GHCL Limited

July 1, 2017

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
Fax # 022 26598237/38

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building,
P.J. Towers,
Dalal Street, Fort, Mumbai – 400 001
(Fax: 022 22723121/2037/2041/3714/2039/2061)

Dear Sir/Madam,

Re.: GHCL Limited (BSE Code: 500171 & NSE Code: GHCL)

Sub: Filing of Business Responsibility Report of the Company for the financial year 2016-17

Pursuant to requirement of Regulation 34 (2) (f) of the Listing Regulations, 2015 every top 500 listed companies shall submit, as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and governance perspective, in the prescribed format.

We would like to inform that GHCL Limited, being a part of top 500 listed companies, based on its capitalization as on March 31, 2017, pleased to enclose herewith Business Responsibility Report for the financial year ended March 31, 2017 for your record and necessary action.

You are requested to kindly take note of the same.

Thanking you

Yours faithfully

For GHCL Limited

Bhuwneshwar Mishra
General Manager & Company Secretary

Business Responsibility Report – 2016-17

[Regulation 34 (2) (f) of SEBI Listing Regulations, 2015]

Introduction:

Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended on December 22, 2015, mandated that every top 500 companies based on market capitalization as per Bombay Stock Exchange (BSE) and / or National Stock Exchange (NSE) as on March 31 of every financial year, effective from April 1, 2016, are required to have "Business Responsibility Report" (BRR) as a part of their Annual Report. As on March 31, 2017, GHCL is in the top 500 list of BSE and NSE on the basis of market capitalisation and hence, it is obligatory on the party of GHCL to publish Business Responsibility Report. This is the first Business Responsibility Report of your company and has been prepared in line with the requirements of Regulation 34 of SEBI Listing Regulations read with National Voluntary Guidelines on Social, Environmental, & Economic Responsibilities of Business (NVG) released by Ministry of Corporate Affairs, Government of India in July 2011.

GHCL Limited (formerly known as Gujarat Heavy Chemicals) was incorporated on 14th October 1983 in the State of Gujarat. Since incorporation, company has established as a well-diversified group with an ascertained footprint in In-organic Chemicals and Textiles.

In Chemicals, the company manufactures Soda Ash (Anhydrous Sodium Carbonate - Na2CO3) and Refined Sodium Bi-carbonate (RBC). Soda Ash is produced in two standard forms – Light and Dense, and graded according. Light Soda Ash is manufactured using revolutionary Dry Liming Process. Dry lime technology consumes 30 % less energy than conventional milk of lime process. Light soda ash is mainly used by the soap & detergent industries. Dense Soda Ash is produced using the Monohydrate and Fluidized Bed Drying Process. Dense soda ash is used by glass & silicate manufacturing industries. Refined Sodium Bicarbonate is mainly used in food processing, baking industry & manufacturing of soft drinks.

GHCL in all its entrepreneurial initiatives has also diversified and entered into edible salt business. The business was acquired in the year 1999 and has its salt works at Vedaranyam and the refinery at Chennai for its Edible Salt manufacturing. Our industrial salt commands a premium in Caustic soda industries and our edible salt are available in 'iFLO' and 'SAPAN' brands in the retail market. In addition to edible salt, GHCL has expanded its product range by introducing Honey and Spices under I-Flo brand as a strategy to expand its Consumer Product Division.

The Textiles division of the company is a vertically integrated manufacturing facility with spinning, wide-width weaving, continuous fabric processing, and cut & sew facilities for manufacturing premium quality bed linen. Spinning unit of the company is located near Madurai in Tamil Nadu, India. We manufacture multiple varieties of yarn ranging from 16s to 32s in open end, 30s to 120s in ring spun counts in 100% cotton and 30s to 70s counts in blended yarns. GHCL's Home Textiles manufacturing is located near Vapi in Gujarat, India. Here yarn is woven into fabric, which is then dyed, printed and finished into final products, like bed sheets, which is then exported worldwide. Both these plants have state-of-the-art facilities and machineries and ensure that every single aspect of its textile production process is backed by a fabulous world class infrastructure.

