

NURTURING GROWTH WITH RESPONSIBILITY



GREEN ENERGY



WATER SECURITY



CIRCULAR ECONOMY



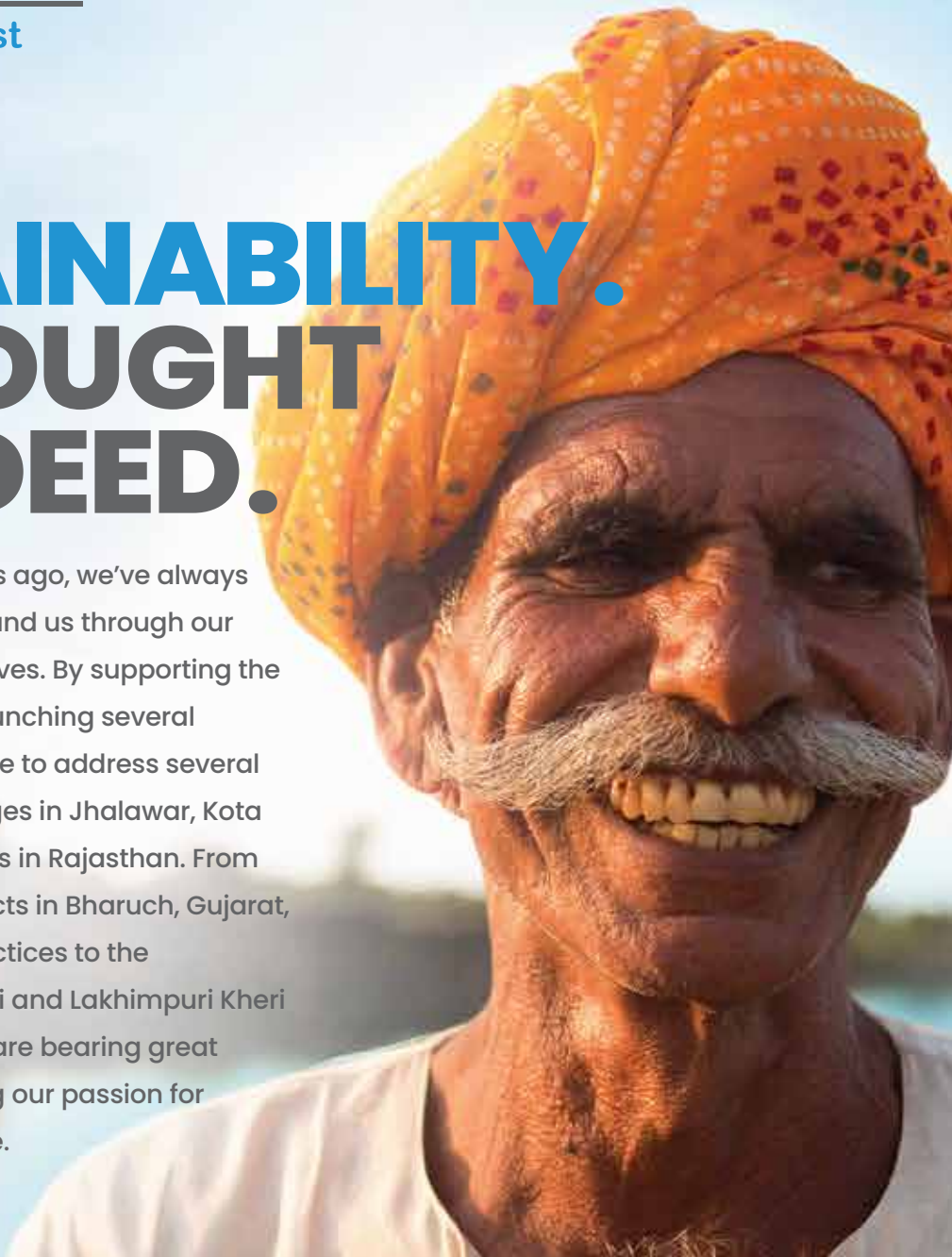


DCM SHRIRAM

Growing with trust

SUSTAINABILITY. IN THOUGHT AND DEED.

Since our inception 130 years ago, we've always tried to better the world around us through our various sustainability initiatives. By supporting the State administration and launching several initiatives, we have been able to address several water conservation challenges in Jhalawar, Kota and its neighbouring districts in Rajasthan. From implementing several projects in Bharuch, Gujarat, to teaching sustainable practices to the sugarcane farmers in Hardoi and Lakhimpuri Kheri in Uttar Pradesh, our efforts are bearing great results. This is further fuelling our passion for making a world of difference.



DCM SHRIRAM LTD.

Agri-Rural Business | Chlor-Vinyl Business | Value Added Business

www.dcmshriram.com



Mukhya Mantri Jal Swavlamban Abhiyan (MJSA) is a water harvesting and conservation initiative by the Government of Rajasthan. DCM Shriram supported it by constructing three mini-storage tanks, a check dam, pond and an anicut.



These have created surface storage of **approx 23 mcft** (million cubic feet), recharging 150 dug wells and supporting the drinking and irrigation needs of about 24 villages in Rajasthan.



Our rainwater harvesting programs at Bharuch and Kota help save about **65,000 kl** and **450,000 kl** of water respectively, recharging the groundwater levels.



Launched in association with IFC, the **Meetha Sona Project** in Hardoi and Lakhimpur Kheri, UP, has enabled **2.25 lakh sugarcane farmers** increase their yield by 15-20% over the years. In 2013, this association was also extended to Solidaridad in addition to IFC.



The same project has helped save about **735 billion litres** of water in 6 years. This data has been assessed and certified by Indian Institute of Sugarcane Research, Lucknow (Apex Government Body for Research on Sugarcane).



Through this project, **8,000 lead farmers** have been taught good agriculture and water management practices, who further trained and educated **40,000 sub-lead sugarcane farmers**, thereby creating a perpetual cycle of learning.

- Shriram Fertilisers & Chemicals • Shriram Alkali & Chemicals • DCM Shriram Sugar • Bioseed
- Fenesta Building Systems • Shriram Cement • Shriram Polytech • Shriram Farm Solutions





TABLE OF CONTENTS

About the Report	2
Message from the Chairman's Desk	4
Company Profile	7
ESG at a Glance	15
Our Approach to COVID	16
Our Approach to Sustainability	17
Materiality and Stakeholder Engagement	19
Stakeholder Consultation	20
Materiality Analysis	22
Evolving Resilient Business	23
Rewards and Recognition	26
Corporate Governance	27
Economic Performance	31
Risks and Opportunities Management	35
Customer Relationship Management	39
Supply Chain Management	41
Encouraging Responsible Operations	43
Our People	74
Our Commitment to the Society	86
GRI Content Indexing	97
Assurance Statement	103
Annexure 1: Sustainable Development Goals	106
Annexure 2: UNGC Principles	108
List of abbreviations	109

About the Report

In this third Sustainability Report, DCM Shriram Limited continues to share its commitments, approach and performance across all dimensions of people, planet and profit with all its stakeholders. In this report the expressions 'DCM Shriram', 'the Company', 'this Company', 'we', 'our' and 'us' refer to DCM Shriram Limited. The content of this report is based on the sustainability focus areas deemed material through comprehensive stakeholder engagement and analysis.

This report is prepared in accordance with the GRI Standards: Core Option. The content and quality of the report are wholly aligned with the GRI principles. The report is further guided by the UNGC principles and aligned with the UN SDGs. The data presented is based on the financial and non-financial performances of all units within the scope and boundary for the reporting period 1st April 2021 to 31st March 2022. Details of all the entities are covered in our consolidated financial statements, which are part of our Annual Report 2021-22 available on the Company's website at https://www.dcmshriram.com/annual_reports. All our Sustainability Reports, including the most recent one published in 2021, are available on our website at <https://www.dcmshriram.com/sustainability-report>. DCM Shriram has been publishing its sustainability reports since the financial year 2018-19.

This report covers the business segments - Agri-Rural, Chlor-Vinyl and Value Added Business operations across India. Data for these are sourced from respective business units located at: Ajbapur, Rupapur, Hariawan, Loni (UP), Bharuch (Gujarat), Kota, Bhiwadi (Rajasthan), Hyderabad (Telangana), and Chennai (Tamil Nadu). It does not include the overseas units. The subsidiaries, joint ventures, and associate companies where the Company has no operational control have been excluded from the reporting boundary. All calculations and underlying assumptions involved are explained throughout the report wherever applicable.

The Sustainability Report is published in addition to the Company's Annual Report and was prepared through intensive collation and in-depth analysis of the data. Our sustainability initiatives have been elucidated to reflect on how we have addressed all our material issues. Regular stakeholder engagements have thrown light on the high importance material topics that are relevant for all our stakeholder groups. The aspect boundaries and content have been defined using reporting principles prescribed in the GRI Standards. The Report covers all operations and businesses of the Company that fall under its direct operational control.

Our sustainability report has been externally assured by an independent third-party assurance provider - KPMG Assurance and Consulting Services LLP, based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) - limited assurance criteria. The assurance statement can be found on page 103.

We welcome our readers' valuable feedback to further enrich the quality of our report. We encourage you to share your views and insights to sustainability@dcmshriram.com



Message from the Chairman's Desk



Mr. Ajay S. Shriram, Chairman & Senior MD and Mr. Vikram S. Shriram, Vice Chairman & MD

We are pleased to share with you our third Sustainability Report prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option and is externally assured. The report outlines the various sustainability initiatives and ESG performance, which we have strived to achieve. It spells out strategies and focused interventions that are aligned to achieve the United Nations Sustainable Development Goals (SDGs). As a future ready company, this report also attempts to align with SEBI's BRSR requirements for ESG disclosures. We have voluntarily adopted BRSR reporting requirement from FY21-22 onwards itself.

Traditionally, sustainability has been linked with environment conservation. However, the term has now expanded to include ESG, as all three are essential prerequisites for a sustainable business. At DCM Shriram, we aspire to follow best ESG practices which eventually lead to a better bottom line as well as improved social and economic outcomes.

The outbreak of the global Covid pandemic added another layer of responsibility to the company. Many of our employees volunteered to ensure community welfare and inculcated better hygiene practices within the community. As a responsible entity, we initiated production of sanitizers at our Distillery Units and accelerated the production of disinfectant hypochlorite solution at Kota and Bharuch sites since the pandemic outbreak. All our stakeholders such as government agencies, hospitals, institutions, NGOs and communities, have benefitted from this initiative.

In this UN Decade of Ecosystem Restoration, we have been actively working towards water conservation. Our interventions in water harvesting and conservation during the year have resulted in saving 11 times the amount of water we used for our factory operations. We have also constructed multiple water-harvesting structures at different locations spanning across five states and promoted water conservation along with agri-skilling projects. We intend to create green belts around our areas of operations for which over 96,000 saplings have been planted across nine districts during FY 2021-22. Being a founding member of India Business & Biodiversity Initiative (IBBI), we promote biodiversity, conservation and sustainable use of natural resources throughout our business operations. We have positively impacted the lives of more than 76,000 people through our CSR intervention in the areas of health, sanitation, education, environmental sustainability and livelihood. In FY 2021-22, we spent INR 17.425 Crore on CSR and INR 2.515 Crore set off for next financial year which is about 2% of the average net profit of DCM Shriram for the last three years.

Presently more than one-third of our overall energy requirements are met through green sources, and this ratio is progressively increasing. In sugar business, the entire power requirement is met from Biofuel through use of Bagasse. Production of hydrogen and supply of ethanol for blending with petrol has increased rapidly, thus contributing to India's clean energy supply. Our investment in agricultural R&D and collaboration with international bodies have assisted us in building a pipeline of innovative products which will be climate resistant.

For us, the health and safety of our employees are of prime importance. We ensure our employees follow the best safety practices as per the standards and use adequate Personal Protective Equipment (PPE). Safety and pollution control equipment are upgraded on an ongoing basis. We continue to support our employees both for their physical and emotional well-being.

During the year we have reviewed our decision framework so that ESG requirements are incorporated in our expansions at the planning stage itself. We have built adequate in-house expertise on this subject and seek technical guidance from external experts as and when required. In the area of sustainability, our external reporting is in accordance with GRI (Global Reporting Initiatives) Standards and have an ongoing improvement.

Once again, we thank you for your continued faith and wish all our valued stakeholders good health and well-being at all times.

Mr. Ajay S. Shriram
Chairman &
Sr. Managing Director

Mr. Vikram S. Shriram
Vice Chairman &
Managing Director



Company Profile



DCM Shriram Limited, an offshoot of DCM group, (Delhi Cloth & General Mill) is a leading business conglomerate, headquartered at New Delhi since 1990. It was founded by Sir Shri Ram, an eminent public-spirited philanthropist and an outstanding industrialist, who, with his trend-setting vision, has led the Indian business community even during the world war times. Building on the rich legacy of DCM, which was established in 1889, we have carved out a successful path over the last three decades to strengthen our nation's industrial growth scenario. Our Company's portfolio spans across a diverse range of sectors consisting of cement, fertilizers, chemicals, sugar, PVC resins and other products. The Company has steadily grown both in revenues and profits and added several new businesses over these years. Having sustainability as the core of our business model, we contribute to empower the rural India and its farmers, and at the same time endorse manufacturing excellence to maximize value capture in India.

Date of Establishment	Founded 1990
Chairman	Mr. Ajay S. Shriram
Vice Chairman	Mr. Vikram S. Shriram
Registered and Corporate address	DCM Shriram Ltd, 2nd Floor (West Wing), World Mark 1, Aerocity Delhi - 110037, India Tel: +91 11 42100200, +91 11 42100200, Fax: +91 11 43561694
For details access	https://www.dcmshriram.com/

Net Revenue from Operations

₹ 9,849.41 Crores

Profit after Tax

₹ 1,066.13 Crores

Number of Employees

6,705

Major Operational States in India

Uttar Pradesh, Rajasthan, Gujarat, Telangana, Tamil Nadu



Membership of Industrial Associations

Being a leading player in the industry, we are privileged as well as responsible to actively contribute to the policies and practices that impact the industry. Participation in various associations helps us remain acquainted on the latest norms and trends prevalent in the industry. The main key objectives of being part of such associations are knowledge sharing and providing consultative and representative services to the organizations.

DCM Shriram Ltd. is a member of the following industry associations:



Management Philosophy

Management in business is essentially a matter of human relations – Sir Shri Ram (Founder)

DCM Shriram believes in the philosophy, 'Businesses can create significant social value alongside economic value'. With this core belief that is deeply rooted in our heritage, we are determined to build a vibrant, growing and resilient organization. Our Company adopts practices that ensure highest levels of accountability and transparency are imbibed in everyone at the company. This is possible due to our inherent trust on our employees' abilities and our constant commitment to uplift their spirits. Our employees are our biggest strength. Our Company voluntarily engages in shaping a better society by sharing with others our values and considering our stakeholders an integral part of every decision-making in business development. The interwoven relationships built through fostering motivated employees, determination to create valuable customer experience and our aim to contribute progressively towards building a sustainable society have resulted in the prosperity of DCM Shriram over the last three decades. Our management philosophy plays a great role in this regard.



Management Philosophy

Businesses can create significant social value alongside economic value



Vision

Vibrant growth with trust, energized employees and delighted customers

Core Areas



Business

Enhancing economic value together with all stakeholders by maintaining accountability and transparency



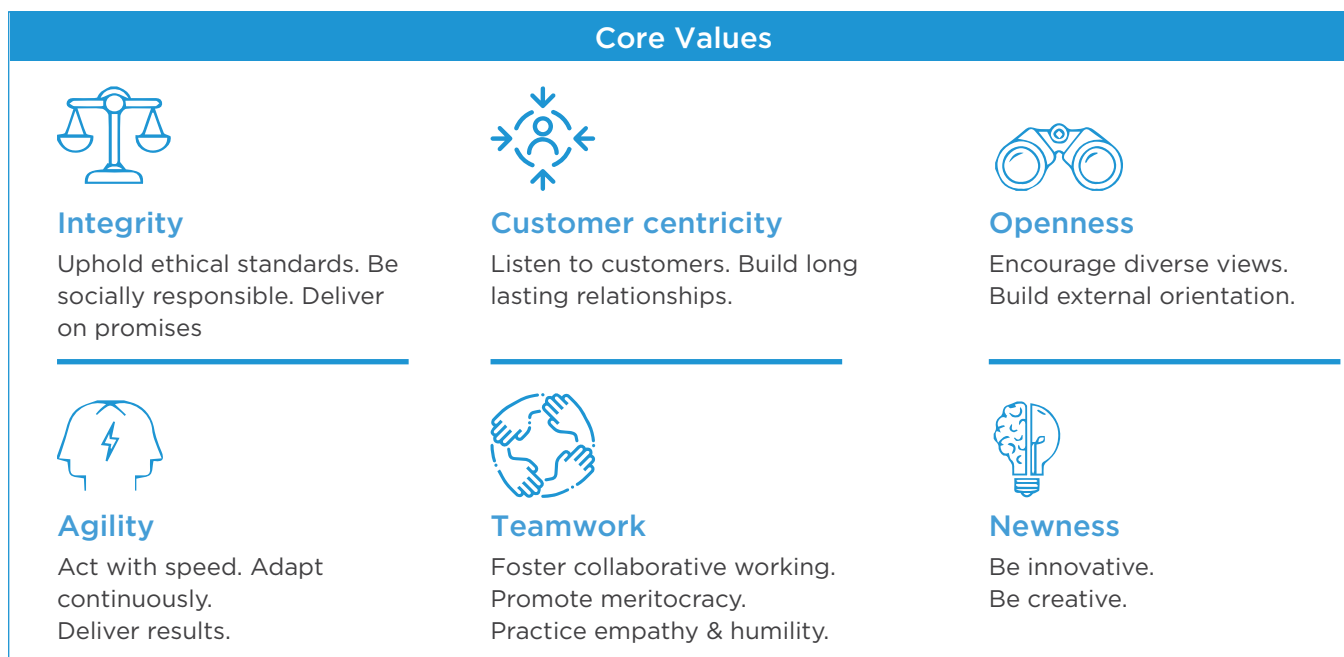
People

- Genuine and personalized relationship with employees
- Build an environment of innovation, teamwork and respect embedded in Company's values



Environment

Innovate business models to amalgamate people, planet and profit



Our Company adheres to the highest standard of safety and ensures compliance with environmental norms at all operating locations. This has been recognized by national as well as international organizations through various awards and citations. We deal with all our stakeholders with a sense of fairness, integrity, humility, and customer focus. This value system is ingrained in our way of doing business and has helped the company to emerge as a trusted organization among our stakeholders.

The history of DCM Shriram's growth dates back to 1909, when Sir Shri Ram joined Delhi Cloth Mills (DCM) to run the company with his father. A visionary, Sir Shri Ram then steered the company to new heights by making it a well-known conglomerate business in manufacturing of cotton, synthetic yarn and textiles, rayon tyre cord, sugar, alcohol and confectionery, heavy chemicals and fertilizers, PVC resins and compounds, electronic desk calculators, and others leading to the rise of DCM Shriram. Restructuring of the Company has happened

over the years. In 1990, DCM was split into four distinct companies: DCM, DCM Shriram Industries, Shriram Industrial Enterprises and DCM Shriram Consolidated (It was renamed as DCM Shriram Ltd. in 2013). DCM Shriram Consolidated Ltd. took over one-third of the businesses of DCM Ltd by merging, Shriram Fertilizer & Chemicals, Shriram Cement Works, Swatantra Bharat Mills and DCM Silk Mills. Currently, DCM Shriram Ltd. is one of the leading chemical companies in India. Our vision is to continue to strengthen and grow the commodity businesses as well as "Customer" & "Knowledge based" products and services. Since the beginning, DCM Shriram has set a profound example of social connectedness through in-depth communication with the working class and looked into the process of industrialization through the eyes of the workers and foreseeing the importance of integrated approach and its usefulness to the business community. Till date DCM Shriram pursues the policies of dedication to duty, liberal humanism, intellectual honesty and integrity in engagement with stakeholders.

The Journey of DCM Shriram can be traced through the following table:





Ajit S. Shriram, Joint Managing Director

“Sustainability is central to all activities at DCM Shriram Ltd. In the Sugar business, our multipronged approach with sugarcane farmers is based on training and capacity building which is aimed at increasing productivity, conservation of water and promoting soil health. To achieve these objectives, various initiatives like trash mulching, trench planting, laser levelling, drip irrigation, foliar spray of liquid/soluble fertilisers and propagation of bio fertilisers etc. are being implemented on scale. The inclusive, participatory and comprehensive sustainability approach have replaced the ancient practices of flood irrigation and trash burning with simple ones such as trash mulching and furrow irrigation.”

Business Portfolio and Presence

The Company's operations are predominantly based in the Indian subcontinent, with one of its entities in the Philippines. As an integrated business entity, DCM Shriram Ltd. encompasses business portfolios in Agri-Rural, Chlor-Vinyl, and other Value Added businesses.



Agri - Rural Business

- Urea
- Sugar
- Farm Solutions
- Hybrid Seeds



Chlor-Vinyl Business

- Caustic Soda, Chlorine, Calcium Carbide
- Aluminum Chloride
- PVC Resins, PVC Compounds
- Power and Cement



Value Added Business

- Fenesta Building Systems- UPVC & Aluminium Windows & Doors



Products and Value Chain

Agri – Rural Business

Sugar: Our sugar business encompasses 4 plants in Ajbapur, Rupapur, Hariawan and Loni in Uttar Pradesh having total power cogeneration capacity of 155 MW and is also supported by 350 KLD of Distillery capacities and a 700 TPD refinery at Hariawan and Ajbapur in Uttar Pradesh. Total sugar manufacturing capacity is 38,000 TCD (Tons Crush per Day of sugarcane).

Shriram Farm Solutions (SFS): Agri-inputs solutions such as Hybrid seeds, Pesticides, Bulk fertilizers, Micronutrients and other value-added inputs are part of SFS. There are over 3000 channel partners and 35000 retailers. SFS also provides high quality agronomy

services aimed at increasing farmer productivity. Bulk fertilizer business has been rationalized.

Bioseed: Bioseed consists of the hybrid seed business. It is headquartered at Hyderabad. It contributes to the expertise across the entire seed value chain such as R&D Lab Testing, Production, Processing, Farm Extension activities. Strong distribution network across South and South-East Asia, providing quality seeds to farmers- both vegetable and fielded crop seeds in India. In Philippines, Vietnam and Indonesia, the Company provides corn crop seeds.

Fertilizer: Our fertilizers have expansive presence in rural markets. We manufacture urea in a dual feed plant using natural gas with a capacity of 3.79 Lakh MT at its integrated manufacturing facility at Kota.



**Sanjay Chhabra, Executive Director & Business Head
Shriram Farm Solutions**

“ Sustainable Farm Development Program implemented by DCM Shriram Ltd. has helped in reducing farm input costs pertaining to water, fertilisers and pesticides. On the other hand, it also helped farmers in improving the yield with improved soil quality and increased income across a variety of crops. ”



Chlor-Vinyl Business

Chlor-Alkali: There are 2 manufacturing plants, one of which is located at Kota (Rajasthan) having caustic soda capacity of 498 TPD and the other one is at Bharuch (Gujarat) having caustic soda capacity of 1345 TPD. Our Company's combined Chlor-Alkali production capacity is of 6.75 lakhs TPA making us the second largest player in India. We also produce Aluminium Chloride at our Bharuch plant.

Plastics business: This includes highly integrated business at Kota involving manufacturing of PVC resins and Calcium Carbide with captive production of Acetylene, Chlorine and Coal based power. Raw carbide capacity stands at 330 TPD and PVC capacity stands at 220 TPD.

Value Added Business

Fenesta Building System: We deal with 100% customized UPVC (Unplasticized PVC) windows and door systems which minimizes energy loss due to fenestration and helps reducing the energy bills by almost 7-15%. Produced and installed over 2 million windows that can withstand India's extreme climatic conditions. Fenesta

today has its presence in more than 200 cities across the country.

Cement: Our Company produces cement products such as Shriram Nirman (PPC), Shriram 53 and Shriram Silver (PPC). All our cement products are manufactured at the state-of-the-art Shriram Cement Works Plant at Kota that has an installed capacity of 4 lakh tons cement per annum.

PVC Compounding: Shriram Polytech limited is a wholly owned subsidiary of DCM Shriram Limited w.e.f. October, 2021. Earlier, it was an Indo-US 50:50 joint venture between DCM Shriram Ltd. & Axiall LLC, USA (A West Lake Company). In October, 2021, M/s DCM Shriram Limited acquired entire 50% of the paid-up share capital held by Axiall LLC (The Joint Venture partner) in SAPL. The business' PVC compounding capacity is 32,564 MT per annum.

Hariyali Kisaan Bazaar: Hariyali Bazaar is presently engaged in sale of fuel (petrol, diesel, LPG etc.). The Retail operations were rationalized in 2013. The Company has limited its current operations to fuel retailing, which is also being rationalized.



**Shekhar Khanolkar, Executive Director & CEO
Chemicals**

“DCM Shriram has established the production of blue hydrogen from the by-product in the chlor-alkali plants. This is utilized as fuel in furnaces to substitute fossil fuels which has helped the Company to achieve the collective vision of using these technologies to meet the aspirations of using sustainable energy systems in its value chain.”

