Catalysing Green Growth Transition
Dear Stakeholders,

Sustainable operations are becoming an increasingly decisive factor for the future of any business. Our goal is to harmonize economic prosperity with environmental actions and human development, particularly in the communities in which we operate.

I am excited to present our second report, the Corporate Responsibility Report FY 2020-21. We aim to provide our stakeholders with an update on our sustainability progress and future roadmap. At Dalmia Bharat Sugar, sustainability is governed by the desire to innovate and push our boundaries to address today’s critical environmental challenges. We firmly believe that integrating sustainability is a crucial ingredient to the success of our business. We are committed to creating long-term value for our stakeholders while meaningfully contributing to sustainable development of the industry.

Even after the ongoing challenge of Covid-19, which is still affecting countries all around the globe, we are ceaselessly maintaining business growth across our diversified portfolio, i.e., sugar production, distillery, and cogeneration. The implementation of best practices in the value chain provided us with flexibility and diverse opportunities. With our dedicated efforts, solid operating efficiency, and human capital, our revenues continued to grow at a Compound Annual Growth Rate (CAGR) of 26% to INR 2,739 Cr. In comparison, net profit evolved at a CAGR of 36% to INR 270 Cr. over the three years. We have further increased our sugar production from 5.58 Lakh MT in FY’20 to 6.01 Lakh MT in FY’21.

Furthermore, due to superior cane variety and a sturdy cane management system, our Uttar Pradesh unit and Maharashtra unit have achieved a record sugar recovery of 12% and 13% respectively. Our ethanol production has climbed from 240 KL per day to 305 KL per day, catalyzing tremendous growth for us. Furthermore, this year, we expanded our business segment and launched a segment for hand sanitizer under ‘Dalmia Sanjeevani’ and sold about 25 Lakh Litres of sanitiser.

As we move forward in our green growth journey, we strive to continuously improve our environmental, social, governance, and economic performance. On this front, we reviewed our materiality and grouped different material topics into the pillars of ESG focus areas, namely: Empowering People, Responsible Consumption, Responsible Growth and Business Ethics, and Sustainable Business Practices. Additionally, we have introduced key performance indicators and targets in the respective focus areas to record and monitor our progress.

Sustainability is and will continue to remain ‘work-in-progress’ at DBSIL. We have introduced the ESG strategy, streamlined our targets, and have a long way to go. We invite you to be a part of this journey and help us navigate the terrain more effectively through your continued feedback and support.

-Gautam Dalmia

From the Wholetime Director’s desk

Dear Stakeholders,

We are committed to creating sustainable impact for all our stakeholders and progressively striving for superior social, economic, and environmental performance. As we intensely focus on long-term business viability, we are dedicated to conducting our operations sustainably. This report reflects our performance demonstrating our sustainable operations.

This report attempts to ensure that our systems and practices are transparent and that we have a thoughtful plan to maintain our status as an integrated sugar manufacturer by embedding economic, environmental, and social aspects in all that we do. With our diligent efforts and commitment to green growth, we enhanced our approach to sustainability this year by launching ESG mission, objective, and roadmap for our company. We are guided by its approach across our value chain from sugarcane procurement, efficient operations, waste reduction, and optimal energy use to community outreach.

We strongly believe the sustainability roadmap will advance our pace our green growth journey.

The pandemic has been challenging. However, amidst the volatile outlook and constantly evolving environmental landscape, we had an entire season of operations because sugar is a vital commodity and could continue manufacture throughout the lockdown. We sustained production across our sugar, cogeneration, and distillery operations while ensuring workers’ and employees’ good health and well-being.

Sustainability is an essential enabler of our financial performance, and I am pleased to report that FY’21 was a year of record profit delivery for DBSIL. Sustainably achieving this was of paramount importance to us. I would like to thank every one of our stakeholders. I am deeply grateful for your ongoing commitment to our business.

Finally, as we look to the year ahead, we are well-positioned to build upon the gains made in 2021, and we believe 2022 will be a year of progress and further growth for DBSIL.

-Bharat Bhusan Mehta
Dear Stakeholders,

We create value by building trust and taking responsibility for the people who work with us. Our disclosures are complete, transparent, and meet the expectations of all our stakeholder groups. Our performance reflects not only statistics but also the economic, environmental, and social value generated. In an era of global warming, we are working to decrease our carbon footprint and thereby helping to build a better future. Our societal commitments are and will continue to be consistent with our vision.

We are constantly striving to enhance our processes to create more with less while leaving a smaller environmental imprint. We recognize the importance of farmers in our supply chain and take several initiatives to improve soil fertility, strengthen production processes, and invest in modern equipment. Our cane management has benefited many sugarcane growers. We maintain engagement efforts and initiatives to build connections with farmers by providing timely and fair payments. Every site has at least four Kisan Seva Kendras (Farmer Service Centres) to provide fertilizers, agrochemicals, and seeds. We aim to develop robust and high-yielding cane varieties that generate sustainable incomes for farmers.

