

# Business Responsibility and Sustainability Report

## SECTION A: GENERAL DISCLOSURE

### I. BASIC DETAILS

01.	Corporate identity number	L99999GJ1975PLC002859
02.	Name	Atul Ltd
03.	Year of incorporation	1975
04.	Registered office address	Atul House, G I Patel Marg, Ahmedabad 380 014, Gujarat, India
05.	Corporate office address	Atul 396 020, Gujarat, India
06.	E-mail address	sec@atul.co.in
07.	Telephone	(+91 2632) 230000
08.	Website	www.atul.co.in
09.	Financial year	2021-22
10.	Stock exchanges	BSE Ltd and National Stock Exchange of India Ltd
11.	Paid-up capital	₹ 29,58,70,510
12.	Contact person	Mr Bharathy Mohanan (+91 2632) 230000 bn_mohanan@atul.co.in
13.	Reporting boundary	Standalone

### II. PRODUCTS | SERVICES

#### 14. Business activities:

No.	Main activity	Business activities	% turnover
1	Life Science Chemicals	R&D, technology, procurement, manufacturing, sales and marketing	34%
2	Performance and Other Chemicals	R&D, technology, procurement, manufacturing, sales and marketing	66%

#### 15. Products | services sold:

No.	Products   Services	NIC* code	% of total turnover
1	Epoxy resins and hardeners	202	32%
2	Intermediates	201	23%
3	Herbicides	202	19%
4	Textile dyestuffs	202	16%

\*National Informatics Center

### III. OPERATIONS

#### 16. Number of locations where plants and offices are situated:

Location	Plants	Offices	Total
India	4	7	11

## 17. Markets served

### a) Number of locations:

Locations	Numbers
National (states)	29
International (countries)	75

### b) Contribution of exports as a percentage of total turnover:

50%

### c) Types of customers:

The Company serves ~ 4,000 customers belonging to ~ 30 diverse industries.

## IV. EMPLOYEES

### 18. As at the end of the financial year:

No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>a. Employees</b>						
<b>Managers</b>						
1	Permanent managers (A)	1,663	1,535	92%	128	8%
2	Other than permanent managers (B)	50	44	88%	6	12%
3	Total managers (A+B)	1,713	1,579	92%	134	8%
<b>Workers</b>						
4	Permanent workers (C)	1,371	1,371	100%	0	NA
5	Other than permanent workers (D)	3,712	3,682	99%	30	1%
6	Total workers (C+D)	5,083	5,053	99%	30	1%
<b>b. Differently abled employees</b>						
<b>Managers</b>						
1	Permanent managers (E)	6	6	100%	0	NA
2	Other than permanent managers (F)	0	0	NA	0	NA
3	Total differently abled managers (E+F)	6	6	100%	0	NA
<b>Workers</b>						
4	Permanent workers (G)	1	1	100%	0	NA
5	Other than permanent workers (H)	0	0	NA	0	NA
6	Total differently abled workers (G+H)	1	1	100%	0	NA

### 19. Representation of women:

No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	11	1	9%
2	Key Managerial Personnel (KMP)	5	0	0%

### 20. Turnover rate for permanent employees:

Category	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Managers</b>	19%	16%	19%	10%	8%	10%	17%	10%	17%
<b>Workers</b>	10%	0	10%	9%	0	9%	9%	0	9%

## V. HOLDING, SUBSIDIARY AND ASSOCIATE ENTITIES (INCLUDING JOINT VENTURES)

### 21. Subsidiary, joint venture and associate entities:

This information is given on page numbers 32 and 33 in the annexure to the Directors' Report. The entities do not participate in business responsibility initiatives.

## VI. CORPORATE SOCIAL RESPONSIBILITY

### 22. Applicability of CSR as per Section 135 of the Companies Act, 2013

	Yes
Turnover	₹ 4,929 cr
Net worth	₹ 4,316 cr

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 23. Complaints or grievances on any of the nine principles under National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance redressal mechanism and its URL	2021-22			2020-21		
		Complaints received	Complaints pending resolution	Remarks	Complaints received	Complaints pending resolution	Remarks
Communities	A mechanism is in place to interact with community leaders to understand and address their concerns, if any  Under implementation	6	Nil		Nil	Nil	
Shareholders		9	Nil		22	Nil	
Investors (other than shareholders)		Nil	Nil		Nil	Nil	
Employees		Nil	Nil		Nil	Nil	
Customers		Nil	Nil		Nil	Nil	
Value chain partners							

### 24. Overview of material responsible business conduct areas:

Material area identified	Criticality	Mitigating actions
Human resources development	High	Learning and development initiatives Performance management quality
Circular economy	High	Recycle of water Decrease in emissions, effluent and waste Recycle of plastic waste Conversion of domestic waste to manure
Energy efficiency	High	Energy saving through process efficiency and redesign of equipment
Product stewardship	High	Decrease in consumption of raw materials
Occupational health and safety	High	Implementation of ISO 45001:2018 (occupational health and safety management systems) Actions on zero harm Safety assessments and audits

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

NGRBC principles and core elements

NGRBC released by the Ministry of Corporate Affairs has adopted nine principles related to business responsibility. They are as follows:

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

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
01. a) The policy   policies cover each principle and its core elements	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b) Policy approved by the Board	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c) URL of the policies	The Company is in the process of publishing these policies on its website.								
02. The policies are translated into procedures	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
03. The enlisted policies extend to the value chain partners	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
04. Name of the national and international codes   certifications   labels   standards adopted and mapped against each principle	The Company has developed policies for its significant operations in conformance with the international standards (such as ISO 9000, ISO 14000, OHSAS 18000   ISO 45000), United Nations Global Compact guidelines and principles of International Labour Organisation.								
05. Specific commitments, goals and targets set with defined timelines, if any	The Company is engaging with subject matter experts and actively pursuing sustainability improvement agenda.								
06. Performance against the specific commitments, goals and targets along with reasons in case the same are not met	Not applicable								

## GOVERNANCE, LEADERSHIP AND OVERSIGHT

### 07. Statement by Director responsible for the Business Responsibility Report, highlighting environmental, social and governance (ESG) related challenges, targets and achievements:

The Company is committed to integrating ESG principles into its businesses which is central to improving the quality of life of the communities it serves.

### 08. Highest authority responsible for implementation and oversight of the business responsibility policy(ies):

Board of Directors

### 09. Specific Committee of the Board or a Director responsible for decision:

The Company has appointed a Whole-time Director to oversee implementation of the policies.

**10. Details of review of national guidelines for responsible business conduct:**

Subject for review	Review by Director   a Committee of the Board   any other committee and its frequency								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Quarterly								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliance	Quarterly								

**11. Independent assessment | evaluation of the working of its policies by an external agency and name of the agency:**

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes   primarily by Aneja Associates								

**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**

**Principle 1: Businesses will 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 programs on any of the Principles during the financial year:**

Segment	Number of programs	Topics   Principles	% of persons
Board of Directors	4	Code of conduct, prevention of sexual harassment (POSH), human rights and corporate governance	100%
KMP	5	Code of conduct, POSH, human rights and whistleblower	100%
Employees (excluding Executive Directors and KMPs)	8	Atul Values, code of conduct, POSH, human rights, whistleblower, equal employment opportunity and anti-discrimination	100%

**Fines penalties | punishments | awards | compounding fees | settlement amount paid in proceedings (by the Company or by Directors | KMPs) with regulators | law enforcement agencies | judicial institutions, in the financial year:**

**2.**

a. Monetary					
Type	NGRBC principle	Name of the regulatory   enforcement agencies   judicial institutions	Amount (₹)	Brief of the case	Has an appeal been preferred?
Penalty   fine	Not applicable	Not applicable	Nil		Not applicable
Settlement	Not applicable	Not applicable	Nil		Not applicable
Compounding fee	Not applicable	Not applicable	Nil		Not applicable
b. Non-monetary					
Type	NGRBC principle	Name of the regulatory   enforcement agencies   judicial institutions	Brief of the case		Has an appeal been preferred?
Imprisonment	Not applicable	Not applicable	Not applicable		Not applicable
Punishment	Not applicable	Not applicable	Not applicable		Not applicable

**3. Appeal | revision preferred in cases where monetary or non-monetary action has been appealed:**

Not applicable.

**4. Anti-corruption or bribery policy and URL of the policy:**

The Company has a dedicated code of conduct covering anti-corruption and anti-bribery aspects. The code of conduct has been published on the Company website: [www.atul.co.in/pdf/investors/policies/Code-of-Conduct-18-19.pdf](http://www.atul.co.in/pdf/investors/policies/Code-of-Conduct-18-19.pdf)

**5. Directors | KMPs | employees (other than KMPs) against whom disciplinary action was taken by any law enforcement agency for the charges of bribery | corruption:**

Category	2021-22	2020-21
Directors	Nil	Nil
KMPs	Nil	Nil
Employees (other than KMPs)	Nil	Nil

**6. Complaints with regard to conflict of interest:**

	2021-22		2020-21	
	Number	Remarks	Number	Remarks
<b>Conflict of interest of the Directors</b>	Nil	Nil	Nil	Nil
<b>Conflict of interest of KMPs</b>	Nil	Nil	Nil	Nil

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

Not applicable

**Leadership indicators**

**1. Training and awareness programs conducted for value chain partners on any of the Principles during the financial year:**

Number of program	Topics   Principles	% of value chain partners
1	business ethics, code of conduct, occupational health and safety, environment management, labour and human rights, plant setup and automation, quality management, capacity utilisation, and supplier and contractor sustainability	48%

**2. Processes to avoid | manage conflict of interests involving members of the Board:**

The Company has a dedicated code of conduct to manage conflict of interests involving members of the Board. The code of conduct is available on the website of the Company: [www.atul.co.in/pdf/investors/policies/Code-of-Conduct-18-19.pdf](http://www.atul.co.in/pdf/investors/policies/Code-of-Conduct-18-19.pdf)

**Principle 2: Businesses will provide goods and services in a manner that is sustainable and safe.**

**Essential indicators**

1. **Percentage of research and development (R&D) spent and capital expenditure (CAPEX) in specific technologies to improve environmental and social impacts of products and processes to total R&D spent and CAPEX, respectively:**

Type	2021-22	2020-21	Improvements in social and environmental aspects
R&D spent	15%	11%	<ul style="list-style-type: none"> <li>increase in yield in six products</li> <li>decrease in consumption of solvents</li> <li>decrease in consumption of water</li> </ul>
CAPEX	26%	19%	<ul style="list-style-type: none"> <li>conversion of two of the four treatment facilities at Atul site to zero liquid discharge</li> <li>collection and scrubbing of hydrochloric acid</li> <li>treatment of boiler blow-down by nano filtration</li> <li>installation of dust suppression system in boiler</li> </ul>

2. a) **Procedures for sustainable sourcing:**

The Company has procedures in place for sustainable sourcing.