ESG at Glance



Environment

Water Security

11 Times Water Positive

Reduction in Specific Water intensity by 4.6 % per ton of production

Reduced dependency on groundwater to 12.5% from 14% (FY21) of overall water requirement

Maintained Zero Liquid Discharged (ZLD) in distillery units at Hariawan and Ajbapur

GHG Emission Reduction

24,99,449 tCO₂e emissions saved through various decarbonization and other energy saving initiatives

Bioenergy consumption as % of total direct energy consumed: 36%

Around 5 lakhs trees planted across all manufacturing sites till date

Reduction in Specific Energy intensity by 7.7% per ton of production

Circular Economy

25% of material recycled as raw materials

Waste sent to the landfill was reduced to 3.5% against previous year's 3.9% of the total waste

Around 28% of the plastics packaging introduced into the market were recycled by the plastic waste re-processing agencies



Social

Safety

93% of our manufacturing sites are ISO 45001 certified

Bharuch and Kota sites are certified for British Safety Council Five Star Safety Rating System

During the year, Lost Time Injury Frequency Rate (LTIFR) reduced to 0.12 from 0.56 (FY21)

COVID safety protocols followed at all manufacturing sites and offices

Human Resources

15,431 permanent and contract employees

27 Million man-hours worked

Average training of 3 days/ employee/ year provided

Turnover rate reduced from 15.8% (FY21) to 14.9% for permanent employees and reduced from 12.2% (FY21) to 9% for permanent workers

Sustainable Engagement Score for FY22 is 92%

Community Development

INR 17.425 Crores spent on community development and in addition, INR 2.515 Crores transferred to unspent CSR account for the 'Ongoing Projects'

Positively impacted the lives of more than 76,000 people through our CSR intervention

5,788 employee volunteer hours devoted



Governance

Corporate Governance

12 Directors: 5 Executive Director and 7 Non-Executive Directors including 2 Female Directors

Policies

Framework on BRSR

Adoption of Human Rights Policy

Inclusion of ESG in EHS Policy

Anti-corruption and no bribery policy

Code of Conduct and Ethics

Freedom of Association

No Child Labour

Equal and Fair Treatment to all

Business Responsibility and Sustainability Reporting (BRSR)

Voluntarily adopted BRSR requirements

Disclosure on all Essential and Leadership indicators of BRSR requirements

Digitization

Monitoring, reporting and tracking of legal compliances through a Complinty Tool

Engagement platforms such as e-Suvidha App, WhatsApp Groups, Teleconferencing, Suvidha Centre (Call Centre) supporting farmers

Supply Chain

Preference to local and MSME vendors for procurement

REACH Compliant

Disclosures

Voluntarily disclosure of BRSR in Annual Report

Externally assured sustainability report prepared in accordance with GRI Standards

Water Impact Assurance by External Agency

Approach to COVID

Since 2020, the COVID crisis brought to the fore unforeseen challenges of multiple forms. Apart from economic impact and business disruptions, many members of our extended family – our employees and their near ones, our value chain partners lost their loved ones or are still battling with post-COVID conditions.

Severe adverse health impacts are a reality in this year too. The pandemic also caused deep rooted changes in terms of new ways of living and working, which has resulted in increased mental health strain. Enduring these challenges, our employees have emerged as the highest possible resilient workforce in coping with personal concerns and yet staying focused on the customers and the business. Our volunteering programme gives a glance of our employee courage, compassion, community spirit and cultural strength.

COVID took a toll on people's lives in the early part of the financial year. However, our leadership teams buckled up to take the baton in their hands with robust planning and continuous communication with people at all levels in our DCM Shriram family. COVID safety protocols were implemented across all our manufacturing units and offices. There was an increased thrust on online training, recognition, and knowledge sharing sessions.

We have prepared our businesses to brave through the pandemic situation. This was evident when many of our employees volunteered for several hours to ensure community welfare and inculcated better hygiene practices within the community, which is a major mitigating measure in this situation. We have extended

our scope of work as responsible corporate citizens by initiating production of sanitizers at our Distillery Units and accelerated the production of disinfectant hypochlorite solution at Kota and Bharuch sites since the pandemic outbreak. All our stakeholders such as government agencies, hospitals, institutions, NGOs and communities, have benefitted from this initiative.

Formation of voluntary networks and training of COVID warriors assisted our employees and their families in need. Precautionary measures such as tie-ups with local hospitals and a central coordination centre with an external party were set up to provide special assistance to our employees through Doctors' network, telemedicine and other COVID related Health assistance. Workplace health, hygiene and COVID-appropriate behaviour remained the focus of our managers at all levels helping the organization to stay ever vigilant. The mantra of protection and well-being, 'Test, Treat and Trace' was followed scrupulously. The pandemic situation has set an example of collaboration, thoughtful leadership and focused action, which are all ingredients that form the base of most successful organizations. Through these endeavors, DCM Shriram has emerged as a resilient organization by taking the COVID situation in their stride.



Our Approach to Sustainability

The long-standing legacy of DCM Shriram is itself a symbol of the Company being anchored to strong sustainability principles. Embedded with accountability and transparency as our grassroots principles, DCM Shriram focuses on people's well-being and giving back to the society as their core sustainability strategy. The Company's approach to sustainability is centered on achieving operational excellence, while pursuing growth that is environmentally and socially sustainable. Our sustainability strategy is underlined by the superior triple bottom line performance centered on three pillars of Business, Environment and People.

Our company remains committed towards creating long term value for our stakeholders. We continue to strengthen and grow businesses as well as the "Customer" & "Knowledge Based" products and services. Our growth has been led by strong financial performance and our resolute quest for innovation. However, as an organization, we go beyond financial

metrics and ardently believe in creating unparalleled stakeholder value through our social, people centric and environmental interventions. The Company is focused on exploring efficient technologies and best practices for responsible production with emphasis on circular economy, energy efficiency and water conservation.



K K Kaul, Whole Time Director

“Climate Change impacts have already demonstrated how unprepared we are globally, and the timetable for action being sooner than most believe. If we want our businesses to continue to be successful and more importantly sustainable, the time for action is now. We at DCM Shriram have created a Sustainable Business Framework that helps signpost us to the requirements and identify potential risks and opportunities making our businesses future-ready so that we continue to be successful in the longer term.”



Accreditations and Certifications

DCM Shriram's manufacturing facilities follow the internationally recognized standards to ensure best quality and sustainability throughout its business practices. These standards have been listed as follows:

All DCM Shriram Manufacturing Facilities	Integrated Management System (IMS)	ISO 9001, ISO 14001 and ISO 45001 (2018) compliant Systems
Shriram Farm Solutions		ISO 45001 (2018)
Shriram Alkali and Chemicals at Bharuch and Kota sites	Environment, Health and Safety	Five Star Safety Rating Certification by British Safety Council
Shriram Alkali & Chemicals at Bharuch	Chemical Industry Initiative	Responsible Care Certification by Indian Chemical Council



Materiality and Stakeholder Engagement

DCM Shriram recognizes the importance of meeting stakeholder expectations in today's evolving people centric business landscape. Identifying their concerns through effective engagements plays an important role in facilitating and collectively working towards addressing them. This not only ensures the Company to grow but also create larger societal value. DCM classifies its stakeholders into three groups namely key stakeholders, strategic stakeholders, and external influencers, based on the level of legal, financial and operational liability and control.

Key Stakeholders

The Company has direct control on the legal, financial and operational aspects

Employee - Permanent
Employee - Contractual

Strategic Stakeholders

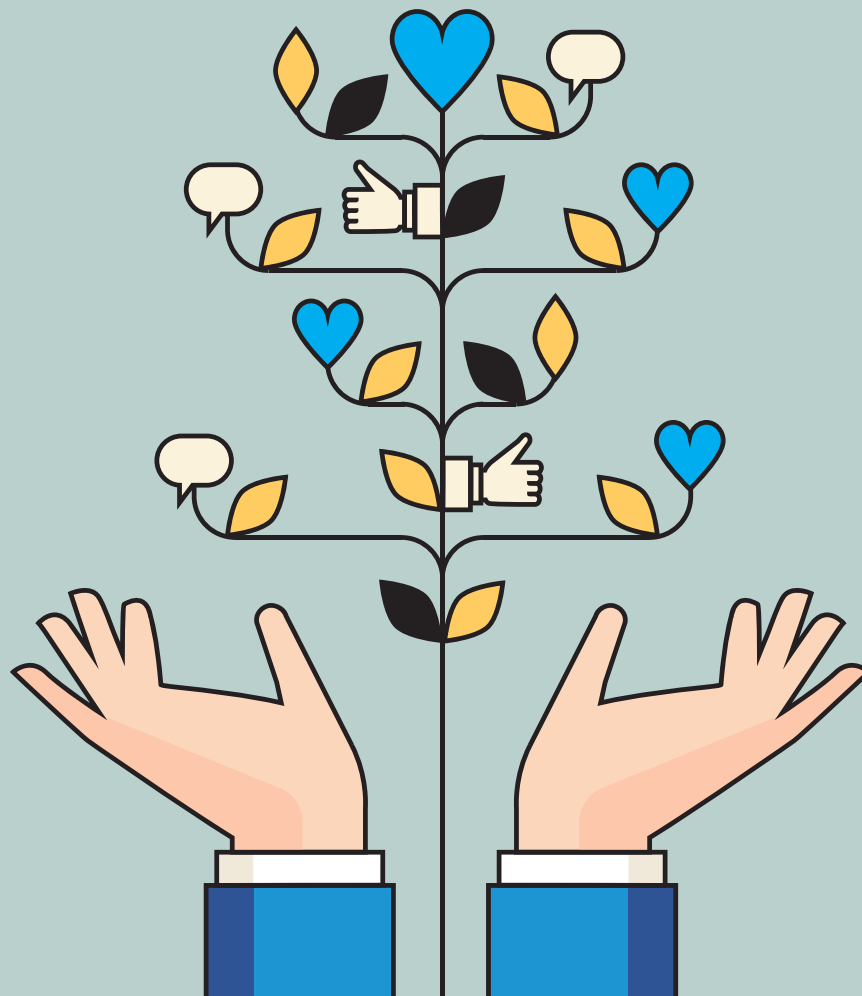
The Company has no direct control on their operations; however both can impact each other

Shareholder & Investors
Customers
Local Communities
Civil Society
Farmers
Suppliers, Dealers & Distributors

External Influencers

Where the Company has no direct control, they can impact the Company

Government & regulatory bodies
Industry Associations
Media



Stakeholder Consultation

17 PARTNERSHIPS
FOR THE GOALS



Keeping in view the primary principle of ensuring transparency and accountability, DCM Shriram has evolved a structured framework for engaging with each of its stakeholders continuously. The engagement approach takes into cognizance the fact that each stakeholder group is unique. It identifies and maps key needs of each group through tailored communication based on the characteristics and impact relationship of each stakeholder group. The process of stakeholder consultation has been illustrated as follows:

Identification of key stakeholders and categorisation based on direct operational, legal and financial control of the Company

Consultations with key stakeholders with due weightage given to each based on the nature of engagement with the Company

Understanding stakeholder needs and developing action plans to address them

Periodic review of stakeholder needs and updating corrective measures

The key concerns of the stakeholders are as follows:

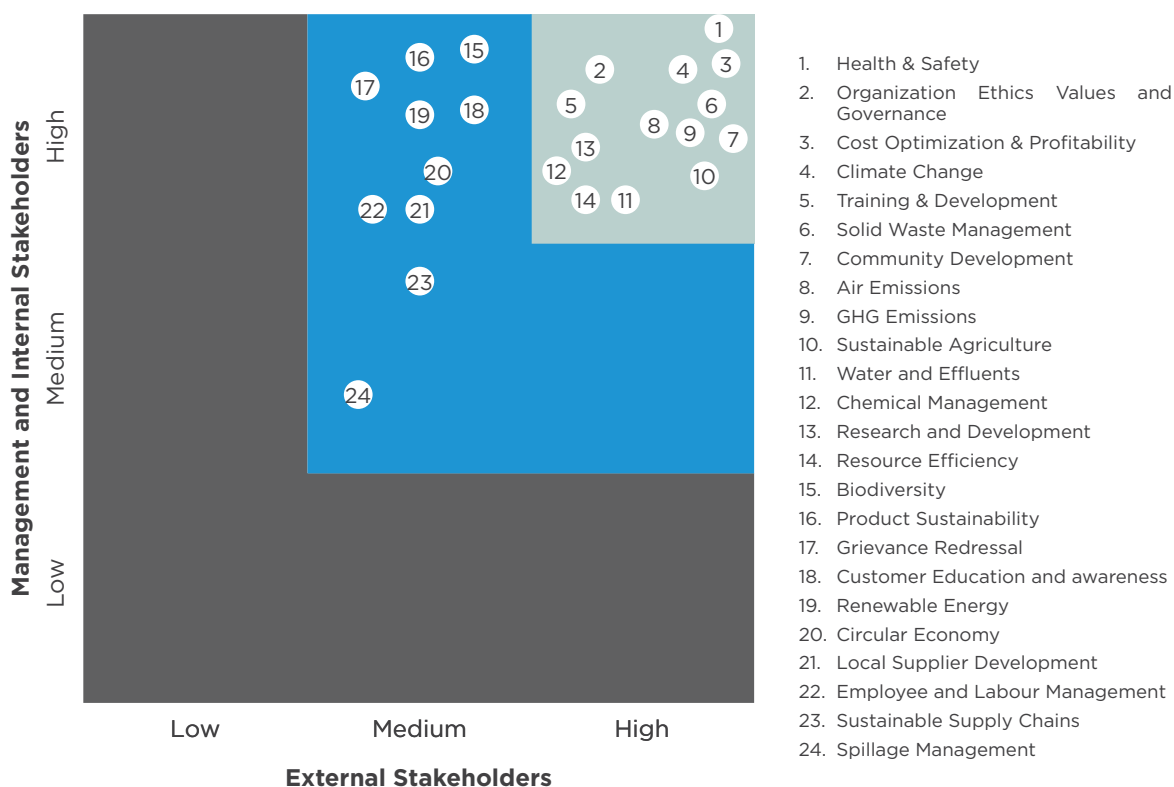
Stakeholders	Frequency	Mode of Consultation	Key Concerns
Employees	Continuous	<ul style="list-style-type: none"> Emails, meetings and intranet portals Induction programmes/ trainings / workshops Performance appraisal reviews Employee satisfaction surveys Employee engagement programmes Grievance redressal mechanism Trade union meetings 	<ul style="list-style-type: none"> Employee well-being Training and skill development with career growth Rewards and recognitions Welfare, health and safety of employees and their families Occupational health and safety Transparent communication COVID-19 Care
Shareholder & Investors	Periodic	<ul style="list-style-type: none"> Annual General Meeting, Exclusive section in corporate website, Annual Report, Newsletters and social media platforms, Regular business interaction Grievance redressal mechanism 	<ul style="list-style-type: none"> Improved profitability and growth of the organization Transparent and effective communication Investor servicing Sound corporate governance mechanisms
Customers	Timely	<ul style="list-style-type: none"> Emails and meetings, Market surveys, Customer surveys, Plant visits, Grievance redressal mechanism 	<ul style="list-style-type: none"> Product quality and safety Transparency and adequacy on product information Timely delivery of products and services Building trust among the customers through plant visits
Suppliers, Dealers & Distributors	Periodic	<ul style="list-style-type: none"> Annual Meet with suppliers and customers, Emails and meetings, Plant visits, Other interactions on a regular basis 	<ul style="list-style-type: none"> Key account management to ensure best possible servicing Regular communication and updates on business plans Fair opportunity to competency development of local, medium and small scale enterprises in vendor base Rewards and recognitions

Stakeholders	Frequency	Mode of Consultation	Key Concerns
Farmers	Continuous	<ul style="list-style-type: none"> • Need based regular interaction, • CSR function, • Awareness camps on good agricultural practices, • Farmer training programmes and workshops 	<ul style="list-style-type: none"> • Sustainable sugarcane production • Sustainable and accelerated growth in livelihoods and farm incomes • Easy, affordable and reliable access to inputs such as quality seeds, fertilizers etc. • Know-how on improvement of productivity and profitability and capacity development for enabling further Investment • Capacity building for regeneration and replenishment of common resources such as water, village commons, biomass and biodiversity
Local Communities	Periodic	<ul style="list-style-type: none"> • Open dialogue with local communities, • Need assessments, • Awareness meets and health camps, • Celebration of cultural festivals / occasion (Environment day, Safety day etc.), • Public hearing for greenfield / expansion projects 	<ul style="list-style-type: none"> • Improvement in social infrastructure for health, hygiene and education in rural communities • Capacity building for good agricultural practices • Community development programmes for water conservation and waste management • COVID-19 awareness programmes
Civil Society	Periodic	<ul style="list-style-type: none"> • Collaboration of various CSR projects, • Discussions on community issues with civil society organizations 	<ul style="list-style-type: none"> • Reduced environmental impacts • Safe products and services • Responsible corporate citizenship • Support community development through programs for healthcare, education and rural development
Government & regulatory bodies	Periodic and timely	<ul style="list-style-type: none"> • Regular inspections, • Periodic statutory reports, • Regular direct and indirect interactions through industrial associations and other bodies 	<ul style="list-style-type: none"> • Compliance of all statutory and regulatory norms • Sound corporate governance • Timely compliance to tax and statutory payments • Transparency in disclosures • Constructive response to issues raised by government and all regulatory authorities
Industry Associations	Periodic	<ul style="list-style-type: none"> • Meetings, seminars, workshops 	<ul style="list-style-type: none"> • Establishing best practices • Participation in meetings, conferences and discussions related to industry
Media	Timely	<ul style="list-style-type: none"> • Advertisements / promotions, • Press conference / press releases, • Interviews of senior management 	<ul style="list-style-type: none"> • Transparent communication to all stakeholders • Timely publication of initiatives through integrated report

Materiality Analysis

Based on a comprehensive review undertaken in the base report year of 2020-21, a set of material topics relevant to the Company were identified. These topics were then prioritized based on stakeholder preferences. DCM Shriram periodically reviews its materiality analysis to strengthen stakeholder relationships and understand their expectations. Further the Company addresses these expectations through sustainability initiatives, improvement plans, short-term and long-term goals, and enabling policies.

The boundaries of all material topics have been limited to those which are under the purview of direct operational control of DCM Shriram. Though the material boundaries of our subsidiaries are restricted, the Company has focused on the overall impact from the operations of its subsidiaries to drive positive change towards sustainability across the value chain. The material topics considered after conducting our materiality exercise in the last financial year span across three areas: business, people and environment. These are depicted in the materiality matrix presented below:



The material topics which have high risks are listed as follows:

- Health & Safety
- Organization Ethics, Values and Governance
- Cost Optimization and Profitability
- Climate Change
- Training and Development
- Solid Waste Management
- Community Development
- Air Emissions
- GHG Emissions

- Sustainable Agriculture
- Water and Effluents
- Chemical Management
- Research and Development
- Resource Efficiency

While incorporating sustainability parameters in our operations, we focused on risks that we have identified as most material to our business. This analysis helps us to assess our overall risk exposure and enables us to take strategic decisions in order to take the opportunities arising out of challenges in our stride.

Evolving Resilient Business

Key performance highlights for FY 2021-22



Financial Capital

Total Turnover (Revenue from operations) ₹ 9,849.41 Crores	Total profit after taxes ₹ 1,066.13 Crores	Profit before finance cost, depreciation and tax ₹ 1,888.33 Crores
Growth in revenue 18.6%	Current Long Term Credit rating by ICRA AA+	



Manufactured Capital

Chlor-Vinyl Sales growth of 79%	Shriram Farm Solutions business growth of 11%	Fertilizer business growth of 47%
---	---	---



Natural Capital

Total Energy Consumption 45,466 TJ	Bioenergy Consumption 15,508 TJ	Bioenergy consumption as % of total direct energy consumption 36%
Solar Power Generated and Consumed 0.34 TJ	GHG Emission Reduction 2,499,449 tCO ₂ e	Water conserved and harvested more than consumed across manufacturing sites 11 Times Water Positive
Zero Liquid Discharge (ZLD) Distillery units at Hariawan and Ajbapur	Materials Recycled as Raw Materials 25%	Trees planted in reporting year 96,212 around 489,139 lakhs trees till date



Social and Relationship Capital

Total CSR spent ₹ 17.425 Crores	Preventive healthcare and sanitation ₹ 6.28 Crores	Education, vocational skills and livelihood ₹ 2.03 Crores
Environmental Sustainability ₹ 2.02 Crores	Rural development ₹ 2.60 Crores	COVID related ₹ 3.50 Crores
Beneficiaries that we reached Pregnant Women/ Mothers 13,500+ Adolescent girls/ Women 12,500+ Rural youth skilled 900+ Students 9,200+ Women and Youth Employed 312 Farmers 4000 Villages covered 240 Trees planted 4,00,000 Households Reached 1,50,000+ Indirect Beneficiaries 4,00,000+		



Human Capital

Total Employees 6,705	Man-Hours Worked around 27 million	Total Training 130,579 man-hours
EHS Training 6.69 man-hours/ employee/ year	Lost Time Injury Frequency Rate (LTIFR) 0.12	Employee benefits ₹ 783.29 Crores

COVID Safety protocols implemented across all manufacturing sites and offices

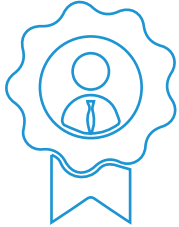


Intellectual Capital

R&D of hybrid seeds that are resistant to adverse weather conditions, salinity, drought, water logging, insects pests and diseases etc.	158 Plant Variety Protection (PVP) registrations filed till date 34 Granted	Patents for inventions in 66 jurisdictions filed till date 3 Patents
---	---	--

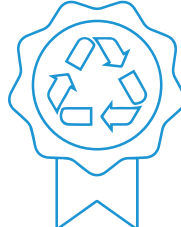


Rewards and Recognition



Corporate Recognition

- **Superbrands 2021-22** Status conferred upon Fenesta
- **RD Trusted Brand Award** for Fenesta business by Living Media India Pvt. Ltd.
- **ET Best Brand Award** for Fenesta business by The Economic Times (ET)
- **Popular Brand of the Year Award** for Fenesta business by Realty+Inex
- **Echo DMAI Award 2021-22** for Fenesta business by DMAI Asia Echo
- **Heritage Company of India Award** by FICCI India@75: Chemical and Petro-Chemical Industry Awards



Sustainability Awards

Water Conservation

- DCM Shriram Ltd.'s Kota complex received the National Award for Noteworthy Efforts in Water Management 2021 by CII for its sustained achievement in terms of reduction in fresh water consumption and treated effluent discharge.

Ecosystem Restoration

- Recognition Certificate for Promising Efforts towards Ecosystem Restoration for Loni site in Uttar Pradesh by CII

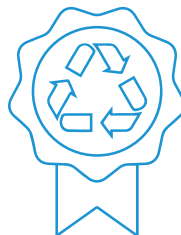
Sustainable Agriculture

- First Position in the prestigious FICCI Sustainable Agriculture Award for Soil & Water Resource Conservation Programme received by DCM Shriram's Sugar business.



Lifetime Achievement Recognition

Mr. Ajay S. Shriram obtained recognition for **Lifetime Achievement Award** by Indian Chemical Council.



Safety Awards

- **Behaviour Based Safety (BBS) Award** for Ajbapur Sugar and Distillery unit in Uttar Pradesh by NITIE and Forum of Behavioural Safety.
- **Behaviour Based Safety (BBS) Award** for Rupapur Sugar and Distillery unit in Uttar Pradesh by NITIE and Forum of Behavioural Safety.



Corporate Governance



17 PARTNERSHIPS FOR THE GOALS



The core values and beliefs of DCM Shriram are rooted in our heritage and reflect our conviction to build a vibrant, growing and resilient organization. We believe corporate governance is the key ingredient of a Company's sustained performance and is adhered to a rich legacy of accountable, ethical and transparent governance practices. Our Company is committed to values of integrity, agility, customer-centricity, teamwork, openness and newness to ensure creating long term values for people and planet that thereby enable resilient growth. We, not only ensure compliance to all applicable laws and regulations, but also uphold strong ethical standards in every decision making. It ensures social responsibility while fulfilling every promise made by our Company towards our stakeholders. Our Board ensures to take speedy actions and embeds resilience by empowering all stakeholders to adapt continuously to every change. Our Board's approach to effective governance is reflected in their commitment to ensure that it has the right culture and processes to manage risk while enforcing highest degree of ethics, justice and equality. They evolve their decision making to the emerging changes of business after due considerations of our customers and stakeholders by giving opportunity to all equitably.

DCM Shriram reveals a well-balanced and independent structure of the Company evident through our well-represented Board of Directors. Further the board has created many leaders who have been responsible for the growth of the organization and are still a part of the evolution journey across various businesses. The Chairman and Senior Managing Director, along with Vice Chairman and Joint Managing Director lead the board as a core. The Board for its effective functioning is bifurcated into two groups: a group management board and a corporate management board. The Group Management Board (GMB) is the core group of leaderships along with core members at DCM Shriram who display the breadth and depth of its brilliant human resources from different segments of the business. They work towards strategies and plans for the growth of the Company. The corporate management group encompasses the GMB along with a widened range of members across all the different businesses and who together have been responsible for making the business grow into a large conglomerate today.

Board of Directors

Mr. Ajay S. Shriram Chairman & Sr. Managing Director	Mr. Vikram S. Shriram Vice Chairman & Managing Director	Mr. Ajit S. Shriram Joint Managing Director	Mr. K. K. Kaul Whole Time Director	Mr. K.K. Sharma Whole Time Director - EHS	Mr. Pradeep Dinodia Non-Executive Independent Director
Mr. Vimal Bhandari Independent Director	Mr. Sunil Kant Munjal Non-Executive Independent Director	Ms. Ramni Nirula Non-Executive Independent Director	Mr. Pravesh Sharma Non-Executive Independent Director	Justice (Retd.) Vikramajit Sen Non-Executive Independent Director	Ms. Sarita Garg LIC Nominee

Group Management Board

Mr. K.K. Kaul Whole Time Director	Mr. Roshan Lal Tamak Executive Director & CEO - Sugar Business	Mr. Aditya Shriram Executive Director	Mr. Shekhar Khanolkar Executive Director & CEO - Chemicals	Mr. Amit Agarwal President & Chief Financial Officer	Mr. Sandeep Girotra President & Chief Human Resource Office
---	---	---	---	---	---

Corporate Management Board

Mr. Premdas Executive Director	Dr. Paresh Verma Executive Director & Chief Executive - Bioseed South East Asia & Research Director - BRI	Mr. K.K. Sharma Whole Time Director - EHS	Mr. Vinoo Mehta Executive Director & Resident Head - Kota
Mr. Sanjay Chhabra Executive Director & Business Head - Shriram Farm Solutions	Mr. Saket Jain Executive Director and Business Head - Fenesta Building Systems	Mr. Sreekanth Chundi President & Business Head, Shriram Bioseed Genetics	Mr. Amit Agarwal President & Chief Financial Officer
Mr. Sanyog Jain Sr. Vice President - Accounts & Finance & Dy. CFO	Mr. Ankush Kaura President & Chief Information Officer	Mr. B.M. Patel President & Unit Head - Shriram Alkali & Chemicals, Bharuch	Mr. Sridhar Namburi Head - Internal Audit
Mr. Anand Shriram Sr Vice President - Shriram Farm Solutions	Mr. Devdatta Sirdeshpande Country Head - Bioseed Philippines	Mr. Sameet Gambhir Vice President - Corporate Law & Company Secretary	Ms. Aman Pannu Vice President - Corporate Communications & CSR
	Mr. Varun A Shriram Chief Strategy Officer - Sugar Business	Mr. Pranav V Shriram Chief Digital Officer - Fenesta Building Systems	

Diversity in our Board Composition

Our Board is fully committed to the best practices for successful corporate governance. Upholding our values, the Independent Directors on the Board of our Company are appointed by the Selection Committee through an elaborate procedure of selection which encompasses induction of experienced professionals and subject matter experts. Our Functional Directors support the management through their vast field experience by providing directions on operational issues, adoption of systems and best practices. Two of the Board members out of twelve members are female.

