



DCX SYSTEMS LIMITED
CIN: L31908KA2011PLC061686

An AS 9100D Certified

Regd. Off. Add.: Aerospace SEZ Sector, Plot Nos. 29,30 and
107,Hitech Defence and Aerospace Park, Kavadasanahalli,
Bengaluru Rural – 562110, Karnataka, India.

Email:cs@dcxindia.com

Tel: 080-67119555

Web:www.dcxindia.com

September 03, 2024

BSE Limited

P J Towers
Dalal Street, Fort
Mumbai – 400001

National Stock Exchange of India Ltd

Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Scrip Code – 543650

Symbol – DCXINDIA

Dear Sir/Madam,

Sub: Submission of Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Business Responsibility and Sustainability Report for the Financial Year 2023-24.

The above information will also be available on the website of the Company at www.dcxindia.com.

Kindly take the above information on record and acknowledge.

Thanking you,

Yours Faithfully,
For **DCX Systems Limited**

Gurumurthy Hegde
Company Secretary, Legal & Compliance Officer

ANNEXURE-8

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)



ABOUT US

DCX SYSTEMS LIMITED (HEREINAFTER REFERRED INTERCHANGEABLY AS 'THE COMPANY', 'DCX', 'WE', 'OUR') IS A PROMINENT AND PREFERRED INDIAN MANUFACTURING PARTNER FOR FOREIGN ORIGINAL EQUIPMENT MANUFACTURERS (OEMS) IN THE DEFENCE AND AEROSPACE SECTORS, ESPECIALLY FOR OFFSET AND NON-OFFSET PROGRAMS. THE COMPANY SPECIALIZES IN PROVIDING BUILT TO PRINT ELECTRONIC SYSTEMS, SUB-SYSTEMS, ELECTROMECHANICAL MODULES, SYSTEM INTEGRATION, PRINTED CIRCUIT BOARD ASSEMBLIES, KITTING AND WIRE HARNESS SOLUTIONS.

ONE OF DCX SYSTEMS' KEY STRENGTHS IS ITS STRONG INDUSTRY TRACK RECORD, WHICH HAS EARNED IT A REPUTATION FOR OPERATIONAL EFFICIENCY AND TIMELY DELIVERIES. THE COMPANY PRIORITIZES MAINTAINING THE HIGHEST STANDARDS OF PRODUCT SECURITY AND QUALITY CONTROL, CONTRIBUTING TO ENDURING PARTNERSHIPS WITH LEADING OEM CUSTOMERS. TO ENSURE TOP-NOTCH QUALITY AND EFFICIENCY, DCX SYSTEMS FOCUSES ON IMPLEMENTING ROBUST QUALITY MANAGEMENT SYSTEMS AND EFFECTIVE SUPPLY CHAIN MANAGEMENT STRATEGIES. THESE SYSTEM-DRIVEN APPROACHES HELP STREAMLINE OPERATIONS AND MAINTAIN EFFICIENCY, EVEN WHEN DEALING WITH LONG LEAD TIMES.

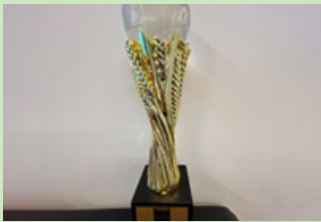
THE COMPANY'S COMMITMENT TO MAINTAINING CLEAR REVENUE VISIBILITY ALLOWS IT TO PLAN EFFECTIVELY FOR FUTURE PROJECTS AND SEIZE OPPORTUNITIES AS THEY ARISE, ENSURING A STRONG FINANCIAL POSITION AND THE ABILITY TO MEET THE DEMANDS OF ITS OEM CUSTOMERS EFFICIENTLY.

ADDITIONALLY, DCX SYSTEMS IS DISCLOSING ITS BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) FOR THE SECOND TIME, MARKING THE TRANSITION FROM FY 22-23 TO FY 23-24. THIS DISCLOSURE UNDERSCORES THE COMPANY'S DEDICATION TO TRANSPARENCY AND ITS PROACTIVE APPROACH TO SUSTAINABILITY IN ITS OPERATIONS.

**DCX Shining Stars of Excellence:
Celebrating Outstanding Achievements and Recognition**



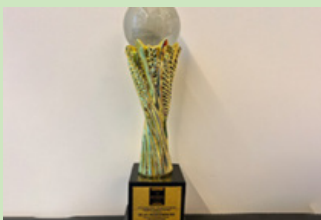
The Company was awarded as Excellence in Defence and Aerospace Award from Mid-Day Icons at Goa.



The Company was awarded as Most Admired Company of the year from ET Ascent at Mumbai



Awarded India's Innovative Entrepreneur of the Year Award for Excellence in Defence and Electronics export to Dr. H.S. Raghavendra Rao, Chairman & MD from International Achievers at Dubai



The Company was awarded as Business Leader of the Year Award to Dr. H.S. Raghavendra Rao, Chairman and Managing Director from ET Ascent at Mumbai



Asia One presents India's Greatest Leaders 2023 to Dr. H.S. Raghavendra Rao, at Dubai



Asia One presents India's Greatest Brands 2023 to DCX Systems Limited at Dubai

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity** - L31908KA2011PLC061686
2. **Name of the Listed Entity** – DCX Systems Limited
3. **Year of incorporation** - 2011
4. **Registered office address** – Aerospace SEZ Sector, Plot Nos. 29, 30 and 107, Hitech Defence and Aerospace Park, Kavadasanahalli, Bengaluru Rural, 562110 KA, India
5. **Corporate address** - Aerospace SEZ Sector, Plot Nos. 29, 30 and 107, Hitech Defence and Aerospace Park, Kavadasanahalli, Bengaluru Rural, 562110 KA, India
6. **E-mail** – cs@dcxindia.com
7. **Telephone** - +91 80 – 6711 9555
8. **Website** - www.dcxindia.com
9. **Financial year for which reporting is being done** – 2023-24
10. **Name of the Stock Exchange(s) where shares are listed :**

| Name of the Exchange | Stock Code |
|---------------------------------------|------------|
| BSE Ltd. | 543650 |
| National Stock Exchange of India Ltd. | DCXINDIA |

11. **Paid-up Capital** – ₹ 22,27,72,854.00
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report** –
Mr. Gurumurthy Hegde
Company Secretary, Legal and Compliance Officer
Tel - +91 80-6711 9555
E-mail - cs@dcxindia.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**
The disclosures made under this report are made on a standalone basis for DCX Systems Limited.
14. **Name of assurance provider** – Not applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023.
15. **Type of assurance obtained** – Not applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023.

II. Products/services

16. **Details of business activities (accounting for 90% of the turnover):**

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|------------------------------|-------------------------------------------------------|-----------------------------|
| 1. | Manufacturing | Manufacture of Defence and Aerospace related Products | 100.00 |

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

| S. No. | Product/ Service | NIC Code | % of Turnover contributed |
|--------|-------------------------------|----------|------------------------------|
| 1. | System Integration Assemblies | 27320 | *Kindly refer the note below |
| 2. | Cable and Wire Harness | 27900 | |
| 3. | Kitting | 27320 | |

*We operate with a single business segment, and all the products and services mentioned fall within this segment. (There is no separate business segment and all the product above mentioned fall under same business segment. For internal data purpose we have bifurcated three product and services) None of the individual product or services of the Company contributes more than 90% of the total turnover.

III. Operations

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

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 1 | 0 | 1 |
| International | 0 | 0 | 0 |

Note: Corporate Office of DCX is situated within the premises of Bengaluru SEZ Unit which is a manufacturing unit and considered as one unit.

19. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States & UTs) | 1 |
| International (No. of Countries) | Nil |

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

99.90% (Including deemed exports. The Company is located in Special Economic Zone (SEZ) and hence, any supply or services to another Special Economic Zone (SEZ) or Export Oriented Unit (EOU) within India will amount to deemed export)

c. A brief on types of customers:

The Company serves a diverse range of Original Equipment Manufacturers (OEMs) in both domestic and international markets, with a primary focus on the Defence and Aerospace sectors. The Company's client base includes organizations mainly located in Israel, India, Korea, and the United States of America. The Company plays a crucial role in meeting customer-specific requirements by offering value-added services through system integration, build-to-print, and cable and wire harness solutions. By catering to both national and international clients, the Company has established itself as a trusted partner in the Defence and Aerospace industry, leveraging its expertise, skilled workforce, quality products, and timely deliveries to support the critical needs of this sector.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 67 | 59 | 88.06 | 8 | 11.94 |
| 2. | Other than Permanent (E) | 0 | 0 | 0.00 | 0 | 0.00 |
| 3. | Total employees (D + E) | 67 | 59 | 88.06 | 8 | 11.94 |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 47 | 45 | 95.74 | 2 | 4.26 |
| 5. | Other than Permanent (G) | 23 | 21 | 91.30 | 2 | 8.70 |
| 6. | Total workers (F + G) | 70 | 66 | 94.29 | 4 | 5.71 |

b. Differently abled Employees and workers:

| S. No | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--------------------------------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 0 | 0 | 0.00 | 0 | 0.00 |
| 2. | Other than Permanent (E) | 0 | 0 | 0.00 | 0 | 0.00 |
| 3. | Total differently abled employees (D + E) | 0 | 0 | 0.00 | 0 | 0.00 |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0.00 | 0 | 0.00 |
| 5. | Other than permanent (G) | 0 | 0 | 0.00 | 0 | 0.00 |
| 6. | Total differently abled workers (F + G) | 0 | 0 | 0.00 | 0 | 0.00 |

