

STAKEHOLDER ENGAGEMENT

Engaging with Stakeholders to Deliver Value

Our continuous engagement with the stakeholders is guided by the principles of transparency, openness and accountability. We value their perspectives and have established a comprehensive engagement mechanism to facilitate communication and seek their inputs, enabling informed decision-making. This approach cultivates trust, manages risks, enhances our reputation and enables effective discharge of environmental and social obligations.

Our stakeholder engagement policy guides the process of meaningful engagement with our stakeholder groups and prioritises transparent communication with them. We have identified our key stakeholder groups as those who are directly or indirectly impacted by our business activities as well as those who have influence on our business.



WHY WE ENGAGE WITH OUR STAKEHOLDERS?

- To demonstrate corporate citizenship and invoke trust in the eyes of our stakeholders while cultivating lasting relationships with them
- To understand their concerns, perspectives and shape our future strategies accordingly
- To enhance our brand equity through strengthened stakeholder relationships
- To seek customer’s feedback for driving process improvements, enhancing quality and optimising product performance
- To gain valuable knowledge and insights from outside perspective through some of our marquee customers, large investors, suppliers and regulators
- To identify and mitigate risks, capitalise on growth opportunities and stay abreast on industry & regulatory developments and emerging trends across geographies
- To understand our employees’ concerns and needs and align the talent pool as well as their skills and expertise with our future growth roadmap
- To ascertain the impact of our operations and sustainability initiatives on the environment and societies and collaborate with communities to find solutions driving positive impact



CUSTOMERS

Mode of Engagement

- Face-to-face meetings
- Virtual meetings
- Phone calls
- Email communication
- Exhibitions
- Conferences

Stakeholder Expectations / Desired Outcomes

- Enhanced value proposition by improving product quality and affordability
- Ensure reliable and consistent supply
- Respond promptly to customer needs and technical enquiries
- Implement grievance mechanism that is both effective and robust

DNL's response

- Meeting contractual obligations by ensuring timely delivery of high-quality products
- Maintaining consistency in product quality
- Continuous communication and collaboration to address evolving needs
- Tailoring product development to fulfil specific requirements
- Expanding operations / footprints to accommodate increasing market demand

Value Created

- Long-term relationships with customers



INVESTORS

Mode of Engagement

- 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

Stakeholder Expectations / Desired Outcomes

- Disclosure regarding Company's financial performance in a timely and transparent manner
- Forecast future growth by maintaining consistency in Company's operating and financial performance
- Ensure financial discipline in accordance with global best practices
- Maintain high governance standards and protect minority interests
- Create value and long-term wealth creation with robust fundamentals and consistent dividend payments

DNL's response

- Disclosing accurate and transparent information with all stakeholders in a timely manner
- Attaining steady and sustainable performance via focussed strategy for value creation
- Upholding the highest standards of Corporate Governance
- Consistent dividend payments
- Enhancing value creation by early identification of opportunities, establishing a solid foundation for consistent growth and weathering external risks and uncertainties
- Transparent disclosures through Integrated Report and ESG (BRSR) reporting

Value Created

- Net Profit ₹ 811 Crores
- Increase in market Capitalisation ₹ 3,810 Crores
- ROE 18%
- EPS ₹ 59.45
- Dividend of ₹ 7.50 per equity share
- Strong financials with zero debt balance sheet



EMPLOYEES

Mode of Engagement

- 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
- Performance awards and recognition
- Social gatherings for employees and their families to foster a sense of community
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Birthday celebrations to recognise and appreciate employees on their special day

Stakeholder Expectations / Desired Outcomes

- Professional growth opportunities
- Training and development
- Mental and physical wellbeing and safety
- Fair remuneration and timely payment
- Work-life balance

DNL's response

- Strongly prioritising Learning & Development
- Offering growth opportunities by setting higher internal mobility targets
- Ensuring timely payment of salaries
- Advocating for better Work-life balance
- Dedicated focus on Health and Safety protocols
- Performance awards and recognition
- Social gatherings for employees and their families to foster a sense of community
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Birthday celebrations to recognise and appreciate employees on their special day

Value Created

- 64,777 manhours of training provided
- Highly motivated employees



SUPPLIERS

Mode of Engagement

- Supplier meetings
- Phone calls
- Email communications
- Virtual meetings
- Conferences
- Trade Exhibitions

Stakeholder Expectations / Desired Outcomes

- Mutually beneficial, long-term relationships
- Transparency in the selection process
- Negotiations on pricing
- Confirming quantities and prices in a timely manner, agreeing on delivery schedules and ensuring timely payments

DNL's response

- Providing timely order confirmation and clear delivery schedules based on demand and anticipated market prices
- Implementing reverse auction methods to enhance transparency across various SKUs
- Maintaining timely payment schedules
- Maintaining transparency in selection process and pricing

Value Created

- Strong Supplier base created
- Seamless Supply Chain operations



COMMUNITIES

Mode of Engagement

- 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

Stakeholder Expectations / Desired Outcomes

- Exhibiting sensitivity and responsiveness to pressing community needs
- Promoting initiatives aimed at equitable and inclusive development
- Ensuring compliance with health, safety and environmental performance standards
- Generating employment opportunities for local community members
- Engaging in community development activities
- Implementing corporate social responsibility (CSR) initiatives to address community needs

DNL's response

- Structuring and implementing community development programmes based on CSR need assessments
- Undertaking CSR projects that prioritise healthcare, education, skill building, livelihood and women empowerment
- Conducting periodic reviews and impact analysis to assess the effectiveness of the initiatives

Value Created

- ₹ 27.87 Crores in CSR spend in FY 2023-24
- 8,50,000+ CSR beneficiaries
- 5 States covered under CSR Projects



GOVERNMENT AND REGULATORY BODIES

Mode of Engagement

- Meetings with local, state and national government officials and ministries
- Participating in seminars, issuing media releases and attending conferences
- Active membership in industry associations
- Assuming leadership positions to share domain knowledge and promote collaboration across the industry

Stakeholder Expectations / Desired Outcomes

- Regulatory compliance
- Social development and employment generation

DNL's response

- Strong governance through Board of Directors possessing expertise in relevant fields
- Ensuring timely and accurate legal compliance
- Identifying opportunities to influence development of new policies, regulations and legislations impacting our industry and the Company
- Participating in consultations and public hearings organised by government, industry bodies, legal bodies, where possible
- Offering well-informed, evidence-based constructive feedback to promote industry growth
- Keeping informed about pertinent legislations, policies and regulatory changes that may impact DNL, ensuring stringent compliance