



Clean Science and Technology Limited
i n n o v a t i o n a t w o r k

5th December, 2023

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 543318

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051

Trading Symbol: CLEAN

Subject: Sustainability Report FY 2022-23

Dear Sir/Madam,

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Sustainability Report for FY 2022-23.

You are requested to take same on record.

Thanking You.

Yours faithfully,

For Clean Science and Technology Limited

Mahesh Kulkarni
Company Secretary

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CLEAN CHEMISTRY

GREEN CHEMISTRY

SUSTAINABILITY REPORT **2022-23**



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ABOUT THE REPORT

At Clean Science and Technology Limited (hereinafter referred to as 'CSTL' or 'our Company'), we are pleased to share our first sustainability report, which discloses our performance on Environment, Social, and Governance (ESG) aspects for 2022–23. Through this Report, our Company seeks to inform our stakeholders about our achievements and challenges as we accelerate our responsible growth through sustainable operations.

REPORTING PERIOD AND FRAMEWORK

This Report highlights CSTL's non-financial performance for 2022–23, i.e., the period from 1st April, 2022 to 31st March, 2023, aligned with the 'core' option of the Global Reporting Initiative (GRI) Standards. Furthermore, our Company has included additional relevant details to provide our stakeholders with a deeper understanding of our sustainability initiatives.

SCOPE AND BOUNDARY

The reporting boundary covers 100% of CSTL's operating locations in India, including three manufacturing units in Pune, India.

FORWARD-LOOKING STATEMENTS

This Report may include predictions about our Company's future performance based on its current assumptions and expectations, including claims about our ESG targets, goals, commitments, programmes and other business strategies, initiatives, and ambitions. These sentences frequently use verbs like 'will', 'aim', 'anticipate', 'believe', 'drive', 'estimate', 'expect', 'intend', 'may', 'plan', 'project', 'strategy', 'target', 'goal', or words of a similar nature. The realisation of the stated intents is subject to external factors and business decisions.

FEEDBACK AND SUGGESTIONS

At CSTL, we have always valued the feedback of our internal and external stakeholders, which helps us strengthen our practices and grow further. Please reach out to us at:

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To know more about CSTL, please click at: <https://cleanscience.co.in/>



Message from the Managing Director




In 2021-22, we were awarded the prestigious 'GreenCo Silver' rating by the GreenCo – Green Company Rating System developed by the Confederation of Indian Industry (CII).



Dear Stakeholders,

It gives me immense pleasure to present our first Sustainability Report for 2022-23. Our Company is consistently working to contribute towards the global goal of sustainable and inclusive development. This Report showcases our value creation model, integrated approach to business strategy, and performance on material ESG aspects. We have always focussed on sustainability, holistic and inclusive growth as core areas of our business. Our operations are guided by our mission of creating value for our customers, stakeholders, and employees by adopting operational processes that are sustainable and cost-effective. A robust workforce, proficient in-house R&D setup, state-of-the-art manufacturing operations and innovative chemical processes have made our manufacturing operations resilient and agile. We are committed to achieving our vision to be a global chemical company based on the strategic pillars of sustainability, innovation, growth, and value creation. These principles help us perform better, despite the tough economic climate and socio-political conditions within which we operate.

 **Standard Numbers:**
2-22





The primary objective of our Company is to create novel technologies and processes that minimise ecological footprints, enhance productivity, and encourage sustainable practices. Our portfolio includes a range of specialty chemicals used in industries, such as personal care, home care, food and feed, pharma and agrochemicals. We have a strong customer base in India and export to several countries across the globe. Exports constitute 72% of our revenues. By providing sustainable solutions to these industries and customers, we are helping them achieve their sustainability goals, while also driving economic growth and competitiveness.

We have been recognised for our efforts in the fields of clean technology and sustainability. Our Company has implemented various initiatives to reduce carbon footprint and promote eco-friendly practices. In 2021-22, we were awarded the prestigious 'GreenCo Silver' rating by the GreenCo – Green Company Rating System developed by the Confederation of Indian Industry (CII). CSTL has three manufacturing units with a total production capacity of over 44,000 metric tonnes per annum. Our manufacturing plants are equipped with modern technology and adhere to strict safety and environmental standards. Our team of experienced and motivated professionals is dedicated to delivering high-quality products and services to our customers.

Sustainability is a fundamental aspect of our business, and it aligns with our objective of offering green solutions to a diverse set of end-user industries. We are tirelessly working to embed sustainable principles across our operations and the value chain to ensure responsible growth remains a primary factor. Setting new targets enables us to continually improve our ESG performance. Additionally, transparent and timely disclosure of our social, environmental, and economic performance strengthens our sustainability journey.

Our commitment to sustainability is evident in our efforts to reduce greenhouse gas emissions and conserve natural resources through the development of clean and efficient technologies. We aim to minimise waste and pollution by designing products and processes that are environmentally friendly. A continued focus on R&D empowers us to create innovative solutions for the future, with our goal being to operate in a niche where technology is complex, giving us a first-mover advantage.

We are also actively exploring new ways to use renewable energy sources in our operations. Our total solar capacity stands at 17.4 MW, contributing to approximately 50% of our energy requirements. Our Company has undertaken an initiative to plant more than 11,000 trees in the coming years, which will help offset our carbon footprint further.



44,000 MTPA

**Total Product Capacity
Across Three Facilities**



11,000 Trees

**Expected to be Planted in the
Coming Years**

At CSTL, we have aligned our business objectives to capitalise on the growing demand in the global and Indian specialty chemical industries. The global market for specialty chemicals is estimated to have a compound annual growth rate (CAGR) of 5.6% between 2020 and 2026. The market size has the potential to reach US\$ 1,174 billion by 2026, a significant increase from the US\$ 847 billion recorded in 2020. This sector in India remains one of the fastest-growing, with the country being the third-largest specialty market in the APAC region. At an impressive CAGR of 9%, the Indian specialty market was valued at US\$ 33 billion in 2021 and is poised to reach US\$ 52 billion by 2026. At CSTL, we are geared to meet domestic and global demand for specialty chemicals through environmentally sensitive pathways.



**Our Total Solar Capacity Stands
at 17.4 MW, Contributing to
Approximately 50% of Our
Energy requirements**

As a company committed to responsible growth, we are enhancing our facilities and implementing new technologies in all our manufacturing units that not only improve productivity but also reduce environmental impact. These steps will further improve our energy efficiency and prioritise circularity through the 3R principle of reduce, recycle, and reuse. Our continued focus on quality, innovation, and sustainability will help us build a resilient future for our Company, and we are excited about the opportunities that lie ahead. We gratefully acknowledge the continued support of all stakeholders for our future endeavours to accelerate our progress towards a greener tomorrow.

Thank you,

Ashok Boob

Managing Director

ESG Highlights

Environment

Zero liquid discharge & ISO 14001:2015 certified across all facilities

Water consumption – 11.52 m³/MT of production

Energy intensity – 37.55 GJ/MT of production

GHG emission – 3.69 tCO₂e/MT of production



Social

14,713 lives impacted through CSR initiatives

zero fatality & zero LTIFR

CSR expenditure – ₹ 51.44 million

Training on environment, health and safety in 2022-23 – 17,250 hours



Governance

Women at the board level – 12.5%

Net profit (standalone) – ₹ 3,035 million

Total revenue from operations (standalone)

- ₹ 9,358 million







Corporate Overview

CSTL at a Glance

Clean Science and Technology Limited (referred to as 'CSTL' or 'Our Company'), incorporated in 2003 and headquartered in India, is a first-generation fine and specialty chemical company focussing on innovation and value engineering. Our Company is counted among the pioneering global organisations developing ingenious technologies to commercialise unique, innovative, sustainable and cost-effective catalytic manufacturing processes. Our relentless commitment to R&D has driven us to become one of the world's largest manufacturers of select chemicals developed in-house.

At CSTL, we have identified catalytic chemistry as one of the ways to achieve our goal of devising green chemistries and have developed atom-efficient technologies underpinned by strong plant engineering capabilities. This has enabled us to derive the maximum desired product, while minimising the generation of by-products and effluents, avoiding the usage of hazardous raw materials, and hence, increasing efficiency and yields in our processes.

CSTL caters to three main industry segments: performance chemicals, pharma & agro intermediates

and FMCG chemicals. We have always worked on creating value for our customers. Our commitment to a customer-first approach is evident from the strong long-term relationships of more than 10 years we share with some of our largest customers. We have a 200+ global customer base across 35 countries and 300+ domestic customers. The majority of our sales come from exports to global multinational corporations (MNCs) across developed nations, which accounts for 72% of our Company's revenue.



200+

Global Customer Base in 35 Countries



300+

Domestic Customers

2006

Changed name to 'Clean Science and Technology' in line with our vision and philosophy

2009

Commenced manufacturing of MEHQ and Guaiacol

2011

Commenced manufacturing of 4-MAP

2014

Commenced manufacturing of BHA

2018

Commenced manufacturing of Anisole using unique vapour phase technology

Commenced manufacturing AP





- Our commitment to cleaner processes helps us align with global ESG standards by utilising resources efficiently, reducing waste and minimising emissions
- Investments in renewable energy to fulfil our power demand and efforts towards reducing greenhouse gas emissions further underscore our commitment to sustainability



2020

Commenced manufacturing of DCC

2021

Successfully developed key products in the HALS series

2022

Commenced manufacturing of p-BQ and TBHQ

2023

Commercialised plant to manufacture HALS 770 & 4-Hydroxy Tempo (701) at Unit-3

Expanded capacity of MEHQ, Guaiacol and BHA by 50%



Sustainability Practices

At CSTL, we have instituted several practices that reflect our commitment to sustainability, innovation, and quality.

Manufacturing



Our Company has state-of-the-art manufacturing facilities located at Kurkumbh MIDC in Maharashtra, India. Our facilities are equipped with the latest technologies and equipment, designed to minimise operational environmental impact, adhere to high quality and safety standards, and are zero liquid discharge (ZLD).

Research and Development



Our research and development (R&D) drives our efforts to create innovative, sustainable, and eco-friendly chemical processes. Our Company has a dedicated R&D team of 90+ scientists, including 7 PhDs, who work on expanding our product portfolio, optimising the yield and selectivity of existing processes and developing products with high demand that are produced by select manufacturers globally.

Voluntary Initiatives



At CSTL, we have obtained various globally acknowledged certifications demonstrating our commitment to sustainability and quality, including ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. The certifications further strengthen our endeavours focussed on quality and environment management and occupational health and safety. Our Company has been certified by Ecovadis and Together for Sustainability and has received a GreenCo Silver Rating.

Other Initiatives



We undertake other sustainability initiatives, such as reducing greenhouse gas emissions, promoting biodiversity, expanding the use of renewable energy, implementing waste reduction programmes, conserving and recycling water.





OUR VISION

Our vision is to be a global chemical company, most admired for our innovative processes, performance, reliability and service to our customers. Our Company's focus is on creating green and eco-friendly processes for manufacturing products that meet the needs of our customers, while minimising the impact on the environment. We aim to achieve this vision by:

- Investing more in research and development to create innovative, sustainable, and eco-friendly products that meet the evolving needs of customers
- Further developing and implementing sustainable manufacturing processes that reduce the environmental impact of our operations
- Building strong relationships with customers, suppliers, and other stakeholders based on mutual respect, trust, and transparency
- Continuously improving products and processes to enhance customer satisfaction and meet regulatory requirements

Overall, our Company's vision is to be a responsible and sustainable company that delivers value to its stakeholders, while contributing to a cleaner, greener future for all.