Committees of the Board of Directors

The Board has further constituted various committees which aid in the smooth functioning of all its activities

and operations. The Board Committees are entrusted with setting goals, targets, and action plan for measuring, monitoring and enhancing the performance of the business operations of DCM Shriram in tandem with the Board. Periodic review of the targets is undertaken to stay afloat with current development and do midcourse action plan if there is any deviation in performance. The functioning and performance of the committees are also reviewed periodically by the Board of Directors.

The composition and the terms of reference of the committees are determined by the Board from time to time. All compositions are conforming to the Company Act and the SEBI Listing Regulations. Currently, there are six Board Committees as mentioned below along with their meeting frequency during this reporting year.

Corporate Social Responsibility Committee	Finance Committee	Audit Committee	Nomination, Remuneration and Compensation Committee	Stakeholders Relationship Committee	Risk Management Committee
3 Executive Directors 3 Non-Executive Directors	4 Executive Directors	4 Non-Executive Independent Directors	1 Executive Director 3 Non-Executive Directors	3 Executive Directors 1 Non- Executive Independent Director	2 Executive Directors

The Corporate Social Responsibility Committee is responsible for formulating the CSR policy, recommending the key activities to be undertaken by the Company and the amount of expenditure to be incurred in the CSR activities suggested, providing guidance on carrying out these activities and monitoring its progress. The CSR policy is available on DCM Shriram's website at the following link: <https://www.dcmshriram.com/csr-policy>

The Finance Committee provides financial oversight, ensuring the organization acquires all the financial resources it needs to operate efficiently.

The Audit Committee is in charge of overseeing financial reporting and disclosure of the Company. In order to ensure that all internal control systems are in place, regular and exhaustive internal audits are undertaken by the Audit Committee.

The responsibility of the Nomination and Remuneration Committee is to identify and recommend to the Board individuals from the Company who are qualified to become a Director or part of the Senior Management. It provides the Board approval on inducting or removing a person from the Senior Management. It is also responsible for devising the Board Diversity Policy, evaluating the performance of every Director, and recommending the remuneration for the Directors, managerial positions and other employees. The remuneration policy is available on DCM Shriram's website at the following link: https://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

The Risk Management Committee is involved in identifying the Company's risks related to economic, environmental and social aspects, and devising appropriate frameworks for monitoring performance

across diverse aspects of business operations. The performance monitored includes financial as well as non-financial risks, such as, energy and water conservation, waste recycling, environment-friendly disposal of industrial waste, safety practices, socioeconomic development of the communities around the plant, and empowerment of our employees.

Code of conduct

DCM Shriram's core values, such as, Integrity, Customer Centricity, Openness, Agility, Teamwork and Newness form the 6 pillars of our code of conduct. All our Directors, Senior Management members and employees adhere to the Company's code of conduct. There have been no complaints regarding its violation during the reporting period. Necessary safeguards are in place

as part of our corporate governance structure and the code of conduct to avoid any conflicts of interest. Required registers are maintained for documenting the respective interests of all our Directors with reference to conflicts of interest based on our regulatory requirements. It is mandatory for our management to also confirm that they are not engaged in any material transaction that could have potential conflict of interest with our business. Provisions are in place for our management to take action on any incident of conflict of interest, as per our code of conduct. The Code of Conduct is available on DCM Shriram's website at the following link: [https://www.dcmshriram.com/sites/default/files/CODE%20OF%20CONDUCT%20-%20BRD%20MEMB%20&%20SR.%20MGMT%20-%20Final%20\(BM%2004.10.2014\)%20.pdf](https://www.dcmshriram.com/sites/default/files/CODE%20OF%20CONDUCT%20-%20BRD%20MEMB%20&%20SR.%20MGMT%20-%20Final%20(BM%2004.10.2014)%20.pdf)



Sameet Gambhir, Company Secretary

“The Companies have to demonstrate ESG compliance by reporting their performance through Business Responsibility and Sustainability Reporting. ESG is no more a choice for businesses but a necessity for their existence.”



Economic Performance



Any business organization's ability to develop and survive is contingent on having a strong economic base. The stability in DCM's financial performance, even in the midst of global difficulties caused by the pandemic proves strength in its economic foundation. All members of the DCM Shriram family are responsible for value generation. This thereby establishes the linkage of DCM's robustness in its economic indicators to strong leadership and commitments of its people together for the Company's growth.

Regularly, economic performance is evaluated in accordance with set rules and regulations. The Finance Team, led by the Chief Financial Officer (CFO) is responsible for accurately recording and reporting all economic statistics. The Finance Team works with various departments within the organization to improve economic performance. On a consolidated basis, the revenue for FY 2021-22 was INR 9,849.41 Crores, a rise of 18.6% over the previous year's revenue of INR 8,308.16 Crores.

DCM's consolidated financial data includes following entities:

S. No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures	Holding / Subsidiary / Associate / Joint Venture	% of Shares held by Listed Entity	Country of Incorporation
1	Bioseed India Limited, India	Subsidiary	100%	India
2	DCM Shriram Infrastructure Limited, India	Subsidiary	100%	India
3	DCM Shriram Credit and Investments Limited, India	Subsidiary	100%	India
4	DCM Shriram Aqua Foods Limited, India	Subsidiary	100%	India
5	Fenesta India Limited, India	Subsidiary	100%	India
6	DCM Shriram Foundation, India	Subsidiary	100%	India
7	Hariyali Rural Ventures Limited, India	Subsidiary	100%	India
8	Shridhar Shriram Foundation, India	Subsidiary	100%	India
9	Shriram Polytech Limited (earlier know as Shriram Polytech Private Limited, India*)	Subsidiary	100%	India
10	Shriram Bioseed Ventures Limited, India	Subsidiary	100%	India
11	Bioseed Limited, Mauritius	Subsidiary	**NA	Mauritius
12	Bioseed Holdings Pte. Ltd., Singapore	Subsidiary	100%	Singapore
13	Bioseed Research Philippines Inc., Philippines	Subsidiary	100%	Philippines
14	Bioseed Research USA Inc., USA	Subsidiary	100%	USA

*Subsidiary w.e.f. 19th Oct' 2022

**The Scheme of amalgamation for merger of Bioseed Limited with Shriram Bioseed Ventures Limited (wholly owned subsidiaries) has been approved by National Company Law Tribunal (NCLT) vide its order dated March 29, 2022 which became effective on 27th April, 2022 on filing the certified copy of orders of NCLT in the office of Registrar of Companies.

Direct economic value generated and distributed

The economic value generated has been distributed in a manner detailed below:

Economic Value Distributed	Amount (INR in Crore)
Total Expenses	8,376.33
Retained Earnings - opening balance	4,559.92
Retained Earnings - closing balance	5,420.05
Tax Expense	498.85
Dividend Paid	212.08
Community Investments*	17.425

* INR 2.515 Crores has been transferred to unspent CSR account for the projects as per section 135(6) of The Companies Act. These projects are 'Ongoing Projects' as defined under the CSR Amendment Rules which are running in a continuous mode with year-on-year goals and budgets which are accounted and audited.



Amit Agarwal, President and Chief Financial Officer

“The companies have to continue to keep reducing the carbon footprint progressively. This is a must for long term sustainability of business as well as environment. DCM Shriram has an approach of combining growth with green initiatives. It is also investing in technologies to reduce the carbon foot print of existing products on a continuous basis. We believe in taking People, Planet and Profit together.”

Being a responsible organization, we offer our employees various benefits through our initiatives, which include medical insurance, life insurance, personal accident insurance, maternity leave, paternity leave, and provident fund. In FY 2021-22, we spent INR 783.29 Crores on defined employee benefit plan obligations and other retirement plans which was 6.91 % higher than the previous year. The details of contribution to defined benefit plans are provided below:

Details of contribution to defined benefit scheme	Expenditure in FY 2021-22 (INR in Crore)
Salaries, wages, bonus, gratuity, commission	706.21
Expense on Employee stock purchase scheme	5.51
Contribution to Provident and other Fund	44.20
Staff welfare expenses	27.37
Total Employee Benefits Expense	783.29

Key Financial Highlights

The details of key financial highlights are provided below:

Particulars	Standalone (in INR Crore)		Year on Year Growth (%)
	FY 21-22	FY 20-21	
Revenue from operations	9,849.41	8,308.16	18.6%
Profit before finance cost, depreciation and tax	1,888.33	1,244.28	51.76%
Profit after tax (PAT)	1,066.13	672.26	58.59%

Following are the key features financial performance in the financial year 2021-22:

- Total revenue accrued from operations is INR 9,849.41 Crores, while it stood at INR 8,308.16 Crores last year. During FY 2021-22, the company witnessed strong operating and financial performance, despite the challenges arising from second and third waves of COVID-19, supply chain disruptions and high energy prices. Russia-Ukraine conflict is adding to uncertainties. Our businesses have been resilient during these times.
- Our Chloro-vinyl business reported strong growth driven by higher realisations in line with international prices and volumes. Businesses such as Shriram Farm solutions and Fenesta also witnessed satisfactory growth led by higher volumes, benefitting from the improvement in overall economic scenario. Our Sugar business, however, witnessed lower earnings due to less volume of both domestic sales and exports, lower production and higher costs of sugarcane, constraint of molasses availability during off-season, and lower sugar recovery.

Chloro-vinyl

- Chloro-vinyl business registered a growth in revenue of about 79% driven by higher realizations for all products and higher volumes for chlor-alkali business.
- Vinyl business' PBDIT recorded an increase of ~72% driven by higher realizations.



**Saket Jain, Executive Director and Business Head,
Fenesta Building Systems**

“As per “Energy Star (USA)” 25% to 50% of energy loss is through fenestration by air leakage, conduction and radiation. The usage of UPVC doors and windows is eco-friendly as it saves power by reducing loads on air conditioners. Furthermore, it also addresses a major environmental concern as otherwise a substantial number of trees need to be cut for construction of traditional doors and windows made from wood.”

Sugar

- Revenue for sugar business declined by 27% due to lower export and domestic sugar volumes.

Agri input businesses

- Shriram Farm Solutions business registered a growth rate of 11% in revenue.
- Fertilizer business revenue also witnessed a growth of ~ 47% led by higher gas prices.
- Revenue for Bioseed business de-grew by 13% led by volumes.
- Agri-input business of Shriram Farm Solutions recorded ~24% growth in PBDIT led by higher volumes.

Fenesta business

- Fenesta business registered a growth of 47% led by volumes and prices.
- Fenesta business also recorded -94% growth in PBDIT, led by higher volumes and prices.



R. L. Tamak, Executive Director & CEO
Sugar Business

“ In sugar business we have tried to embed sustainability into our entire value chain. We have undertaken a sustainable sugarcane program, “Meetha Sona” in catchment areas of our factories covering more than 2 lakh sugarcane growers. The main pillars of this program are productivity enhancement , soil health improvement , mechanization propagation and improving water use efficiency. Promoting good agricultural techniques among farmers have not only increased sugarcane yields but also led to saving of 735 billion litres of water in the past six years as assessed by Indian Institute of Sugarcane Research Lucknow. Bio Control Labs have also been set up in two of our sugar units at Rupapur & Ajbapur to assist farmers in controlling pest attacks while reducing their usage of chemical fertilizers and pesticides.”

Risks and Opportunities Management



DCM Shriram recognizes risk management as a core factor to develop business resilience especially given its nature and scale of operations. The interdependencies at various levels call for a flawless risk management system to deal with impact of external environment while ensuring efficient and environment-friendly operations. The Company has thus established an integrated risk management system since January 2007 to respond promptly to internal and external risks. This framework approved by its Board implements an extensive Enterprise Risk Management (ERM) system that integrates risk identification, assessment, prioritization and response system for mitigation of risk. Considering our nature of operations, our Company encounters a host of risks, driven by price volatility, regulatory changes, availability of natural resources, sustainability, community, global trade etc. DCM Shriram's risk ERM is designed to make the organization more resilient and dynamic. It allows strengthening the Company-wide risk management and function of negotiation window for stakeholders in new investment projects, and improves the checks between functions of funding and risk management, enhancing the driving force of those projects.

Internal Control Systems and its Adequacy

The integrated risk assessments for the business are run on SAP S4 Hana ERP, which provides high level integration of all transactions including financial transactions and statements. The key business processes and policies are documented. Risk Control Matrix (RCM) is prepared for all the key processes and business transactions. Process adherence and compliance effectiveness of control matrix is tested at three levels, i.e., by the Business Accounts Team, Corporate Internal Audit Team and then the Co-sourced Internal Auditor. The statutory auditors also carry out their audit on processes and internal controls on financial reporting. The internal audit is carried out regularly as per the plan approved by the audit committee. The audit observations are discussed and monitored by Corporate Office as well as the Audit Committee regularly. The Company has already implemented GRC (Access Control module) for SAP access management and further also implemented GRC (Process Control module) which will facilitate continuous monitoring of controls and further enhance the effectiveness of the internal control systems.

S. No.	Risk	Risk landscape	Mitigation Measures
1	Compliance to various laws and listing requirements	Compliances becomes more onerous, stringent and complex due to frequent amendments to regulations	Any new statute / legal requirement or amendments to existing framework is being monitored continuously and necessary training (need based) is provided to the requisite teams / departments for updating their knowledge. External experts / consultants are engaged on need basis for legal advice. Continuous monitoring on trading of shares by any insider / designated employees is conducted. Regular trainings on the insider trading regulations and amendments are imparted. Further, online compliance tool (covering all applicable Acts) is implemented to automate and strengthen the process
2	Cyber Security Technology / Information Security	Security Control systems and Risk associated with remote working	DCM has implemented adequate information security controls and also defined processes to mitigate internal and external IT threats; automated patch management system is in place to manage periodic software updates, firewalls are enabled with anti-virus and intrusion prevention system, a periodic vulnerability assessment and penetration testing (VAPT) is conducted and IT operations of the company are governed through IT policies and procedures that are reviewed and updated from time to time. Additionally, for risks associated with remote working, we have implemented strong measures like access to applications through encrypted VPN, enablement of two-factor authentication and continuous awareness & appreciation sessions for employees on cyber risks.



Ankush Kaura, President and Chief Information Officer

“Cyber Risk is one of the critical financially material sustainability risks that organizations face in today’s time. We at DCM Shriram have implemented strong governance on cybersecurity, using appropriate tools and metrics, for better resilience and sustainability of our businesses. As a process, DCM engages with external IT Security Partner to get a Cyber posture assessment conducted on 25 security domains drawn out of NIST CSF, ISO 27001, HIPAA, SANS CSC, etc. that help us continuously improve and strengthen the cyber security posture in the company.”

S. No.	Risk	Risk landscape	Mitigation Measures
3	Regulation changes in agri sector	Businesses such as sugar, fertilizer and some components of Bioseed business are exposed to risk of potential non-compliance which can result in fines, penalties and adverse impact on our brand reputation	Periodically monitor and review changes in regulatory frameworks to ensure compliance, Industry along with association are working with the Government to ensure sustainable policies.
4	Natural calamities due to climate change	Agriculture in India is highly vulnerable to impacts of climate change. Increased frequency and severity of extreme weather events due to climate change can adversely impact our business continuity through impacting parent seed production, hybrid seed production, seed inventory for sales.	<p>Ongoing plans are in place for:</p> <p>Parent Seeds:</p> <ul style="list-style-type: none"> 2-year rolling plan for parent seed production. Buffer stock of parent seeds maintained in accordance to take care of monsoon uncertainties for coming season. Parent seed production is carried out in different locations. <p>Hybrid Seeds:</p> <ul style="list-style-type: none"> Seeds production is spread over different climatic zones, viz. Andhra, Telangana, Karnataka and Gujarat. Adequate cold storage facilities tied up to store the surplus stock of seeds in a way prolongs their life. Insurance coverage. Carrying out R&D for developing seed varieties that sustain extreme weather events.
5	Pandemic risk leading to business disruption	COVID-19 pandemic has emerged as a major disruption to business. Risk of new COVID-19 strain may have an impact if it widely transmits and Governments may contemplate of fresh restrictions / lockdown.	<p>Existing process to monitor Post-COVID related health issues of employees may not be adequate leading to extended health issues of employees and risk of productivity loss.</p> <p>At DCM Shriram, each business has taken adequate measures for its employees, customers and visitors respectively through implementation of SOP in line with the norms prescribed by the Government to support employees, Clinic and Doctor on call facility provided to all the employees. Further, corporate tie up with reputed Medical organizations exists to improve emotional well-being of employees.</p>

S. No.	Opportunity	Details	Initiatives undertaken
1	Rising stakeholder requirements for sustainability goals	<p>Sustainability and ESG aspects are embedded in the EHS policy by striving towards conserving natural resources and conservation of energy. Resource efficiency (water, energy and waste) targets are part of business plans that are monitored and reviewed regularly by Senior Leadership Team as part of action for Climate Change mitigation. Projects are identified for Green House Gases (GHG) reduction and are being considered for implementation.</p>	<p>DCM Shriram has many interventions related to water management in collaboration with ICAR - Indian Institute of Sugarcane Research and International Finance Corporation (IFC). The progress of activities has been closely monitored by scientists of ICAR-IISR and certified that the information and data obtained during the study is authentic and worth adopting in sugarcane cultivation to economize irrigation water use.</p> <p>The Company has distillery operations manufacturing alcohol through bio-route and also plans for expansion and introducing grain-based alcohol for blending. The Company is also producing electricity through biomass and supplying to grid as clean energy.</p>

S. No.	Opportunity	Details	Initiatives undertaken
2	Health and safety	Health and safety of employees is considered paramount for business sustainability.	<p>The Company has taken several initiatives to ensure best safety practices and system are in place that includes:</p> <ul style="list-style-type: none"> • Certification of sites for ISO 45001 on Occupational Health & Safety standard • Periodic equipment health checks and monitoring of bulk storage tanks <p>Regular safety audits by the British Safety council on Five Star Safety System</p> <ul style="list-style-type: none"> • Regular training sessions are conducted for employees including contract workers • Health and safety risk assessments are conducted regularly at both plant and when in transit • Chlorine and Ammonia storage and filling facility inspection and certification undertaken by CCE approved agency along with process safety audit • Physical verification conducted for each incoming and outgoing vehicles for raw materials and finished goods based upon a comprehensive checklist



Sridhar Namburi, Head of Internal Audit and Risk Management

“Every business is impacted by several ESG linked issues and some of them have potential to cause direct financial or reputation damage. At DCM Shriram Ltd, we have integrated ESG factors into the overall risk management framework. The Company has also automated compliance tracking through a compliance tool “Complinty e-Software” that tracks all applicable laws and reports exceptions.”

Customer Relationship Management



Customer Centricity is one of DCM Shriram's Core Values. As a part of this, we give special emphasis on listening to our customers and strive to build long-lasting relationships. DCM Shriram endeavors to support customers' sustainability through innovative solutions effectively and efficiently. 'Customer' is one of the Company's most important stakeholders; thereby we adopt an approach to achieve absolute customer satisfaction. We have a Board-level Stakeholders Relationship Committee that consists of 3 Executive Directors and 1 Non-Executive Independent Director. This committee was formulated with the role of considering and resolving the grievances of the Company's stakeholders.

As an integral part of our customer centricity focus, a lot of attention is paid to product information and labeling. We follow global standards of labeling practices and maintain Material Safety Data Sheet (MSDS) as per prevailing norms. Some of the best practices followed at DCM Shriram are mentioned below:

- As a responsible business, we make sure that Information relating to safe handling and directions of use of products is provided to customers through product information on the product label.
- Further, we have subscribed ourselves to the best practices prescribed by the European Union's Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulations. Sodium Hydroxide has been registered Under REACH legislation and we are also in the process of REACH registration for Aluminum Chloride.
- A safety data Sheet (e-SDS) has been developed and is provided to the relevant customers to understand the exposure scenario associated with their use.

DCM Shriram is at the forefront of addressing emerging consumer needs through a customized product

portfolio. Moving forward, DCM aims to continue to strengthen and grow its "Customer" base through "Knowledge-Based" products and services.

Additionally, DCM Shriram has a formal vigil mechanism framework and guidelines in place for reporting genuine concerns by the Company's stakeholders, including our customers. We provide complete transparency and disclosure on substantiated complaints concerning breaches of customer privacy, losses of customer data, Incidents of non-compliance concerning the health and safety impacts of products and services, and cases of non-compliance concerning products and services information and labeling. We also strive to maintain privacy of customer data. There has been no instance of loss of customer data or breaches of customer privacy. Our Company has not received any case of non-compliances concerning its products, services, information and labeling. DCM Shriram endeavors to support customers' sustainability and satisfaction through innovative solutions in effective and efficient manner.



Aditya A. Shriram, Executive Director

“DCM Shriram has proposed 50 MW of hybrid wind/ solar renewable energy for its Chlor-Alkali manufacturing facility in Bharuch, Gujarat. We are committed to reduce our carbon footprint and this is a step in that direction which will mitigate around 2,25,000 tCO₂e annually.”

Supply Chain Management



Our Philosophy

DCM Shriram's supply chain strategy hinges on collaboration with value chain stakeholders who adhere to best practices of sustainability. We prioritize locally available and India-based value chain stakeholders wherever possible. This helps create value through revenue generation and employment in the ecosystem by promoting indigenous entrepreneurship and reducing the environmental footprint. Our goal is to procure sustainable goods and services that represent the best price, quality, delivery, and technological offering. For us, our suppliers are our partners in success and deeply contribute to our growth in all our endeavors. Being true to our vision and strategy, we aim to undertake conscious efforts in building their capacities on environment, social and economic fronts to create shared value chain for all our stakeholders.

Our Approach for Procurement

With a focus on creating a sustainable supply chain, we partner with suppliers whose products/services adhere to our core values and quality standards. In order to promote ESG practices in our supplies chain, DCM Shriram has developed a sustainable procurement framework to cover relevant environmental, social and governance related issues.

The Company ensures an ethical and transparent procurement process that promotes anti-corruption and anti-bribery practices. The Company only engages with value chain partners who adhere to labor practice regulations covering human rights imparting guidelines on child labour, forced labour, operational safety, minimum wages, working conditions, and others. In doing so, DCM Shriram strives to maintain an efficient procurement process operating under sound governance.

Our Suppliers

We give preference to local and MSMEs vendors for our procurement. Most of the DCM Shriram's procurement services are from the MSME vendors for the manufacturing of our products. The Company also has a large representation of local vendors for the maintenance and operations of plants. Specifically, we promote local vendors for regular supply items like Carbide packing drums which are about 15% of supplies

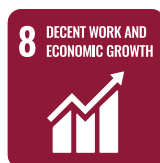
input to the manufacturing units. The Fenesta sector's unit has around 70% of the supplies for the local vendors. 100% sugar for the sugar business is locally sourced.

Supply Chain Monitoring and Engagement

We closely monitor the performance of our suppliers. Regular compliance monitoring is conducted to ensure supplier compliance with applicable laws, regulations as well as internal policies.

As a part of our long-term strategy, we also aim at strengthening our key supply chain members that enable us to build business sustainability amidst changing physical and transitional risks.

Contractual Agreement of Compliance



New suppliers are made aware of and are provided with a summary of the Company's expectation from its suppliers / contractors in all procurement dealings. All our contract agreements incorporate clauses related to Environment, Health and Safety (EHS), environment management, labour standards, and social responsibility.



Encouraging Responsible Operations



Climate change is a reality and its inter-relationship with ecosystem services is crucial. DCM Shriram accords protection and restoration of ecosystem as their primary responsibility and thereby integrating environmental aspects in all operations and value chain. In 2014, DCM Shriram committed to biodiversity conservation and sustainable use of biological resources by signing the India Business & Biodiversity Initiative. We have undertaken all necessary measures for adopting biodiversity friendly operations.

DCM Shriram Limited's manufacturing facility at Kota, Rajasthan, was set up more than 50 years ago and has over the years undertaken many major initiatives to maintain the ecosystem in and around the facility. A biodiversity assessment study was carried out by CII experts for Kota showed that the rainwater harvesting pond is providing habitat to more than 100 bird species and one can have sightings of migratory and rare birds like Eurasian Marsh Harrier, Eurasian Spoonbill, Osprey, Black-headed Ibis, Black-tailed Godwit, Painted stork, Common pochard, Greater Painted Snipe. The Company has planted more than 5 lakh trees over the years and will continue to maintain and boost up green cover to save endangered wildlife by saving their habitat besides enhancing water catchment and fight climate change. Increase in greenery and aesthetics of the plant has supported as habitat for local flora and wildlife preservation.



**Vinoo Mehta, Executive Director and Resident Head
Kota**

“Business benefits are getting translated into ESG benefits. Hence, business targets and ESG goals go hand in hand.”



DCM Shriram aligns all activities ensuring environmental protection, energy efficiency and conservation, water efficiency and conservation, emission reduction and safety. The Company has also enunciated its EHS policy that reiterates its commitment for the creation of a safe and healthy workplace and a clean environment for employees and the community. It aims for the highest standards of EHS in plant design, equipment selection, maintenance and operations. The implementation of the EHS Policy is ensured by line managers through a robust EHS Management System, adequately supported by a well-defined organizational structure. DCM Shriram's major initiatives are detailed below.

Climate Change

Ethanol Blending for Petrol

Globally, biofuels assume importance due to growing energy demand and environmental concerns. Government of India targets 20% ethanol blending by 2025 as part of its commitments made in the Paris agreement. In India, bioethanol can be produced from multiple sources like sugar containing materials, starch, celluloses and lignocelluloses. However, the present policy of Ethanol Blended Petrol (EBP) Programme allows bioethanol to be produced from sugarcane juice, B-molasses and non-food feed stock like molasses, cellulose and lignocellulosic materials including petrochemical route. DCM Shriram supports this ethanol blending program of the government through production of ethanol from fermentation of sugarcane molasses in its Hariawan and Ajbapur plants in Uttar Pradesh.

Ethanol is high in oxygen content, which therefore allows an engine to combust fuel more thoroughly. It can be mixed with fuel in different quantities and can

help reduce vehicular emissions. Also, since it is plant-based, it is considered to be a renewable fuel. It provides an alternate source of revenue for sugar mills and has the potential to reduce India's costly oil imports and yet meet the energy demands of the country.

The present blending as per the EBP program is around 8% against the revised target of 20% by the year 2025. The ethanol blending process helps towards ensuring efficient and low carbon energy. Ethanol produced from molasses used for blending in petrol thus serves as green fuel in mitigating the climate change risk and reducing 2,46,474 tCO₂e in the reporting year.