The URL to its responsible sourcing policy is: [www.atul.co.in/economic-sustainability/responsibleprocurement/](http://www.atul.co.in/economic-sustainability/responsibleprocurement/)

- b) **Percentage of inputs sourced sustainably:**

91%

3. **Processes to safely reclaim products for reusing, recycling and disposing of at the end of life, for a) plastics (including packaging), b) e-waste, c) hazardous waste and d) other waste:**

The Company follows the applicable processes laid down by the regulatory authorities.

4. **Applicability of extended producer responsibility (EPR) to the activities of the Company and whether the waste collection plan is in line with EPR plan submitted to Pollution Control Boards:**

EPR is applicable to the activities of the Company and the waste collection plan is in line with the EPR plan submitted to the Central Pollution Control Board.

**Leadership indicators**

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

The Company has in-house facilities to recycle its waste and is continuously striving to maximise it. At present, it is recycling 6.94% of its waste.

4. **Products and packaging reclaimed at end of life of products and reused, recycled, and safely disposed (in metric tonnes):**

	2021-22			2020-21		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (including packaging)						
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste						
Other waste						

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

Not applicable

Principle 3: Businesses will respect and promote well-being of all employees, including those in their value chains.

Essential indicators

01. a) Details of measures for well-being of managers:

Category	% of managers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
<b>Permanent managers</b>											
Male	1,535	1,535	100%	0	NA	0	NA	0	NA	0	NA
Female	128	128	100%	0	NA	128	100%	0	NA	0	NA
<b>Total</b>	<b>1,663</b>	<b>1,663</b>	<b>100%</b>	<b>0</b>	<b>NA</b>	<b>128</b>	<b>8%</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
<b>Other than permanent managers</b>											
Male	44	0	NA	0	NA	0	NA	0	NA	0	NA
Female	6	0	NA	0	NA	0	NA	0	NA	0	NA
<b>Total</b>	<b>50</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>

b) 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	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
<b>Permanent workers</b>											
Male	1,371	1,371	100%	1,371	100%	0	NA	0	NA	0	NA
Female	0	0	NA	0	NA	0	NA	0	NA	0	NA
<b>Total</b>	<b>1,371</b>	<b>1,371</b>	<b>100%</b>	<b>1,371</b>	<b>100%</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
<b>Other than permanent workers</b>											
Male	3,682	0	NA	3,682	100%	0	0	0	NA	0	NA
Female	30	0	NA	30	100%	30	100%	0	NA	0	NA
<b>Total</b>	<b>3,712</b>	<b>0</b>	<b>NA</b>	<b>3,712</b>	<b>100%</b>	<b>30</b>	<b>1%</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>



**02. Retirement benefits for current financial year and previous financial year:**

No.	Benefits	2021-22			2020-21		
		Managers	Workers	Deducted and deposited with the authority	Managers	Workers	Deducted and deposited with the authority
1	Provident fund	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Not applicable	100%	100%	Not applicable
3	Employee state insurance	1%	12%	Yes	1%	11%	Yes
4	Others (please specify)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

**03. Accessibility of workplaces:**

Most of the working locations are accessible to differently abled persons.

**04. Equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016:**

The Company provides equal opportunities to all its employees and to all eligible applicants for employment in the Company.

**05. Return to work and retention rates of permanent employees who took parental leave in the financial year:**

Gender	Return to work rate	Retention rate
Male	Not applicable	Not applicable
Female	100%	100%
Total	100%	100%

**06. Grievance redressal mechanism for employees:**

Category	Details of the mechanism in brief
Permanent managers	The employee may register complaint with the concerned immediate manager or the concerned HR manager.
Other than permanent managers	
Permanent workers	
Other than permanent workers	

**07. Membership of employees in recognised association(s) or union(s):**

Category	FY 2021-22			2020-21		
	Total employees (A)	Employees who are part of association(s) or unions (B)	% (B/A)	Total employees (C)	Employees who are part of association(s) or unions (D)	% (D/C)
<b>Permanent employees</b>						
Male	2,906	398	14%	2,872	474	17%
Female	128	0	0%	117	-	NA
Total	3,034	398	13%	2,989	474	16%

**08. Training given to employees:**

Category	2021-22					2020-21				
	Total employees (A)	Skill training imparted (B)	% (B/A)	Health and safety training imparted (C)	% (C/A)	Total employees (D)	Skill training imparted (E)	% (E/D)	Health and safety training imparted (F)	% (F/D)
<b>Permanent employees</b>										
Male	2,906	1,258	43%	2,204	75%	2,872	841	29%	1,711	60%
Female	128	87	68%	128	100%	117	59	50%	117	100%
Total	3,034	1,345	44%	2,332	77%	2,989	900	30%	1,828	61%

**09. Performance and career development reviews of employees:**

Category	2021-22			2020-21		
	Total employees (A)	Employees who had a career review (B)	% (B/A)	Total employees (C)	Employees who had a career review (D)	% (D/C)
<b>Permanent employees</b>						
Male	2,906	2,097	72%	2,872	2,069	72%
Female	128	118	92%	117	116	99%
Total	3,034	2,215	73%	2,989	2,185	73%

