



Ref. No: HSCL / Stock-Ex/2024-25/24
Date: 28/05/2024

E-mail: monika@himadri.com

Ref: Listing Code: 500184 BSE Limited Department of Corporate Services P. J. Towers, 25 th Floor, Dalal Street, Mumbai- 400 001	Ref: Listing Code: HSCL National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
--	--

Sub: Business Responsibility and Sustainability Report for the financial year 2023-24

Dear Sir/ Madam,

We are submitting herewith the Business Responsibility and Sustainability Report (BRSR) of the Company for the financial year 2023-24, which forms an integral part of the Annual Report 2023-24 submitted to the Exchanges.

The BRSR is also available on the website of the Company at www.himadri.com as part of Annual Report 2023-24.

This is for your information and record.

Thanking you,

Yours faithfully,
For Himadri Speciality Chemical Ltd

(Company Secretary &
Compliance Officer)
ACS: 29322

Enclosed: a/a

Himadri Speciality Chemical Ltd
(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: www.himadri.com

Annexure IX

of the Board's Report

Preface

As one of the largest speciality chemical companies in India and Asia, Himadri recognizes its role in setting industry benchmarks. We are dedicated to deliver the best-in-class performance, in all aspects of sustainability and we take full responsibility for our actions, being accountable to all our stakeholders.

At Himadri, we recognize that our comprehensive sustainability framework presents us with an opportunity to pioneer innovative solutions and forge a harmonious relationship with our society and planet. It urges us to progress sustainably, preserving vital resources for future generations. As a responsible corporate entity, we believe in maintaining a balance between business development and environmental preservation, recognizing that human well-being and prosperity are intricately linked with the health of our planet. Our aim is to cultivate a sustainable future, where our people, communities and ecosystems will thrive in harmony.

As we embark on our sustainability journey, we understand that our commitment goes beyond responsible actions and involves identifying and seizing opportunities. Many of the challenges that our customers face are sustainability-related and our ability to innovate and develop tailor-made product to meet these challenges is crucial. By preserving resources throughout our value chain and embracing the circular economy, we create continuous value and ensure our business is future-ready.

Through innovative chemistry and cutting-edge technology, we aim to positively impact the various aspects of our daily lives in a sustainable manner. Our sustainability goals unite us and drive us to deliver the best for our employees, customers, stakeholders and the planet as a whole.

Sustainability is not just a policy for us; it's a set of foundational principles that guides us to conduct our business and operations every day. At Himadri, our business is aligned with the current global priorities and direction. This alignment validates the principles that drive our business practices, highlighting our full commitment to ethical, progressive conduct, and responsible management. To turn this policy into action. In 2023

Himadri made a significant commitment by endorsing and becoming a global signatory of the United Nations Global Compact (UNGC). Since then, we have started to align our initiatives to promote the timeless principles of the UNGC which include Human Rights, Labor Standards, Environmental stewardship, and Anti-Corruption.

As a leader in the speciality chemical sector, Himadri focuses its sustainability efforts on Planet, People, Communities and Governance. Throughout our journey, we continuously innovate and strive to enhance our ESG (Environmental, Social, and Governance) initiatives, supported by our management and dedicated workforce. These efforts have enabled Himadri to gain global recognition from EcoVadis, a third-party assessor of ESG performance. In our inaugural EcoVadis submission, Himadri proudly secured a silver medal, positioning itself amongst the Top 23% of the organizations assessed by EcoVadis.

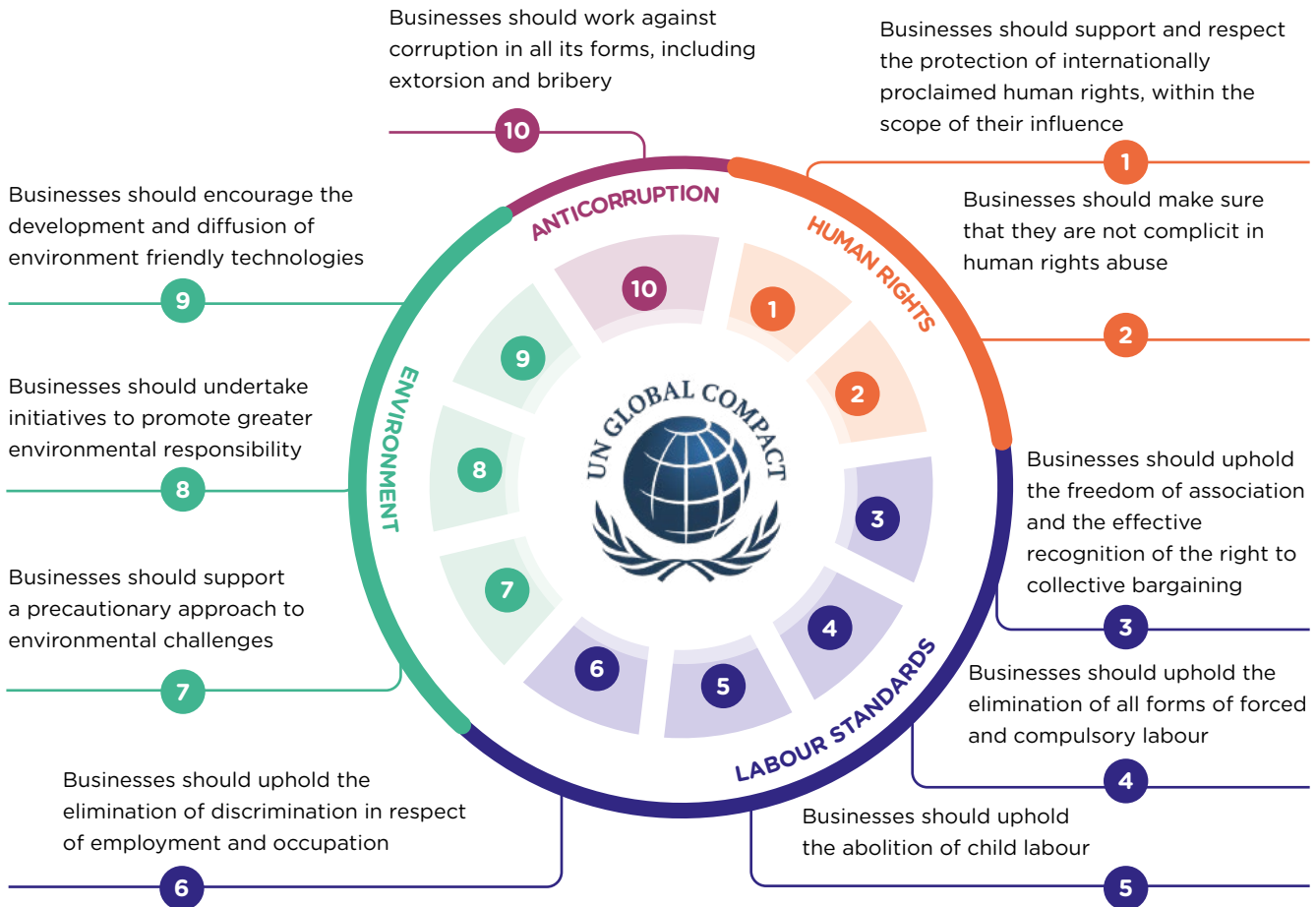
As an environmentally conscious organization, Himadri has developed its business model around recycling and upcycling. The raw materials that are used for our production are basically by-products of steel and petrochemical sectors. Through innovative techniques and integrated systems, Himadri transforms these by-products into value-added products. Furthermore, we utilize by-products from our own production processes and extract value from them. For example, waste gas from carbon black production is used to generate electricity. We not only power our operations with this electricity but also export it to the grid, achieving a zero emission under Scope 2 category. From the business model level, we strive to further 17 UN Sustainable Development Goals (UNSDGs). As a responsible corporate citizen, Himadri has established a structured organizational framework to actively pursue the attainment of Sustainable Development Goals (SDGs).

At entity level we have fully adopted SEBI mandated BRSR (Business Responsibility and Sustainability Reporting) Framework as well in all layers of value chain as relevant setting key objectives for short & long-term with comprehensive action plan with defined timeline.



Annexure IX

of the Board's Report (Contd.)



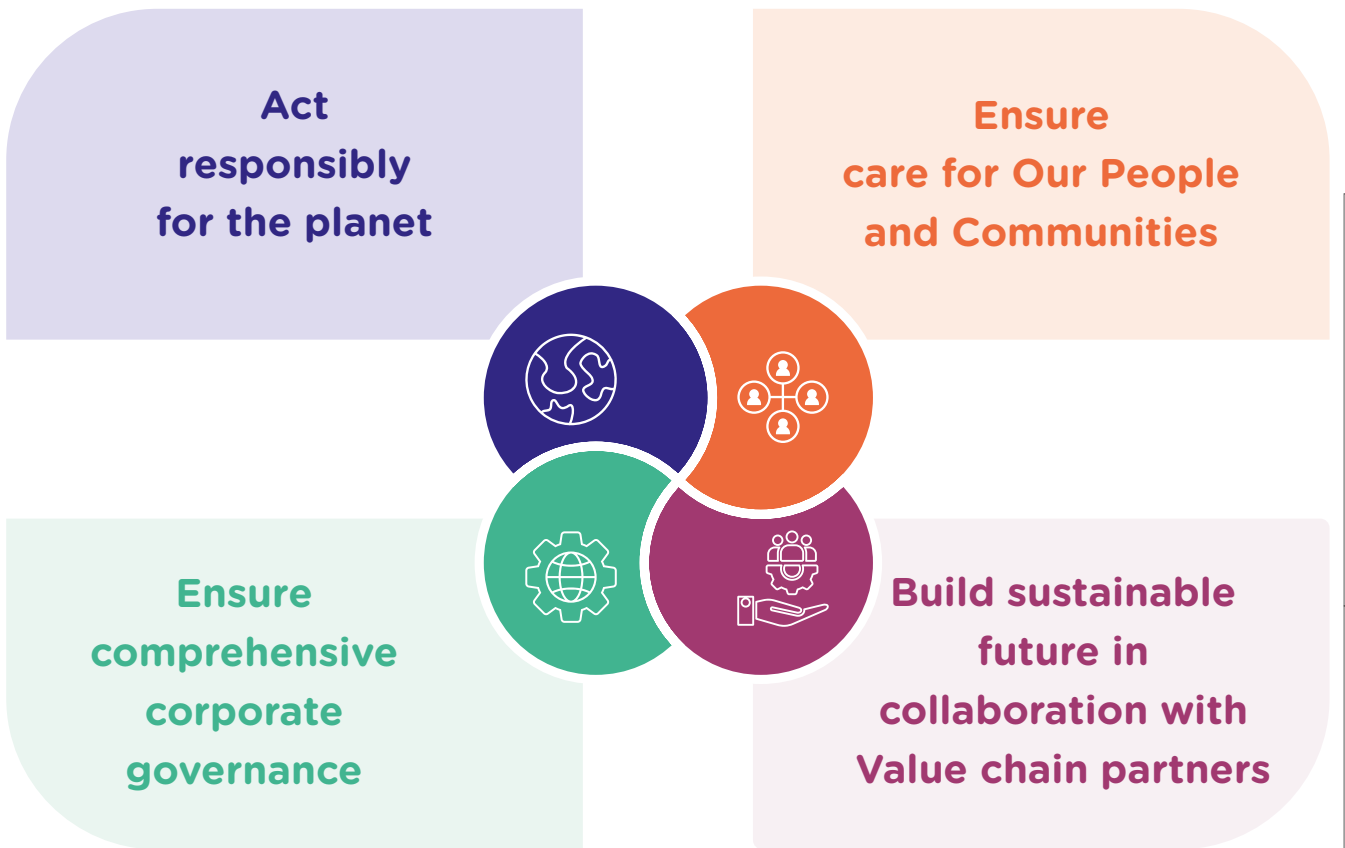
SUSTAINABLE DEVELOPMENT GOALS

<p>1 NO POVERTY</p>	<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>6 CLEAN WATER AND SANITATION</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>10 REDUCED INEQUALITIES</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
<p>13 CLIMATE ACTION</p>	<p>14 LIFE BELOW WATER</p>	<p>15 LIFE ON LAND</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>THE GLOBAL GOALS For Sustainable Development</p>

Annexure IX

of the Board's Report (Contd.)

Our Key Pillars of Sustainability Journey are:



Corporate Overview

Statutory Reports

Financial Statements



Act Responsibly for the Planet

As a leading global speciality chemicals and performance products providing company, we fully understand our responsibilities towards efficient and safe use of natural resources to manufacture and distribute products that minimize environmental impact.

We are fully aware of how environmental issues have a significant impact on all of us at a national and global scale. We strive to ensure that our innovative product solutions can address the sustainability challenges faced by our customers, our communities, and the planet as a whole. To combat climate change by reducing or eliminating greenhouse gas emission, we are committed to achieving net zero by 2050, aligning with India's vision in this regard.

Annexure IX

of the Board's Report (Contd.)



Annexure IX

of the Board's Report (Contd.)

Our current corporate strategy is focused on reducing energy intensity in the context of Scope 1 and Scope 2 emissions, aiming to set a benchmark in our industry sector. We have started creating an inventory of our Scope 3 activities, by identifying and accounting relevant categories. Moving forward, we have considered initiatives to reduce our Scope 3 emissions as well, highlighting our commitment to sustainability.

To achieve our net-zero target, we have started working on 3 focused areas which are aligned with global SBTi standard, distributing the total journey into “Short-term, Mid-term and Long-term” targets.



Achieve climate change resilience by incorporating diverse fuels and minimizing energy consumption to reduce carbon footprint at both the corporate and product level. Product end-of-life recycling initiatives are currently under consideration. We are also committed to reduce our value chain emission. Himadri has designed and deployed a comprehensive sustainable procurement policy. During the present reporting year, we have initiated a reach out program for our value chain partners to assess and align them with our sustainability journey.



Accelerate green initiatives to further reduce carbon footprint. In our journey to achieve net-zero, we will incorporate feasible new generation fuel in our operations. As a corporate strategy, we have taken a target to electrify our entire operation. Reduction of value chain emission is going to be the focus of this phase.



Scale up accepted technologies to become a future-ready company. During this phase, we will integrate relevant next-generation technologies across all our operations.

We are very proud of the fact that at entity level, our entire value chain is established on the by-products from other core industries. As a result our nature of business is not creating any direct impact on depletion of natural resources. Further we are in pursuit of establishing circular economy model to create opportunities to use recycled material from external sources. Our R&D team is putting their best effort to establish feasible circular economy model on fast-track mode.

At present, our key deliverables in these perspectives are:

- **Environment Compliance**

- 100% Compliance to local laws in perspective of Air, Water and Solid Wastes
- Deployment of ISO 14001 management systems at all our Plants
- Deployment of ISO 50001 energy management systems at all our Plants.

- **Efficient management of Emissions**

- 100% monitoring of emissions with defined frequency
- Measuring product level carbon footprint by employing life cycle analysis tool
- Managing emissions with zero exceedance

- **Optimizing Energy Intensity (Scope 1 & Scope 2) of our manufacturing processes for each and every product line to reduce GHG emissions / Carbon footprint**

- Driving energy efficiency projects to optimize energy intensity

- Introduction of energy efficient new generation and innovative technologies

- Promoting use of renewal energy directly and indirectly

- **Reduction of wastes and spills**

- Efficient solid waste management to reduce generation from source
- Reuse and recycling of wastes avoiding landfill and incineration

- **Efficient management of water consumption ensuring ZLD (Zero Liquid Discharge)**

- Initiating projects to reduce water consumption optimizing recycling / reusing opportunities
- Ensuring Zero Liquid Discharge (ZLD) by installing efficient treatment facilities such as Reverse osmosis (RO), Water Treatment Plant (WTP), Effluent Treatment Plant (ETP) etc. to meet the demand of captive consumptions

Striving for net-zero emissions to underscore our commitment towards environmental protection

Annexure IX

of the Board's Report (Contd.)

goes beyond energy conservation at Himadri. We proactively minimize resource consumption and promote a circular economy through both the ends of our supply chain, encompassing both upstream and downstream activities. These initiatives specifically target the reduction of resource consumption and wastages.



Value Creation through Captive Power Plant and Lowering GHG Emission

At Himadri, we have installed a power plant of 28 MW capacity which is completely meeting our power requirement to operate. This captive power plant runs to utilise waste gas temperature. By implementing a process that circulates and feeds off-gas into power generation, we have significantly contributed towards evading Greenhouse Gas (GHG) emissions.

Benefits:

- No imported power requirement
- Exported 80,523 MWH electricity to state grid in the last financial year
- Effectively reduced consumption of conventionally produced electricity and GHG emission



Value creation through equipment upgradation: Harmonic Filter

The LT feeders of the plant were consuming high levels of voltage and current, mainly due to the significant impact of LT motors. After a thorough understanding of the problems, the objectives were set to address the issues effectively. The primary goals were to reduce input current harmonics to less than 5% and improve the power factor from 0.75 to a desirable 0.98. To achieve these goals, an active harmonic filter (AHF) with a closed-loop active filter was introduced as a potential solution.

Benefits:

- The power factor improved significantly from 0.94 to 0.99
- Current distortion reduced from 4.4% to 3.3%
- The input KVA also experienced a significant reduction, dropping from 1311 to 1191 KVA, which meant a direct reduction of 120KVA
- It is saving the annual energy by approximately 9,50,400 KVAH (approximately considering 330 working days).



Fuel Switch to Achieve Higher Energy Efficiency and Lower Carbon Emission Intensity

At Himadri, we have successfully implemented a high-performance multifunctional fuel additive across our reduction processes. This specially formulated fuel additive can be dissolved in aromatic solvents and is readily soluble in fuel oil. It facilitates the rapid oxidation of unburnt hydrocarbons during heavy fuel oil combustion, effectively addressing GHG emissions as well as air emissions by reducing carbon deposits, soot, and particulate matter.

Benefits:

- Enhanced fuel efficiency due to accelerated oil combustion
- Considerable reduction in soot formation
- Reduced air emission
- It is cost effective as 4% of the fuel got saved.
- 4.7% carbon emission (per ton production) got reduced.
- Heat transfer efficiency has improved, leading to reduced heat loss though heat transfer surfaces



Reduction of Water Consumption using Efficient Equipment and Technology

At Himadri, we have implemented an efficient condensate recovery system, which enables operation to recover 60% of the low-pressure (LP) steam used in all equipment, line tracing and coils. Through an efficient vapour trap system, we condense water from LP vapour, effectively reducing our groundwater usage.

During the current reporting year, we have increased Zero Liquid Discharge (ZLD) plant's capacity. The recovered water will be utilized in domestic usages which will further reduce dependency on freshwater. Additionally, our management has included water consumption in KPIs for monthly review.

Annexure IX

of the Board's Report (Contd.)

Benefits:

- Reduced usage of ground water
- Reduced electric power consumption
- Enhanced capacity of ZLD plant

Ensure Care for Our People and Communities

We recognize our people as the greatest asset and believe in creating values for the communities who are directly / indirectly associated with our business as an essential outcome of our value chain. We are immensely proud to leverage our sustainability spectrum for creating values for our people and communities.

