Business Responsibility Report (BRR)

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A - GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L31900MH2015PLC262254
2.	Name of the Company	Crompton Greaves Consumer Electricals Limited
3.	Registered Office and Corporate Office	Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS Marg, Kurla (West), Mumbai - 400 070
4.	Website	www.crompton.co.in
5.	E-mail Id	crompton.investorrelations@crompton.co.in
6.	Financial Year reported	2019-20
7.	Sections that the Company is engaged in (Industrial Activity code-wise)	1. Electrical Consumer Durables (27501, 27502, 27503, 28132) 2. Lighting Products (27400)
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	1. Electrical Consumer Durables – Fan, Appliances and Pumps 2. Lighting Products – Luminaires and Light Sources
9.	Locations where business activity is undertaken by the Company	The Company has 8 Factories, 4 Regional Offices and 18 Branch Offices.
10.	Markets served by the Company - Local/State/National/International	The Company's products are distributed pan-India and are also marketed in several countries like Nepal, Sri Lanka, Singapore, Fiji, UAE, Oman, Saudi Arabia, Bahrain, Iraq, Kuwait, Qatar, South Africa, Kenya, Ghana, Nigeria, Equatorial Guinea, Uganda, Italy, United Kingdom

SECTION B - FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital (As on 31st March, 2020)	₹ 125.46 crore
2.	Total Turnover	₹ 4,570.84 crore
3.	Total Profit after Taxes	₹ 494.70 crore
4.	Total Spending on Corporate Social Responsibility (CSR)	₹ 10.01 crore
5.	As percentage of Profit after Taxes	2.02%
6.	List of activities in which Corporate Social Responsibility (CSR) expenditures have been incurred	• Vocational & skills training • Projects that address environmental issues such as water and waste management • Promoting Healthcare • Promoting Education • Eradicating Hunger • Engaging employees actively through Corporate Social Responsibility

SECTION C - OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?

Yes, the Company has three subsidiary companies in India:

(i) Nexustar Lighting Project Private Limited;
(ii) Pinnacles Lighting Project Private Limited; and
(iii) Crompton CSR Foundation.

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)?

The Company's subsidiaries define their own initiatives based on the context of their operations. As the parent company, your Company provides access to information and expertise, as 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? [Less than 30%, 30-60%, More than 60%]

The Company has a long-lasting relationship with its Suppliers/Vendors and has aligned, its policies and guidelines on sustainability, with them. Some of the initiatives taken have been as follows:

- significant amount of awareness is being created on sustainability among the Vendors;
- continued training is being imparted to all Strategic Vendors on Energy, Health and Safety; and
- skill enhancement sessions are being conducted at Vendor locations to build organisational capability and improve performance standards.

SECTION D - BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

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

Sr. No.	Particulars	Details
1.	DIN	00059877
2.	Name	Mr. Shantanu Khosla
3.	Designation	Managing Director

b. Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN (if applicable)	02922413
2.	Name	Mr. Mathew Job
3.	Designation	Chief Executive Officer
4.	Telephone Number	+91 22-61678499
5.	E-Mail ID	mathew.job@crompton.co.in

2. Principle-wise (as per National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business {NVGs}) BR policy/policies (Reply in Y/N)

Sr. 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? (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company's Business Responsibility policies abide by the spirit and content of Code of Conduct, all applicable laws and standards. The policies are framed to comply with applicable Regulatory requirements.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board of Directors?	All statutory policies are approved by the Board of Directors and other policies are signed by the respective Business/ Function head.								
5.	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policy?	Yes, the implementation and adherence to the Policies are overseen as stated: Code of Conduct – Human Resources Department Corporate Social Responsibility Policy – CSR Committee (as per Companies Act, 2013 and Rules framed thereunder) Energy Health and Safety Policy – The Chief Executive Officer Customer Service/Complaints – Designated After-Sales Service centres (Customer Delight being one of the Company's core values).								
6.	Indicate the link for the policy to be viewed online?	Please refer to the links in the table below:								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Code of Conduct, CSR Policy, Vigil Mechanism and Whistle Blower Policy and Prevention of Sexual Harassment Policy are available on the website of the Company. The EHS Policy has been communicated to all relevant stakeholders.								
8.	Does the Company have in-house structure to implement the policy/policies?	Yes.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Yes. Crompton Ethics Line, the Company's Whistle Blower Mechanism provides Employees and Vendors a mode to report any concerns or grievances pertaining to any potential or actual violation of Code of Conduct. Customer Care Line, a customer complaint mechanism records the grievances of customers on Quality of Product, Service and any other issues. The Company has an exclusive e-mail id for redressal of investor grievances. Investors can email at crompton.investorrelations@crompton.co.in to lodge their complaints.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
10.	Has the Company carried out an independent audit/evaluation of the working of this policy by an internal or external agency?	These policies are reviewed by internal and external auditors, if need be, during their audits and reviews. However, no formal evaluation has been done by any internal or external agency.								