**10. Health and safety management system:**

<b>a) Implementation of occupational health and safety management systems</b>	The Company has implemented ISO 45001:2018 management system standard.
<b>a)i. Coverage of such a system</b>	100%
<b>b) Processes used to identify work-related hazards and assess risks on a routine and non-routine basis</b>	<ol style="list-style-type: none"> <li>1. safety observation audit system</li> <li>2. permit to work system</li> <li>3. hazard identification and risk assessment procedure</li> <li>4. hazard and operability study procedure</li> <li>5. management of change procedure</li> <li>6. environment, health and safety management system audit procedure</li> </ol>

c) <b>Processes for workers to report the work-related hazards and to remove themselves from such risks?</b>	The Company has requisite processes.
d) <b>Access to employees to non-occupational medical and healthcare services</b>	The employees have the requisite access.

#### 11. Safety related incidents:

Safety incident   number	Category	2021-22	2020-21
Lost time injury frequency rate (per one million-person hours worked)	Managers	0	0
	Workers	0.06	0
Total recordable work-related injuries	Managers	16	21
	Workers	20	20
Number of fatalities	Managers	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Managers	0	0
	Workers	0	0

#### 12. Measures taken to ensure a safe and healthy workplace:

The Company has environment, health and safety (EHS) policy. To ensure steady improvement in (EHS) performance, it is adopting voluntary standards such as ISO 45001.

#### 13. Complaints made by employees:

Category	2021-22			2020-21		
	Filed	Pending resolution	Remarks	Filed	Pending resolution	Remarks
Working conditions	0	0	Not applicable	0	0	Not applicable
Health and safety	0	0	Not applicable	0	0	Not applicable

#### 14. Plants and offices assessed (by the Company | statutory authorities | third parties):

Topic	% covered
Health and safety practices	100%
Working conditions	100%

#### 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 and safety practices and working conditions:

Corrective actions taken to address incidents related to fall from height:

- assessed the qualification of workers at height by way of 'height work passes'
- conducted 'work at height competency training' for engineers by MS Chola
- conducted 'work at height competency' assessment for the first group of workers of chimney contractor
- obtained approval of all permits for fragile roofs by an EHS team member

## Leadership indicators

### 1. Extension of life insurance or other compensatory package in the event of death:

- a) **Managers:** Yes  
 b) **Workers:** Yes

### 2. Measures undertaken to ensure that statutory dues are deducted and deposited by the value chain partners:

- conduct of quarterly audits of all statutory records and compliances maintained by the contractors
- imposition of appropriate penalty on the contractor as per the defined standard operating procedure in case of any non-compliance with reference to provident fund remittance, payment of professional tax, employee compensation, etc

### 3. Number of managers | workers having suffered high consequence work related injury | ill-health | fatalities (as reported in Q11 of essential indicators, above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Affected managers   workers		Managers   workers who   whose family members are rehabilitated	
	2021-22	2020-21	2021-22	2020-21
Managers   workers	Nil	Nil	Nil	Nil

### 4. Transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment:

The Company does not have any formal transition assistance program. Support is however provided on case-to-case basis.

### 5. Assessment of value chain partners:

Topic	% assessed (by value)
Health and safety practices	93%
Working conditions	93%

### 6. 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:

For contractors working in Atul premises:

No corrective action plan has been necessitated arising out of the assessment.

## Principle 4: Businesses will respect the interests of and be responsive to all its stakeholders.

### Essential indicators

#### 1. Processes for identifying key stakeholder groups of the Company:

Internal and external group of stakeholders have been identified - they comprise employees, customers, suppliers, communities and shareholders.

#### 2. Key stakeholder groups and the frequency of engagement with vulnerable | marginalised groups:

Stakeholder group	Vulnerable   marginalised group	Channels of communication	Frequency of engagement	Purpose and scope of engagement
Employees	No	talks and letters of senior management, goal setting and performance appraisal review, exit interviews, email, intranet, websites	ongoing	business information and Company policies, training and development, performance management, role rotation, career progression, etc

Stakeholder group	Vulnerable   marginalised group	Channels of communication	Frequency of engagement	Purpose and scope of engagement
Customers	No	telephone, e-mails, personal meetings, surveys, information on packaging, portal, website, social media, etc	ongoing	technical service, feedback, products and formulations launches, etc
Suppliers	No	telephone, e-mails, personal meetings, surveys, information on packaging, portal, website, social media, etc	ongoing	requirement of materials and services, technical service, feedback, etc
Government	No	e-mails, letters, representations, personal meetings, etc	ongoing	statutory approvals, policy advocacy, payment to exchequers, etc
Community	No	meetings, visits, projects, etc	ongoing	education, empowerment, health, infrastructure, relief, conservation, etc
Shareholders	No	annual report, annual general meeting, analyst meet, stock exchange intimations, e-mails, website, newspapers, etc	ongoing	information about business and statutory approvals

#### Leadership indicators

**1. Processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated:**

Business | Function heads interact with the aforesaid stakeholders and provide key updates to the Board.

**2. Details of instances as to how the inputs received from stakeholders on management of environmental and social topics were incorporated into policies and activities of the Company:**

Environmental and social topics are reviewed and shortlisted based on the materiality study, and standard operating procedures are updated | introduced.