While we are aware of the devastating effects of global warming on agricultural output, we have developed several measures for energy and water-saving at our operations to enhance our resource efficiency continually. DBSIL’s plants have achieved Zero Liquid Discharge (ZLD). We intricately recognize the importance of green electricity in lowering GHG emissions and use bagasse in our co-generation facilities to generate green power. For this reason, we have four co-generation plants with a total of 119 MW installed capacity that enables us to meet our energy requirements and earn revenues from the surplus power sold to the grid.

With the evolving challenges of Covid-19, we have utilised the downtime during lockdowns to mentor and upskill our people and partners through various digital interventions. The health and safety of our people continue to take precedence over other business factors.

We have significantly increased our social work for the communities surrounding our plants, as evident by growing CSR investments over the years. We have leapfrogged our efforts in thematic areas: Livelihood, Climate Action, and Social infrastructure. We are committed to addressing society’s most pressing issues through our meticulous corporate responsibility approach.

- Pankaj Rastogi

From the CEO’s desk

Awards and Recognition

DBSIL (Wind Farm) received top honour at 24th IWPA General Meeting

DBSIL Nigohi Sugar Unit received top honour for helping government in eradication of Tuberculosis

DBSIL was conferred for significant achievement in corporate social responsibility
About the Report

Catalysing green growth transition

We are pleased to present our second sustainability report. This report covers data of Dalmia Bharat Sugar for the period of 1st April 2020 to 31st March 2021 (hereafter referred to as ‘Reporting Period’). This report is developed in accordance with the Global Reporting Initiatives (GRI) Standards framework. We endeavour to continue our journey to success by moving ahead with our commitment to “Green growth”. This commitment forms the bedrock of our company. We pledge to communicate our sustainability progress with utmost transparency to our stakeholders. In this report, the terms “our”, “we”, “DBSIL” and “Company” refer to Dalmia Bharat Sugar and Industries Limited.

This report provides a holistic view of our environmental, social and governance performance and explains how we strive to advance in your journey by producing quality sugar and green energy. The sugar production process involves cane-crushing which generates molasses (a by-product) and bagasse (waste). Molasses is used to produce ethanol, a green fuel, while bagasse is used to generate clean power. Therefore, we are proud to say that our product comes with a green footprint.

At our distilleries, we mix bagasse with the spent wash to generate green energy. The co-generation plants located at our sugar mills are generating clean and green electrical energy. These plants have the capacity that caters in surplus to our energy requirements. The excess electrical renewable energy is being exported to distribution companies. In line with the previous years, this year we could export about 60% of generated renewable electricity to distribution companies. Furthermore, we have invested in several energy efficiency measures to optimize our energy.

Scope and boundary

Our Corporate Responsibility Report FY 2020-21 has been developed in accordance with “core” criteria of the Global Reporting Initiative (GRI) standards. The GRI standards, Sustainability Accounting Standards Board (SASB) guidelines, and peer company analysis have been used to identify the most significant aspects or material issues of DBSIL for disclosure in the report. The scope of this report includes sugar mills, distilleries, and co-generation facilities located in Uttar Pradesh and Maharashtra. In Uttar Pradesh, we have Ramgarh, Nigohi, and Jawaharpur and in Maharashtra, we have Kolhapur and Sangli and the Corporate office in Delhi, unless stated otherwise. In addition, we have other businesses such as Magnesite division, Electronic division, Windfarm, and Govan travel, which are not considered in the scope of this report.

Reporting period

This report explains DBSIL sustainability performance and activities during the financial period of 1st April 2020 to 31st March 2021. This is our second report, and we are committed to publishing our sustainability disclosures annually in the sustainability section of the website.

Contact us

We hope you find this report informative, engaging, inspiring and useful. We endeavour to keep improving our internal systems and reporting methodology. To this end, your comments and suggestions are welcome and will assist us in continuously improving our reporting processes. You may send your comments to sustainability@dalmiasugar.com
About the Company

Since we made our foray into the sugar business, we have been the fastest-growing sugar producer in India and rank among the top companies in the sugar industry. Our journey began in 1994 when we set up our first 2,500 MT of Cane per Day (TCD) in Ramgarh, a village in the Sitapur district of Uttar Pradesh. Currently, we are running at 36,500 MT of Cane per Day of total cane crushing capacity. With our growing ability, we have reached a turnover of INR 2,739 Cr. in FY’21.

More than a decade ago, in the year 2006-07, we made a remarkable shift from only manufacturing sugar to producing ethanol as well and cogenerating green power from bagasse. Additionally, in the same year, we embarked on our growth trajectory by setting up two greenfield plants at Jawaharpur (Dist. Sitapur, Uttar Pradesh) and Nigohi (Dist. Shahjahanpur, Uttar Pradesh) and expanding existing facilities at the Ramgarh unit. Continuing our growth, we have achieved success in the Business to Business (B2B) segment. Moving ahead, starting this year, we will be focusing our efforts on expanding our footprint in the Business to Consumer (B2C) segment.

The sugar industry will evolve in the coming years, and DBSIL will continue to make necessary efforts to leverage sustained competitive advantage. We foresee tremendous potential in the sugar industry and strive to be among India’s top five sugar producers. Furthermore, we are also committed to creating value for each of our stakeholders. We strive to work with our stakeholders respecting our vision and mission without compromising inherent values, thus building a better society.