Biomass/ Bagasse based cogeneration power plant

DCM Shriram's integrated sugar business comprises of sugar mill, distillery and bagasse-based power plant. The plants' entire captive power utilization is met from Biofuel (Bagasse) which is a by-product of sugar cane and captive power of ethanol plant is met from mixed fuel of Slop (waste of ethanol) and bagasse. The bagasse-based power plant enables to meet in-house energy demands with an efficiency of 80-90%. The system strives to keep a circular lifecycle by utilizing most of the by-product from the plant to increase efficiency and reduce emissions. Flue Gas Scrubber is installed to increase the calorific value of fuel of bagasse and lowers the emission levels. The ash produced from the slop fired boiler is rich in potash and is an effective source of potassium for the soil. These coupled with waste-heat recovery and seamless technological integration for specific consumption further helps to improve the plant efficiency. Further, wastes generated during sugar processing like boiler ash and press mud cake are good source of organic manure and is thereby distributed to local farmers.



Currently biomass accounts for 36% of the total direct energy consumption of DCM Shriram. During the year the surplus power generated at Sugar sites from bagasse are supplied to the State Grid.

Cement production using waste lime sludge and fly ash

DCM Shriram's cement production is a sterling example of converting waste to wealth. Its cement production is an initiative primarily for waste recycle and resource conservation established with technology from Lafarge Coppee Lavalin, France. This initiative was developed in response to the challenge of disposing hydrated lime sludge (Calcium hydroxide) – a byproduct generated during production of Acetylene in the Company's chemical plant. The Company has also developed technologies to incorporate other waste and byproducts such as the sludge from water treatment plants, fly ash and waste sludge in the concrete mix. Green cement produced in the Kota plant replaces cement by 30-40 percent fly ash and 8 to 10 percent sludge from concrete mix to produce light weight concrete. The utilization of fly ash not only ensures its recyclability within our operations but also increases concrete strength, improves sulfate resistance, decreases permeability, reduces the water ratio required, and improves the workability of the concrete. Thus, DCM Shriram is ensuring environmental management in parallel to production of safe light weight concrete that can be used in applications like road-beds, filling materials which lead to sustainable applications. The specific energy consumption reduced by 7% during the year.

Co-generation as energy efficiency initiative

At DCM Shriram Kota site, in the cogeneration system, steam that passes through the condensing turbines is



maintained at required pressure in the intermediate stage which is utilized by the process units and the balance is condensed. In the reporting year, DCM Shriram generated 453 Million units leading to abatement of around 358,315 tCO₂e in this year.

Blue Hydrogen as alternative fuel

Hydrogen as a fuel is considered as one of the key solutions to address the energy crisis of this era. Studies indicate that hydrogen fuel does not produce GHG emissions, thereby holding great economic and environmental value along a higher security of supply. In pursuance to this aspect, DCM Shriram has established the production of blue hydrogen from the by-product in the chlor-alkali plants. This is utilized as fuel in furnaces to substitute fossil fuels which has helped the Company to achieve the collective vision of using these technologies to meet the aspirations of using sustainable energy systems in its value chain. In the reporting year, 22,914,977 Nm³ of hydrogen was utilized as an alternative fuel leading to abatement of around 60,844 tCO₂e.

Urea production using agri-sourced CO₂

Urea manufacturing involves controlled reaction of ammonia gas (NH₃) and carbon dioxide (CO₂) at elevated temperature and pressure. During the year 13% of the total Urea manufactured was produced using agri-sourced CO₂ resulting in reduced GHG emission by 38,237 tCO₂e. Also, specific consumption of key raw material Natural gas was reduced by 2% over the last year.



Energy Management



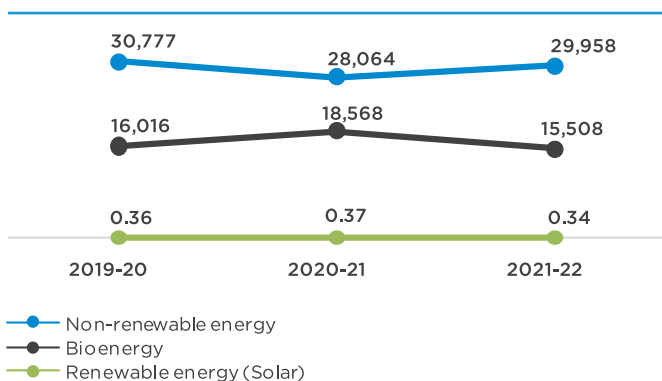
Resource conservation is an integral part of our operational strategies. We intend to minimize consumption of the non-renewable resources and constantly strive to meet our needs through renewable sources of energy throughout our operations. Our commitment towards reduction in overall energy consumption has led to improvement in energy efficiency and integration of clean energy sources in all our plants. Our Board has formulated an energy management strategy to meet our energy needs. To reach our goal of minimizing the use of non-renewable sources of energy, we have set well-defined targets for energy efficiency, the performance against which is regularly reviewed by our top management from time to time.

Energy consumption

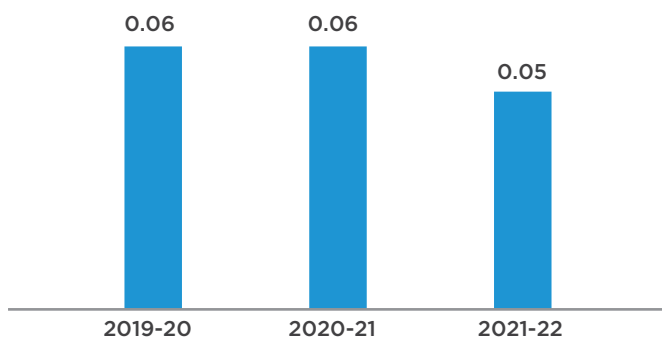
DCM Shriram relies on a mix of renewable and non-renewable sources to meet its energy consumption needs. Trends in terms of renewable and non-renewable energy consumption have been presented graphically as under:

Performance

Renewable and non-renewable energy consumption (in TJ)



Energy Intensity ((TJ/ Lakh INR Revenue))



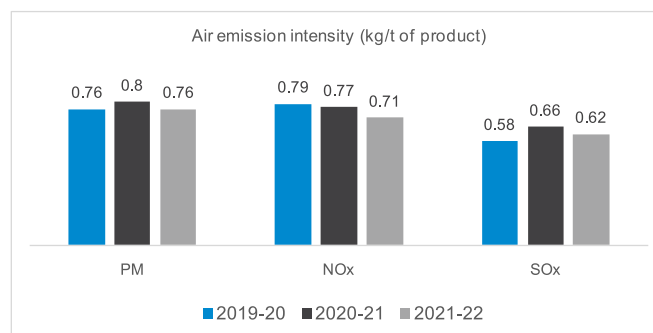
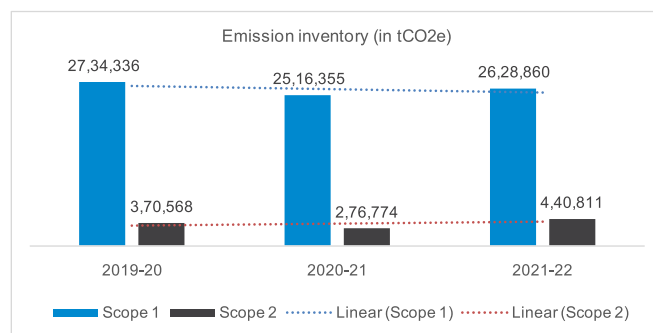
Emission management

GHG emissions

Currently air quality issue is a top priority for most sectors to consider and seek solutions to control the pollutant emission. Companies working in the agricultural sector are concerned with GHG emission from agricultural activity such as crop burning after harvesting season and those working in the cement sector are concerned with industrial activity, in which GHG are emitted from the factory manufacturing process. Hence, the effective management of air quality issues and pollutant emission control is a challenge for DCM Shriram. We strive to generate good air quality for our society and community and maintain air quality in and around our facilities within the national standards.

Our Company has prepared a strategy and management plan for air quality, including control procedures for improving the internal air quality as well as air quality around our factories. The procedures contain regular air quality measurement and monitoring to ensure the quality meets the standards specified by Central Pollution Control Board. DCM Shriram also applies advanced technology, which is environmental-friendly to its business operations to prevent air pollution and maintain ambient air quality.

We aim to reduce GHG emissions and maximize use of renewable energy in the overall energy mix of our operations. Utilization of solar energy and bioenergy has helped us in reducing our GHG emissions.



NOx emission intensity has declined over the last three years, whereas SOx emission intensity has slightly decreased since the last year and PM emission intensity is the same as it was three years ago.

Energy efficiency initiatives

We aim to decrease the air emission caused due to our operations. Some of the energy efficiency initiatives undertaken in this regard in FY 2021-22 are as follows:

- Use of Biomass in the energy mix at Bharuch and Kota plants
- Use of Bagasse and Slop for generating power at the Sugar site

- Heat Rate Improvement in P35 operations at Kota: Replacement of 4K heater with upgraded heater. The feed water outlet temperature increased from 134°C to 149°C
- Auto combustion control of P66 Boilers of Captive Power Plants (CPP)
- Installation of New Screw Compressor for Instrument air in place of 2 old reciprocating air compressors for Auxiliary Power Reduction in 35MW CPP
- Auxiliary Power Reduction in Pump House
- Installation of solar streetlights
- Replacement of conventional light fitting with LED
- Utilization of waste for co-processing in cement kiln
- 2-stage pumping of un-sulphured syrup has been converted to single stage pumping at Ajbapur, which has resulted in saving 5.7 lakh units of energy.
- Conventional starter replaced by VFD at cane unloader at Hariawan has resulted in reduction of energy consumption by approximately 50 KWh/Day.
- At Rupapur, power saving initiatives, such as, installation of energy efficient compressor, planetary drives, LED light fittings and small modification in sulphatic juice pump delivery line etc.
- At Kota, the following initiatives were undertaken for reducing GHG emission:
 - ▶ 7% reduction in power consumption in Cement plant
 - ▶ 2.6% reduction in power consumption in Carbide plant
 - ▶ Around 7% increase in biomass usage in energy mix for power generation

The below initiatives have resulted in cumulative reduction of 2,499,449 tCO₂e emissions in FY 2021-22:

S. No.	INITIATIVES	tCO ₂ e
1	Ethanol blending for petrol	246,474
2	Biomass usage	1,569,717
3	Blue Hydrogen as alternative fuel	60,844
4	Solar energy at Kota and Bharuch	76
5	Energy saving initiatives	418,856
6	Slop used at Distilleries	164,475
7	Sugar energy savings	1,772
8	Bharuch energy saving initiatives	37,236
Total emission savings (in tCO₂e)		2,499,449



Mr. Premdas Satsangi, Executive Director – Energy & Strategy

“Our nation has made commitments at COP26 last year and every organisation and individual has to make efforts to contribute towards realisation of these commitments to battle climate change. As an organisation, we are trying to define our pathway, for sustainable development, by scanning new opportunities being created by rapid technology advancements particularly in the energy space. We are confident that by combining our unique strengths with new technologies, sustainable pathways for development can be created.”



डॉ. सी. एम. श्रीराम लिमिटेड के सहयोग से
निर्मित जल संरक्षण संरचना
ग्राम जोधपुरा, जिला-कोटा, राजस्थान

Water Management



DCM Shriram's water efficiency practices aim towards water conservation in its operations and water security to all its relevant stakeholders, especially the community around the Company's facilities and plants. Water usage is optimized using scientific water balance assessments and community-based interventions are adopted for water conservation and harvesting. In this reporting year 165 billion litres of water was conserved. The Company is continuously striving to follow best practices in water conservation and efficiency by adopting various measures in all its operations using latest technology.



Initiatives to reduce fresh water consumption

- The Company has installed sewage treatment plants in all its facilities and effluent treatment plants in required facilities and plants, where the water from these plants is re-used for irrigation and other suitable activities.
- DCM plants in Kota have reduced process consumption by 2.5 percent as compared to FY 21 by adopting re-circulation of water from cooling towers, recycling/reuse of treated effluents, increase in Cycle of Concentration (COC) in existing cooling towers, integrating water usage across unit process operations etc.
- The excess water produced during processing of sugar is treated and reused in plant operations and irrigation of cane plants and green belts.
- Water from the distillery units and new power plants are completely reused into the process. This has helped achieve zero liquid discharge from both units.
- The Company is also implementing Water, Sanitation and Hygiene (WaSH) programmes and has achieved 100% compliance across DCM Shriram factories.

Initiatives to improve ground water

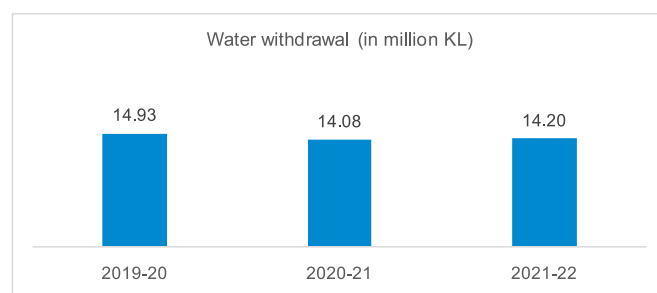
- The Company has initiated nature-based solutions to replenish the nearby natural reservoirs from where it withdraws water for its operations. DCM Shriram has also created additional new reservoirs in the villages and areas surrounding its facilities, thereby improving the overall ground water levels and quality as well as developing sufficient catchment areas for the people of these areas.
- Several water harvesting structure in the forms of ponds have been developed across DCM Shriram units which are acting as natural reservoirs and aiding ground water recharge as well.

We have harvested and conserved 11 times more the amount of water consumed at our manufacturing sites.

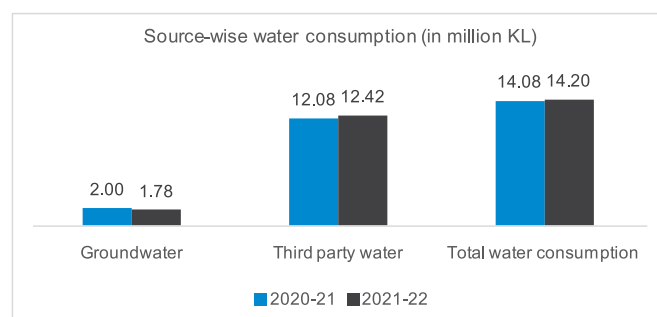
Performance

The trend of water withdrawal and consumption has been presented graphically as follows:

Water withdrawal (million KL)



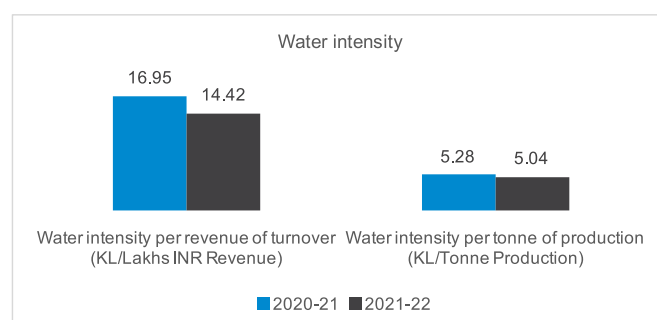
Source-wise water consumption (million KL)



Groundwater consumption has decreased in FY 2021-22, whereas water consumed from third party has increased in this FY. Third party water includes water supplied from municipal and industrial supply etc.

Proportion of Water Usage from Water Resources as per DCM Shriram's Revenues

Water intensity



Effluent Management

Advancing our efforts towards environmental stewardship, we have adopted a well-planned approach of effluent treatment at all our plants. We continue to maintain the status of Zero Liquid Discharge (ZLD) for two of our distillery units situated at Hariawan and Ajbapur in Uttar Pradesh. At other sites, treated effluents are discharged or utilized for irrigation conforming to the regulatory standards and permitted licenses. We monitor our wastewater quality on a regular basis to ensure that water quality parameters such as pH, Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), colour, Total Dissolved Solids (TDS) and Total Soluble Solids (TSS) are well within permissible limits. In addition, the effluent from the sugar units are treated in state-of-the-art ETP and treated water is utilized for irrigation purposes without discharging outside the plant premises. The sewage generated at various manufacturing sites is also treated in STPs and utilized for horticulture inside the plant premises without discharging into any water bodies. No water body in our plant surroundings is affected by any of the effluents generated from our process plants during the year.



Some of the water-saving initiatives are as follows:

S. No.	Water-saving initiatives	Amount of water saved
1	Ajbapur: <ul style="list-style-type: none"> Utilization of surplus condensate by adopting in-house innovative technology Utilization of treated ETP water in power plant through scaleban technology Sugar process operated without borewell water extraction in this season at Ajbapur. 	880 KLD saved
2	Rupapur: <ul style="list-style-type: none"> Saving fresh water through reduction in DM water losses Saving chemical preparation Installation of Digital Timer for tube-well operation Provided Water Efficient Faucets for domestic uses. Reuse of treated water in toilet flushing and car washing Reuse of excess condensate water during plant stoppages 	18% reduction in water consumption
3	Distillery units at Ajbapur and Hariawan: <ul style="list-style-type: none"> Water savings initiatives through recycling of treated effluent 	Reduction in specific water consumption by 6%
4	Kota: <ul style="list-style-type: none"> Recycling of Steam Condensate and RO Water for Cooling Tower recycling 	Water consumption reduced by 4% and effluent generation reduced by 8%
5	Bharuch: <ul style="list-style-type: none"> Collection of steam condensate through steam traps in decentralized manner and reuse in process Changes in new cooling tower selection process to reduce drift and evaporation losses RO plant in Power plant cooling water system to reduce cooling tower blow down 	Specific water consumption reduced by 14% resulting in reduced fresh water consumption



Waste Management

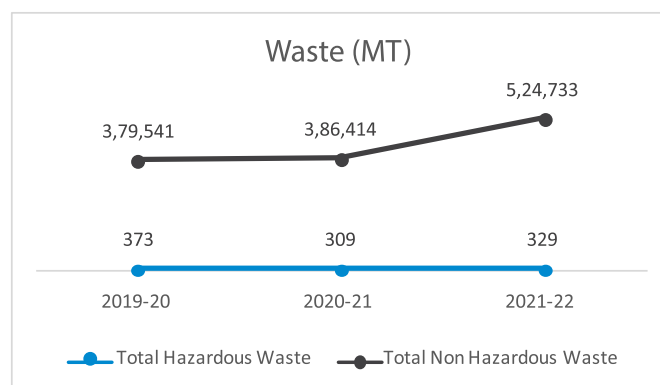


Waste represents an enormous loss of resources both in the form of materials and energy. With ever-increasing waste generation, there is enormous pressure on landfills. Waste dumping is also known to create further complex problems like - leaching of nutrients, heavy metals, and other toxic compounds from landfills, and even emission of greenhouse gases from landfills. Minimizing waste, recycling, and effective waste handling reduces raw material use and prevents environmental and health-related hazards associated with sending waste to landfills. Thus, sustainable management of waste has assumed critical importance in today's time.

DCM Shriram focuses on minimizing waste to landfills by managing waste at the source. The Company effectively integrates the basic philosophy of resource optimization, use of alternative sources, and maximization of “recycle and reuse” by innovation. We monitor and disclose the waste generated by type and disposal method. During the year the total the waste sent to landfill was reduced to 3.5% against previous year’s 3.9% of the total waste. In addition, 25% of the materials were recycled as raw materials during the year.

Performance

The trend of waste management has been presented as follows:



Increase in Chlor-alkali capacity at Bharuch and Kota sites during FY2021-22 resulted in increased brine sludge disposal to landfill.

Recycle and Reuse/Waste Minimization

When it comes to solid waste management, our Company focuses on effective integration of resource optimization, use of alternative sources and maximization of “resource use optimization, recycle, up cycling or remanufacturing and reuse” through our in-house innovative techniques. Some of our initiatives of utilizing waste/by-product materials as input/raw materials are as follows:

- At DCM Shriram, we adopt the 3R approach of Reduce, Reuse and Recycle to manage our environmental footprint. All non-reusable waste is disposed of through authorized recyclers approved by Central and State Pollution Control Boards.
- The Company is manufacturing cement through the utilization of waste lime sludge from Calcium Carbide and fly ash from Thermal Power Plant.
- In sugar business, entire captive power utilization is met from Biofuel (Bagasse) which is a by-product of sugar cane and captive power of ethanol plant is

met from mixed fuel of Slop (waste of ethanol) and bagasse.

- Wastes generated during sugar processing like boiler ash and press mud cake are used as organic manure and distributed to the farmers for soil amelioration.
- Dilute Sulphuric Acid (78-80%) generated from the caustic soda process plant is 100% recycled through utilization by nearby industries with approval from GPCB.
- Excess water from cane in sugar processing is utilized in plant operations and irrigation purposes after treatment thereby reducing intake of net groundwater.
- Ethanol produced from molasses is used for blending in petrol and thus serves as green fuel in mitigating the climate change risk.
- Entire effluent from the distillery units is treated in the state-of-the-art Multi-Effect-Evaporator (MEE), Slop fired boiler and Condensate Polishing Unit (CPU) for recycling as process thereby maintaining Zero Liquid Discharge (ZLD) units.
- Agri sourced CO₂ is used for manufacturing Green Urea and also effluent from the Urea plant is recycled in the Ammonia plant for using as Boiler Feedwater reducing the freshwater consumption.
- Plastic drums that are generated from various raw materials used in the plants are re-used in the processes for handling intermediate products. In distillery units, plastic drums are sent back to the supplier of the raw material for refilling. During the year, number of plastic drums which were re-used is 1,443.
- During recycling of lime sludge, fly ash and bagasse for cement manufacturing and generation of power, 25% of the materials are recycled as raw materials.
- Bulk transportation of PVC to PVC Compounding plant has resulted in elimination of HDPE bags usage, which subsequently reduces GHG emission.
- Food waste converter machine has been installed in canteen to produce compost which is utilized in the green belt area of plant premises. This has resulted in improved soil health.
- Optimizing of operation of Sulphate Recovery System resulted into low generation of brine sludge. Brine sludge is disposed of at landfills. Hence, this initiative has resulted in minimization of waste disposed at landfills.
- In Aluminium Chloride Plant, process modification has resulted in reduced solid hazardous waste generation by 65%. This initiative has also resulted in minimization of waste disposed at landfills.

Sustainable Agriculture



The growing population, economic growth, changing diet behavior across the globe etc., have increased the demand on food water and energy. The nexus between these three for the current and the future generations becomes the most critical aspect of sustainability. The complex linkages between the domains of food, water and energy require a suitably integrated approach. DCM Shriram adheres to Bonsucro Standard for producing sugar sustainably. As an agro-industrial company, DCM Shriram adopts various initiatives to address the issue and help its agro-industry value chain to achieve sustainable agricultural practices.

The primary initiative adopted by the Company is the agri-skilling program named “Per drop more crop”. This is a capacity building program developed for the sugarcane farmers to create awareness of best practices in farming a water intensive crop like sugarcane. Farmers are regularly educated on good farming practices to produce sugarcane by using less irrigation water through trash mulching, trench planting, press mud application Laser land leveling and in addition using bio-control measures for controlling pests and diseases in sugarcane crop. DCM Shriram has extended this program beyond mere awareness creation to rejuvenating ponds and converted unused dug wells on farms into ground water recharge structures since the last few years. **In FY 2021-22, 165 billion litres of water was conserved using best agricultural practices and harvested with the help of these ponds making the Company 11 times water positive.**

The Company is also actively pursuing opportunities to collaborate and partner with organizations developing precision farming and digital agriculture space that can further help farmers to minimize wastage, reduce ecological footprint and bring efficiency to current farming practices.

Performance

I. Shriram Farm Solutions – Sustainable Technology Innovations

Shriram Farm Solutions (SFS) business is focused on providing new technology solutions to the farmers ranging from products to agronomy. The product portfolio includes Seeds, Specialty Plant Nutrition and Crop Protection. SFS’s focus on new technology products, through in-house Research and global collaborations is a timely and future ready strategy

to deal with the agricultural challenges. The company plans to strengthen its Research & Development and is building self-managed manufacturing capabilities. The company has active collaborations with International Research Organizations to co-create new generation products or source technology, wherever required. As a result, the business has a strong pipeline of products. During FY 22, SFS retained its focus on new technology based Agri-inputs with the launch of new differentiated products. A strong team for agronomy services and farmer outreach supports the business. The company lays strong emphasis on educating farmers, strengthening its farmer interface and branding, which is critical to increase adoption of newer products and technology. Significant efforts were also put in for demand generation activities in both physical as well as digital mode. SFS’s vast network of field workforce and its digital presence has been instrumental in building awareness amongst farmers. The business is supported by a strong distribution network spread across 15 states, reaching out to ~ 2 million farmers through ~ 35,000 retailers.

The Company continues to provide three highly effective suspension concentrates backed by next-gen technologies. The liquid fertilizers range is powered by smart flow formulation technology, which is superior to organic chelation in uptake speed, uptake efficiency as well as Nutrient Use Efficiency (NUE). The same range is backed by E2DA performance technology. It stands for Enhanced Elemental Delivery and Assimilation – playing a key role in increasing NUE and minimizing environmental pollution which occurs through leaching of nutrients and heavy metals into water bodies.



The Company also continues to provide launched Shriram Gen-zed – a new generation genomic bio stimulant. This is designed to enable the plant to target specific genes to drive specific functions and metabolic pathways, resulting in higher NUE, resistance to abiotic stresses and optimal quality of produce. The aggregate impact is low wastage, no harmful by-products and optimal productivity for farmers. The business has also been at the forefront in adopting technology solutions like QR codes for supply chain visibility, 24x7online ordering facility to channel partners.

Another key development of the Company is the development of Mycorrhiza, and active healthy bacteria which help in root development and allow plants to utilize the nutrient capital in the soil without the use of any harmful chemical. DCM Shriram is the first India Company to launch the Mycorrhiza

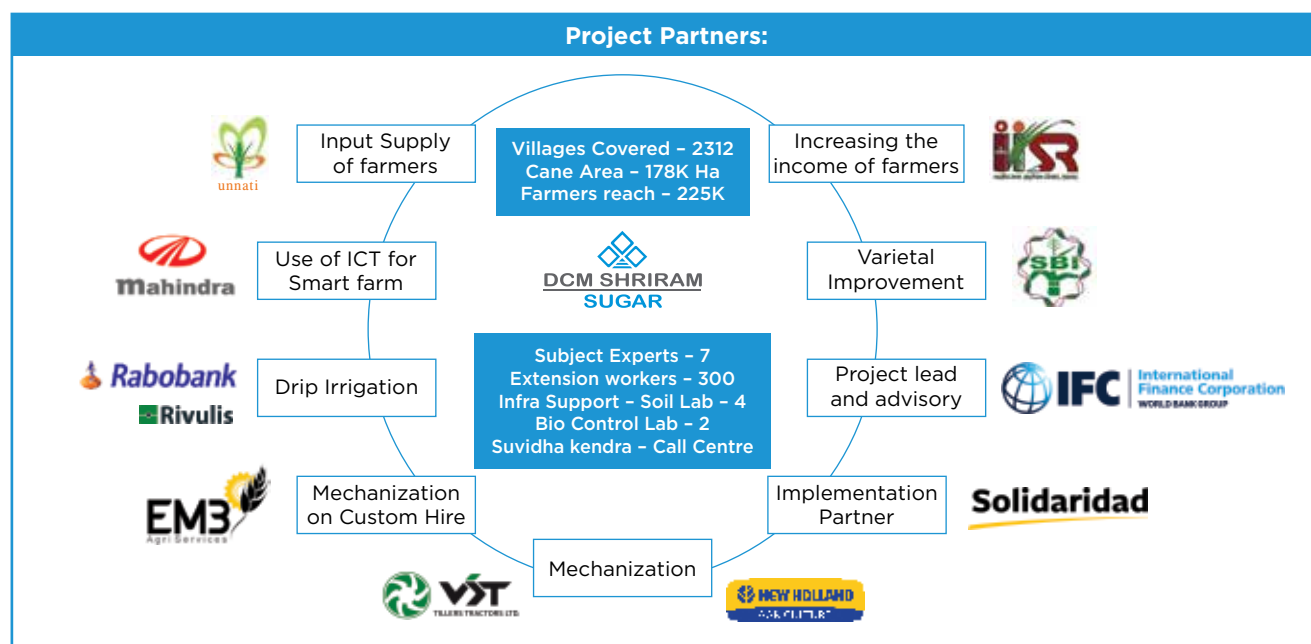
segment in India and continue to be the leading player in this sector.

II. Meetha Sona Pariyojana – Sustainable Sugarcane Production

Meetha Sona Pariyojana is a sustainable sugarcane production initiative impacting 2.25 lakh sugarcane growers.

Project Details:

A multi-pronged approach by DCM Shriram Ltd.'s Sugar Business is leading to productivity enhancement, large-scale conservation of water resources and soil health enhancement in the catchment area of our four sugar mills in Uttar Pradesh. The program is based on 3 'S' principles i.e., suitability, scalability and sustainability by catalyzing behavioral change among farmers.



Project Outreach:

DCM Shriram Ltd.'s Sugar Business took the lead in implementing a Sustainable Sugarcane Production Program across the sugarcane catchments areas of its 4 sugar mills in Uttar Pradesh in District Hardoi/ Lakhimpur Kheri.

The outreach is as follows:

- Villages Covered : 2312
- Cane Area : 178,000 Ha
- Subject Matter Experts : 7 (from different domains)
- Extension workers : 350
- Demonstration plots : 5,000
- Farmers : 225,000 (of which > 80% farmers are small & marginal)
- Infrastructural facilities : Soil Testing Lab at all 4 units & Bio-control Lab at 2 locations.
- Call Centre : DCM Shriram Suvidha Kendra

Key components:

- Good agronomical practices for productivity enhancement
- Soil health management focusing on increasing organic carbon content in soil
- Efficient water management practices
- Integrated pest management (IPM) including biocontrol of pests and diseases
- Land use efficiency by increasing intercropping
- Mechanization – Micro-Entrepreneurship (custom-hiring model)
- Crop condition monitoring by satellite imagery with the help of Mahindra & Mahindra
- Dairy development project
- Women empowerment
- Bonsucro Certification

Activities undertaken:

- Training and capacity building on good agricultural practices
- 100% adoption of trash mulching for water conservation
- Distribution of 35,000 soil health cards after complete soil testing
- Adoption of press-mud compost for soil health improvement for balanced fertilizer usage
- Preparation of compost pits – 19,000 completed
- In 18,100 ha area intercropping done in autumn in the reporting year, where majorly mustard, pulses and vegetables were grown along with sugarcane
- Approximately 265 micro entrepreneurs developed for giving agriculture implements on hiring basis

Outcomes:

- 3 of our sugar units along with 5,000 small holder farmers have achieved Bonsucro certification. This is the biggest smallholder farmer certification in the history of Bonsucro
- 735 billion liters (Confirmed by IISR, Lucknow) of water-use was saved in last 6 years. For this DCM

Shriram has been awarded the CII National Award for Excellence in Water Management in “Beyond the Fence” category

- Increase in yield up to the level of 242 MT/ha obtained in Crop Cutting Yield of Govt. in the Vill Sharanju, Hardoi against state average of 70 MT/ha
- Cane Crushing increased from ~300 lakh qtls to 600 lakh qtls in our all four sugar units
- Thousands of plots in our catchment area have also recorded yield more than 150 MT/ha

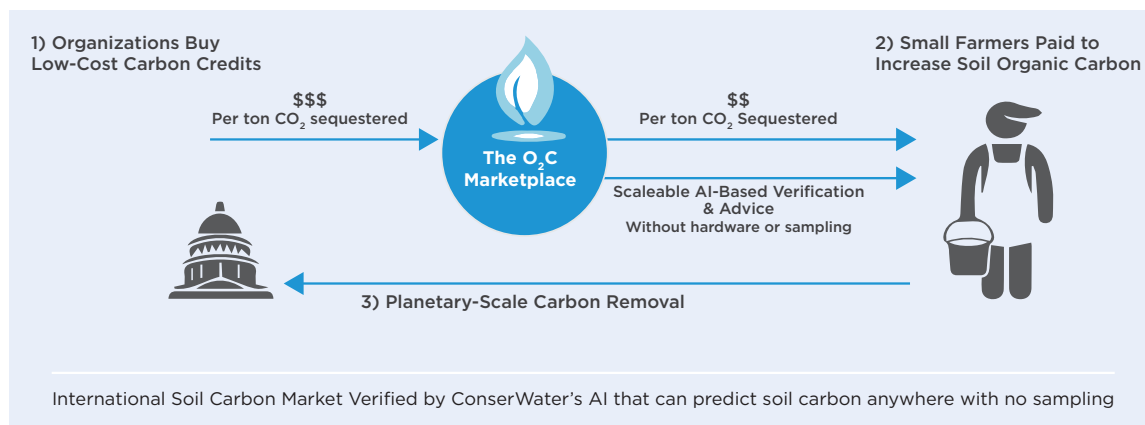
Next Steps: We intend to continue our efforts towards sustainable agricultural practices and therefore will continue the following activities in the coming next 3 years:

- Water Conservation Activities such as Trash Mulching, Trench Planting, Land Leveling, & Drip Irrigation
- Soil Health Improvement Activities such as Compost Pits, Vermi Compost Pits, & Green Manuring
- Climate Smart Agriculture
- Use of Artificial Intelligence in agriculture/sugarcane cultivation.

For upliftment of people in our catchment area, we have also initiated dairy development and accelerated gender parity.

III. DCM Shriram partnered with Boomitra

DCM Shriram has ventured into international soil carbon offset market created by Boomitra, where global corporations are able to buy certified carbon credits and farmers are incentivised to increase Soil Organic Carbon (SOC) and removing CO₂ from the atmosphere. Under this initiative the agency provides technology to measure actionable farm-level information such as soil carbon, soil moisture and nutrients using satellites and AI, and without using any sensors, hardware or soil testing. These carbon credits are certified to existing international standards making them a tradable commodity like any other crop.



DCM Shriram Ltd partnered with Boomitra to recruit farmers in the states of Uttar Pradesh to promote improved cropland management practices and thereby achieve Greenhouse Gas emission reductions and/or removals.

Apart from being Cane farmers, now DCM Shriram farmers would also be Carbon Farmers. Through this program Sustainable Climate Smart Agri Practices will be scaled across the catchment area of DCM Shriram's Sugar Mills. Farmers can also get access to 10m resolution crop specific insights like - soil moisture, irrigation recommendation, nutrients (nitrogen, phosphorus etc.) and a host of other parameters i.e., Ag-Tech Funded by Carbon Credits.

The project is registered with the Verified Carbon Standard (VCS). VCS is a standard for certifying carbon emissions reductions. The GHG reductions and/or removals that are measured will be validated and verified using VCS-approved 'Validation and Verification Bodies' (VVBs). The final GHG reductions and/or removals will be represented as Verified Carbon Units (VCUs). These VCUs will be listed for sale using Boomitra's marketplace. (Note: 1 VCU = 1 ton of CO2 equivalent of GHGs reduced or removed, or 1 ton CO2eq). Farmers and partners shall be provided a share of the sales. This initiative helps farmers fight back against climate change and significantly increase their income. Majority of the

credit value generated by each farmer is transferred directly to the Farmers' bank account.

IV. Other Sustainability Initiatives

Optimized Logistics at Bharuch:

To minimize air pollution, noise, transportation and improve efficiency, DCM Shriram at its Bharuch site have developed pipeline supply of Chlorine, Hydrogen and Caustic lye in its gaseous form to its nearby customers. Apart from reducing the truckloads of vehicular movement over the years, supply of chlorine in gaseous form as enable reduction in the energy required for conversion of transported liquid chlorine to gas as required by the customers.

Reduction in Paper Usage:

The drive for paper saving was continued at the Kota Plant during the year, which led to saving paper usage to a great extent over the conventional usage per annum. This initiative was based on the Company's decision to implement digital office with paperless office transitions, including minimization of cheque based financial transactions over digital transactions.

Sustainability Statistics for 2021-22




Sustainable agriculture is practiced over approximately 164,000 Ha of land.




Paresh Verma,
Executive Director & Chief Executive-Bioseed South East Asia &
Research Director-BRI


“We are working towards sustainable agriculture by developing hybrid seeds that can tolerate consequences created by climate change like drought, adverse weather conditions etc. We have been working towards creating hybrid seeds with higher tolerance to pests, reduced diseases, higher yields with less land thereby aligning our research activities with Sustainable Development Goals (SDGs).”

Sustainable agricultural practices adopted by DCM Shriram

Name of the Initiatives	Description
Ratoon Management	<p data-bbox="544 398 1203 427">Adoption of new technologies for Ratoon Management</p> <ul data-bbox="544 454 1497 517" style="list-style-type: none"> • Ratoon Management Device (RMD) – 96 machines were distributed, which served 447 Ha of agricultural land.  <ul data-bbox="544 913 1497 976" style="list-style-type: none"> • Fertilizer Deep Placement Applicator – 9 machines were distributed and demo was conducted on 60 Ha areas. 
Foliar Spray	<p data-bbox="544 1411 1453 1440">Foliar Spray: It provides additional nutrition to plants for yield improvement</p> <p data-bbox="544 1467 1445 1552">Coverage: Foliar Spray through Drones in our catchment area using Drones 34% of agricultural land was covered during FY 2021-22.</p> 

Name of the Initiatives	Description
Mechanization	<p>The initiatives undertaken for mechanization of farm activities over the years has been presented as follows:</p> <ul style="list-style-type: none"> • RMB Plough and MB Plough are used for field preparation or deep ploughing • Sub-Soiler and Laser Land Leveller have helped in soil health improvement and water use efficiency respectively. Sub-Soiler is effective in breaking the hard pan. Trash mulcher is useful for residue management • Trench Planter (including Mechanical Trench Planter) aided in planting activity • Boom Sprayer, Ratoon Management Device and Fertilizer Deep Placement Applicator aid in ratoon management • Tippler Trolley and Mini Tractor are used for cane supply and inter cultural operations (such as, promotes wide row spacing) respectively 
Mechanization – Custom Hire Model	<p>Increase in volumes year-on-year basis under custom hire of agri-machinery:</p> <ul style="list-style-type: none"> • Fully operational in two of our units (Ajrapur & Loni) • Rolling-out business at Hariawan & Rupapur • Right kind of machines required identified • 264 Micro Entrepreneurs are working in our area
Adoption of New Technologies: Drone	<p>Adoption of drones resulted in ease of doing agriculture, enhanced environmental sustainability and improved income of cane growers through the following aspects:</p> <ul style="list-style-type: none"> • Water saving: >90% of reduction of water used for spraying • Time saving: takes 5-6 minutes to spray 1 acre. • Increase in productivity with better efficiency of sprays • Saves time and manual labour resulting in reduced cost of production • Lower risk of chemical exposure to operator/farmer • Uniform area coverage • Generation of local employment • Spray through Drones: 500 Ha

Name of the Initiatives	Description																		
Adoption of New Technologies: Urea Deep Placement Applicator	<p>Using Urea Deep Placement (UDP) applicator has helped to mitigate climate change impacts, improve soil and plant health and led to water conservation due to the following aspects:</p> <ul style="list-style-type: none">- Climate change mitigation:<ul style="list-style-type: none">• UDP reduces GHG emissions.• UDP reduces unintended losses of nitrogen through volatilization of ammonia, surface runoff, or leaching of nitrate, as well as emissions of nitrous oxide (N2O).- Soil and plant health:<ul style="list-style-type: none">• UDP also leads to an increase in root biomass which supports the maintenance of soil organic matter content and improves overall soil fertility.- Water conservation:<ul style="list-style-type: none">• When Urea is deep placed in briquette form, it converts to ammonia instead of nitrates which is less mobile and hence offers sustained nutrition to the plants and reduces water leaching.																		
Soil Health Improvement	<p>Soil health improved in FY 2021-22 through increase in soil organic carbon by constructing more compost pits, using more green manure, trash mulching and distribution of press mud: cover as follows:</p> <table><tr><th>Name of the Initiative</th><th>Number till 2020-21</th><th>Number till 2021-22</th></tr><tr><td>Compost pit</td><td>19,217</td><td>20,041</td></tr></table> <table><tr><th>Name of the Initiative</th><th>Area (Ha) till 2020-21</th><th>Area (Ha) till 2021-22</th></tr><tr><td>Green manuring</td><td>1,240</td><td>1,418</td></tr><tr><td>Trash mulching</td><td>54,034</td><td>59,217</td></tr><tr><td>Distribution of press mud</td><td>18,717</td><td>20,031</td></tr></table>	Name of the Initiative	Number till 2020-21	Number till 2021-22	Compost pit	19,217	20,041	Name of the Initiative	Area (Ha) till 2020-21	Area (Ha) till 2021-22	Green manuring	1,240	1,418	Trash mulching	54,034	59,217	Distribution of press mud	18,717	20,031
Name of the Initiative	Number till 2020-21	Number till 2021-22																	
Compost pit	19,217	20,041																	
Name of the Initiative	Area (Ha) till 2020-21	Area (Ha) till 2021-22																	
Green manuring	1,240	1,418																	
Trash mulching	54,034	59,217																	
Distribution of press mud	18,717	20,031																	
Local Weather Stations	<ul style="list-style-type: none">• Weather stations were installed at 52 locations in FY 2021-22 as part of a pilot project, which covers an area of 150 km radius• The data received from these local weather stations are analyzed and used for crop advisory. Crop advisory is provided to the farmers through their mobile phones in the form of message/SMS/WhatsApp.• The weather stations serve four purposes, such as,<ul style="list-style-type: none">o environmental monitoring (temperature, humidity, rainfall, and wind speed and direction),o pest management (identification of 20+ insects/pests, count of insects/pests),o crop monitoring (growth pattern, quality of leaves, germination and color),o soil monitoring (soil temperature, salinity and moisture)																		

Name of the Initiatives	Description
Weather Forecast for Farmers	<p>Farmers are advised regarding irrigation through use of weather forecasting tools as follows:</p> <ul style="list-style-type: none"> • E-Suvidha App weather forecast: provider AccuWeather - coverage 82,000 farmers + Cane Team • Skymet: weather forecast for Hardoi district • IMD: weather forecast for Hardoi and Lakhimpur district • IMD App: “Meghdoot” and “Mausam” are being used by our Cane Team for weather updates • Farmers Advisory: Based on the above information we send text / WhatsApp message to farmers for irrigation • We are evaluating Skymet with other sources for maximum accuracy
Drain De-silting	<ul style="list-style-type: none"> • De-silting helps in avoiding water stagnation in sugarcane fields • 62.5 Km de-silting done in FY 2021-22
Cane Digitization	<p>Through DCM Suvidha Kendra following Campaigns organized:</p> <ul style="list-style-type: none"> • Red rot Management • Foliar Spray • Supply Indent Failure • Planting • Cane Lodging
e-Suvidha App	<ul style="list-style-type: none"> • In App notification & Messaging <ul style="list-style-type: none"> ▪ Activity based notification ▪ Government schemes ▪ Factory communication to farmers (private domain) • Agri-Tagging & Booking <ul style="list-style-type: none"> ▪ Online request of tag payment for agri-activities ▪ Online order booking of agri input • Crop calendar <ul style="list-style-type: none"> ▪ Plot activities chart at a glance ▪ Field activity Monitoring ▪ Crop protection advisories • Custom hiring model of Agri-machinery <ul style="list-style-type: none"> ▪ Requisition & Tracking of Mechanized Services 

Several programmes were held in FY 2021-22 for raising awareness of the farmers, which are as follows:

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
2871	Climate smart agricultural practices for Sugar Business	90%
80994	Farmer meeting, Crop Shows/Field Days, Product demonstration, jeep campaigns for SFS Business	95%
4600	Farmer campaigns and meeting, Crop Shows/Field Days, Product demonstration, jeep campaigns for Bioseed Business	95%



**Sreekanth Chundi, President and Business Head,
Shriram Bioseed Genetics**

“Our aim is to optimize the Seeds that we develop, which are water efficient, heat resistant or disease resistant. We have initiated focused action towards aligning our portfolio to resource efficient Seeds in the coming years. Achieving water efficiency and nutrient efficiency (minimization of fertilizer usage) are two main targets of our business.”

Biodiversity Management



Nature-positive solutions have gained traction among the top companies worldwide in the past few years. Biodiversity conservation is instrumental in implementing nature-positive solutions as part of business operations. Ecosystem services provided by floral and faunal biodiversity include essential processes like nutrient-recycling, local micro-climate regulation, soil conservation, and water capture and retention. DCM Shriram is committed to biodiversity conservation and the sustainable use of biological resources. In 2014, DCM Shriram formalized this commitment by becoming a founding member of CII's India Business Biodiversity Initiative (IBBI). We have undertaken all necessary measures for adopting biodiversity-friendly operations.

DCM Shriram's manufacturing facility at Kota, Rajasthan, set up more than 50 years ago, undertakes several biodiversity conservation initiatives by maintaining the ecosystem in and around the facility. Around five lakhs trees have been planted across DCM sites and out of which over 232,000 trees were planted in the Kota complex and around over the years in order to maintain and boost up green cover. Tree plantations are regularly carried out on occasions like World Biodiversity Day, Environment Day, Earth Day, etc. to increase the green belt inside and outside plant premises. This plays an important role in protecting endangered wildlife by saving their habitat. Interventions to enhance water catchment like rainwater harvesting ponds have also been set up. A biodiversity assessment study carried out by CII experts for Kota showed that the rainwater harvesting pond is providing habitat to more than 100 bird species and one can have sightings of migratory and rare birds like Eurasian Marsh Harrier, Eurasian Spoonbill, Osprey, Black-headed Ibis, Black-tailed Godwit, Painted stork, Common pochard, Greater Painted Snipe.

During Avifauna study in the plant premises and vicinity of Kota site, the following data was recorded:

- Number of bird species recorded around Rainwater Harvesting structures is 88, Guest House 46, other side of RMC canal 37, Behind Guest house 32, Raipura canal 30 and Inside Plant 19 respectively.
- Faunal diversity recorded from the area is 136 species. Out of 136 species, 105 are birds, 10 mammals, 7 reptiles, 6 butterflies and 4 snails (mollusca) and insects.
- Numbers of birds are recorded in the Kota site is 105 species. The maximum number of bird species was

recorded at harvesting pond site followed by Guest House area and other-side of RMC (LHS) area.

- The most abundant families of the avifauna is recorded Anatidae (10 species), Scolopacidae (7 species), Ardeidae and Muscicapidae (6 species each) and Sturnidae (5 species) constituting the five most abundant families.
- While studying the habitat utilization of avifauna, it was found that the following habitats are occupied by the bird species: bird species recorded from Harvesting 88, Guest House 46, other-side of RMC canal 37, Behind Guest house 32, Raipura waste canal 30 and Inside Plant 19 respectively.

In the Avifauna study of the Kota site, the following findings were made:

- The floristic diversity of the site accounted a total of 144 plant species of which 48 trees, 24 shrubs, 53 herbs and 19 area aquatic plants.
- The common species recorded within the premises and study areas are Five-striped Palm Squirrel and Rhesus Macaque. Indian Hare and small Indian Mongoose are also recorded in the premises. Golden Jackal recorded from study area near the sugarcane farms.
- There are 18 invasive species recorded from the project as well as study area. Out of the 18 species two species, Subabul (*Leucaena leucocephala*) and Raimuniya (*Lantana camara*) are categorized as highly invasive for the terrestrial habitat and *Eichhornia crassipes* is an aquatic invasive species recorded from the pond near the villages.





- Presence of group of trees which consists of an intermingling structure of four different plant species i.e. *Ficus religiosa* (Peepal), *Holoptelia integrifolia* (Chilbil), *Azadirachta indica* (Neem), and *Adathoda zeylanica* (Adus) were observed. This particular structure supports many bird species and also increases the aesthetic value of the area.
- It was observed that there are 23 Species of shrubs in the study site. *Lantana camara* is one of the world's worst invasive species. *Lantana camara* attracts many species of birds and butterflies.
- A total of 51 herb species were recorded from the area. Most frequent species are *Achyranthes aspera*, *Coccinia grandis*, *Cyanodon dactylon*, *Oxalis corniculata*, *Stellaria media*, *Basella alba* and *Cannabis sativa*.
- There are 38 species of birds recorded from the project area and Black Kite, Common Myna, Great Tit, Intermediate Egret, Large-billed Crow, Spotted

Owlet and White Wagtail are the most frequent species. Flock Intermediate Egret composing 40 to 60 individuals are the frequent visitor in the ground opposite to Guest House

These findings provided significant insight into the qualitative and quantitative characteristics of biodiversity present at our site. This knowledge informs and shapes our biodiversity conservation strategy. Biodiversity indexing will also be helpful to measure success in enhancing species diversity and dominance over the years.

DCM Shriram has conducted extensive tree plantation across all its plants. Till FY 2021-22, 489,139 trees were planted inside and outside the plant premises of DCM Shriram. Trees planted in FY 2021-22 amounted to 96,212, whereas that in last year was 85,553. Such mass tree plantation drives have resulted in improved biodiversity within and around our plants.





Environmental Compliance

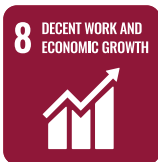


At DCM Shriram, environmental compliance with all relevant regulations, legislations and environmental standards is of utmost importance. All our operational activities are monitored from time to time in order to adhere to environmental laws and regulations. There were no incidents of environmental non-compliance, which resulted in penalties for DCM Shriram in FY 2021-22.

During the year, the Company also has automated compliance tracking through a compliance tool “Complinty e-Software” that tracks all applicable laws and reports exceptions. Its implementation reinforces the compliance management owing to its various tools like an alert to the concerned on the due date, escalations for non-filing statutory forms by due date and online review by senior management. The tool assigns responsibility at each level for ensuring timely compliance and necessary corrective actions by the concerned.



Our People



DCM Shriram is confident that sustained long-term value is created through organizational strength manifested with the power of integrity, responsibility and connectedness with consumers and customers as well as excellence in execution. Such strength is best fostered in a conducive environment of empowerment and transparency to harness the full potential of DCM Shriram's human capital.

The trying times, combined with high competition and uncertain environment has tested the capacity of DCM Shriram's human resources (HR), which provide the required thrust in ensuring that DCM Shriram continues to deliver world-class performance and enhances customer loyalty. Therefore, DCM Shriram channelizes its efforts and human capital investments towards enhancing employee engagement, promoting a competitive and performance-driven work culture and future-proofing the workforce to emerge as one of India's most valuable employers.

DCM Shriram's approach of distributed leadership drives growth from multiple avenues, in a manner that holds true to the Company's values and at the same time vouches to deliver excellence in execution and attracts the finest quality of talent and dedication.

DCM Shriram is a highly people centric organization and our commitment towards our human resources is reflected in our well-organized human resource department and effective HR policies. The Company's HR policies uphold the core values, beliefs, philosophy, corporate governance principles and good reputation of the Company.

Majority of our operating sites are



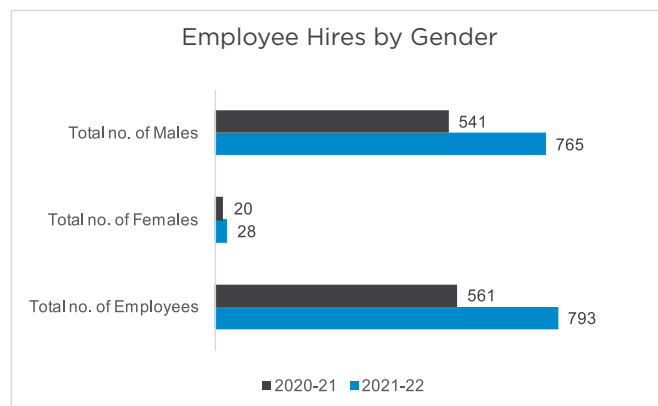
ISO 9001, ISO 14001, ISO 45001 certification systems in majority of our manufacturing units.