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 6 | 1 | 16.67 |
| Key Management Personnel | 9 | 0 | 0.00 |

22. Turnover rate for permanent employees and workers (in percent)

| | FY 2023-24 | | | FY 2022-23 | | | FY 2021-22 | | |
|----------------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 8.93 | 0.00 | 8.93 | 7.00 | 3.00 | 10.00 | 7.00 | 2.00 | 9.00 |
| Permanent Workers | 9.30 | 0.00 | 9.30 | 2.00 | 1.00 | 3.00 | 0.00 | 0.00 | 0.00 |

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

| S. No. | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|--------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1. | Raneal Advanced Systems Private Limited | Subsidiary | 100.00 | No |
| 2. | NIART Systems Limited | Subsidiary | 100.00 | No |

VI. CSR Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) Turnover (in ₹) – 14,233.95 Million

(iii) Net worth (in ₹) - 11,189.07 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) | FY 2023-24 | | | FY 2022-23 | | |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| | (If Yes, then provide web-link for grievance redress policy) | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes, For community grievances this link can be accessed: https://dcxindia.com/contact-us/ | | | | | | |
| Investors (other than shareholders) | Yes, For grievances from investors (other than shareholders) this link can be accessed: https://dcxindia.com/contact-us/ | | | | | | |
| Shareholders | Yes, For grievances from shareholders this link can be accessed: https://dcxindia.com/contact-us/ Further, the complaints can be raised at SEBI specified mechanism through: https://scores.sebi.gov.in/ | | | | | | No Complaints or grievances received from any of the mentioned stakeholders for both the reporting years |
| Employees and workers | For Employees and Workers Grievances, the Company has an established Code of Business Conduct & Ethics and Employee's Handbook which is available on the Company's Intranet | | | | | | |
| Customers | Yes, for grievances from customers this link can be accessed: https://dcxindia.com/contact-us/ | | | | | | |
| Value Chain Partners | Yes, for grievances from Value Chain Partners this link can be accessed: https://dcxindia.com/contact-us/ | | | | | | |

26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications¹

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|----------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1. | Energy Management | Risk | Energy is crucial for the Company in the aerospace and Defence manufacturing sector, with electricity being the primary expense, followed by purchased fuels. The specific energy sources, consumption levels, and management strategies vary based on the products manufactured. The energy mix, including on-site generation, grid electricity, and alternative energy, affects the cost and reliability of the energy supply. Consequently, this can influence the Company's cost structure and is an operational risk. | The Company recognizes the criticality of energy management in the aerospace and defence manufacturing sector, where electricity is the primary expense followed by purchased fuels. To address this, the Company is striving to manage its energy consumption effectively and reduce its environmental footprint. Efforts include planting trees, optimizing air conditioning usage, and exploring alternative energy sources to ensure a reliable and cost-effective energy supply. These initiatives are part of the Company's broader strategy to mitigate operational risks. | Negative * There was no negative financial impact in the reporting period of FY 23-24. |
| 2. | Hazardous Waste Management | Risk | Manufacturing aerospace and Defence products can produce hazardous process waste, such as heavy metals and wastewater treatment sludge. Companies encounter regulatory and operational challenges in managing this waste, as certain types are regulated for transport, treatment, storage, and disposal. | Adopting effective waste management strategies with minimal environmental impact is the key to mitigate this risk. Waste treatment, disposal, recycling and / or recovery activities, while initially requiring investment or operating costs, can lower an entity's long-term cost structure and reduce the risk of remediation liabilities or regulatory penalties. At DCX, hazardous waste is carefully categorized and properly disposed of in accordance with both local and national regulations. This meticulous approach ensures that the handling, treatment, and disposal of hazardous materials meet all legal requirements and safety standards. | Negative * There was no negative financial impact in the reporting period of FY 23-24. |
| 3. | Product Quality & Safety | Opportunity | Product Safety is critical for aerospace and Defence entities due to their significant role in aviation and military operations. The Company is a preferred Indian Offset Partner (IOP) for IAI Group, Israel, specializing in the Indian defense market and catering to foreign OEMs for classified products. The products are constructed according to the customers' design and specifications. Manufacturing and testing follow standard operating procedures using Automatic Testing Equipment (ATEs) supplied by the Original Equipment Manufacturers (OEMs), ensuring compliance with quality and safety standards. | Not Applicable | Positive |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|-------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 4. | Data Security | Risk | Given the aerospace and Defence industry's involvement in developing sensitive military and advanced aviation products, entities within this sector face a heightened risk of cyber-attacks. These attacks can target proprietary technologies, confidential military data, and critical infrastructure systems. Compromised information systems due to data security breaches can lead to significant costs, including financial losses, damage to reputation, legal liabilities, and loss of intellectual property. Moreover, such breaches can disrupt operations, jeopardize national security, and erode the trust of clients and government agencies. | The Company prioritizes data security due to its role in defence and aerospace manufacturing. To safeguard all aspects of data security, the Company has dedicated resources and established Standard Operating Procedures for information security, cyber-attacks, and data theft. Regular security audits and vulnerability assessments are conducted to identify and address potential weaknesses and associated risks. Implementing employee training programs on cybersecurity best practices is essential. Collaborating with cybersecurity experts and participating in information-sharing networks enhances threat intelligence. By taking these preventive measures, the Company aims to minimize the financial and reputational impacts of data breaches, ensuring system integrity, protecting client information, and maintaining customer trust. | Negative * There was no negative financial impact in the reporting period of FY 23-24. |
| 5. | Materials Sourcing & Efficiency of supply chain | Risk | Aerospace and defence entities encounter supply chain risks related to the use of critical materials in their products. These materials, which have limited or no substitutes, are often sourced from deposits concentrated in a few countries, making them vulnerable to geopolitical uncertainties. Additionally, increasing global demand from various sectors heightens competition, resulting in price hikes and supply risks. To mitigate the financial impacts of supply disruptions and fluctuating input prices, entities in this industry can explore alternative options and actively secure their supply chains to reduce reliance on critical materials. | To mitigate the supply chain risks associated with critical material sourcing, the Company has implemented strategic measures. It engages with pre-approved and vetted suppliers in accordance with OEM requirements. This approach, combined with established supply chain management, ensures that the Company is protected from delays or damage to materials needed for manufacturing, because of the well-planned schedules for timely deliveries. Building strong supplier relationships and implementing robust supply chain management practices, such as monitoring and early warning systems, further enhance resilience. | Negative * There was no negative financial impact in the reporting period of FY 23-24. |
| 6. | Business Ethics | Opportunity | Aerospace and defence entities operating in regions with robust business ethics laws may face regulatory scrutiny due to their operations and sales in areas with less stringent enforcement of such laws. Consequently, implementing strong governance practices can help mitigate the risk of breaching business ethics laws and facing regulatory penalties or negative impacts on brand value. To ensure effective governance and address pertinent issues, the Company has adopted and follows all applicable regulations and laws. | Not Applicable | Positive |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|------------------------------------------|
| Policy and management processes | | | | | | | | | | |
| 1. | a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | c. Web Link of the Policies, if available | Policies available at : https://dcxindia.com/investors/policies/ (Refer to the table below for individual policy web link) | | | | | | | | |
| Sr. No. | Name of policy | Link to Policy | | | | | | | | Which Principles each policies goes into |
| 1 | CSR Policy | https://dcxindia.com/wp-content/uploads/2022/04/1_CSR_Policy.pdf | | | | | | | | P4, P8 |
| 2 | Risk Management Policy | https://dcxindia.com/wp-content/uploads/2022/04/2_Risk_Management_Policy.pdf | | | | | | | | P1, P2 |
| 3 | Vigil Mechanism Policy | https://dcxindia.com/wp-content/uploads/2022/04/3_Vigil_Mechanism_Policy.pdf | | | | | | | | P1 |
| 4 | Whistle blowers operating guidelines | https://dcxindia.com/wp-content/uploads/2022/04/4_Whistle_Blower_Operating_Guidelines.pdf | | | | | | | | P1 |
| 5 | Remuneration Policy | https://dcxindia.com/wp-content/uploads/2022/04/5_Remuneration_Policy.pdf | | | | | | | | P3, P4 |
| 6 | Code of Conduct | https://dcxindia.com/wp-content/uploads/2022/12/6_Code_of_Conduct_v2.pdf | | | | | | | | P1 |
| 7 | Policy on Succession planning | https://dcxindia.com/wp-content/uploads/2022/04/8_Policy_on_Succession_Planning.pdf | | | | | | | | P1, P3, P8 |
| 8 | Familiarization programme for Independent Directors | https://dcxindia.com/wp-content/uploads/2022/04/9_Familiarisation_Programme_for_Independent_Directors.pdf | | | | | | | | P1 |
| 9 | Policy on Board Diversity | https://dcxindia.com/wp-content/uploads/2022/04/10_Policy_on_Board_Diversity.pdf | | | | | | | | P1 |
| 10 | Code of Practices and procedures for Fair disclosures of unpublished and Price Sensitive Information | https://dcxindia.com/wp-content/uploads/2023/03/22.-code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf | | | | | | | | P1 |
| 11 | Policy on preservation of documents and Archival Policy | https://dcxindia.com/wp-content/uploads/2022/04/11_Policy_on_Preservation_of_Documents_Archival_Policy.pdf | | | | | | | | P1 |
| 12 | Policy on determination of Materiality of events | https://dcxindia.com/wp-content/uploads/2022/04/12_Policy_for_Determination_of_Materiality_of_Event_or_Information.pdf | | | | | | | | P1, P4 |
| 13 | Materiality Policy | https://dcxindia.com/wp-content/uploads/2022/04/13_Materiality_Policy.pdf | | | | | | | | P1 |
| 14 | Material Subsidiaries | https://dcxindia.com/wp-content/uploads/2022/04/14_Material_Subsidiaries.pdf | | | | | | | | P1 |
| 15 | Dividend Distribution Policy | https://dcxindia.com/wp-content/uploads/2022/04/15_Dividend_Distribution_Policy.pdf | | | | | | | | P3, P4 |