**3. Details of instances of engagement with and actions taken to address the concerns of vulnerable | marginalised stakeholder groups:**

The concerns of the vulnerable | marginalised stakeholders groups are mainly addressed through six programs, namely, education, empowerment, health, infrastructure, relief and conservation, by Atul Foundation Trust.

**Principle 5: Businesses will respect and promote human rights.**

#### Essential indicators

**01. Employees who have been trained on human rights issues and policy(ies):**

Category	2021-22			2020-21		
	Total (A)	Covered (B)	% (B/A)	Total (C)	Covered (D)	% (D/C)
<b>Employees</b>						
Permanent	3,034	967	32%	2,989	0	0%
Other than permanent	3,762	0	0%	3,813	0	0%
<b>Total employees</b>	<b>6,796</b>	<b>967</b>	<b>14%</b>	<b>6,802</b>	<b>0</b>	<b>0%</b>

**02. Minimum wages paid to employees:**

Category	2021-22					2020-21				
	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>Permanent employees</b>										
Male	2,906	-	-	2,906	100%	2,872	-	-	2,872	100%
Female	128	-	-	128	100%	117	-	-	117	100%
<b>Other than permanent employees</b>										
Male	3,726	-	-	3,726	100%	3,781	-	-	3,781	100%
Female	36	-	-	36	100%	32	-	-	32	100%

**03. Remuneration | salary | wages:**

	Male		Female	
	Number	Median remuneration   salary   wages	Number	Median remuneration   salary   wages
Board of Directors	10	22,27,500	1	13,45,000
KMP (including Executive Directors)	5	2,15,97,410	0	0
Employees other than Board of Directors and KMP	2,901	3,85,124	128	5,25,581

**04. Focal point (individual | committee) responsible for addressing human rights impacts or issues caused or contributed to by the business:**

Under progress

**05. Internal mechanisms to redress grievances related to human rights issues:**

The mechanism to redress grievances under human rights is same as for other grievances. An independent investigation is carried out by gathering, validating and analysing relevant information. Appropriate action(s) is(are) taken based on the recommendations.

**06. Complaints made by employees:**

Category	2021-22			2020-21		
	Filed	Pending resolution	Remarks	Filed	Pending resolution	Remarks
Sexual harassment	0	0	Not applicable	0	0	Not applicable
Discrimination at workplace	0	0	Not applicable	0	0	Not applicable
Child labour	0	0	Not applicable	0	0	Not applicable
Forced labour   Involuntary labour	0	0	Not applicable	0	0	Not applicable
Wages	0	0	Not applicable	0	0	Not applicable
Other human rights related issues	0	0	Not applicable	0	0	Not applicable

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

Appropriate measures such as confidentiality, protecting the complainant, etc are mentioned in the respective policies.

**08. Inclusion of human rights in business agreements and contracts:**

Adherence to human rights form a part of the business agreements and contracts.

**09. Plants and offices assessed (by the Company | statutory authorities | third parties):**

	% assessed
Child labour	
Forced   involuntary labour	
Sexual harassment	100%
Discrimination at workplace	
Wages	

**10. Corrective action taken or underway to address significant risks | concerns arising from the assessments mentioned in 09 above:**

There were no significant risks | concerns arising from the human rights assessment.

**Leadership indicators**

**1. Business Processes modified | introduced as a result of addressing human rights grievances | complaints:**

The Company has not received any grievance | complaint regarding human rights.

**3. Accessibility of premises | offices to differently abled visitors:**

Please refer to 03 of Principle 3 above

**4. Assessment of value chain partners (by value):**

	% assessed (by value)
Child labour	93%
Forced   involuntary labour	93%
Sexual harassment	93%
Discrimination at workplace	93%
Wages	93%

**5. Corrective action taken or underway to address significant risks | concerns arising from the assessments as mentioned in 4 above:**

There were no significant risks | concerns arising from the assessment of value chain partners.

**Principle 6: Businesses will respect and make efforts to protect and restore the environment.**

**Essential indicators**

**01. Total energy consumption (in Gigajoules) and energy intensity:**

Parameter	2021-22	2020-21
Total electricity consumption (A)	3,88,971	3,46,608
Total fuel consumption (B)	94,38,540	78,46,922
Energy consumption through other sources (C)	1,92,008	2,87,336
Total energy consumption (A+B+C)	1,00,19,518	84,80,866
Energy intensity per rupee of turnover (total energy consumption   turnover in rupees) Gigajoules per ₹ million	203.28	245.11
Energy intensity	Not applicable	Not applicable

**Independent assessment | evolution | assurance by an external agency:**

Escon Tech carried out the evaluation of electricity consumption and Ernst and Young provided methodology for calculation.

**02. Sites | facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of Government of India:**

Power plant and caustic | chlorine plant have been identified as DC under PAT Scheme. The Company has started disclosing PAT targets from 2020 and will be assessed in 2023.