Our average cost of manufacturing is very competitive in the sector.

Diversified Business
Presence across the value chain including sugar production, ethanol production and co-generation.

Integrated Plant
Fully integrated plants ensure maximum utilisation of by-products, reducing transportation costs and improving efficiency.

Strategic Location
Presence of our mills in cane-rich states: Maharashtra and Uttar Pradesh.

Quality
Robust quality systems- 5S initiatives are taken across all units.

Relationship
Strong equity among the cane farming community.

Sustainability
Expanded ethanol production capacity.

Green Power
Use bagasse-based cogeneration to generate green power.

Vision
To unleash the potential of everyone we touch.

Values
- Integrity: Be true to yourself and others.
- Commitment: Always deliver against a promise.
- Humility: Be open to accept and willing to learn.
- Trust & Respect: Believe in one another and hold each other in high esteem.

Mission
To be among countries top five sugar companies. In respect of total revenue coupled with strong impetus on value creation to drive the highest Return on Capital Employed (ROCE) in the industry.
Company history and geographic presence

Geographical presence

As of 31st March 2021, we have five sugar plants, of which three are in Uttar Pradesh, and two are in Maharashtra. We have a combined capacity of 119 MW from our co-generation plants. In addition, our distilleries at Jawaharpur, Nigohi, and Kolhapur have a licensed power capacity of 305 KL per day.

In FY’21, our raw sugar processing facilities enabled us to export to the Far East, Middle East, Africa, and SAARC countries.

Production Capacity FY 2020-21

<table>
<thead>
<tr>
<th>Units</th>
<th>Sugar (MT of cane per day)</th>
<th>Ethanol (KL per day)</th>
<th>Co-generation (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ramgarh</td>
<td>7,500</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Jawaharpur</td>
<td>7,500</td>
<td>120</td>
<td>33</td>
</tr>
<tr>
<td>Nigohi</td>
<td>9,000</td>
<td>110</td>
<td>29</td>
</tr>
<tr>
<td>Kolhapur</td>
<td>9,000</td>
<td>75</td>
<td>28</td>
</tr>
<tr>
<td>Sangli</td>
<td>3,500</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>36,500</td>
<td>305</td>
<td>119</td>
</tr>
</tbody>
</table>

Historical Summary

- First Sugar Plant in Ramgarh, 2,500 TCD capacity.
- Jawaharpur and Nigohi units were commissioned.
- Commissioned Co-generation plants at Ramgarh, Nigohi and Jawaharpur in UP with a total capacity of 79 MW.
- 80 KLPD Distillery commissioned at Jawaharpur.
- DBSIL purchased assets of Kolhapur unit in September 2012.
- Commissioned distillery unit in Kolhapur Maharashtra.
- DBSIL started commercial production at Ninaidevi plant from 31st November 2015.
- Jawaharpur distillery capacity increased to 120 KLPD.
- Distillery capacity at 60 KLPD.
- Capacity at Sangli & Kolhapur units is 10,700 TCD.
- DBSIL started manufacturing of alcohol-based hand sanitisers as per WHO recommendations, under the brand name of ‘Dalmia Sanjeevani’.
- Present day distillery capacity stands at 110 KLPD.

*TCD is MT of Cane per Day
We have improved our sugar production with an increase of 8% from 5.58 Lakh MT in FY’20 to 6.01 Lakh MT in FY’21. In our Uttar Pradesh sites, we reported a record increase in sugar recovery of 12% while in our Maharashtra sites, we recorded a sugar recovery of 13%. We achieved this recovery due to superior cane variety and a sturdy cane management system. Our moderate production cost has enabled us to remain constant with scheduled and timely payment to our cane farmers.

In line with the rapidly changing business environment, DBSIL endeavours to continually sharpen its risk management systems and processes. We have developed a holistic risk management mechanism and framework that seeks to identify, monitor and mitigate a host of risks. The risk mechanism includes risk identification, mapping, assessment, control, review, and alignment. This process ultimately results in the mitigation of the identified risks.

Businesses today need to earn the trust to operate from various stakeholders like local communities, government and regulators, NGOs, and more. By consciously reducing the environmental and social impacts of our operations, and creating positive impacts in societies, DBSIL has earned this trust in the communities.

<table>
<thead>
<tr>
<th>Industry Risk</th>
<th>Exposed Risk</th>
<th>Risk Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fluctuations in price and availability of sugarcane, raw sugar and energy prices can impact revenues and profitability adversely.</td>
<td>Our integrated business model helps to reduce the risks across our businesses. We use combinations of forward contracts, hedging on exchanges, etc. to minimize the price fluctuation in sugar.</td>
<td></td>
</tr>
<tr>
<td>Frequent changes in government policies can affect the sugar industry and thereby impact our performance.</td>
<td>We focus on de-risking our business by producing quality products, having a strong marketing network, improving process efficiencies, better cane management system and increasing distillery production.</td>
<td></td>
</tr>
<tr>
<td>Inadequate availability of raw materials can have a tremendous impact on sugar production and our profitability.</td>
<td>• DBSIL works with farmers to improve their financial liquidity, provides them training to enhance yield by focussing on soil enhancement, inter-cropping for nitrogen fixation, green manuring and vermicomposting. Project Unnati was launched to address the inefficiencies of conventional farming practices and to achieve a recovery of more than 10%.</td>
<td></td>
</tr>
<tr>
<td>Monsoon vagaries can impact cane growth and related profitability as farmers have a high dependence on water.</td>
<td>• DBSIL is planning to undertake the development of new cane varieties which consume less water and can be cultivated within nine months. In addition, trench planting and other methods are used for water conservation.</td>
<td></td>
</tr>
</tbody>
</table>