GHCL has consistent track record of paying dividend since last 23 years. During the financial year 2016-17 company has received various awards such as Sustainability-4.0, 2017, Believer award and India Manufacturing Excellence award by Frost & Sullivan, Sustainable and Impactful CSR Project' given by Gujarat State CSR Authority and GHCL has also been certified as ***"Great Place to Work"***.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company**: *L24100GJ1983PLC006513*
2. **Name of the Company**: *GHCL Limited*
3. **Registered address**: *"GHCL House" Opp. Punjabi Hall, Navrangpura, Ahmedabad – 380 009 (Gujarat)*
4. **Website**: *www.ghcl.co.in*

   E-mail id: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in
5. **Financial Year reported**: 2016-17
6. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Industrial Group	Description
201	Manufacture of Chemicals and Chemicals Products
139	Manufacture of other textiles - Cotton Fabrics and Furnishings
131	Spinning, weaving and finishing of textiles
089	Salt Production by evaporation of sea water.
107	Manufacture of Food Products
463	Wholesale of food, beverages and tobacco
081	Quarrying / Mining of Limestone
052	Mining of Lignite
As per National Industrial Classification – Ministry of Statistics and Programme Implementation	

7. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
   1. **In-organic Chemicals:** Soda Ash – (Dense grade and Light grade), Sodium Bicarbonate, Industrial and Edible Salt;
   2. **Textiles:** Home Textile products like Bed Sheets, Bed Covers, Top of Bed Products, Valance and Yarn Manufacturing.
8. **Total number of locations where business activity is undertaken by the Company**
   (a) **Number of International Locations (Provide details of major 5)**

   USA

   (b) **Number of National Locations**: All India
9. **Markets served by the Company – Local/State/ National/International**: All

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital** (INR): 99,47,27,360
2. **Total Turnover** (INR in Crore): 2,980.17
3. **Total profit after taxes** (INR in Crore): 386.77
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax** (%): 1.03
5. **List of activities in which expenditure in 4 above has been incurred**:-
   - **(a)** Roof Rain Water Harvesting and Village Water Distribution System under Coastal Area Development Project;
   - **(b)** Drip Irrigations, Sprinkler Irrigation, Training and other various activities;
   - **(c)** Vocational Training Centre;
   - **(d)** Animal Treatment Camp and Artificial Insemination center;
   - **(e)** Mobile Dispensary, Health camps, Vaccination and Eye camps;
   - **(f)** Toilet Blocks and Awareness Programme as part of Swachh Bharat Abhiyaan;
   - **(g)** Site School near Mining area, Uniform, Scholarship and financial support for higher studies;
   - **(h)** Formation of Self Help Group (SHG) and Training Programme;
   - **(i)** Street light, Road repairing, construction of school boundary etc.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
   Yes.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
   This is the first year for GHCL Limited to publish Business Responsibility Report. However, GHCL would encourage its subsidiary to participate in the business responsibility initiatives and conduct their business in an ethical, transparent and accountable manner.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   GHCL Limited does not mandate its suppliers and distributors to participate in the business responsibility initiatives. However, they are encouraged to do so.

   Less than 30%.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

   (a) Details of the Director/Director responsible for implementation of the BR policy/policies:

Particular		Details of Directors	
1.	DIN Number	00121260	00954190
2.	Name of Director	R. S Jalan	Raman Chopra
3.	Designation	Managing Director	CFO & Executive Director (Finance)

   (b) Details of the BR head:

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	00121260
2	Name	R. S Jalan
3	Designation	Managing Director
4	Telephone number	0120 3358000
5	Email ID	rsjalan@ghcl.co.in

2. **Principle-wise (as per NVGs) BR Policy/policies:**

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Business should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" released by the Ministry of Corporate Affairs.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes. All the Nine Policies are approved by the Board in their meeting held on January 31, 2017 and signed by the Managing Director.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. The Managing Director through the functional heads of the departments / unit heads of the company are empowered to ensure the implementation of the policy. Company Secretary is authorised to monitor and evaluate the compliance of the policy and submit his report to the Board / committee periodically.								
6.	Indicate the link for the policy to be viewed online?	**http://ghcl.co.in/investors/brr-policies**								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of GHCL. The BR policies are communicated through this report. Company will also explore other formal channels to communicate with other relevant stakeholders.								
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR Policies shall be evaluated internally. Policies pertaining to Health, Safety and Environment have also been audited by external agencies.								