DCM Shriram's Approach

Diversity and Equal Opportunity

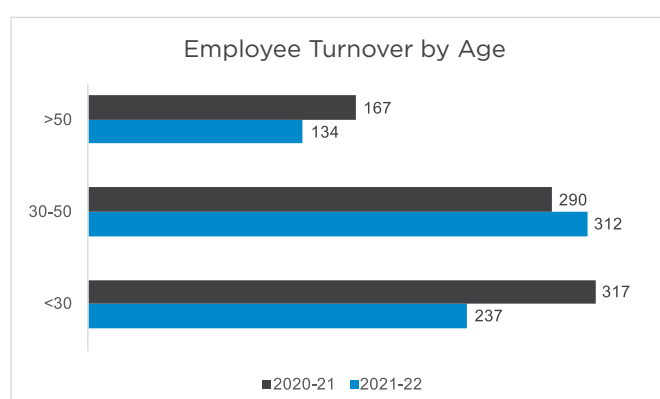
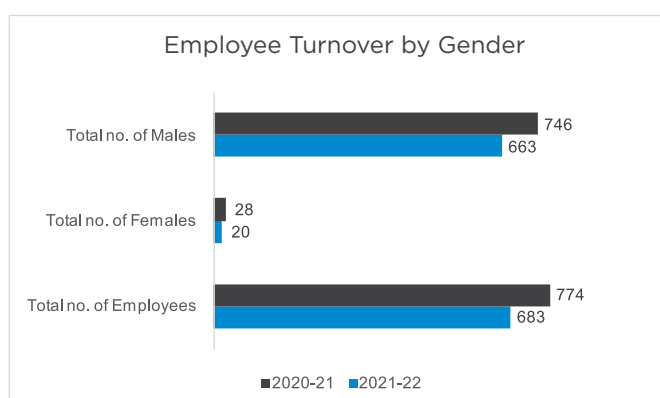
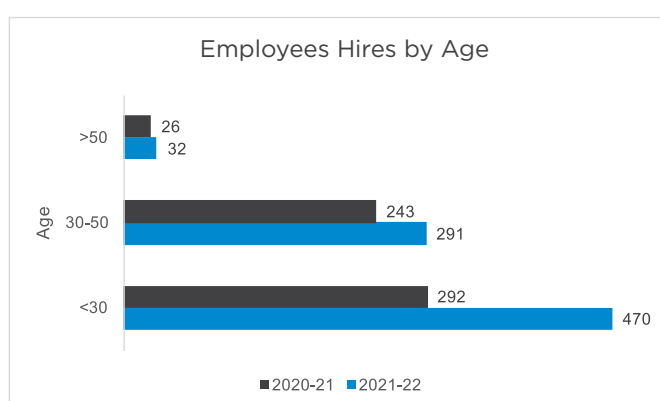
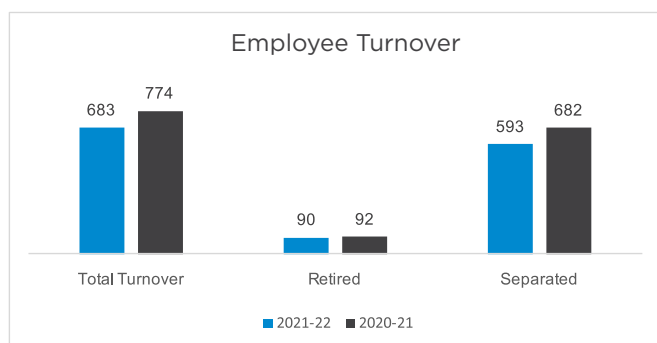
DCM Shriram believes that diversity at workplace creates an environment conducive for greater engagement, innovation and performance. It also facilitates inclusive customer-oriented decisions. Hence, at DCM Shriram, we have a dedicated workforce with diverse talents, perspectives and backgrounds. The Company believes that a diverse workforce is the key in maintaining a competitive advantage and practicing good governance. By utilizing the different skills, qualifications, professional experience, knowledge, genders, nationalities, ethnicities, cultural backgrounds, etc., of the workforce, the Company strives to achieve sustainable and balanced growth. The Company recognizes and embraces the importance of a diverse workforce in its success. We do not discriminate any individual based on their religion, gender, caste or disabilities.

Total hires



Sandeep Girotra, President and Chief Human Resource Officer

“Our Core Values and beliefs are rooted in our heritage. They reflect our conviction to build a vibrant, growing and resilient organization. To make this happen, we at DCM Shriram imbibe them in true spirit to make it a way of life.”



We treat all our employees without any discrimination and provide equal benefits to everyone. DCM Shriram being an equal opportunity employer, there is no differentiation in basic salary and remuneration for women and men. Industry during the reporting period. Industry-wide benchmarking is carried out periodically, while also considering the job roles to develop a remuneration structure. Views of all the relevant stakeholders are considered while revising the remuneration structure. We ensure that all our units are 100% compliant in terms of the local and national laws, minimum wages, and payment of wages, the Factories Act and all other prevailing regulatory requirements.

Prevention, Prohibition and Redressal of Sexual Harassment

We are committed to providing a work environment free from all kinds of harassment including physical, psychological, verbal and sexual. The Company has put in place suitable processes and mechanisms to ensure such issues, if any, are addressed effectively. All employees undergo sensitization training and internal redressal committees are put in place across businesses. We strive to maintain a safe and secure workplace culture for our women employees.

In FY 2021-22, no cases were reported regarding any kind of harassment including physical, psychological, verbal and sexual.

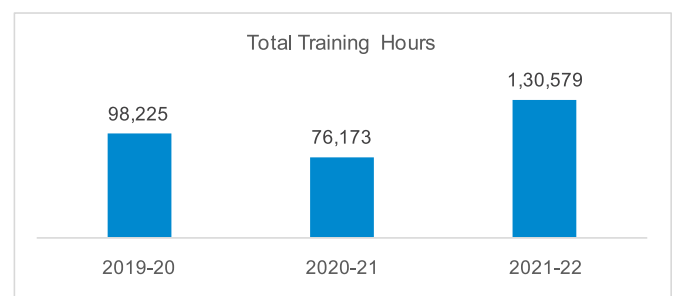
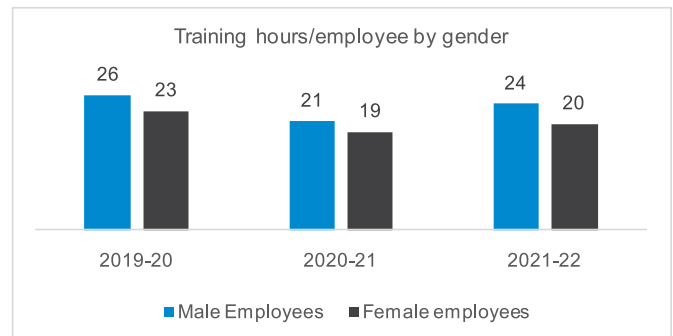
Learning and Development

DCM Shriram has diligently built a culture of continuous learning, innovation and collaboration by providing trailblazing learning and development support to its employees who is vital in strengthening the employee capabilities and ensures competitive advantage. At the same time, it will help employees realize their full potential. Our emphasis is to provide experiential learning through on-the-job assignments and an empowering and supportive environment. It will also promote learning agility. The Company has a well laid-out annual training plan that closely dovetails with the guiding values of our organization. Based on open career conversations with Managers and employees' development needs, every business develops a development plan and a training calendar to address the desired capability building objectives of the business.

DCM Shriram has identified three types of training — technical, functional and behavioural skills — that are relevant in terms of making its business future-ready. Employees are offered best-in-class learning and

development support comprising a blend of classroom, online coaching, mentoring and on-the-job training to promote learning anytime and anywhere. We have in-house experts, who are involved in coaching and mentoring our employees based on their professional needs. Moreover, our Company collaborates with renowned institutes and industry experts to conduct these training programmes to shape our employees' leadership and strategic capabilities. Globally benchmarked learning curriculums are taught and supplemented with practical lessons in the form of business-critical application projects. This approach ensured that investments in learning and development are applied and practiced to deliver better business outcomes.

To promote flexibility in learning, DCM Shriram encourages employees to self-nominate for various online courses that provide an array of content, expanding the learning opportunities well beyond our learning curriculum. These courses help employees to re-skill and upskill themselves, as per their convenience. The trend of training hours has been presented graphically as follows:



Feedback session and mentoring workshop

- HODs and Area In-charges provide positive and constructive feedback to their teams
- Department and section heads are trained on feedback procedure and managerial effectiveness
- Managers conduct mentoring workshops

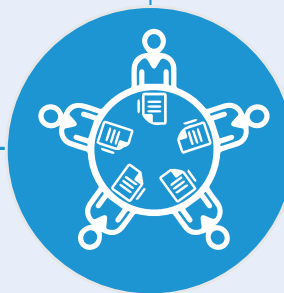


Sampark

- A two-way communication for employee engagement
- A recognition-cum rewards programme

Accelerating Leadership Development workshop

- Capacity building to enhance skills, competencies, confidence and accountability of upcoming leaders to help in future business growth



Sanjha Manch

- Employee communication platform
- Promotes business discussion on goals and initiatives

Average training hour per employee

DCM Shriram's employees training hours in 2021-2022

Total training hours - **1,30,579**

Average training hour per employee - **24.7**



Number of training sessions across the management level

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	4	The Companies Act 2013, Sustainability Reporting, Project Safety, Business Responsibility initiatives, Global financial, business Trends, CSR and Financial reporting etc.	100%
Key Managerial Personnel	10	Code of conduct, Company Values, ESG, Sustainability reporting, whistle blower policy, Prevention of Sexual Harassment (POSH) policy, Global and National financial updates, business trends, financial reporting, HR Policies and employee welfare etc.	100%
Employees (other than BoD & KMPs)	688	Skill development, Business Etiquettes, Team Congruence, Conflict Management, Emotional Intelligence, Communication skills, Delegations, Code of Conduct, Technical development skills, Policies & Values, Data security and privacy, Fish bone analysis on Electrical Breakdown, etc.	100%
Workers	461	Predictive maintenance, Electrical and mechanical maintenance, Behavioural Safety, Emergency preparedness and General safety, Defensive Driving / Road safety, Environment, Team work, Wellness and Good Health, First Aid training etc.	100%

During the pandemic, the Company has made significant investments in building digital capacity, in view of its transformative potential across the value chains of its businesses. Such investments enabled greater responsiveness and agility in our engagement with consumers, various stakeholders, and managing our supply chains.

Various interactive and engagement sessions are conducted for employees from different sections of our Company across different unit locations. The Company provides them a platform to share their views, provide feedback and helps them communicate with the officials related to the areas.

Talent Management and Development

DCM Shriram's vision of building a strong business portfolio and nurturing business leaders is ingrained in its commitment towards creating new engines of growth

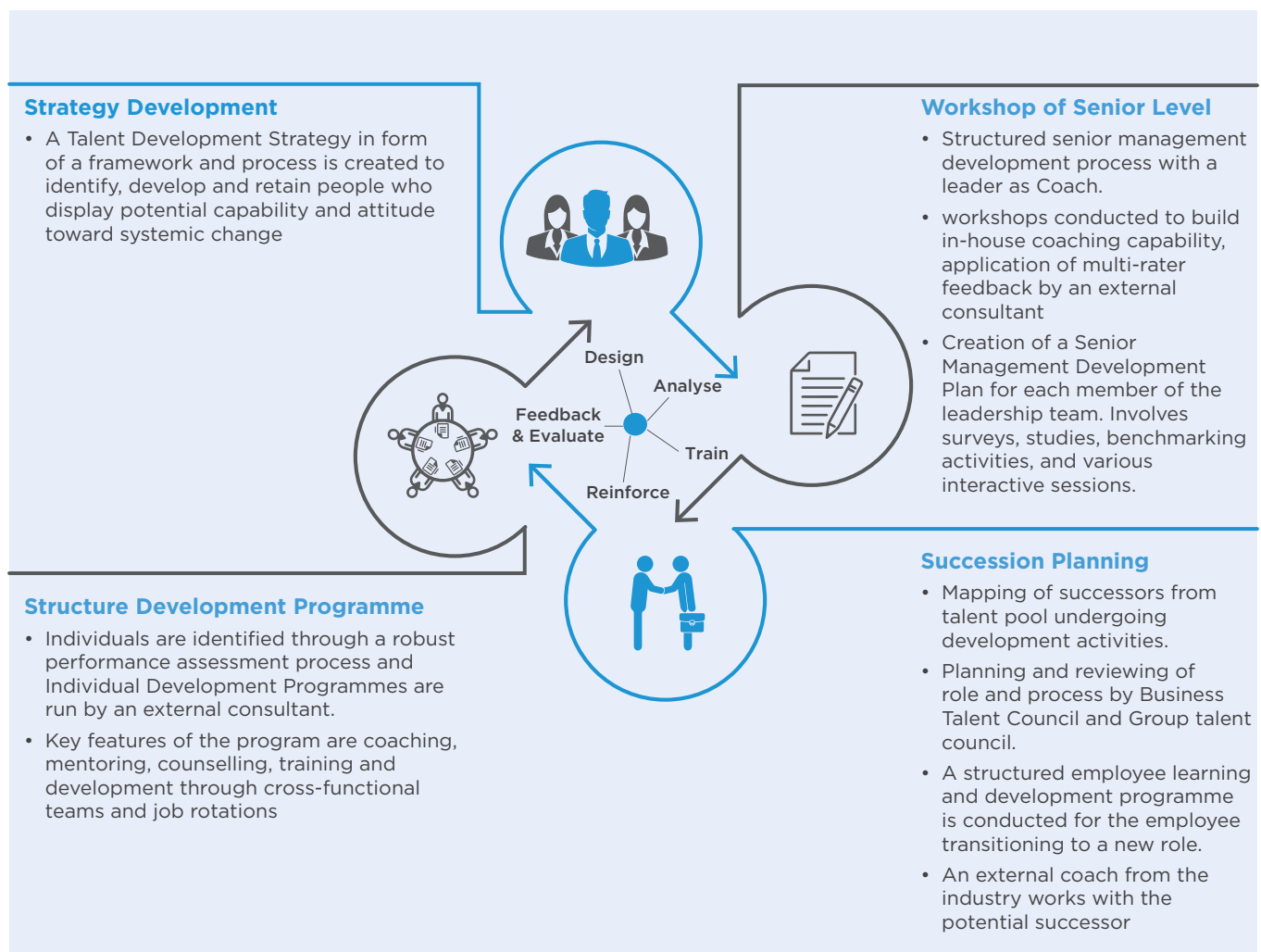
while strengthening existing businesses and building a deep, talented workforce that comprises high-quality leaders and is devoted to creating substantial value for all stakeholders. The talent development practices at DCM Shriram help develop, foster and strengthen human capital capabilities to deliver critical outcomes on the vectors of strategic impact, operational efficiency and financial productivity. Our HR department sources talent from premier institutes across India and positions them in high-impact roles which offer opportunities to deploy functional command and team management capabilities to solve problems, deliver operational excellence and contribute to strategic development. Such roles enable early development of deep, functional expertise in one's career through immersive complex problem-solving assignments that require the application of domain expertise. Domain experience is of prime importance while deploying our talent pool.

Our employees are provided the opportunity to work closely with our senior leadership on strategic projects and assignments, and imbibe key learnings through their mentoring. At DCM Shriram, the remuneration strategy is strongly aligned with performance, market competitive and long-term oriented rates, which underpins enduring contributions, promotes retention and encourages path breaking performance.

We are continuously evolving our HR systems to strengthen the relationship between business growth and employee development programmes to stay relevant to the new developments in our business areas. We are committed to strengthen employee growth and development through continuous engagement activities. Employee training is also a key focus area in this regard. A talent council comprising a leadership team at an organization level reviews the progress

of each individual's growth journey. Employees are encouraged to pursue their journey of individual growth and development with the support of business leaders, managers and HR teams.

DCM Shriram has formulated specific plans and interventions for talent mapping and overall development of all the categories of employees. Successors are mapped to critical positions from the talent pool where employees are pursuing their individual development and are being trained to ensure a smooth succession. Group Talent Council reviews the decisions regarding talent mapping of organization level critical positions. Similarly, for business level critical position it is being done by Business Talent council which meets once in a quarter to monitor and track the process effectiveness.



Grievance Redressal

DCM Shriram has a dedicated time bound grievance redressal mechanism for all employees. Employee grievances are also captured through different channels like participative forums, communication meetings, and others. We ensure that there are no human rights violations in terms of employee rights.

Employee Well-Being

At DCM Shriram, our employees are provided with the best care in terms of physical, mental and emotional well-being. We offer our full-time employees a range of benefits that include accidental insurance, facilitate medical insurance, provident fund, gratuity, superannuation, maternity leave etc.

DCM has raised awareness among its employees regarding COVID-19, as well as provided 14 additional leaves due to COVID-19, which are extendable up to 21 days. The COVID-19 leave is in addition to the general sick leaves. We also covered our full-time employees under COVID-19 insurance. Our Company worked towards ensuring double vaccination and corporate health insurance for COVID-19 for all our full-time employees, their families and encouraged supply chain partners.

100% eligible employees are covered under parental leaves. There are nine female employees who have availed parental leave in 2021-22, 7 of whom have returned back to work after parental leave and 2 of them are still on leave.

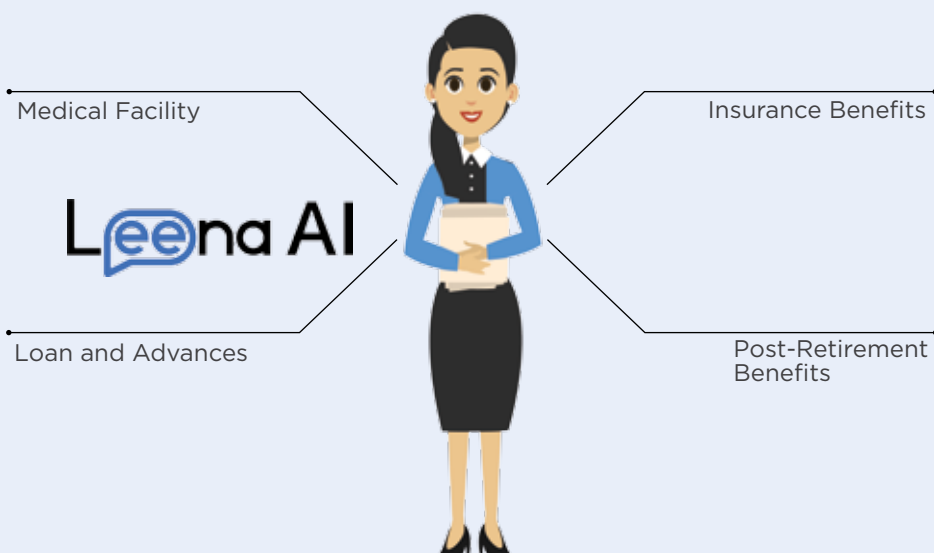
A health talk on dietetics and nutrition was organized for our employees, to have a comprehensive discussion on the importance of healthy living and dietary patterns in our daily lifestyle. Also, a session on postural awareness at workplace was conducted to educate our employees about the preventive measures which can be followed to minimize the bodily impacts of continuous sitting and incorrect postures.

Employee Health and Safety

At DCM Shriram, the health and safety of our employees is of prime importance to the Company and we aspire to inculcate 'zero accident' culture in all our plants. The strengthening of our organizational capabilities is assisting the Company in implementing a 'safety first' approach. A strong safety culture is imbibed through



Ensuring Employee Well-Being





our management's commitment and highly engaged and empowered employees at all levels. As a result of it, our stakeholders are satisfied due to reduced costs, increased plant reliability and availability, reduced maintenance and improved product quality besides other intangible benefits of motivated employees and happy customers making ours a more sustainable and profitable business. Safety is an integral core value of DCM Shriram and health and safety of our workforce at all our locations is given top-most priority. Safe acts/practices, safety tours by senior leadership teams and safety tool talks are regularly conducted at all our sites. As employee Health and Safety is always a priority issue for the organization, we conduct frequent mock drills on various safety aspects.

DCM Shriram is committed to provide a safe work environment to its employees. Our Kota complex has received five-star rating every year since 2005 by British Safety Council and has won the prestigious "Sword of Honor Award". We wish to not only conform to minimum health, safety and environment mandate, but also establish a benchmark in the industry traversing above and beyond the statutory compliances and pertinent standards.

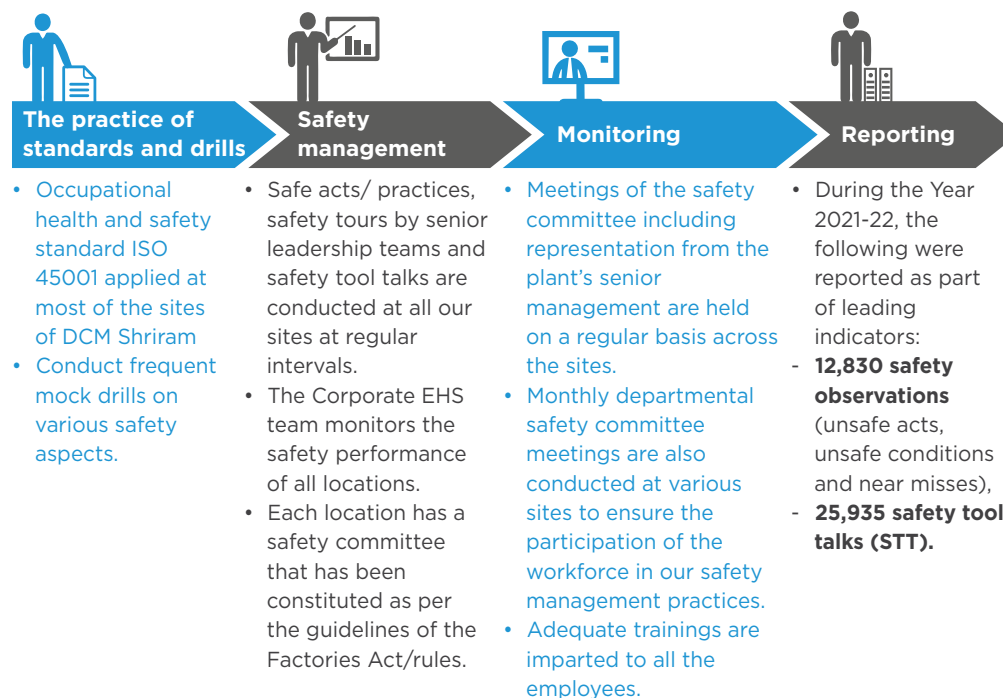
We strictly adhere to the policies and procedures for ensuring the health and safety of our employees. There is an established EHS function at all our sites that facilitate implementation of all policies and protocols effectively. We have successfully transitioned to the latest version of occupational health and safety standard ISO 45001 at all the sites of DCM Shriram. Along with this, we have

maintained our existing integrated management system to ensure EHS risks are well mitigated.

The Corporate EHS team is assigned with the responsibility of monitoring the safety performance of all locations. The safety performance is measured for the leading and lagging indicators. A safety committee is engaged at each location. Such committee has been constituted as per the guidelines of the Factories Act/rules. Regular meetings of the safety committee are held across all the sites, which includes representation from plant's senior management, to remain abreast with the latest development in safety. Our workforce is engaged in our safety management practices through monthly departmental safety committees at various sites. Appropriate trainings are provided to all the employees to ensure higher rate of participation and excellence in all aspects of safety.

There is a continuous leadership drive to enhance safety culture including encouraging employees to report safety breaches. There were 12,830 safety observations including unsafe acts, unsafe conditions, near miss and 104 EHS reviews and committee meetings held across all the sites during the FY 2021-22. All the safety incidents, which have a high potential severity, were investigated and appropriate control measures were undertaken to avert future occurrence of such incidents. Additionally, DCM Shriram has also been proactive about organizing safety awareness for value chain partners. A total of 400 Awareness Campaigns/awareness sessions were held during FY 2021-22 regarding TREM Card, Emergency information panel, Chemical hazards, Road safety programs etc. for transporters carrying hazardous chemicals.

During 2021-22, the man-hours worked by employees amounted to around 27 million. There were two unfortunate fatalities recorded in the financial year involving two contract labourers. One of them got injured while material handling and the other one while carrying out electrical maintenance. A team of experts carried out thorough investigation and corrective and preventive measures were taken to avoid recurrence of similar incidents. Such incidents reemphasize the need for the Company to look into the minutest of details and adopt safe practices raising safety awareness to ensure the highest level of safety.



Kota complex has obtained five-star rating every year since 2005 by British Safety Council and has won prestigious **Sword of Honor Award**

DCM Shriram's health & safety reviews in 2021-22

Total EHS reviews and committee meetings

104

Health Awareness campaigns and sessions

400

Key Safety Indicators			
Indicator	Unit	FY 21-22	
		Permanent Employees	Contractual Employees
Total Workforce	Number	5,174	10,257
Total Manhours	Hours	10,379,995	16,667,526
Fatality	Number	0	2
Lost Day Rate	Days	0	720
Lost Time Injury Frequency Rate (LTIFR)	Number of LTI / Million manhours	0	0.12

Health and safety training for the professionals are regularly emphasized. Different types of training and demonstration are conducted across our organization for the prevention of any occurrence of any safety issues. Refresher training is conducted to impart health and safety knowledge among our employees. The display of safety instructions in our plants also helps in making our employees aware. We focus on documenting and understanding the reasons for Lost Time Injury Frequency Rate (LTIFR) and Lost Day Rate (LDR).

LTIFR is used to assess the frequency of lost time accidents with respect to million man hours worked. A reportable lost time accident is defined as an accident due to which the injured does not return to work after 48 hours of the occurrence of accident. Lost Day Rate (LDR) is another way of evaluating safety performance. It compares the number of man-days lost for every 1,000,000 man-hours worked. During 2021-22, the LDR is 720 for contractual employees and Zero for permanent employees. On the other hand, there were

2 fatalities of contractual employees. Hence, LTIFR is 0.12 for contractual employees and Zero for permanent employees. With a target of zero accidents, Company wide drive on awareness on prevention of accidents is carried out regularly at all levels to engage employees through their active participation.

To bring down our LTIFR and LDR, we are constantly working towards building a robust safety culture, investing in regular employee training, and conducting risk assessments and audits by external experts. To avert occupational disease at the primary stage, medical check-ups are conducted on a regular basis for the employees. Specific hazard exposure-based medical check-ups are done to identify the symptoms in the early stage and accordingly, preventive actions are undertaken. Our EHS policy can be accessed at https://www.dcmshriram.com/sites/all/themes/shriram/images/Corporate_EHS_policy.pdf

EHS Training

At the plant level, various safety assessments, general plant conditions assessment and job safety analysis are conducted from time to time. We impart mandatory safety training on behaviour-based safety, first-aid application, safety inspection procedures, and defensive driving. The Line Managers and HR departments are responsible for arranging the EHS training for permanent employees, whereas the contractors are responsible for arranging skill and safety training for all the contractual employees before deputing them on Company assignments. In addition to the induction training on safety, the Company provides safety training to contractual employees, wherever required.

All our employees are encouraged to upgrade their knowledge and skills through our training programmes. Each and every permanent employee (including women and those with disabilities) mandatorily go through the training cycles of DCM Shriram at the time of induction and later on attend periodic classroom lectures or online modules based on their needs for their skill upgradation. Additionally, special courses are organized from time to time to keep the knowledge base of our employees at par with the developments in our field.

Indicator	Unit	FY 2021-22
EHS training (for permanent employees)	Man-Hours/ Employee/ Year	6.69
EHS training (for contractual employees)	Man-Hours/ Employee/ Year	10.03

In addition to this, we also conduct periodic mock drills at our plants to sensitize our employees and strengthen emergency preparedness. We made sure that all our safe operating procedures, material safety datasheets, and local emergency plans are available in local language at our entire operating site.



Apart from training, we conduct an EHS Meet of Site EHS Heads every quarter to impart the best practices running throughout different industries to our employees. This is a forum for discussing how the best EHS practices can be assimilated at DCM Shriram's plants. While starting to work with any new vendors, suppliers, consultants and third parties, EHS compliance is mandatory as part of our contract agreements.

Behavioural Based Safety

Since the last three years, Behavioral-based Safety (BBS) has emerged as a stronger discourse. BBS is about responsible safety behaviour which has the ability to avoid or minimize the damage which can happen due to unsafe behaviour. This reiterates the fact that reduction in industrial accidents, road accidents, and controlling the pandemic etc. would ultimately contribute to human well-being by making BBS a way of life.

We firmly believe that BBS as a tool can be successfully deployed to mitigate risks related to occupational health and safety as well as process safety issues. DCM Shriram extended it not only to employees but also to their families and other key stakeholders of our society especially children and youth.

At DCM Shriram, we have initiated a strong BBS system which we implement through practical demonstration by the respective Head of the Departments and other senior leadership team through their visible actions reinforcing safe behaviors and reducing at-risk behaviour. In this year, the BBS checklist was updated for including new risks such as road safety, COVID appropriate behaviour and psychological health etc. in addition to the already identified at-risk behaviour. We imbibe an open culture among our employees and encourage them to openly report at-risk behaviour without any fear using 'No Blame-No Fault-No Name' way to help us rectify our processes and actions.



Aiming for a strong safety culture ensures everyone feels empowered and responsible for safety and makes it a way of life on the basis of carrying out spot correction of at-risk behaviour without any fear with prime objective of Zero Harm to anyone. When an employee feels valued, listened to and truly cared about, his or her outlook towards the organization is filled with high morale and full of positivity in all other aspects too. This drives our senior management to create an environment in which our employees feel comfortable in speaking up when they experience safety hazards or at-risk behaviour.

The essence of BBS consists of a positive safety management along with focus on taking proactive actions to minimize the risk of accidents. BBS can be applied for all at workplace and outside workplace (i.e., in our communities, schools, colleges and other social places) in transforming the environment for creating a safer place of living, hence, making safety a way of life.

Protecting Human Rights

The DCM Shriram culture is defined by a shared set of norms, beliefs and values that guide every employee in everyday work. Here, we give each other space to grow, learn and seek the best out of each other. With this comes a mutual sense of respect and dignity, openness and easy accessibility that cuts across hierarchies and titles.

DCM Shriram's policies and their implementation adhere to applicable laws and uphold the spirit of human rights, as enshrined in existing international standards such as the United Nations (UN) Universal Declaration of Human Rights, the 10 Principles of UN Global Compact (UNGC) and the applicable International Labour Organization (ILO) Core Conventions on Labour Standards. We conduct business in an ethical manner where our workforce is appreciated and valued. During the year a Policy on Human Rights was rolled out to provide clear guidance to employees in treating everyone with respect and assessing performance irrespective of race, religion, caste, gender, age, disability or any other characteristics.



All our operations are subjected to human rights reviews. We recognize and respect the right of our employees to exercise or refrain from upholding their freedom of association and collective bargaining. During the FY 2021-22, 413 out of 3,391 permanent employees and 545 out of 1,783 permanent workers were covered under the collective bargaining process across India.

In order to identify potential risks, we have human rights due diligence process which is conducted annually through DCM Shriram's internal audit process for monitoring company-wide compliance. This entails undertaking a detailed monitoring at 100% of our sites including all business functions, to track performance on various human rights related subjects such as working conditions, minimum compensation, equal opportunity, freedom of association etc. including labour laws of the country. Any identified risks are dealt with corrective actions and closely monitored for progress at periodic frequencies.

We prohibit any form of child labour across all our plants. Moreover, we have started conducting contract labour engagement surveys to take feedback from our contractual workforce. This allows us to avoid any form of human rights violations. In addition to this, training is provided to all our security personnel on basic human rights and organizational policies and procedures. There is no complaint / grievances related to human rights during the reporting year.



K.K. Sharma, Whole Time Director - EHS

“We have integrated Safety in all our business activities and view it as a value to make it a way of life by building a strong safety culture across our organization.”

हाथ धान के पांच चरण

HRIRAM
DATION

साबुन से हाथ न धोने से फैलती है बीमारियाँ-दस्त, हैजा और पोलियो



साबुन के साथ हाथ गीले करें अँगुलियों के बीच अँगुठों को नाखूनों के अंदर पानी से धोएं

सबसे पहले होता है हाथ गीला,
फिर हाथ पे नाचे साबुन रंगीला.

हाथ से होता फिर हाथ का साथ,
फिर घुम के आगे पीछे खेले

अँगुलियों के बीच कर,

थाओ नाखूनों के अंदर कर.

हाथ के अंदर भी में धो,

क्योंकि हाथ से



Our Commitment to the Society



Empowering local communities lies at the core of our vision and we strongly believe that we can contribute towards creating enormous opportunities for inclusive socio-economic development of our country. Our endeavors have improved the quality of life of local communities through our community development programmes, which reflect our deep commitment to build a better future for our stakeholders. Our community development programmes focus on healthcare programmes that impact the overall socio-economic growth and empowerment of people, in line with the national and international development agendas. They are in line with Government schemes such as NURM, Janani Suraksha Yojana, Rashtriya Kishor Swasthya Karyakram and Integrated Child Development Services. Our sanitation programme is in alignment with the Government's Swachh Bharat Mission and supports the Swachh Vidyalaya Yojana. We focus on long-term programmes aligned with community needs and national priorities, including the Sustainable Development Goals (SDGs). All our community development programmes are governed by the DCM Shriram CSR policy.

We also undertake community consultation for our CSR projects. Through our effective community consultation process, we engage in continuous dialogue with the communities surrounding our plant. With the aim to design and implement our projects catering to the needs of our communities, we keep our communities informed about the progress of projects and work closely in collaboration with them throughout the lifecycle of our projects.

Our employees have also contributed towards building strong and inclusive communities through volunteering. DCM Shriram always proactively creates opportunities where its employees can connect and contribute. In FY 2021-22, INR 17.425 Crores were spent on CSR and INR 2.515 Crores set off for next financial year to help uplift communities' quality of life through various interventions. An overview of these programmes is provided below.

The new CSR Rules notified by the Ministry of Corporate Affairs in January 2021 has introduced significant changes to monitoring and evaluation of CSR activities, and utilization of CSR expenditure. The compliance requirements and emphasis on impact assessment in the new CSR rules has emphasized on greater accountability for CSR projects. DCM Shriram has adapted to the new compliance requirements and has partnered with eminent organizations for conducting the impact assessment of the CSR projects.

DCM Shriram's CSR committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR committee comprises three independent directors as on March 31st, 2021. The role of the CSR Committee of the Board is to provide a strategic direction to the Company's overall CSR objectives. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in creating sustainable CSR programmes. The Committee formulates reviews and monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company.

All our CSR projects are regularly monitored through third-party assessment of baseline and impact of CSR interventions with key indicators are assessed in its project areas every two-three years with the following objectives:

- Understanding the impact of our initiatives
- Understanding the impact and perception of the community in relation to the interventions undertaken
- Effectiveness of the project monitoring and evaluation along with identifying the gap areas for way forward.

The detailed CSR policy can be accessed here: <https://www.dcmshriram.com/csr-policy>



Aman Pannu, Head - Corporate Communications & CSR

“We at DCM Shriram Ltd. are committed to engage and work closely with our communities. We undertake programs covering thematic areas of Sanitation, Preventive Healthcare, Livelihood, Education and Environmental Sustainability with a focus to make a positive impact on the quality of life of our beneficiaries.”

Brief outline on CSR Policy of the Company

DCM Shriram is committed to playing a larger role to bring tangible difference in the lives of communities around its areas of operations. The Company complies with Section 135 of the Companies Act, 2013, Schedule VII and its approach is focused on long-term programs aligned with community needs and national priorities, there is also an alignment to SDGs for defining our CSR programs.

The CSR programs are implemented in the communities around our manufacturing locations with an Integrated Development Model. We work in the geographies of Hardoi & Lakhimpur districts of Uttar Pradesh, Kota district in Rajasthan and Bharuch district in Gujarat. The focus areas of our CSR programs are aligned with the policy of the company.

The Company's CSR thematic areas are



**Preventive Healthcare
& Sanitation**



**Education, Vocational
Skills, Livelihood**



**Environmental
Sustainability**



**Rural
Development**

A brief overview of the activities undertaken in FY 2021-22:



I. Preventive Healthcare & Sanitation – Khushali Sehat



Khushali Sehat is DCM Shriram's flagship CSR program on preventive healthcare and is aligned with SDG-3. The programme works primarily towards Mother and Child health focusing on Women's Reproductive Health with an objective to reduce IMR (Infant Mortality Rate) and MMR (Mothers Mortality Rate), combating child malnutrition, minimizing anemia in adolescent girls and promoting immunization and institutional deliveries. The program is undertaken in aligning with various Government schemes like PMMVY, JSY, RKSK and ICDS.

In 2021-22, Khushali Sehat program was implemented across 140 villages of Uttar Pradesh and 18 villages in Kota. The program was launched in 2011 in Hariawan and Lakhimpur Kheri districts of Uttar Pradesh and replicated & scaled in 18 villages of Kota, Rajasthan, in 2021. Our approach to Healthcare program is a more qualitative and holistic "wellness" centric approach which looks at ease of accessibility, affordability, and availability.

Awareness and sensitization services are provided to pregnant women & lactating mothers on maternal & child health, family planning and benefits of institutional deliveries. Additionally, adolescent girls are sensitized on adoption of better health & hygiene practices. Further, trainings on community health are provided to women of the villages through a cadre of Village Level Health Workers (VLWs), Sehat Saathis. During the year, Khushali Sehat program has made a direct impact on over 16,000 households, 3,500+ pregnant and lactating women and 5,500+ adolescent girls.

The Company also launched a Mobile Medical unit (MMU) covering the entire Hariawan block in UP with 58 Gram Panchayats. The MMU is equipped with a Gynecologist /Nurse/Pharmacist and Equipment for



Ante / Post Natal Check-up and some tests which are being conducted for diagnosis of high-risk pregnancies.

Through our healthcare programme we are also striving to counter malnutrition in villages of Hardoi and Lakhimpur Kheri Districts of Uttar Pradesh. Wholesome nutrition is an important factor in preventing maternal & infant morbidity/ mortality. The Company undertook a health screening camp to identify the undernourished population in the intervention villages in and identified 783 individuals under malnourished category. Our intervention aimed at providing of POSHAN Kits on a monthly basis to them. During the year we distributed over 3600 POSHAN kits. Along with POSHAN kits, our intervention ranged from the nutrition counseling on the adequate dietary intake, age-appropriate nutrition, complimentary feeding, and dietary diversity which are being given by our Village Level Health Workers. Besides these promotional health activities, with support of our on-ground NGO partners we were also able to link these beneficiaries with major nutrition supplementation programs including:

- 1) Integrated Child Development Services Scheme (ICDS)
- 2) Mid-day meal Programs (MDM)
- 3) Public Distribution System (PDS)

Sanitation - Khushali Swachhta



DCM Shriram's Sanitation program 'Khushali Swachhta' is implemented in 3 States, Gujarat, Rajasthan & Uttar Pradesh, in alignment with Govt. of India's Swachh Bharat Rural

Mission and supporting Swachh Vidyalaya Yojana. The program is linked with SDG-6. The company is running this program since 2014, started from the state of Uttar Pradesh and scaled-up and replicated in other districts of its operations i.e. Kota and Bharuch. In 2021-22, the Company worked extensively on creating awareness among community members on ODF+ which is also a phase 2 of Swachh Bharat Mission.

- Solid Waste Management: Awareness about solid waste management and open defecation. 600+ Community meetings held covering 6000 people on personal hygiene, ODF and composting around Sugar factories. Over 30,000+ community members benefitted through Sanitation awareness activities in Kota.
- Composting: Sanitation is also promoted through Composting as a means in our intervention villages of UP. The objective is to ensure utilization of 100 % wet waste in composting. The community was made aware on both pit and without pit methods. 50 Bio-decomposer solutions were provided to the villages for converting garbage into bio fertilizer.
- Shefrol Technology: The Company also commissioned first Sewage treatment facility in Hariawan village, UP which is in a pond using Shefrol Technology in partnership with university of Pondicherry. Aquatic plants are used in the Pond for making the water in the pond fit for irrigation purpose. The facility helps in treating 100 KLD sewage water coming from 180 HH.
- Construction of School Toilets: 113 school toilet blocks constructed across Kota, Hardoi and



Lakhimpur Kheri districts. Till 2021-22, 522 school toilet blocks have been constructed across locations.

- Construction of Household Toilets: 40 Household Toilets were constructed in Bharuch. So far, 428 households' toilets have been constructed in Bharuch in 19 villages.



II. Education, Vocational skills, Livelihood



Education – Khushali Shiksha

DCM Shriram strives to improve learning level of students studying in class 1 to 5. The focus of Khushali Shiksha is not just on age-and-grade-appropriate learning in curricular subjects such as language, science and mathematics; it is also on leveraging 21st century skills such as critical thinking, problem solving, collaborative learning and the use of technology to promote learning. The program is linked with SDG – 4 Quality Education.

Through this intervention the Company is engaging with students of 100 Government primary schools in Hardoi and Lakhimpur districts of Uttar Pradesh. 70 digital Tablets are used in communities with the aim of providing access to digital technology and online content which will help provide a wider set of learning opportunities to children. In 2021-22, over 4,029 children reached through 549 volunteers. Additionally, the concept of Mothers Groups was used to teach Grade 1-2 children with a focus on

school readiness, 312 Mothers Groups were created with 1186 Mothers. Phase 2 of Learning camps were organized for Grades 3-5 in schools and 3000 children were reached across 40 units. Volunteer Led Classes were organized as Mohalla level learning camps for Grade 3-6, these camps ran up to 1.5 hours/day for 4 weeks each and 3000 children were reached through the same.

Shriram Scholarships were distributed to promote education and also to motivate/ support meritorious girls of Government ITI Kota, Women ITI Polytechnic College, Govt. Colleges, Engineering College and Kota University to pursue higher education in the desired fields/ streams in Kota and Bharuch districts. During the year 2021-22, 268 Scholarships were distributed across Kota and Bharuch.

Livelihood Program – Jeetega Kisaan

Agri-skilling and Livelihood program - Jeetega Kisaan is layered on our Water Conservation Program. This program strives to achieve the targets of SDG 1 – No Poverty and SDG 2 – Zero Hunger. It aims to help small & marginal farmers increase their productivity and income by providing them training on better package of practices, introducing high value crops as part of their crop cycle and helping create market linkages for their crops.

To link farmers with the Government schemes, the Company partnered with Haqdarshak and worked with farmer communities helping them in getting the access to Govt. schemes i.e. DBT Schemes/ Indirect Schemes under which the benefit was unlocked. Total of 942 Jeetega Kisaan Farmers were screened for Govt. schemes and value unlocked was INR 1.30 Crores in 2021-22.



In 2021-22, we have formed a Farmer Producer Organization (FPO) which has been registered & licensed as part of Jeetega Kisaan Program to help farmers on both the input and output side for 18 villages of Kota. The Company Scaled-up its Jeetega Kisaan Program and started a Sustainable Paddy/Wheat Program under Jeetega Kisaan program for 2000 farmers in 46 villages of Chopan & Robersganj block of Sonbhadra District of Uttar Pradesh with IFC as our knowledge partner and ISAP as the implementation partners.

In Bharuch, the Company partnered with BAIF and launched a program on Animal Husbandry with a focus on Cattle development through Artificial Insemination in 11 villages. The program aims to provide quality breeding and other support services at the door step of the milk producers & farmers of Jhagadia block in Bharuch District through a Cattle Development Center. BAIF Livelihoods has helped 310 farmers by providing breeding services which will have improved progenies through Artificial Insemination. Total of 78 farmers have confirmed pregnancy for the cattle post insemination in 2021-22. Also the program supports in integrated livestock development services like ensuring availability of green fodder, de-worming and vaccination of the cattle.

Vocational Skills – Khushali Rozgar



which provides vocational training to the rural women

Silai School: Sustainable income sources for women are created through this program in our project villages. 153 women were trained in the 'Silai School' at Loni and Ajbapur



and girls in stitching and tailoring related work. Out of 153, 13 are placed and 93 are self employed. The Company is also running a program for rural artisans of Hardoi & Lakhimpur Kheri District in UP - Project Zar-Dozi.

Kaushal Vikas Kendra: in 2021-22 the Company partnered with S&S Care Academy to start mobile, Computer & Laptop repair training centre. The initiative is aligned with SGD 8 – Decent work and Economic Growth. The program aims to contribute to the overall objective of Skill Development by providing training to the rural youth and help them generate a source of income. 100 students were trained during the fiscal and 45 students have been placed so far.



III. Environmental Sustainability - Khushali Paryavaran



Water Conservation continues to be a focus area for our CSR programs under Environment

Sustainability. The program is directly linked with SDG 6 – Clean Water and Sanitation. Water Conservation efforts were conceptualized to ensure availability of sufficient water for irrigation, drinking & livestock, reducing the depletion of ground water and for raising the socio-economic status of the nearby villagers. The company has rejuvenated 12



ponds in 2021-22 at Hardoi, Lakhimpur Kheri in UP and at Bharuch in Gujarat.

In 2021-22, the Company partnered with Tarun Bharat Sangh with an objective to create a holistic and community-driven integrated watershed management program. 13 Rain water harvesting structures were identified in 7 villages of Ladpura district which would create water security for approximately 5000 people. This would create an additional surface water capacity of estimated 1.8 billion (180 Crores) litres every year which would be renovated for rainwater conservation and domestic purposes. So far 2 structures have been renovated as part of this program.

The Company is conscious of the need to maintain right ecological balance and has created green belts around its areas of operations. Over 50,000 saplings planted in community areas of Hardoi and Lakhimpur districts. The saplings include Shisham, Kanji, Jamum, Katahal, Amla, Chitwan, Aam, Shagaun, etc.



IV. Rural Development

An integrated Rural Development Model works simultaneously on all facets impacting rural life. Interventions in livelihoods, health, education, infrastructure and WASH interlock to push people up the development curve. The Company is implementing this model with a focus to improve quality of life for the communities around areas of operations. The program is implemented in partnership with the local

populace, and in collaboration with state governments, NGOs, knowledge institutions and allied partners, it is creating a blueprint for model villages.

The Company has undertaken focused infrastructure development activities in select villages of areas around its operations. These infrastructure Development activities include providing Safe drinking water facilities, upgradation of anganwadi, Schools, Panchayat Bhawans, interior village roads etc. In 2021-22, the Company installed 1 Water ATM to provide safe drinking water to the community, constructed a bus stand and initiated the work for Community hall in Bharuch, provided solar lighting etc. The Company also undertook need assessment for its 19 focus villages in Bharuch.

COVID-19 Relief

DCM Shriram stepped up its efforts to combat the third wave of COVID-19 in its surrounding communities. The COVID-19 pandemic has been a very challenging period for Indians and the global community. During these times, CSR has attained a new level of providing effective aid to various stakeholders in the process of achieving sustainable development. The Company considers that Frontline workers especially in the healthcare sector have been critical for delivering healthcare facilities to the society in general.

As part of COVID-19 relief support we followed a four-pronged strategy to mitigate the devastating impact of the pandemic:

1. Augmenting critical supplies to Government Hospitals – Hand Sanitizer, PPE Kit, N95 Masks etc.
2. Stepping up vaccination drives and Capacity building of rural healthcare workers.



3. Facilitating supply of critical needs such as oxygen by installing oxygen plants.
4. Focused intervention on prevention of COVID-19 infection in communities by creating awareness.

Augmenting Critical Supplies:

- Installed 6 Oxygen generation plants of 10m3/hr capacity at Bharuch and Ankleshwar, District Hospitals
- Installed two Oxygen generation plant of 10m3/hr capacity at Hardoi, District Hospital and one 20m3/hr capacity plant at CHC Rohania, Rai Bareilly
- Provided 100 Oxygen Concentrators to District Administration & Medical College, Kota
- Provided technical support towards commissioning and setting up the pipeline for the Oxygen Generation Plant at Medical College, Kota
- PPE Kits/ N95 masks/Oxygen Concentrators and other resource support to CHC/PHCs in Kota, Bharuch and Hardoi/ Lakhimpur Kheri

Capacity Building of ASHA, AWW and ANMs on COVID-19 Management

- The Company partnered with UN Women, SEEDS Impact, Population Foundation of India, Local health department in Hariawan Block and Ladpura Block to train ASHA/ ANM/ AWW with an increased focused on mobilization towards the Vaccination drive for COVID-19
- Over 350 ASHA, AWW and ANMs along with our 20 VLWs were trained on COVID Appropriate Behaviour (CAB)/ Vaccination Awareness.
- Across 4 sugar units, 60 Temperature Guns and Oximeter were donated to the ASHAs and VLWs of 44 villages for better management of COVID-19.

COVID-19 Awareness Campaigns: (All Age Group)

Mass awareness campaigns and mobilization for COVID-19 vaccinations were undertaken across locations in Hardoi and Lakhimpur Kheri districts of UP, Kota in Rajasthan and Bharuch in Gujarat. Overall intervention has impacted over 10,000 plus households. The campaign is supported through various communication channels as mentioned below:

- In the first step, VLWs/ASHA/ AWW trained on COVID vaccination/ FAQs/Myths etc.
- IEC material displayed in villages and also disseminated via WhatsApp
- Sehat Saathi's (Village Level health Workers) helped the community in registrations of vaccination in partnership with local health department.
- Door-to-door visits were undertaken for mobilizing people and encouraging the eligible population to undertake the COVID-19 vaccine. Sehat Saathi's also helped people in registrations who were eligible for their second dose and a booster dose for senior citizens.
- An awareness vans with speakers moved around the villages promoting the messages regarding COVID-19 Vaccine and helping in busting myths around the same.
- In Kota, to promote the vaccine among 15-18 years children, COVID-19 Vaccine awareness van was flagged off in presence of Mr. Gajendra Singh, Additional Commissioner, Nagar Nigam, Kota. The van covered over 1800 households creating awareness among 15-18 years children and helped them registering themselves.
- Through our Vaccination Drive/ Vaccine Hesitancy Awareness campaign - 37,000 + people got vaccinated via camps for the 1st Dose, which is 97% of the total eligible population in our 63 intervention villages across Hardoi, Lakhimpur Kheri and Bharuch districts and over 90% for the 2nd Dose.

Composition of CSR committee

The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR Committee comprises three independent directors as on 31st March, 2022..

Details of the CSR Committee are as follows:

S. No.	Name of the director	Designation / nature of directorship	CSR Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ajay S Shriram	Chairman and Senior Managing Director	Chairman	2	2
2	Mr. Vikram S Shriram	Vice-Chairman and Managing Director	Member	2	2
3	Mr. Ajit S Shriram	Joint Managing Director	Member	2	2
4	Mr. Sunil Kant Munjal	Non Executive Independent Director	Member	2	1
5	Justice (Retd.) Vikramajit Sen	Non Executive Independent Director	Member	2	1
6	Mr. Pravesh Sharma	Non Executive Independent Director	Member	2	2

The role of the CSR Committee of the Board provides strategic direction to the Company's overall CSR objectives. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable CSR programs. The Committee formulates reviews and monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company. The Committee also reviews the Business Responsibility Report of the Company.

The web links where composition of CSR committee and CSR projects approved by the board are disclosed on the website of the company:

- The composition of the CSR committee is available on our website, at

<https://www.dcmshriram.com/csr-committee>

- The Board, based on the recommendation of the CSR committee, at its meeting held on May 4, 2022, has approved the annual action plan / projects for fiscal 2023, the details of which are available on our website, at

<https://www.dcmshriram.com/csr-budget>

Impact assessment of CSR projects

The Company undertakes regular monitoring of all its CSR initiatives, and these include periodic third-party assessment of baseline and impact of CSR interventions with key indicators in its areas of operation based every two-three years.

In line with this, in 2021-22, CII was appointed by DCM Shriram towards third party assessment with the following objectives:

- Understanding the impact of DCM Shriram's Sanitation initiative running by the name of Shriram Swachhagraha, across the intervention villages of Kota district in Rajasthan, Bharuch district in Gujarat and Hardoi & Lakhimpur Kheri districts in Uttar Pradesh.
- Understanding the impact and perception of the community in relation to the interventions undertaken for the Sanitation program.
- Effectiveness of the project monitoring and evaluation along with identifying the gap areas for way forward

The assessment undertaken for Shriram Swachhagraha program was for the period of 2018-2021. The

evaluation was undertaken using a mixed methodology, which involved both, qualitative and quantitative data collection. The assessment undertaken by CII collected information in the form of Household (HH) surveys, focus group discussions, village level observations, joint consultations and workshops, Key Informant Interviews (KIIs).

Some of the key highlights of the assessment were:

The assessment undertaken showed a noticeable change in the program indicators.

1. Construction of Household Toilets had a direct impact on Quality of life of the community members. A direct impact was observed on health, education and on access, dignity and safety for women in the community. 67% women mentioned that household toilet construction has improved convenience and privacy followed by safety.
2. Construction of school toilets had a direct impact on reducing the absenteeism among students and students also mentioned that they have stopped going back to their respective homes since the time toilets have been constructed in the schools. 91% students agree that the toilets present in the school are hygienic.
3. 100% students showed knowledge about proper hand wash technique and knowledge on washing hands pre and post eating and pre and post using toilets.
4. It was observed through FDGs, that the Menstruation hygiene program broke the menstruation related taboo and myths. Girls are more open to discuss issues at home. Teachers know how to help adolescent girls with MHM which has reduced absenteeism amongst girls since they no longer feel the need to go home during their menstrual cycles.
5. It was observed that, the Behaviour change activities undertaken by the Company in partnership with NGO partners have led to greater awareness among community at large and among schools. Students are acting like a change agents and peer educators as they take information home and also make their peers educated about self-hygiene and its benefits.