Our business segments

Sugar business

We have improved our sugar production with an increase of 8% from 5.58 Lakh MT in FY’20 to 6.01 Lakh MT in FY’21. In our Uttar Pradesh sites, we reported a record increase in sugar recovery of 12% while in our Maharashtra sites, we recorded a sugar recovery of 13%. We achieved this recovery due to superior cane variety and a sturdy cane management system. Our moderate production cost has enabled us to remain constant with scheduled and timely payment to our cane farmers.

Co-generation business

Our co-generation business has advanced our commitment to sustainability. We are producing electricity in our plants using an on-site co-generation through a waste to heat recovery approach. These plants cater to our requirements in surplus. While we consume a portion of the power generated for the company operations, we dispense a vital portion to power distribution companies. Of the total power generated, we utilized 40% in-house during FY’21 and the exported remaining to the grid. The power generated in FY’21 is 49 Cr. units and the revenues earned from surplus power exported stood at INR 141 Cr.

Distillery business

Our combined efforts with the government have helped us to grow tremendously in the distillery segment. Moreover, the availability of in-house raw materials has enabled the efficient and timely production of ethanol. In FY’21, our cumulative distillery capacity stood at 305 KL per day. We possess the capacity to produce different grades of alcohol (ethanol, rectified spirit and extra neutral alcohol), thereby addressing different user segments.

Hand Sanitizer

Recently, DBSIL began producing hand sanitizers under the brand name Dalmia Sanjeevani at our distilleries in Uttar Pradesh and Kolhapur. We distributed our sanitizers free of charge to government hospitals and the police force. The revenues earned from sanitizers stand at INR 25 Cr. during the year under review.

Business risk management

In line with the rapidly changing business environment, DBSIL endeavours to continually sharpen its risk management systems and processes. We have developed a holistic risk management mechanism and framework that seeks to identify, monitor and mitigate a host of risks. The risk mechanism includes risk identification, mapping, assessment, control, review, and alignment. This process ultimately results in the mitigation of the identified risks.

Businesses today need to earn the trust to operate from various stakeholders like local communities, government and regulators, NGOs, and more. By consciously reducing the environmental and social impacts of our operations, and creating positive impacts in societies, DBSIL has earned this trust in the communities.

The identified risks and the corresponding mitigation methodologies have been provided in the table below.
Economic performance

Strong economic performance and robust growth strategies are the cornerstones of our company. We respect the interests of our shareholders, investors and strive to ensure that we provide a solid and accurate balance sheet that serves as the foundation of sustainable business. We endeavour to stay ahead of our peers and keep our brand image intact in the market with continuous and vigorous efforts. Primary revenue streams for the Company are from our fully integrated business involving sugar, ethanol, and co-generation business.

Our units are established in the sugarcane-rich states of Maharashtra and Uttar Pradesh. We seek to retain our position as a respected industry player among the leading integrated sugar manufacturers and reflect to generate the highest return on capital employed.

One identified risk to our economic performance is our dependence on sugar cane seed variety ‘CO-0238’. The risk is being mitigated through research and development efforts to identify different cane varieties. We also conduct benchmarking exercises periodically across peers to ensure optimum performance on selected parameters.

*IRR – Internal Rate of Return

Shareholding pattern

The shareholding pattern reveals the distribution pattern of the Company’s equity shares to the public and promoters. We have our shares listed and actively traded both on the Bombay Stock Exchange and National Stock Exchange. As of 31st March 2021, the market capitalisation of the company was INR 1,509 Cr. and promoters owned 74.92% of the equity.

Economic value generated and distributed

Even during the challenging and demanding time of the Covid-19 Pandemic, we maintained our business performance. As ease of doing business in India has improved, we foresee increased foreign investments. Our revenues evolved at a CAGR of 26% to INR 2,739 Cr., while net profit evolved at a CAGR of 36% to INR 270 Cr. over the last three years. With our growing profit period-on-period, there has been a significant increase in ethanol production.