(b) If answer to the question at serial number 1 against any principle, is "No", please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles.	Not applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3.	The company does not have financial or manpower resources available for the task.									
4.	It is planned to be done within next 6 months.									
5.	It is planned to be done within the next 1 year.									
6.	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR performance of the company shall be assessed annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the first Business Responsibility Report for the financial year 2016-17 which forms part of the Company's annual report for the financial year 2016-17. The Business Responsibility Report can be accessed at: **http://ghcl.co.in/investors/brr-report**

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

GHCL Limited believe that a company without ethics is like a body without a soul. At GHCL, it is firmly believed that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and establishment of good corporate culture is essential. GHCL is committed to operate its business ethically in a manner such that all stakeholders i.e. investors, creditors, distributors, customers, employees, and even competitors, the governments and society at large, dealt within a fair manner. GHCL has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company.

The core value of GHCL's ethical policy and practices are trustworthiness, respect, responsibility, fairness and caring. GHCL take a 'zero tolerance' approach to bribery and corruption and are committed to act professionally, fairly and with integrity in all the business dealings and relationships, wherever it operate.

GHCL believe that the ethical behaviour of the company is predicted by the ethical behaviour of its owners, directors, managers and employees towards its stakeholders i.e. investors, creditors, distributors, customers, employees, the governments and society at large.

The measurement of ethical behaviour revolves around

a. Fairness to all stakeholders;

b. Transparency in all business dealings;

c. Raising that trust and confidence of stakeholders in the way the company operates;

d. Understanding and discharging societal responsibility;

e. Long term thinking;

f. Overcoming from greed, insecurity, and lack of confidence;

g. Following every law of the land even when the law enforcers may not be able to detect the violation.

Besides above, it is also expected from every members of the Board and Sr. management including the functional heads;

i. To participate in a company meeting, depending upon their eligibility and/ or requirement, and do not involve in related party transactions.

ii. Do not take directorship in competitor's company.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

GHCL's code of conduct and policy on Ethics, Transparency and Accountability covers the policy on bribery and anti-corruption and is applicable to its business associates, subsidiary, suppliers, contracts, NGOs and other entities which are directly dealing with the company either in business operations or in its CSR activities.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during F Y 2016-17	Complaints Resolved during F Y 2016-17	Complaints Resolved (%)
Investors Complaints	75	74	98.67
Consumers' Complaints			
Soda Ash Division	43	43	100
Textiles Division	68	68	100
Total	**186**	**185**	**99.67**

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

GHCL Limited believe that Sustainable Development meets the needs of the present, without compromising the ability of future generations to meet their own needs. GHCL endeavours to develop the principles of sustainability, as far as practicable, into the various stages of product or service lifecycle including procurement of raw material / service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers to improve the quality of life and people.

GHCL Limited believe that sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve sustainable development, GHCL Limited believe that economic growth, social inclusion and environmental protection must be harmonised. It is the endeavour of GHCL Limited to introduce the process of change in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change remain in harmony and enhance both current and future potential to meet the human needs and aspirations.

Keeping in view the above, GHCL Limited endeavours to provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) In-organic Chemicals – Soda Ash (Dense grade & Light grade) Sodium Bicarbonate, Industrial and Edible Salt.

- In Sutrapada, GHCL soda ash division is promoting livelihoods of about 5000 farming household in all 55 villages. The activities included large scale use of water saving technologies by farmers, use of organic fertilizer for agriculture, horticulture promotion, breed improvement and others. GHCL has done considerable work in providing sanitation & drinking water facilities in adjoining villages.
- GHCL Foundation Trust was awarded the prestigious award for ***'Sustainable and Impactful CSR Project'*** by Gujarat State CSR Authority on 10th March 2017.

- I-FLO Triple Refined Salt, is Halal Certified and is supporting the initiative of Govt. of India - the ***"Swatch Bharat Abhiyan"*** by ensuring contamination free salt and thereby helping in the prevention of communicable disease.

(b) **Textiles**: Home Textile products like Bed Sheets, Bed Covers, Top of Bed Products, Valance and Yarn Manufacturing.