| Sr. No. | Name of policy | Link to Policy | Which Principles each policies goes into | |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--|
| 16 | Policy on Determination of Legitimate Purpose | https://dcxindia.com/wp-content/uploads/2022/04/16_Operating_Guidelines_for_determination_of_legitimate_purpose_under_the_SEBI_Insider_Trading_Regulations.pdf | P1 | |
| 17 | Policy on Related Party Transactions | https://dcxindia.com/wp-content/uploads/2022/04/17_Policy_on_Related_Party_Transactions.pdf | P1, P4, P7 | |
| 18 | Anti-Bribery Anti-Corruption Policy | https://dcxindia.com/wp-content/uploads/2022/04/18_Anti_Bribery_Anti_Corruption_Policy.pdf | P1, P7 | |
| 19 | POSH Policy | https://dcxindia.com/wp-content/uploads/2024/08/POSH-Policy.pdf | P5 | |
| 20 | Comprehensive-Cybersecurity Policy for DCX Systems | https://dcxindia.com/wp-content/uploads/2023/08/Comprehensive-Cybersecurity-Policy-for-DCX-Systems.pdf | P9 | |
| 21 | Code Of Conduct To Regulate, Monitor And Report Trading In Securities Of The Company By Insiders | https://dcxindia.com/wp-content/uploads/2023/12/Code-of-Conduct-for-trading-securities-of-the-Company-by-Insiders.pdf | P1 | |
| 22 | Occupational, Health and Safety Policy | Policy is present in the intranet | P3 | |
| 23 | Environmental, Health and Safety Procedure | Policy is present in the intranet | P3, P6 | |
| 24 | Store Management Procedure | Policy is present in the intranet | P2 | |
| 25 | Resource Planning and Control | Policy is present in the intranet | P2, P3, P4 | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes | | |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | | No | |
| 4. | Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <p>The Company has the following certifications in place: (Following certifications are applicable to their Aerospace SEZ unit only)</p> <ul style="list-style-type: none"> • Protection of Electrical and Electronic Parts, Assemblies and Equipment (Excluding Electrically Initiated Explosive Devices): ANSI ESD S20.20-2014 • Quality Management Systems- Requirement of Aviation, Space and Defence Organization: AS9100:2016 • Quality Management Systems: ISO 9001: 2015 • Certified IPC trainer: IPC/WHMA-A-620 <p>The Company has initiated certification process for ISO 14001 and ISO 45001 and is expected to be completed by Q4 2024.</p> | | |

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

To ensure continuous upgradation and timely renewal of certifications, the Company sets specific commitments, goals, and targets with defined timelines. These structured objectives serve as a comprehensive plan for tracking progress and achieving re-certification within predetermined time frames. By establishing clear timelines and milestones, the Company can systematically monitor and manage the certification process, ensuring that all necessary steps are completed on time.

This approach promotes ongoing expertise development by encouraging employees to engage in continuous learning and skill enhancement. Regularly scheduled evaluations and assessments ensure that the workforce remains proficient and up-to-date with the latest industry standards and practices. Additionally, ensuring compliance with regulatory requirements enhances the Company's overall credibility and reliability in the market.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

The Company has identified a set of long-term sustainability goals and objectives, which we diligently track on an annual basis. To support these objectives, we have developed a comprehensive action plan that encompasses various key components such as resource allocation, stakeholder engagement, performance measurement, and continuous improvement.

The action plan ensures that resources are effectively allocated to the most critical areas, facilitating the achievement of sustainability targets. Engaging stakeholders is a crucial part of this strategy, ensuring that all parties are aligned and working collaboratively towards shared sustainability goals. Performance measurement mechanisms are put in place to monitor progress, identify areas for improvement, and ensure accountability. Continuous improvement processes are integrated into the plan to ensure that sustainability practices evolve and adapt over time, enhancing the effectiveness.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements



Dr. H S Raghavendra Rao
Chairman and Managing
Director

I firmly believe that considering environmental, social and governance (ESG) factors is vital not only for ensuring the long-term prosperity of our business, but also for the overall health of our planet and society. We are committed to recognizing the impact of our operations on the environment, employees, local communities, and stakeholders. That is why we are dedicated to integrating ESG considerations into every aspect of our business strategy and decision making. DCX Systems prioritizes global environmental sustainability by actively reducing ecological impact and promotion of renewable energy and energy-efficient technologies to reduce greenhouse gas emissions. In addition, society recognizes the urgent need to deal with climate change. We are actively committed to supporting initiatives aimed at reducing greenhouse gas emissions, adapting to climate risks and cooperation with partners to develop sustainable solutions that contribute to a low-carbon future. Our success is closely linked to the well-being and growth of our employees, the communities we serve and society at large. We prioritize health and safety by ensuring a safe working environment and comprehensive implementation protocols. Our employees are our most valuable asset and we support diversity, equality and inclusion while encouraging their professional development and meaningful contribution to Company and society.

We are firmly committed to the highest ethical standards in all our operations and in promoting transparency, integrity and responsibility. Strict compliance with applicable laws, regulations and international best practices followed. Our priority is to engage stakeholders to understand their expectations and concerns and to maintain openness in communication for mutual trust and cooperation. We have robust systems to identify, assess and manage risks related to ESG factors that ensure compliance with regulations and industry standards. By adopting ESG principles, DCX Systems strive to create long-term value for shareholders, employees, customers and society. Responsible decisions, innovation and technical expertise are used promote positive change and contribute to a sustainable future for generations to come.

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Dr. H S Raghavendra Rao Chairman and Managing Director |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes, The Risk Management Committee plays a pivotal role in overseeing sustainability-related issues within the Company. This committee is tasked with evaluating potential risks and opportunities associated and providing well-informed recommendations to the Board for strategic decision-making. The members of the Risk Management Committee were as follows as on March 31, 2024: 1. Dr. H.S. Raghavendra Rao - Chairman 2. Mr. Ranga K.S. – Member 3. Mr. Kalyanasundaram Chandrasekaran- Member |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | | | | | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | The Company consistently assesses its performance in relation to sustainability policies. Quick action is taken in the event of deviations or non-compliance are found. This entails carrying out inquiries, putting remedial measures into place, and evaluating policies to guarantee adherence and ongoing advancement toward sustainability objectives. | Operational issues are being addressed on an 'ongoing basis' as and when identified. | | | | | | | | | | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | The Company strictly adheres to all legal and statutory standards and requirements, ensuring full compliance in all operational aspects. Notably, there have been no reports of non-compliance, underscoring the Company's commitment to regulatory adherence and ethical conduct. | | | | | | | | | | | | | | | | | | |

| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | Dhir & Dhir Associates, an eminent law firm, conducted an in-depth analysis to evaluate the effectiveness and operationalization of the Company's policies. Their evaluation focused on assessing how well these policies were functioning in practice. Additionally, the policies undergo periodic review and revision by department and business heads to ensure they remain relevant and effective. These revisions are then authorized by the board or management. | | | | | | | | |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---------------------------------------------------------------------------------------------------------------------------------|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business (Yes/No) | | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | Not Applicable | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



Essential Indicators

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

| Segment | Total Number of training and awareness programmes held | Topics/ principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Board of Directors | 1 | Plant Visit and Interactive session to understand the business model of the Company | 100.00 |
| Key Managerial Personnel | 2 | Awareness on ESD (Electro-Static Discharge), AS-9100, Fire Fighting & Mock-drill training | 100.00 |
| Employees other than BoD and KMPs | 45 | 1.On Job Process Training 2.5S* Training 3.QMS Process, Etc. 4.Fire Fighting & Mock-drill training | 100.00 (Production, Quality and Stores) |
| Workers | 10 | 1.On Job Process Training 2.5S Training 3.Fire Fighting & Mock-drill training | 100.00 (Production, Quality and Stores) |

*5S training stands for *Sort, Set in Order, Shine, Standardize, and Sustain*. The Company has adopted this methodology that aims to improve efficiency and eliminate waste by organised work environment.