**03. Disclosures related to water:**

Parameter	2021-22	2020-21
<b>Water withdrawal by source (in kL)</b>		
i Surface water	28,31,938	24,24,303
ii Groundwater	1,19,385	0
iii Third-party water	0	0
iv Seawater   desalinated water	0	0
v Others (rainwater storage)	0	0
<b>Total volume of water withdrawal (in kL) (i + ii + iii + iv + v)</b>	<b>29,51,323</b>	<b>24,24,303</b>
<b>Total volume of water consumption (in kL)</b>	<b>29,51,323</b>	<b>24,24,303</b>
<b>Water intensity per rupee of turnover</b> (water consumed/turnover) (kL per ₹ cr of revenue)	598.77	700.66
<b>Water intensity</b> – the relevant metric may be selected by the Company	Not applicable	Not applicable

**Independent assessment | evaluation | assurance by an external agency:**

No assessment | evaluation | assurance has been carried out by an external agency.

**04. Coverage and implementation of zero liquid discharge (ZLD):**

ZLD is fully implemented in the Ankleshwar and Tarapur manufacturing sites. Projects are underway to make two of the four sites at Atul ZLD facilities.

**05. Air emissions other than greenhouse gas (GHG) emissions:**

Parameter	Unit	2021-22	2020-21
NOx	T/year	76.83	48.68
SOx	T/year	65.05	45.16
Particulate matter (PM)	T/year	10.58	12.78
Persistent organic pollutants (POP)	Not applicable	Not applicable	Not applicable
Volatile organic compounds (VOCs)	Not applicable	Not applicable	Not applicable
Hazardous air pollutants (HAPs)	T/year	4.25	4.30
Others – please specify	T/year	ND	ND

**Independent assessment | evolution | assurance by an external agency:**

Independent assessment | evolution | assurance has been carried out by Pollucon Laboratories Pvt Ltd.



**06. GHG emissions (Scope 1 and Scope 2 emissions) and their intensity:**

Parameter	Unit	2021-22	2020-21
<b>Total Scope 1 emissions</b>	tCO <sub>2</sub> e	8,56,434	7,11,746
<b>Total Scope 2 emissions</b>	tCO <sub>2</sub> e	83,179	72,053
<b>Total Scope 1 and Scope 2 emissions per million ₹ of turnover</b>	tCO <sub>2</sub> e	19.06	22.65
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b>	tCO <sub>2</sub> e/₹	Not applicable	Not applicable

**Independent assessment | evolution | assurance by an external agency:**

Methodology provided by Ernst and Young.

**07. Projects related to reducing GHG emissions:**

1. decrease in steam consumption by recycling steam condensate
2. replacement of waste heat recovery boiler and steam drum
3. replacement of double effect vapour absorption machine with upgraded technology
4. optimisation of steam pressure for ejectors
5. utilisation of condensate as preheating in washing
6. optimisation of hot water washing time of product cake

**08. Waste management:**

Parameter	2021-22	2020-21
<b>Waste generated (in metric tons)</b>		
Plastic waste (A)	381.00	289.00
E-waste (B)	920 numbers	0
Bio-medical waste (C)	0.67	0.37
Construction and demolition waste (D)	0	0
Battery waste (E)	248 numbers	312 numbers
Radioactive waste (F)	0	0
Other hazardous waste (G)	64,497.90	58,405.22
Other non-hazardous waste (H)	80,690.84	97,007.64
<b>Waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>		
(i) Recycled	1,39,655.84	1,48,468.64
(ii) Reused	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>1,39,655.84</b>	<b>1,48,468.64</b>
<b>Waste disposed by nature of disposal method (in metric tons)</b>		
(i) Incineration	0.67	0.37
(ii) Landfilling	5,914.00	7,234.00
(iii) Other disposal operations	0	0
<b>Total</b>	<b>5,914.67</b>	<b>7,234.37</b>

**Independent assessment | evolution | assurance by an external agency:**

No assessment | evolution | assurance has been carried out by an external agency

**09. Waste management practices and strategies adopted to reduce usage of hazardous and toxic chemicals in the products and processes and the practices adopted to manage such wastes:**

The Company has state-of-the-art research and development laboratories which has, amongst others, mandate to decrease | reuse | recycle hazardous and toxic wastes.

Hazardous and toxic wastes management SOP (SOP/INC/11) describes the procedure to collect, store, transport and dispose of hazardous and toxic wastes. Such wastes are dealt with as per the consolidation, consent and authorisation and complying all requirements of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

**10. 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:**

Not applicable

**11. Impact assessments of projects undertaken based on applicable laws in the current financial year:**

Nil

**12. Compliance with the applicable environmental laws | 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:**

The Company is compliant with the applicable laws | regulations | guidelines.

**Leadership indicators**

**1. Break-up of the total energy consumed (in Gigajoules) from renewable and non-renewable sources:**

Parameter	2021-22	2020-21
<b>From renewable sources</b>		
Total electricity consumption (A)	44,557	70,088
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>44,557</b>	<b>70,088</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	3,44,414	2,76,520
Total fuel consumption (E)	94,38,540	78,46,922
Energy consumption through other sources (F)	1,92,008	2,87,336
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>99,74,962</b>	<b>84,10,779</b>

**Independent assessment | evolution | assurance by an external agency:**

Assessment | evolution | assurance has been carried out by Escon Tech and methodology provided by Ernst and Young.

**2. Water discharge:**

Parameter	2021-22	2020-21
<b>Destination and level of treatment (in kL)</b>		
(i) To surface water		
- No treatment	-	-
- With treatment – level of treatment	-	-
(ii) To groundwater		
- No treatment	-	-
- With treatment – level of treatment	-	-

Parameter	2021-22	2020-21
(iii) To seawater	35,40,589	30,17,455
- No treatment	0	0
- With treatment – level of treatment	35,40,589 advanced treatment	30,17,455 advanced treatment
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – level of treatment	-	-
<b>Total water discharged (in kL)</b>	<b>35,40,589</b>	<b>30,17,455</b>

**Independent assessment | evolution | assurance by an external agency:**

Independent assessment | evolution | assurance carried out by GPCB, scheduled auditors approved by GPCB and Pollucon Laboratories.