- Yarn is produced from cotton and synthetic fibre. Cotton is agriculture product and synthetic fibre is manmade fibre both are not having risk and opportunities with respect to Social or environmental concern.
- The process consumed dyes & chemicals, which is completely environmental friendly & as per guidelines from DETOX (i.e. to remove all toxic chemicals, which may harm human body as well as environment). Secondly, we are having Effluent Treatment Plant to release non-hazardous water into sea.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- GHCL Limited has adopted a green supply chain strategy for the transportation of loose soda-ash by deploying bulkers. Movement of soda ash by bulkers will help in to reduce the consumption of plastic bags thus results in significant reduction in plastic waste.
- The climate-friendly fly ash brick technology installed in Soda Ash plant produces bricks without using coal / Clay. It has the potential to eliminate carbon emissions from large brick-making industry, which burns huge amounts of coal and emits millions of tons of carbon dioxide each year.
- GHCL Limited is giving fly ash free of cost to National Highway authority. This has led to significant contribution in environment as well as in economic area.
- Usage of condensing turbine has reduced fossil fuel consumption. It has also reduced emission of greenhouse gases (particularly CO2 emission). The production of electricity being on-site, the burden on the utility network is reduced and the transmission line losses is also eliminated.
- Back filling of mined out area and making waste rock terrain suitable for cultivation and agriculture and making water reservoirs in some mined out areas for rain water harvesting. Use of rock breakers instead of blasting by explosives, this reduces the waste undersize generation
- Use of water sprinklers at all mines for sprinkling water on haul road. Air, noise and water monitoring is being done quarterly by third party.

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

In-organic Chemicals:

- At Soda Ash: Consumption of packaging plastic material has been reduced by usage of bulker for loose soda ash supply to customer. Water & fossil fuel consumption has been reduced by use of condensing turbine.
- For conserving sweet water, we installed Nano water system wherein sea water is processed and used in place of sweet water.
- Conversion of motor driven compression chillers to vapour absorption chillers for eliminating use of ozone damaging refrigerants. This has also resulted in power saving by using available steam.
- To improve the capacity and efficiency of carbonation towers, a study is being conducted by M/S Niochim, Ukraine. This will result in conservation of natural resources.
- For Reduction of bicarbonate moisture for achieving reduction in steam consumption, we have installed one belt filter. One more belt filter & high speed belt filter are being installed this year.
- For waste utilization (plastic, limestone & fly ash) we have undertaken R & D projects in co-operation with M/S Thiagrajar college of Engineering, Madurai to manufacture value added material.
- Usage of Water for cleaning Raw Salt is directly proportional to consumption of Raw Salt. More water for cleaning means more raw salt gets dissolved which will further increase the consumption of raw salt. Thus, optimal usage of water plays a vital role in optimum consumption of raw material i.e. Raw Salt. For energy saving, variable frequency drives are installed to optimize the power control.

Textiles:

- Water conservation project is effectively commissioned where we are re-using the processed 300KL of water.
- The air end of our existing 2 compressors are changed which is providing higher 900 cubic feet per meter (CFM) with lesser energy consumption.
- We have installed variable frequency drive (VFD) at different processes to reduce down energy consumption on pumping system.
- We are in the process to convert from conventional lighting system to LED system and achieved around 50% of total requirement.

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

In-organic Chemicals:

- GHCL Limited uses life cycle assessment to advise its customers for sustainable use of their product.
- Focus is to implement adequate system which would encourage Optimal use of water and energy

- VFD systems have been installed at various pumps and blowers for energy conservation drive and saving realized about 30% to 40% with respect to previous consumption.
- Conventional tube lights replaced with LED tube lights.
- Salt from the process waste is recovered with an average of 5000 MT per month, helping in saving the natural resources.
- We are using waste coke breeze instead of coke thus saving natural resources i.e. coke.
- Installation of energy efficient RO plant & Installation of energy efficient ejectors in plant to save energy.
- Switching over to steam driven turbine for boiler feed water pump instead of power driven pump.
- Improving in boiler efficiency by switching over to AFBC boiler from stoker fed boilers.

Textiles:

- We have saved energy of 2% in overall consumption of 10 cr units per annum.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Yes.