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

| Monetary | | | | | |
|-----------------|-----------------|---------------------------------------------------------------------|-----------------|-------------------|----------------------------------------|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine | | | Nil | | |
| Settlement | | | | | |
| Compounding Fee | | | | | |
| Non-Monetary | | | | | |
| Imprisonment | | | Nil | | |
| Punishment | | | | | |

Note: The Company, its Directors and/or KMPs have not been subjected to any thresholds of the materiality policy to pay any fines, penalties, punishments, awards, compounding fees, or settlement amounts in the financial year.

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

| Case Details | Name of the regulatory/enforcement agencies/judicial institutions |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Not Applicable, as no monetary or non-monetary fines, penalties or punishment were imposed on the Company | |

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

Yes, the Company upholds a strict zero-tolerance policy towards bribery and corruption. We are dedicated to conducting all business transactions and interactions with the utmost professionalism and fairness. To ensure integrity in our operations, the Company is committed to establish and maintain a robust systems that effectively prevent and combat any form of bribery and corruption.

This commitment extends to full compliance with all relevant anti-bribery and anti-corruption laws across every market and jurisdiction in which the Company operates. The Anti-Bribery and Anti-Corruption Policy has been meticulously developed to create a framework that guarantees adherence to global regulations governing bribery and corruption. This policy also provides clear guidance on the expected standards of conduct for all employees, ensuring that everyone within the organization adheres to the highest ethical standards in all their professional activities. The Company views the prevention of bribery as an essential component of its corporate governance structure, given its importance.

URL of the Policy:

https://dcxindia.com/wp-content/uploads/2022/04/18_Anti_Bribery_Anti_Corruption_Policy.pdf

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

| | FY 2023-24 | FY 2022-23 |
|-----------|-------------------------------------------------------------------------------------------------|------------|
| Directors | Nil. No disciplinary action was taken by any law enforcement agency for the charges of bribery/ | |
| KMPs | corruption against any of our Directors/ KMPs/ Employees/ Workers in the reporting year | |
| Employees | | |
| Workers | | |

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

| | FY 2023-24 | | FY 2022-23 | |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of conflict of interest of the Directors | Nil. No complaints were received in relation to issues of conflict of interest against any of our Directors or KMPs in the reporting year | | | |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | | | | |

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

Not applicable, since there were no such complaints raised in the reporting year.

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

| | FY 2023-24 | FY 2022-23 |
|--------------------------------------------|------------|------------|
| Number of days of accounts payables | 113.19 | 37.06 |

Note: Due to substantial purchases in the last month, the days payable stands at 113. However, it's important to note that out of the 380 crores in accounts payable, 379 crores fall within the 0 to 30 days category.

9. Open-ness of Business

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

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|-----------------------------------------------------------------------------------------|------------|------------|
| Concentration of Purchases | a. Purchases from Trading houses as % of total purchases | 0.00 | 0.00 |
| | b. Number of trading houses where purchases and made from | 0 | 0 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 0.00 | 0.00 |
| Concentration of Sales | a. Sales to dealers/distributors as % of total sales | 0.00 | 0.00 |
| | b. Number of dealers/distributors to whom sales are made | 0 | 0 |
| | c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors | 0.00 | 0.00 |
| Share of RPTs in | a. Purchases (Purchases with related parties/Total Purchases)* | 433.27 | 745.60 |
| | b. Sales (Sales to related parties/Total Sales)* | 0.11 | 2.44 |
| | c. Loans & advances (Loans & advances given to related parties/Total loans & advances)* | 55.07 | 1.02 |
| | d. Investments (Investments in related parties/Total Investments made)* | 6.25 | 6.5 |

*In INR Crores

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topic/principles covered under the training | % age of value chain partners covered (by value of business done with such partners) that were assessed |
|-------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|
|-------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|

No awareness programmes were conducted for Value Chain Partners during the reporting year. However, DCX is actively exploring opportunities to develop and implement these programmes in the future. The company recognizes the importance of engaging value chain partners in its commitment to the Principles and is focused on creating structured initiatives to enhance awareness and collaboration in the coming years.

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

The Company has implemented a comprehensive Code of Conduct policy designed to address conflicts of interest specifically concerning Directors and Senior Management. This policy sets clear standards and norms to guide the behaviour and decisions of individuals in these key positions, ensuring their actions align with the Company's ethical principles and strategic objectives.

In addition to this, the Company has developed a dedicated handbook for its employees, which provides detailed guidance on handling conflicts of interest. This handbook outlines the procedures and expectations for all employees to prevent situations that could compromise their objectivity or loyalty to the Company. By clearly defining the steps to be taken and the standards to be upheld, the handbook helps employees navigate potential conflicts of interest effectively, maintaining the integrity and trustworthiness of the organization.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe



Essential Indicators

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

| | 2023-24 | 2022-23 | Details of Improvements in environmental and social impacts |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------------------------------------------------------|
| R&D | No R&D investments has been done by the Company in both the reporting years | | |
| Capex | The Company has spent capex for the purpose of construction of a building to establish Ultra-Modern Manufacturing Facilities, IT Assets, Machineries and Vehicle. | | |

Note: Numbers are not quantifiable for both the reporting years.

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

The Company currently does not have a formalized system to manage its sustainable sourcing procedures. However, it recognizes the importance of sustainable sourcing and plans to implement a process to address this issue in the future. By acknowledging the significance of sustainable sourcing, the Company demonstrates its commitment to social and environmental responsibility. The Company aims to develop a framework that will guide its sourcing procedures towards ethical and sustainable standards, ensuring that its supply chain aligns with its goals and core values.

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

Not Applicable

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

- (a) **Plastic (including packaging):** All plastic waste, including packaging materials, is disposed of through an agency authorized by the Pollution Control Board. This ensures that the disposal process complies with environmental regulations and standards, minimizing the environmental impact of the Company's waste.
- (b) **E-waste:** All E-waste generated by the Company is handed over to an agency authorized by the Pollution Control Board. This ensures that the disposal and recycling of electronic waste is conducted in compliance with environmental regulations and standards.
- (c) **Hazardous waste:** Hazardous waste is carefully categorized and properly disposed of in accordance with both local and national regulations. This meticulous approach ensures that the handling, treatment, and disposal of hazardous materials meet all legal requirements and safety standards.

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

EPR is not applicable to the Company as per CPCB (Central Pollution Control Board)'s regulations considering the Company's Business operations.

Leadership Indicators

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

| NIC Code | Name of Product/ Service | % of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/ No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link. |
|----------|--------------------------|---------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------|
|----------|--------------------------|---------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------|

Currently, the Company has not conducted LCA for its products or services. However, we are planning to implement LCA in the future as part of our commitment to sustainability and continuous improvement.

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

| Name of Product/ Service | Description of the risk/ concern | Action Taken |
|--------------------------|----------------------------------|--------------|
|--------------------------|----------------------------------|--------------|

Not Applicable, as the same is not being done

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

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|------------------------------------------------------|------------|
| | FY 2023-24 | FY 2022-23 |

Nil

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

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|----------------|----------|-------------------------|----------------|----------|-------------------------|
| | Re-Used | Recycled | Safely Disposed (In MT) | Re-Used | Recycled | Safely Disposed (In MT) |
| Plastics (including packaging) | Not Applicable | | 0.10 | Not Applicable | | 0.47 |
| E-waste | | | 0.00 | | | 0.54 |
| Hazardous Waste | | | 0.00 | | | 0.00 |
| Other waste* | | | 14.57 | | | 3.74 |

Note: Under 'Other Waste' we have considered the following:

- Carton Box Waste
- Pallet Wood Waste
- Other General Scrap

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

| Indicate product category | Reclaimed products and their packaging materials (as percentage of products sold) for each product category |
|---------------------------|-------------------------------------------------------------------------------------------------------------|
|---------------------------|-------------------------------------------------------------------------------------------------------------|

Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains



Essential Indicators

1. a. Details of measures for the well-being of employees:

| Total (A) | % of employees covered by | | | | | | | | | | |
|--------------------------------|---------------------------|------------|--------------------|------------|--------------------|------------|--------------------|------------|---------------------|------------|------|
| | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | | |
| | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) | |
| Permanent Employees | | | | | | | | | | | |
| Male | 59 | 59 | 100.00 | 59 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 8 | 8 | 100.00 | 8 | 100.00 | 8 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total* | 67 | 67 | 100.00 | 67 | 100.00 | 8 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Employees | | | | | | | | | | | |
| Male | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |

*Percentage of (D) – Maternity benefit is calculated as 100% as per FAQ's on BRSR issued by NSE dt. May 10, 2024

