,270/-			
<b>C</b>	<b>Mobile Health Unit</b> House No-50, Gadhboriad, Near-by Post office, Naswadi Road, Dugdha	391152					
7	Computer & Printer		29-03-2024	34,800/-			
8	Medical Equipment		29-02-2024	29,500/-			
<b>D</b>	<b>Mobile Health Unit</b> Flat No-201, 2nd Floor, Wing3, Mateshwari Desire, Near Kakaji Ni Wadi, Banquet Hall, Akurli, Panvel	410206					
9	CCTV Camera		08-08-2023	45,000/-			
10	Furniture & Fixture		18-07-2023	6,500/-			
11	Medical Equipment		22-11-2023	10,596/-			

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 (in ₹)	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
<b>E</b>	<b>Laboratory &amp; Diagnostic Service</b> Bungalow No-700, South Side on Dahej Road, Hinglot, Bharuch	392012					
12	Medical Equipment		21-09-2023	42,000/-			
13	Medical Equipment		21-11-2023	50,740/-			
14	Medical Equipment		16-03-2024	66,000/-			
15	Computer & Printer		05-07-2023	6,000/-			
16	Stabilizer		27-10-2023	76,110/-			
<b>F</b>	<b>Addressing Adolescent Anemia</b> Beside Jay Ambe Hostel, Behind Gujarat Homeopathic Medical College, Savli	391770					
17	Furniture & Fixture		20-11-2023	1,550/-			
18	Furniture & Fixture		14-03-2024	19,682/-			
19	Medical Equipment		30-06-2023	59,000/-			
20	Computer & Printer		30-05-2023	36,500/-			
21	Tablets		30-05-2023	34,199/-			
22	Tablets		21-03-2024	17,700/-			
<b>G</b>	<b>Medical Buggy</b> Within Nijanand Ashram, Adjoining L&T Knowledge City, On NH-8 Ta & Dist. Vadodara	390019					
23	Computer & Printer		28-03-2024	34,800/-			
24	Furniture & Fixtures		29-03-2024	19,300/-			
25	Office Equipment		29-03-2024	4,956/-			
<b>H</b>	<b>Mobile Library</b> Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
26	CCTV Camera		30-09-2024	5,000/-			
27	Computer & Printer		28-03-2024	44,800/-			
28	Office Equipment		11-08-2023	26,000/-			
<b>I</b>	<b>ICDS Program</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
29	Computer & Printer		31-01-2024	21,200/-			
<b>J</b>	<b>Remedial Education in English &amp; Math</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
30	CCTV Camera		13-03-2024	21,877/-			
<b>K</b>	<b>Mobile Library</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
31	Computer, Printer, Tablet		12-12-2023	15,700/-			
32	Computer, Printer, Tablet		06-03-2024	35,400/-			
33	Office Equipment		07-08-2023	10,000/-			
<b>L</b>	<b>Mobile Library</b> 19-5, Opp Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Pin-500055, Hyderabad	500055					
34	Computer & Printer		29-03-2024	35,000/-			
35	Equipment		31-12-2023	16,600/-			