6. Below efforts were well appreciated by majority of stakeholders:

- Formation of Swachhata Kosh (Sanitation fund) raised by the SMC and the community
- Swachhata Monitoring Boards set up in all the schools to help regularize the habits of cleanliness through the Child cabinets
- Availability of Green Workers' who go regularly to maintains the toilet blocks
- Soap banks developed by child cabinet to ensure regular hand washing habit

7. It was also highlighted that as per the objective of the program, it has succeeded in creating awareness among the target beneficiaries. In addition, good practices undertaken for making the program sustainable were highlighted through the formation of Child Cabinets, SMC and Teachers training on regular intervals.

The Company undertook new projects in areas which were relevant for stakeholders which are in a project mode, ensuring that the projects are implemented with proper timelines. The budget is carried forward for ongoing projects are transferred to Unspent CSR Account as per section 135(6). The Company faced design and execution challenges that were not anticipated due to the COVID-19 situation.

As part of our CSR policy, we believe in partnering with government agencies, development organizations, corporate, civil societies and community-based organizations to implement durable and meaningful initiatives.

CSR programs are implemented through its own foundation DCM Shriram Foundation and other implementing agencies which were identified and selected through a comprehensive due diligence process. The Company has partnered with eminent NGOs / Trusts such as MAMTA – HIMC, BAIF, FINISH Society, ISAP, Gram Swaraj Mission, Vinobha Sewa Ashram, Akshaya Patra Foundation, Pratham Education Foundation, etc.

COVID-19 Relief Initiatives

The onset of the pandemic has devastated many of the urban centers and challenged the state-of-the-art health systems of the largest cities in our country. The sharp surge in COVID-19 cases across the country overwhelmed the health infrastructure in the urban as well as rural areas. The impoverished population of our country who have limited or no access to the internet, faced pressing issues even in accessing online classes for pursuing education. As a responsible business entity, we have initiated several activities to mitigate the effects of COVID-19 crisis with agile responses. We have recalibrated our Healthcare, Sanitation and Education programmes to cater to the communities surrounding our areas of operations. In FY 2020-21, the Company had set up INR 15 Crore COVID-19 contingency fund, from which INR 10 Crore was donated to the PM CARES Fund and the balance (INR 5 Crore) was committed for initiatives taken up under CSR to help communities in kind and for contribution to relief funds of State Governments. The following initiatives were undertaken to combat the pandemic situation:

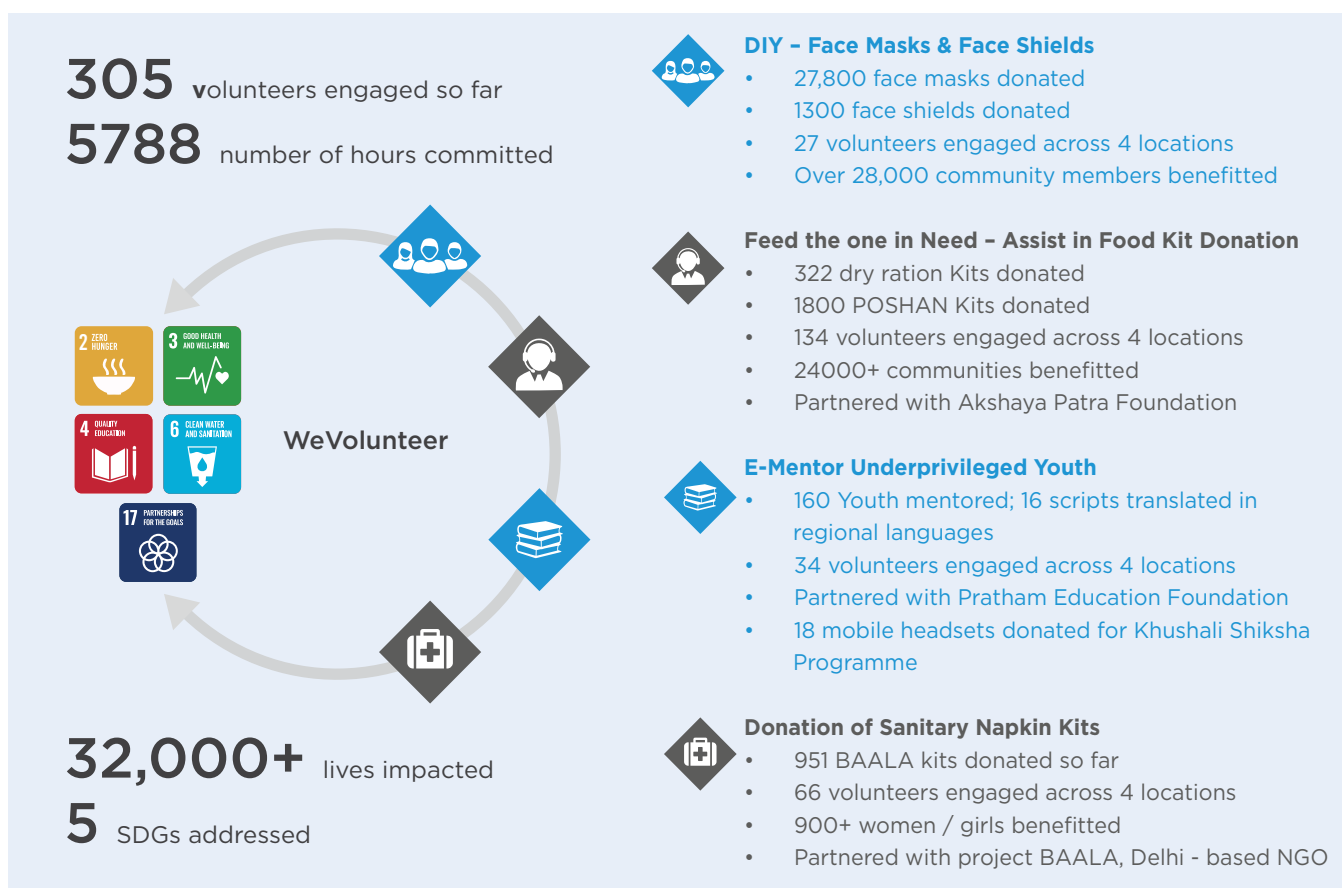
- Repurposed our factory in Kota to produce sodium hypochlorite, donated approximately 12 lakh litres

of sodium hypochlorite collectively to Rajasthan, Gujarat, UP, MP and Delhi.

- Produced hand sanitizers in two distilleries at Hariawan and Ajbapur in Uttar Pradesh, of which approximately 10,000+ litres were donated to the communities, community health centers and district administration.
- Partnered with Tata Trusts for resource support to supply hand sanitizer and sodium hypochlorite for a period of six months, in the Government hospitals of Gonda and Noida which have been upgraded as COVID-19 hospitals by Tata Trusts.
- Donated Sodium Hypochlorite and Hand Sanitizer to Bharti Foundation for sanitization purposes in 164 schools run across 4 states by the foundation.
- Part funded Gurugram Medeor, a not-for-profit hospital exclusively dedicated to treating COVID-19 that was set up in Gurugram.

Employee Volunteering

DCM Shriram started an in-house virtual employee volunteering program – WeVolunteer. Its impact is showcased as follows:



GRI Content Indexing

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
ORGANISATIONAL PROFILE			
102-1	Name of the organisation	Company profile	7
102-2	Activities, brands, products, and services	Business portfolio and presence	12
102-3	Location of headquarters	Company profile	7
102-4	Location of operations	Company profile	7
102-5	Ownership and legal form	Company profile	7
102-6	Markets served	Company profile	7
102-7	Scale of the organisation	Company profile	7
102-8	Information on employees and other workers	Our People	75
102-9	Supply chain	Supply chain management	41
102-10	Significant changes to the organisation and its supply chain	Not applicable	
102-11	Precautionary Principle or approach	Risks and opportunities management	37
102-12	External initiatives	Our commitment to the society	86
102-13	Membership of associations	Company profile: Membership of industrial associations	8
STRATEGY			
102-14	Statement from senior decision-maker	Message from the Chairman	4
102-15	Key impacts, risks, and opportunities	Risks and opportunities management	36-38
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behaviour	Management philosophy	9-10
102-17	Mechanisms for advice and concerns about ethics	Corporate governance	30
GOVERNANCE			
102-18	Governance structure	Corporate governance	28
102-19	Delegating authority	Corporate governance	28
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate governance	28
102-21	Consulting stakeholders on economic, environmental, and social topics	Materiality and stakeholder engagement: Stakeholder consultation	20
102-22	Composition of the highest governance body and its committees	Corporate governance	29
102-23	Chair of the highest governance body	Corporate governance	28
102-24	Nominating and selecting the highest governance body	Corporate governance	29
102-25	Conflicts of interest	Code of Conduct	30
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate governance	28
102-27	Collective knowledge of highest governance body	Corporate governance	28
102-28	Evaluating the highest governance body's performance	Corporate governance	29
102-29	Identifying and managing economic, environmental, and social impacts	Risks and opportunities management	35

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
102-30	Effectiveness of risk management processes	Risks and opportunities management	36
102-31	Review of economic, environmental, and social topics	Materiality and stakeholder engagement	22
102-32	Highest governance body's role in sustainability reporting	Message from the Chairman	5
102-33	Communicating critical concerns	Materiality and stakeholder engagement	22
102-34	Nature and total number of critical concerns	Materiality and stakeholder engagement	20
102-35	Remuneration policies	Corporate governance	29
102-36	Process for determining remuneration	Corporate governance	29
102-37	Stakeholders' involvement in remuneration	Corporate governance	29
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Materiality and stakeholder engagement	20
102-41	Collective bargaining agreements	Our People: Protecting human rights	84
102-42	Identifying and selecting stakeholders	Materiality and stakeholder engagement	19
102-43	Approach to stakeholder engagement	Materiality and stakeholder engagement	20
102-44	Key topics and concerns raised	Materiality and stakeholder engagement	20
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	About the report	2
102-46	Defining report content and topic Boundaries	About the report	2
102-47	List of material topics	Materiality and stakeholder engagement	22
102-48	Restatements of information	Not applicable	
102-49	Changes in reporting	Not applicable	
102-50	Reporting period	About the report	2
102-51	Date of most recent report	About the report	2
102-52	Reporting cycle	About the report	2
102-53	Contact point for questions regarding the report	About the report	2
102-54	Claims of reporting in accordance with the GRI Standards	About the report	2
102-55	GRI content index	GRI Content Indexing	97
102-56	External assurance	About the report	2

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
ECONOMIC			
ECONOMIC PERFORMANCE			
103	Management Approach	Economic Performance	31
201-1	Direct economic value generated and distributed	Economic Performance	32
201-2	Financial implications and other risks and opportunities due to climate change	Risks and opportunities management	37
201-3	Defined benefit plan obligations and other retirement plans	Economic Performance	33
MARKET PRESENCE			
103	Management Approach	Company profile	7
INDIRECT ECONOMIC IMPACTS			
103	Management Approach	Our commitment to the society	86
203-1	Infrastructure investments and services supported	Our commitment to the society	88-92
203-2	Significant indirect economic impacts	Our commitment to the society	87
PROCUREMENT PRACTICES			
103	Management Approach	Supply chain management	42
204-1	Proportion of spending on local suppliers	Supply chain management	42
ENVIRONMENTAL			
MATERIALS			
103	Management Approach	Waste management	57
301-1	Materials used by weight or volume	Waste management	57
301-2	Recycled input materials used	Waste management	57
ENERGY			
103	Management Approach	Energy management	48
302-1	Energy consumption within the organisation	Energy management	48
302-3	Energy intensity	Energy management	48
302-4	Reduction of energy consumption	Energy management	48
WATER & EFFULENTS			
303-1	Management Approach - Interactions with water as a shared resource	Water management	51
303-2	Management Approach - Management of water discharge-related impacts	Water management	53
303-3	Water withdrawal	Water management	53
303-4	Water discharge	Water management	54
303-5	Water consumption	Water management	53
BIODIVERSITY			
103	Management Approach	Biodiversity management	69
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity management	69
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity management	69
304-3	Habitats protected or restored	Biodiversity management	69

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
EMISSIONS			
103	Management Approach	Emission management	48
305-1	Direct (Scope 1) GHG emissions	Emission management	48
305-2	Energy indirect (Scope 2) GHG emissions	Emission management	48
305-4	GHG emissions intensity	Emission management	48
305-5	Reduction of GHG emissions	Emission management	48-49
305-7	Nitrogen oxides (NOX), Sulphur Oxides (SOX), and other significant air emissions	Emission management	48
WASTE			
306-1	Management Approach - Waste generation and significant waste-related impacts	Waste management	57
306-2	Management Approach - Management of significant waste-related impacts	Waste management	57
306-3	Waste generated	Waste management	57
306-4	Waste diverted from disposal	Waste management	57
306-5	Waste directed to disposal	Waste management	57
ENVIRONMENTAL COMPLIANCE			
103	Management Approach	Environmental compliance	72
307-1	Non-compliance with environmental laws and regulations	Environmental compliance	72
SOCIAL			
EMPLOYMENT			
103	Management Approach	Our People	75
401-1	New employee hires and employee turnover	Our People	75-76
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People: Employee well-being	80
401-3	Parental leave	Our People: Employee well-being	80
LABOR MANAGEMENT RELATIONSHIPS			
103	Management Approach	Our People: Protecting human rights	84
402-1	Minimum notice periods regarding operational changes	Our People: Protecting human rights	84
OCCUPATIONAL HEALTH AND SAFETY			
403-1	Management Approach- Occupational health and safety management system	Our People: Employee Health and Safety	80
403-2	Management Approach- Hazard identification, risk assessment, and incident investigation	Our People: Employee Health and Safety	81
403-3	Management Approach - Occupational health services	Our People: Employee Health and Safety	82
403-4	Management Approach - Worker participation, consultation, and communication on occupational health and safety	Our People: Employee Health and Safety	81
403-5	Management Approach - Worker training on occupational health and safety	Our People: Employee Health and Safety	83

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
403-6	Management Approach - Promotion of worker health	Our People: Employee Health and Safety	83
403-7	Management Approach - Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our People: Employee Health and Safety	81-84
403-8	Workers covered by an occupational health and safety management system	Our People: Employee Health and Safety	81
403-9	Work-related injuries	Our People: Employee Health and Safety	82
403-10	Work-related ill health	Our People: Employee Health and Safety	82
TRAINING AND EDUCATION			
103	Management Approach	Our People: Learning and Development	76
404-1	Average hours of training per year per employee	Our People: Learning and Development	77
404-2	Programs for upgrading employee skills and transition assistance programs	Our People: Learning and Development	77
404-3	Percentage of employees receiving regular performance and career development reviews	Our People: Learning and Development	77
DIVERSITY AND EQUAL OPPORTUNITY			
103	Management Approach	Our People: Diversity and equal opportunity	75
405-1	Diversity of governance bodies and employees	Corporate Governance Our People: Diversity and equal opportunity	29, 75
405-2	Ratio of basic salary and remuneration of women to men	Our People: Diversity and equal opportunity	76
NON DISCRIMINATION			
103	Management Approach	Our People: Diversity and equal opportunity	76
406-1	Incidents of discrimination and corrective actions taken	Our People: Diversity and equal opportunity	76
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
103	Management Approach	Our People: Protecting human rights	84
CHILD LABOR			
103	Management Approach	Supply Chain Management, Our People: Protecting human rights	42, 84
408-1	Operations and suppliers at significant risk for incidents of child labour	Supply Chain Management, Our People: Protecting human rights	42, 84
FORCED OR COMPULSORY LABOR			
103	Management Approach	Supply Chain Management, Our People: Protecting human rights	42, 84
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supply Chain Management, Our People: Protecting human rights	42, 84

GENERAL DISCLOSURES		Report Section / Explanation	Page Number
Disclosure	Disclosure Title		
HUMAN RIGHTS ASSESSMENT			
103	Management Approach	Our People: Protecting human rights	84
412-1	Operations that have been subject to human rights reviews or impact assessments	Our People: Protecting human rights	84
412-2	Employee training on human rights policies or procedures	Our People: Protecting human rights	84
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Supply Chain Management, Our People: Protecting human rights	42, 84
LOCAL COMMUNITIES			
103	Management Approach	Our commitment to the society	87
413-1	Operations with local community engagement, impact assessments, and development programs	Our commitment to the society	88-92
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable	
SUPPLIER SOCIAL ASSESSMENT			
103	Management Approach	Supply Chain Management	42
414-1	New suppliers that were screened using social criteria	Supply Chain Management	42
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	42
CUSTOMER HEALTH AND SAFETY			
103	Management Approach	Customer relationship management	40
416-1	Assessment of the health and safety impacts of product and service categories	Customer relationship management	40
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer relationship management	40
MARKETING AND LABELING			
103	Management Approach	Customer relationship management	40
417-1	Requirements for product and service information and labelling	Customer relationship management	40
417-2	Incidents of non-compliance concerning product and service information and labelling	Customer relationship management	40
CUSTOMER PRIVACY			
103	Management Approach	Customer relationship management	40
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer relationship management	40
SOCIOECONOMIC COMPLIANCE			
103	Management Approach	Corporate governance	29
419-1	Non-compliance with laws and regulations in the social and economic area	Corporate governance	30



**KPMG Assurance and Consulting Services
LLP**
Building No. 10, 4th Floor, Tower-B & C
DLF Cyber City, Phase - II
Gurugram - 122 002 (India)

Telephone: +91 124 336 9000
Fax: +91 124 336 9001
Internet: www.kpmg.com/in
Email: indiawebsite@kpmg.com

Independent Limited Assurance Statement to DCM Shriram Limited on select Non-financial Sustainability Disclosures of Sustainability Report FY 2021-22

To the Management of DCM Shriram Limited,
2nd Floor, (West Wing),
Worldmark 1, Aerocity,
New Delhi - 110037
India.

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by DCM Shriram Limited ('DCM' or 'the Company') for the purpose of providing an independent limited assurance on selected non-financial disclosures presented in the Sustainability ('the Report') for the reporting period from 1st April 2021 to 31st March 2022. Our responsibility was to provide limited assurance on selected non-financial disclosures in the Report as described in the scope, boundary, and limitations.

Reporting Criteria

The Company applies non-financial performance criteria for developing its report derived from the following:

- Global Reporting Initiative (GRI) Standards "in accordance – Core option".

Assurance standards used

We conducted the assurance in accordance with

- Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information, to select non-financial sustainability disclosures in the Report.
 - Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality, and understandability.
 - Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

Boundary Scope, and Limitations

The following is covered under the scope and boundary of the assurance engagement:

- The scope of assurance covers the non-financial performance data as presented in the DCM's Sustainability Report for the period of 01 April 2021 to 31 March 2022, as per the table below.
- Following selected non-financial sustainability disclosures in 'the Report' were subjected to limited assurance:

GRI Standards: Topic Specific Standards: Environmental
<ul style="list-style-type: none"> Energy (2016): 302-1, 302-3, 302-4 Water (2018): 303-3, 303-4, 303-5 Emissions (2016): 305-1, 305-2, 305-4, 305-5, 305-7.
GRI Standards: Topic Specific Standards: Social
<ul style="list-style-type: none"> Employment (2016): 401-1 Occupational Health and Safety (2018): 403-1, 403-2, 403-5, 403-9, 403-10. Training and Education (2016): 404-1

- The boundary of the report includes the data and information from DCM sites as mentioned in the Report section – Reporting Boundary
- Data review and validation for the following sites was performed through physical site visits:
 - Hariawan (UP)
 - Bharuch (Gujarat)
 - Kota (Rajasthan)
- Data review and validation for the following site was performed remotely using screen sharing tools: Hyderabad (Telangana)



Limitations

The assurance scope excludes following:

- Data related to Company's financial performance.
- Data and information outside the defined reporting period.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Strategy, regulatory compliance, and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- Aspects of the Report other than those mentioned under the scope above.

Assurance procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing, and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report to design assurance procedures that are appropriate in the circumstances.

Our assurance procedures also included:

- Assessment of DCM's reporting procedures regarding their consistency and relevance with the application of GRI Standards.
- Evaluating the reliability and appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of systems and procedures, from the perspective of completeness, used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by the Company for data analysis.
- Discussions with the personnel at the corporate and business unit level responsible for the data and information presented in the Report.
- Assessment of data reliability and accuracy.

Appropriate documentary evidences were reviewed on sampling basis to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to the sensitive nature of the information, our team reviewed the same with the relevant authority at respective sites and at the corporate office.

Conclusions

We have reviewed the select non-financial sustainability disclosures in the Sustainability Report of DCM Shriram Limited as mentioned in the scope above, for the reporting period from 01st April 2021 to 31st March 2022.

Based on our limited review and procedures performed, nothing has come to our attention that causes us not to believe that the sustainability data and information, as per the scope of assurance mentioned above, presented in the Report is appropriately stated in material aspects, and is in line with the reporting requirements of the GRI Standards.

We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social, and economic information in line with the requirements of the ISAE 3000 (revised) standard. Our work was performed in conformance to the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard on Quality Control (ISQC) 1 and the practitioner complies with the applicable independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) code.

Responsibilities

DCM is responsible for developing the Report contents. DCM is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of DCM in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might







state to DCM those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DCM for our work, for this Report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to DCM Shriram Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

A handwritten signature in blue ink, appearing to read 'Apurba Mitra', with a long horizontal stroke extending to the right.

Apurba Mitra
Associate Partner
KPMG Assurance and Consulting Services LLP
Dated: 26 August 2022

ANNEXURE - 1

Sustainable Development Goals	Initiatives/ Program Undertaken
	<p>Meetha Sona Program for improving farm productivity and enhancing income among small and marginal sugarcane farmers</p> <p>Providing direct and indirect employment opportunities in rural and urban areas in plant operations and business activities improving the quality of life</p>
	<p>Farm productivity improvement programs through farmer education</p> <p>Development of seeds that sustain stressed weather conditions</p> <p>Use of fertilisers and nutrients in increasing farm productivity</p> <p>Rainwater harvesting initiatives inside and outside the fence for sustainable agriculture and business sustainability</p>
	<p>Khushali Sehat - Preventive health program for women and infants</p> <p>Regular health checks of employees and organising health awareness campaigns and camps for communities</p>
	<p>Supporting infrastructure in schools to improve education</p>
	<p>School Sanitation and Health program</p> <p>ODF Village - supporting construction of Individual Household Toilets</p> <p>Water ATMs for safe drinking water in villages</p> <p>STP & ETP installation at all manufacturing sites for treating wastewater to ensure clean water</p>
	<p>Enhancing agri productivity, improving farmers income</p> <p>Various initiatives at all our facilities and offices, maintaining best EHS standards which is key to the growth of our businesses. We value human assets and believe their contribution in economic growth is paramount.</p> <p>Providing opportunities for job creation through proposed expansions at our manufacturing sites and offices.</p> <p>Supporting creation of better rural Infrastructure by developing model villages</p>
	<p>Infrastructure support in schools to promote education for all</p> <p>Equal opportunity through job creation at various sites and offices</p>

Sustainable Development Goals	Initiatives/ Program Undertaken
	Code of conduct for our suppliers, contractors and vendors with highest degree of ethics and trust
	Information relating to safe handling and directions of use of products is provided to customers through product information on the product label
	Initiatives to conserve natural resources such as water and energy across the value chain of product
	Water conservation initiatives inside and outside the fence
	Waste recycling/reduction initiatives
	Use of biomass and solar energy as non-conventional energy sources
	Fly ash utilization in cement and brick manufacturing
	Tree plantation inside and outside plant premises
	Through Company's values, code of conduct and other policies, indirectly contribute in reducing violence, exploitation and abuse. Thus, promoting a peaceful and just society
	Partnership with implementing organisations for various CSR programs
	Collaboration and participation as active members in various government and non-government organisations and associations

ANNEXURE - 2

Alignment to UNGC Principles

UNGC Principles	Category	Descriptions	Page No
Principle 1	Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	84
Principle 2		Businesses should make sure that they are not complicit in human rights abuses	84
Principle 3	Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	84
Principle 4		Business should uphold the elimination of all forms of forced and compulsory labour	42, 84
Principle 5		Business should uphold the effective abolition of child labour	42, 84
Principle 6		Business should uphold the elimination of discrimination in respect of employment and occupation	76, 84
Principle 7	Environment	Businesses should support a precautionary approach to environmental challenges	35-36, 47, 51, 68, 72
Principle 8		Business should undertake initiatives to promote greater environmental responsibility	44-47, 72
Principle 9		Businesses should encourage the development and diffusion of environmentally friendly technologies	48-49, 53-54, 57
Principle 10	Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	15, 42

LIST OF ABBREVIATIONS

BRSR	:	Business Responsibility and Sustainability Reporting
CII	:	Confederation of Indian Industry
CPU	:	Condensate Polishing Unit
CSR	:	Corporate Social Responsibility
EHS	:	Environment, Health & Safety
ERM	:	Enterprise Risk Management
ESG	:	Environmental Social and Governance
GHG	:	Greenhouse Gas
GRI	:	Global Reporting Initiative
GT	:	Giga Tonnes
IBBI	:	India Business Biodiversity Initiative
IFA	:	International Fertilizer Association
ISO	:	International Organization for Standardization
JV	:	Joint Venture
KLD	:	Kilolitres Per Day
KW	:	Kilowatt
LDR	:	Lost Day Rate
LTIR	:	Lost Time Injury Rate
LTIFR	:	Lost Time Injury Frequency Rate
MCM	:	Million Cubic Metre
MEE	:	Multi-Effect Evaporators
MSDS	:	Materials Safety Data Sheet
MT	:	Metric Tonnes
NABET	:	National Accreditation Board for Education and Training
NVG	:	National Voluntary Guidelines
PAT	:	Profit After Tax
POSH	:	Prevention of Sexual Harassment
PPC	:	Pozzolona Portland Cement
PVC	:	Poly Vinyl Chloride
REACH	:	Registration, Evaluation, Authorisation and Restriction of Chemicals
RO	:	Reverse Osmosis
SA	:	Social Accountability
SAC	:	Shriram Alkali & Chemicals
SAP	:	Systems, Applications and Products in Data Processing
SDGs	:	Sustainable Development Goals
SEBI	:	Securities and Exchange Board of India
SFC	:	Shriram Fertilisers and Chemicals
SSP	:	Single Super Phosphate
STP	:	Sewage Treatment Plant
TCD	:	Tonnes Crushed Per Day
tCO ₂ e	:	Tons of Carbon Dioxide Equivalent
TJ	:	Terra Joules
TPA	:	Tonnes Per Annum
UPVC	:	Unplasticized Polyvinyl Chloride
ZLD	:	Zero Liquid Discharge



DCM SHRIRAM

Growing with trust

DCM Shriram Ltd.

2nd Floor (West Wing), World Mark 1, Aerocity, Delhi - 110037, India

Tel:- +91 11 42100200, Website: www.dcmshriram.com