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

- In inorganic segment we have Green Procurement Policy embeds Green Sourcing in Business Plan. Approximately 90 per cent of the suppliers are screened based on sustainable indicators.
- In Textiles, the entire raw materials i.e. cotton and synthetic fibres are procured from outside the local limits and also from imports, which we do 70% by Road and 30% by sea route.
- In case of Home Textile division, we are sourcing 35% from own unit in Madurai & rest 65% from outside. Total material input movement is done through road only. We are procuring the yarn/fabric, which is Oeko-Tex 100 / GOTS certified. We are the 2nd Home Textile Company in India, which is certified by STeP (sustainable textile production). We are also first company in India to produce MIG (Made in Green) label in product.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes.

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

In Soda Ash division, most of the purchases are through local vendors. In services, around 80% of procurement is done from local vendors only. Our main raw material procurement (which includes limestone and salt) as well as transportation work are mostly done from local sources.

In terms of capacity and capability improvement, GHCL has taken several initiatives which have yielded benefit to both suppliers as well as GHCL. This include introducing local suppliers as dealers/distributors for OEM spares and services procurement. Also we try to increase the product basket of local suppliers, implementing new purchase concepts like VMI at supplier's end, frequent vendor meets and interactions. We also get them trained and updated in terms of new developments by engaging parent companies along with local suppliers. For transportation contractors, GHCL is trying to introduce higher capacity vehicles for efficient deliveries and cost competitiveness

GHCL being a socially responsible company emphasizes on inclusive growth. It expects all its suppliers and vendors to exhibit the same philosophy. The supplier of honey for i-FLO Honey products is Nectar fresh, one of the largest buyers of tribal honey.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

- Yes. In inorganic soda ash segment we have a mechanism to recycle products and waste. < 5 % of coke fines generated during process is recycled to manufacture briquette from in house developed briquette plant which have replaced usage of metallurgical coke since more than ten years. 5-10 % of fly ash waste is utilised for manufacturing fly ash brick, paver block & road construction. <5% Usable item is recovered from scrap in salvage yard.
- With respect to Consumer Product and edible salt, it is our endeavour that all raw salt and refined circuits at Vedaranyam are closely contained to avoid water spillage & leak. Raw Salt, not used for production, can be cleaned and used as raw material unless it is contaminated. So, for the two of major raw materials, mechanisms are at place to optimize the consumption and control wastage.
- With respect to the Yarn, we have established mechanism for processing the wastage and almost 50% of the processed waste is used to produce open end yarn and remaining is sold into the open market. Further, we treat the sewage water and use them for humidification of plant to maintain the humidity in production area. In Home Textile Division, we have installed Caustic Recovery plant, where we are recovering caustic around 80%.

Principle 3: Businesses should promote the well being of all employees.

GHCL Limited endeavours to ensure the well-being of all its employees. At GHCL, the safety, health and work life balance of employees are extremely important. The company believes in giving its employees ample opportunities so that they shall be motivated, result oriented and committed to achieve excellence in their domain. GHCL endeavours to provide work environment in which all individuals are treated with mutual respect and dignity.

GHCL respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms. It provides and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender,

race, religion, disability or sexual orientation. At GHCL, use of child labour, forced labour or any form of involuntary labour, paid or unpaid is prohibited.

At GHCL, every woman employee is treated with dignity, respect and equality. There is a zero tolerance towards sexual harassment and any act of sexual harassment is liable to be a serious disciplinary action. The company has a policy against Sexual Harassment for its employees and they are encouraged to flag the issues related to harassment, even it is too small in nature, to the appropriate forum.

GHCL is committed for strengthening its performance driven orientation through competence mapping, gap identification, training and development. During the year, HR department has organised various training programme across all locations/ business division of the company. Further, GHCL regularly organises recreational events for its employees which includes family picnics, cultural events, quiz contests, indoor and outdoor games and has also introduced flexi working hours with an objective to promote work life balance culture. Woman employees are given maternity leave as per the applicable legislation.

Besides above, GHCL is committee for safety of its employees at workplace and in order to show its commitment, mock fire drills and fire safety training classes are regularly organised at all plants locations. GHCL has been certified as a great place to work.