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 (in ₹)	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
<b>M</b>	<b>Mobile Library</b> Beside Jay Ambe Hostel, Behind Gujarat Homeopathic Medical College, Savli	391770					
36	Computer & Printer		23-05-2023	1,53,894/-			
37	Computer & Printer		25-09-2023	14,450/-			
38	Computer & Printer		25-10-2023	3,100/-			
39	Computer & Printer		15-02-2024	17,700/-			
40	Computer & Printer		27-03-2024	29,100/-			
41	Equipment		21-06-2023	27,000/-			
42	Furniture & Fixture		16-02-2024	14,160/-			
<b>N</b>	<b>STEM Nandesari</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
43	CCTV Camera		13-03-2024	23,895/-			
44	Laptop, Computer, Printer		30-11-2023	33,500/-			
45	Laptop, Computer, Printer		13-02-2024	35,400/-			
46	Vehicle		31-05-2023	5,94,793/-			
<b>O</b>	<b>STEM Roha</b> Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
47	CCTV Camera		30-09-2023	5,000/-			
48	Equipment		31-08-2023	8,500/-			
49	Tablet		29-02-2024	35,636/-			
50	Vehicle		31-08-2023	7,13,718/-			
<b>P</b>	<b>Home Health Aide Course</b> 19-5, Opp Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Hyderabad	500055					
51	Computer		29-03-2024	35,000/-			
52	Lab Equipment		04-05-2023	52,000/-			
<b>Q</b>	<b>Home Health Aide Course</b> Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&T Knowledge City, On NH-8 Ta & Dist. Vadodara	390019					
53	Furniture & Fixture		20-03-2024	24,500/-			
54	Furniture & Fixture		29-03-2024	1,52,000/-			
55	Lab Equipment		30-06-2023	19,773/-			
<b>R</b>	<b>Entrepreneurial Activities through SHG</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
56	Furniture & Fixture		31-01-2024	17,735/-			
57	Projector		31-03-2024	24,350/-			
<b>S</b>	<b>Surabhi</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
58	Equipment		15-09-2023	15,850/-			
59	Furniture & Fixture		09-01-2024	5,000/-			
<b>T</b>	<b>Kamdhenu</b> Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
60	CCTV Camera		30-09-2023	30,000/-			
61	CCTV Camera		06-03-2024	30,600/-			
62	Equipment		31-08-2023	16,875/-			
63	Equipment		15-09-2023	13,180/-			
64	Equipment		31-10-2023	34,000/-			

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 (in ₹)	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
65	Furniture & Fixture		31-08-2023	8,750/-			
66	Furniture & Fixture		15-09-2023	8,000/-			
67	Furniture & Fixture		18-10-2023	15,500/-			
68	Furniture & Fixture		31-10-2023	57,750/-			
69	Computer, Laptop, Printer		31-10-2023	33,500/-			
<b>U</b>	<b>Smart Village Development</b> Beside jay Ambe Hostel, Behind Gujarat Homeopathic Medical College, Savli	391770					
70	CCTV Camera		15-02-2024	38,000/-			
71	CCTV Camera		11-03-2024	6,300/-			
<b>V</b>	<b>Gram Jal Sanchay</b> Saraswati Bunglow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
72	Camera		27-10-2023	42,200/-			
73	Camera		29-02-2024	1,995/-			
74	Computer & Printer		29-03-2024	30,100/-			
75	Furniture & Fixture		31-10-2023	16,500/-			
76	Furniture & Fixture		18-03-2024	7,900/-			
<b>W</b>	<b>Demographic Surveillance Study (DSS)</b> Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&T Knowledge City, On NH-8 Ta & Dist Vadodara	390019					
77	Computer, Laptop		31-03-2024	44,250/-			
78	Tablet		31-03-2024	4,65,000/-			
<b>X</b>	<b>Sangaath</b> Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
79	Computer & Printer		08-09-2023	51,550/-			
<b>Y</b>	<b>Sangaath</b> Saraswati Bunglow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
80	Printer		31-07-2023	35,400/-			
81	CCTV Camera		08-08-2023	5,000/-			
82	Equipment		16-01-2024	2,350/-			
83	Furniture		12-07-2023	18,200/-			
84	Furniture		31-07-2023	200/-			
85	Lamination Machine		31-07-2023	15,340/-			
86	Tablet		31-07-2023	16,520/-			
<b>Z</b>	<b>Sangaath</b> At Reva Ginning and Pressing Factory, Kawant Boriyad Road, in Front of Hardik Hospital, Naswadi	391150					
87	Computer, Laptop		12-05-2023	66,750/-			
88	Computer, Laptop		29-12-2023	33,700/-			
89	Printer		12-05-2023	16,700/-			
90	Printer		23-05-2023	16,700/-			
<b>TOTAL</b>				<b>41,16,630/-</b>			