Our employees are our most valuable asset, and as an employer, we are fully committed to delivering a duty of care by ensuring that the right person is in the right job, providing adequate training, maintaining safe work processes and ensuring a safe work environment. Occupational Health and Safety (OHS) is an integral part of our business framework and the core of our culture. Our objective is to ensure that all individuals associated with the business, directly or indirectly, return home safe and sound, just as they arrived at the workplace.

Our key deliverables in these perspectives are:

- **Occupational Health & Safety**
 - o Zero Accident Vision (ZAV) - Achieving and Sustaining Zero LTIFR
 - o Comprehensive HSE framework - Deployment of culture building tools, Non-negotiable Standards, Comprehensive Risk assessment and mitigation of significant risk, Fail-safe processes/ Engineering, emergency preparedness etc.
 - o Addressing failure (accident, dangerous occurrences) by initiating comprehensive investigation and closing the loop deploying requisite actions
 - o Deployment of ISO 45001 management systems at all our Plants
- **Equal Opportunity, Growth & Diversity**
 - o Compliance framework aligned with local law and human rights with defined action plan
 - o Equal opportunity, growth and development framework and action plan with defined timeline
 - o Improving gender diversity at all layers of the organization
 - o Deploying SA-8000 standards at all our Plants

- **Community engagement**

- o Promoting education
- o Making healthcare accessible
- o Communitary development enhancing quality of life

Safety is our top priority. Our goal is to become a zero-accident company, positioning ourselves as a best-in-class organization for safety performance and leadership. This commitment extends to safeguard the health and safety of not only our employees but also contractors, visitors, customers and any other individuals who might get impacted by our activities. While working to achieve and maintain our zero-accident goal, we remain firmly dedicated to integrating safety in every aspect of our operations and cultural fabric. Workplace safety initiatives have been taken across all the plants to underscore our commitment.

SA8000 is a global standard for Social Accountability that outlines the requirements for decent working conditions. It is based on international human rights norms and national labor laws, and it aims to ensure that organizations treat their employees ethically and with respect. SA8000 covers various aspects such as child labour, forced labour, health and safety, freedom of association, discrimination, disciplinary practices and working hours. Advancing towards our social responsibility, the company has recently completed Stage 2 assessment of SA 8000 certification showcasing our social commitment and ethical business practices



Introduction of Non-Negotiable HSE Standards to Enhance Workplace Safety

A Risk-Based approach and mapping have been initiated for all routine and non-routine activities. The newly implemented Permit-to-Work system includes Risk Assessment before the commencement of work involving all relevant departments. This approach significantly reduces the chances of incidents during activity execution, with every individual connected to the activity.

Benefits:

- Significant reduction in accidents due to non-standard activities
- Easier and accountable risk mapping approach

Annexure IX

of the Board's Report (Contd.)



Safety Audit and Improvement Opportunities

A protocol has been established and implemented for Safety Audits, proactively involving shop floor employees to identify and correct unsafe conditions and procedures. This approach contrasts with past practices, where Safety Audits were conducted solely by external agencies with a reactive attitude.

Benefits:

- 60% participation of our working crew in audits of their routine activities
- Proactive participation to identify unsafe conditions and take subsequent corrective measures

In addition to our commitment to keep people safe, we strongly promote equal opportunities for personal and professional growth while respecting ethical boundaries. To lay the foundation and promote cultural growth towards equal opportunity, we increasingly pursue diversity, inclusiveness, and transparency. At the organizational level, we have established a comprehensive framework to promote and support professional development to attract and retain talent. We continue to evolve our practices and advance our efforts to meet our goals in this regard.

At Himadri, we understand that addressing climate change extends beyond mere environmental conservation; it is a profound social responsibility. Therefore, our core mission is to support underserved populations and empower them to achieve self-sufficiency while designing Corporate Social Responsibility (CSR). To fulfil this commitment, we implement carefully designed and targeted initiatives that focus on empowering women, improving healthcare, and enhancing education opportunities. Moreover, well-being of society at large comes at the very core of our business responsibility. To further UNSDGs which we adopted in our business conduct, a significant fund from CSR is channelized towards the Economically Weaker Section (EWS) of the society to improve their living conditions.



Furthering Quality Education

As a socially responsible organization, Himadri has made significant contributions by advancing towards UN Sustainable Development Goal #4: Quality Education, through its CSR funds. A dedicated program, overseen by the CSR team and the Board, has been launched to

support the education of rural children, with a special focus on girls, in the STEM fields. The program primarily focuses on distributing books and providing scholarships. By investing in STEM education, Himadri aims to develop skills in the workforce that can be nurtured into talent, thus contributing to the overall development of society.

Benefits:

- Merit scholarships for students
- Distribution of books
- Promoting STEM education
- Diverse and skilled workforce



Improvement of Quality Living

“Increasing value for all” is not just a mere policy in Himadri but a founding principle upon which we maintain our daily operations. We understand wholly the value created by the communities where we operate. Advancing towards UN Sustainable Goal #1, 3 and 6 through our CSR funds is a priority to us. This initiative aims to provide secure and long-lasting housing solutions to economically weaker individuals who were previously living in substandard conditions. In addition to constructing durable homes, the company has also set up kitchens and sanitation facilities to meet the essential needs of underprivileged villagers. These efforts are focused on improving the overall quality of life and hygiene standards within the community.

Benefits:

- Construction of Pucca House for villagers
- Construction of kitchen and sanitation for villagers
- Ongoing construction of a hospital to serve the nearby villages.
- Health treatment and eye operation for beneficiaries

Build Sustainable Future in Collaboration with Value Chain Partners

While we believe in integrating sustainability into our direct operations and research initiatives, we fully understand and appreciate the importance of incorporating sustainability throughout the value chain.

To create value by enhancing efficiency and implementing responsible business practices throughout our value chain,

Annexure IX

of the Board's Report (Contd.)

we prioritize leveraging our influence and partnering with our value chain partners. We actively engage with our customers to collaborate on developing products that offer sustainability benefits, such as increased durability and energy efficiency. Additionally, we support and collaborate with our suppliers to help them improve their sustainability performance continuously. Our ability to enhance the overall impact of our value chain relies on our close collaboration with our customers and suppliers. Together, we seek innovative solutions to enhance our collective sustainability performance and address today's key sustainability challenges.

Our investment decisions and growth strategies are fully aligned with sustainable business practices and compliance with local laws and the United Nations Global Compact. Our vision is to remain committed to researching and develop sustainable products in collaboration with our customers, aiming to deliver additional value by addressing their sustainability challenges.

We are fully dedicated to conducting business with high ethical standards across the value chain, and we expect the same from our value chain partners. To ensure this, we believe in collaborating with our value chain partners from a sustainability perspective to the greatest extent possible, creating significant opportunities to generate collective value.

Our key deliverables in these perspectives are:

- Develop sustainable products through innovative research to reduce CO₂e emission by our customers
- Responsible sourcing by evaluating / ensuring sustainability elements of value chain partners
 - o Sustainability assessment of value chain partners
 - o Collaborating with strategic value chain partners for responsible sourcing

Creating Value with Supply Chain Partners

From Himadri's perspective, sustainable procurement is not just a practice; it's a commitment to responsible sourcing that considers the environmental, social, and economic impacts of our supply chain. Our approach to sustainable procurement is rooted in our core values, where we strive to minimize negative impacts on the environment, support local communities, and promote ethical business practices. Through sustainable procurement, we aim to drive positive changes and contribute towards a more sustainable future for all.

During the current reporting year, Himadri made further strides in building upon the Sustainable Procurement framework. Our sustainable procurement policy and practices were assessed according to ISO 20400 standards by a 3rd party during the reporting year. With

internal stakeholders' consultation, the focus was further empowered on enhancing execution and integrating ESG (Environmental, Social, and Governance) principles more deeply into procurement activities. This involved expanding supplier engagement efforts, incorporating ESG requirements in the supplier registration process, and preparing for heightened regulatory due diligence requirements. We take a comprehensive and structured approach to engage with and support our suppliers, ensuring they understand our global standards and ESG assessment process.

Our key deliverables in this perspective are:

- Suppliers abide by our Code of Conduct and Sustainable Procurement Policy
 - o 100% Assurance from suppliers
 - o Integrating sustainable procurement in supplier contract
- Implementing sustainable supply chain framework on 80% of group spend
 - o Assessment and audit of value chain partners based on ESG KPIs
 - o Supplier categorization based on audit
 - o Supplier risk mitigation



Business Value Chain

As part of our commitment to decarbonisation, Himadri is actively addressing scope 3 emissions within our supply chain. We are employing a dual approach, using both activity-based data and spend data, to map our scope 3 emissions in detail. This will help us to gain a comprehensive understanding of how our suppliers' greenhouse gas emissions impact our environmental performance, while aligning with our net-zero target.

To guide these efforts, we are conducting hotspot analysis and developing strategic roadmaps. This two-pronged approach allows us to prioritize and focus on achieving our net-zero ambition effectively. We recognize that certain categories within scope 3 emissions will require specific attention and we will strategically shift from using spend data to activity-based data where necessary. This transition will enable us to create key

Annexure IX

of the Board's Report (Contd.)

performance indicators that accurately reflect the impact of our initiatives.

Going ahead, our goal is to develop comprehensive strategies for implementing and optimizing sustainability practices within the supply chain. We will also actively engage in collaborative initiatives with our suppliers

to promote the adoption of sustainable practices and products throughout the supply chain. Our commitment will extend to strengthen our suppliers' capabilities, providing training and awareness on sustainable practices and emphasising their pivotal role in reducing carbon emissions.



Risk Assessment and Prioritization

Objective: Identify and prioritize specific ESG risks within the supply chain.

Actions:

- Conduct a comprehensive ESG risk assessment using internal and external expertise.
- Prioritize risks based on severity, likelihood, and impact on stakeholders.



Transparency and Reporting

Objective: Enhance transparency in supply chain ESG practices.

Actions:

- Develop a transparent reporting mechanism for ESG performance.
- Publish an annual sustainability report, including supply chain metrics.

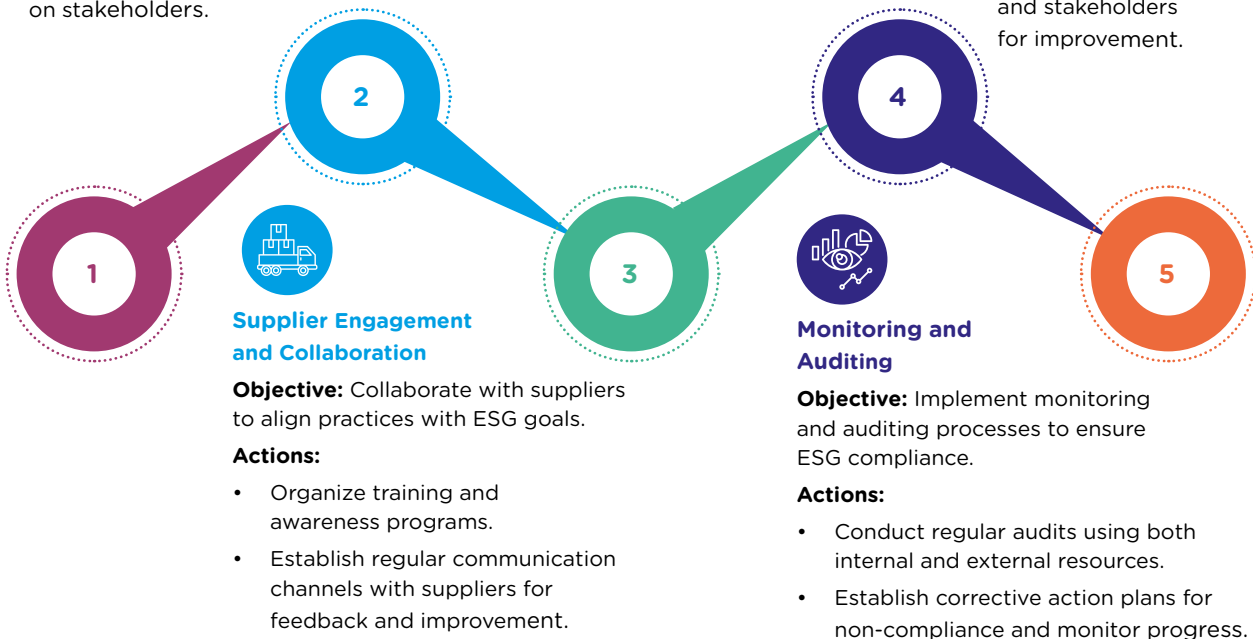


Continuous Improvement

Objective: Foster a culture of continuous improvement in ESG practices.

Actions:

- Set measurable ESG goals and regularly review progress.
- Encourage feedback from employees, suppliers, and stakeholders for improvement.



Creating Customers' Value by New Products

Himadri offers a wide range of clean blacks under the brand name of KLAREX series, specially designed for industrial rubber products. These blacks are very clean in terms of sieve residue, ash content and other chemical impurities, which reduces the extrusion based chocking; thereby increasing productivity and reducing scrap generation by producing blemish free smooth surface extrudate tapes. This has a direct impact on enhanced product quality, higher productivity and less power usage.

Himadri has a wide range of very clean JETEX blacks which are used primarily in Films & general plastics and pressure pipe application. These blacks offer very good UV protection, thereby increasing the life of pressure pipe impacting the environment positively. Thin films made with these grades offer good mechanical properties enhancing lifetime and reducing plastic scrap generation & less power consumption.

Himadri also have ELECTRA series which helps to reduce volume and surface resistivity while incorporating polymer matrix. Generally, ELECTRA series is used for

Annexure IX

of the Board's Report (Contd.)

cable, ESD, antistatic and battery applications. A high conductive speciality carbon black ELECTRA 295 has been developed which provides better conductivity at lower carbon black loading. It requires lower amount of polymer for cleaning purpose which reduces polymer wastage and power consumption.

Basically, lowering polymer wastage, scrap generation & power consumption indirectly reduces carbon emission and positively impact on the environment.

Robust Corporate Governance

At Himadri, we uphold highest standards of ethical business practices, which form the foundation of the values we deliver to our stakeholders. Our commitment to sustainability is guided by our core values of integrity, respect, and responsibility. Our governance framework is based on the timeless principles of the UN Global Compact and is supported by a set of compliance and accountability policies and practices.

Himadri serves as a beacon of ethical corporate governance, promoting innovation and sustainable growth. Rooted in trust, our unwavering commitment to the highest standards of integrity has earned the confidence of stakeholders, attracting capital and top-tier talent. Upholding the values of Integrity, Commitment, Passion, Seamlessness, and Speed, we prioritize excellence in governance. Our diverse Board, consisting of both Executive and Independent Directors, provides comprehensive guidance, aligning resource utilization with our vision. A robust governance and compliance culture ensures adherence to regulations, strengthens relationships, fosters trust, and sustains our organization for the long term.

Our key deliverables in these perspectives are:

- Promoting anti-bribery and anti-corruption culture
- Maximizing data security and transparency
- Establishing ourselves as the industry standard for ethical business conduct

Promoting Anti-Bribery and Anti-Corruption Culture

As the purveyor of highest standard of business ethics, Himadri expects all employees, suppliers, and customers to conduct business in accordance with the highest ethical standards and in full compliance with all applicable anti-bribery laws and regulations. To reinforce this expectation, we have developed detailed policies, compliance procedures, and training programs. All employees are required to undergo annual training on all the mandatory topics which include Anti-Bribery and Anti-Corruption among many others.

Furthermore, we see both an opportunity and a responsibility to make a positive impact on the upholding of timeless principle of UN Global Compact within our direct supply chain. We require our suppliers to underscore our commitment to respecting ethical business conduct. As outlined in our Code of Conduct, suppliers must adhere to our Business Ethics, which in some instances sets higher standards than those mandated by laws of the land.

Maximizing Data Security and Transparency

The digitization of global economy is highlighting the significance of data ethics, as our customers depend on partners with the highest ethical standards. Our goal is to be a trusted entity that safeguards and respects the data of our customers, business partners, and employees. Himadri's data ethics strategy strikes a balance between seizing opportunities and managing risks. We aim to develop innovative products for our customers while ensuring compliance and ethical practices. Additionally, we leverage technology and artificial intelligence (AI) to advance our decarbonisation ambitions.

The rapid advancement of AI represents a defining moment for us being guided by our data ethics principles: Respect, Security, Transparency, and Innovation. We are enhancing our existing governance framework by automating preventive controls, embedding risk management institutionally, and exploring governance technologies in anticipation of AI regulation. Our governance practices are already being applied in generative AI tools that support Operation and our People function. During the current reporting year, Himadri has earned ISO 27001 certification which underscores our robust practices involving cyber security.

Establishing as Industry Standard for Ethical Business Conduct

In Himadri, we strive to establish the best-in-class compliance program that assists us to promote sustainable business and equal opportunities by preventing, detecting and correcting behaviour that is not aligned with our purpose, core values and internal governance structure on business ethics.

At Himadri, we take personal responsibility for conducting ourselves ethically and honestly in all business activities. We have implemented a comprehensive Code of Conduct that applies to all employees, officers, and directors. This Code sets forth fundamental principles for everyone at Himadri, delineating responsibilities across all facets of business operations. It clearly articulates Himadri's expectations regarding various risk areas, including fair competition, international trade laws, conflicts of interest, gifts and entertainment, proper use of social media, human rights, and protection of privacy.

Annexure IX

of the Board's Report (Contd.)

Commitment to Excellence in Corporate Governance

At Himadri, our Board of Directors is both diverse and experienced, tasked with the critical responsibility of fostering sustainable development practices and crafting long-term value for all stakeholders. This seasoned Board offers strategic guidance across every aspect of our operations, focusing on the judicious use of resources while prioritizing governance and sustainability. Every decision made by the Board aligns with our vision and mission statements, ensuring that all strategies are crafted with the best interests of our stakeholders in mind.

Our Board is structured to facilitate effective governance through various Committees, predominantly led by Independent Directors. These Committees are pivotal in implementing the Board's strategic decisions and maintaining continuous oversight. They conduct thorough reviews of our policy implementations and procedures, ensuring that our operations adhere strictly to the highest standards of compliance and efficiency.

The composition of our Board reflects a balanced mix of Executive and Non-Executive Independent Directors, in strict accordance with SEBI Listing Regulations. As of March 31, 2023, the Board comprises nine Directors, of which three are Executive Directors and six are Independent Directors, including one Independent Woman Director. This structure is in full compliance with Section 149 of the Companies Act, 2013, and Regulation 17 of the SEBI Listing Regulations. Moreover, in adherence to Regulation 17(1A) of the SEBI Listing Regulations and Section 196 of the Act, the company has passed special resolutions for an Independent Director who has reached the age of seventy-five and for an Executive Director who has reached the age of seventy, ensuring that we exceed the standard requirements for governance and ethical conduct.

Himadri is committed to maintaining the highest standards of governance, aimed at ensuring transparency and equality in all our business dealings, thereby enabling sustainable value creation for all involved parties. Our approach to governance extends beyond the mere fulfilment of legal and regulatory requirements; it is about ingraining these practices into the fabric of our corporate culture. By forming an active, well-informed, and intellectually vigorous Board, supported by various Committees, we manage our affairs efficiently and proactively. At Himadri, we are consistently at the forefront of compliance and responsible business practices, ensuring that our governance not only meets but often exceeds regulatory expectations. Our Board's vigilance ensures that all regulatory requirements are respected meticulously, both in letter and in spirit, reinforcing our commitment to ethical leadership and corporate integrity.

Governance Structure and Board's responsibility

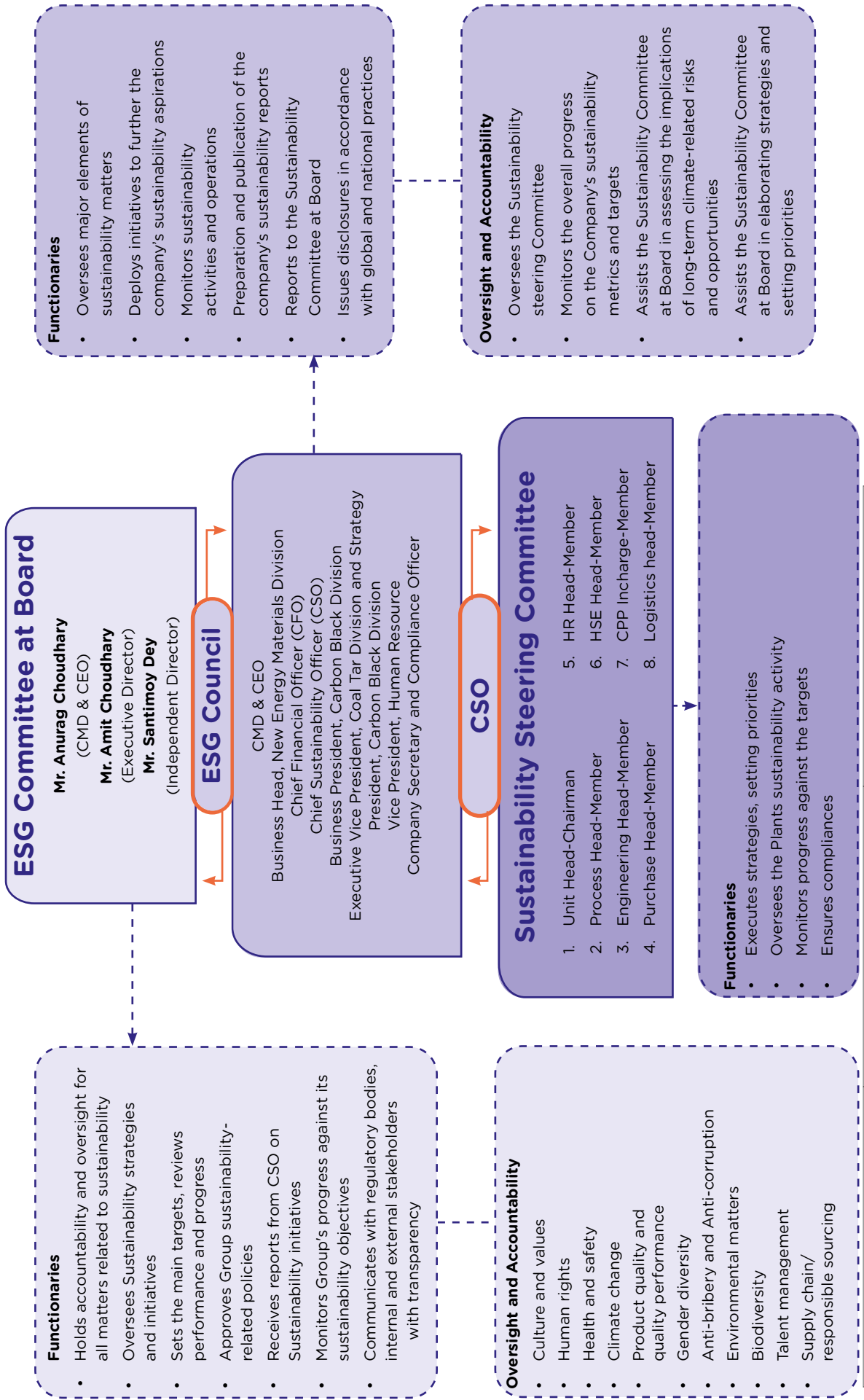
At Himadri, our Board of Directors is composed of a diverse group of experienced individuals whose primary responsibility is to foster sustainable development and cultivate long-term value for all stakeholders. The Board engages in comprehensive strategic guidance across all operational facets of the company, focusing on the optimal utilization of resources and diligent oversight of governance and sustainability issues. Decisions are meticulously aligned with our overarching vision and mission, with the intent of prioritizing strategies that benefit all stakeholders comprehensively.

Our governance structure includes several Board Committees, primarily chaired by Independent Directors, which are essential in translating the Board's strategic decisions into actionable policies. These committees are instrumental in maintaining a robust oversight mechanism, regularly conducting rigorous reviews to ensure effective implementation of policies and adherence to set procedures.

Reflecting our commitment to regulatory compliance and balanced leadership, the composition of our Board adheres strictly to the SEBI Listing Regulations. As of March 31, 2023, the Board is comprised of nine directors, including three Executive Directors and six Independent Directors, one of whom is a woman. This alignment ensures compliance with Section 149 of the Companies Act, 2013, as well as Regulation 17 of the SEBI Listing Regulations. Furthermore, in keeping with our commitment to governance excellence, we have passed special resolutions for an Independent Director over seventy-five years of age and an Executive Director over seventy years of age, in accordance with Regulation 17(1A) of the SEBI Listing Regulations and Section 196 of the Companies Act, respectively.

Himadri is dedicated to upholding the highest standards of corporate governance, which we see as fundamental to maintaining transparency, equity, and accountability in our operations, thereby enabling long-term value creation for all stakeholders. We have built a strong governance foundation by constituting an active, well-informed, and intellectually robust Board. Our Board Committees play a pivotal role in managing our affairs efficiently and beyond mere compliance with legal and regulatory requirements. At Himadri, we pride ourselves on being at the forefront of compliance and responsible business practices, ensuring that all regulations are meticulously respected, both in their letter and in their spirit.

Sustainability Governance



Annexure IX

of the Board's Report (Contd.)

Sustainability Objectives 2024-25

Objectives	Measures	Target FY 24-25	Progress FY 23-24	Plan Vs Progress	Main Domain	UNGC - SDGs
Vision Zero Accident/ Incident	By 2025, Loss Time Injury Frequency Rate below 1 (Vs 2021)	< 1	1.18		People	
Energy Consumption	By 2025, Reduce Energy Intensity per metric tonne of product sold (Vs 2021)	-10%	-12.29%		Planet	
CO2e emission Intensity (Scope-1 & scope-2)	By 2025, Reduce Scope 1 and Scope 2 CO2e emission intensity per metric tonne of product sold (Vs 2021)	-25%	-24.20%		Planet	
CO2e emission Intensity (Scope-3)	By 2025, Reduce scope 3 CO2e emission intensity per Metric tonne of product sold (Vs 2023)	-5%*	NA*	NA*	Planet	
Zero Liquid Discharge	All plant must operate with ZLD status (Vs 2021)	100%	100%		Planet	
Solid Waste	Reduce solid waste (Hazardous and sent to landfill) per metric tonne of product sold (Vs 2021)	<1%	0.01%		Planet	
Recycle Materials	Increase the proportion of Non-virgin raw material from external sources used in production to avoid depletion of natural resources (Vs 2021)	>95%	98%		Planet	
Gender Diversity	Increase female representation in management team(vs 2021)	5%	4.5%		People	
Compliance Training	Increase percentage of Targeted staff, who completed anti bribery and corruption training (Vs 2021)	>95%	99.80%		Governance/ Communities	
Value Chain Management	By 2023, conduct sustainability assessment of our value chain partners covering at least *70% of group spend (Vs 2021)	85%	84% (against old target)		Communities	
Carbon Neutrality by Product Design	Introduce recycled raw material or bio sourced materials into product to reduce customer's carbon footprint - % RM in MT	0.1%	NA*	NA*	Planet	

Behind Plan : On Schedule : Ahead of Schedule : New Benchmark :

* - New Objective FY- Financial Year

Annexure IX

of the Board's Report (Contd.)

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES



I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L27106WB1987PLC042756
2.	Name of the Listed Entity	Himadri Speciality Chemical Ltd
3.	Year of incorporation	1987
4.	Registered office address	23A, Netaji Subhas Road, 8 th Floor, Suite No. 15, Kolkata - 700 001
5.	Corporate address	8, India Exchange Place, 2 nd Floor, Kolkata 700001
6.	E-mail	info@himadri.co
7.	Telephone	(033) 2230 4363/ 9953
8.	Website	www.himadri.com
9.	Financial year for which reporting is being done	2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd. (NSE) BSE Limited (BSE)
11.	Paid-up Capital	₹ 4,925.95 lakhs
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. Avijit Sasmal Chief Sustainability Officer avijit.sasmal@himadri.com (033) 2210 4264 (033) 2230 9953
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)	Standalone Basis
14.	Name of assurance Provider	Not Applicable
15.	Type of assurance Obtained	Not Applicable

II. Products/services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of carbon materials and chemicals	Himadri's revenue is primarily derived from the sale of carbon materials and chemicals.	99

Annexure IX

of the Board's Report (Contd.)

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

Sl. No.	Product/ Service	NIC Code	% of total Turnover contributed
1.	Carbon Materials and Chemicals - Manufacturing	23999	99

III. Operations

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

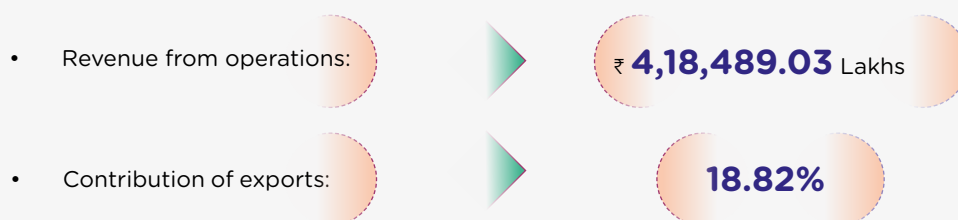
Location	Number of plants	Number of offices	Total
National	7	4	11
International	1	1	2

19. Markets served by the entity:

a. Number of locations



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



c. A brief on types of customers

Since its inception in 1987, Himadri has grown to become a market leader and prominent player in Speciality Carbon products such as Coal Tar Pitch, Carbon Black, Naphthalene and Refined Naphthalene, SNF and Speciality Oils. Globally, we have been recognized as one of the few companies to offer integrated Speciality Carbon products and have continuously endeavored to grow our global footprint and mark our presence in a diverse range of industries such as steel, aluminum, graphite, energy storage, tyre, automotive components, plastic, paints, fiber, printing inks, infrastructure development, and many more.

IV. Employees

20. Details as at the end of Financial Year:

At Himadri, we firmly believe in upholding Diversity and Inclusion as fundamental aspects of our organizational ethos. We ensure that every individual in our organization feels respected and appreciated. Our hiring strategies focus on finding the best people for the job who bring diversity of thought, experience, cultures, gender, age, and expertise to enrich the organizational culture and add impetus to innovation and sustainable growth. The organization has a zero tolerance policy for any kind of discrimination across our operations, be it in our hiring,

Annexure IX

of the Board's Report (Contd.)

training, promotion, assessment or remuneration on the basis of nationality, race, colour, religion, creed, sexual orientation, gender identity, age and disabilities.

Gender diversity enhances competitive advantage for us, with a focus on achieving gender parity and inclusivity, promoting women's representation in leadership roles, and prioritizing inclusivity at all organizational levels. On a quarterly basis, the Board evaluates female composition, implementing programmes and campaigns to address career development needs across the company's hierarchy. In our efforts to honour female employees, we organize annual women's day workshops, celebrating their accomplishments and resilience. These gatherings foster camaraderie, shared experiences, and unity among our female workforce, fostering a strong sense of support. Himadri's leave policy acknowledges women's menstruation challenges, offering paid leave of two days each month. This policy demonstrates the Company's commitment to support women's overall well-being.

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	791	755	95.4	36	4.6
2	Other than Permanent (E)	94	94	100.0	0	0.0
3	Total employees (D + E)	885	849	95.9	36	4.1
WORKERS						
4	Permanent (F)	129	128	99.2	1	0.8
5	Other than Permanent (G)	1,016	1,006	99.0	10	1.0
6	Total workers (F + G)	1,145	1,134	99.0	11	1.0

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100.0	0	NA
2	Other than Permanent (E)	0	0	NA	0	NA
3	Total differently abled employees (D+ E)	1	1	100.0	0	NA
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	NA	0	NA
5	Other than permanent (G)	0	0	NA	0	NA
6	Total differently abled workers (F+G)	0	0	NA	0	NA

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	8	1	12.50
Key Management Personnel	9	1	11.11

*Includes CMD & CEO and Executive Directors

22. Turnover rate for permanent employees and workers

Particulars	FY 23-24			FY 22-23			FY 21-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	7.90	0.36	8.26	7.86	0.71	8.57	10.34	0.65	10.99
Permanent Workers	1.30	0.04	1.34	27.18	3.08	30.26	24.57	0.00	24.57

Annexure IX

of the Board's Report (Contd.)

We believe the Talent loss at any level is a business loss, hence as an organization we have taken many initiatives to bring down the attrition rate for permanent worker category. The focus on workplace safety and social security was revamped, redesigned and implemented in order to excel. Some of the key initiatives are Inclusion of employee accidental insurance, employee term insurance, mandatory Health Checkups and follow ups, focused training interventions for personal development. Canteen facility and mandatory PPEs are issued on a regular basis.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. 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	AAT Global Limited	Wholly Owned Subsidiary	100	No
2	Shandong Dawn Himadri Chemical Industry Limited	Subsidiary of AAT Global Ltd	94	No
3	Combe Projects Private Ltd	Wholly Owned Subsidiary	100	No
4	Himadri Clean Energy Limited	Wholly Owned Subsidiary	100	No
5	Himadri Future Material Technology Limited	Wholly Owned Subsidiary of Himadri Clean Energy Limited	100	No

VI. CSR Details

At Himadri, our primary objective is to assist those who are underserved and help them become self-sufficient. In keeping with this, we implement various well-thought-out and targeted initiatives focused on women's empowerment, healthcare and education.

The CSR Committee at the Board level is responsible for CSR activities, supported by the corporate CSR team. The CSR team at the plant level deal with grievances received from stakeholders. We engage with the community on a regular basis directly or through implementing agencies. All grievances, are dealt with on a timely basis and are resolved by the CSR Team under guidance of CSR Committee.

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
- (ii) Turnover (₹ in Lakhs)- **₹ 4,18,489.03**
- (iii) Net worth (₹ in Lakhs)- **₹ 2,98,120.99**

VII. Transparency and Disclosures Compliances

Transparency in Himadri refers to the practice of openly sharing information, decisions, processes, and policies with stakeholders, including employees,

customers, shareholders, and the Communities. It involves being honest, accountable, and forthcoming about the organization's activities and operations.

At Himadri, addressing grievances as an organization involves a structured and proactive approach to resolve issues and maintain positive relationships.

We follow the below mentioned strategies to address grievances

1. Establish Channels for Feedback: Creation of multiple channels for expressing grievances, such as suggestion boxes, hotlines, online forums, or regular town hall meetings. Ensuring that these channels are accessible by all stakeholder.
2. Dedicated Grievance Handling Team: Designating a team within the organization responsible for managing and addressing grievances. Provided them with adequate training in conflict resolution, communication skills, and cultural sensitivity.
3. Listen and Empathize: Actively listen to the concerns and grievances raised by stakeholders. Empathize with their perspectives and demonstrate genuine concern for their well-being. Avoid becoming defensive or dismissive of their grievances.

Annexure IX

of the Board's Report (Contd.)

4. **Document and Analyze Grievances:** Systematically document all grievances received, including details such as the nature of the issue, the individuals involved, and any supporting evidence. Analyze the grievances to identify common themes, root causes, and trends.
5. **Prioritize Grievances:** Prioritize grievances based on their severity, impact on stakeholder and organizational resources available for resolution. Focus on addressing high-priority grievances promptly to prevent escalation and maintain trust with the stakeholder.
6. **Transparent Communication:** Communicate openly and transparently with the stakeholder about the organization's efforts to address grievances. Provide regular updates on the status of ongoing investigations, resolutions, and any changes implemented as a result of stakeholder feedback.
7. **Engage Stakeholders:** Engage relevant stakeholders in the grievance resolution process. Collaborate with these stakeholders to gather additional insights, leverage resources, and implement effective solutions.
8. **Implement Solutions:** Develop and implement solutions to address identified grievances in a timely and effective manner.
9. **Follow-Up and Monitoring:** Following up with the concerned person after implementing solutions to ensure that the grievances have been adequately addressed. Monitor the effectiveness of implemented solutions and be prepared to make adjustments based on feedback and changing circumstances.
10. **Continuous Improvement:** Continuously evaluate and improve the organization's grievance handling processes based on lessons learnt and feedback received. Strive to build trust and foster positive relationships through ongoing engagement and responsiveness to concerns.

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web link for grievance redress policy)	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks
Communities	Yes	Nil	Nil	None	Nil	Nil	None
Investors (Other than shareholders)	Yes	Nil	Nil	None	Nil	Nil	None
Shareholders	Yes	Nil	Nil	None	Nil	Nil	None
Employees and workers	Yes	Nil	Nil	None	Nil	Nil	None
Customers	Yes	Nil	Nil	None	Nil	Nil	None
Value Chain Partners	Yes	Nil	Nil	None	Nil	Nil	None

A grievance redressal Mechanism is in place. The web link for the same is: https://www.himadri.com/home/uploads/govnce_report/code_policy/vigil-mechanism-whistleblower-policy-10.02.2023.pdf

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

Our Sustainability initiative focuses on addressing our most significant sustainability challenges and opportunities. We use an ongoing double materiality methodology, based on the European Sustainability Reporting Standard (ESRS) to determine these issues. This methodology prioritizes issues based on their impact on the environment, society and Himadri's business, creating financial risks and opportunities.

Our materiality assessment is integrated into our risk management processes, which consider both immediate risks and long-term macro trends. These trends include the electrification of light vehicles, increasing demand for

Annexure IX

of the Board's Report (Contd.)

renewable energies, technological advancements in our sector, and policy changes affecting CO2 emissions costs. These trends could have a significant impact on our markets.

Our assessment aligns with global reporting frameworks. To shape our approach and develop our Sustainability initiative, we actively engage with stakeholders through various channels, including regular surveys of our operational teams. These surveys provide valuable data on our management practices, systems, and performance related to environment, safety, human resources, and societal impacts.