1. Please indicate the Total number of employees - ***3555***
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - ***5407***
3. Please indicate the Number of permanent women employees - ***226***
4. Please indicate the Number of permanent employees with disabilities - ***6***
5. Do you have an employee association that is recognized by management – ***7***
6. What percentage of your permanent employees is members of this recognized employee association? – ***86%***
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year –

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year.
1.	Child labour/ forced labour/ involuntary labour.	Nil	Nil
2.	Sexual harassment.	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Particulars		Executives	Factory Workers
(a)	Permanent Employees	**94%**	**100%**
(b)	Permanent Women Employees	**94%**	**100%**
(c)	Casual/Temporary/ Contractual Employees	**95%**	**90%**
(d)	Employees with Disabilities	**100%**	**100%**

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

GHCL Limited believe in the principle that the interest of all stakeholders must be protected and at the same time, company must be responsive towards them, especially those who are disadvantaged, vulnerable and marginalised. GHCL Limited believe that stakeholder engagement leads to increased transparency, responsiveness, compliance, organisational learning, quality management, accountability and sustainability.

GHCL recognises the importance of its stakeholders such as employees, customers, local communities, investors, suppliers, government and regulatory authorities, NGOs and trade unions. GHCL continues its engagement with them through various mechanism such as consultations with local communities, suppliers / vendors meets, and customers / employees satisfaction surveys and through investors' conferences. Investors are open to approach to the company at designated email id secretarial@ghcl.co.in

In order to be fair and transparent with the stakeholders, company promptly intimates the Stock Exchanges i.e. BSE and NSE about all price sensitive information and such other matters which in its opinion are material and of relevance to the stakeholders of the company.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders, as approved by the Board in line with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 are uploaded on website of the company.

1. **Has the company mapped its internal and external stakeholders?**

   Yes.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes. GHCL identifies underprivileged communities around its plants locations as disadvantaged, vulnerable & marginalized stakeholders and thereafter, continuously engages with all such stakeholders identifying their needs and priorities so as to serve their needs accordingly.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Yes. Company through its GHCL Foundation has taken various initiatives under its CSR programme for

disadvantaged, vulnerable and marginalized stakeholders. The initiative includes health care mobile van, eye check-up camp, general health check-up camp, cancer detection and awareness camp besides education for the children of the workers at mines site, sanitation, drinking water facility, irrigation, agro livelihood, vocational training and women empowerment.

Principle 5: Businesses should respect and promote human rights.

GHCL Limited respects and promotes human rights for all individuals. It is committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by business activities before or if they occur through human rights due diligence and mitigation processes.

GHCL Limited recognizes its impact on the communities in which it operates. GHCL Limited is committed to engaging with stakeholders in those communities to ensure that we are listening to, learning from and taking into account their views as we conduct our business. Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint ventures/Suppliers/Contractors/NGOs/Others?**

   GHCL's Human Rights Policy is applicable to all employees in the company working in any business division of the company and its subsidiary. GHCL motivates its business partners such as suppliers, contractors, NGO and others to follow the policy related to Human Rights in true spirit. GHCL discourages dealing with any business partners who are not serious in protection of Human Rights and have non-compliance at their end. At GHCL employability of Child labour or forced labour is strictly prohibited.

2. **How many stakeholder complaints with respect to Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   GHCL has not received any complaints related to human rights during financial year 2016-17.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

GHCL Limited is committed to adopt business practices that creates long term stakeholders value by implementing opportunities and managing risks arising from economic, environmental and social developments. GHCL Limited places highest corporate priority in ensuring and adhering to best procedures relating to environment protection. It is committed to respect, protect, and make efforts to restore the environment.

GHCL Limited is focussed for performance that does not merely comply with regulations but reduces environmental impacts. GHCL Limited believes that it has a responsibility to take care of the planet and preserve its beauty, resources and strength for future generations.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures / Suppliers / Contractors / NGOs / others.**

   This policy is applicable to all the business divisions of the GHCL Limited and its business associates, subsidiaries, suppliers, contractors, NGO and other entities which are directly dealing with the company either in the business operations or in its CSR activities.

   The EHS Policy, Deforestation Policy, Climate change & Green Procurement policy of GHCL Ltd covers manufacturing and mining sites, own employees and contractors of the Company. The policy document is available at following hyperlink. ***http://ghcl.co.in/sustainability/safety.***

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc**.