OUR MISSION

The purpose of our mission is to create value for our customers, stakeholders and employees by developing sustainable and cost-effective processes. Our Company's mission is driven by the following objectives:

- Developing and producing high-quality, sustainable, and eco-friendly specialty chemicals that meet the needs of our customers
- Implementing sustainable manufacturing processes that reduce waste, emissions, and energy consumption, while ensuring product quality and safety
- Building a culture of innovation and continuous improvement that fosters creativity, learning, and collaboration
- Ensuring customer satisfaction by delivering products on time, providing exceptional customer service, and maintaining high standards of quality and reliability
- Creating long-term value for shareholders by growing the business, maintaining financial strength and stability, and ensuring compliance with regulatory requirements.





OUR CORE VALUES

The core values of our Company comprise:

Integrity



Integrity is one of the most important core values on which the character of an individual or an organisation is built. It is the quality of being honest, ethical, and having strong moral principles. When an individual conducts themselves with integrity, it means that they are consistent in their actions and words, and they always remain true to their values. We remain committed to honesty, transparency, and ethical conduct in all our business practices, and strive to build trust and respect with our stakeholders.

Safety



At CSTL, we consider the health and safety of our employees as essential and integral part of all activities. The results of these initiatives are seen through significant reduction in injury incidents across all manufacturing plants. Our Company has implemented an ISO 45001:2018 Occupational Health and Safety Management System at all our manufacturing locations. Moreover, our Company is ISO 14001:2015 certified.

Excellence



Excellence as a core value means striving for the highest quality of work and consistently aiming for improvement. It is the pursuit of greatness in every aspect and a firm commitment to producing outstanding results. Excellence is a value that permeates every aspect of an individual's work.

Innovation



At CSTL, we prioritise creativity, innovation, and continuous improvement. We strive to cultivate a culture of learning, experimentation, and collaboration. We are a company with innovation at its core and sustainability as its foundation. Innovation as a primary factor is vital as it fosters growth, expansion, and competitiveness. Innovation leads to the development of new products and services that meet emerging needs, create new markets, and help our organisation stay ahead of the competition. It also improves the efficiency of our existing processes, reduces costs, and enables our organisation to be more sustainable.

Care



We believe in upholding the integrity of our company and maintaining the safety of our customers. We care about the quality of products we give to our customers and ensure that everything we sell is of the highest value and quality.



Our Company has implemented an ISO 45001:2018 Occupational Health and Safety Management System at All Our Manufacturing Locations. Moreover, Our Company is ISO 14001:2015 Certified





OUR PRODUCTS

Our Company produces a range of specialty chemicals categorised into performance chemicals, pharma, agro-intermediates, and FMCG chemicals. These products are designed to be sustainable, eco-friendly, high-quality and used in a variety of end-user industries.

Performance Chemicals



This is the fastest-growing segment and the largest contributor to the top line. Our products in performance chemicals are used as a polymerisation inhibitor in acrylic acids in the agrochemical industry, as an antioxidant and stabiliser in the food and feed industry and as a light stabiliser in the polymer industry. These chemicals improve product performance. The manufacturing process of the offering is designed to reduce the environmental impact as compared to conventional methods.

Pharma and Agro-Intermediates



We produce a range of key starting materials that are used in the manufacture of active pharmaceutical ingredients (APIs). These starting materials are functionally critical products designed to meet the stringent quality standards of the pharmaceutical industry. They are considered to be more sustainable and eco-friendly than traditional chemical processes. We also manufacture key intermediates used in the agrochemical and monomer industries.

FMCG Ingredients



This category of products represents our largest capacity segment. Products in this segment are used as intermediates in the manufacturing of cosmetic additives and as a key starting material for perfumes, flavours and fragrance products.

Geographical Presence

We are a global manufacturing company, exporting our products to a strong customer base in 35 countries and catering to the needs of the Indian market.



- | | |
|------------------|------------------|
| 1. India | 19. Japan |
| 2. Canada | 20. South Korea |
| 3. USA | 21. China |
| 4. Mexico | 22. Bangladesh |
| 5. Brazil | 23. Malaysia |
| 6. Argentina | 24. Taiwan |
| 7. UK | 25. Thailand |
| 8. Belgium | 26. Vietnam |
| 9. France | 27. Singapore |
| 10. Spain | 28. Philippines |
| 11. Denmark | 29. Indonesia |
| 12. Poland | 30. South Africa |
| 13. Netherlands | 31. Chile |
| 14. Germany | 32. Peru |
| 15. Italy | 33. Egypt |
| 16. Turkey | 34. Colombia |
| 17. Israel | 35. Dubai |
| 18. Saudi Arabia | |

Geography wise revenue 2022-23:

Geography	In %
India	28%
Americas	16%
Europe	16%
China	34%
ROW	6%

Disclaimer

This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection with its accuracy or completeness.



Certifications

Our Company has obtained a broad range of globally relevant certifications since our inception, including:

- GreenCo
- FAMI-QS
- FSSC 22000
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- FASSAI
- HALAL
- RSPO MB
- KOSHER
- Ecovadis
- Together for Sustainability

Member of Associations

At CSTL, we encourage our employees and workers to be a part of industry platforms and associations as outlined below to communicate, network and resolve work-related issues.

- Indian Chemical Council (ICC)
- Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA)
- Chemexcil
- Kurkumbh Environment Protection Co-operative Society Maryadit
- Federation of Indian Export Organisation
- Confederation of Indian Industry (CII)
- National Safety Council

Sustainability at CSTL

At CSTL, sustainability is not only a fundamental aspect of our organisational culture but also an integral part of our long-term growth strategy. Our operations have been developed and expanded based on the strategic pillars, including sustainability, innovation, growth, and value creation. We have implemented environment-friendly measures into our chemical manufacturing process by embracing sustainable chemistry principles, renewable resource utilisation, waste minimisation, energy-efficient practices, worker safety and health prioritisation, circular economy approach adoption, and product lifecycle consideration.

Our Sustainable Operations

As an advanced technology company, we have pioneered the solution for commercialising novel catalytic reactions for production processes. These processes boast superior atom economy and produce only water as effluent, in contrast to conventional manufacturing processes. Our Company's sustainable production methods result in minimal effluent discharge.

CSTL is the only company using a novel catalyst globally to manufacture:

- ◊ Anisole from Phenol using vapour phase technology
- ◊ MEHQ + Guaiacol from Anisole using hydroxylation
- ◊ 4-MAP from Anisole using acetylation

Stakeholder Engagement

At CSTL, stakeholder inclusiveness is rooted in our fundamental principles of 'integrity', 'safety', 'excellence', and 'innovation'. Engaging with our stakeholders is critical for us to stay abreast of their evolving needs and concerns. A well-developed stakeholder engagement strategy facilitates the timely recognition of ESG and other business-related risks, so we can implement suitable mitigation measures and run operations in a resilient and sustainable manner. Our Company continually enhances our stakeholder








engagement framework by implementing more targeted approaches each year to identify risks and opportunities relevant to our long-term business objectives.

Our stakeholder engagement framework aims to establish enduring relationships with significant stakeholders, comprising employees, customers, shareholders, local communities, regulatory bodies, suppliers and contractors, and financial institutions.





Stakeholder Engagement Matrix

Stakeholder Group	Frequency of Engagement	Significance of Engagement
Shareholders 	Monthly, Quarterly, Half Yearly, Annually	<ul style="list-style-type: none"> ○ Long-term Value Creation ○ Transparency ○ Good Governance ○ Socially & Environmentally Responsible
Customers 	Need-based	<ul style="list-style-type: none"> ○ Production ○ Cost ○ Quality ○ Service
Local Communities 	Need-based	<ul style="list-style-type: none"> ○ Development Initiatives ○ Local Employment Generation
Employees 	Monthly, Quarterly, Half Yearly, Annually	<ul style="list-style-type: none"> ○ Diversity ○ Quality of Work and Life ○ Fair Wages, Remuneration & Benefits ○ Training & Development ○ Career Growth ○ Health & Safety
Regulatory Bodies and Government Agency 	Ongoing	<ul style="list-style-type: none"> ○ Compliances with Rules and Regulations ○ Proactive Compliance ○ ESG Practices
Suppliers and Contractors 	Monthly, Quarterly, Annually, Need-based	<ul style="list-style-type: none"> ○ Cost ○ Timely Delivery ○ Ethical Behaviour ○ Product Quality ○ Health & Safety
Financial Institutions, Bankers, and Lenders 	Annually, Need-based	<ul style="list-style-type: none"> ○ Positive and Consistent Return on Investments (ROI)

Materiality Assessment

Our Company's sustainability strategy involves a structured approach to materiality assessment to identify and incorporate key concerns of our stakeholders and significant impacts on our business. Materiality analysis, as per the Global Reporting Initiative (GRI) standards, is a crucial method for prioritising action areas and optimising resource utilisation based on four guiding principles: sustainability context, materiality, completeness, and stakeholder inclusion.

In 2022-23, we conducted a materiality assessment through engagement with internal and external

stakeholders, including our leaders, employees, investors, customers, suppliers, and trade associations. These two-way consultations and discussions allow us to identify issues that are most material to our stakeholders and business. These material issues are prioritised and integrated into the overall business strategy to ensure our continued success and long-term sustainability.





Based on discussions and validations, the following material topics have been identified as priorities for the business and stakeholders:


Our Material Topics

Material Issues	Indicate whether Risk or Opportunity	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)
<p>Air Emissions and Quality</p>	Risk	SOx, NOx, SPM, and particulate matter emissions from DG sets and boilers have been linked to serious health problems in India. Failure to monitor and comply with the norms prescribed by regulatory bodies, such as CPCB has a long-term negative impact on the environment and society, with heavy fines imposed.	CSTL continues investing in state-of-the-art devices and upgrading to the latest systems used to mitigate and improve air emission quality. An in-house project team facilitates efficient plant design and layout, which has helped optimise energy consumption. Our Company has implemented air emissions mitigation measures like electrostatic precipitators to reduce stack emissions from boilers. Innovative waste heat recovery systems have resulted in a reduction in emissions and non-renewable input sources.	

Positive Negative






Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Climate Change</p>            	Risk	<p>Over time, the effects of climate change have become more frequent and severe, and they now pose a growing risk to the world. Climate change-related extreme weather events put our Company's operations, infrastructure, and the health and safety of employees at physical risk. Additionally, the growth and profitability of the business may be hampered by economic disruptions brought on by transition risks. We must build a climate plan as the regulatory compliance requirements for carbon markets are evolving. Also, we utilise a significant amount of energy due to the nature of our operating activities, including logistics. Hence, we explore advanced technology solutions for the production of clean energy, along with improving energy efficiency and reducing consumption to realise operational cost savings, while offsetting a significant amount of GHG emissions.</p>	<p>CSTL has implemented various initiatives to utilise resources efficiently, reduce waste and minimise emissions as part of our sustainability commitment. With a focus on 'atom economy' and 'clean chemistry', we have developed innovative catalytic chemical processes that have less impact on the environment. Our Company strives to minimise the disposal of water, emissions, and hazardous substances. All manufacturing facilities at CSTL are ISO certified, and we focus on investing and continuously improving our energy efficiency across all activities (manufacturing and non-manufacturing) to reduce our overall energy requirement. Innovative waste heat recovery systems have been implemented that have resulted in a reduction in non-renewable input sources. An in-house project team facilitates efficient plant design and layout that helps in the optimum utilisation of energy. We have installed solar power projects with a capacity of ~17.4 MW that satisfy 50% of our power consumption. Additionally, we have invested in state-of-the-art round disc reverse osmosis (RDRO), multiple effect evaporator (MEE) and mechanical vapour re-compression (MVR). One of our major goals is to reduce our carbon footprint. At CSTL, we have achieved GHG reductions of 19.60% (per metric tonne) compared to 2019. Moreover, we aim to plant 11,000+ trees, leading to water rejuvenation and restoration around our facility.</p>	

 Positive
  Negative

Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Product Stewardship</p> 	Opportunity	<p>The chemical sector must mitigate risks related to products responsibly, given the high vulnerability of quality and safety issues. Businesses have the chance to improve their products and address the usage of hazardous raw materials, resource conservation, energy use, effluent disposal, and climate change issues. Furthermore, the health and safety of our customers is our top priority. Companies may face additional costs as Governments and international organisations implement numerous supply chain regulations to prevent counterfeit, substandard, or mislabelled products from entering the distribution system.</p>	<p>Clean and green chemistry is the bedrock on which CSTL was conceptualised. Our Company strives to manufacture products driven by our R&D strengths and develop innovative catalytic processes that are environmentally less harmful. We focus on benefits like process improvement, cost reduction and the generation of fewer effluents. Using this approach, we can consistently launch new products. We ensure our products have appropriate labelling and display the required information for consumer safety. The labelling includes the product's name, nature of hazards and prevention, storage requirements, and disposal and usage in line with domestic/international laws.</p>	
 <p>Waste Management</p> 	Risk	<p>As part of the chemical industry, we are committed to reducing waste generation and managing its handling and disposal, following all regulations pertaining to both hazardous and non-hazardous waste. We believe that sound waste management is crucial for environmental protection. It is our responsibility to ensure that the waste generated from our facilities is segregated and disposed of in a compliant manner.</p>	<p>We strictly adhere to the 3R principle of reduce, recycle, and reuse. CSTL has set up state-of-the-art ETPs in all our manufacturing sites, along with a glass house.</p>	
 <p>Water and Effluents</p> 	Risk	<p>The chemical industry utilises water for a range of processes. Varying levels of water purity are necessary for different stages in the manufacturing process. We view it as our responsibility to reduce freshwater use and effluent generation, while increasing water reuse/recycling.</p>	<p>We have embraced the circular principles of reduce, recycle, and reuse to manage our water usage. CSTL has installed a rainwater harvesting system that stores collected rainwater in underground tanks. This water is filtered and used for internal consumption. We also focus on increasing process heat utilisation, which has helped us minimise evaporation losses and reduce freshwater consumption. All our plants have achieved zero liquid discharge (ZLD) status.</p>	



Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Community Engagement</p>        	Opportunity	Establishing relationships of trust with communities and ensuring they stay engaged with CSTL and participate in our engagements helps us contribute to social development and minimise any potential objections from the communities.	CSTL's CSR activities support developmental areas across education, healthcare, medical relief, vocational skills, and environmental sustainability.	
 <p>Human Capital Management</p>      	Opportunity	Our people are key to our growth and a pathway to our success. Together, we can accomplish more by fostering a culture of safety, employee involvement and workforce diversity. CSTL aims to be a company that attracts, nurtures, and retains brilliant and enthusiastic employees. We believe that a diverse workplace is necessary for organisational growth since we recognise employees' strengths and the abilities they bring to the table. CSTL recognises the need to have employees who possess the knowledge and skills necessary to deliver on their roles and responsibilities to ensure the organisation's long-term viability.	CSTL encourages diversity, creativity and innovation so every team member can bring the strengths of their unique background, experiences, and perspectives to design and develop out-of-the-box solutions for clients. Our empowering work environment encourages our employees, fosters an atmosphere of togetherness and drives passion for innovation. Currently, women form 8% of our total workforce. Our Company is continuously identifying talented employees to grow them internally. The management ensures that internal candidates are given priority for growth opportunities. We conduct training programmes on technical, functional, and behavioural topics for all employees to upskill them, increase engagement and boost their career growth opportunities. Our training programmes have increased productivity, brought down accidents/incidents, improved product quality and reduced rejection. We have mandatory in-house training targets across all functions for staff and workers.	

Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Human Rights</p> 	Risk	<p>Businesses that respect human rights are dedicated to creating long-lasting, win-win partnerships with everyone who impacts or is influenced by their operations, including consumers, communities, employees, and investors. Our Company's performance in the social domain from the perspective of the employee, workforce and community will be impacted by the absence of a comprehensive human rights governance structure covering parameters, such as working conditions, child/forced labour, fair remuneration, gender diversity, prevention of sexual harassment, freedom of association, collective bargaining.</p>	<p>CSTL has a robust Code of Conduct, Human Rights Policy and POSH Policy. All these policies are applicable to vendors, subsidiaries, and affiliates.</p>	
 <p>Occupational Health and Safety</p> 	Risk	<p>Employees and workers at CSTL may be exposed to hazardous chemicals while working. In the worst-case scenarios, failing to maintain health and safety could increase accidents and injuries and the expense of litigation, limit the amount of available workforce, lower employee morale, or even endanger the profitability of operations. A robust EHS management system combined with thorough hazard identification and mitigation strategies, root cause analysis of reported occurrences, and related corrective action plans demonstrate our Company's strategy and persistent commitment to employee health and safety.</p>	<p>For CSTL, employee health & safety is our top priority. All our plants have achieved zero fatalities. There have been no breakdowns or shutdowns due to the non-availability of workforce. CSTL has tie-ups with local physicians and hospitals to ensure that medical help is quickly available. Various initiatives have been implemented for workers' safety and health, such as providing health insurance, safety training, good quality PPE kits, regular third-party safety audits, free medication, regular health checkups and round-the-clock availability of doctors.</p>	

 Positive

 Negative



Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Procurement and Supply Chain Sustainability</p>     	Risk	Supply chain disruptions may result from inefficiencies in the system and significant dependence on a small number of suppliers or vendors in the event of external shocks. Strong relationship management and encouraging ethical procurement/sourcing techniques help maintain strong, long-lasting relationships with suppliers and vendors.	CSTL procures raw materials from reputed manufacturers and suppliers to maintain quality and consistency. We undertake adequate steps to ensure safety during transportation and optimise logistics to minimise environmental impact. CSTL has received sustainability certifications from EcoVadis. We maintain long-term relationships with suppliers and follow robust inventory management practices to ensure a steady supply of raw materials at competitive costs.	
 <p>Business Ethics and Conduct and Corporate Governance</p>     	Risk	We operate in a complex environment, which exposes us to risks related to corporate governance and ethical business conduct. Any instance involving ethical business conduct may harm our Company's reputation. Additionally, this could result in fines, penalties, and an unfavourable financial impact.	CSTL considers good corporate governance principles integral to robust management practices. We adhere to the best standards of integrity and behaviour and ensure compliance with all applicable laws and internal policies. The Board of Directors has adopted a Code of Conduct Policy and Vigil Mechanism (Whistle-Blower Policy), which applies to the Directors, key managerial personnel, senior management, and other company employees.	

 Positive

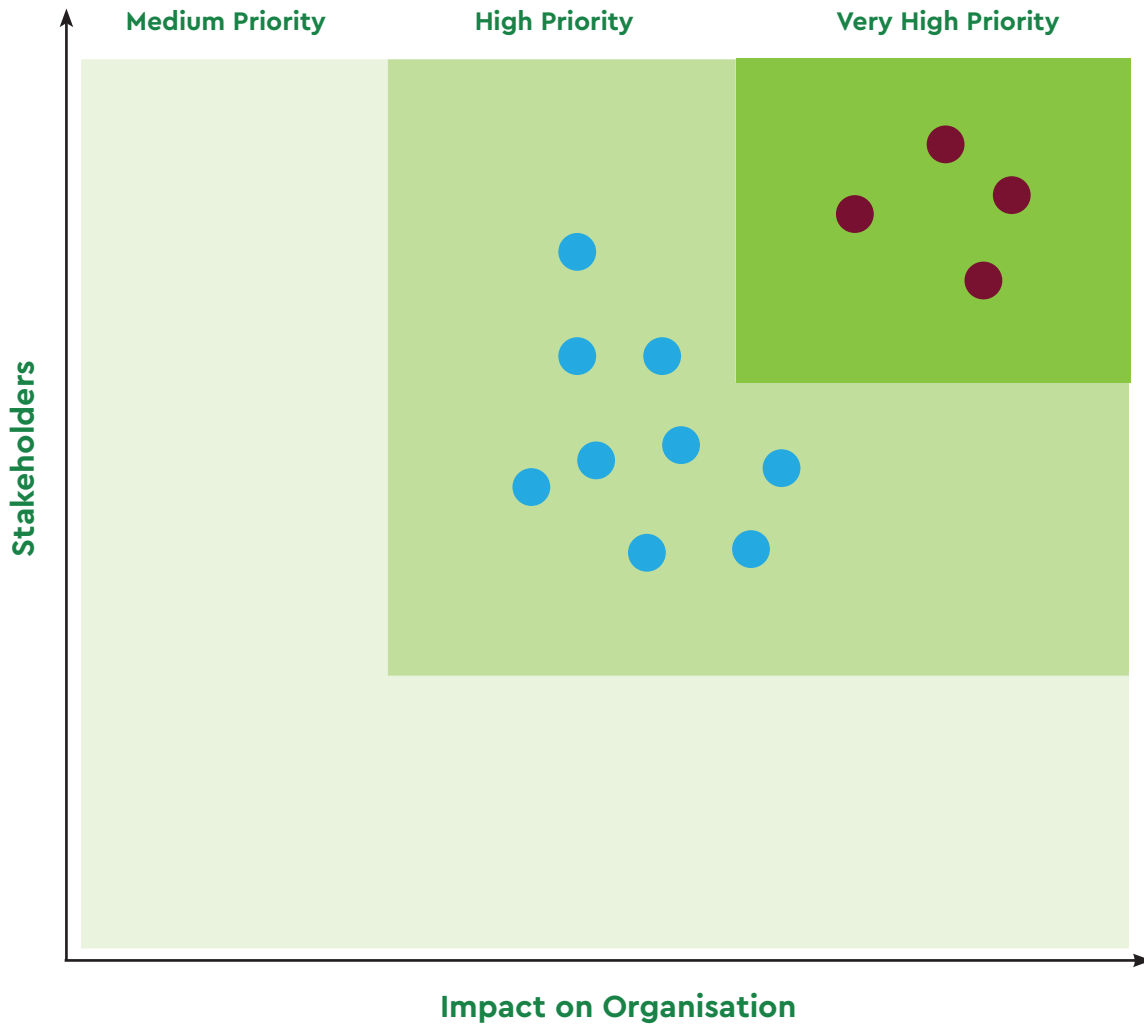
 Negative

Material Issues	Indicate whether Risk or Opportunity	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)
 <p>Innovation and Technology Upgradation</p> 	Opportunity	Technological advancements provide an opportunity to embrace breakthroughs that can give an advantage in the marketplace and open new possibilities for long-term expansion.	CSTL has a strong team of 90 scientists, including 7 PhDs, across our four R&D units with expertise in different disciplines of chemistry. They specialise in the entire research and process development value chain. The team is focussed on developing sustainable and innovative chemical processes, further enhancing yield and selectivity in existing processes and developing novel routes of synthesis with a focus on atom economy. The recently commercialised HALS series is one such example.	
 <p>Marketing and Labelling</p> 	Risk	The chemical industry manufactures products that need to have detailed descriptions of the chemical components used for production to ensure the safety of users and consumers.	CSTL abides by all the applicable statutory laws regarding product labelling and displays relevant information on product labels. The labelling includes the product's name, nature of hazards and prevention, storage requirements, and disposal and usage in line with domestic/international laws.	

 Positive  Negative



Materiality Assessment Matrix



Our Material Topics

Very High Priority	
● Air Emissions and Quality	● Climate Change
● Water and Effluents	● Occupational Health and Safety

High Priority	
● Waste Management	● Procurement and Supply Chain Sustainability
● Human Rights	● Marketing and Labelling
● Business Ethics and Conduct	● Human Capital Management
● Innovation and Technology Upgradation	● Product Stewardship
● Community Engagement	

Governance

At CSTL, we firmly believe that strong corporate governance is the cornerstone of our sustainable operations, strengthening transparency, accountability, and ethical business conduct. Led by an empowered and independent Board of Directors, our governance framework, policies, and practices guide our decision-making and risk-management processes. We are committed to upholding the highest governance standards, empowering our stakeholders with accurate and timely performance disclosures, and fostering a culture of integrity and responsible leadership.



Our Company has a strong Board of Directors who are responsible for guiding our Company on its vision, policies, strategic objectives and monitoring its overall performance. The Board oversees the policies that extend across our value chain as well as the standards and principles covered by our Code of Conduct through its Committees. As a responsible company, we consistently comply with all applicable laws and regulations.

The Board and its Committees are assessed annually in accordance with the provisions of the Companies Act 2013 and the SEBI Listing Regulations. The Directors share their views on the Board's overall performance, its Committees, and the contributions of individual Directors.



Our Board



PRADEEP RATHI
Chairman &
Non-Executive Director



ASHOK BOOB
Managing Director



**PROF. GANAPATI
YADAV**
Non-Executive Independent
Director



MADHU DUBHASHI
Non-Executive Independent
Director



SANJAY KOTHARI
Non-Executive Director



KEVAL DOSHI
Non-Executive Independent
Director



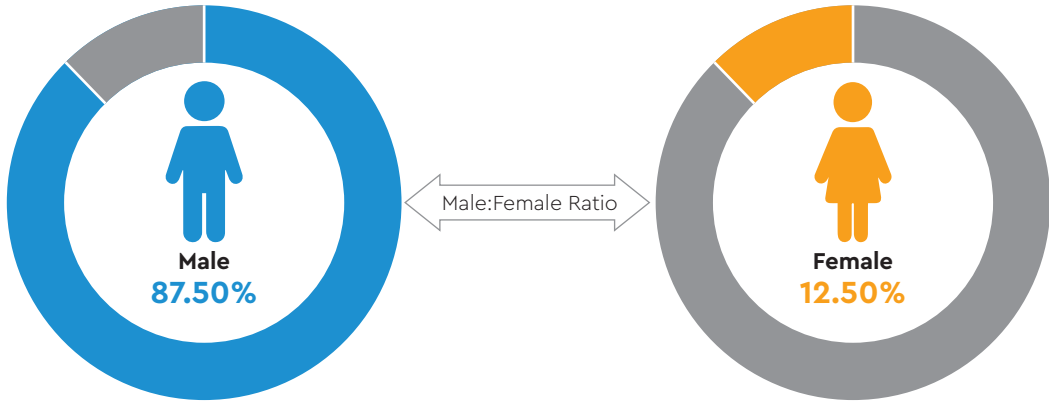
**KRISHNA KUMAR
BOOB**
Executive Director



SIDDHARTH SIKCHI
Executive Director



BOARD DIVERSITY



INDEPENDENT DIRECTORS





Committees





Audit Committee

The Committee is responsible for ensuring that the organisation's accounting, auditing, and reporting practices are of the highest quality and adhere to all legal and regulatory requirements. The Committee periodically reviews our Company's financial reporting processes including disclosures of our financial information, reviewing quarterly and annual financial results, appointment of auditors, approval of related party transactions, evaluation of internal financial controls, review of internal audit reports, utilisation of investments made at subsidiaries by our Company, and review of forex policies, among others.



Nomination and Remuneration Committee

The Committee reviews the criteria for determining the qualifications, positive attributes and independence of Directors. For every appointment, the Committee evaluates the balance of skills, knowledge and experience on the Board. Subject to such evaluation, it prepares a description of the role and capabilities required of an Independent Director. The Committee is also responsible for formulating policies related to the remuneration of Directors, key managerial personnel and other employees of the Board. Additionally, the Committee administers the Employee Stock Option Scheme and takes appropriate decisions in terms of the said scheme from time to time.



Stakeholders Relationship Committee

The Committee is responsible for resolving the grievances of the security holders, including complaints related to the transfer/transmission of shares, non-receipt of Annual Reports, non-receipt of declared dividends, issue of new and duplicate certificates, among others. It also formulates policies and procedures in line with statutory and regulatory requirements to ensure the speedy disposal of various requests received from stakeholders.





Risk Management Committee

The Committee is responsible for formulating and implementing the risk management policy, including identifying, monitoring and mitigating risks; periodically identifying and mitigating information technology and cybersecurity risks; developing a framework for the identification of internal and external risks specifically faced, including financial, operational, sectoral, ESG-related risks, cybersecurity risks, or any other risk as may be determined by the Committee.



Corporate Social Responsibility Committee

The Committee oversees the formulation of the CSR policy, indicating the activities to be undertaken by our Company in areas or subjects specified in the Companies Act, 2013; including recommendations on the amount of expenditure to be incurred; instituting a transparent monitoring mechanism for the implementation of the CSR projects, programmes or activities undertaken; monitoring the CSR policy from time to time and issuing necessary directions as required.



Finance Committee

The Committee takes routine business and financial decisions like opening bank accounts, and availing credit facilities for the smooth running of business and operational needs.



Committee	No. of Meetings	Attendance
Audit Committee	4	100%
Nomination and Remuneration Committee	4	100%
Stakeholders Relationship Committee	1	100%
Risk Management Committee	3	100%
Corporate Social Responsibility Committee	1	100%
Finance Committee	1	75%

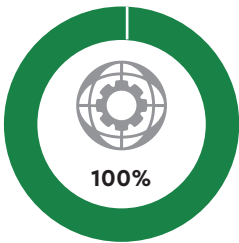




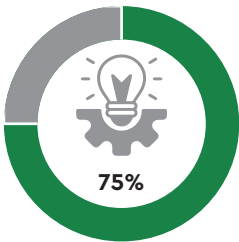
SKILL CHART

Our Board comprises individuals with a variety of experiences who bring knowledge, abilities, and skills to the table that help them contribute productively to our Company and the committees they are part of. The

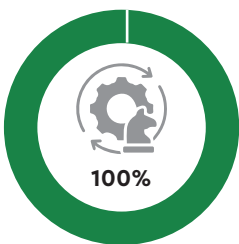
matrix below summarises the key skills, expertise, and competencies that reside within our Board and are necessary for the smooth functioning of our Company.



General management includes experience spanning finance, operations, taxation, legal, risk management, and human resources.



Business indicates an understanding of domestic and global business dynamics, geographical markets, industry verticals and regulatory jurisdictions.



Strategy and planning include skills like strategic thinking, long-term trends, planning and leading management teams.



Governance encompasses knowledge of governance practices to serve the best interests of all stakeholders, maintaining Board/management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

Corporate Governance Framework*

CSTL believes in transparency, empowerment, accountability, and integrity that enhance stakeholder value. Our Company is committed to maintaining the highest standards of corporate governance in our conduct towards shareholders, employees, regulators, customers, suppliers, lenders, and other stakeholders. Good corporate governance practices result in sustained business growth and long-term value creation for stakeholders. A robust policy framework and a Code of Conduct guide our actions and all business decisions, including those concerning insider trading.

The senior management evaluates and attests to the effectiveness of the internal control mechanism related

to financial reporting, compliance with the code of conduct and company policies, and adherence to established procedures pertaining to financial and commercial transactions where they have a personal interest or potential conflict of interest, if any.

The Board of Directors is apprised on business updates, research and development, strategy, annual business plan, risk management, regulations, economy, environment, social and governance aspects as part of Board and Committee meetings.



OUR POLICIES

At CSTL, we conduct our Company affairs in a fair and transparent manner and have integrated the highest principles of corporate governance into our business operations. Comprehensive policies strengthen our environmental, social, and economic agendas across our operations and value chain. This year, we established a Business Responsibility and Sustainability Policy in alignment with the requirements of the NGRBC.

The policy includes guidelines covering business ethics, stakeholder engagement, employee well-being, human rights, and responsible environmental practices. A snapshot of our policies is produced below. For a detailed view of our policies, please refer to:

<https://cleanscience.co.in/investors/compliance/corporate-governance/company-policies/>





CSTL'S ESG POLICIES

- a) Code of Conduct for Board of Directors and SMPs
- b) Code of Conduct for Employees, Associates, and Consultants

Policy on Related Party Transactions

Policy on Anti-Bribery and Corruption

Policy on Prevention of Sexual Harassment at the Workplace (POSH)

Corporate Social Responsibility Policy

Nomination and Remuneration Policy

Policy to Promote Diversity among Board of Directors

Whistle-Blower Policy

Risk Management Policy

BRSR Policy



ETHICS AND TRANSPARENCY

We adhere to the highest standards of professionalism and ethical conduct to manage the affairs of our Company which helps us foster a culture where it is safe for all Directors/employees to raise concerns about any malpractice or misconduct. Our Company is cognizant of fair trade practices and endeavours to operate in a competitive and free market. We have adopted checks and balances to prevent cartelisation and monopolistic behaviour. During the reporting period, we did not incur any fines or penalties for anti-competitive practices.

Anti-Bribery and Corruption and Prevention of Sexual Harassment (PoSH) at the workplace.



48

Total number of training and awareness programmes held



Whistle-Blower Cases in 2022-23

Reported	Resolved
0	0



Sexual Harassment Cases

Reported	Resolved
0	0

To align the ethical values of CSTL with our employees and Directors, we conduct various awareness programmes on the Code of Conduct and policies related to the Whistle-Blower and Vigil Mechanism,

Topics covered:



Code of Conduct



Training on Whistle-Blower Policy



Prevention of Sexual Harassment



HR Philosophy



Safety, Environment and Health

Risk Management Framework

A comprehensive and integrated risk management system helps us identify, assess, mitigate, monitor, and review our performance across key business risks. It consists of a risk framework and related policy that complies with the Companies Act of 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. We continually evaluate the evolving market, industry, customers and regulatory environments and review and enhance our risk management system to stay relevant and resilient. The Risk Management Committee of the Board oversees our Company's risk management activities.





Risk Management Process



Framework for Risk Identification

This framework helps identify the events that can have an adverse impact on the achievement of the business objectives. A risk register documents internal and external risks related to financial, operational, sectoral, sustainability (particularly ESG-related), information and cybersecurity parameters.



Measures for Risk Assessment

The risk assessment step involves quantifying the impact of the identified risks may have on our business. This allows us to determine the severity and probability of the occurrence of the risk. Two factors are considered for the risk assessment, including the impact if the event occurs and the likelihood of the occurrence of the event. Subject to the evaluation, each risk is categorised as low, medium, and high.



Risk Mitigation

All the risks that are identified and assessed are mitigated with the help of a risk mitigation plan involving the following stages:

- Risk Avoidance
- Risk Transfer
- Risk Reduction
- Risk Retention
- Develop Systems and Processes for Internal Control of Identified Risks
- Business Continuity Plan



Monitoring & Reviewing

The risk register is maintained and reviewed by the Risk Management Committee at least twice a year. The Committee updates the Board on the identified risks and mitigation plans, including recommendations made by it and actions undertaken.

	RISK	RISK STATEMENT
 Environment	Climate change	Climate change-related extreme weather events, such as drought can affect our Company's direct operations.
	Material handling	Potential hazardous events and/or compromised quality of material due to mixing of chemicals, unattended/unidentified leakage of pipes and inadequate controls and safety measures may lead to injury/loss of human life, operational disruption, financial losses, and reputational damage.
 Social	Supply chain disruption	Supply chain disruption and other challenges due to unavailability/delays in key raw materials supplies may lead to delays in order deliveries.
	Safety	Possibility of human injury and/or loss of life due to non-adherence to, or inadequate understanding/awareness of safety standards and policies leading to protests, operational disruption, negative impact on brand and reputation, and legal penalties.
	Workforce attrition	Inability to retain talent may lead to inefficiencies across processes, substandard quality delivered and challenges in achieving growth and strategic targets.
	Information security	The threat of cyberattacks may lead to disruption in operation and loss of confidential data.
 Governance	Non-compliances to relevant regulations	Incorrect reporting or non-compliance to relevant domestic/international laws and inadequate assessment of compliance requirements for new labour codes may lead to legal fines and adversely impact the brand and reputation.
	Code of conduct and ethics	Potential misbehaviour and violation of ethics may lead to financial losses, fraud, and reputational damages.



Information Technology and Cybersecurity

Technology, data management and cybersecurity over the past few decades have become an integral aspect of the workplace. The Board's Risk Management Committee is responsible for identifying and developing a mitigation plan to address information technology and cybersecurity risks we are exposed to.



CYBERSECURITY AWARENESS

cybersecurity attacks can severely impact businesses and cause heavy financial loss and damage to reputation. It is crucial to manage risks related to the collection, retention, and use of sensitive, confidential and/or proprietary customer or user data. CSTL has an Information Security Management System (ISMS), which applies to all our employees and personnel associated with third-party consultants and vendors, as well as visitors who use our IT infrastructure and resources.




Economic Performance

CSTL upholds responsible and ethical business practices to achieve financial robustness and economic resilience. A strong economic performance contributes to the capitalisation and expansion of assets, the creation of value, and the attainment of long-term competitive advantage. Our organisation has implemented a structured and evidence-based process to integrate sustainability into our financial decision-making process. This approach facilitates the evaluation and selection of the most efficient business decisions, optimising our overall performance. We are achieving new heights by leveraging our decades-long experience and strong execution capabilities.



FINANCIAL PERFORMANCE: 2022-23

Our Company's capital expenditure (Capex) for 2022-23 reached approximately ₹ 1,671 million, the highest in our history. Despite the capital expenditures made during the year, our balance sheet remains free of debt, and we have a cash balance of approximately ₹ 2,940 million.

 **Standard Numbers**
* 201-1



Revenue in ₹ million

Economic Value Generated	2022-23	2021-22
• Gross revenue from operations	9,358	6,849
• Other income	388	299
• Net profit	3,035	2,286
Economic Value Distributed	2022-23	2021-22
• Operating cost (includes cost of raw materials and other expenses)	4,882	3,503
• Employee wages and benefits	450	345
• Interest payment to providers of credit	2	1
• Dividend distributed to shareholders	₹ 5.00/share *	₹ 3.25/share
• Payment to Government (taxes)	1,019	763
• Community investments	51	41
Economic value retained (Retained earnings)	10,014	7,535

*Includes ₹ 2 paid as interim dividend and ₹ 3 recommended as final dividend



Defined Benefit Plan Obligations and Other Retirement Plans*

Our Company provides employees with a defined contribution plan and additional benefits to promote their financial stability in the long run. Employee benefits include medical and life insurance, healthcare services, maternity leave, and a defined contribution plan as part of our responsible people practices.

GRI **Standard Numbers**
* 201-3

Revenue in ₹ million

Defined Benefit Plan Obligations and Other Retirement Plans	2022-23	2021-22
• Contribution to PF	10.25	8.03
• Contribution to gratuity fund	3.66	7.04





FINANCIAL ASSISTANCE FROM THE GOVERNMENT

During the reporting period, our Company received fiscal incentives related to exports.

GRI Standard Numbers
201-4



TAX STRATEGY

CSTL's tax strategy is based on complying with relevant regulations through transparent practices and promoting the fair distribution of wealth. Our Chief Financial Officer (CFO) is accountable for creating a suitable tax strategy that guarantees adherence to tax regulations and allows us to take advantage of tax savings opportunities. We ensure that internal stakeholders who are part of our tax management structure receive sufficient training on both national and international tax regulations.

The following table provides the necessary details regarding our tax implications in India.

GRI Standard Numbers
207-1, 207-2, 207-3, 207-4

Tax jurisdiction	India
Name of resident entity	Clean Science and Technology Limited
Primary activities of the organisation	Manufacturing of organic and inorganic chemicals
Number of employees, including non-permanent employees	1,383
Total employee remuneration	₹ 604 million
Taxes withheld and paid on behalf of employees	₹ 114 million
Taxes collected from customers on behalf of the tax authority	₹ 0.21 million
Profit/loss before tax	₹ 4,054 million
Tangible assets other than cash and cash equivalents	₹ 11,458 million
Corporate income tax paid on cash basis	₹ 943 million
Corporate income tax accrued on profit/loss	₹ 978 million
The period covered by the information reported above	1 st April, 2022 to 31 st March, 2023



Product Stewardship

We have incorporated product stewardship into every stage of production by optimising the use of conventional raw materials, improving atom economy, enhancing yields, reducing effluent discharge, and consequently increasing cost competitiveness. We are one of the few companies globally that are entirely focused on developing new technologies, using in-house expertise in catalytic processes, that are both eco-friendly and cost-competitive.



At CSTL, our continued focus on product identification, process innovation, catalyst development, scale of operations, and measures towards strategic backward integration have all contributed to our success as one of the fastest-growing and most profitable specialty chemical companies globally. However, we stay vigilant to ensure that while technical advancement is important, we stay equally focussed on developing products that do not negatively impact the environment or society. This has enabled us to emerge as the largest manufacturer of certain specialty chemicals globally in terms of installed manufacturing capacities.

By adopting sustainable manufacturing practices, we are reducing environmental impact and improving the safety and health of our workers. One way that we incorporate our vision of sustainable chemistry, led by innovative technology and lower effluents, is by designing and implementing 'clean' chemistries based on catalytic technology developed in-house. As a result, most of our current production processes are either zero liquid discharge or release only water as discharge.

We incorporate product stewardship into our R&D process by adopting sustainable manufacturing practices. Our R&D activities are categorised into three verticals:



Improve yields and selectivity in our existing product portfolio



Expand our product portfolio in the stabiliser and additives business



Identify products with high demand that only limited manufacturers produce within India and globally

One way that we incorporate our vision of sustainable chemistry, led by innovative technology and lower effluents, is by designing and implementing 'clean' chemistries based on catalytic technology developed in-house.

Various catalysts have been developed in-house through R&D, which are used across process developments and have helped improve productivity, yields, atom economy, and cost efficiencies. By employing 'clean technologies', we distinguish our processes from conventional methods and optimise the use of non-toxic raw materials. This results in lower effluent generation and less harmful products than conventionally produced chemicals. Our practices include reducing the use of harmful chemicals, minimising waste and emissions, and optimising energy efficiency.

As a technologically advanced company, we have pioneered the commercialisation of catalytic reactions in production processes. For example, we are the only company globally to deploy vapour-phase technology for manufacturing anisole from phenol, which offers better atom economy and produces only water as effluent compared to the liquid-phase manufacturing process.

We intend to continue to focus on specialty chemicals that find applications in high-growth industries and leverage our deep understanding of complex chemistries to create an alternate supply chain for our customers, using cleaner technologies and cost-effective processes. We aim to refine our existing processes further in terms of improving yields and efficiencies, as well as enhancing backward integration, by leveraging our expertise in complex chemistries, such as halogenation, hydrogenation, oxidation, Grignard chemistry, and coupling reactions, which we have developed over time.



Quality Management System

We believe that maintaining a high standard of quality for our products is critical to our brand and continued growth. Across our manufacturing facilities, we have implemented quality systems that cover all areas of our business processes, from manufacturing and supply chain to product delivery, ensuring consistent quality, efficacy, and safety of our products. Through regular internal audits, we ensure that our manufacturing facilities adhere to both local and international regulatory requirements. All our product labels are provided with Material Safety Data Sheet (MSDS) to ensure safe usage.

In the reporting year, we incurred no fines due to errors in product labelling.

Our operations adhere to various certifications, such as ISO 9001:2015, FAMI-QS, OK Kosher, Food Safety System Certification 22000, RSPO MB, FSSAI, and Halal.

At CSTL, we implement and maintain industry best practices, including adequate premises and space, suitable equipment and services, appropriate materials, approved procedures and instructions, and well-equipped laboratories. Our quality function monitors all stages of product development. Various in-process quality checks are performed to monitor product quality during the manufacturing process. Final finished products are tested according to pre-determined quality specifications before release in the market. The manufactured products undergo our quality control and testing functions, which comprise different levels of testing to assess the physical properties, purity, and overall quality of the end products. This ensures traceability and repeatability.

Our employees are required to undergo training programmes to stay abreast of the latest quality norms and standards.



Environmental Stewardship

As a leading chemical company, we understand that our operations may impact the environment and human health if adequate measures are not taken to run safe processes, minimise pollution and safeguard ecosystems and biodiversity. Being a heavily regulated industry, it is also crucial for us to adhere to environmental regulations and standards and avoid legal penalties, fines, and reputational damage.



At CSTL, we undertake several steps to strengthen our environmental stewardship by leveraging our R&D capabilities, focussing on process innovation, and adopting environment-friendly technologies.

CSTL is among the pioneering companies in India to have commercialised the use of environment-friendly processes to manufacture speciality chemicals at a global scale. Our rise to become one of the most sustainable companies in this space is driven by our efforts to use conventional raw materials responsibly, embrace circularity, improve the atom economy, reduce effluent discharge and enhance yields and cost competitiveness.

Our operations are located in industrial zones notified by Maharashtra Industrial Development Corporation. We do not have any significant impact on biodiversity and endangered and threatened species.

Material Management

Our operations handle a wide range of materials, including hazardous substances. Effective material management ensures that proper handling, storage, and transportation protocols are followed, minimising the risk of accidents, spills, and releases. Furthermore, the judicious use of raw materials reduces waste, production costs and operational carbon footprint and improves overall profitability.

CSTL has implemented robust material management and procurement processes to ensure we source materials sustainably and efficiently. The key raw materials we use are phenol, hydrogen peroxide, acetic anhydride, tertiary butyl alcohol, acetone and methanol. Our procurement system focusses on responsible sourcing through agreements with suppliers who are



selected based on their sustainability and environmental performance. The sourcing of raw materials is done keeping in mind the need for quality and consistency. We take adequate steps for safety during transportation. The optimisation of logistics helps to reduce our carbon footprint and impact on climate.

We manage our inventory of raw materials and finished products to minimise waste and ensure that we have sufficient materials to meet customer demand. The raw materials consumed by CSTL are subject to the risk of significant volatility and availability. Establishing long-term partnerships with suppliers and having strong inventory management practices might help to mitigate this risk. These methods will ensure a steady supply of raw materials at a reasonable price. We continuously review and improve our material management and procurement processes to ensure they stay effective and sustainable.

At CSTL, we utilise solvent recovery systems to recycle and reuse solvents. This approach helps us reduce the demand for new solvents and process input, enabling us to meet regulatory requirements. Adopting advanced technology allows us to enhance yield and reduce costs, thereby reducing our environmental footprint. Our operating expenses have also decreased significantly because of the reduced procurement of costly replacement solvents. The recovery and reuse of organic waste solvents help us deepen circularity across our production lifecycle.

energy savings, improve energy efficiency, and reduce greenhouse gas emissions. Regular audits also help assess areas for energy optimisation.

Energy Performance Indicators (EPIs) help track our energy intensity or consumption per unit of production and identify areas where we can make our usage more efficient. Based on the findings, we implement energy conservation measures to reduce consumption and reduce greenhouse (GHG) gas emissions. In addition to this, we regularly monitor our energy use and GHG emissions and disclose our performance to our stakeholders. The progress towards our energy efficiency goals is continually monitored, and areas for further improvements are identified.

All our units have implemented energy-efficient equipment like steam generation systems that reuse process vapour. Process heat recovery solutions have been introduced in a few of our plants. These solutions have helped us save more than 300 MT of steam daily. We are also partially replacing steam coal with briquettes.

We have increased the share of renewable energy to power our operations by up to 50% due to two offsite solar plants we have set up. In 2022-23, our third solar plant came online with a capacity of 5 MW. Our total solar capacity has reached 17.4 MW through a combination of open-access solar plants and rooftop installations.



3.76%

Percentage of recycled materials in the total input volume



17.4 MW

Our total solar power generation capacity

Energy Management

Chemical manufacturing is often energy-intensive and can result in substantial GHG emissions. By implementing effective energy management practices, we can reduce the environmental impact of our operations, contribute to mitigating climate change and save costs. Implementing cutting-edge, energy-efficient technology solutions and increasing the share of renewable energy is helping us optimise our energy usage, reduce dependency on fossil fuels and reduce our carbon footprint year-on-year.

CSTL has implemented an Energy Monitoring System (EMS) to track energy consumption, steam, hot oil consumption and water consumption in all our units. The EMS data helps us identify opportunities for

During the last three years, we have undertaken numerous projects to reduce energy consumption, while increasing dependence on renewable power. One such method is the installation of energy-efficient equipment like MVR (Mechanical Vapour Recompressor) in the Effluent Treatment Plant (ETP). Energy-efficient dry vacuum pumps and water jet ejectors have replaced inefficient steam jet ejectors across all our units. We have installed Variable Frequency Devices (VFDs) and energy meters for equipment with high power consumption optimising our energy usage further.

Standard Numbers:
GRI 302-1, 302-2, 302-3, 302-4



₹ 269 million

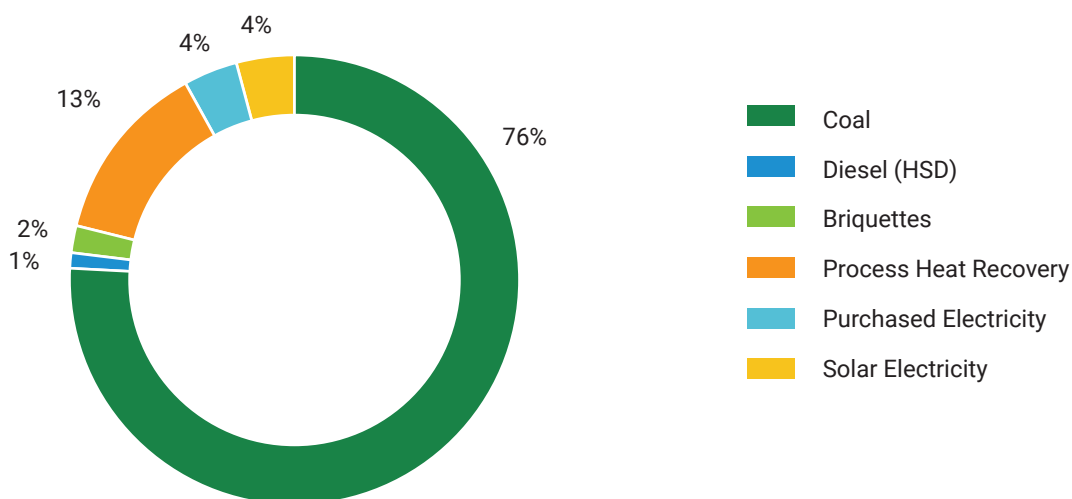
Invested in installing rooftop solar power generation systems



₹ 76 million

Savings generated through the reduced consumption of grid power

Energy Sources: 2022-23



Energy Consumption Trend

Source Wise Energy Consumption	Unit	Direct Energy Consumption	
		2022-23	2021-22
Coal	GJ	10,36,416	8,90,253
Diesel (HSD)	GJ	5,146	3,185
Briquettes	GJ	31,869	25,992
TOTAL		10,73,431	9,19,431
Source Wise Energy Consumption	Unit	Indirect Energy Consumption	
		2022-23	2021-22
Purchased electricity	GJ	52,660	36,643
Solar electricity	GJ	54,798	46,606
TOTAL		1,07,459	83,249
Total energy	GJ	11,80,890	10,02,680
Energy intensity	GJ/MT OF PRODUCTION	37.55	36.95



Embracing Circularity to Reduce Energy Consumption

The implementation of steam recovery at CSTL serves as an efficient method for energy management. The installation of efficient steam equipment and processes in our manufacturing facilities allows the recapture of energy for reuse. Recovered waste heat and organic waste are utilised as fuel sources, resulting in a gradual reduction in energy consumption over time. The utilisation of briquettes and process heat recovery has resulted in a 38% increase in energy savings compared to 2021-22.

Emission Management

Managing the growing volumes of GHG gases, such as carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), is critical to address the challenges of global warming and climate change. At CSTL, we regularly monitor emissions from our activities in line with regulations and adopt result-oriented steps to reduce them. Over the years, these measures have successfully reduced our GHG emissions.

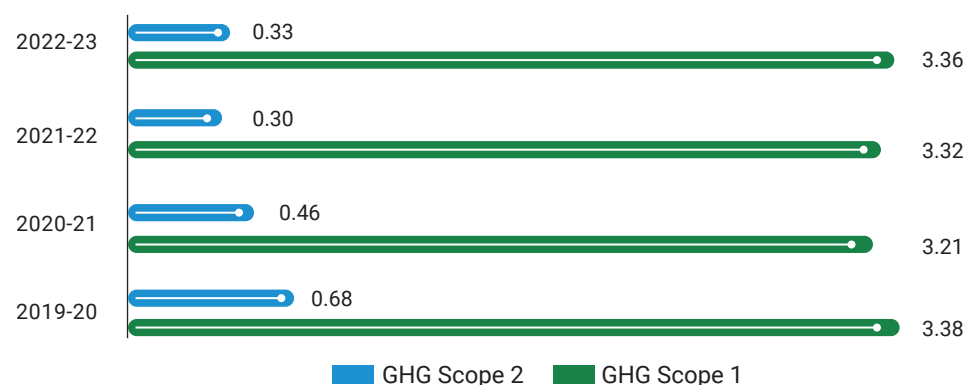
We have developed an inventory of our emissions to identify sources and quantify their magnitude. This process allows us to pinpoint areas where emissions can be reduced and implement required efficiency

measures. Using the inventory data, we set emissions reduction targets to guide our efforts to minimise our environmental impact. Our significant investments in renewable energy generation capacities are helping us decrease our dependence on polluting fossil fuels and further mitigate emissions. Advanced air emission mitigation measures like electrostatic precipitators and scrubbers have been incorporated into our production processes to reduce stack emissions from boilers.

The measures we have undertaken since 2019 have helped us reduce GHG emissions by 19.6% per metric tonne.

Indicator	Unit	Year	
		2022-23	2021-22
Scope 1 Emission	MTCO ₂ E/ANNUM	1,05,562	90,201
Scope 2 Emission	MTCO ₂ E/ANNUM	10,374	8,025
Total Emission	MTCO ₂ E/ANNUM	1,15,936	98,225
Emission Intensity	MTCO ₂ E/MT OF PRODUCTION	3.69	3.62
Air Emissions	Unit	Year	
		2022-23	2021-22
NOX	KGCO ₂	30,294	27,929
SOX	KGCO ₂	34,283	39,903
PM	KGCO ₂	60,242	67,694

Significant Reduction in GHG Emissions



Water Stewardship

The increasing scarcity of water and growing climate change disruptions are impacting plant, animal, and human life in India and worldwide in unprecedented ways. As an industry leader committed to responsible business, we are taking proactive steps to advocate for the efficient use of water across our operations and beyond.

We have implemented various conservation measures to use water responsibly and minimise pollution, improving our environmental performance. Our water management approach focusses on using recycled water for non-potable uses, optimising water usage in production processes and deploying water-efficient equipment. We have installed rainwater harvesting systems with a storage capacity of 745 m³ to collect and reuse rainwater. The provision of underground water storage tanks across all our units has significantly reduced our freshwater consumption. Additionally, ongoing optimisation of production processes has reduced water consumption in plant operations.

As part of our strategy to recharge and improve groundwater levels, we aim to plant more than 11,000

trees in the coming years on a 10-hectare barren land. This plantation will not only help in water rejuvenation and restoration but also serve as a valuable carbon sink, benefitting our Company and nearby communities.

All three manufacturing units have state-of-the-art effluent treatment plants. Liquid effluents are treated and recycled for use in the plants. All manufacturing units have installed a glass house to handle the solid waste generated in ETP. Most of the solid waste generated across our Company is recycled and reused.

To engage our employees in water conservation measures, we provide regular training and conduct awareness campaigns to improve their understanding of sustainable practices. Our employees are encouraged to adopt efficient solutions and practices to save water at the workplace and beyond.

We recycle and reuse over 90% of the wastewater we generate. All our manufacturing units are zero liquid discharge (ZLD).



Water	2022-23 (kl)	2021-22 (kl)
Produced Water	8,368	6,880
Third-Party Water	3,53,945	2,87,386
Total Water	3,62,313	2,94,266
Water Intensity (kl per MT of Production)	11.52	10.84



Waste Management

Our manufacturing and distribution activities generate hazardous and non-hazardous waste. We have detailed guidelines on practices to minimise waste generation and volumes sent to landfills, in addition to recycling and reusing materials. A stringent policy and execution framework ensure that non-hazardous and hazardous waste is handled, stored, and disposed of safely in line with regulations, helping us address the risk of contamination and environmental harm. Solid and hazardous wastes generated are sent to authorised disposal agencies adhering to regulations set by the central and state pollution boards.

Continuously innovating our processes to minimise waste and maximise the recycling and reuse of by-products is a key focus area for us. Our robust in-house R&D team is pivotal in driving these efforts, leading to significant benefits for our Company.



The waste generated by our Company is within the permissible limits set by Central or State Pollution Boards (CPCB/SPCB).

Sustainable Packaging

Using durable and sturdy packaging material that adheres to applicable regulations is critical to delivering our products safely and efficiently to our customers in India and across the globe. We are constantly exploring innovative and sustainable approaches to packaging materials and circular practices to reduce waste.

We employ biodegradable and sustainable materials with a high recycling rate to ensure sustainable packaging. We ensure that 100% of CSTL's packaging materials are recyclable. Collaborations with our suppliers are helping us expand the adoption of sustainable packaging across the value chain. We prioritise avoiding the use of compounds or chemicals of concern in our packaging that may be hazardous to human health and the environment. Additionally, we do not use single-use packaging material, which helps us to significantly reduce waste volumes going to landfills.

Hazardous Waste	2022-23 (MT)
Used Oil	0
Distillation Residue	8.23
Process Residue & Waste	484.82
Spent Carbon	0
ETP sludge	515.40
MEE Salt	82.57

Non-Hazardous Waste	2022-23 (MT)
Boiler Ash	4,330.81
Plastic Waste	0
Construction & Demolition Waste	0
Packing Material - Carton	3.58
Packing Material - Wooden	27.61
Garbage	41

Water	2022-23 (mt)	2021-22 (mt)
Waste to Co-processing	-	-
Waste Reused	-	-
Waste Sent to Recyclers	4,403	2,201
Waste Sent to Other Recovery Operations	245.06	20.68
Waste Sent to Landfills	833.63	733.83
Waste Sent for Incineration	12.33	30.57

GRI Standard Numbers
306-1, 306-2, 306-3, 306-4, 306-5

Social Stewardship

At CSTL, we have a firm commitment to conducting our business with the utmost respect for people, communities, and society at large. We strive to foster holistic and inclusive well-being and create growth opportunities for our employees, suppliers and communities as we expand our business footprint. As a science and technology company, we always look for talented employees with a zest for learning and innovating winning solutions for our customers. Our suppliers are the bedrock of our Company and our continued success. We invest in making them active partners in our sustainability journey. The support and trust of our communities are critical to realise our ambitions and run seamless operations. As we work to shape a better tomorrow, we remain focussed on making meaningful contributions to the well-being and development of the communities around us.





EMPLOYEES

At CSTL, our employees are our most powerful change agents that propel our efforts to realise the potential of our business and maximise growth prospects. As a customer-centric company, we encourage talent who are energetic, result-oriented and passionate about bringing innovative and reliable products and solutions to our customers to become a part of our ever-growing and evolving team. We are an equal-opportunity employer and encourage diversity and inclusion across the organisation. A vibrant culture of learning ensures our employees acquire new skills and deepen

leadership capabilities to explore new vistas of professional growth across domains and hierarchy. Underlining our people practices is a strong focus on protecting the health and safety of our people and supporting them to balance the needs of their personal and professional lives.

As of 31st March, 2023, CSTL had 499 permanent employees, including senior management, middle management, junior management, staff, and workers.





GENDER DIVERSITY AND INCLUSION

A diverse workforce broadens our ability to serve our customers by bringing different expertise, skills, perspectives and capabilities. Our HR philosophy believes in treating all employees equally, regardless of race, religion, colour, gender, age, and social status, among others. We have zero tolerance for discrimination at the workplace on any criteria, including hiring, discipline, recruitment, pay, promotions, working hours, and training, to name a few.

At CSTL, 62% of the permanent employees and workers are 30 years of age or younger. A majority of our

employees are male, given the nature of our activities. However, our senior leadership team and the Board are evaluating several ways to improve the gender diversity of our workforce. We have had zero cases of discrimination in 2022-23.

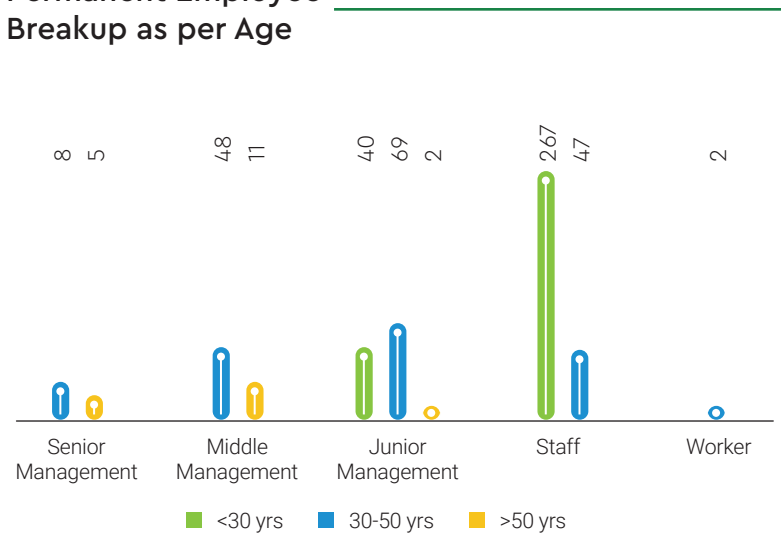


62%

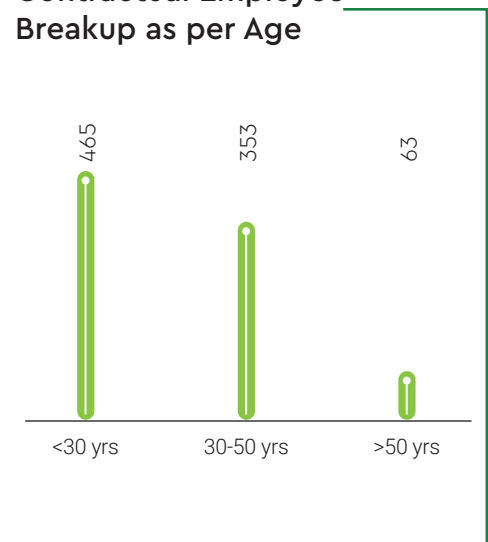
of the permanent employees and workers are 30 years of age or younger

GRI Standard Numbers
2-7, 2-8, 401-1, 405-1

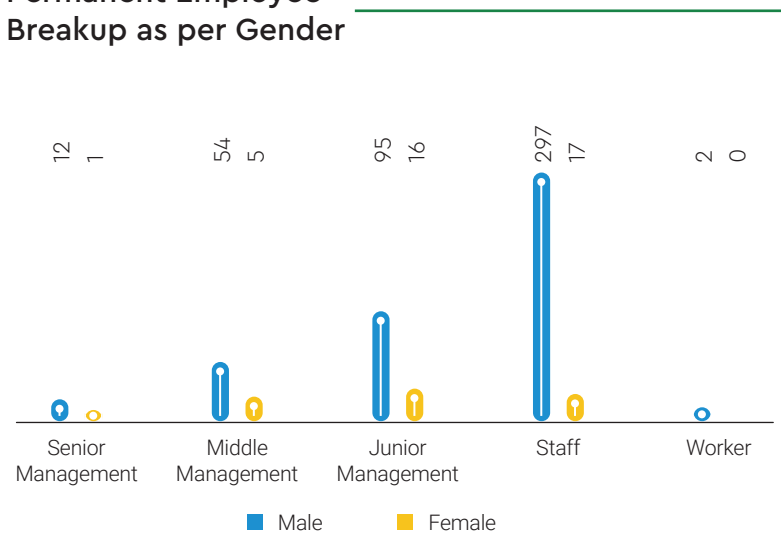
Permanent Employee Breakup as per Age



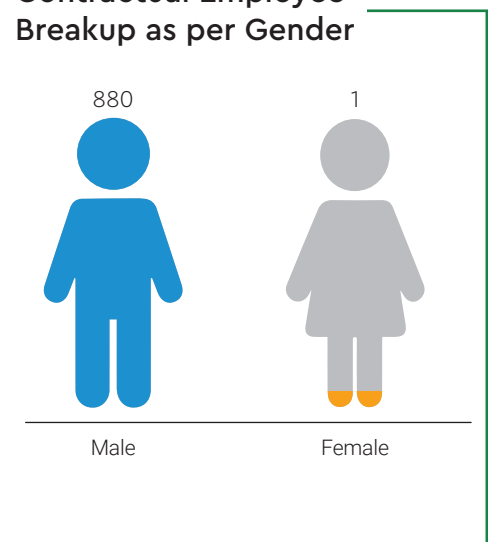
Contractual Employee Breakup as per Age



Permanent Employee Breakup as per Gender



Contractual Employee Breakup as per Gender





EMPLOYEE ENGAGEMENT AND DEVELOPMENT

At the heart of our workplace lies a strong value system centred around our employees. We believe engaged employees bring their best selves to work and help us scale the impact of our innovation and operational endeavours exponentially. Aligning our employees to our long-term sustainability goals and equipping them with relevant skills help us accelerate progress towards achieving our goals and targets.

We have built a cohesive platform and curated an ecosystem that encourages our employees to constantly expand their knowledge and skills and develop innovative solutions, enabling them to thrive personally and professionally. Our employees have access to a range of learning tools that enhance their professional, technical, and behavioural skills. We also have tailored programmes to sharpen the leadership capabilities of our people so they can take on broader roles within the organisation and strengthen our succession planning. We offer counselling to those employees, who have decided to move on from our Company, to facilitate seamless career transitions as part of our exit process.

In 2022-23, our employees availed 17,250 hours of training compared to 5,252 hours in the previous reporting year, representing an almost 228% increase. The training sessions covered various topics, including the code of conduct, health & safety, anti-corruption &

anti-bribery and human rights, among others.

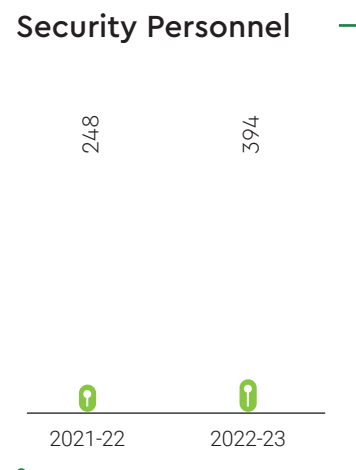
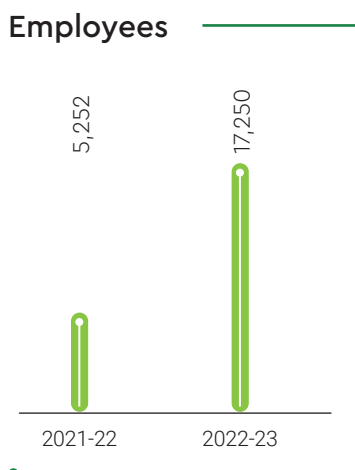
To ensure our security personnel deliver on their duties with appropriate respect for human rights and sensitivity to the needs of various stakeholders, including local communities, we conducted an average of 394 hours of training for them.



GRI Standard Numbers
404-1, 404-3



Average Training Hours





OCCUPATIONAL HEALTH & SAFETY

The health and safety of our employees is paramount to our sustainable growth strategy. A comprehensive Occupational Health and Safety (OHS) management system sets out stringent protocols and practices aligned with global standards and local regulations of the countries where we operate to keep our workforce and other stakeholders safe.

All our facilities are ISO 45001:2018 certified, with all permanent and contract employees covered under our OHS management system. ISO 45001:2018 provisions guide organisations to establish, implement, and maintain a robust OH&S management system by identifying and eliminating OHS hazards and minimising related risks, including system deficiencies.

To identify potential hazards and assess risks, we employ a trained cross-functional team that meticulously documents Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Standard Operating Procedure (SOP) for all routine and non-routine work, including permit and project activities. Before commencing any activity, a detailed Permit to Work is secured.

We have a robust Accident Incident Management System in place, encouraging employees to report all accidents, incidents, near misses, and unsafe conditions or acts at the workplace. Each case is thoroughly investigated, and preventive or corrective actions are promptly implemented.

Our commitment to employee safety ensures we have responsive emergency preparedness and are well-equipped to handle unforeseen situations effectively. We incorporate best practices, such as HAZOP Risk assessment, workplace exposure measurement, regular medical checkups, and process safety, health and environment reviews. These measures are key to maintaining a safe and healthy work environment for our employees.



In 2022-23, we have had **zero work-related injuries**

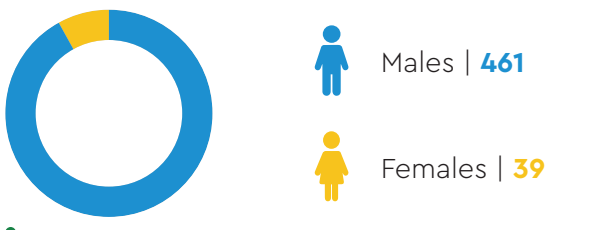
GRI Standard Numbers
403-1, 403-4, 403-5, 403-6, 403-9, 403-10

OHS Training

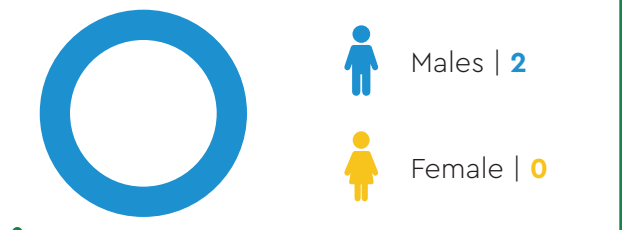
A well-defined induction and training process equips all our employees with the necessary knowledge and awareness of OHS practices. Our trainings are conducted bi-lingually to ensure that employees from different backgrounds can easily understand and follow the health and safety practices.

Training Provided to Employees and Workers on Health & Safety

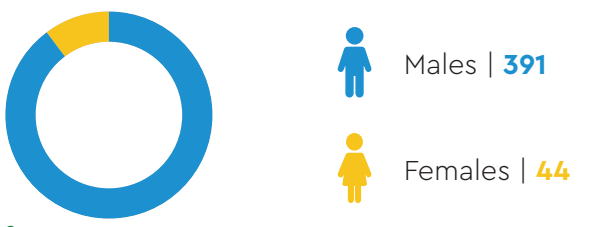
Employee Training on Health and Safety in 2022-23



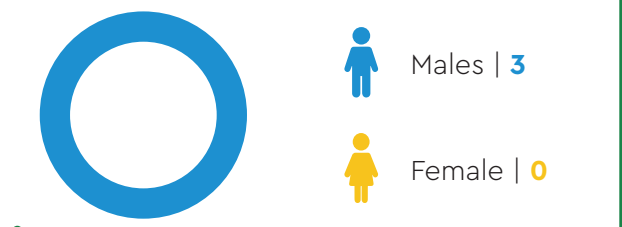
Workers Training on Health and Safety in 2022-23



Employee Training on Health and Safety in 2021-22



Workers Training on Health and Safety in 2021-22





Key Safety Initiative



To ensure a safe workplace and maintain zero incidences, we have initiated several initiatives such as:

- Recording walk-through observations of unsafe acts and conditions
- Plant-level safety committee meetings
- Internal safety audits by internal cross-functional teams
- Safety suggestion scheme with rewards
- Purchased life-line for sampling at high risk ISO & other tankers
- Recording of incidents and CAPA in incident/accident tracker
- Fabricated emergency trolleys containing required PPEs, fire extinguishers, and foam branches, among others, for handling emergencies
- Purchased a movable foam trolley for extinguishing solvent fire
- Interconnection of fire hydrant systems of our units
- Installation of public announcement system



HUMAN RIGHTS AND FREEDOM OF ASSOCIATION

We respect and abide by the principles of the Universal Declaration of Human Rights. We have a strong system in place to identify potential areas of risk and work collaboratively to promote and uphold human rights across all our operations. We have zero tolerance for any form of discrimination and harassment based on race, colour, religion, disability, age, ancestry, gender identity, sexual orientation, political affiliation or other factors. These principles are enshrined in our HR policy and people practices. The policy also underlines our commitment to safeguarding and promoting employees' health, safety, and well-being, benefits for work-life balance, and workplace security. Child and forced labour are strictly prohibited across our organisation and value chain.

During the reporting period, we did not receive any complaints regarding discrimination, harassment or human rights violations.



SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Integrating sustainability across our supply chain is a strategic imperative for us to mitigate risks of resource scarcity, comply with regulations and address growing environmental concerns of customers and community members. A responsive and responsible supply chain gives us seamless access to raw materials, enables the smooth distribution of products, and helps us run safe and resilient operations. A sustainable supply chain also expands the impact of our ESG-led initiatives and reduces our Scope 3 GHG emissions and carbon footprint.

At CSTL, our suppliers must comply with the environmental and social criteria outlined in our vendor management policy. The policy covers the aspects of

sustainable procurement, working conditions, health & safety and human rights, including the prevention of employment of child and forced labour or slavery. It also advocates the adoption of responsible energy, water and waste management practices across vendor operations. Going forward, we will conduct assessments to monitor vendor compliance with our policy.

We also procure from the local communities and MSME(s) to reduce the carbon footprint associated with the transportation and storage of raw materials. At the same time, this allows us to generate local opportunities for income generation.

GRI Standard Numbers
308-1, 308-2, 408-1, 409-1, 414-1, 414-2





COMMUNITY EMPOWERMENT AND EMPLOYEE SOCIAL IMPACT

We endeavour to shape a better tomorrow and actively contribute to the social and economic development of the communities we operate within. Our ongoing engagement with community members enables us to understand their concerns and developmental needs and address them through our structured Corporate Social Responsibility (CSR) programmes.

Our CSR activities are guided by a dedicated policy developed in accordance with Section 135, Schedule 7 of the Companies Act 2013. A Board-level Committee oversees the implementation and progress of our developmental initiatives.



₹ 51.44 million

CSR expenditure benefitting more than 14,000 people in Maharashtra in 2022-23

GRI Standard Numbers
413-1



CSR Vision, Mission, and Objective

CSR Vision

Changing Lives with Inclusive Development

CSR Mission & Objectives

Empower individuals through quality Education enhance Livelihood, promote Healthcare and lead the way in creating Sustainable Environment for future generations



CSR Programmes

Our CSR initiatives are taken forward by the CSTPL Foundation, with a focus on education, environmental sustainability, health and sanitation, skill development and community development aligned with United Nations' Sustainable Development Goals (SDGs).





EDUCATION

As a science and technology-driven company, we understand the transformative power of knowledge. We firmly believe that access to quality education is a fundamental right for every child, especially for the underprivileged. Collaborating with like-minded organisations, we implement programmes aimed at empowering and uplifting the marginalised. At the core of our commitment to education lies a dedication to improving school infrastructure in rural villages, ensuring clean classrooms and school buildings. We also provide educational materials to schools, equipping them with the necessary resources to impart knowledge effectively. We support educational institutions offering higher education by funding research activities and offering scholarships programmes.



ENVIRONMENT SUSTAINABILITY

To advocate environmental conservation and sustainable practices beyond our operations, we have joined forces with an NGO to collaborate with the Government on an afforestation programme. This transformative initiative aims to plant more than 11,000 trees in the coming years on degraded forest lands in villages around our facilities.

Additionally, we support projects to address critical environmental issues, such as water conservation, tree plantation and sanitation.



HEALTH AND SANITATION

We undertake various initiatives to broaden access to essential health services for underserved patients and promote preventive healthcare awareness. Our key projects include contributing to various NGOs and medical trusts to build modern healthcare facilities and acquire state-of-the-art medical equipment. Additionally, we organise blood donation and vaccination camps, conduct preventive health checkups for women and create awareness about child nutrition.



SKILLS AND COMMUNITY DEVELOPMENT

Our CSR goal is to actively promote meaningful socio-economic development. We intend to identify crucial areas of development that will contribute to the well-being of the community and benefit them throughout time. Donations to facilities for old age homes and day care centres, supporting livelihood initiatives for widows and physically challenged people, supporting daily living expenses of orphan children and the elderly persons are some of the initiatives undertaken by us for community development.





Annex-1: Sustainability Performance Data

PROFIT

Revenue in ₹ million

Economic Value Generated	2022-23	2021-22
○ Gross revenue from operations	9,358	6,849
○ Other income	388	299
○ Net profit	3,035	2,286
Economic Value Distributed	2022-23	2021-22
○ Operating cost (includes cost of raw materials and other expenses)	4,882	3,503
○ Employee wages and benefits	450	345
○ Interest payment to providers of credit	2	1
○ Dividend distributed to shareholders	₹ 5.00/share *	₹ 3.25/share
○ Payment to Government (taxes)	1,019	763
○ Community investments	51	41
Economic Value Retained (Retained earnings)	10,014	7,535

*Includes ₹ 2 paid as interim dividend and ₹ 3 recommended as final dividend

Revenue in ₹ million

Defined Benefit Plan Obligations and Other Retirement Plans	2022-23	2021-22
○ i. Contribution to PF	10.25	8.03
○ iii. Contribution to gratuity fund	3.66	7.04

Responsible Operations

ENERGY

Parameters	2022-23 (GJ)	2021-22 (GJ)
Coal	10,36,416	8,90,253
Diesel (HSD)	5,146	3,185
Briquettes	31,869	25,992
Process heat recovery	1,78,513	1,26,265
Purchased electricity	52,660	36,643
Solar electricity	54,798	46,606
Total Energy Consumption	13,59,402	11,28,944
Specific Energy Consumption (GJ/MT)	43.22	41.59

EMISSIONS

Parameters	2022-23 (MTCO ₂ e/ Annum)	F2021-22 (MTCO ₂ e/ Annum)
Scope 1 – Direct emissions	1,05,562	90,201
Scope 2 – Indirect emissions	10,374	8,025
Total GHG emissions	1,15,936	98,225
Emission intensity	3.69	3.62

Parameters	2022-23 (kgCO ₂)	2021-22 (kgCO ₂)
NOx emissions	30,294	27,929
SOx emissions	34,283	39,903
Particulate matter (PM)	60,242	67,694

WATER

Water Management	2022-23 (kl)	2021-22 (kl)
Produced water	8,368	6,880
Third-party water	3,53,945	2,87,386
Total water	3,62,313	2,94,266
Water intensity (kl per MT of Production)	11.52	10.84

WASTE

Waste Disposal	2022-23 (MT)	2021-22 (MT)
Waste to co-processing	-	-
Waste sent for reuse		
Waste sent to recyclers	245.06	20.68
Waste sent to other recovery operations	4,403	2,201
Waste sent to landfills	833.63	733.83
Waste sent for incineration	12.33	30.57

EMPLOYEE ENGAGEMENT

Average Training Hours	
2022-23	17,250
2021-22	5,252
Average Training Hours (Security Personnel)	
2022-23	394
2021-22	248



GRI Content Index

GRI Standard	Disclosure	Page No./ Remark
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	2-2 Entities included in the organization's sustainability reporting	1
	2-3 Reporting period, frequency and contact point	1
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	3-2 List of material topics	16-23
	3-3 Management of material topics	16-23
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	201-3 Defined benefit plan obligations and other retirement plans	39
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	CSTL Annual Report 2022-23, Principle 8, Essential Indicator 4, Page no. 145
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	32-33
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	305-4 GHG emissions intensity	47
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GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	56
	308-2 Negative environmental impacts in the supply chain and actions taken	56
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	CSTL Annual Report 2022-23, Section A, Question 20, Page no. 117
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	CSTL Annual Report 2022-23, Principle 3, Essential Indicator 1-2, Page no. 130
	401-3 Parental leave	CSTL Annual Report 2022-23, Principle 3, Essential Indicator 1, Page no. 130
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	7 Days
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