Note 1: While there may not be formal consultation with all stakeholders, the relevant policies have been drafted after taking inputs from concerned internal stakeholders.

Linkages of various Company policies with BR Principles as per National Voluntary Guidelines (NVGs)

Principle No.	Principle	Reference Document	Reference Links
1.	Businesses should conduct and govern themselves with ethics, transparency and accountability	1. Code of Conduct 2. Vigil Mechanism and Whistle Blower Policy 3. Code of Conduct to Regulate, Monitor and Report Trading by Insiders 4. Prevention of Sexual Harassment Policy	1. http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. https://www.crompton.co.in/media/Vigil-Mechanism-and-Whistleblower-Policy.pdf 3. https://www.crompton.co.in/media/code-of-conduct-to-regulate-monitor-and-report-trading-by-designated-persons.pdf 4. https://www.crompton.co.in/media/CGCEL-POSH-Policy-.pdf
2.	Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle	1. Environment, Health and Safety Policy	1. https://www.crompton.co.in/media/EHS-Policy.pdf
3.	Businesses should promote the wellbeing of all employees	1. Code of Conduct 2. Environment, Health and Safety Policy 3. Maternity Leave Policy	1. https://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. https://www.crompton.co.in/media/EHS-Policy.pdf 3. The other policies are internal policies and are not displayed on the website of the Company but are part of the Company's Employee portal.
4.	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	1. Code of Conduct 2. Corporate Social Responsibility Policy	1. https://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. https://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf
5.	Businesses should respect and promote human rights	1. Code of Conduct	1. https://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf

Principle No.	Principle	Reference Document	Reference Links
6.	Businesses should respect, protect, and make efforts to restore the environment	1. Corporate Social Responsibility Policy 2. Environment, Health and Safety Policy	1. https://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf 2. https://www.crompton.co.in/media/EHS-Policy.pdf
7.	Business when engaged in influencing public and regulatory policy, should do so in a responsible manner	1. Code of Conduct	1. https://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf
8.	Businesses should support inclusive growth and equitable development	1. Corporate Social Responsibility Policy	1. https://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf
9.	Businesses should engage with and provide value to their customers and consumers in a responsible manner	1. Code of Conduct 2. Product Service Policy	1. https://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. The Company framed Service Policy internally and circulated amongst the Service centres for adherence.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company.

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?

The Company publishes the information on BR in the Annual Report which is available on the website of the Company.

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? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company is committed to adhere to the highest standards of ethical, moral and legal code of conduct for business operations. Crompton's behavioural framework is built upon five Value pillars i.e. Personal Leadership, Courage, People Development, Innovation and Execution Excellence.

To emphasise on the values of transparency, ethical behaviour, empowerment and accountability, the Company has formalised the 'Code of Conduct' for Directors and all employees of the Company. The Code lays down principles and standards that govern the actions of the employees during conduct of the Company's business. It covers all dealings with vendors, customers, and other business partners. Any actual or potential violation of the Code, howsoever insignificant, would be a matter of serious concern for the Company. The Company's induction programme for new joinees mandates initiation to the Crompton Code of Conduct.

The Company has established mechanisms to receive and address complaints from different stakeholders including Investors, Customers, Consumers, Employees and Suppliers.

The Company has laid down a Vigil Mechanism for Employees, Directors and Vendors to report concerns on any unethical behaviour, actual or suspected fraud or any violation of the Company's Code of Conduct. The Whistle Blower Policy facilitates employees and vendors to report without fear, any wrongdoings, unethical or improper practice.

The Company has formed a separate Stakeholders' Relationship Committee to address shareholder grievances.

The Company has an exclusive e-mail id for redressal of investor grievances. Investors can email at crompton.investorrelations@crompton.co.in to lodge their complaints. All shareholder complaints received during the reporting year have been resolved successfully as on 31st March, 2020.

To address workplace-related issues, the senior management team has periodic interactions, including open houses with employees at different locations. The Managing Director and CEO receive feedback from employees across the country through specially instituted mechanisms.

The Company has implemented an IT tool that helps track statutory compliances as close as possible to the actual due date. Any deviations are highlighted for prompt corrective actions. Functional owners are responsible for taking preventive actions. This web-based compliance management system not only helps adhere to the regulatory requirements, but also develops a culture of self-regulation and accountability within the organisation. In the present times, when governance is looked upon as a critical aspect of sustainability, the Company believes that its compliance management system plays a significant role in ensuring good corporate governance practices.

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

During the year under review, the Company received 253 complaints from its shareholders which were promptly resolved. The details of the complaints are:

Sr. No.	Complaints Received	No. of Complaints
1	Non-receipt of Annual Report	119
2	Non-receipt of Securities	15
3	Non-receipt of Dividend Warrants	110
4	Escalation to SEBI	6
5	Escalation to Stock Exchange	3
	Total	**253**

No complaints were outstanding as on 31st March, 2020.

The Company has different mechanism for receiving and dealing with complaints from various stakeholders like investors, customers, consumers, employees and suppliers etc.

Principle 2: PRODUCT LIFE CYCLE SUSTAINABILITY

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List three products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

The Company emphasises on energy efficiency while designing all its products. Three products whose design has incorporated social or environmental concerns, risks and/or opportunities are:

i) Energion Series Ceiling fans with BLDC technology

ii) High bay and streetlights delivering 140-150 lumen per watt

iii) Battery back-up lamps and battens

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

i) The Company launched an energy-efficient range of fans under the brand name Energion which works on ActivBLDC™ (inverter) technology and saves up to 50% on energy bills for the consumer. This range of fans works on the widest range of voltage (90V-300V), has the highest power factor of .98 and least total harmonic distortion value.

ii) High efficacy industrial and outdoor products - The energy efficacy of these products has seen a reduction in energy usage by over 25% compared to other products offered.

iii) These lamps and battens provide illumination sufficient to cater to basic requirement (with 30% level of dimness) in the case of power outage. These products use the latest Lithium Ion battery solutions.

3. Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably.

(i) Sustainability Roadmap

The Company has been continuously striving to enhance sustainability associated with its sourcing practices.

The sustainability roadmap of the Company includes strategy of one vendor per platform, common supplier basket for different product lines, sourcing from tightly knit clusters, optimising logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimise wastage and re-use.

(ii) Supply Chain Partnering

Sustainability is extended to vendors through responsible procurement practices and selection criteria focussed on the protection of the environment, societal interest seeking resource efficiency, improving the quality of products and services. The Company is committed to improving awareness among Vendors, on legal compliances, enhance eco-efficiencies, employee health and safety through various initiatives.

Vendors and service providers are encouraged to adopt management practices detailed under the International Standards such as ISO 9001, ISO 14001, OHSAS 18001 and other Environment, Health and Safety (EHS) guidelines. New vendor development process consists of stringent adherence check against EHS and statutory and legal norms laid under State Factory Acts. Existing vendors undergo periodic EHS assessments as a part of routine audits and are required to demonstrate sustenance for business continuity. Contract manufacturing agreements provide for compliance with accepted standards on issues related to EHS and labour practices.

(iii) Packaging Materials and Process

The Company has adopted recycling and reuse of metal bins for the handling of semi-finished components for selected categories, thereby eliminating wooden packaging. The Company is investing to secure cargo during despatches by improving loading procedures.

Initiatives like specification standardisation, value analysis and value engineering resulted in using lightweight and durable packaging materials. Optimising standards and material design and eliminating unnecessary packaging have resulted in effective management of packaging waste.

(iv) Distribution and Logistics

An efficient distribution network is an asset to any industry and is one of the key contributors to sustainability and profitability. The Company has strategically consolidated storage locations and introduced Warehouse Management System practices for finished goods across the country for quick and easy serving of customers, better transparency of stocks and lower carbon footprint.

The Company does not allow any vehicles which are not having valid documents, including PUC certificates inside the factory, nor use them for transportation purpose.

Import substitution across products and components in Lighting and Fans has been initiated.

The Company uses managed centralised print services, with the help of password authentication, which minimise usage of paper and ink.

4. Steps taken to procure goods and services from local and small producers, including communities and capability building initiatives, undertaken for local and small vendors.

The Company encourages the procurement of goods and services from local and small producers surrounding its plant locations. The contractors, engaged in the plants, mostly employ workmen from the nearby villages.

Vendor selection is determined by the following factors:

1. capability, quality, performance and on-time delivery;
2. compliance to legal, environment, health and safety guidelines;
3. readiness to participate in sustainable supply chain management programme; and
4. total cost.

The Company collaborates with its strategic vendors and partners in developing their product and technical skills. It also engages with them through various training and development initiatives at regular intervals, makes frequent visits to Vendors' factories and conducts impactful workshops to reward and recognise their contribution through scorecard assessments, etc.

The Company signifies and trains its vendors to meet the EHS requirements across all its plant locations.

This practice is not only greatly improving the Vendor efficiency but also considerably reducing the Company's carbon footprint.

In addition to this, the Company widely promotes vocational skills, development and training programmes to improve the livelihood of the neighbouring community.

5. **Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)**

The Company adopts comprehensive Environment Management Practices to focus on the conservation of natural resources across all its operating units. It has stringent waste management policies for internally generated wastes.

Solid waste/sludge from Water and Waste treatment plants and Process waste from the factories, is disposed in a controlled manner into the Government-approved Common Hazards Waste Treatments Storage and Disposal Facility (CHWTSDF).

Principle 3: EMPLOYEES' WELL-BEING

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

The Company lays a huge impetus on the well-being of all its employees. It emphasises on creating a stimulating work environment to enable employees to learn, develop, thrive and deliver best performance aligned with the Company's objectives. The Company continuously strives to positively influence the employees to remain engaged and committed.

The Company's Code of Conduct is based on the following parameters:

Diversity & Zero Discrimination | Health & Safety | Good Working Environment

All employees who join the Company demonstrate their commitment to follow the 'Code of Conduct' by signing their acceptance to adhere to the same.

Diversity and Equal Opportunities

The Company has high regard for diversity within the Company and is committed to offering equal opportunities for employment, thereby creating a conducive environment for engagement, alignment, innovation and greater deliverance. The Company does not discriminate against any team member or applicant for employment based on nationality, ethnic origin, race, colour, religion, physical handicap/disability, gender or marital status.

Health & Safety

An individual's health and well-being is shaped by several factors: social, economic and environmental. A range of workplace (e.g. physical environment, culture) and non-workplace issues (e.g. lifestyle choices, living conditions) can impact the health of an employee. To address these, structured initiatives were taken in stages, by the Company.

The Company has rolled out key health programmes as detailed below, during the year to promote a healthy lifestyle among employees:

- Silicosis awareness training, first aid trainings, health awareness trainings given to employees;
- Executed medical surveillance plans and periodic medical checkups;
- Revisited employee health insurance coverage for appropriate preventive screenings.

The Company provides overriding priority to Employee Safety. It is committed to building a safety culture by Implementing Behaviour-Based Safety through trainings and workshops, recording workplace hazards, conducting scheduled Fire-Safety Audits (in-house), strict adherence to Work Permit System (WPS) and Daily Tool-box talks, etc.

Regular interaction is maintained through Safety Committee meetings with all associates. Fire-Safety Drills, Safety Week Celebration and continuous Safety training to all employees begin with adequate induction. Internal and cross plant safety audits are conducted too. All actions and recommendations are being recorded and evaluated by respective EHS leaders. This monitoring has a major role in reducing workplace hazards/incidents and making Crompton, a Zero-accident organisation.

The organisation has identified scenario-based emergency preparedness plans to counter specific emergencies. On a regular basis, mock tests and drills are planned and executed to ensure Emergency Response Team members are quick to respond to any situation.

Safety standards are monitored through a focus on appropriate safety control, elimination of unsafe activities, providing better replacement methods and installation of foolproof engineering solutions (Poka-Yoke).

The Company's Goa Fan factory has been awarded the prestigious **"Global Safety Award 2020"**, by **Energy and Environment Foundation, India** during **10th World Petro Coal Congress 2020** for "**Outstanding achievement in**

practicing excellent workplace in Health & Safety" evolving safe work practices in Operations**.** It was handed over by Hon'ble Justice Swatanter Kumar, Former Judge Supreme Court of India & Former Chairperson, National Green Tribunal along with Mr. Anil Razdan, Former Secretary Power, Government of India, in presence of foreign delegates from Australia, Canada, Denmark, France, Germany, Hong Kong, Italy, Indonesia, Japan, Qatar, Singapore, Saudi Arabia, South Africa, UK and USA at Convention Centre-NDCC, Parliament Street, New Delhi.

Good Working Environment

The Company prides itself as a great place to work with its progressive Human Resource Policies. HR policies like flexible working hours, work-from-home arrangements, part-time work, leave and benefits-to name a few-ensure that the employees balance their work and life, effectively.

Engagement Forums

There are several mediums for the leadership team to interact with employees through forums like town halls, engagement surveys, etc. The Company conducted an Employee engagement survey in November 2019 to assess views of the employees and suitable actions for improvement are being implemented.

The Company invests in functional training for all employees in line with their current and future career aspirations. The learning suite encompasses functional training, leadership development programmes and behavioural training geared towards leading the self, others and business.

Other details are mentioned below:

1. Total number of employees -

   The total number of employees including contract labour and trainees were 4,162.

2. Number of employees hired on temporary/contractual/ casual basis -

   The total number of employees hired on temporary/ contractual/casual basis as on 31st March, 2020 was 2,195. In the previous year, there were 2,794 contractual employees.

3. Number of permanent women employees -

   The total number of permanent women employees was 159. In the previous year, there were 157 permanent women employees.

4. Number of permanent employees with disabilities -

   The Company has 4 permanent employees with a disability.

5. Employee associations recognised by the management -

   The Company respects the rights of employees to free association and union and representation. The Company has various employee unions in Ahmednagar, Vadodara, Bethora and Kundaim which encourage them to participate freely in constructive dialogue with the management.

6. Percentage of permanent employees that are members of recognised employee associations -

   All permanent blue-collar employees of Ahmednagar, Vadodara and Goa manufacturing units are members of trade unions/employee associations.

7. 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 cases of child labour, forced labour, involuntary labour and discriminatory employment and one complaint on sexual harassment were reported in the last financial year.

8. Percentage of under-mentioned employees that were given safety and skill upgradation training in the previous year:

   1. Permanent employees - 80%
   2. Permanent women employees - 80%
   3. Casual/temporary/contractual employees - 70%
   4. Employees with disabilities - 100%

Principle 4: STAKEHOLDER ENGAGEMENT

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

   Yes. The key stakeholders and their mode of engagements are shown below:

Stakeholders	Mode of Engagement
Government and Regulatory Authorities	Industry bodies/forums, direct interactions
Employee	Meetings, newsletters, employee satisfaction surveys and trainings
Customers	Customer meets and visits by Company officials
Investors and Stakeholders	Investors meet, annual general meeting and annual report
Suppliers	Site visits and personal/telephonic interactions
Trade Unions	Works Committee, Grievance Committee and Union Meetings

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

   Yes. The disadvantaged and vulnerable stakeholders include differently-abled employees, women and rural communities in and around the Company's plants.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?**

   The Company provides equal opportunities to differently-abled, marginalised and people from economically weaker backgrounds. All employees are offered equal opportunities for career growth.

Principle 5 - HUMAN RIGHTS

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 Code of Conduct applies to all employees of the Company.

   Human Rights issue is a part of the vendor selection process and is also included in the contracts drawn up with the vendors.

   The Company's Vigil Mechanism and Whistle Blower Policy extends to its vendors and ensures that any violations to its Code of Conduct (including violation of Human Rights) are addressed objectively.

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

   No complaint was received from stakeholders under the Code of Conduct.

Principle 6 - ENVIRONMENT

BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Coverage of the policy related to Principle 6 and its extension to the group/joint ventures/suppliers/contractors/NGO's/others**

   The Company constantly strives and focusses its efforts for the cause of the environment, by not only making efficient use of available resources but also by augmenting the natural resources. Its policies and activities are aligned to respond to the challenges emerging out of climate changes, in the form of energy conservation, water conservation, use of renewable energy, waste minimisation and expansion of greenery.

   In addition to the focus on conserving finite resources together with reducing harmful emissions, sustainable management at all stages of the value chain and throughout the entire life cycle of the products is now an essential part of the Company's philosophy.

   The Company's Environment, Health and Safety (EHS) Policy covers all employees and stakeholders across all manufacturing units and it has been displayed both in English and local languages.

2. **The Company's strategies/initiatives to address global environmental issues, such as climate change, global warming and more**

   The Company takes pride in actively and continuously engaging in Operational improvements focussed on Environmental sustainability and to address related issues. Some of the initiatives undertaken during the reported period were:

   Reduction in energy consumption:

   - Installation of screw compressor from reciprocating compressor at Bethora unit
   - Power generation through solar energy at Bethora facility
   - Installation of LED lighting fixtures at Kundaim factory

- Replacement of shop floor lighting with LED and solar daylight system for assembly shop at the Ahmednagar Pumps facility
- Removal of ceiling fans at Ahemdnagar and improvement in ventilation by providing louvers at production shop.

As a result of these initiatives, 885 mwh of energy has been saved.

Reduction in water consumption:

- 50 kl capacity STP upgradation with new SBR technology for using 100% flushing purpose at Bethora facility
- Usage of 100% recycled water for flushing purpose at Kundaim unit
- Installation of cooling tower for reducing freshwater consumption at Vadodara
- Installation of water sprinkler and dripping system in gardens reducing 3.5 lakh litres of water consumption and automatic water level cut off switch for drinking water coolers at Ahmednagar facility
- Upgradation of STP capacity from 20kl to 50kl, with sequential batch reactor, ensuring 100% water recycling, and reduction in raw water consumption by 4500 KL at Bethora Fans facility
- Alarm system installation at rooftop water tanks to control overflow at Baddi units
- Constant monitoring and water leakage addressal at Baddi units
- Identification and repair of drains for controlling water losses at Ahmednagar
- Rainwater harvesting systems for recharging of rainwater at Vadodara, Ahmednagar, Goa and Baddi plants

As a result of these initiatives, 1866kl of water consumption has been reduced

- Environment protection:
- Replacement of diesel operated forklifts with electric forklifts at Bethora and Goa fans units
- Introduction of solar UPS at Ahmednagar office
- 165 trees planted as part of tree plantation drive
- Nearly 200 mango and neem saplings planted in and around Bethora and Ahmednagar factory premises and 7,000 sq. ft added as green zone around the Company's pumps facility at Ahmednagar

Waste reduction:

- Die casting process outsourced at Goa
- Change in ETP treatment chemical for treatment at Goa
- Reduction in FTL production at Vadodara

Due to these initiatives, there has been a reduction of 2893 kg of waste produced.

Supply chain miles reduction:

- Avg. distance travelled by product in primary supply chain across sources to destinations in the year for significant part of business has come down by 3% via consolidation and right location of stock points.

3. Identification and assessment of potential environmental risk

The Company has established management systems, certified by accredited agencies in line with International Standards like EMS 14001 and OHSAS 18001. Identification, assessment and evaluation of potential environmental risk is a continuous process at all the operational facilities of the Company.

The Company's Bethora Fans factory has emphasised improving the efficiency of its manufacturing processes, which resulted in the reduction of hazardous waste generation by 50% from last year (12000 kgs to 6100 kgs in 2019-20).

At the Company's Vadodara Plant, LPG Storage facility is no more categorised as "Major Accidental Hazard" by the Explosives Department, after reduction in dependency on LPG from 60 MT to 13 MT, as a standby fuel for furnace, basis energy conservation.

Also, in SMT production section of the plant, the Company has installed auto lead solder recovery machine that has resulted in the reduction of lead solder hazard waste by 700 kg in 2019-20. In the furnace stack/gas generator, stack usage of natural gas was initiated and monthly monitoring of emissions of SOx NOx PM is continued.

Food waste composter has been installed for recycling canteen waste, at the Company's Ahmednagar plant.

The Company's operational units ensure that all hazardous waste is sent to the authorised disposal operator approved by the Pollution Control Board. An authorised recycler approved by CPCB is responsible for E-waste disposal. The Pollution Control Board has also imparted training to generate awareness about E-waste related segregation, storage and proper disposal.

Striving towards Safe Environment and Workplace, Roof Top Lifeline System has been installed at all plants for employees working at heights.

4. **Company's initiatives towards clean development mechanism**

The Company continues its contribution towards the Environment by ensuring efficient use of resources and responsible means of waste disposal. The Company's EHS policy commits to establishment and effective execution of Management systems, thereby enabling all the Company's Operational units to be certified with IMS QMS 9001:2015 (Quality Management System), ISO 14001 (Environmental Management Systems) and OHSAS 18001 (Occupational Health and Safety Management Systems).

The Company has adhered to the applicable standards and limits for emissions and waste prescribed by the respective SPCB/CPCB and did not receive any show-cause notice for the year 2019-20.

5. **The Company's initiatives on – clean technology, energy efficiency and renewable energy, among others**

The Company is cognisant of the need to conserve energy through clean technology. As part of its core value of operational excellence, the Company continuously strives to achieve efficiency at all its manufacturing facilities, and many of its new initiatives both capital and operational are on the path of effective utilisation of resources.

The Company's Goa facility is installed with energy-efficient equipment. All common utilities are fitted with timers and sensors, effectively reducing electric power consumption by 874907 kWh, over the previous year.

At Vadodara facility, the low efficient natural draft cooling tower was replaced with highly efficient induced draft cooling tower during 2019-20, which saved on water losses and reduced water pump power consumption from 3.7 Kw to 2.2 Kw. In 2019-20, saving has been 300 KL of water and 7000 kWh of power.

10KVA off-grid Solar Power plant has been installed at the Company's Ahmednagar Plant during 2019- 20, feeding the office lighting and IT infrastructure, resulting in an energy saving of 17,600 kWh/annum.

The plant has also replaced shop floor conventional light fittings with energy-efficient LED fittings, with saving of 48,000 kWh/annum. With these interventions, the plant has reduced the electricity contract demand load from 500 KVA to 300 KVA during the reporting period.

6. **Reporting on the emissions/waste generated by the Company as per the permissible limits given by CPCB/SPCB**

The Company has renewed Occupational health centre membership for the respective plant locations.

The Company is complying with the emission norms and periodic reports are submitted with the CPCB and SPCB, as per statutory requirements.

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

The Company has not received any show cause/legal notices from CPCB/SPCB during the financial year under review.

Principle 7 - POLICY ADVOCACY

BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. **Representation in any trade and chamber/association**

The Company has its representation in several Business and Industrial associations such as the Indian Pump Manufacturers Association (IPMA), Southern India Engineering Manufacturers Association (SIEMA), Indian Fan Manufacturers Association (IFMA), the Advertising Standards Council of India, Indian Society of Advertisers, IMA IP Ltd., Indian Society of Lighting Engineers, Electrical Lamp Manufacturer's Association, Bureau of Indian Standards (BIS), National Lighting Code and Bombay Chambers of Commerce.

2. **Advocated/lobbied through the above associations for the advancement or improvement of the public good**

The Company is working with IPMA Core Committee towards creation of new standards for Solar and other categories of Pumps.

Principle 8 - INCLUSIVE GROWTH

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.**

   The Company's CSR Policy is drawn up on the basic principles of "Responsible Business" and "Shared Value", aligned to the developmental priorities identified by the provisions of Companies Act, 2013. The Policy, inter alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the responsibilities of the CSR Committee, the implementation plan and reporting framework. UJJVAL DEEP, the Company's CSR programme framework is aligned to its long-term commitment to build positive value for the communities.

   Major thrust areas of the Company's CSR initiatives are:

   - Vocational and skills training;
   - Projects that address environmental issues such as water and waste management;
   - Projects that impact and enrich the lives of people who live near the manufacturing/processing facilities;
   - Engaging employees actively through Corporate Social Responsibility.

   Some of the projects and activities conducted by the Company, during the year, are as follows:

   Skill Development

   Residential Multi-skill Training for 900 youth at various locations in the country for electrical and plumbing trades.

   Skills Training to 132 youth from underprivileged and tribal communities at Bundu and Sambalpur with 82% placement.

   Electrical, Wireman and Home Appliance Repair Programme, with Soch Ka Parivartan (Attitude Transformation) module. This is designed to help students, who come from different and often, tough backgrounds dealing with harsh problems, build their self-esteem and confidence and help them develop a positive attitude.

   432 students have been trained within this programme of which, 240 have been placed.

   Apparel-making Programme focussed on women empowerment by skilling lesser privileged women in the Marathwada, Vidarbha and Palghar regions of Maharashtra. 257 women have been enrolled so far in the project.

   Centre of Excellence set up at Hyderabad, Sikkim and Silvassa to train over 1,400 youth in a period of 15 months. Currently, 120 students are undergoing training at the centres.

   Life Skills Programme in Schools - The project aims to build empathy, critical thinking, confidence and team playing in children through life skill and citizenship programmes. This is achieved through 10 CMCA clubs formed in 4 schools in Mumbai with students of 7 and 8 grade. So far, 493 students have been engaged in over 111 sessions.

   Water Conservation

   The Company has focussed its intervention on three major areas:

   1. Rainwater Harvesting (RWH) system at Institutional Level
   2. Rainwater Harvesting (RWH) system at Community Level
   3. Awareness and Training sessions to get the best results in water conservation

   Rainwater Harvesting in Chennai at the following locations: Ethiraj College and Santhome High School in Chennai in collaboration with Akash Ganga Trust.

   Watershed Development aimed at reducing the impact of natural calamities like droughts and to make the village water secure, the Company supported a watershed development initiative in Jalna, Ahmednagar, Maharashtra and Wasunde village. This also increased employment options within agriculture and allied activities by impacting 758 landholdings and their families in the region.

   Integrated Water Project aims to provide clean drinking water and water for irrigation to 22 households in the Pimpalpada region, Palghar by the construction of a bund and conversion of a water hole into an open hole.

Projects impacting the lives of people living near manufacturing/processing facilities

Mid-day meal at Vadodara schools project works towards the elimination of classroom hunger by implementing the Mid-Day Meal Scheme in the 41 government schools and government-aided schools in Vadodara. The nutritious mid-day meal encourages children to attend school regularly and improves their overall concentration in the classroom. Under the project, 7,042 children across 41 schools in Vadodara are now receiving nutritious food regularly.

School sanitation project works to undertake toilet infrastructure development and behaviour change communication to inculcate better sanitation practices such as handwashing with soap & toilet usage amongst school students, thereby improving their health as well as learning outcomes.

The project is being implemented in 31 schools in Vadodara.

2. **Modes through which programmes/projects undertaken (through in-house team/own foundation/ external NGO's/Government structures/any other organisation)**

The Company undertakes the programmes and projects on its own and through Crompton CSR Foundation and with the support from external agencies.

Vocational and Skill training with ASMACS, PARFI, Yuva Parivartan, Orion Edutech P Ltd, CMCA.

Water Conservation with Akash Ganga Trust, Vanarai, BBKGSS, Kherwadi Social Welfare Association.

Projects impacting lives in the neighbourhood of manufacturing/processing facility through Akshaya Patra Foundation, etc.

3. **Impact assessments for initiatives**

Impact assessment of our CSR initiatives was done in 2019-20 by an independent agency which has indicated areas of improvement. Further, the Company intends to continue to review the impact of its various initiatives in the coming years.

4. **Company's direct contribution to community development projects**

Details of the projects undertaken are mentioned in the Annual Report on CSR activities in the Board's Report.

5. **Steps undertaken to ensure that community development initiatives are successfully adopted by the community**

The Company ensures its presence is established right from the commencement of the initiatives. It collaborates with the communities right from need identification to project implementation, followed by a review of effective implementation.

Principle 9 - CUSTOMER VALUE

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

1. **Percentage of customer complaints/consumer cases pending as at the end of the financial year**

The Company has a well-established system to handle customer complaints and feedback. Consumers can provide their feedback or lodge product-related complaints through a designated email id i.e. consumer.support@crompton.co.in and call centre toll-free no. 1800 4190 505.

During the year, the Company received a total of 20,56,205 product-related customer complaints, out of which, 20,48,485 complaints were successfully resolved.

Out of the Total Complaints received during the year, 17,84,815 were within stipulated warranty period and out of these 17,78,253 were successfully resolved as on 31st March, 2020.

There were 25 consumer-related legal cases pending as on 31st March, 2020.

2. **Product information and product labelling**

All the Company's products carry the information required under the Legal Metrology Act, 2009.

3. **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 at end of the financial year.**

Nil

4. **Consumer survey/consumer satisfaction trends carried out by the Company**

Yes, the Company conducts periodic Consumer surveys to identify their needs, to take feedback and use such information for new product development.