Sl. 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.	Health & Safety	Opportunity	Ensuring the safety and well-being of our employees is of paramount importance. We dedicate significant efforts to uphold high standards of Health, Safety, and Environment (HSE) in the workplace, recognizing that any lapses in these areas could have serious consequences.	At Himadri, we maintain strict adherence to health and safety protocols across all our plants and office locations. Our commitment to safety is demonstrated by our ISO 45001:2018 certification. We regularly conduct health and safety training for employees and workers, supplemented by periodic audits and surprise checks to ensure full compliance with all protocols.	While an accident may cause damage to reputation and incite potential legal actions by local authority, practicing / delivering best in class HSE performance has created positive differences to all direct and indirect stakeholders of the company. It has enhanced the brand value significantly as well.
2.	Human Rights	Opportunity	A socially responsible Organization recognizes the importance of nurturing strong relationships with all stakeholders, including regulators, investors, suppliers, and customers. By placing a high priority on respecting human rights, we show our dedication to build lasting partnerships with stakeholders and safeguard their rights.	Himadri is dedicated to sustainable development principles, which encompass protecting human rights, respecting individual's dignity and well-being, and ensuring equal rights for all. As a part of this commitment, the Human Rights Policy applies to all employees and investors, while the Supplier Code of Conduct and Sustainable Procurement Policy clearly outlines the expectations from our suppliers.	At Himadri, we place a strong emphasis on the value of our people as crucial assets to our business. As a result, we prioritize our commitments to all human rights elements. We believe that this focus enables us to establish our brand as a leader in its class.

Annexure IX

of the Board's Report (Contd.)

Sl. 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)
3.	GHG Emissions/ Energy Management	Risk/Opportunity	By recognizing the adverse impact of GHG emissions on the global climate, we acknowledge this as a shared risk as well as an opportunity. As a corporate entity, we are fully committed to making a positive contribution in this regard.	<p>Himadri diligently monitors its Scope 1 and 2 emissions, striving to enhance energy efficiency. The company is actively evaluating its emissions and has established short-term and long-term plans with defined objectives to improve energy intensity and reduce its carbon footprint.</p> <p>Additionally, we have initiated evaluating our Scope 3 or value chain emissions which impacts our business activities. Subsequently, we will engage with relevant stakeholders to mitigate Scope 3 emission.</p>	There is an immense positive impact of reducing GHG emissions, improving energy efficiency and air quality, eventually contributing to climate control initiatives.
4.	Water Management	Opportunity	Several processes in our operations require water. Recognizing the significance of this finite resource, we are committed to reducing freshwater usage and optimizing our operations.	<p>Himadri has strategically implemented Zero Liquid Discharge (ZLD) to effectively manage water consumption, treatment, and recycling for internal use. This initiative aims to continuously improve our water consumption intensity.</p> <p>Going beyond commitments, we are currently expanding our ZLD plant's capacity to increase water recyclability and reusability.</p>	There are many positive financial / non-financial implications from reduction in freshwater consumption considering quality water as a scarce resource.

Corporate Overview

Statutory Reports

Financial Statements

Annexure IX

of the Board's Report (Contd.)

Sl. 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)
5.	Labour Practices	Opportunity	Our people are vital contributors to value creation and are our most valuable assets. We strive to attract qualified employees with relevant experience, provide them with best-in-class training, and develop their skills to propel Himadri to greater heights.	To foster a positive working culture at Himadri, we have implemented progressive people practices aimed at retaining and attracting top talent. Our leadership regularly assesses our practices in this regard and adopts appropriate measures to enhance our workforce capabilities.	Enhancing the experience of our employees directly contributes to the Company's productivity and enables us to attain our objectives and business performance over time.
6	Transparency	Opportunity	Himadri upholds a commitment to transparency and openness across all aspects of its operations. Comprehensive communication to stakeholders are being done to achieve transparency to the best possible extent.	Policies are in place to ensure that Himadri operates as a transparent organization. Appropriate procedures and actions are in place in case any deviation is observed.	There are many positive financial / non-financial implications of being a transparent company, which improves the brand image.

Annexure IX

of the Board's Report (Contd.)

Annexure II

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES



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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.himadri.com/Governance.php								
2 Whether the entity has translated the policy into procedures?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4 Name of the national and international codes/certifications/labels/ standards (e.g.Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1	QMS (ISO 9001:2015), IATF (16949:2016)							
	P2	ISO 17025:2017, QMS (ISO 9001:2015), IATF (16949:2016) ISO-20400							
	P3	ISO 45001:2018, QMS (ISO 9001:2015), IATF (16949:2016)							
	P4	QMS (ISO 9001:2015), IATF (16949:2016)NABL							
	P5	ISO 45001:2018. SA8000 (Stage-2)							
	P6	EMS ISO 14001:2015, Energy Management ISO 50001:2018							
	P7	SO-26000							
	P8	ISO-37001							
	P9	Data Security (ISO 27001)							
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	All have been met								

Our ISO certification is a proof that we comply with a global management standard. It shows our key stakeholders that we have a well-run business that has a structure, is stable and ready for growth – this helps in applying for finance from banks, impressing potential investors, or eventually selling. To achieve ISO Certification, we have to prove that our business meets the requirements of the standard.

ISO certification is an internationally recognized standard that proves our company meets rigorous quality management requirements. Here are just a few of the benefits of pursuing this distinction:

Improved Business Process Efficiency

ISO accreditation is an excellent way for companies to improve their business objectives, processes, and procedures. When our processes and procedures are certified to meet ISO standards, it becomes easier for our employees to work together effectively and efficiently.

Sustainability

ISO standards help businesses to show that they care about their environmental impact by proving their commitment to deal with environmental challenges by assisting them to look at how much resources are being used, energy spent, or any other type of impact on our planet's natural systems. Through these environmental goals like efficient product lifecycles and sustainable use of natural resources, businesses can improve reputation & benefits.

Reduced Expenses

ISO certification is a great way to reduce expenses, which helps us to earn higher profits. When we improve our financial performance, we save on expenditures, reducing waste within our business. Reduced expenses also correlate to distribution & delivery, strict packing. Strict packing and shipping standards for businesses & ensure undamaged delivery and greater customer satisfaction.

Annexure IX

of the Board's Report (Contd.)

Improved Communication and Corporate Culture

Our employees will better understand their job requirements and quality objectives with an effective management system. The ISO 9000 family is a set of international quality management standards that have been proven to improve business efficiency and provide organizations with the tools they need for success. These tools also guide to accomplish strategic goals while delivering continual improvement feedback on performance if maintained.

Innovation

ISO standards help to commercialize emerging technologies and benefit any organization by establishing what makes one product different from another. The benefits include demonstrating our company's credibility with customers, employees, or other stakeholders through the products/services we provide for them.

Risk reduction

ISO standards provide a way to prepare our organization for any risks and turn them into opportunities. When problems arise, we will be better equipped because these standards ensure success in managing or mitigating those situations, so that they don't become disasters.

Increased Confidence from Customers

Another benefit of being ISO certified is proving to our customers that we are a reliable and reputed company. Customers look for companies they can trust and being ISO certified is a validated way to demonstrate our commitment to product and process quality. For example, the ISO 9001 standard is based on practical quality management principles and customer requirements that show that we constantly working to improve customer experiences with the products and services they receive from our business.

During the current reporting year, we have achieved an array of ISO certifications. The details are described below -

ISO 9001 : 2015 certification (Quality)

This is the basis for most management systems. Consequently, its main benefits have been identified with the general benefits referred to earlier. It'll also help us to continually assess and improve what we do and result in fewer returned products and complaints about our services.

ISO 14001 : 2015 certification (Environment)

This is a systematic way to discover and control the effects of our company on the environment. It'll help us to detect ways to minimize waste and dispose it more effectively as well as learning how to use energy more efficiently. ISO 14001 verifies that our current policies and practices comply with current legislation and makes insurance cover more accessible.

ISO 20400 (Sustainable procurement) certification

ISO 20400:2017 provides guidance to organizations, independent of their activity or size, on integrating sustainability indicators within procurement policies. It is intended for stakeholders involved in, or impacted by, procurement decisions and processes.

ISO 26000 : 2010 standard (Social responsibility)

ISO 26000 emphasizes stakeholder engagement and compliance with international norms, fostering a holistic approach to sustainable development. It encourages organizations to integrate responsible behaviour throughout their operations and relationships, promoting long-term societal and environmental well-being.

ISO 27001 : 2013 certification (Information Security)

Demonstrates that we've addressed, implemented and controlled the security of all the important information that we need to run our business. It'll help us to safeguard our valuable data and intellectual property and avoid the financial penalties and losses associated with data breaches. This provides comfort to our customers, employees, trading partners and stakeholders - in the knowledge that our management information and systems are secure.

ISO-37001 : 2016 (Anti-bribery)

Protection of the organization's assets, shareholders and management from the adverse effects of bribery and corruption is another benefit associated with the ISO anti-bribery management system. Often, the negative effects of corruption are economic in nature.

ISO 45001 : 2018 certification (Health & Safety)

Provides guideline to meet the requirements of Health & Safety legislation. The setting of targets through a Health and Safety policy, together with the ongoing measurement against it, also ensures a process of continual improvement. Downtime due to incidents and ill health will be reduced.

ISO 50001 : 2018 certification (Energy management)

ISO 50001 identifies the risk and opportunity associated with energy consumption. The certification process also shares areas of significant energy use and opportunities for improvement, by providing a better understanding of the energy profile of our organization.

SA8000 (Social accountability) (Stage 2 Completed)

It measures the performance of companies in eight areas which are important for social accountability in the workplace: child labour, forced labour, health and safety, free association and collective bargaining, discrimination, disciplinary practices, working hours and compensation.

Annexure IX

of the Board's Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership, and oversight									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>We are pleased to present Himadri's 2nd Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2023-24, demonstrating our commitment to sustainability, ethical business practices, and societal well-being. This report showcases our efforts and achievements in environmental preservation, employee welfare, customer satisfaction, and community development. As stated in our previous report, we remain aligned with the UN Global Compact (UNGC) and UN Sustainable Development Goals (UNSDGs) to promote environmental stewardship, social impact, and governance excellence.</p> <p>At Himadri, we believe that the well-being of our planet and society is essential for our success. Sustainability is not just a duty but a core part of our business operations. We understand that our current actions shape the future of our company, customers, communities and the environment. This report provides a comprehensive overview of how we integrate these values into our business strategy, corporate culture, and daily operations.</p> <p>We regularly evaluate our sustainability initiatives and adapt our priorities to ensure long-term sustainable growth and value creation for all stakeholders, including investors, business partners, and employees.</p> <p>In conclusion, we would like to thank our stakeholders for their continued trust and support. We are confident that, together, we can create a better future.</p>								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>At the highest level, the Board of Directors, led by the Chairman cum Managing Director & CEO, is primarily responsible for protecting and enhancing shareholder's value through strategic decision-making. The Board ensures that the Company's goals are clear and aligned with shareholder value, growth, and sustainability objectives.</p> <p>The ESG Committee at the Board, chaired by the Chairman cum Managing Director & CEO, annually reviews and oversees the implementation of the Company's Sustainability Policies. Additionally, the CSR Committee and the Board review the progress of the Company's CSR programs.</p> <p>The ESG Committee of the Company is responsible for ensuring compliance with the Company's Sustainability Policies. The Board has established the ESG Council to oversee daily ESG matters arising from the Company's activities and operations, and to monitor and evaluate compliance with these policies.</p>								
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.	<p>Yes, as previously stated, the ESG Committee is a Board Committee responsible for making critical decisions regarding ESG issues, identifying risks, and implementing mitigation strategies.</p> <p>The ESG Committee reviews the Company's Business Responsibility and Sustainability Report and recommends it to the Board for adoption. The committee also approves the Company's Sustainability & Integrated Report.</p>								

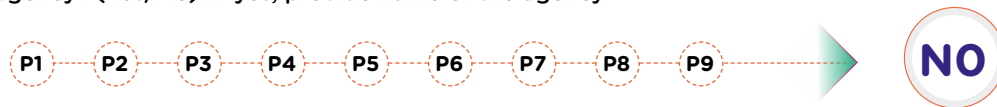
10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken 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	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually							
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								

Annexure IX

of the Board's Report (Contd.)

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.



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

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not applicable as all principles are covered by respective policies

At Himadri, we are committed to upholding the principles of the National Guidelines on Responsible Business Conduct (NGRBC). These guidelines provide a framework for ethical and sustainable business practices, aligning with our core values and commitment to corporate social responsibility. Our policies are reflected on the following domains of ethical and responsible business conducts.

1. Business Integrity and Ethical Conduct:

- We have a Code of Conduct that outlines the expected behaviour of our employees, suppliers, and partners, emphasizing integrity, honesty, and transparency in all business dealings.
- Our Anti-Bribery and Anti-Corruption Policy prohibits bribery and corrupt practices, ensuring that all business transactions are conducted ethically and legally.

2. Respect for Human Rights:

- Our Human Rights Policy upholds the fundamental rights and dignity of all individuals, including employees, suppliers, and communities affected by our operations.
- We conduct regular human rights impact assessments on our suppliers to identify and address any potential risks or violations.
- Our Recruitment policy comprehensively underscores our commitment towards abolishing child labour, bonded labour and modern day slavery.

3. Environmental Stewardship:

- Our Environmental Policy outlines our commitment towards minimizing our environmental impact, including reducing waste, conserving resources, and mitigating climate change by improving energy and emission efficiency.

- We adhere to strict environmental standards and regulations, continuously seeking ways to improve our environmental performance.

4. Customer Protection:

- Our Consumer Protection Policy ensures that we provide safe, reliable, and high-quality products to our customers, adhering to all relevant consumer protection laws and regulations.
- We actively engage with our customers to address any concerns and improve customer satisfaction.
- Our best-in-class data security policy safeguards sensitive information concerning customers.

5. Corporate Social Responsibility (CSR):

- Our CSR Policy guides our initiatives to support the communities in which we operate, focusing on education, healthcare, and environmental conservation.
- We regularly evaluate and report on our CSR activities to ensure accountability and transparency.

6. Promotion of Inclusive Growth:

- Our Diversity and Inclusion Policy promotes a diverse and inclusive workplace, fostering a culture of respect, equality, and opportunity for all employees.
- We actively support local communities and businesses, contributing to economic development and poverty alleviation.

We consistently review and enhance our policies and standards to align with the evolving regulatory landscape and the expectations of our stakeholders. By adhering to these policies and principles, Himadri aims to be a responsible corporate citizen, contributing to the well-being of society and the environment while ensuring the long-term success and sustainability of our business.

Annexure IX

of the Board's Report (Contd.)

Principle no	Principle details	Policy as per principle
 Principle 1:	Businesses should conduct and govern themselves with ethics, transparency and accountability	<ol style="list-style-type: none"> 1. Anti-Bribery Policy 2. Anti-corruption due diligence program 3. Specific approval procedure for sensitive transactions 4. Information security due diligence program 5. Implementation of record retention Schedule policy 6. Incident response procedure 7. Measure of gaining stakeholder consent 8. Information Security risk assessment 9. Policy on prevention and detection of bribery, fraud and other corruptions 10. Stakeholder engagement policy 11. Prevention of documents & archival policy 12. Vigil mechanism/whistle blower policy- ver.2.0 13. Audit of control procedure to prevent information security breaches 14. Code of Conduct
 Principle 2:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	<ol style="list-style-type: none"> 1. Sustainable procurement Policy 2. Promotion of sustainable consumption
 Principle 3:	Businesses should promote the wellbeing of all employees	<ol style="list-style-type: none"> 1. Canteen Policy 2. Employee Health & Safety 3. Drug & Alcohol Policy 4. Long service Award Policy 5. Onboarding Policy 6. Loan & advance Policy 7. Fair competition Policy 8. Recruitment Policy 9. POSH 10. Career Progression Policy 11. Diversity, Equity and Inclusion Policy
 Principle 4:	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	<ol style="list-style-type: none"> 1. CSR policy 2. Sustainable Procurement Policy
 Principle 5:	Businesses should respect and promote human rights	<ol style="list-style-type: none"> 1. Child & Forced Labour Policy 2. Human Rights Policy 3. Sustainable Procurement Policy 4. Code of Conduct for Value Chain Partners

Annexure IX

of the Board's Report (Contd.)

Principle no	Principle details	Policy as per principle
 Principle 6:	Businesses should respect, protect, and make efforts to restore the environment	<ol style="list-style-type: none"> 1. Environment Policy 2. Bio Diversity 3. Water management 4. Waste management 5. Energy management 6. Energy & GHG emission 7. Local and accidental pollution 8. Product End of Life 9. Customer health & safety 10. Promotion of sustainable consumption
 Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	<ol style="list-style-type: none"> 1. Code of Conduct of all directors & senior management 2. Fair Competition Policy
 Principle 8:	Businesses should support inclusive growth and equitable development	<ol style="list-style-type: none"> 1. Recruitment Policy 2. Fair Competition 3. Sustainable Procurement Policy 4. Diversity, Equity and Inclusion Policy
 Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner	<ol style="list-style-type: none"> 1. Customer health & safety 2. Product End-of-Life 3. Information Security risk assessment 4. Information security due diligence 5. Audit of control procedure to prevent information security breaches

Annexure IX

of the Board's Report (Contd.)

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

SDGs Impacted



Training Coverage of Employees

100%



Penalty

Nil



Number of Complaints

Nil

Essential Indicators



1. Percentage coverage by training and awareness programmes on any of the principles 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	Orientation session	62.5
Key Managerial Personnel	12	All BRSR Principles	100.00
Employees other than BoD and KMPs	21	All BRSR Principles	100.00
Workers	72	Training of Workplace Health and Safety	100.00

Annexure IX

of the Board's Report (Contd.)

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

	NGBRC Principle	Monetary		
		Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case
Penalty/ Fine			Nil	
Settlement			Nil	
Compounding fees			Nil	

	NGBRC Principle	Non-Monetary		
		Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an Appeal been preferred (Yes/No)
Imprisonment			Nil	
Punishment			Nil	

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

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, Himadri has an Anti-Bribery and Anti-Corruption Policy which is available on its website. The Company is dedicated to preventing and detecting bribery and other corrupt practices, and it assigns the responsibility to its directors and employees to uphold the highest standards of business practices and comply with all anti-corruption laws in the regions where we operate. Himadri maintains a zero-tolerance policy towards unethical behaviour.

To uphold the company's values and ensure the highest level of integrity, regular awareness sessions are conducted for all employees, both new and existing. A robust governance structure is in place to oversee and monitor the implementation of the policy.

<https://www.himadri.com/pdf/anti-bribery-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 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

Annexure IX

of the Board's Report (Contd.)

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

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors.	0	No complaints received	0	No complaints received
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	0	No complaints received	0	No complaints received

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

There are no reported issues pertaining to corruption and conflicts of interest. Ethical business practices are the founding principles of Himadri. We regularly conduct compulsory learning and training sessions for our board members on such topics.

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	51	67

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

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	10.66%	7.96%
	b. Number of trading houses where purchases are made from	491	484
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	93.35%	92.60%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	9.19%	8.66%
	b. Number of dealers / distributors to whom sales are made	19	20
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	82.53%	80.12%

Annexure IX

of the Board's Report (Contd.)

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Share of RPTs	a. Purchases (Purchases with related parties / Total Purchases)	33.54%	29.21%
	b. Sales (Sales to related parties / Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	1.73%	16.76%
	d. Investments (Investments in related parties / Total Investments made)	67.56%	99.99%

Leadership Indicators



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

At Himadri, we absolutely appreciate the value created by our value chain partners. However, as we embark on this sustainability journey, it becomes imperative for us to align the value chain partners with our goals and ambitions. To foster a knowledge based eco-system, Himadri facilitates capacity building workshops for its key value chain partners to educate and create shared awareness on essential areas like health and safety, human rights, labour practices and other sustainability elements.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
265	Human Rights, Environment, HSE, DE&I	84

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

Yes, the Company have processes in place to avoid/manage conflict of interests involving members of the Board. Himadri has a detailed 'Code of Conduct for its Directors and Senior Management', which contains comprehensive guidelines and mechanism for avoiding the conflict of interest and for reporting any such situations that may trigger a potential conflict. Further, the Company also receives an annual declaration from its members of the Board and KMP regarding the entities they are interested in, and before engaging in business with such entities or people, it makes sure that all necessary approvals are in place as required by law and the Company's policies. The Code of Conduct is available on the Company's website.

Annexure IX

of the Board's Report (Contd.)

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

SDGs Impacted



<p>R&D Expenditure towards improving environmental and social impacts</p> <p>100%</p>	<p>Sustainable Sourcing</p> <p>More than 95%</p>	<p>Life Cycle Assessment (LCA)</p> <p>All the family of products.</p>
---	--	---

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.

	Current Financial Year (2023-24)	Previous Financial Year (2022-23)	Details of improvements in environmental and social impacts
R&D*	100.00%	100.00%	<ol style="list-style-type: none"> 1. Installation of various electrical improvement projects to improve the energy efficiency. 2. Installation of Motorised electrical hoist to avoid manual handling. 3. Water recovery Plant enhancement to increase the efficiency of process water usage.
Capex	17.74%	0.63%	<ol style="list-style-type: none"> 4. New Medicine room for contract employees. 5. New Canteen for the contract employees. 6. New refractory usage to avoid multiple breakdown and decrease the wastage of RM.

*Himadri's R&D work is aligned with one or more NRRBC principles

Annexure IX

of the Board's Report (Contd.)

2. a. Does the entity have procedures in place for sustainable sourcing? - Yes

Sustainability is the one of key fundamentals upon which Himadri has operated since its inception. Our raw materials are derived from the by-products of other industries such as steel and petro-chemical. However, due to novel development and increasing market demand of our products we seldom source few virgin materials for our production processes. But the percentage contribution of these materials is nearly trivial when compared to non-virgin materials. Our robust supply chain model ensures that all the sourced materials should have minimal detrimental effect on natural and societal resources. In lieu with our commitment, we have already designed and deployed "Model Code of Conduct for Value Chain Partners" and "Sustainable Procurement Policy". Both the policies are non-negotiable during implementation. From Himadri's perspective, sustainable procurement is not just a practice; it's a commitment to responsible sourcing that considers the environmental, social, and economic impacts of our supply chain. Our approach to sustainable procurement is rooted in our core values, where we strive to minimize negative impacts on the environment, support local communities, and promote ethical business practices. Through sustainable procurement, we aim to drive positive change and contribute to a more sustainable future for all.

Going ahead, our goal is to develop comprehensive strategies for implementing and optimizing sustainability practices within the supply chain. We will also actively engage in collaborative initiatives with our suppliers to promote the adoption of sustainable practices

and products throughout the supply chain. Our commitment will extend to strengthen our suppliers' capabilities, providing training and awareness on sustainable practices, and emphasizing their pivotal role in reducing carbon emissions.

Details of our policies concerning sustainable sourcing are available on our website.

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

More than 95% of inputs were sourced sustainably.

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

As Himadri supplies its products as intermediary raw materials to businesses for manufacturing their end products, our products cannot be reclaimed from the customers. However, the company is in the process of taking a project to reclaim carbon black from used tyres and introducing the same in our value chain.

Additionally, we are committed to researching and developing sustainable packaging options that are suitable for our product to support our sustainability goals.

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.

We have already got the EPR certificate from CPCB with EPR Regn. No.IM-16-000-01-AAACH7475H-24

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?

We have performed the LCA of all our products.

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.
23999	Carbon Materials and Chemicals - Manufacturing	99	Cradle-to-Gate including Downstream Transport and Distribution	Y	Y https://www.himadri.com/pdf/sustainability-report.pdf

Annexure IX

of the Board's Report (Contd.)

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.

We have conducted a thorough life cycle assessment of all of our products considering cradle to gate boundary condition including downstream transport and distribution emission. These assessments were carried out according to the framework ISO 14044:2018. Third party verified assessment reports are available on request.

According to the assessment done there is no significant Environmental impact arising from our production processes.

Name of Product/Service	Description of the risk/ concern	Action Taken
Carbon Black	No detrimental risk found	Not applicable
Binder Tar Pitch	No detrimental risk found	Not applicable
Impregnated Coal Tar Pitch	No detrimental risk found	Not applicable
Sulphonated Naphthalene Formaldehyde (SNF)	No detrimental risk found	Not applicable
Polycarboxylate Ether (PCE)	No detrimental risk found	Not applicable

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 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
	Not Applicable	Not Applicable

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 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

We are dedicated to advancing our environmental protection initiatives. To turn our commitment into action, we are in a process of setting up a project to create and apply a re-usable packaging solution that could remove plastics and wood from our packaging. Guided by the UNSDGs, which serve as a fundamental framework for our daily operations, we aim to promote "Responsible Consumption" and a circular economy within our operations and throughout our value chain. Consequently, we are exploring various alternative materials to replace plastic packaging. Additionally, in alignment with our net-zero roadmap, we aim to eradicate the use of virgin plastic from our operations.

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 % of total products sold in respective category
	None

Annexure IX

of the Board's Report (Contd.)

Principle 3

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

SDGs Impacted



Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	755	755	100	755	100	NA	NA	755	100	755	100
Female	36	36	100	36	100	36	100	NA	NA	36	100
Total	791	791	100	791	100	36	4.55	755	95.45	791	100
Other than Permanent Employees											
Male	94	94	100	94	100	NA	NA	94	100	94	100
Female	0	0	0	0	0	0	0	NA	NA	0	0
Total	94	94	100	94	100	0	0.00	94	100	94	100

Annexure IX

of the Board's Report (Contd.)

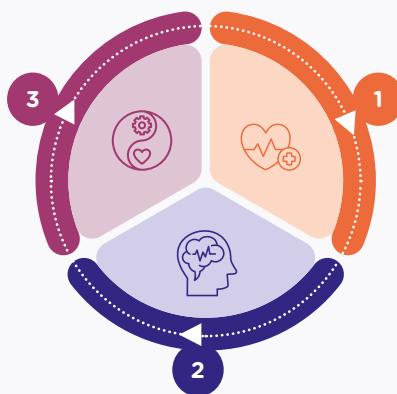
b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	128	128	100	128	100	NA	NA	128	100	128	100
Female	1	1	100	1	100	1	100	NA	NA	1	100
Total	129	129	100	129	100	1	0.78	128	99.22	129	100
Other than Permanent Workers											
Male	1006	1006	100	1006	100	NA	NA	1006	100	1006	100
Female	10	10	100	10	100	10	100	NA	NA	10	100
Total	1016	1016	100	1016	100	10	0.98	1006	99.02	1016	100

At Himadri, we consider the well-being of employees within an organisation is crucial for both individual satisfaction and overall productivity. Here are several key aspects that contribute to employee well-being and our actions towards each activity.

Work-Life Balance:

Encouraging work-life balance is essential for preventing burnout and maintaining overall well-being. Flexible work arrangements, such as remote work options or flexible scheduling, can empower employees to manage their personal and professional responsibilities more effectively.



Physical Health:

Himadri promotes a healthy work environment by offering ergonomic workstations, encouraging regular breaks, and providing access to wellness programs. Additionally, we provide quality food in our canteens.

Mental Health:

Mental well-being is equally important. Himadri fosters a supportive culture where employees feel comfortable discussing mental health concerns. Providing access to counselling services, promoting work-life balance, and offering stress management workshops can help employees cope with workplace stressors.

Overall, prioritizing employee well-being not only enhances individual satisfaction and retention but also contributes to the overall success and sustainability of the organization

We recognize that ensuring the well-being of our employees goes beyond the provision of safe working conditions and the prevention of occupational diseases. In line with our organizational principles, employee, workers and in few instances family members of staff are provided with routine health checks, and additional mental health and well-being support.

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

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.30	0.22

Annexure IX

of the Board's Report (Contd.)

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

Benefits	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	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/NA)
PF	99.99	100	Y	99.73	100	Y
Gratuity	99.99	100	N.A	99.47	100	N.A
ESI	11.49	100	Y	18.03	100	Y
Other -(NPS)	42.0	0	N.A	30.21	0	N.A

3. Accessibility of workplaces

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

Our establishments are accessible to differently abled persons while we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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

Yes, we have a diversity policy which is aligned with the Rights of Persons with Disabilities Act, 2016. The web link for the same is https://www.himadri.com/home/uploads/govnce_report/code_policy/1716877376_Himadri_Diversity_Policy..pdf

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

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate	Retention Rate	Return to Work rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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.

At Himadri, we believe that implementing an effective grievance redressal mechanism is essential for addressing employee concerns and maintaining a positive work environment. Here are some key steps that Himadri has taken to establish such a mechanism.

Policy development: We have a strong policy to address all sorts of grievances we get from various stake holders.

We have multiple channels to report the grievances like, online portal, one-point contact to HR representative, anonymous Hot line, etc. We understand, offering various reporting options ensures that employees can choose the method they feel most comfortable with.

Our policy clearly speaks about the time bounding closure of the grievances and we maintain utmost confidentiality on whereabouts of the employee.

We have trained and experienced HR Professional who investigates the grievances and depending upon the weightage of grievances, we have a committee to take care of the Grievances.

We maintain detailed records of all grievances reported, including the nature of the grievance, steps taken to investigate, and the outcome of the resolution process. This helps to track trends, identify recurring issues, and demonstrate compliance with legal requirements. We also use the documents to check and take steps for continual improvement of the mechanism.

Annexure IX

of the Board's Report (Contd.)

Himadri Provides training to managers, HR professional, and employees on the grievance policy and procedures, raise awareness about the importance of reporting grievances promptly and reassure employees that their concerns will be taken seriously and addressed appropriately.

Case Details	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes: We have a Grievance Mechanism/ Policy in place that protects the rights of employees and workers. They can raise a complaint anytime to the Internal Complaint Committee SPOC in written which will then be taken ahead in a due manner mentioned in the Grievance Redressal Mechanism. All the policies and standards are available in our internal HR portal for employees and workers' perusal.
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 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil

Himadri always upholds the freedom of association and the effective recognition of the right to collective bargaining. In this context, Himadri pays importance to the rights of individual to join, form or leave a group voluntarily without any interference from external Parties. In Himadri we have various internal committees which deal on empowerment of workers, improving Working Conditions, Fair wages and benefits, Job security and Promotion of Social Justice results in reduction of workplace conflicts. Labor representation is mandatory in these committees while some of the committees are formed by management and labor representatives. However, joining these committees are kept voluntary for the workers and there is a pledge of no coercive actions.

As a SA 8000 certified organization, Himadri has always taken care of all who access our workplaces. Therefore, labour welfare committees have representation from the contractual workers as well. Our hired security forces are not equipped with any kind of weapon and to restrict any movement of workers inside our premises.

Workers are regularly trained on identifying workplace risks with respect to social wellbeing. These awareness sessions are conducted by our team with an oversight from the Board.

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill up gradation		Total (D)	On health and safety measures		On skill up gradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	849	849	100.00	820	96.58	721	542	75.17	652	90.43
Female	36	36	100.00	34	94.44	31	10	32.26	29	93.55
Total	885	885	100.00	854	96.50	752	552	73.40	681	90.56
Workers										
Male	1134	1134	100.00	654	57.67	1,344	1,344	100.0	213	15.85
Female	11	11	100.00	8	72.73	12	8	66.67	6	50.00
Total	1145	1145	100.00	662	57.81	1,356	1,352	99.71	219	16.15

Annexure IX

of the Board's Report (Contd.)

Himadri places great importance on continual development of human resources at all levels and takes responsibility for the professional development and career growth of all its employees.

Key focus areas of the organization's training interventions are:



Considering the varying needs of different sets of workforces, a multi-dimensional approach has been taken which is manifested through various frameworks & processes deployed in Himadri's Learning and Development scheme. Some of them are mentioned below



We desire to excel in everything we do and we believe that this urge is what sets us apart.

Our priority is to create safe, healthy and encouraging work environment.

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

Category	FY 23-24 (Current Financial Year)			FY 22 - 23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	849	849	100	721	721	100
Female	36	36	100	31	31	100
Total	885	885	100	752	752	100
Workers						
Male	1134	1134	100	1,344	1,344	100
Female	11	11	100	12	12	100
Total	1145	1145	100	1,356	1,356	100

Career Development: At Himadri, we believe in providing opportunities to our internal talent pool to broaden their horizon which refers to the advancement or development of an individual's career over time. We design and offer various leadership training programs, coaching & mentorship sessions, and other individualistic career development programs to boost employee morale.

For this, we have developed a program called Pragati.

Recognition and Appreciation: At Himadri, we believe Recognizing employees' contributions and achievements at the right time is vital for fostering a positive work

environment, motivate employees, improve job satisfaction, enhance performance and commitment & loyalty towards the organization. Regular feedback, performance evaluations, and employee recognition programs can help employees feel valued and motivated which results in higher productivity.



Annexure IX

of the Board's Report (Contd.)



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, coverage such system?**

To ensuring the health and safety of our employees, customers and stakeholders, our entity has implemented a robust Occupational Health and Safety Management System (OHSMS). This system is designed to identify, assess and mitigate risks associated with our operations, thereby creating a safe and healthy work environment for everyone involved.

The implementation of our OHSMS began with a thorough assessment of our workplace hazards and risks. This involved identifying potential sources of harm, such as machinery, hazardous materials, ergonomic challenges and environmental factors. Through a systematic and comprehensive approach, we evaluated the likelihood and severity of all the associated risks (routine and non-routine activities), prioritizing them based on their potential impact (as per the high Risk Priority Number).

Following the risk assessment, we developed and implemented comprehensive Policies and Standards aimed at controlling and minimizing these risks. These policies and Standards cover a wide range of areas, including but not limited to:

Personal Protective Equipment	Accident and Incident Reporting	Lock, Tag and Try	Machine Safety
Contractor Safety	Management of Change	Toolbox Talk (TBT)	Audit & Inspection
Workplace Risk Assessment	Permit to Work	Hazardous Chemical Handling	Workplace Stress Management
Two Way Communications	Vehicle Management	Training Standard	Safety Committee Operation

Corporate Overview

Statutory Reports

Financial Statements

Annexure IX

of the Board's Report (Contd.)

We follow below methodology for the implementation of standards

Implementation Tracker & Status of PPE Standard as example

S.No	Action point	Guidelines
1	Risk Assessment	<ol style="list-style-type: none"> 1. List of activities to be developed and maintained 2. Risk assessment shall be conducted before selection of PPE. 3. PPE selection shall be done with help of risk assessment format 4. Atleast one supervisor and operator should be part of the assessment.
2	Selection & Purchase	<ol style="list-style-type: none"> 1. All PPE selected must conform to a recognized national or international standard and must meet the requirement for the job. 2. 1 month stock of required PPE to be maintained at plant.
3	Management of PPE	<ol style="list-style-type: none"> 1. Mandatory PPE display to be arranged in front of all shop floor. 2. PPE matrix for each activity to be displayed at work station 3. Any violation to be reported and action shall be initiated and recorded. 4. Replacement of PPE shall be done as discussed in training.
4	Training on PPE Standard	<ol style="list-style-type: none"> 1. PPE standard training to be completed for all employees & workers 2. Assessment of all employees to be conducted. 3. Training record of completed employees to be maintained. 4. Refresher training to be conducted every three years.
5	TBT	<ol style="list-style-type: none"> 1. TBT read out document to be made on all PPE's. 2. All supervisors shall discuss on the importance of PPE in TBT. 3. Supervisor has to verify availability and condition of ppe before deputing worker on shop floor.

Workplace Safety: Ensuring that all work areas are designed, maintained and operated in a manner that minimizes risks to health and safety of employees. This includes regular inspections, hazard controls and emergency response protocols.

Training and Awareness: Providing ongoing training and awareness programs to all employees, contractors and visitors on safety protocols, emergency procedures and the use of personal protective equipment (PPE). Defined training modules containing Basic safety training (Level-1), Safety Audit (Level -2), Risk Assessment (Level-3), Lock Tag Try and Machine safety (Level-4) and Health and Safety Leadership Program (Level-5) are made mandatory for the employees and Level 1 to 4 for the contractors to percolate awareness and enhance Safety Culture.



Emergency Preparedness Training



First Aid Training



HSE Level-1 Training for Contract employees



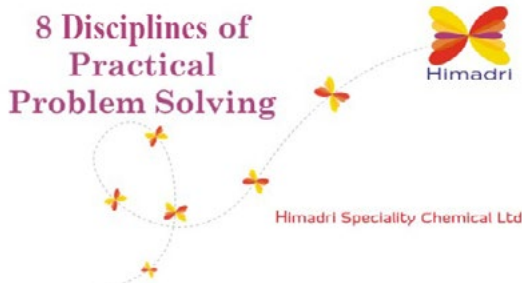
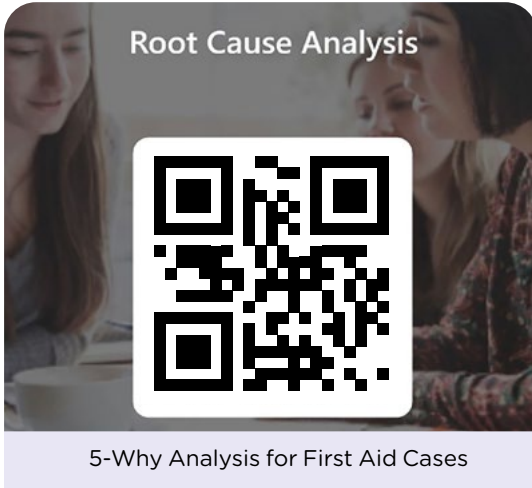
Committing towards Safety

Annexure IX

of the Board's Report (Contd.)

Incident Reporting and Investigation:

Establishing a transparent system for reporting near misses, incidents and accidents. These reports are thoroughly investigated to determine root causes and implement corrective actions to prevent re-occurrence. Trend analysis and repeated failures are given top priority above all for suitable corrective and preventive measures with provision of learning outcome and horizontal deployment across all plants.



Health and Wellness: Promoting employee health and wellness through initiatives such as ergonomic assessments, health screenings and access to counselling services. At Himadri, we have engaged M/S Apollo Clinic for Periodic medical checkup for all our employees.

Compliance and Continual Improvement:

Ensuring compliance with relevant statutory/regulatory agency on health and safety regulations, standards and best practices. Compliances of statutory/regulatory norms are monitored, tracked and proactive compliances



are secured at every cases. Regular audits and reviews are conducted to identify areas of improvement and implement corrective measures. Our OHSMS is not a static document but a dynamic system that evolves with changing circumstances, technological advancements and organizational growth. We actively seek feedback from employees and stakeholders to continuously improve our safety performance and foster a culture of safety throughout the organization.

By implementing an OHSMS, we are not only meeting legal and regulatory requirements but also demonstrating our commitment to prioritizing the well-being of our workforce and the communities in which we operate. Health and safety are integral parts of our organizational values and we strive to uphold these principles in everything we do.

Since 2019, ISO 45001-2018 Management System has been implemented covering entire process, the 07 plants of manufacturing and all layers of employees and workers. Our paramount goal is to provide a safe working environment for all our people and to deliver value to them by providing development opportunities. Occupational Health & Safety is our top priority and our commitment to health and safety is embedded throughout the organization in all facets of business.

We remain fundamentally committed to protecting the health and safety of employees, contractors, visitors, customers, and any other

* QR Code is representative Pic.

Annexure IX

of the Board's Report (Contd.)

persons affected by our activities. In this year we have launched our Zero Accident/Incident vision to become a zero-accident company ensuring sustainability and a best-in-class organization for safety performance and leadership. Our approach is to identify, eliminate, reduce or control all workplace risks in order to achieve this an ongoing system of training, assessment and improvement is in place.

Our revised Policy on Health & Safety has strong foundation for upcoming actions to make Himadri best in class in terms of Health & Safety standards.

The Board of Directors provides invaluable direction and assistance to the Management to ensure that safety and sustainability implications are accurately included in all new strategic initiatives, budgets, audit activities, and improvement plans. They also monitor quarterly and monthly reports on safety and health performance.

We believe:

- . Good Health and Safety is Good Business.
- . Safety is everybody's responsibility.
- . Working safely is a condition of employment.
- . All work-related injuries and work-related ill-health are preventable

As part of our zero incident/accident vision, we have introduced various non-negotiable standard.

These standards cover various aspects of occupational health and safety, including safe work practices, equipment requirements, chemical handling procedures, emergency preparedness, and ergonomic considerations. These standards played a critical role in safeguarding employee health and safety, reducing risks and hazards, and promoting a culture of safety and responsibility in all facets of business.

This year we introduced a training program for our Leadership team. H&S Leadership Development Program includes a strong focus on the standardization of all our repetitive

activities. It also integrates good management practices in the workplace, with a strong emphasis on developing an organization that enables everyone to deliver high standards in safety performance.

There is a continual decrease in LTIFR (Lost time injury frequency rate per million man-hours) since the launch of our programs on Zero Accident & Incident vision. Our current LTIFR is very close to one and has reduced by 48% from Last year.

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

There are several processes which are used to identify work-related hazards such as:

1. For all routine activities, we have the below process in place to address the work-related hazards in daily activities.

- a) Risk assessment standard
- b) Machine Risk Assessment Standard

Salient features of this methodology are

- Process takes place in 5 steps
- Involves line managers, worker and subject matter experts.
- Outcome of assessment are rated in three different categories. (Red, yellow and green)
- Open points in Red & yellow category are reviewed on a weekly basis by KMP's and on a Monthly basis by ESG council.
- For mitigation of work-related hazards, we follow hierarchy of controls.

For all routine activities we have implemented Safe Working Instruction with an OK TO START procedure which were audited on weekly and monthly basis to identify any SIO (Safety Improvement Opportunity) and closure there off. These safety audits are carried out by all layer of employees in the organization.

Annexure IX

of the Board's Report (Contd.)

2. For non-standard processes, deployment of permit to work (PTW) system is ensured considering the nature of job and risk involved. Risk assessment of job under comprehensive PTW system is an intrinsic process to address all the work related hazards.

Salient Features of PTW System:

- Risk checklist based approach to identify work related hazards.
- Involves only trained and authorized employee to carry out work.
- Strictly issued by Authorized employee of Himadri.
- Audit is a part of the process.
- Valid for 16 hours' duration.

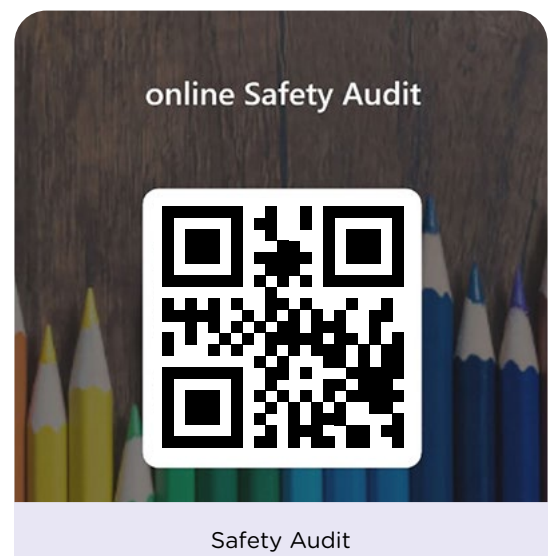
We provide mandatory Risk Assessment trainings to all our employees and workers once a year to percolate a culture of risk assessment towards providing a safe work environment by eliminating the work related risks and associated hazards. We have introduced TBT at Himadri to make everyone aware of the work specific risks associated with a particular task.

Importance of HSE Risk Assessment in Process Industries

- Case Study
- Personal Safety v/s Process Safety
- Process Envelop
- Key Terms
- Scenario Analysis
- Key elements of Process Safety Management System & OHSMS (ISO 45001:2018)
- Risk Assessment and its Benefits
- Quantitative and Qualitative Risk Assessment
- A Brief on various Risk Assessment Tools
- CAPECO Disaster

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

Yes, Himadri has several processes and forums for workers to report work-related hazards formally/informally. One such tool, that our employees use at workplace is Safety Audit Tool. On a weekly basis all employees of Himadri participate in the workplace audit and escalate to the concerned department for its correction. To ease the employees' reporting process, we have launched a **QR Code** based reporting system to raise work related hazards.



Apart from all the standards in place to report hazards and risks workers can follow right to stop policy. Any employee who feels at danger at work can stop the work and report immediately to the concerned supervisor. Worker also has the forum like Safety Committee meeting and Town hall meetings to riasie the risk prevailing at the work place

All the reported work place related hazards are reviewed on a weekly basis by the concerned departments HOD and internally by the HSE team also. Category of the such findings are analyzed and focused actions are initiated for the critical points and ensured that those are closed.

Annexure IX

of the Board's Report (Contd.)

Workers are also encouraged to participate in resolving and mitigating hazards. Such forums include Safety Committee Meetings, Field Audits/ Observations and Training & Awareness Sessions.

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

Yes, the employees and workers have access to the Occupational Health Centre (OHC) at the manufacturing plants which are run by the Company's doctor and healthcare team. While the OHC is primarily for health-related matters, the Company has widened the scope of the OHC to include non-occupational medical/ health related matters as well. After the introduction of the non-occupational health matters, several employees have availed these services from the OHC directly.

Apart from the regular OHC activities, we also support our employees with newly appointed Dieticians and therapists. Their role is to carry out surveys and support employees to recover themselves from personal or occupational illness.

We are having regular eye testing facility inside our factory premises for employees and workers. We also have a tie up with the nearest local nursing home to address all non-occupational health care as well.

Our plant is equipped with Ambulance to address any emergency and our paramedics provide service 24X7 for 365 days.

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

Safety Incident/Number	Category	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.93	2.73
	Workers	0.60	2.02
Total recordable work-related injuries	Employees	5	6
	Workers	2	8
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	1
	Workers	Nil	Nil

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

The Company's plants, facilities and equipment are designed based on careful consideration of statutory requirements, applicable Indian and International Standards for a healthy and safe workplace. One of the key focus areas is the safety of employees by investing in technologies and processes to avoid and minimize the manual interfaces with machines.

An OH&S Management System Manual has been prepared and successfully deployed. Regular training is conducted for the management representatives as mentioned under the guidelines of ISO 45001. The Company has a systematic process for identification of work-related hazards. On a regular basis, the Company provides training in Health Identification and Risk Assessment to all concerned employees. The Company has a mechanism for identification of

fire hazards, preparation of action plan for control system and plans to mitigate or eliminate hazards.

We have also certified first aid providers at Plant level who are competent enough to give first aid treatment in case of any incident.

Moreover, Himadri conducts different Wellness Program to promote good health. Wellness programs includes inviting guest speakers, organizing events, sponsoring teams / outdoor activities, supporting for employees to stop smoking and offering healthy food in the canteen etc.,

Every business facility has an appointed health and safety professional, who works with management and all employees to review site health and safety, assessed training needs, and develops and implements safety standards. These local health and safety professionals are further supported

Annexure IX

of the Board's Report (Contd.)

by corporate HSE members in terms of resource allocation, training and development and sharing best practices.

HSE Trainings:

We have designed and developed the training plan based on detailed training identification and rolled out various training programs right from contractual workmen to Top Management.

Few of them are HSE Awareness Training Program, Minimum PPE Standards, Safety Audits, Risk Assessments, Permit to work (PTW) as per new Standard and H&S Leadership Training Program.

Training activities that are routinely undertaken for our employees and contractors include:

SL No.	Training Topics
1	Health, Safety and Environment awareness
2	Basics of Fire, its prevention and protection
3	New Joinee Safety Induction
4	Safety Audit with Practical (Level-2)
5	Forklift Safety Training
6	Confined space entry
7	Permit to Work (PTW) System of Himadri
8	Job Hazard Analysis
9	Defensive Drives for Bus and Cars
10	Basic Safety Training (Level-1)
11	Safe Chemical Handling
12	Electrical Safety
13	Risk Assessment (Level-3)

SL No.	Training Topics
14	SCBA Set Use Training
15	Accident and Incident reporting standards
16	Emergency inside the Plant and Evacuation Procedure
17	New Permit to work doubt clearance session
18	PTW & JHA
19	Manual lifting of material
20	HIRA
21	Practical Fire fighting training
22	Welding Safety
23	Gas Cutting Safety etc

We clocked around 12500+ training man hours on health and safety standards which is the highest ever in the history of Himadri.

Safety Audits & improvements opportunities:

In FY 23-24, more than 65% of our working population performed routine safety audits every month. This generated an average of more than six implemented safety improvement opportunities per person from more than 2033 employees, resulting in an overall improvement in worker safety. This audit programme involves employees – from the Top Management and HSE Staffs to line managers and employees. Going forward we will be implementing the same for contractual/temporary employees.

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

	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	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
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

As a forward looking organization, Himadri actively seeks to redress concerns raised by our employees/workers. However, since inception we have cultivated a culture of turning concerns into opportunities. It is one of the principle building-blocks of our company. We vigorously nurture open communication channels with our employees and workers and actively take part to develop plausible and sustainable solutions.

Annexure IX

of the Board's Report (Contd.)

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 (ISO 45001:2018)
Working Conditions	100 (IS :14489 & Internal audit protocol)

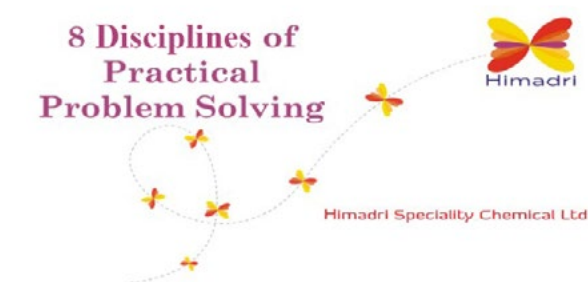
15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Himadri operates a robust and comprehensive process for the timely reporting of incidents including fires, explosions and any material spill or other chemical releases. In our internal standards, we use more stringent definitions for Lost Time Injuries (LTIs) and 'severe accidents' than the definitions used by many regulatory bodies, and we also require all our manufacturing plants to report on all Medically Treated Injuries (MTIs), to maintain the focus on safety, with investigation extended to all Dangerous Occurrences and MTIs.

Himadri has set an intermediate target to reach an LTIFR below 1.0, underpinning Himadri's commitment to ensure the safety of the Group's employees and the objective of zero accidents.

Organization does detailed investigation for any safety related incidents which includes accidents & serious dangerous occurrences.

Our accident/Incident investigation (Example-LTI/ Dangerous occurrence) is done following 8D PPS methodology and reports are reviewed during ESG Council meeting followed by circulation of safety alert/red stripe and lesson learnt sheet to ensure all the counter measures are closed along with horizontal deployment of learnings. In 2023-2024, Himadri completed 16 8D PPS projects on H&S front and deployed all the permanent corrective actions to prevent re-occurrence.



We have special focus on Dangerous Occurrences/ near miss & First aid cases. We believe that solving all the DO's and first aid cases ensure that it will not turn into a big accident.

To make life easy, we made the QR code based Analysis tool to solve all such minor injuries and DO's.

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).

Yes, the Company extends life insurance/ compensatory package to all its Employees and Workers in the event of death.

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

During the contract with value chain partners [suppliers & vendors] the company ensures that there is provision of compliance with terms and conditions, including all the applicable laws of the land. Moreover, for contracts related to manpower supply, the company has implemented a robust system which cross-checks to ensure that all statutory dues are accurately deducted and deposited.

Annexure IX

of the Board's Report (Contd.)

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 number of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24- (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	1	1	1	1
Workers	Nil	Nil	NA	NA

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?

Himadri continually invests in human capital development which includes building skills and capabilities that are contemporary while providing employees with diverse experience. These enhance the employability of the workforce and enable a smooth transition to alternate opportunities within or outside the organization. We currently do not offer any formal transition assistance programs.

5. Details on assessment of value chain partners on Health and safety practices and working conditions

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	84%
Working Conditions	

Himadri's Code of Conduct for Suppliers enshrines the Company's unwavering focus on fair treatment, human rights, gender diversity, child labour, wages, working hours, occupational health, safety & the environment. The Code upholds the spirit outlined in the International Labour Organisation Guidelines and United Nations Guiding Principles on Business and Human Rights and is shared and accepted by all supply chain partners.

The Company has a robust process of evaluating its suppliers and service providers before engaging with them, proactively making them aware of its expectations/ requirements, and seeking commitment for compliance through contractual agreements. We are equally dedicated to strengthening awareness of this Code among our suppliers and service providers and providing support to aid them in this initiative.

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.

No significant risks/concerns are observed.

Annexure IX

of the Board's Report (Contd.)

Principle 4


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

SDGs Impacted





Stakeholder Consultation
Established methods of communication



Stakeholders Identification
No marginalized group identified

Essential Indicators

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

Himadri's leadership team under the guidance of the Board of Directors has identified key external and internal stakeholders based on their material influence on the Company and the degree to which the Company's corporate decisions can have a direct material impact on them. Further details are available in our Stakeholder Engagement Policy and the weblink for the same is https://www.himadri.com/pdf/Stakeholder_Engagement_Policy_10.02.2023.pdf

Annexure IX

of the Board's Report (Contd.)

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
Employees and Workers	No	<ul style="list-style-type: none"> Email HR Portal Company Internet Newsletters Office collaboration screens etc. All staff 'town halls' meeting at organisation level Team forums and training programmes 	As and when required	<ul style="list-style-type: none"> Maintaining and enhancing employee engagement Informing employee Benefits, Rewards and Policies, Procedures and Programs Employee Development Plan, Career Progression, Performance Reviews and Ratings Understanding employee concerns or grievance Receiving employee feedback
Shareholders and Investors	No	<ul style="list-style-type: none"> Periodic investor/ analyst interactions like individual meetings Participation in investor conferences Analysts meet from time to time being guided by the finance department of the company Annual Reports Publication of periodical results Press Release Newspaper Website Periodical investor presentation 	As and when required	<ul style="list-style-type: none"> Educating investors about the business using accurate, timely and comprehensive information

Annexure IX

of the Board's Report (Contd.)

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	<ul style="list-style-type: none"> Customer Meetings Business discussions as and when required Award and Recognition ceremonies Participation in survey conducted by customers from time to time 	As and when required	<ul style="list-style-type: none"> To make the customer aware of the new developments in techniques and products Build long-lasting relationships with customers To receive feedback from customers
Supply Chain Partners	No	<ul style="list-style-type: none"> Award and Recognition ceremonies Participation in survey conducted by suppliers from time to time Business discussions as and when required Suppliers Meetings 	As and when required	<ul style="list-style-type: none"> Build long-lasting relationships with capable suppliers Monitoring Supplier Performance Ensure supplier competency and compliance To make the suppliers aware of the new developments in techniques and products
Communities	No	<ul style="list-style-type: none"> CSR Activities Volunteering Activities Community Events Community Survey and Consultations 	As and when required	<ul style="list-style-type: none"> Provide relevant and accurate information about the Company Understand the impact of Company's initiatives and activities on community Supporting causes and organizations through donations and philanthropic activities
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> Statutory Report Interactions with Public Authorities Membership of industry associations 	As and when required	<ul style="list-style-type: none"> Understanding potential legal and regulatory changes relevant to the Himadri's business Contributing to the industry reform

Annexure IX

of the Board's Report (Contd.)

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.

ESG priorities in the Company are driven from the uppermost level i.e., the Board of Directors. The Board provides the strategic oversight and has constituted an ESG Committee to provide guidance and monitor the ESG progress. The ESG Committee of the Board has delegated the process of undertaking consultations with stakeholders to the management. Feedback from such consultations is shared with the Committee and the Board.

- Himadri has undertaken a comprehensive materiality assessment and stakeholder engagement exercise to identify Environmental, Social and Governance (ESG) topics of significance.

As a part of this exercise, Himadri along with an external agency, with requisite experience, engaged with the key internal and external stakeholders to understand their concerns and incorporate their views into materiality assessment, for prioritizing ESG topics and frameworks.

- Insights gathered through stakeholder engagement were analysed to develop the materiality matrix and arrive at the final list of ESG focus areas. The result of this assessment

was presented to the ESG Committee and the Board. The outcome is being considered for defining ESG objectives of the Company.

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.

We regularly engage with our stakeholders such as investors, shareholders and lenders, suppliers, business partners, community, employees, customers etc. for business and management updates. Himadri adopts a responsible approach towards its stakeholders and ensures transparency in its disclosures concerning business matters. We provide crucial data and insights to global investors by doing investor presentations at regular intervals thereby helping them to make informed decisions. A formal Stakeholder Engagement Process involving direct & detailed consultation with different stakeholder groups helps us in identifying the critical issues that need our immediate attention. The inputs received through stakeholder consultation process are presented to the Board Level Management Committee which plays a crucial role in the development and implementation of strategies, policies, and objectives related to economic, environmental, and social topics.

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

None of the stakeholder groups has been identified as, vulnerable or marginalized

Annexure IX





of the Board's Report (Contd.)

Principle 5

Businesses should respect and promote human rights

SDGs Impacted



 <p>Training on Human right Standards</p> <p>100%</p>	 <p>Complaints by employees</p> <p>Nil</p>	 <p>POSH Complaints</p> <p>Nil</p>	 <p>Social Accountability(SA) 8000</p> <p>Stage 2 audit completed</p>
---	--	--	---

Essential 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 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	791	791	100.00	700	678	96.86
Other than permanent	94	94	100.00	52	20	38.46
Total Employees	885	885	100.00	752	698	92.82
Workers						
Permanent	129	129	100.00	195	194	99.49
Other than permanent	1,016	1,016	100.00	1,161	812	69.94
Total Workers	1,145	1,145	100.00	1,356	1,006	74.19

Annexure IX

of the Board's Report (Contd.)

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

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees Permanent										
Male	755	0	0.00	755	100.00	669	0	0.00	669	100.00
Female	36	0	0.00	36	100.00	31	0	0.00	31	100.00
Other than Permanent										
Male	94	0	0.00	94	100.00	52	0	0.00	52	100.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers Permanent										
Male	128	0	0.00	128	100.00	189	0	0.00	189	100.00
Female	1	0	0.00	1	100.00	6	0	0.00	6	100.00
Other than Permanent										
Male	1,006	696	69.18	310	30.82	1155	801	69.35	354	30.65
Female	10	10	100.00	0	0.00	0	0	0.00	0	0.00

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

a. Median remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD) (Executive Directors)	3	300	0	NA
Key Managerial Personnel	5	175.22	1	38.15
Employees other than BoD and KMP	751	4.95	34	6.42
Workers	128	2.19	1	2.25

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

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.252	3.251

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, Himadri has a Human Rights Policy which is publicly accessible via the company's website. The Company is committed to the principles of sustainable development including protecting human rights, respecting the dignity, well-being and worth of the person and guaranteeing equal rights to all people. The policy is aligned with the United Nations Guiding Principles of Business and Human Rights (UNGPs) and International Labour Organization (ILO Declaration). To put policy into practice, Himadri has become a global signatory of UNGC during the current reporting year.

A governance framework has been put in place, whereby employees can address their complaints or grievances to a focal point, the Human Resource department or directly contact the Senior Management.

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

In this regard the Company encourages an open-door policy. The Company has built a strong mechanism for reporting matters or concerns faced at the workplace.

Himadri recognises the importance that business can play in ensuring long-term protection of human rights and for this reason the company is dedicated to upholding the human rights of its employees, communities,

Annexure IX

of the Board's Report (Contd.)

contractors, vendors and suppliers in accordance with the International Bill of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact. The Company has formulated a Human Rights Policy in conjunction with the Grievance Redressal Policy to ensure grievances are addressed in an effective and prompt manner.

The mechanism is outlined below:

1. The employees/ associates can address their complaints or grievances or report instances to the Human Resource department/ Senior Management. No reprisal or retaliatory action is taken against any employee/ associates for raising concerns under this policy.
2. If the situation warrants, a committee is formed to investigate the violations reported. The Committee evaluates the violations reported and ensures that the same are addressed and resolved at the earliest. The Committee also, in consultation with the Senior Management, provides a suitable remedy.
3. The Company periodically undertakes human rights due diligence process for management and oversight/ monitoring of the policy and identifies any shortcomings.

The Company also has a Policy on Prevention of Sexual Harassment (POSH), and any such concern can be reported.

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

	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following formats:

	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	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

While handling complaints which form a part of the grievance redressal mechanism, every necessary step is taken to ensure that the enquiry is conducted in a professional and confidential manner. The Grievance Redressal Policy clearly outlines that all members involved as a part of the enquiry are entrusted to keep record in a confidential manner. Any employee questioned in respect of the enquiry is bound by confidentiality and is required to keep all paperwork and information exchanged in the process confidential.

All genuine complaints, in good faith, can be made without fear of reprisals, punishment, intimidation, coercive action, dismissal, or victimization. All actual violations are dealt seriously on the principles of natural justice, confidentiality, sensitivity, non-retaliation, and fairness while addressing the concern.

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

Yes, human rights requirements form a part of the Supplier Code of Conduct. Suppliers are urged to respect internationally recognized human rights standards and to work towards maintaining them in all business activities within their own sphere of

Annexure IX

of the Board's Report (Contd.)

influence. Any forced, child labour or compulsory labour is prohibited. To be a part of the Company's value chain, the supplier is required to adhere to the supplier code of conduct.

Himadri is committed to upholding the human rights of all our stakeholders in accordance with the United Nations Declaration on Human Rights (UDHR), International Finance Corporation-Performance Standards (IFC-PS), International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO Declaration) ILO, and United Nations Guiding Principles on Business and Human Rights (UNGPs).

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/ involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	-

The Company internally monitors compliance with all relevant laws and policies pertaining to these issues.

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

No significant risk or concerns were identified in our operations.

Leadership Indicators



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

At Himadri, none of the business processes require any modification or introduction of any new process to address human rights grievances/complaints.

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

The Company is committed to protecting and respecting Human Rights and remedying rights

violations in case they are identified; for example, issues relating to human trafficking, forced labour, child labour, freedom of association, right to collective bargaining, equal remuneration and discrimination. Providing equal employment opportunity, ensuring distributive, procedural, and interactional fairness, creating a harassment-free, safe environment, and respecting fundamental rights are some of the ways in which we ensure the same.

As an equal opportunity employer, we do not discriminate based on race, colour, religion, sex, national origin, gender identity, gender expression, sexual orientation, or disability status.

We do have an internal due diligence process to deal with Human rights issues which also covers our value chain partners. Himadri is committed to uphold the human rights of all our stakeholders in accordance with the United Nations Declaration on Human Rights (UDHR), International Finance Corporation-Performance Standards (IFC-PS), International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO Declaration) ILO, and United Nations Guiding Principles on Business and Human Rights (UNGPs).

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?

Our establishments are accessible to differently abled persons while we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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	100% of service-related value chain partners
Discrimination at workplace	100% of service-related value chain partners
Child Labour	100% of service-related value chain partners
Forced Labour/ Involuntary Labour	100% of service-related value chain partners
Wages	100% of service-related value chain partners
Others - Anti- bribery	100% of service-related value chain partners

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

No significant risk or concerns were identified in our operations.

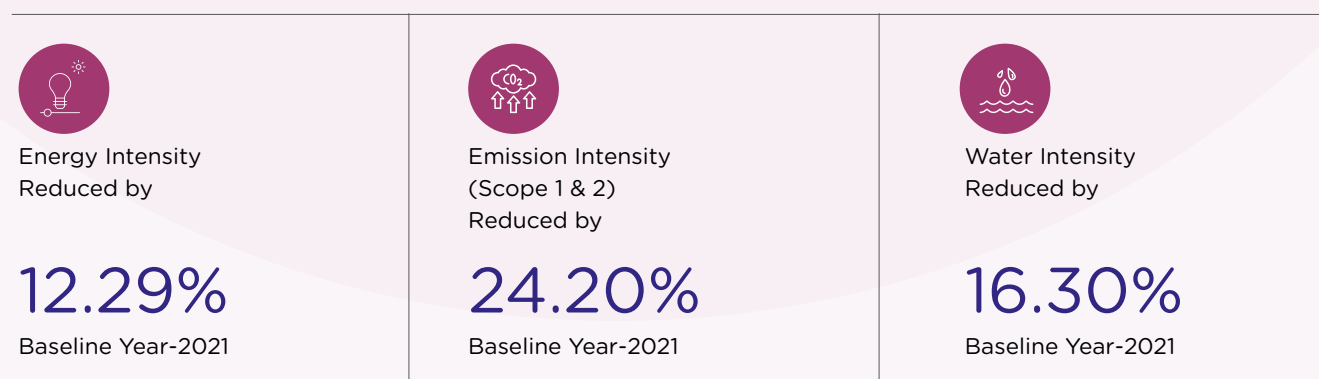
Annexure IX

of the Board's Report (Contd.)

Principle 6

Businesses should respect and make efforts to protect and restore the environment

SDGs Impacted



Essential Indicators

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

Parameter	FY 2023-2024 (Current Financial Year) (GJ)	FY 2022-23 (Previous Financial Year) (GJ)
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	3,40,676.18	3,37,171.00
Total fuel consumption (E)	52,542.23	24,345.49
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	3,93,218.41	3,61,516.49

Annexure IX

of the Board's Report (Contd.)

Parameter	FY 2023-2024 (Current Financial Year) (GJ)	FY 2022-23 (Previous Financial Year) (GJ)
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operation) (approx.)	9,396.15	8,665.63
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	7,83,444.05 (1\$=83.3739 INR)	7,74,814.6 (1\$= 82.2169INR)
Energy intensity in terms of physical output	0.812	0.895

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

Yes, we have carried out an independent assessment of energy consumption. Energy audits were carried out by Nu Energy India for Coal Tar Division whereas Schneider Electric did for Carbon Black Division.

Energy Consumption Optimization through Equipment Upgradating

As one of the energy audit recommendations, it was noted that the LT Feeders of the plant exhibited notably high levels of Total Voltage and Current Harmonic Distortion (THDV & THDI), impacting most LT motors due to various odd-order harmonics. This situation led to a significant increase in line losses. Furthermore, the LT Capacitors in the Automatic Power Factor Control Panels experienced dangerous harmonic resonance, occasionally causing drops in the power factor at the LT Power of Control Centre of Transformers. Measurements in Feeders and Motors indicated that the power factor at motor terminals dropped due to the harmonic effect. The issues caused by harmonic currents were concerning, resulting in overloading of neutrals, overheating of transformers, nuisance tripping of circuit breakers, and over-stressing of power factor correction capacitors. Additionally, there were concerns related to the skin effect. Harmonic voltages resulted in voltage distortion and zero-crossing noise, further complicating the situation. The effects of these harmonics were widespread, causing overheating and failure of electric motors, power factor correction capacitors, distribution transformers, and neutral conductors. It also reduced the efficiency of power generation, transmission, and utilization, while prematurely aging the electrical plant components and shortening their lifespan. Moreover, electronic equipment malfunctioned, metering equipment experienced high measurement errors, and protective equipment showed spurious operation.

To address these issues, the primary goals were set to reduce input current harmonics to less than 5% and improve the power factor from 0.75 to a more

desirable 0.98. For this purpose, an active harmonic filter (AHF) was introduced as a potential solution. The AHF panel was equipped with impressive features, including a closed-loop active filter with source current sensing, harmonic attenuation of up to 96%, programmable selective harmonic elimination, and PF compensation that worked for both leading and lagging power factors. It enabled switching between PF and harmonic compensation, relying on IGBT-based inverters and offering the option for multiple paralleling. Notably, the AHF panel was equipped for shunt operation and had self-current limiting capabilities.

The implementation of the AHF panel, together with the Capacitor Bank, produced remarkable results. The power factor improved significantly, going from 0.94 to 0.999. Additionally, the input current distortion was impressively reduced from 4.4% to a mere 3.3%. The input KVA also experienced a significant reduction, dropping from 1311 to 1191 KVA, which meant a direct reduction of 1311 KVA. Moreover, the implementation of the AHF panel and Capacitor Bank held the potential for substantial energy savings, with an estimated annual energy saving potential of approximately 9,50,400 KVAH, considering 330 working days.

Additionally, we regularly conduct awareness campaigns for internal as well as external stakeholders to conserve energy.

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.**

We are a net exporter of electricity. Since the Government of India does not identify our industry sector under the PAT scheme, we never have the chance to apply for the said scheme. However, we are positively looking forward to the inclusion of our sector under PAT scheme.

Annexure IX

of the Board's Report (Contd.)

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

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface Water	Nil	Nil
(ii) Ground Water	10,19,020	9,13,328
(iii) Third party water	400	8,175
(iv) Seawater/ desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	10,19,420	9,21,503
Total volume of water consumption (in kilolitres)	10,19,420	9,21,503
Water intensity per rupee of turnover (Total Water consumed/revenue from operations) (KL/INR)	0.00002436	0.00002209
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumed / Revenue from operations adjusted for PPP)	0.0020310	0.0017995
Water intensity in terms of physical output	2.11	2.28

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

Yes, we have employed an independent 3rd party to assess our overall water withdrawal and consumption. This particular assessment was carried out by M/S AUROSHE during the current reporting year.

During the audit, it was found that our consumption was as per the permission from the regulators though there was a water loss at cooling towers. We are currently working towards minimizing the loss through novel engineering design.

In our journey to achieve over all sustainability aspirations, we constantly thrive to conserve water resource. In line with our sustainability agendas we have installed rain water harvesting systems in our manufacturing locations. We are enhancing rain water harvesting capacity to reuse rain water with every passing year.

In one of our manufacturing plant in Korba, we have already implemented rain water harvesting system. Details of the project are as follows:

Sl. No.	Location	Collection Area Dimension	AREA (sqmtr)
1.	Roof area of ADM building	1 5.4 Mtr x 18.8 Mtr	289.52 sqmtr
2	Roof area of store & process office	20.00 Mtr x 13.00 Mtr	260.00 sqmtr
3	Roof area of New weighbridge	3.00 Mtr x 3.00 Mtr	9.00 sqmtr

Through this project, we collect and reuse nearly 7,57,018 litres of water each year. Currently, we are in the process of implementing rain water harvesting in each of our operational sites after assessing the viability of the project.

Additionally, we regularly conduct awareness campaigns for internal as well as external stakeholders to save water.

4. Provide the following details related to water discharge

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water	Nil	Nil
- No treatment		
- With treatment- please specify level of treatment		
(ii) To Groundwater	Nil	Nil
- No treatment		
- With treatment- please specify level of treatment		
(iii) To Seawater	Nil	Nil
- No treatment		
- With treatment- please specify level of treatment		

Annexure IX

of the Board's Report (Contd.)

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(iv) Sent to third-parties	Nil	Nil
- No treatment		
- With treatment- please specify level of treatment		
(v) Other	Nil	Nil
- No treatment		
- With treatment- please specify level of treatment		
Total Water Discharged (in kilolitres)	Nil	Nil

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

Yes, we have employed an independent 3rd party to assess our overall water withdrawal and consumption. This particular assessment was carried out by M/S AUROSHE during the current reporting year. A comprehensive water circuit is one of the principle outcomes of the audit.

As an environmentally responsible organization, Himadri is committed to minimizing the water loss and reducing water intensity. To put policy into practice, we are currently in progress to enhance our WRP capacity so that internal domestic needs can be fulfilled by the processed waste water.

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

For our wastewater recycling and ZLD system, Himadri has installed a Water Recovery Plant (WRP) which is the final recovery part of the Effluent Treatment Plant (ETP). Treated wastewater from ETP, DM plant backwash, RO plant reject water, and cooling tower blow down water are stored in our WRP feed tank. From there, the water is directed to a clarifier after the dosing of dolomite, polyelectrolyte, Sodium Hypochlorite, Caustic, and coagulant. Suspended solids accumulate and settle at the bottom of the clarifier. The TSS-free water is then forwarded to the clarified tank. Subsequently, the water from the clarifier tank goes through a mixed grabbles filter (MGF) to remove any residual TSS after the addition of Hydrochloric Acid (HCL). Following this, the TDS water is forwarded to an Ultrafiltration unit which separates rejected and permeated water, storing them in their respective tanks. The water from the permeate tank is then directed to a two-stage reverse osmosis unit (1st stage with 5 candles, 2nd stage with 2 candles) through a Carbon filter after dosing with HCL, sodium meta-bi-sulphate, and anti-scalant. The rejected water from the RO unit is stored in the Reject tank, while the permeated water is temporarily stored in an intermediate permeate tank. Before reaching the final permeate tank, the water passes through a De-Gasifier unit to remove any excess Carbon Dioxide, which might affect the pH of the water. The final permeated tank water, with a daily generation capacity of 300 KL, is used for cooling tower makeup, process utilization, and feeding the RO plant. On the other hand, the water from the final reject tank, with a daily generation capacity of 130 KL, is used for road washing and CBD process quenching. This effective recycling of water from wastewater significantly reduces the consumption of groundwater.

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

Parameter	unit	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NO _x	mg/m ³	25.20	46.50
SO _x	mg/m ³	22.59	50.98
Particulate matter (PM)	mg/m ³	52.27	48.67
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others- please specify		Nil	Nil

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 - No

At Himadri, we are launching new innovative solution for reduction of PM 2.5 & PM 10. With PURE SKIES 2.0, we present a transformative solution that effectively diminishes the levels of PM 2.5 and PM 10 pollutants across expansive areas. By adopting Pure Skies 2.0, is about to cultivate a healthier environment for its employees and visitors, uphold its commitment to health and safety, and position itself as an industry leader that champions sustainability and innovation. This ground-breaking solution will set the course for a High Quality and healthier workplace.

The Hot Material Vapour Scrubbing Unit is designed to remove certain components from gases or vapours by washing them with a liquid absorbent called wash oil. The liquid, enriched with absorbed constituents, is then

Annexure IX

of the Board's Report (Contd.)

replaced with fresh liquid. The scrubber unit uses a packed tower where the gas enters from the bottom and the scrubbing liquid enters from the top, leading to absorption and condensation of vapors. To maintain the liquid temperature, a cooling coil with circulating water is employed. The unit follows a daily checklist, monitoring the level and temperature of the scrubbing liquid. If the temperature exceeds the limit, the water inlet valve is adjusted. Additionally, the cloud point of the liquid is tested, and if it goes beyond the specified temperature, the liquid is replaced. The optimal level range of the scrubbing liquid is 40% to 60%, with a temperature range of 45°C to 55°C and a cloud point of 35°C.

To control vapour emissions from light oil tanks, a nitrogen blanketing system is installed, reducing air pollution. The nitrogen pressure is regulated to maintain controlled pressure inside the tank. If the pressure increases, the tank vent actuator releases the excess pressure to the atmosphere. On the other hand, if the pressure decreases, the nitrogen actuator opens to introduce nitrogen and maintain the set tank pressure. The presence of nitrogen in the tank reduces air pollution by exhausting nitrogen first during vapour release, leading to the condensation of light oil vapour into liquid inside the tank.

The NOx Abatement Process at Himadri aims to reduce NOx emissions from the cellulose nitration reactors at the site. The process consists of two main components: a scrubber/absorber tower and a reaction vessel with a catalyst bed. The scrubber/absorber tower contacts NOx-laden fumes with water, producing nitric acid through absorption. Moreover, we regularly monitor POP across all our plants.

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

Parameter	Unit	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	4,09,576.40	3,85,750.52
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	0.00	0.00
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000098	0.0000092
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0008160 (1\$=83.3739 INR)	0.0007602 (1\$= 82.2169INR)
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/MT	0.846	0.955

Scope 2 is zero because we are net exporter of electricity.

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

Yes, we have employed an independent 3rd rd party to account our for GHG emission. This particular assessment was carried out by M/S AUROSHE during the current reporting year. Accounting is done in accordance with the of methodologies detailed by the Green House Gas Protocol which is a global standard.

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

At Himadri, we fulfill 90% of our power requirements through our 28MW capacity power plant, showcasing our dedication to environment preservation. To reduce waste gas and off-gas venting during carbon black production, we've implemented an innovative process that recirculates and feeds off-gas into power generation, significantly lowering Greenhouse Gas (GHG) emissions. Our power plant features three boilers that adequately meet the energy demands of our West Bengal unit, with surplus electricity being sold to the local grid. In fact, we've sold 80,523 MWH of electricity to the local grid after meeting our own needs.

The power generation process involves three waste heat recovery water tube boilers, two with a capacity of 40tph and one with a capacity of 75 tph. Off-gas generated during carbon black production is fed into an external combustor chamber. The resulting flue gas is piped to generate steam, which occurs through flue gas circulation

Annexure IX

of the Board's Report (Contd.)

on the shell side and water circulation on the tube side of a panel tube. The steam is collected in a common steam header and distributed to three turbines for power generation of 28MWH Capacity.

Our commitment to sustainability is further exemplified by our use of process emissions for power generation, reducing our reliance on conventionally produced electricity and showcasing our dedication to environmental stewardship.

Moreover, we identify that plantation drives offer a valuable opportunity to expand green spaces and promote environmental awareness. Himadri has initiated a significant plantation drive in collaboration with the forest, environment, and climate change department, aiming to enhance the green cover of the village by planting various tree species.