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

| Total (A) | % of workers covered by | | | | | | | | | | |
|------------------------------|-------------------------|------------|--------------------|------------|--------------------|------------|--------------------|------------|---------------------|------------|------|
| | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | | |
| | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) | |
| Permanent Workers | | | | | | | | | | | |
| Male | 45 | 45 | 100.00 | 45 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 2 | 2 | 100.00 | 2 | 100.00 | 2 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total* | 47 | 47 | 100.00 | 47 | 100.00 | 2 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | 21 | 21 | 100.00 | 21 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 2 | 2 | 100.00 | 2 | 100.00 | 2 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total* | 23 | 23 | 100.00 | 23 | 100.00 | 2 | 100.00 | 0 | 0.00 | 0 | 0.00 |

*Percentage of (D) – Maternity benefit is calculated as 100% as per FAQ's on BRSR issued by NSE dt. May 10, 2024

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

| | FY 2023-24 | FY 2022-23 |
|------------------------------------------------------------------------------------|------------|------------|
| Cost incurred on well-being measures as a % of total revenue of the Company | 0.056 | 0.057 |

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

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|----------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100.00 | 100.00 | Y | 100.00 | 100.00 | Y |
| Gratuity | 100.00 | 100.00 | NA | 100.00 | 100.00 | NA |
| ESI | 100.00 | 100.00 | Y | 100.00 | 100.00 | Y |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, in order to make the facilities easily accessible to employees and workers with disabilities, the Company is in compliance with the standards outlined in "The Rights of Persons with Disabilities Act, 2016" (the Disabilities Act) by providing ramp facilities, a work area, and restrooms.

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

While the Company does not yet have a specific policy in place, it is actively taking the necessary steps to ensure that all employees have equal opportunities. The Company recognizes the importance of promoting equal opportunities and fostering an inclusive workplace environment. Efforts are currently underway to develop and implement an equal opportunity policy that complies with the Disabilities Act.

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

| Gender | Permanent Employees | | Permanent workers | |
|--------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 0.00 | 0.00 | 0.00 | 0.00 |
| Female | 100.00 | 100.00 | 100.00 | 100.00 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 |

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

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent Workers | The Company has established a system that grants all employees access to grievance registers, providing a platform to address any concerns or complaints they may have. Management places significant emphasis on addressing these grievances promptly and fairly, aiming to resolve them in an amicable manner. It's worth noting that, thus far, the Company has not received any grievances from its employees or workers. |
| Other than Permanent Workers | |
| Permanent Employees | |
| Other than Permanent Employees | |

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|---------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------|------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------|
| | Total employees / workers in respective category (A) | No. of employees/ workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | Currently, none of the Company's employees and workers are affiliated with any associations or unions. | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Total Permanent Worker | | | | | | |
| Male | | | | | | |
| Female | | | | | | |

8. Details of training given to employees and workers:

| | FY 2023-24 | | | | | FY 2022-23 | | | | |
|-----------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
| | Total (A) | On Health and Safety measures | | On Skill upgradation | | Total (D) | On Health and Safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 59 | 59 | 100.00 | 0 | 0.00 | 51 | 51 | 100.00 | 0 | 0.00 |
| Female | 8 | 8 | 100.00 | 0 | 0.00 | 7 | 7 | 100.00 | 0 | 0.00 |
| Total | 67 | 67 | 100.00 | 0 | 0.00 | 58 | 58 | 100.00 | 0 | 0.00 |
| Workers | | | | | | | | | | |
| Male | 45 | 45 | 100.00 | 45 | 100.00 | 36 | 36 | 100.00 | 36 | 100.00 |
| Female | 2 | 2 | 100.00 | 2 | 100.00 | 1 | 1 | 100.00 | 1 | 100.00 |
| Total | 47 | 47 | 100.00 | 47 | 100.00 | 37 | 37 | 100.00 | 37 | 100.00 |

Note- the Numerical are basis all permanent employees and workers, excludes other than permanent workers

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

| Category | FY 2023-24 | | | FY 2022-23 | | |
|-----------|------------|---------|---------|------------|---------|---------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 59 | 59 | 100.00 | 51 | 51 | 100.00 |
| Female | 8 | 8 | 100.00 | 7 | 7 | 100.00 |
| Total | 67 | 67 | 100.00 | 58 | 58 | 100.00 |
| Workers | | | | | | |
| Male | 45 | 45 | 100.00 | 36 | 36 | 100.00 |
| Female | 2 | 2 | 100.00 | 1 | 1 | 100.00 |
| Total | 47 | 47 | 100.00 | 37 | 37 | 100.00 |

Note- the Numerical are basis all permanent employees and workers, excludes other than permanent workers

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company has an occupational health and safety management policy and system. This system comprehensively covers various aspects of health and safety in the workplace. This includes processes for identifying and assessing risks, developing and implementing policies and procedures, implementing regular training and education programs, establishing incident reporting and investigation protocols, and ensuring continuous improvement. This system aims to create a safe and healthy work environment, maintain the health of employees and comply with occupational health and safety regulations. By implementing this system, Company demonstrate its commitment to prioritize the health and safety of their employees and maintaining a responsible and consistent approach to occupational health and safety management.

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

The Company employs several strategies to identify work-related hazards effectively:

Regular Reviews and Assessments: Employees responsible for handling hazardous materials undergo regular reviews and assessments to ensure their safety knowledge and practices remain up to date. This proactive approach helps identify any gaps in safety procedures and allows for timely corrective actions to be taken.

Dedicated Hazardous Material Storage Area: The Company designates a specific area for storing hazardous materials, which is clearly marked and includes Material Safety Data Sheets (MSDS) for all such materials. These sheets contain vital information such as the Date of Manufacturing (DOM) and Date of Expiry (DOE) for each hazardous material, facilitating safe handling and management.

Provision of Personal Protective Equipment (PPE): The Company prioritizes employee safety by providing them with Personal Protective Equipment (PPE), including aprons, safety eyeglasses, hand gloves, masks and safety shoes. Additionally, employees are supplied with Electrostatic Device (ESD) slippers to mitigate the risk of static discharge. By equipping employees with the necessary protective gear, the Company minimizes the risk of workplace accidents and injuries associated with hazardous materials handling.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company is in the process of implementing ISO 14001 and ISO 45001 standards, which outline the procedures for identifying and managing work-related hazards during manufacturing activities. These standards will guide the Company in addressing hazardous tasks, such as soldering, potting, and conformal coating, and will include processes for workers to report hazards and remove themselves from such risks effectively.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, our employees and workers have access to non-occupational medical and healthcare services. We provide complimentary health screenings to ensure their physical and mental well-being, enabling them to perform at their best for the company and our stakeholders. Additionally, we mandate that our vendors adopt similar health practices to ensure a safe and healthy supply chain with minimal disruptions. We have also enhanced our transportation and security systems to offer additional protection to our employees and workers during work-related travel.

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

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|-------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees Workers | Nil. No safety related incidents occurred in both the reporting years | |
| Total recordable work-related injuries | Employees Workers | | |
| No. of fatalities | Employees Workers | | |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees Workers | | |

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

The Company prioritizes the health and fitness of employees and regularly holds first aid and fire safety training sessions. The Company strives to maintain and manage fire prevention equipment, including timely filling of fire extinguishers, prominently displaying emergency evacuation route maps, and conducting mock drills. Additionally, posters of Health and Safety practices are prominently displayed in work areas and serve as a visual reference for employees to follow established procedures.

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

| | FY 2023-24 | | | FY 2022-23 | | |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions Health & Safety | There were no complaints regarding working conditions and health & Safety during either of the reporting years | | | | | |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health and safety practices | No assessments related to health and safety practices or working conditions were carried out during the reporting year. However, these evaluations are planned and will be conducted in the near future. The company is committed to ensuring the well-being and safety of its employees, and these upcoming assessments will be critical in identifying areas for improvement and maintaining high standards in the workplace. |
| Working Conditions | |

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

Not applicable, as no such safety-related incidents occurred during the reporting year

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

The Company does not currently provide any particular life insurance or compensation package. However, the Company acknowledges how important it is to provide assistance in these unfortunate circumstances, and it is willing to consider about creating similar packages in the future. The Company recognizes the importance of employee welfare and also acknowledges that one of the most important components of a Comprehensive benefits package is offering financial stability to workers and their families in the event of unexpected circumstances.

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

The Company ensures timely payment of contractor invoices by following a thorough verification process. Before settling the bill, it ensures that all required legal fees have been deposited with the relevant authorities. This confirmation is done by carefully checking the deposit or remittance Challans along with the invoice.

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

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|---------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | FY 2023-24 | FY 2022-23 | FY 2023-24 | FY 2022-23 |
| Employees | Not Applicable, as no work-related injury occurred to any employees/workers in the reporting year | | | |
| Workers | | | | |

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

No, the Company is yet to provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|----------------------------------------------------------------------------------------------------|
| Health and safety practices | No assessments were conducted during the reporting year. |
| Working Conditions | |

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

Not Applicable, as no assessments were conducted

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company consistently communicates and interacts with key stakeholders, such as investors, customers, suppliers, and employees. The management team actively engages with these stakeholders to build strong relationships and gather valuable insights. Additionally, the Company has established a specialized committee for risk management and corporate social responsibility (CSR), responsible for monitoring and updating the progress of initiatives related to economic, environmental, and social issues.

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|--------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers | No | Plant Visits, Meetings, personal visits, E-Mail | Regular | Feedback of Products, Updates/ requirement for improvement if any, Customer trust and satisfaction, Timely and efficient redressal of complaints |
| Suppliers | No | Suppliers Meetings, E-Mail | Frequent | Fair and accountable supply chain practices |
| Employees | No | E Mail, Notice Board, workshops, One-on-One interactions | Regular | Compensation structure, providing a safety culture and inculcating healthy and safe work practices and work conditions among employees, Ongoing desire for more flexible working hours, Improving Diversity and Inclusion, Incidents and grievance redressal, Information on Company activities |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Investors (Other than Shareholders) | No | Investor Meet, E Mail, Website | Periodic, Quarterly | Financial Performance of the Company |
| Shareholders | No | General Meetings, E-Mail, Website, Newspaper Publications, Annual Report | Annually/As and when required | Financial and non- financial (ESG) Performance of the Company, Shareholder Return, Effective Corporate Governance |
| Government and Regulatory Bodies | No | E-Mail, Letters, Meeting | Need Based | To ensure compliance of applicable statutory laws and regulations, Positive environmental and social impact of business |
| Communities | Yes | In person meetings, E-mails | Need Based | The Company interacts with the Communities through its CSR Activities |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

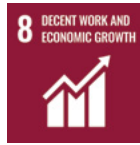
The Company maintains regular communication and engagement with key stakeholders, including investors, customers, suppliers, and employees. The Company's management recognizes the importance of fostering relationships with these stakeholders and values their input. To ensure effective governance and address pertinent issues, they have established dedicated committees for Risk Management and Corporate Social Responsibility (CSR). These committees provide updates on the progress of actions related to economic, environmental, and social topics to the Board of Directors.

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

Yes, the Company places great emphasis on maintaining regular and proactive engagement with its key stakeholders. This active engagement enables them to effectively develop and implement strategies related to Environmental, Social and Governance (ESG) initiatives while ensuring transparency in reporting the outcomes. In accordance with current regulations and based on interactions with stakeholders, they conduct regular evaluations to review and update their policies as necessary.

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

The Company actively engages with its stakeholders through various communication channels and implements a number of initiatives to promote interaction. The Company ensures engagement through initiatives such as feedback processes, Code of Conduct briefings and investor meetings.

PRINCIPLE 5: Businesses should respect and promote human rights**Essentials Indicators****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2023-24 | | | FY 2022-23 | | |
|----------------------|------------|--------------------------------------|---------|------------|--------------------------------------|---------|
| | Total (A) | No. of employees/workers covered (B) | % (B/A) | Total (C) | No. of employees/workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 67 | 67 | 100.00 | 39 | 39 | 100.00 |
| Other than permanent | 0 | 0 | 0.00 | 0 | 0 | 0.00 |
| Total Employees | 67 | 67 | 100.00 | 39 | 39 | 100.00 |
| Workers | | | | | | |
| Permanent | 47 | 47 | 100.00 | 37 | 37 | 100.00 |
| Other than permanent | 23 | 23 | 100.00 | 30 | 30 | 100.00 |
| Total Workers | 70 | 70 | 100.00 | 67 | 67 | 100.00 |

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

| Category | FY 2023-24 | | | | | 2022-23 | | | | |
|----------------------|------------|-----------------------|---------|------------------------|---------|-----------|-----------------------|---------|------------------------|---------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 67 | 0 | 0.00 | 67 | 100.00 | 58 | 0 | 0.00 | 58 | 100.00 |
| Male | 59 | 0 | 0.00 | 59 | 100.00 | 51 | 0 | 0.00 | 51 | 100.00 |
| Female | 8 | 0 | 0.00 | 8 | 100.00 | 7 | 0 | 0.00 | 7 | 100.00 |
| Other than Permanent | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Male | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Workers | | | | | | | | | | |
| Permanent | 47 | 0 | 0.00 | 47 | 100.00 | 37 | 0 | 0.00 | 37 | 100.00 |
| Male | 45 | 0 | 0.00 | 45 | 100.00 | 36 | 0 | 0.00 | 36 | 100.00 |
| Female | 2 | 0 | 0.00 | 2 | 100.00 | 1 | 0 | 0.00 | 1 | 100.00 |
| Other than Permanent | 23 | 0 | 0.00 | 23 | 100.00 | 30 | 0 | 0.00 | 30 | 100.00 |
| Male | 21 | 0 | 0.00 | 21 | 100.00 | 28 | 0 | 0.00 | 28 | 100.00 |
| Female | 2 | 0 | 0.00 | 2 | 100.00 | 2 | 0 | 0.00 | 2 | 100.00 |

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

| | Male | | Female | |
|----------------------------------|--------|-----------------------------------------------------------------------|--------|-----------------------------------------------------------------------|
| | Number | Median remuneration/ Salary/ Wages of respective category (In rupees) | Number | Median remuneration/ Salary/ Wages of respective category (In rupees) |
| Board of Directors (BoD) | 2 | 4,23,584.34 | 0 | 0.00 |
| Key Managerial Personnel | 9 | 4,57,915.00 | 0 | 0.00 |
| Employees other than BoD and KMP | 53 | 3,90,196.91 | 9 | 3,51,582.00 |
| Workers | 48 | 3,59,272.00 | 2 | 3,47,759.00 |

* Whole Time Director cum CFO is included in both BOD and KMP median remuneration calculation

** BOD's who were drawing remuneration is only considered for number count

*** Independent Director's drawing sitting fees is excluded in this calculation under BOD's

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------------------|------------|------------|
| Gross wages paid to females as % of total wages | 3.32 | 2.68 |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has designated the Head of HR (Human Resource) as the person responsible for overseeing the human rights aspect within the organization. This includes managing various HR functions such as recruitment, employee relations, training and development. The HR manager plays a key role in ensuring that the Company's workforce is effectively managed and that employee needs and concerns are addressed.

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

The Company considers respect for human rights to be a fundamental and integral part of its values. Respect for human rights is of utmost importance to the Company and the Company actively seeks to promote, protect and advance these rights. This commitment extends to both its business practices and its employment policy with a focus on promoting fairness and ethics. The Company focuses on creating a safe and harmonious environment both in business operations and in the workplace. Recognizes the importance of fostering an atmosphere where each individual feels safe, valued and respected.

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

| | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|-----------------------|-------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual harassment | | | Nil. No complaints were raised with regards to the human rights issues in the reporting years. | | | |
| Discrimination at workplace | | | | | | |
| Child Labour | | | | | | |
| Forced Labour/ Involuntary Labour | | | | | | |
| Wages | | | | | | |
| Other Human Rights related issues | | | | | | |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

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

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

The Company is committed to promoting equal opportunities for all individuals and strongly opposes any form of discrimination or harassment based on various protected characteristics such as race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identity and expression (including transgender identity), political opinion, medical condition, language and other factors defined by applicable law. To ensure inclusiveness and diversity, the Company has implemented a Policy against Workplace Sexual Harassment, a Business Conduct and Ethics Policy and a Vigilance Mechanism. The main objective of this policy is to ensure that the Company remains an inclusive employer that respects and embraces diversity across different groups, including gender identity, disability, caste, creed, colour, religion, marital status, age, sexual orientation, expression, health status, language and other relevant aspects. The policy aims to promote an open and inclusive culture for all stakeholders and emphasizes a zero-tolerance approach to discrimination.

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

Yes, human rights requirements have been included in business agreements and Company contracts where relevant. The Company recognizes the importance of incorporating human rights into its contractual relationships and business agreements. By incorporating human rights requirements into these contracts, the Company strives to ensure that its business partners, suppliers and other stakeholders follow ethical practices and respect human rights throughout their operations.

10. Assessments for the year:

| | % of your plants and Offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Child Labour | No assessments related to child labour, forced or involuntary labour, sexual harassment, workplace discrimination, or wages were conducted during the reporting year. However, we are committed to addressing these critical areas and will ensure that comprehensive assessments are carried out in the future. This proactive approach will help us identify any potential issues and implement necessary measures to maintain a safe, fair, and inclusive working environment. |
| Forced/involuntary labour | |
| Sexual Harassment | |
| Discrimination at workplace | |
| Wages | |

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

There were no significant risks/ concerns found arising from the assessments at Question 9 above hence, this point is not applicable.

Leadership Indicators

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

As there have been no grievances or complaints raised regarding human rights issues within the Company, the specific point pertaining to human rights is not applicable. This suggests that there have been no known instances or concerns related to human rights violations or infringements within the organization.

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

The Company currently does not undertake any Human rights due diligence, However, it is open to assessing the relevance of it and implementing it in the upcoming years.

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

Yes, The Company adheres to the requirements mentioned under The Rights of Persons with Disabilities Act, 2016 in furtherance of making the facilities easily accessible to differently abled employees, workers & visitors by providing Ramp Facilities, Work Area and Rest Rooms.

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sexual Harassment | During the reporting year, no assessments were conducted regarding child labour, forced or involuntary labour, sexual harassment, workplace discrimination, or wage practices among our value chain partners. However, we recognize the importance of these assessments and are committed to conducting thorough evaluations in the future to ensure that our value chain aligns with ethical labour standards and promotes a safe, inclusive, and fair working environment for all. |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour / Involuntary Labour | |
| Wages | |

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

Not Applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment



Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2023-24 (In Gigajoules) | FY 2022-23 (In Gigajoules) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| From renewable sources | | |
| Total electricity consumption (A) | - | - |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total Energy consumption from renewable sources (A+B+C) | - | - |
| From non-renewable sources | | |
| Total electricity consumption (D) | 1,049.90 | 569.74 |
| Total fuel consumption (E) | 194.44 | 149.61 |
| Energy consumption through other sources (F) | - | - |
| Total Energy consumption from non-renewable sources (D+E+F) | 1,244.35 | 719.35 |
| Total energy consumed (A+B+C+D+E+F) | 1,244.35 | 719.35 |
| Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations)- GJ/RS. | 0.000000087 | 0.000000057 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)- GJ/RS. | 0.0000020 | 0.0000013 |
| Energy intensity in terms of physical output* | - | - |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

* The Company has not quantified their production output in specific units for either of the reporting years.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Our facilities at DCX Systems Ltd. are not included within the ambit of the Perform, Achieve and Trade (PAT) Scheme initiated by the Government of India.

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

| Parameter | FY 2023-24 | FY 2022-23 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | 2,790.00 | 2,410.00 |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| <i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i> | 2,790.00 | 2,410.00 |
| Total volume of water consumption (in kilolitres) | 280.00 | 257.00 |
| Water intensity per rupee of turnover (<i>Water consumed / Revenue from operations</i>)- KL/Rs. | 0.00000020 | 0.00000021 |
| Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (<i>Total water consumption / Revenue from operations adjusted for PPP</i>)- KL/Rs. | 0.00000044 | 0.00000045 |
| Water intensity in terms of physical output* | - | - |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

* The Company has not quantified their production output in specific units for either of the reporting years.

4. Provide the following details related to water discharged

| Parameter | FY 2023-24 | FY 2022-23 |
|-----------------------------------------------------------------------|------------|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | - | - |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) To Groundwater | - | - |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iii) To Seawater | - | - |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | - | - |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | 2,510.00 | 2,153.00 |
| - With treatment – please specify level of treatment | | |
| Total water discharged (in kilolitres) | 2,510.00 | 2,153.00 |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

At present, the Company has not implemented Zero Liquid Discharge (ZLD) practices. However, understanding the critical importance of sustainable water management, the Company acknowledges that adopting ZLD can play a significant role in reducing its adverse environmental footprint. By minimizing water pollution and conserving water resources, ZLD can greatly contribute to environmental sustainability.

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

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|----------------|------------|
| NOx | | | |
| SOx | | | |
| Particulate matter (PM) | | | |
| Persistent organic pollutants (POP) | | Not Applicable | |
| Volatile organic compounds (VOC) | | | |
| Hazardous air pollutants (HAP) | | | |
| Others – please specify | | | |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------|-------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 46.21 | 10.96 |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 239.14 | 128.19 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | Metric tonnes of CO2 equivalent/ Rs. | 0.000000020 | 0.000000011 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)- | Metric tonnes of CO2 equivalent/ Rs. | 0.000000045 | 0.000000025 |
| Total Scope 1 and Scope 2 emissions intensity in terms of physical output* | | - | - |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

* The Company has not quantified their production output in specific units for either of the reporting years.

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

Yes, the Company has implemented several projects aimed at reducing greenhouse gas emissions. These initiatives include promoting the sustainable use of air conditioning, obtaining certifications for diesel generators (DG), planting saplings, and supplying treated wastewater directly to farmers for agricultural use. These efforts not only help in mitigating greenhouse gas emissions but also contribute to sustainable farming practices and environmental conservation.

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

| Parameter | FY 2023-24 | FY 2022-23 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 0.096 | 0.46 |
| E-waste (B) | - | - |
| Bio-medical waste (C) | - | - |
| Construction and demolition waste (D) | - | - |
| Battery waste (E) | - | - |
| Radioactive waste (F) | - | - |
| Other Hazardous waste. Please Specify, if any. (G) | - | - |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 14.57 | 4.27 |
| a. Carton Box Waste | | |
| b. Pallet Wood Waste | | |
| c. Other General Scrap | | |
| Total (A+B + C + D + E + F + G + H) | 14.66 | 4.73 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)- MT/Rs. | 0.0000000010 | 0.0000000038 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)- MT/Rs. | 0.0000000023 | 0.0000000084 |
| Waste intensity in terms of physical output* | - | - |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled (Oil and Plastic) | The Company does not recover any waste | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | - | - |
| (ii) Landfilling | - | - |
| (iii) Other disposal operations | 14.66 | 4.73 |
| Total | 14.66 | 4.73 |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

* The Company has not quantified their production output in specific units for either of the reporting years.

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

In our establishment, we have implemented a comprehensive waste management strategy designed to handle, store, and dispose of various types of waste generated from our operations. Hazardous wastes, including used oils, e-waste, and chemical residues, are carefully stored in designated containers at their point of origin and then transferred to the scrap yard or identified disposal areas, ensuring no spillage or contamination occurs. We segregate metal scraps, e-waste, and

other hazardous materials, which are then responsibly disposed of through authorized recyclers and vendors. Additionally, we have minimized the use of hazardous and toxic chemicals in our products and processes by adopting eco-friendly alternatives where possible. Our strategy also includes regular supervision and strict adherence to environmental, health, and safety guidelines, ensuring that all waste handling and disposal practices safeguard both human health and the environment.

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

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

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

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

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

Not Applicable. In accordance with the Ministry of Environment, Forest & Climate Change (MoEF) guidelines, the industry/ operations are exempt from the requirement to furnish environmental clearance or undergo an Environmental Impact Assessment (EIA).

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| Serial Number | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---------------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
|---------------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|

The Company is complying with all applicable environmental laws, regulations, and guidelines in India. There is no noncompliance on part of the Company. No penalties /fines /action taken by the Regulatory Authorities /Agencies

Leadership Indicators

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

For each facility / plant located in areas of water stress, provide the following information:

- (i) **Name of the area:** Not Applicable
- (ii) **Nature of operations:** Not Applicable
- (iii) **Water withdrawal, consumption and discharge in the following format:**

| Parameter | FY 2023-24 | FY 2022-23 |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | Our Office/Factory are situated in regions where water availability is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. | |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater / desalinated water | | |
| (v) Others | | |
| <i>Total volume of water withdrawal (in kilolitres)</i> | | |
| Total volume of water consumption (in kilolitres) | | |
| Water intensity per rupee of turnover (<i>Water consumed / turnover</i>) | | |
| Water intensity (<i>optional</i>) – the relevant metric may be selected by the entity | | |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | Our Office/Factory are situated in regions where water availability is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) Into Groundwater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iii) Into Seawater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| Total water discharged (in kilolitres) | | |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | <i>Metric tonnes of CO2 equivalent</i> | Considering the level of quantification required for scope 3 calculation, currently the Company is not evaluating the emission and intensity. However, shall start assessing the same from the coming year. | |
| Total Scope 3 emissions per rupee of turnover | - | | |
| Total Scope 3 emission intensity (<i>optional</i>) – the relevant metric may be selected by the entity | - | | |

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

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

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

| Sr. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------|
| | Yes, the Company has implemented several projects aimed at reducing greenhouse gas emissions. These initiatives include promoting the sustainable use of air conditioning, obtaining certifications for diesel generators (DG), planting saplings, and supplying treated wastewater directly to farmers for agricultural use. These efforts not only help in mitigating greenhouse gas emissions but also contribute to sustainable farming practices and environmental conservation. | | |

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

The Company implements a comprehensive set of strategies to safeguard its operations and ensure resilience against potential disruptions. This approach includes conducting thorough risk assessments, developing robust contingency plans, and abolishing redundant systems to mitigate operational risks.

Employees are trained extensively, and regular drills are conducted to test the effectiveness of these plans. The Company prioritizes maintaining essential functions, minimizing downtime, and responding swiftly to crisis, ensuring the continuity of critical operations and services for customers and stakeholders. In addition, the Company actively engages with key stakeholders, suppliers, and partners to foster a collaborative approach to disaster management. Regular reviews and updates of the continuity and disaster management plans, incorporating lessons learned from past incidents, underscore the Company's commitment to continuously enhancing its business continuity and disaster management capabilities.

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

Not Applicable

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

Not Applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



Essential Indicators

1.

a) Number of affiliations with trade and industry chambers/ associations.