   Yes. Ensuring a safe and healthy working environment is our top priority. Our Environment, Health & Safety (EHS) policy, objectives, standards and working procedures are designed to make GHCL a very safe and healthy place to work in. The policy is reviewed and revised periodically to reflect company's position on EHS and incorporate the latest practices so that our people can work to the best of their abilities with the least concern for their safety.

   Over the years, we have developed innovative systems and practices which have helped us earn some of the best industry awards and certifications which echo our commitment to provide the best possible safe and healthy work environment for our employees and communities we work in. We believe that our success lies in the safety and prosperity of our people and communities. It is the commitment that GHCL will continue to improve overall environment to make GHCL a great place to work in.

   Relevant hyperlinks are given below: ***http://ghcl.co.in/sustainability/safety.***

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. Risks, mitigation strategies and contingency measures are reviewed and revised every year.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The Clean Development Mechanism (CDM), provided for under Article 12 of the Kyoto Protocol, enables developing countries to participate in joint greenhouse gas (GHG) mitigation projects. Under this Protocol, developed countries and economies in transition are required to reduce GHG emissions to below their 1990 levels.

   GHCL Limited has taken various initiatives in the direction of Clean Development Mechanism and focussed to renewable energy and installed Windmill with the capacity of 27.10 MW in textile division. Further, textile division has taken initiative to plant 1111 trees in a year and have planted 200+ as on 1st of May 2017.

   At Soda Ash Division, with the aim of clean and green GHCL, we have planted 3650 trees in FY 2016-17 within the plant premises and around the plant vicinity.

5. **Has the company undertaken any other initiatives on clean technology, energy efficiency, renewable energy,**

etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. At GHCL, we take environmental health quite seriously. To begin with, we practice environmental friendly habits; we encourage plantation and water conservation methods within and outside our premises. We have laid huge emphasis on clean energy and as a step towards that GHCL has installed more than 25 MW Wind Mill capacity thereby meeting more than 50% of its energy requirements in its Yarn Division through Green Energy. Further, 2.10 MW Wind Mill capacity is also installed at Home Textile, Vapi which is showing our commitment towards adoption of green energy measures in overall operations. Wind Power have significantly cut down consumption of fossil fuels, which is a primary reason for pollution and environmental degradation.

We have employed the latest Effluent Treatment Plant and Reverse Osmosis to ensure that no harmful substances are discharged in the environment.

We continuously draw on our enterprise strategy 'ABHILASHA' for inspiration to be among the best environmental friendly companies in India. And sensing from the sheer support and enthusiasm that we get from our people, we are sure that we'd soon join the league of the best environmental friendly Indian companies.

Some of our environmental friendly initiatives include

- Own co-generation plant at Sutrapada which has a capacity of producing 38.7 MW of power Including Condensed turbine of capacity 12.5 MW Installation of new condensing cum back pressure turbine for better steam power balance. Introduced environmental friendly techniques for reduction in lime wastages.
- Electrical motors being replaced / procured shall be energy efficient motors.
- Conversion of motor driven compression chillers to vapour absorption chillers for eliminating use of ozone damaging refrigerants. This has also resulted in power saving by using available steam.
- Usage of solar powered heaters at our Transit Guest.
- Introduced less liquor handling techniques per ton of soda ash.
- Introduced adequate system on efficient Ammonia recovery.
- Nano technology is used for sea water softening for plant process uses.
- Installation of energy efficient ejectors replacing old inefficient steam ejectors for better heat recovery.
- Manufacturing of fly ash bricks from fly ash generated in the plant (Waste utilization).

Relevant hyperlink is http://ghcl.co.in/sustainability/environment/ . Environment protection initiatives as part of Corporate Social Responsibility are outlined in http://ghcl.co.in/sustainability/corporate-social-responsibility/

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes. The emissions/waste generated by the Company for Financial Year 2016-17 are within permissible limits given by CPCB/SPCB(s).

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   As on 31 March, 2017, there is no pending show cause or legal notice received from CPCB or SPCB, to the best of the Company's knowledge and understanding.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

GHCL Limited understand that it operates in various diversified sectors which requires consistent, balance and transparent interactions with various regulatory authorities and social organisations. GHCL Limited believe that the engagement with the relevant authorities is guided by the values of commitment , integrity, transparency and the need to balance interest of diverse stakeholders.