<table>
<thead>
<tr>
<th>Units</th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar Cane crushed MT</td>
<td>50,29,000</td>
<td>47,98,000</td>
<td>52,67,534</td>
</tr>
<tr>
<td>Sugar produced MT</td>
<td>6,13,000</td>
<td>5,58,000</td>
<td>6,00,747</td>
</tr>
<tr>
<td>Ethanol produced KL</td>
<td>45,000</td>
<td>68,000</td>
<td>84,000</td>
</tr>
<tr>
<td>Revenues INR Cr.</td>
<td>2,105</td>
<td>2,172</td>
<td>2,739</td>
</tr>
<tr>
<td>Profit INR Cr.</td>
<td>187</td>
<td>198</td>
<td>270</td>
</tr>
<tr>
<td>Co-generation Production Lakh units</td>
<td>6,020</td>
<td>5,490</td>
<td>4,930</td>
</tr>
</tbody>
</table>
Banking on opportunities

We have achieved profitable economic growth in FY’21 because of our sustainable operations and diverse income streams. Over the years, our green growth commitment has helped us in strengthening our balance sheet. Despite the overriding structural shift in sugar cane availability in India, we have been able to capitalize ethanol production through the B-heavy molasses route that substitutes the sugar output.

The capabilities of our distillery and co-generation plants drive our business sustainability and contributes to pre-tax profits. We strive for a concrete position across markets with our integrated operations to meet the booming demand for high-quality sugar and biofuels.

Technology and marketing

We continuously explore opportunities for innovation in our day-to-day operations. We at DBSIL believe that digitization is the way forward, and we are trying to learn new ways of implementing technology in day-to-day work and increase efficiency. Our implementation of SAP is a crucial step towards innovation and technological development. The capabilities and technology of SAP support all sale-related activities. The sales and dispatches are monitored daily through reports generated on SAP-linked platforms and shared with top management. Further, most of the documentation is digital, including sales invoices. At DBSIL, we have a license for SAP Plant Maintenance (SAP PM), which we use to manage projects, track schedules, and measure maintenance costs.

Engaging and collaborating with stakeholders is key for developing the business strategy. To build a meaningful and transparent relationship, we engage with our stakeholders to form long-term relationships based on trust and a willingness to collaborate.

We define our stakeholders as individuals, groups, or organizations who have a material influence on or are materially influenced by the way we perform our activities. At DBSIL, we engage with our stakeholders periodically through various channels and proactively communicate relevant information to our stakeholders through multiple channels such as meetings, annual report, CSR report, sustainability report, press releases, etc. We strive to ensure that it is a two-way communication process. Feedback from our stakeholders is welcome so that we can learn how we as a company can improve.

The following table mentions different modes through which we engage with our stakeholders and concerns discussed with them.
In this rapidly changing environment, we are adapting and responding to the issues that matter most to our stakeholders and our business. We are constantly working on understanding these issues as they help us define our strategic priorities and report on the issues that are of most interest to our stakeholders. To identify and subsequently validate the material issues of DBSIL, last year we first created a bucket list of potential material aspects by analyzing the material issues of peer companies, the Sustainability Accounting Standards Board (SASB), and Global Reporting Initiative (GRI). Furthermore, we engaged with different stakeholder groups to understand their views and concerns on the identified material issues.

As a part of the materiality process, we engaged with the senior management of DBSIL. It helped us in defining these material aspects and fabricating a path for long-term value. Furthermore, through this assessment, the material elements were shortlisted, prioritized, and grouped under four pillars: Empowering People, Responsible Consumption, Responsible Growth, and Business Ethics, and Sustainable Business Practices. This year, we have reviewed our materiality issues and analysed the initiatives to manage them.
Commitment to building a green future

Sustainability is ingrained in our business, projects, initiatives, practices, and mindsets. As our commitment to environmental, social and governance advances every year, we delve deeper, spread wider, and aim higher to positively impact our stakeholders and society. The Company has reached a new milestone to accelerate its sustainability efforts and introduced its ESG roadmap this year.

Our sustainability roadmap has goals and action plans defined to improve our year-on-year sustainability performance. This roadmap is foundational to our company and is part of changing market expectations. It aligns with the Company’s green growth commitment hence, known as the green growth strategy. The roadmap was created with an emphasis on four focus areas, each aligned with our commitment. We have grouped material topics into the pillars of ESG focus areas. Our focus areas are: Empowering People, Responsible Consumption, Responsible Growth and Business Ethics, and Sustainable Business Practices. The respective focus areas have their key performance indicators and targets. As targets support streamlining priorities, we advance our sustainability agenda to meet the challenges of tomorrow. Following this roadmap, we will be maintaining and monitoring our sustainability performance and identifying opportunities for improvement.

Sustainability mission and objective

Mission
Our mission is to ensure sustainable sugar production which creates value for the farmers and the community while sustaining a business ecosystem.

We constantly endeavour to integrate the sustainability / triple-bottom-line principles into our daily operations thus minimizing our impact on the environment and maximizing the value of all our stakeholders.

Objective
Our approach to sustainability is earmarked by the efforts that we carry out under different aspects of water conservation, energy use reduction, resource efficiency, waste minimization, impacting lives and conducting business responsibly.

We designed our sustainability mission and objective which is as follows:

Our mission is to ensure sustainable sugar production which creates value for farmers and the community while sustaining a business ecosystem.

Our approach to sustainability is earmarked by the efforts that we carry out under different aspects of water conservation, energy use reduction, resource efficiency, waste minimization, impacting lives and conducting business responsibly.