The plantation of 10,500 saplings this year is a remarkable achievement. The community's active involvement in this initiative is truly commendable as it contributes to creating a greener environment. These trees will not only provide shade and clean air for future generations but also enhance the overall health of our ecosystem.

Additionally, we regularly organize training for internal stakeholders and awareness campaigns for the external stakeholders on climate change and its effects.

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

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	210.95	127.62
E-waste (B)	0.9	4.22
Bio-medical waste (C)	0.001	0
Construction and demolition waste (D)	0	0
Battery waste (E)	9.64	1.17
Radioactive waste (F)	0	0
Other Hazardous waste- please specify (G)	3.91	3.07
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	390.27	442.01
Process & metals	2,025.49	1,270.66
Total (A+B + C + D + E + F + G + H)	2,641.16	1,848.75
Waste intensity per rupee of turnover (total waste generated/Revenue from operation) (Mt/INR)	0.00000006311	0.00000004431
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (total waste generated/ Revenue from operation adjusted for PPP)	0.000005262	0.000003643
Waste intensity in terms of physical output	0.0055	0.0046
Waste intensity (optional)- the relevant metric may be selected by the entity		
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	2,637.25	1,845.68
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	2,637.25	1,845.68
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(iv) Incineration	2.24	1.63
(v) Landfilling	1.67	1.44
(vi) Other disposal operations	Nil	Nil
Total	3.91	3.07

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. -

No, there is no independent 3rd party assessment on waste management. However, we are an EPR compliant company. Therefore, all the vendors with whom we work to process our wastes, are with mandatory compliances.

Annexure IX

of the Board's Report (Contd.)

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.

Environmental stewardship is not just a commitment for Himadri but a guiding principle for our daily operations. We understand our environmental responsibility and ensure that we consistently exceed our targets. Under the Board's oversight, Himadri has formulated a comprehensive waste management policy.

We strictly adhere to the recommendations of the state government waste management authorities for handling hazardous wastes such as effluent sludge, oil-contaminated hand gloves, jute, and soak sand, using pollution control board authorized vendors.

Apart from hazardous waste, we generate some non-hazardous wastes like plastics, wood, and e-waste in our daily activities. These wastes are managed by pollution control board authorized vendors.

Furthermore, the Company has initiated efforts to reintroduce recycled products as inputs after the end-of-life of our products.

Moreover, we are committed to furthering our efforts towards environmental protection. To translate policy into action, the Company has launched a pilot project to develop and implement a reusable packaging solution that has the potential to eliminate plastics and wood from our packaging.

In conclusion, as an organization, Himadri is dedicated to continuous improvement. We are committed to working tirelessly to achieve our ambitious environmental target for waste management, which is "zero waste to landfill."

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:

Sl. No.	Location of operations/offices	Type 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.
1.	NA	NA	NA
2.	NA	NA	NA

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
1.	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA

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

Sl. No.	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
1.	NA	NA	NA	NA
2.	NA	NA	NA	NA

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:

- Name of the area - NA
- Nature of operations - NA

Annexure IX

of the Board's Report (Contd.)

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(vi) Surface Water	NA	NA
(vii) Ground Water	NA	NA
(viii) Third party water	NA	NA
(ix) Seawater/ desalinated water	NA	NA
(x) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed/revenue from operations)	NA	NA
Water intensity (optional)- the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(ii) Into ground water	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iii) Into seawater	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(v) Other	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

No operational sites come under water stressed area.

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.

No, there is no independent 3rd party assessment.

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

Parameter	Categories	Unit	FY 2023-2024 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Purchased Goods and Service	MT CO ₂ e	7,62,007.42	Not Measured
	Capital Goods		8,186.29	
	Fuel and Energy related activities not included in Scope 1 and Scope 2		884.87	
	Upstream Transport and Distribution		1,15,657.13	
Total Scope 3 emissions per rupee of turnover		MT CO ₂ e/ INR	0.000021	Not measured
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		tCO ₂ e /MT	1.83	Not measured

Annexure IX

of the Board's Report (Contd.)

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

Yes, we have employed an independent 3rd party to account for our GHG emission. This particular assessment was carried out by M/S AUROSHE during the current reporting year. Accounting is done in accordance with the methodologies detailed in the Green House Gas Protocol which is a global standard.

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

Not applicable.

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

Sl. No.	Initiative undertaken	Details of the initiative (web link if any, may be provided along-with summary)	Outcome of the initiative
1.	Not initiated	Not applicable	Not applicable

Being an environmentally future ready organization, Himadri has taken an initiative to measure its climate change risk and opportunity assessment during the current reporting year. In our 2050 net-zero roadmap (please refer Preface) we have clearly outlined the futuristic yet potential projects such as fuel diversification, 100% electrification of entire operation including transportation to name a few. During the reporting year, we have assessed the value addition of these projects to our operation and internally we have announced a separate budget to reduce GHG emission. In the years to come, the Company will disclose the details of the initiatives whenever possible.

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

Yes, Himadri has a Business Continuity and Disaster Management Plan, which is outlined in our Risk Management Policy. The Business Continuity/Disaster Management Plan shows Himadri's commitment to continuous operation to protect shareholders' value, improve governance, and achieve strategic goals to be well-prepared for unforeseen events. Himadri consistently works to preserve policy scope in the face of disruptive and/or unnatural events to protect and reduce economic damage to people, the environment, other living organisms, and their ecosystems. All financial and non-financial risks are monitored and minimized under the direction of the Risk Management Committee

- 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.**

To the best of our knowledge, there is no such significant adverse impact on the environment due to our value chain. However, we have initiated assessing our value chain partners in accordance with our comprehensive sustainable procurement policy. Our sustainable procurement policy includes identification of environmental risks in our value chain if there is any. Additionally, we are dedicated to mitigate these risks often in collaboration with value chain partners.

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

As an environmentally conscious organization, Himadri clearly understands the impact of its operations on climate change and environment at large. Additionally, we categorically appreciate the value created by our business partners for us. To further our environmental commitments, we have laid out a comprehensive Sustainable Procurement Policy which is based on our global ambitions and in accordance with local laws.

A clear target was taken at the beginning of the current financial year to assess our value chain partners' environmental performance. A comprehensive assessment and audits are deployed to categorize our suppliers. Nearly 84% of 50% spent suppliers have been audited during the current reporting year. Going forward, Himadri has a plan to collaborate with its suppliers to further environmental protection.

Annexure IX

of the Board's Report (Contd.)

Principle 7

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

SDGs Impacted



 <p>Fair Competition Incident</p> <p>No cases registered</p>	 <p>No of Affiliations</p> <p>9</p>
---	--

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
Himadri affiliates with 9 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.

Sl. No.	Name of the trade and industry chambers/association	Reach of trade and industry chambers/ associations (State/National)
	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
	Bharat Chamber of Commerce	
	Federation of Indian Chambers of Commerce and Industry (FICCI)	
	Confederation of Indian Industry (CII)	
	Carbon Black Manufacturers Association	
	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	State
	All India Rubber Industries Association	
	Hooghly Chamber of Commerce & Industry	
	International Tar Association	International

Corporate Overview

Statutory Reports

Financial Statements

Annexure IX

of the Board's Report (Contd.)

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

Name of authority	Brief of the case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2023-2024).		

Leadership Indicators



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

The Company works with all stakeholders, relevant government & regulatory bodies and apex industry associations. Industry associations include global, national and regional industry bodies, like the Carbon black manufacturers Association, Confederation of Indian Industry, Federation of Indian Chambers of Commerce & All India Rubber Industries Association.

Sl. 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
None					

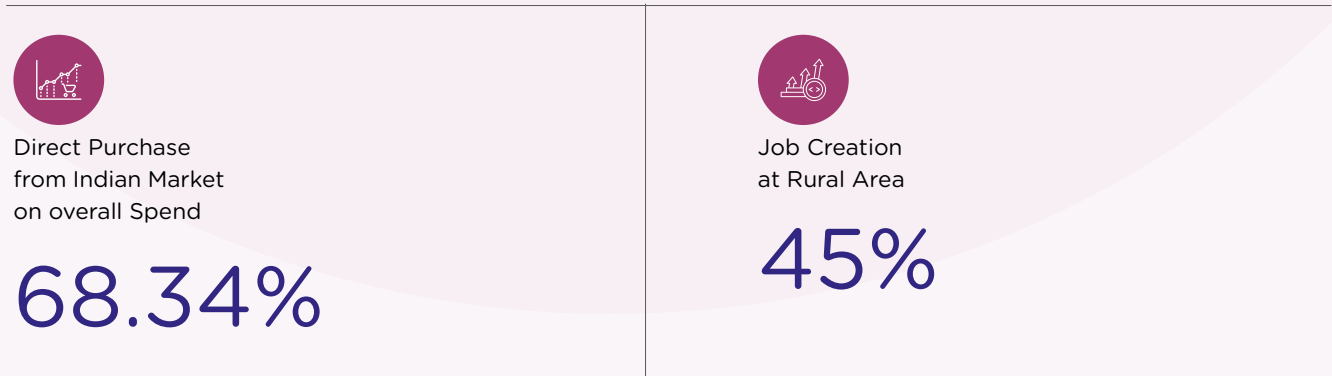
Annexure IX

of the Board's Report (Contd.)

Principle 8

Businesses should promote inclusive growth and equitable development

SDGs Impacted



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					

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

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PFA's covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

Annexure IX

of the Board's Report (Contd.)

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

The CSR Committee at the Board level is responsible for CSR activities, supported by the corporate CSR team. The CSR teams at the plant level deals with grievances received from stakeholders. We engage with the community on a regular basis directly or through implementing agencies. In case of any grievances, they are dealt with on a timely basis and one resolved by the CSR Team under guidance of the CSR Committee.

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	1.89%	2.28%
Directly from within India	68.34%	66.95%

Note: FY 22-23 MSME is changed from previous year. This year we considered, Input Material as Input material' - includes all types of procurement such as raw material, spares, services, capex procurement items etc.

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	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	Permanent	41.30	42.30
	Non-Permanent	12.90	17.83
Semi-urban	Permanent	Nil	Nil
	Non-Permanent	Nil	Nil
Urban	Permanent	2.80	2.13
	Non-Permanent	0.60	0.50
Metropolitan	Permanent	41.60	36.28
	Non-Permanent	0.80	0.95

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:

Sl. No.	State	Aspirational District	Amount Spent (in INR)
		None	

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

As a socially responsible organization, we identify the necessities of inclusion of marginalized/vulnerable groups across our value chain. Currently we are not procuring from any vulnerable groups due to the special nature of our raw materials and associated services. However, our comprehensive sustainable procurement policy clearly mentions the Company's responsibility to promote diversity and inclusion and in lieu with that we are formalizing the subsequent engagements.

Annexure IX

of the Board's Report (Contd.)

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:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Health Care Project - Conducted Free Doctors Check Up, Free Eye Testing, Free Spectacles Distribution, Medicine Distribution, Ayurveda, Naturopathic and Homeopathy Treatment at Village Medical Centre.	People of 20 villages surrounding or adjoining to Company's plants at West Bengal	These have not been identified as vulnerable/ marginalized groups.
2.	Organized Free Check-up Camps, Contribution for Hospital Development and Medical Purpose.		
3.	Foods & Clothes (Blankets & Saree) Distribution.		
4.	Contribution towards Promoting Nationally Recognized Sports.		
5.	Conducted Training Schools & Hostel Facilities for Disabled in Villages.		
6.	Setting up New Hospital in Village.		
7.	Free Distribution of Books, Scholarship for Education, Development of School, Library		
8.	Rural Development Projects for Economically Weaker Sections (EWS) of the Society in Villages - Setting up of Pucca Houses, Drinking Water Facilities/ Electrification, Setting up of playground. Training to Promote Rural Sports, setting up of Centre for Handicapped Children, Setting up of Schools etc.		

Annexure IX

of the Board's Report (Contd.)

Principle 9

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



Number of
Consumer Complaints

Nil



Number of Data
Security Issues

Nil

Essential Indicators



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

Any issues and complaints raised by any customer is registered by regional managers of the Marketing department which generally mentions Product, Grade, Invoice details, nature of Complaint, Customer/Agent details, picture (if any) etc. It then gets forwarded to the Head of Technical Services with a copy to Head of Quality Control. Regional Marketing Managers acknowledge the Compliant by informing the customer. Then, the Head of Technical Services circulates it internally to the concerned heads within one working day.

The concerned head collects all the necessary information for analysis and presents the same to the Cross Functional Team in a Corrective Action and Preventive Action (CAPA) meeting within two working days and appropriate action is initiated to resolve the Complaint. Once resolved, the same is sent to the customer via the Marketing Manager.

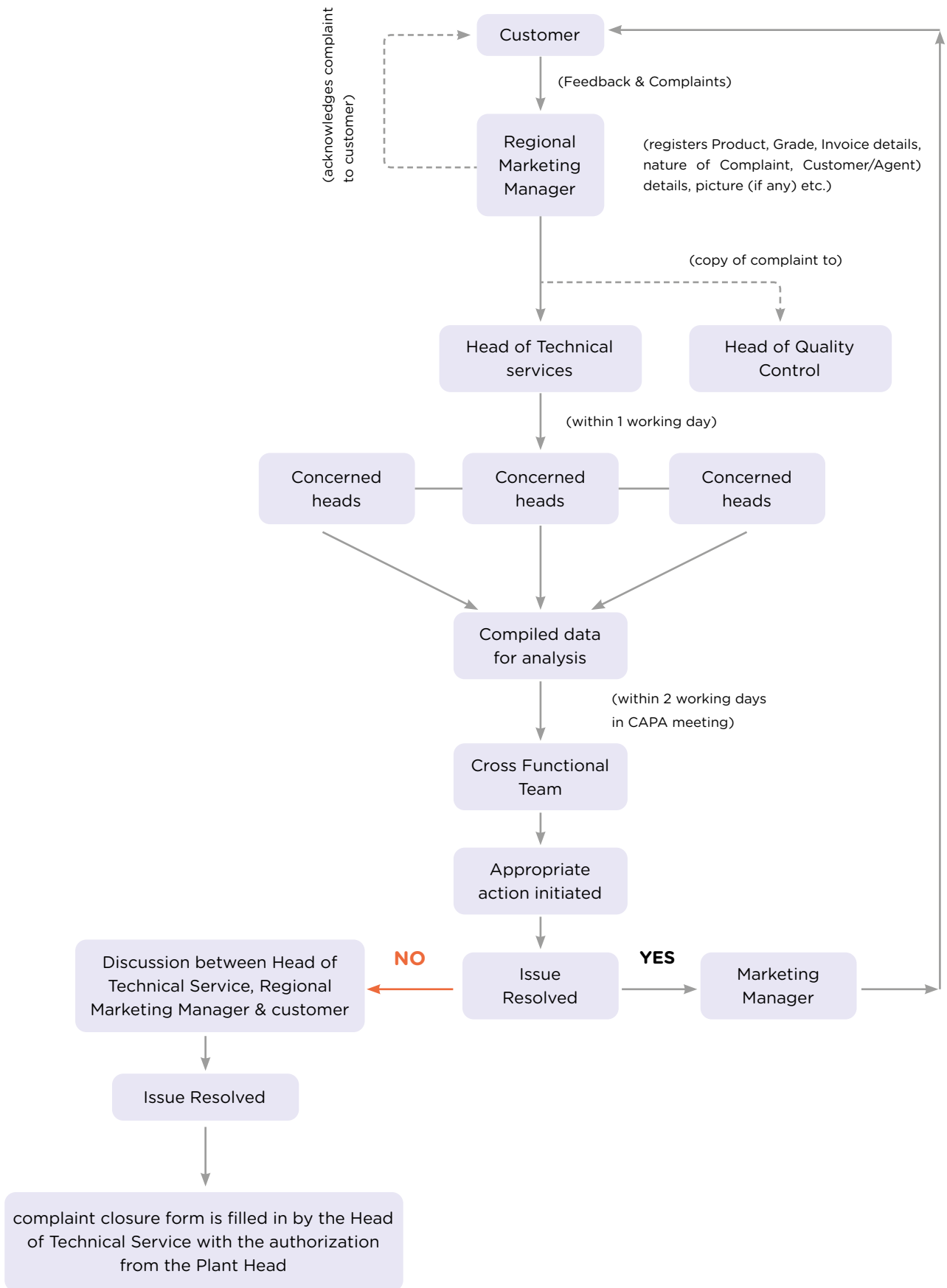
If the complaint is found to be not justified, then the Head of Technical Service and Regional Marketing Manager discuss with the concerned customer and resolved the same.

The complaint closure form is filled in by the Head of Technical Service with authorization from the Plant Head.

Based on the final findings, changes if necessary are incorporated in the procedures / work instructions / process specifications. A record of all the complaints with a detailed analysis is kept by the Head of Quality Control.

Annexure IX

of the Board's Report (Contd.)



Corporate Overview

Statutory Reports

Financial Statements

Annexure IX

of the Board's Report (Contd.)

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 23-24 (Current Financial Year)		Remarks	FY 22-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

Number of Customer feedback for process/Product improvement.

Even though we do not have any complaints on the above mentioned categories. We have received Some of our customer's feedback to improve product Quality, Process technical, packing process, logistics efficiency. Himadri ensures addressing customer feedback effectively for providing customer satisfaction and improving our products & services.

Feedback category	FY23-24	FY22-23
Product Quality	5	20
Process Technical	22	4
Packing process	48	133
Logistics Efficiency	15	17

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

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

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

Yes, Himadri has a comprehensive policy on information security and data privacy, Himadri's information security policy majorly talks about the Compliance, Employee Training, IT Support, IT Equipment Usage, Network Access, Password protection, Email & chat, Software & USB usage. Himadri is committed to providing the highest level of protection regarding the data processing of its employees, vendors and clients/customers personal data based on applicable data protection laws and regulations.

The detailed policy is available on the Company's website at <https://www.himadri.com/pdf/it-policy.pdf>

Annexure IX

of the Board's Report (Contd.)

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.

Himadri is committed to protecting any data concerning its employees, vendors and customers. Active monitoring of the cyber security for Himadri has been managed by internal IT team. The regular reviews are conducted, and corrective actions are taken to improve the cyber security infrastructure.

Regular training sessions are currently being organized to enhance the “Do’s” and “Don’ts” regarding data security. These training sessions are conducted by external experts. During the current reporting year training on topics like Phishing, Ransomware, Malware were conducted for the employees of Himadri.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches- Nil
- Percentage of data breaches involving personally identifiable information of customers- Nil
- 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).

The information on products of the Company can be accessed from the website of the Company at www.himadri.com

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

MSDS containing all the relevant information is available on the website of the Company and communicated to customers separately. SOPs for product handling are shared and explained to customers for safe handling wherever required.

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

Information related to any risk of disruption/discontinuation of essential services is communicated to consumers through e-mails.

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

Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Product information is available on the Product Information Sheet, made available to the Company's dealers and can be found on the Company's website.

The Company does semi-annual/annual customer satisfaction surveys for different product categories. The survey is a comprehensive one covering quality, performance, service delivery, commercial, responsiveness and other relevant parameters. Apart from quantitative ratings, qualitative comments are also sought for continuous improvement. Based on survey inputs, Customer Satisfaction Index is computed and monitored on regular basis which forms a key input for our customer interaction and service delivery model.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact

None

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

Nil

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 25 April 2024