GHCL Limited engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. GHCL is a member of Alkali Manufacturers Association of India and the Southern India Mills' Association besides other business association like CII, PHD Chambers, CII and FICCI.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Yes. During the financial year 2016-17, GHCL has participated in various discussion / initiatives taken by trade associations and chambers on the issues pertaining to Governance and Administration, Economic Reforms and sustainable business principles.

Principle 8: Businesses should support inclusive growth and equitable development.

GHCL Limited believe that the sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve inclusive growth and equitable development, GHCL Limited believe that economic growth, social inclusion and environment protection must be harmonised.

GHCL Limited is committed to ensure protection of interest of all stakeholders. In order to achieve inclusive growth and equitable development, GHCL Limited through its GHCL Foundation do various CSR projects in accordance with Schedule VII of the Companies Act, 2013.

GHCL Foundation was established to impart social & welfare activities in and around the plant locations and after becoming the CSR mandatory for the corporate, the scope of GHCL Foundation was aligned with the expectation of Schedule VII of the Companies Act, 2013. GHCL's commitment to the development of weaker sections of society is continuing since more than two decades.

GHCL has initiated various programmes such as healthcare facilities, animal husbandry, forming of self-help group, drinking water facilities, primary education, vocational training, sanitation, roof rain water harvesting etc.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   GHCL Ltd focuses on responsible business practices with community-centric interventions. The thrust areas for GHCL Limited are agro based sustainable livelihood, Animal husbandry, safe drinking water, skill development and employability training, education and health care, all of which constitute the Human Development Index – a quality of life indicator.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The aforesaid projects / programmes are carried out through GHCL Foundation Trust along with various NGOs partner.

3. **Have you done any impact assessment of your initiative?**

   Impact assessment was carried out by Centre for Integrated Development (CFID) in 2014-15. The study looked at all possible interventions carried out by the Foundation. We get synopsis of the work done and an authentic and comprehensive review of all social activities.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The direct contribution of GHCL Limited to the community development is Rs. 4.03 crore during year 2016-17. This amount was spent under the broad categories of:

   - **Water Resource:** Drinking water scheme, Roof Rain Water Harvesting Scheme, ATM based RO (Reverse Osmosis Plant;
   - **Sanitation**: GHCL Foundation Trust has been making efforts for promoting toilet construction at household level toward supporting "Swachchh Bharat Mission". More than 6000 House Hold level toilets have been supported in 67 villages. Major impact of household level sanitation system has been on reduction in drudgery and time saving. This project improved hygiene condition and privacy especially for women.
   - **Health & Hygiene:** Mobile Medicare, Eye camps, Cancer awareness through our dedicated Mobile Medical Vans along with qualified Doctors.
   - **Agro based livelihood:** Drip and sprinkler irrigation, Horticulture, Better Cotton Initiative, Organic Manure, Agri. Inputs, Farmer training and exposure
   - **Animal Husbandry**: Artificial insemination, Animal treatment camp, Fodder management, Cattle Nutrition support
   - **Education:** Mine Site schools, Learning Enhancement Classes , Pre-primary education support at Anganwadis, Primary school support, Extra coaching /mock test for 10+2, Support for Boarding schools
   - **Women Empowerment:** Self Help Groups (SHGs), Saving, bank linkage and IGA training
   - **Skill development:** Vocational training centres providing training for skill development in areas of stitching, weaving, processing, and like and their placement for gainful employment.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so?.**

   GHCL's CSR activities are focussed at village level. During the process of project identification and implementation, we engaged Gram Panchayat for their input and also encouraged them to support the initiatives of the company for betterment of the local community at large.

   We also collaborate with the existing social groups working in the villages and also creates Women Self Help Groups, farmers groups under certain projects which require collective efforts. We call them as a learning group. These learning groups managers the project and provides opportunities to its members to take part in the initiatives. More often, the learning groups also provides inputs to shape the project and make the same more effective. We believe that the community certainly plays an important advisory role in deciding and shaping the direction of the project.

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

GHCL Limited believe that for a successful business, a consistent efforts are essential to engage with and provide value to their customers and consumers in a responsible manner.

GHCL Limited is committed to engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Nil

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes /No / N.A. / Remarks (additional information)**

   NA

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so**.

   No.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes.