Annexure II

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars/Activities	Details		
1.	Corporate Identification Number (CIN) of the Company	L33112MH1943FLC003972		
2.	Name of the Company	BASF INDIA LIMITED		
3.	Registered office address	The Capital, 'A'-wing, 1204-C, 12th floor, Plot No. C-70, 'G' – Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051.		
4.	Website	www.basf.com/in		
5.	E-mail ID	investor-grievance-india@basf.com		
6.	Financial Year reported	2017-2018		
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture and sale of chemicals & chemical products		
		Product		**NIC Code**
		Chemicals & Chemical Products	Chapter 25 to 40 of ITC (HS) Code	20
8.	List three key products/services that the Company manufactures/provides	1) Texapon N 701 GT 2) Ethylenediamine Pure 3) Elastocool EH 2030/1		
9.	Total number of locations where business activity is undertaken by the Company: i. Number of International Locations ii. Number of National Locations	 Nil The Company has 9 manufacturing sites and 14 offices all over India		
10.	Markets served by the Company	The Company serves national and international markets		

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars/Activities	Details
1.	Paid up Capital	Rs. 432.9 million
2.	Total Turnover (Net of GST/Excise)	Rs. 55,834 million
3.	Total Profit after taxes	Rs. 2,465 million
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Due to impact on its profitability, the Company was not required to mandatorily spend any amount on CSR activities during the financial year 2017-18. However, to maintain project sustainability, the Board of Directors of the Company decided to spend Rs. 1.5 million on CSR projects/activities during the year.
5.	List of activities in which expenditure in point 4 above has been incurred	i) Sanitation facilities ii) Education and Hygiene

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies? – No

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) – Not Applicable

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?

   The Company encourages its suppliers, dealers and other stakeholders to support various initiatives taken by the Company towards its business responsibility.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR

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

   - Name : Dr. Raman Ramachandran
   - Designation : Chairman & Managing Director

   b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN Number	00200297
2.	Name	Dr. Raman Ramachandran
3.	Designation	Chairman & Managing Director
4.	Telephone number	022-67243700/67243800
5.	E-mail ID	raman.ramachandran@basf.com



Our Care Chemicals team held a symposium for more than 70 representatives of key customers in Delhi. The event presented personal care solutions in hair, body, oral, skin and sun care, emphasizing BASF's role as a total solutions provider to the industry.

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Whether the Company has policies for each of the 9 Principles?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Whether the policies have been formulated in consultation with the relevant stakeholders?	Yes								
3.	Whether the policies conform to any national/ international standards? If yes, specify?	Most of the principles are covered by our Code of Conduct and the same are in line with the national and international standards and practices such as Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organisation (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.								
4.	Whether the policies are being approved by the Board? If yes, has it been signed by MD/CEO/ or any Director?	Key policies are formulated at BASF Group level in Germany. The policies are adopted & implemented by the Company in line with the local legislations & corporate guidelines. The policies/guidelines pertaining to local laws and systems are approved by the Board and signed by the relevant senior management personnel, including the Managing Director.								
5.	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policies?	The Company has a Committee for Corporate Social Responsibility. For other policies, the Company has put in place internal framework/Committees to monitor their implementation from time to time.								
6.	Indicate the link for the policies to be viewed online.	The Company's CSR Policy is available at **http://on.basf.com/csr-policy** All other policies are available on the Company's internal network.								
7.	Whether the policies have been formally communicated to all relevant internal and external stakeholders?	All the policies have been communicated and are available on the internal network for the internal stakeholders. Policies communicated to external stakeholders are available on Company's website **www.basf.com/in**								
8.	Whether the Company has an in-house structure to implement the policy/policies.	There is an in-house structure to implement the policies.								
9.	Whether the Company has a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	In order to ensure integrity and transparency of business processes, the Company has established a hotline to facilitate reporting of any non-compliance or violation of the Company's Code of Conduct. The Company also has a Stakeholders' Relationship Committee to redress grievances of investors. An Internal Committee has also been constituted at each establishment of the Company to look into complaints of sexual harassment.								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Company's policies/guidelines and procedures are audited by the Company's Internal as well as the BASF Group's Auditors.								

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why: Not Applicable.

3. Governance related to BR:

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company.

  The BR performance is reviewed annually by the Board of Directors of the Company.

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

  The Company publishes the Business Responsibility Report as a part of the Annual Report of the Company. The Report can be viewed on the website of the Company **www.basf.com/in**

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/Suppliers/Contractorsv/NGOs/Others?

   The Company strives to adhere to the highest standards of integrity and behaviour and ensure compliance & adherence to the law and internal policies through its compliance systems. The Company has zero tolerance for corruption and violation of the principles of fair competition. The Company has adopted BASF's Code of Conduct, which details the minimum applicable ethical and responsible business practices for its employees. Both new and existing suppliers are selected and evaluated not only based on economic criteria, but also on environmental, social and corporate governance standards. The Company's Supplier Code of Conduct is founded on internationally recognized guidelines, such as the principles of the United Nations' Global Compact, the International Labour Organization (ILO) conventions and the topic areas of the Responsible Care® Initiative. The Code of Conduct, inter alia,covers compliance with human rights, labour & social standards, anti-discrimination, conflict of interest and anti corruption policies in addition to protecting the environment, health and safety.

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.

   There was only 1 complaint received during the financial year 2017-18, which has been satisfactorily resolved.

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

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

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

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

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

   i) Keropur® – the formula for FUEL differentiation

   All oil refineries seek to create sustainable solutions by making their processes more efficient. BASF has been able to develop Keropur® – Gasoline multifunctional performance packages at optimized parts per million levels that meets the WWF Charter requirement of lowest additive concentration. Keropur® gasoline performance packages protect the intake system of engines by forming a fluid protective film and prevent the formation of deposits (keep clean effect) and also remove existing deposits (clean up effect). This applies to both Port Fuel Injection and Direct Injection Spark Ignition engines. Keropur® technology not only helps refineries reduce their formulation cost and meet the target performance & regulatory requirement but equally helps end-consumers with maximum engine cleanliness, protection against corrosion, better fuel economy, lower emissions and a better driving experience.

   ii) ecovio® – Compostable Plastic

   BASF's ecovio® is a certified compostable plastic, which plays a key role in addressing the challenges of waste management. It also helps in more sustainable food waste management as it links organic food waste to agriculture. Proper source segregation allows food waste to be disposed in compostable waste bags which further get converted to compost in standard composting conditions. Compost from food waste can be used in agriculture as it is an excellent nutrient for the soil and also helps in water retention and in preventing soil erosion. ecovio® is gaining increasing acceptance for shopping bags, fruit & vegetable bags and organic waste bags. ecovio® compostable polymers are increasingly being used for packaging as well.

   iii) MasterGlenium 8600 Series – Smart Dynamic Concrete

   This technology makes the concrete robust and durable. The general practice in the construction industry is to use more cement to give strength to the structure. MasterGlenium 8600 series has the potential to optimize the mix design, which helps reduce the amount of cement used, and consequently, reduce the carbon footprint. As every kilogram of cement produced gives rise to CO_2 (Carbon dioxide), the polymers of Smart Dynamic Concrete are so designed to induce less cement in the concrete mix. Less cement means less carbon dioxide emission, reducing the carbon footprint. The resources used in the entire process of making concrete such as batching plants, pumps, vibrators, pipelines and labours are also optimized resulting in lesser consumption of electricity & diesel.

   iv) Eco Dispersions

   The Company has been able to make dispersions with very low ppm of unreacted monomers through a BASF patented technology. The Company's Eco Dispersions have enabled paint companies to formulate paints with low Volatile Organic Contents, which have no smell. Consequently, both the painter as well as the occupant enjoy a safe and comfortable experience and the occupant is able to occupy the premises immediately after painting.

v) 3c1b "wet on wet" solvent born process for application of automotive coatings

Most of the automotive Original Equipment Manufacturers ("OEMs") seek to create sustainable solutions by making their processes more and more efficient, save energy in the process and thereby reduce the overall cost. The Company's coatings offer a "wet on wet" process of application for all the layers of spray coats to automotive OEMs. This technology results in lower material consumption and saving on process time thereby saving intermittent baking operation (energy saving).

The process offers many benefits such as:

- Shorter processes – Higher productivity
- Reduction in complexity and thickness – Direct saving to customer
- Energy saving – Eco efficiency
- Environmental benefit – Lower volatile organic content

By offering this technology in the market, the Company helps in promoting sustainability at large.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

   The Company has been conducting EHS (Environment, Health and Safety) audits for the last several years. The Company has completed more than 200 supplier audits in the last 5 years. The Company is gradually shifting its focus to TfS (Together for Sustainability). Through these audits, it is ensured that the supplier implements and follows sustainability practices (Environmental, Safety & Governance Guidelines – ESG Guidelines). These audits are conducted by third parties. The Company provides recommendations to suppliers wherever improvements are needed and monitors the implementation of the same. The Company has completed more than 50 TfS audits and more than 100 online assessments in the last 3 years. The online assessments are carried out by a third party, EcoVadis and their report is shared with the suppliers.

   Further, the Company reuses the packaging materials (IBC, drums etc.) and also recovers the solvents for reuse, wherever possible. The Company has adopted many modes of transportation, which are green and low emission modes (contributing to reduction of the carbon foot print). The Company has started use of multi-modal transport (road, rail and sea) for transporting goods within the country in addition to the Roll-on/Roll-off (RORO) model. The Company also uses coastal shipping for transporting hazardous chemicals, which is less polluting than road transportation and minimizes the risk of accidents.

   The Company has, along with its peers, founded NicerGlobe, an independent platform which provides real-time monitoring of the movement of dangerous goods across the length and breadth of India. This helps in monitoring any deviations in speed or route or driving time restrictions, which results in minimizing transport related incidents. Apart from this, almost all the filled containers being transported by road are enabled with GPS for real-time monitoring.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

   The Company is promoting localization by which imported raw materials are sought to be substituted with locally manufactured raw materials, wherever possible subject to their meeting required specifications, quality & cost. With this initiative, the Company has been helping Small & Medium Enterprises (SME) in the Indian chemical industry to compete in the global market. Many of the Company's packaging and service suppliers are small or medium enterprises. The Company is associated with about 75 SME suppliers & service providers.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste. Also, provide details thereof.

   The Company is committed towards increasing waste efficiency through the ISO 14004 certification for all its manufacturing sites. Waste is segregated into hazardous and non-hazardous waste and processed through a robust waste management system.

   Solid waste generated in the effluent treatment plant is sent to the cement industry as co-fuel. This reduces the net greenhouse gas emissions. All other wastes are segregated based on their characteristics, collected and stored in an appropriate manner. The waste is then disposed of as per the hazardous waste authorization issued by the State Pollution Control Board.

   ~ 23% of the treated effluent at the Company's Navi Mumbai production site is used for washing, cleaning and gardening thereby contributing towards sustainability.

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

Sr. No.	Particulars	Details
1.	Total No. of employees	1804
2.	Total No. of employees hired on temporary/contractual/casual basis	2867
3.	No. of permanent women employees	125
4.	No. of permanent employees with disabilities	1
5.	Whether there are any employee associations that are recognized by management	Refer Note below*
6.	Percentage of permanent employees being members of this recognized employee association?	17%

* BASF believes in collective bargaining and social partnership as an important mechanism to engage with the employees. The Company has adopted a constructive attitude towards co-operation with the workers' authorised representatives. The Company has engaged with trade unions at its manufacturing sites at Thane, Mangalore & Ankleshwar. Through continual dialogue with these unions, the Company strives to maintain cordial relationships with employees and work towards their welfare.

1. 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.

   BASF has a governance structure in place to address complaints related to child labour, involuntary labour and discrimination or harassment of any kind. The Code of Conduct of the Company guides its employees. There is an Internal Committee constituted by the Company to address complaints relating to sexual harassment.

Sr. No.	Category	No. of complaints filed	No. of complaints closed	No. of complaints pending
1.	Child labour/forced labour/involuntary labour	Nil	Nil	Nil
2.	Sexual harassment	Nil	Nil	Nil
3.	Discriminatory Employment	Nil	Nil	Nil

2. What percentage of the Company's employees were given safety & skill upgradation training in the last year?

   Permanent Employees:

   100% of employees were given safety training in the form of on-the-job, classroom, interactive audio-visual training. At the Company's manufacturing site at Dahej, the Company had approximately 5.2 million Safe Man hours.

   The Company has a robust skill assessment programme whereby employees at manufacturing sites are provided skill training in line with the skill matrix, which is inclusive of generic skills such as Environment, Health & Safety & Quality and specific skills in their area of domain expertise. Annually about 2% of annual hours are spent for training. This training includes mandatory trainings, soft skill training & discipline specific training. ~ 31,100 man hours of training was imparted to the Company's employees (including contractual employees) at the manufacturing sites.

   The Company also conducts a week of Technical Academy Training wherein the employees are provided special skill/working level skill training in class room sessions.

   Permanent Women Employees:

   Training is planned and imparted based on the need identified in the Employee Development Plan and Performance Appraisal. Training programmes are designed on the basis of common developmental needs.

   Casual/Temporary/Contractual Employees:

   All casual/temporary/contractual employees are imparted training in the area of environment, health & safety and also domain training through their contractors.

   Employee with Disabilities:

   There is only one employee with permanent disability, who has been imparted training in the area of environment, health & safety.

Further, the Company has also provided training to 49 trainees including 11 women at its Manufacturing sites under the National Employability Enhancement Mission (NEEM).

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

1. Has the Company mapped its internal and external stakeholders?

   The Company has mapped its internal and external stakeholders in a structured way and carried out engagements with its investors, employees, customers, suppliers, business partners, etc. The Company identifies the interest of internal stakeholders like permanent employees through engagement surveys and periodical reviews. The external stakeholders are mapped through defined activities such as customer events, etc. The Company also reaches out to its external stakeholders on a regular basis through press releases, analyst meets and the Annual General Meeting. The Company also participates in events organised by trade associations and contributes by providing inputs whenever required.

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

   The Company identifies marginalized and disadvantaged groups through need assessment and engagement with local communities in and around the Company's manufacturing sites under its Corporate Social Responsibility (CSR) initiatives. The marginalized and disadvantaged communities the Company works with, include students from low socio-economic background, women and communities, who are deprived of adequate water, hygiene and sanitation facilities.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged vulnerable and marginalized stakeholders? If so, provide details thereof.

   The initiatives undertaken by the Company for the disadvantaged, vulnerable and marginalized stakeholders are elaborated in Principle 8 and in the Annexure on CSR activities forming part of the Director's Report for the year ended 31st March, 2018.

Principle 5: Businesses should respect and promote human rights

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?

   The Company acknowledges its responsibility to respect and support human rights. BASF Group observes the principles of the following internationally recognized standards:

   - United Nations Universal Declaration of Human Rights.
   - International Covenant on Civil and Political Rights.
   - International Covenant on Economic, Social and Cultural Rights.
   - International Labour Organization's (ILO) eight core labour standards.
   - Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
   - OECD Guidelines for Multinational Enterprises.
   - Responsible Care Global Charter.
   - Ten principles of the UN Global Compact.

   As a founding member of the UN Global Compact, BASF Group strives to contribute to the protection and wider recognition of human rights within the sphere of its influence. The Company also supports its suppliers and business partners in their efforts to act in accordance with the internationally recognized standards.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   There were no stakeholder complaints received by the Company during the financial year 2017-18.

Principle 6: Businesses should respect, promote, and make efforts to restore the environment

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

   BASF Group creates chemistry for a sustainable future through its commitment to the principles of Responsible Care® and innovation. The continuous improvement of safety, health, environment protection, energy and resources efficiency and social responsibility is anchored in the strategy of the Company and underlines its philosophy in conducting all its activities and dealings with third parties.

   The Company has laid down policies, principles and standards which all its manufacturing sites are required to adhere to. As a global Company, BASF aims to achieve excellence in environment protection, health management and safety across its businesses. The Company's EHS Policy also specifies the EHS requirements to be observed by its contractors & others.

The Company's Dahej manufacturing site was awarded Responsible Care® certification for 3 years by The Indian Chemical Council, which conducted an independent audit to verify the implementation of Responsible Care®. The Company's Thane manufacturing site has also continued its energy conservation measures and has been awarded Energy Conservation Award for the third consecutive year by the Government of Maharashtra. The Company's Mangalore site was recognized by the Karnataka Government as the second-place winner of "Best Safe Industrial Boiler in Karnataka."

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

   Climate change is one of the key challenges faced by our country today. It has become imperative to slow down the increase of greenhouse gas emissions and use the existing resources more efficiently.

   BASF Group has undertaken several environmental initiatives in the areas of reduction in greenhouse gases and energy efficiency programmes. BASF Group has achieved significant reductions of greenhouse gas emissions between 1990 and 2009. The absolute emission volume in the chemicals business fell by 27% to 29.3 million tons of CO_2 equivalents in 2009 compared to 1990.

   BASF's global goal is to achieve a 25% reduction in specific greenhouse gas emissions per ton of sales product in the chemicals business by the year 2020, compared to the base year 2002. It is also intended to improve energy efficiency by 25% in the same period.

   BASF's innovative products are helping to protect the climate. The Company has used sustainable raw materials in many processes for a long time now and has a continuous program of research into new applications.

   The Company's Mangalore manufacturing site has also initiated procurement of solar energy, which is expected to reduce 13,400 tons of carbon per annum.

3. Does the Company identify and assess potential environmental risks?

   All significant projects of the Company need to undergo Environmental Impact assessment. As part of ISO 14001, production plants are required to undertake annual targets to reduce emissions, reduce consumption of resources and improve efficiency of production process as a commitment to sustainable development.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?

   Clean Development Mechanism (CDM) is one of the flexible mechanisms for the reduction of greenhouse gas emissions as laid down in the Kyoto Protocol, in which the companies from industrialized and transitional countries participate in emission reducing and quality projects and in doing so, acquire tradeable emission vouchers.

   BASF Group initiated Clean Development Mechanism and Joint Implementation projects both for customers and for its own plants and in this way supported customers who reduce greenhouse gas emissions by the use of BASF products. These projects are based on BASF's own catalyst technology for nitrous oxide decomposition in chemical plants.

   The Company does not have any Clean Development Mechanism Projects.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink for web page etc.

   i. Utilization of sludge from the Effluent treatment plant as a co-fuel in cement manufacturing:

      The Company has been exploring the possibility of using the ETP (Effluent Treatment Plant) sludge as a co-fuel in cement industry. The Company has worked with the authorities & carried out extensive trials in the cement industry & obtained their approval for its use.

      The advantages of using this sludge are as follows:

      - Net reduction in the greenhouse gas emission to the extent of 1 ton per ton of sludge co-incineration.
      - There is no need to run the in-house Incinerator to incinerate the said ETP sludge thereby achieving reduction in power consumption.
      - The high calorific value of the sludge generates significant energy savings.
      - All harmful constituents are completely destroyed in the cement kiln where the temperature is above 14000˚C.
      - Conservation of fossil fuel by the cement industry.

ii. Bio Boiler:

The Company has installed a "Dynamically Air cooled Step grate" (DAS) technology Bio-mass Boiler of 6TPH capacity at its Mangalore Plant with an investment of Rs. 100 Million.

The project was initiated with the objective of reducing the steam generation cost and to decrease greenhouse gas emissions in the atmosphere.

The fuel comprises of agricultural by-products in the form of briquettes with calorific value of 3500 Kcal to 4100 Kcal.

The Bio-Boiler uses state-of-the-art technology and its operations are automated and controlled through two levels of alarm signals to ensure safe operation.

The benefits of the Bio-Boiler are as follows:

- Reduction in steam cost by more than 20%
- Reduction in CHG emission by 2500 ton/annum
- Substantial reduction in SOx and NOx emissions
- Eco-friendly ash generation due to cleaner fuel
- Fully automated safety & control

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

   The Company's emissions, effluents and wastes are within the permissible limits.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at the end of the financial year.

   There were no show cause/legal notices received from Central and State Pollution Control Boards which are pending as on 31st March, 2018.

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

1. Whether the Company is a member of any trade and chamber or association? If yes, name those major ones that your business deals with:

   Some of the key trade/industry associations, of which the Company is a member are:

   - Confederation of Indian Industry
   - Bombay Chamber of Commerce & Industry
   - Indian Chemical Council
   - Indo German Chamber of Commerce
   - CropLife India

2. Whether the Company has advocated/lobbied through above associations for the advancement or improvement of public good? If yes, please specify the broad areas.

   Through the membership of trade and industry associations, the Company makes efforts to further contribute towards sustainable business issues. On issues related to environment under Swachh Bharat Abhiyan, the Company has been focusing on use of compostable plastic as an alternative to plastic carry bags. In the area of solid waste management, the Company has been advocating the use of compostable bags instead of virgin plastic bags for conversion of perishable waste to manure by composting.

   Under the aegis of 'CropLife India', the Company has been advocating faster introduction of pesticides using greener chemistry. The Company has also encouraged use of catalytic converters in vehicles for pollution reduction as part of switch over to BS VI norms.

   Suggestions/recommendations on changes/amendments required on laws, as may be applicable, are also taken up through the Industry Associations for submission to the concerned Ministry.