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

Not applicable

**Independent assessment | evolution | assurance by an external agency:**

Not applicable

**5. With respect to the ecologically sensitive areas reported in 10 of essential indicators above, details of significant direct and indirect impact on biodiversity in such areas along with prevention and remediation activities:**

Not applicable.

**6. Specific initiatives or innovative technologies or solutions undertaken to improve resource efficiency or reduce impact due to emissions | effluent discharge | waste generation:**

No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Ammonia recovery system	Processing of crude mother liquor containing ammonia before discharging to central effluent treatment plant at Atul site (CETP)	Decrease in ammonical nitrogen concentration
2.	Upgradation of one of the effluent treatment plants	Treating Ammonical nitrogen	Decrease in effluent load in CETP
3.	Improve quality of effluent	Treatment of phenolic compound at source	Decrease in phenolic compound
4.	Installation of multiple effect evaporator	Providing multiple effect evaporator for high total dissolved solid (TDS) streams	Decrease in TDS
5.	Decrease in sludge   effluent generation in CETP	Using NaOH lye   spent KOH solution in place of hydrated lime in neutralisation process in CETP	Decrease in hydrated lime consumption and effluent load
6.	Decrease in solid waste load	Installing paddle drier to reduce moisture content	Decrease in gypsum load

No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
7.	Elimination of volatile organic compounds (VOCs) and toxic chemical exposure	Introduction of bottom discharge centrifuge in place of top discharge for wet cake drying	Reduction in exposure to VOCs
8.	Elimination of VOCs and toxic chemical exposure	Equipped reactors with vents   stacks to vapour recovery systems   scrubbers	Reduction in process stack emissions
9.	Development of green belt around plants and colonies	Plantation of about 6,50,000 saplings in last 12 years and development of green belt	Carbon sequestration

**7. Business continuity and disaster management plan:**

The Company has a disaster management plan included in the offsite and onsite emergency plan.

Offsite emergency rehearsals as per the plan are conducted at periodic intervals decided by external authorities at Ankleshwar, Atul and Tarapur sites.

**8. Significant adverse impact to the environment, arising from the value chain and their mitigation or adaptation measures:**

There is no significant adverse impact to the environment arising from the value chain of the Company.

**9. Percentage of value chain partners (by value) that were assessed for environmental impact:**

91%

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, will do so in a manner that is responsible and transparent.**

**Essential indicators**

**1. Affiliations with trade and industry chambers | associations**

**Membership of | affiliation to 10 trade and industry chambers | associations**

No.	Name	Reach
01.	Basic Chemicals, Cosmetics and Dyes Export Promotion Council of India	National
02.	Bombay Chamber of Commerce and Industry	National
03.	Federation of Indian Export Organisations	National
04.	Fragrances and Flavours Association of India	National
05.	Indian Chemical Council	National
06.	Indian Resins Manufacturers Association	National
07.	Society of Dyers and Colourists	International
08.	The Federation of Indian Chambers of Commerce and Industry	National
09.	The Indian Pest Control Association	National
10.	The Pesticides Manufacturers and Formulators Association of India	National

**2. Corrective action taken or underway on any issue related to anti-competitive conduct, based on adverse orders from regulatory authorities:**

Not applicable

**Principle 8: Businesses will promote inclusive growth and equitable development.**

**Essential indicators**

- 1. Social Impact Assessments (SIA) of projects undertaken based on applicable laws:**

Not applicable

- 2. Projects for which ongoing rehabilitation and resettlement is being undertaken:**

Not applicable

- 3. Mechanisms to receive and redress grievances of the community:**

The Company has a process to receive and redress concerns received from the community. A site-level committee consisting of members from various departments is formed which receives the concerns and works towards its redressal.

- 4. Input material (inputs to total inputs by value) sourced from local or small scale suppliers:**

	2021-22	2020-21
<b>Directly sourced from micro, small and medium enterprises   small producers</b>	₹ 844 cr (21% of overall spend)	₹ 700 cr (30% of overall spend)
<b>Sourced directly from within the district and neighbouring districts</b>	₹ 990 cr (24% of overall spend)	₹ 516 cr (22% of overall spend)

**Leadership indicators**

- 1. Actions taken to mitigate any negative social impacts identified in the SIAs (Reference: 1 of essential indicators above):**

Not applicable

- 2. CSR projects undertaken in designated aspirational districts as identified by government bodies:**

No.	State	Aspirational district	Amount spent (₹)
1	Gujarat	Narmada	~ 1 lakh

- 3. a) Preferential procurement policy to give preference to purchase from suppliers comprising vulnerable | marginalised groups:** Internal guidelines for preferential procurement from marginalised | vulnerable groups are in place.

**b) Vulnerable | marginalised groups from where the Company procures:** MSMEs and women-owned enterprises

**c) Percentage of such procurement of the total (by value):** 21% of overall spend

- 4. Benefits derived and shared from the intellectual properties owned or acquired based on traditional knowledge:**

Not applicable

- 5. 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. Beneficiaries of CSR projects:

No.	CSR project	Persons benefited	% of beneficiaries from vulnerable   marginalised group
01.	Enhancement of educational practices in Kalyani Shala	1,736 students	100%
02.	Improvement of teaching methodology for primary school children – Atul Adhyapika project	4,446 students	100%
03.	Support to tribal children in Atul Vidyamandir	354 students	100%
04.	Support to develop a school in a tribal area	192 students	100%
05.	Provision of scholarships to needy and meritorious students	21 students	100%
06.	Provision of education kits to children	4,484 students	100%
07.	Support to needy   special children	164 students	100%
08.	Provision of digital education through tablet laboratory	300 students	100%
09.	Support to children with special needs	31 students	100%
10.	Promotion of learning and life skills among children	50 students	100%
11.	Support to develop a school in an economically-deprived area	300 Students	100%
12.	Skills training to youth as apprentices	125 youth	100%
13.	Empowerment of women   youth through various vocational training courses	195 women   youth	100%
14.	Skill development of youth through vocational training with NABARD	178 youth	100%
15.	Development of micro-entrepreneurs to provide sustainable livelihood	111 youth	100%
16.	Creation of livelihood opportunities for tribal families by providing cows	125 tribal families	100%
17.	Empowerment of women through self-help groups	385 women	100%
18.	Enhancement of rural health through health camps	8,286 people	100%
19.	Promotion of nutrition gardens	2,552 tribal families	100%
20.	Establishment of Atul Medical Diagnostic Centre	10 villages	Not applicable
21.	Promotion of health and wellbeing of adolescents and women	1,384 women	100%
22.	Provision of blood units to the needy and deserted patients	140 patients	100%
23.	Retrofitting of individual household toilets	~ 660 individuals	100%
24.	Support to needy patients	34 patients	100%
25.	Support related to COVID-19 pandemic	~ 1,400 individuals and 5 hospitals	100%
26.	Construction of walkway and streetlights	Atul and surrounding villages	Not applicable
27.	Development of infrastructure in Atul and surrounding villages	12 villages	100%
28.	Establishment of solid waste management system in Atul village	~11,000 individuals	100%
29.	Conservation of soil and water	One village	Not applicable
30.	Conservation of energy through solar energy	456 individuals	100%
31.	Development of nature-based wastewater recycling	3 schools and 1 training centre	Not applicable
32.	Protection of animals	271 animals	100%

**Principle 9: Businesses will engage with and provide value to their consumers in a responsible manner.**

**Essential indicators**

**1. Mechanisms to receive and respond to consumer complaints and feedback:**

Customer complaint portal is in place. All customer complaints are logged into 'customer complaint module'. Based on the nature of complaints, auto e-mails are triggered for action. The root cause and corrective and preventive actions are conveyed to customers. The complaint is closed after feedback (by phone | e-mail) from the customer.

Complaints are acknowledged within 48 hours and feedback is provided within seven working days.

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

Information related to	As a percentage to total turnover
Environment and social parameters	100%
Safe and responsible usage	100%
Recycling and   or safe disposal	100%

**3. Consumer complaints:**

Category	2021-22		2020-21	
	Received	Pending resolution	Received	Pending resolution
Data privacy	0	0	0	0
Advertising	0	0	0	0
Cyber security	0	0	0	0
Delivery of essential services	1	0	0	0
Restrictive trade practices	0	0	0	0
Unfair trade practices	0	0	0	0
Others	247	0	227	0

**4. Product recalls on account of safety issues:**

	Number	Reason
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

**5. Framework | policy on cyber security and risks related to data privacy:**

The Company has Information Security Policy in place to ensure that the data stored in the end user devices is protected.

**6. Corrective action 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:**

There were no issues relating to advertising, delivery of essential services, cyber security and data privacy of customers. There was no re-occurrence of product recall. No penalty was levied or action was taken by any regulatory authority on account of any deficiency relating to safety of products | services in the financial year.

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## Leadership indicators

### 1. Channels, platforms and URL where information on products and services can be accessed:

www.atul.co.in

### 2. Steps taken to inform and educate consumers about safe and responsible use of products and (or) services:

The Company shares material safety data sheets, technical data sheets and product labels on packaging in accordance with globally harmonised system regulations. For liquid chemicals, transport emergency cards are provided to transporters and training is imparted periodically to them and customers on safe handling. Interactions with farmers are arranged through Krishi Vigyan Kendras, farmer field days training sessions, etc.

### 3. Mechanisms to inform consumers of any risk of disruption | discontinuation of essential services:

The customers are intimated regarding scheduled annual maintenance shutdown a few weeks in advance. For key customers, tentative schedules of annual maintenance shutdown are shared at least three months in advance. In case of any unforeseen disruptions in supply, information is conveyed through e-mail and telephone.

### 4. Display of product information and customer satisfaction survey:

The Company provides information related to Chemical Abstracts Service number, European Community number, synonyms, hazard statement, precautionary statements, etc over and above what local law mandates.

The Company has a practice to carry out customer satisfaction surveys for major products at regular intervals.

### 5. Data breaches:

- a. Number of instances of data breaches along with impact: nil
- b. Percentage of data breaches involving personally identifiable information of customers: not applicable

**Note: Serial numbers are in accordance with Annexure-1 of notification of SEBI on Business Responsibility and Sustainability Report.**