The Company is affiliated with 1 trade and Industry chambers/ associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|-------|-----------------------------------------------------------------|---------------------------------------------------------------------|
| 1 | Society Of Indian Aerospace Technologies and Industries (SIATI) | National |

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

| Name of authority | Brief of the case | Corrective active taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

Leadership Indicators

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

| Sr. No | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, If available |
|----------------|-------------------------|-----------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------|
| Not Applicable | | | | | |

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development



Essential Indicators

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

| Name and Brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web Link |
|-------------------------------------------------------------------------------------------|----------------------|----------------------|-----------------------------------------------------------|------------------------------------------------|-------------------|
| Not Applicable, as the Company has not undertaken any project requiring it to conduct SIA | | | | | |

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

| S. No | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | 5 of PAFs covered by R&R | Amounts paid to PAFs in the FY (in INR) |
|----------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|-----------------------------------------|
| Not Applicable | | | | | | |

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

The Company has established several methods to address and resolve complaints from various individuals or groups involved. The Human Resources Department is responsible for maintaining the Grievance Register, which serves as a platform for receiving and resolving complaints from the community. In addition, the Company has implemented a whistle-blower policy that allows all stakeholders to report their concerns or complaints. Detailed instructions and procedures for using this policy are available on the Company's website at https://dcxindia.com/wp-content/uploads/2022/04/3_Vigil_Mechanism_Policy.pdf

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

| | FY 2023-24 | FY 2022-23 |
|----------------------------------------------|------------|------------|
| Directly sourced from MSMEs/ small producers | 9.07 | 9.27 |
| Directly sourced from within India | 61.84 | 89.61 |

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

| Location | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | Nil | |
| Semi-Urban | | |
| Urban | 100.00 | 100.00 |
| Metropolitan | Nil | |

Leadership Indicators

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

| Details of negative social impact identified | Corrective action taken |
|----------------------------------------------|-------------------------|
| Not Applicable | |

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

| S. No | State | Aspirational District | Amount spent (In INR) |
|-------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| The Company has no ongoing projects in any of the aspirational district | | | |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, there is no preferential purchasing policy that favours purchasing from suppliers belonging to marginalized or vulnerable groups. Instead, the Company follows a sourcing policy that is primarily based on features, quality, cost and capabilities as recommended by OEMs. Procurement is strictly followed as per the pre-approved list of suppliers provided by the OEMs as the manufactured product is supplied to the defence and aerospace sector.

(b) From which marginalized /vulnerable groups do you procure?

Not applicable, in line with the answer mentioned in 3(a)

(c) What percentage of total procurement (by value) does it constitute?

Not applicable, in line with the answer mentioned in 3(a)

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

| S. No | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|--------------------------|---------------------------|------------------------------------|
| The Company, being a built to print and system integrator does not possess any Intellectual Property Rights (IPR) for the manufactured products. The Company's focus is on manufacturing Electro Mechanical modules as per the Original Equipment Manufacturers (OEMs) requirement with value added services. | | | | |

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

| Name of authority | Brief of the case | Corrective Action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalized groups |
|-------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Jagadguru Sri Shivarathreeswara Mahavidyapeetha | The Company ensures welfare of children, poor people and Community as well. The Company puts up various efforts through its CSR Initiatives/ Projects for the ecosystem. | The Company's CSR activities reflect its philosophy of helping to build a better and more sustainable society. The CSR amount spent during the year was towards promoting education for children and providing higher education for differently abled children, and <i>Vrudhashramas</i> for poor people. This CSR initiative was benefitted to large number of people including vulnerable and marginalized groups, which is difficult to quantify. |
| 2 | Sri Sai Karunamayi Deva Charitable Trust | | |

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner



Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company prioritizes customer satisfaction as its primary objective in conducting business operations and ensures that every customer issue is resolved promptly with a positive response at all levels. To handle customer complaints effectively, the Company has created an internal team dedicated to this task. The team carefully analyses the issues raised by customers and holds structured and regular meetings to propose an action plan to resolve them. During the entire complaint resolution process, the Company maintains open communication with the customers and informs him of the progress. The Company actively engages with the customer through phone calls, liaising and providing a final resolution to ensure their complaints are fully addressed and resolved.

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

| | As a percentage to total turnover |
|-------------------------------------------------------------|-----------------------------------|
| Environmental and social parameters relevant to the product | Not Applicable |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

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

| | FY 2023-24 | | Remarks | FY 2022-23 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|----------------------------------------------------------|--------------------------|-----------------------------------|---------|
| | Received during the Year | Pending resolution at end of year | | Received during the Year | Pending resolution at end of year | |
| Data Privacy | | | Nil. No such complaints received in both reporting years | | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |
| Other | | | | | | |
| Total | | | | | | |

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

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | | |
| Forced recalls | | Nil |

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

Yes, the Company is aware of the importance of maintaining a high level of confidentiality in its operations. To ensure the security of its information and data, the Company has implemented a comprehensive Cyber Security Policy (Present in the internal portal). This policy outlines the guidelines and measures to be followed within the organization. It serves as a framework for protecting sensitive information, preventing unauthorized access or breaches, and mitigating potential cyber threats. By following this policy, the Company prioritizes the confidentiality of its operations and protects its data from unauthorized disclosure or misuse.

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

No such matter/issues came forth for any of the instances mentioned in the serial 3.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Nil

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

Nil

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

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

Information on products and services offered by the Company can be accessed through various channels/ platforms. Detailed information is available on the official website of Company at <https://www.dcxindia.com>.

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

Due to the direct supply of the Company's products to Original Equipment Manufacturers (OEMs), who then assemble and deliver the products to end customers, the Company's ability to directly inform and educate end users about the safe and responsible use of its products is limited. As a result, the Company faces limitations in reaching end users directly to provide information and guidance regarding the proper and responsible use of their products.

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

The Company has developed contingency plans to address potential risks associated with the disruption or cancellation of critical services. The team is focused on quality and customer service, allowing us to proactively identify issues before they escalate and work with its customers to find mutually beneficial solutions. Additionally, it has a functional website that is regularly updated to provide stakeholders with timely information on important news and events.

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

Considering the Company's need to maintain confidentiality in the field of defence and aviation, which covers national security, the entity does not display product information on the product beyond what is required by applicable laws.



INITIATIVES





Initiatives aligned to Principles- 3, 4, 5 and 8

The Company, through its dedicated CSR activities, collaborates with esteemed agencies like Jagadguru Sri Shivarathreeswara Mahavidyapeetha and Sri Sai Karunamayi Deva Charitable Trust to drive impactful change. With Jagadguru Sri Shivarathreeswara Mahavidyapeetha, the Company focuses on eradicating hunger, promoting education, and setting up homes and hostels for women and orphans. Additionally, they support the establishment of old age homes and the protection of art and culture. In partnership with Sri Sai Karunamayi Deva Charitable Trust, the Company continues its mission of eradicating hunger, promoting education, and enhancing preventive healthcare. Through these meaningful collaborations, the Company reaffirms its commitment to fostering a healthier, more educated, and culturally rich society.



Initiatives aligned to Principles- 2, 3, 4, 5, 8 and 9

The Company invested Rs. 12.85 Crores through equity investment in Raneal Advanced Systems Pvt Ltd (Wholly Owned Subsidiary) to establish an Electronics Manufacturing Services (EMS) facility. This initiative aims to enhance their production capabilities, streamline operations, and meet the increasing demand for advanced electronic systems. Furthermore, the Company has acquired key certifications, including the AS-9100:2016 certification for quality management systems in aviation, space, and defense products manufacturing, as well as a Defense Industrial License from the Ministry of Commerce and Industry for the production of defense subsystems. These subsystems include microwave components, radar and electronic warfare modules, microwave sub-modules, and command and guidance units for missile systems.



Initiatives aligned to Principles- 2 & 6

The Company undertakes a few initiatives aligned with SDGs 12, 13 & 15. A key initiative is the implementation of 5S training, which stands for Sort, Set in Order, Shine, Standardize, and Sustain. This methodology enhances efficiency and reduces waste by fostering an organized work environment. Additional measures include promoting sustainable air conditioning usage, obtaining DG certifications, and conducting sapling plantations. Moreover, the Company has applied for ISO 14001 certification, which is anticipated to be finalized by the end of the fourth quarter of 2024. These efforts collectively demonstrate the Company's commitment to sustainability and environmental responsibility.

Green Growth Initiative: Nurturing Nature and Advancing SDG 15



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



Initiatives aligned to Principles- 16 and 17

In alignment with Sustainable Development Goal (SDG) 16, which focuses on promoting peaceful and inclusive societies, ensuring access to justice for all, and building effective, accountable institutions, the Company has implemented several key policies. These include a Risk Management Policy to identify and mitigate potential risks, a Vigil Mechanism Policy, and Whistleblower Operating Guidelines to ensure transparency and accountability. The Company also offers a Familiarization Programme for Independent Directors and maintains a Policy on Board Diversity to promote inclusivity at the leadership level. Additionally, the Company has established a Materiality Policy, a Policy on Material Subsidiaries, a Policy on Related Party Transactions, and an Anti-Bribery Anti-Corruption Policy to uphold ethical practices and governance standards.

In alignment with SDG 17, which emphasizes partnerships for the goals, the Company is affiliated with the Society of Indian Aerospace Technologies and Industries (SIATI). This affiliation reflects our commitment to fostering collaboration and innovation within the aerospace sector, contributing to industry-wide advancements and the achievement of broader sustainability objectives.