   Lectures on various topics including Corporate Governance & Business Ethics are conducted for Management Students at the Indo-German Chamber of Commerce under the 'Seminar Series of Indo German Training Centre'.

Principle 8: Businesses should support inclusive growth and equitable development

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

   Inclusive growth and equitable development are essential to foster sustainable local development and uplift the communities in which the Company operates. Through socio-economic, health and environment initiatives, the Company leverages on its core-competencies to address the stakeholder needs. The Company's CSR Policy meets the compliance requirements of the Companies Act, 2013. The Company has undertaken various community initiatives and projects under its CSR Programs which are focussed on Water, Sanitation and Hygiene (WASH) and Education. These programs are executed in and around the Company's production sites at Dahej, Mangalore and Ankleshwar. The details of the various programs/initiatives adopted by the Company are provided in the Annexure on CSR activities forming part of the Directors' Report of the Company for the financial year 2017-18.

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

   The Company has its own in-house team which plans, monitors and governs the corporate social responsibility initiatives/projects of the Company. The Company partners with like-minded implementing Non-Government Organizations (NGOs) such as Sulabh Sanitation Mission Foundation, New Delhi, Leadership through Education & Action Foundation (LEAF), Chennai, Next Education India Pvt. Ltd., Hyderabad, to implement the Company's CSR initiatives.

3. Whether the Company has done any impact assessment of these initiatives?

   The Company's CSR initiatives are long term projects. The Company conducts need assessment studies before initiating the projects. The outcome and the impact of each project is monitored and measured by the Company at regular intervals along with its implementing partners.

4. What is the Company's direct contribution to community development projects — Amount in INR and the details of the projects undertaken?

   During the financial year 2017-18, due to impact on the profitability, the Company was not required to spend any amount on CSR initiatives. However, in order to maintain sustainability of the projects, the Board of Directors of the Company decided to spend Rs. 1.5 million on CSR activities.

   The details of the activities undertaken by the Company are given in the Annexure on CSR activities forming part of the Directors' Report for 2017-18.

5. Whether the Company has taken steps to ensure that these community development initiatives are successfully adopted by the community?

   All CSR initiatives undertaken by the Company are planned, monitored and evaluated keeping in view the needs of the communities. Efforts are made for driving sustainability with continued focus on the environment and resource efficiency. The Company's CSR activities are mainly in the areas of Water, Sanitation & Hygiene (WASH) and Education. The Company has used innovative and interactive techniques to create awareness amongst the people about its programs. There has been special attention on programs which are designed to bring about behavioral changes in the people specially with respect to sanitation facilities. The Company's partners engage with community leaders & other important stakeholders to ensure effective adoption by the community.

   The Company has also been training farmers on various aspects of safety while dealing with crop protection products. Since 2016, the Company has started conducting "Suraksha Hamesha" ('Safety all the time') training programs for farmers in India. The program serves as platform to help educate farmers and spray men about the 9 steps of responsible use of crop protection products and personal protection measures. Using tools such as safety films, poster and presentations, the team shares messages on important stewardship topics including handling, usage, storage and disposal of crop protection products.

   The key achievements of Suraksha Hamesha program are as follows:

Year	Farmers covered	Women farmers covered	Spray men covered	Participation of agriculture department officials
2017-18	47,611	2,466	7,731	956

   The Company has also developed a first of its kind 'Sanrakshan Kit', which contains certified personal protection equipment designed to meet the safety requirements of farmers and is made available to the farmers at a subsidized price.

Principle 9: Businesses should 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 31st March, 2018?

   ~ 1% of the total customer complaints are pending as on 31st March, 2018 before various Courts in India.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

   The Company adheres to all applicable laws and regulations on product labelling. Apart from the mandated declarations, additional declarations relating to the safe handling & use of the products are made on the labels.

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.

   No cases were filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

4. Whether the Company carried out any consumer survey/consumer satisfaction trends?

   During the financial year 2015-16, the Company had conducted an online Customer Satisfaction Survey, which was administered by an agency based in Germany. Similarly, the Company will be conducting a customer satisfaction survey in the financial year 2018-19.

On behalf of the Board of Directors

RAMAN RAMACHANDRAN, Ph.D.
Chairman & Managing Director
(DIN: 00200297)

Mumbai
Dated : 4th May, 2018



Your Company inaugurated its latest warehouse for Coatings business in Mangalore in April 2018.