CSR Registration No: CSR00000353

**Deepak Foundation**

**Address:**

Nijanand Ashram premises, Adjoining L&T Knowledge City, On NH-8, Vadodara – 390019, 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):** Not Applicable

For and on behalf of the Board

**Deepak C. Mehta**

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

Place: Vadodara  
Date: May 20, 2024

# Annexure-E

## NOMINATION AND REMUNERATION POLICY

**[Adopted by the Board of Directors on May 2, 2014;**

**Last reviewed and amended by the Board of Directors on May 20, 2024)**

### 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 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 by 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 (including Section 178 thereof), Rules framed there under and the Listing Regulations including, inter-alia, principles pertaining to determining qualifications, positive 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 associate 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 and includes perquisites as defined under the Income Tax Act, 1961.
  - (xv) **“Senior Management”** means the officers and personnel 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.
  - (d) Devising a policy on Board diversity.
  - (e) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors.
  - (f) 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.
  - (g) 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.
  - (h) 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.
  - (i) recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
  - (j) 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, Key Managerial Personnel 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 Directors.

### **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 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 Directors.

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 is also required to 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 of five years each, 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, Key Managerial Personnel 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-imbusement of gas, electricity, water charges and furnishings.
- (iii) Re-imbusement 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 may include the following:
  - (i) Re-imbusement 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) Hardship Allowance as may be decided by the Company.
  - (vii) Retirement and other benefits, as per 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. The amount of Variable pay shall be paid annually after the end of each Financial Year. The amount of Variable Pay shall be paid annually after the end of each Financial Year. The Variable Pay shall be 25% of the fixed pay, subject

to terms of appointment of respective Executive Director. 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 and may vary from 0% to 100% of the variable pay as per policy of the Company. Such Variable Pay for a particular Financial Year shall be recommended by the Nomination and Remuneration Committee to the Board of Directors.

### 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.

### 8.2.3. 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.

8.2.4. 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.

## 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.

Independent Director/ Director other than Managing Director and Executive Director shall also be entitled to re-reimbursement of all legitimate expenses incurred by him for attending the meetings of Board or Committee thereof.

### 8.4.3. Stock Options

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

## 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 Key Managerial Personnel and Senior Management employees:**

8.6.1. The remuneration to Key Managerial Personnel and Senior Management employees shall comprise of Fixed Pay and Variable Pay and governed by the Company's HR Policy.

8.6.2. Remuneration of a Key Managerial Personnel 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 Key Managerial Personnel shall also be recommended by the Managing Director/Executive Director to the Committee for its review and recommending to the Board for approval.

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

The Fixed Pay of Key Managerial Personnel 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 as per Company's HR Policy.

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

The remuneration of Key Managerial Personnel and Senior Management employees will also comprise performance linked variable pay. The amount of variable pay will be 16% of their fixed pay or such other amount as may be approved by the Board upon recommendation of the Committee. 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 and may vary from 0% to 100% of the variable pay as per policy of the Company. Such Variable Pay for a particular Financial Year shall be recommended by the Nomination and Remuneration Committee to the Board of Directors.

#### **8.6.5. Loyalty Bonus**

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

### **8.7. The remuneration to other employees of the Company shall be governed by the Company's HR Policy.**

### **8.8. Stock Options**

8.8.1. With the objective to incentivize and retain key talent within the Group as well as to motivate the Employees to contribute towards growth and profitability, the Board of Directors of the Company, approved 'Deepak Nitrite Limited Employee Stock Option Scheme-2024' ("ESOP Scheme-2024").

The Shareholders of the Company, vide a Special Resolution passed on April 19, 2024, approved the ESOP Scheme-2024. Further, in terms of requirements of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Shareholders of the Company have also by way of a separate Special Resolution, approved extending the ESOP Scheme-2024 to the employees of Subsidiary Companies of the Company.

Accordingly, Stock Options may be offered to Executive Director(s), Key Managerial Personnel, Senior Management employees and other employees of the Company in terms of the DNL-ESOP Scheme-2024 ("eligible employees").

8.8.2. The Committee, while considering the revision in remuneration of eligible employees for the period(s) subsequent to granting of Stock Options to them, shall consider their total remuneration, which shall also include monetary value of benefit arising from vested Stock Options, in compliance with applicable provisions of law.

### **8.9 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 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 placed on the website of the Company and the salient features of the Policy along with other details as required under the provisions of law, 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 the 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, 2024 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, 2024:

Name of the Director/ KMP	% Increase in Remuneration in the F.Y. 2023-24 <sup>#</sup>	Ratio to Median Remuneration
Shri Deepak C. Mehta Chairman & Managing Director	7.73	108.19
Shri Sanjay Upadhyay Director (Finance) & Group CFO	8.11	76.58
Shri Maulik Mehta Executive Director & CEO	11.87	60.92
Shri Girish Satarkar <sup>1</sup> Executive Director	NA*	NA*
Shri Ajay C. Mehta Non-Executive Director	0.00	2.16
Shri Meghav Mehta Non-Executive Director	50.00	2.16
Shri Sanjay Asher Independent Director	20.00	4.31
Smt. Purvi Sheth Independent Director	20.00	4.31
Shri Dileep Choksi Independent Director	0.00	2.87
Shri Punit Lalbhai Independent Director	NA*	2.16
Shri Vipul Shah Independent Director	NA*	2.16
Shri Prakash Samudra Independent Director	NA*	4.32
Shri Somsekhar Nanda Chief Financial Officer	NA*	NA
Shri Arvind Bajpai Company Secretary	19.57	NA

# Excluding sitting fees.

<sup>1</sup>. Shri Girish Satarkar has been appointed as Executive Director w.e.f. August 4, 2023.

\* Since the remuneration is only for the part of the year (current/previous), the percentage increase in remuneration is not comparable hence % increase in Remuneration in FY 2023-24 and ratio to the median remuneration not stated.

**Notes:**

1. In the Financial Year 2023-24, there was an increase of 8.65% in the median remuneration of employees.
2. There were 1,720 permanent employees (including permanent workers) on the rolls of the Company as on March 31, 2024.
3. Average Percentile increase already made in the salaries of employees other than Managerial Personnel in the last Financial Year was 9% and average percentile increase in remuneration of Managerial Personnel was 9.24 %.

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 2023-24, the Commission to Shri Deepak C. Mehta from DPL is ₹ 20 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

Place : Vadodara  
Date : May 20, 2024

**Deepak C. Mehta**  
Chairman & Managing Director  
(DIN: 00028377)

## 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:
- Installed multi fuel bagasse, husk, agro-waste, coal based 20 TPH boiler to reduce steam cost.
  - Installed smart power optimiser which has reduced energy consumption by 9 %.
  - Installed variable frequency drive to optimised power consumption.
  - Replaced old inefficient motors with high efficiency IE3 type motors.
  - Installed air leak detector system to reduce power consumption.
  - Replaced old blowers with high efficiency blowers.
- (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) proposal under consideration.
- (iii) Spend on energy capex in FY 2023-24:
- Total ₹ 29.73 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 & Applied for patent: 3 Nos.



(v) Expenditure incurred on Research and Development:

Particulars	(₹ in Crores)	
	2023-24	2022-23
a) Capital	9.13	4.07
b) Recurring	20.33	16.65
<b>Total</b>	<b>29.46</b>	<b>20.72</b>
Total R&D expenditure as a percentage to total turnover	1.08%	0.68%

**(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)	
	2023-24	2022-23
Total Foreign Exchange Earned	1277.51	1312.81
Total Foreign Exchange Outgo	378.54	426.59

For and on behalf of the Board

**Deepak C. Mehta**

Chairman & Managing Director

(DIN: 00028377)

Place : Vadodara

Date : May 20, 2024