Sustainability policy
The policy spells out the Company’s philosophy towards the sustainability commitments and lays down the approach to manage environmental, social and governance aspects for effective planning, implementation and monitoring of our sustainability initiatives.
Conducting business ethically
A strong ethical foundation is critical to our business success. The corporate governance system at our Company encompasses various policies, committees of the Board and checks and controls to enhance Board involvement and effectiveness. These systems and procedures allow us to guide our business practices, manage, and create a positive impact on society.

We have established an appropriate governance framework to work responsibly to maximize stakeholders’ value. In addition, we recognize the importance of a diverse Board comprising Directors who we select from a wide range of experience, skills, and expertise in the industry. Consequently, the Company has constituted a perfect blend of Board of Directors, who performs activities responsibly and ensures transparency and a discipline that is trusted not only by investors but also by diverse stakeholders. We have an active and well-informed group of Independent Directors who comply with the SEBI independence standards.

Organisation structure
To uphold the trust of stakeholders, our Board of Directors comprises professionals from the industry, finance, bureaucracy, and administrative functions that fulfil the required core competencies. The Board members at the Company have strong expertise and capability of effectively contributing to business and policy decisions. They oversee the management and protect the long-term and short-term interests of the stakeholders. They have been vested with the requisite powers and authority to fulfil their duties and responsibilities, operating within the framework of a responsibility matrix.

Composition of Board of Directors (as on March 31, 2021)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>P. Kannan</td>
<td>Chairman</td>
</tr>
<tr>
<td>2</td>
<td>Late Jai Hari Dalmia (VC &amp; MD)</td>
<td>Executive Director</td>
</tr>
<tr>
<td>3</td>
<td>Gautam Dalmia (Managing Director)</td>
<td>Executive Director</td>
</tr>
<tr>
<td>4</td>
<td>Bharat Bhushan Mehta</td>
<td>Whole-time Director</td>
</tr>
<tr>
<td>5</td>
<td>Rajeev Bakshi</td>
<td>Non-Executive and Independent Director</td>
</tr>
<tr>
<td>6</td>
<td>Amita Misra</td>
<td>Non-Executive and Independent Director</td>
</tr>
<tr>
<td>7</td>
<td>T. Venkatesan</td>
<td>Non-Executive and Non-Independent Director</td>
</tr>
</tbody>
</table>

Board-level committees
DBSIL operates in an ethical, compliant and transparent way. Our commitment starts at the top and filters to all levels, with good governance of every aspect of the business. For this purpose, the Company has formed committees with clearly defined roles. The committees are constituted under the formal approval and supervision of the Board. They meet at regular intervals and take the necessary steps to perform their duties. There is a seamless flow of information as the committees report their recommendations and opinions to the Board, which in turn supervises the execution of the respective responsibilities of each committee.

Audit Committee
The Audit Committee is mainly entrusted with supervising and monitoring our internal controls and financial reporting process. Its role is to recommend for appointment, remuneration and terms of appointment of auditors of DBSIL, and payment for any other services rendered by them. They review and monitor the independence and performance of the auditors in addition to overseeing the effectiveness of the audit process. They also oversee the Company’s financial reporting process, review quarterly and annual financial statements. The auditor’s report is sent to the Board for approval to ensure financial statements are accurate, sufficient and credible.

Nomination and Remuneration Committee
The Nomination and Remuneration Committee is responsible to develop board diversity policy and formulate criteria for performance evaluation of Directors. The committee helps to identify and recommend a candidate to the Board of Directors’ appointment, reviews human resource policies and succession planning.
The prime responsibility of this committee is to resolve grievances of security holders and review measures taken for the effective exercise of voting rights by shareholders. The committee reviewed adherence to service standards adopted in respect of services being rendered by the registrar and share transfer agent. The committee also reviewed measures for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by shareholders.

Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility Committee was constituted for formulating and recommending Corporate Social Responsibility Policy to the Board and monitoring it from time to time.

Codes, standards and governing policies

The Board and sound governance practices support in conducting operations ethically. We have put several policies and frameworks in place that ensure ethical conduct of our business, both amongst employees and business associates. We follow the Code of Conduct stemming from Dalmia Bharat Group. All Board members and designated senior management of the company strictly adhere to it. We strive to ensure that all the employees and the Board members strictly comply with all the policies. In FY’21, there were zero incidents of non-compliance. Additionally, there were no cases of corruption during the year under review. Furthermore, there were zero incidents where employees were disciplined for corruption.
Stimulating Green Growth

At DBSIL, we have experienced a significant and dynamic transformation towards Green Growth. We endeavour to continuously reshape our operational strategies in the direction of our commitment. We strive to evolve through the initiatives guided by prevention, conservation, and preservation principles to reduce the environmental impact that is majorly generated from our two primary activities, sugar production and co-generation. We have minimized our environmental impact by regularly monitoring environmental performance, implementing an environmental management system, and adopting the most efficient practices. We undertake projects and solutions that bring greater efficiency to our operations and help us contribute to the 2-degree scenario. We adhere to all applicable environmental rules and strive to go above and beyond the requirements.

Our approach to sustainable growth has always been to reduce the environmental consequences of our actions by supporting energy consumption, water consumption, and waste and emission generation throughout all our plants. We are also taking various initiatives to reduce the environmental impact throughout our supply chain. As a responsible organization, we have implemented water conservation techniques to offset consumption of water by sugarcane. In addition, we are lowering our reliance on crude oil imports by generating ethanol in-house.

The protection of natural resources is essential from both an ecological and social perspective. Considering our industry’s cyclical nature and reliance on external forces outside our control, we utilize every available resource to its highest potential.

Since sugar production is a continuous process, it requires an uninterrupted supply of critical raw material, which is sugarcane. For this purpose, we have adopted cost optimizing initiatives that have increased efficiencies in our business functions, ranging from procurement to marketing of the finished products. Extensive tech adoption in our operations has further enhanced manufacturing efficiencies. In FY’21, we recorded a sugar recovery of 12% from Uttar Pradesh and 13% from Maharashtra.

Improving energy efficiency and optimizing energy use is vital towards our green growth journey. Our efficient production process, modern equipment, and energy management system are outstanding and enable us to reduce our energy consumption. Furthermore, we also undertake various energy-saving initiatives that reduce our energy consumption. Bagasse, a by-product of sugar production, is utilized in our cogeneration plants to produce green power. In other words, 100% of the energy generated is used from renewable energy resources only. We have also taken many initiatives to spread green energy footprint among our stakeholders, i.e., farmers installing solar water pumps, solar lights, and solar RO.

At our distillery, only 5% of energy is generated from coal used as fuel for the boiler, and the rest 95% is utilized from slop i.e. final distillery effluent & bagasse. Over the year, the coal consumption at the facility is reduced with some modifications in boilers. To seek a change in operational parameters for optimized operations, a few innovative changes were applied.

We have four cogeneration plants, with a total 119 MW installed capacity that enables us to meet our energy requirements and earn revenues from the surplus power sold to the grid. Presently, about 60% of the total power generated is supplied Uttar Pradesh and Maharashtra grid.

‘Total energy consumption has increased between FY’20 and FY’21. However, with our optimal energy efficiency measures, we have managed to decrease energy intensity from 2.47 GJ/MT to 2.36 GJ/MT.’

<table>
<thead>
<tr>
<th>Packaging Material Consumption</th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>PP Bags</td>
<td>Number</td>
<td>91,64,657</td>
<td>1,10,00,658</td>
</tr>
<tr>
<td>Stitching thread</td>
<td>MT</td>
<td>4.8</td>
<td>12.1</td>
</tr>
<tr>
<td>Units</td>
<td>FY 2018-19</td>
<td>FY 2019-20</td>
<td>FY 2020-21</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Direct Energy Consumption</td>
<td>1,36,33,351</td>
<td>1,30,24,063</td>
<td>1,35,19,697</td>
</tr>
<tr>
<td>Indirect Energy Consumption</td>
<td>11,050</td>
<td>11,535</td>
<td>10,928</td>
</tr>
<tr>
<td>Electricity Sold</td>
<td>13,82,400</td>
<td>12,02,400</td>
<td>10,94,400</td>
</tr>
<tr>
<td>Total Energy Consumption</td>
<td>1,22,62,001</td>
<td>1,18,33,198</td>
<td>1,24,36,224</td>
</tr>
</tbody>
</table>

**Indirect Energy Consumption**

Our Company is committed to progressively reducing greenhouse gas (GHG) emissions by identifying significant emission sources and implementing plans to minimize the carbon footprint. We take a proactive and vigilant approach towards tackling issues of climate change. As part of this, we develop greenhouse gas (GHG) emissions inventories to map our impacts and identify opportunities for improvement.

From FY'20 to FY'21, our Scope-1 emissions have increased from 1,45,210 TCO₂e in FY'20 to 1,68,435 TCO₂e due to our expansion projects, while scope 2 emissions have decreased from 2,659 TCO₂ to 2,397 TCO₂. As part of our overall green growth commitment, we progressively endeavour to focus on bringing down our CO₂ emissions.
We have undertaken the responsibility of continually monitoring and managing the levels of our air emissions as part of our environmental responsibilities. We are dedicated to reducing the environmental effect of our activities by reducing and maintaining SOx, NOx, and dust emissions within the permissible level. This is accomplished by monitoring and regulating the major pollutants released from our combustion and other operations via electrostatic precipitators (ESPs) and baghouse filters, allowing us to comply with local requirements in the locations where we operate through effective operational management.

For capturing the sugar dust, we have installed a dust collection system at a suitable place in our plant. Along with this, we also do a regular sprinkling of water which helps to suppress the dust. We have also taken the necessary initiative to reduce the dust emissions by constructing the concrete roads, within the plant, installing a closed-loop ash handling system, and installing a covered fuel handling system.

With growing serious concerns over air pollution, Government regulations are becoming more stringent for effluent treatment, disposal, and air pollution reduction. Our facility at Kolhapur has a fully functional Environment Health and Safety Management Cell. For managing the air pollution from the three boilers installed, two boilers at co-generation power plant and one boiler at the distillery, we have installed Electrostatic Precipitator (ESP). In addition, our online monitoring system track pollution and continuously transfers data to Central Pollution and Control Board (CPCB) and Maharashtra Pollution and Control Board (MPCB) server.
Managing water and waste

Water is crucial to our activities, from farms to industries. It is a valuable resource that we share with the communities in which we operate. Simply put, we understand that without a safe and secure water supply, civilization and hence business cannot survive. Currently, with an ever-increasing demand for water and widespread water stress in India, major Indian cities are on the verge of running out of freshwater supplies. To deal with this problem efficiently, we have taken several initiatives to minimize water consumption.

We have commenced our journey towards water positivity. We have been taking initiatives by building rainwater harvesting capacities and constructing borewells for an efficient water use approach. We have developed 75 borewells that helped us save 6.96 Lakh m³ of water.

Furthermore, to decrease our environmental impact, we have invested in ETPOs and achieved Zero Liquid Discharge (ZLD) at all our plants. We use the treated water for green belt development in our plants. It is also supplied to the farmers. The condensate water is reused in process and cooling application as well as green belt development.

To date, with our consistent efforts in Uttar Pradesh plants - Ramgarh and Jawaharpur, we have achieved 4.12 times water positivity. In addition, we are attempting to establish water recycling and reusing processes at our Maharashtra plant.

<table>
<thead>
<tr>
<th>Water Withdrawal (m³)</th>
<th>Water Recycled or Reused (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2018-19</td>
<td>14,35,458</td>
</tr>
<tr>
<td>FY 2019-20</td>
<td>15,10,379</td>
</tr>
<tr>
<td>FY 2020-21</td>
<td>13,15,205</td>
</tr>
<tr>
<td>FY 2021</td>
<td>3,33,199</td>
</tr>
<tr>
<td>FY 2021</td>
<td>1,96,914</td>
</tr>
<tr>
<td>FY 2021</td>
<td>1,60,677</td>
</tr>
<tr>
<td>FY 2021</td>
<td>3,33,199</td>
</tr>
</tbody>
</table>

Note:
1. Intensity is calculated per MT of cane crushed

We understand the significance of watershed and water harvesting methods. The rainwater harvesting approach has conserved significant amounts of water in and around our plants. In Maharashtra and Uttar Pradesh, we implemented various water conservation initiatives and constructed several village ponds near our plants to increase the availability of freshwater for the local community. DBSIL encourages the use of drip irrigation and borewell recharge structures. Additionally, we have brought several acres of land under drip irrigation at Jawaharpur, Nigohi, and Ramgarh.

To date, with our consistent efforts in Uttar Pradesh plants - Ramgarh and Jawaharpur, we have achieved 4.12 times water positivity. In addition, we are attempting to establish water recycling and reusing processes at our Maharashtra plant.

This year, at our Uttar Pradesh facility, through our initiatives in crushing season, we have achieved the lowest groundwater extraction, that is, approximately 759 KL/day and a lower effluent generation capacity of approximately 870 KL/day.

Green belt development

With a focus on green growth and protection of the environment, the Company has conducted the largest tree transplantation exercise on its premises. Green belt development aims to improve the region’s air quality, maintain the microclimate of the region, etc. It is an important tool that aims at an overall improvement in the environmental conditions of the region. We have developed the Green Belt in and around the factory premises. Around 8,000 + trees are planted and maintained. Every year we take a massive tree plantation program.

![Green belt development](image-url)
Wastewater reuse or water recycling is the use of treated wastewater for a beneficial purpose. One of the key advantages of recycling water is to protect water resources by reducing water pollution discharges. For this purpose, we at DBSIL, reuse the wastewater after treatment in E.T.P for irrigation, which will reduce the groundwater extraction. We are reusing treated water for multiple purposes including spraying on bagasse.

In addition, to maintain the ecological cycle, fish are raised in a lagoon which is maintained by our factories. We are also reducing raw water consumption by utilizing and recycling excess hot condensate water. The cleaning and trial testing of equipment is done by excess cooled condensate.

As a step towards water preservation, we have installed a BIOPAQ Internal Circulation ICX system of capacity 2,000 m³ in our Uttar Pradesh units and Nigohi site. The BIOPAQ system commissioning is useful to treat total effluent generated from sugar processes and distillery. The system encompasses anaerobic effluent treatment with high overall biomass levels and concentration. In this system, the treated water is recycled for process and other miscellaneous purposes that reduce the groundwater extraction and help in achieving Zero Liquid Discharge (ZLD) status. The system supports in dealing with high volumetric loading rates for industrial wastewater that further enables to comply with effluent discharge limits and produces biogas at the same time.

In addition, we have Sewage Treatment Plant commissioned to treat all sewage water. This treated water is used in power plant and distillery as raw water and also, for watering and miscellaneous purpose. Moreover, the remaining treated water is sent to the farmers for irrigation purposes.

To maintain the ecological cycle, we have raised rabbits, ducks and fishes in the facility-maintained lagoon.

We are working towards reducing pollution load from our plant through water treatment and water reuse. Cleaning of floors is done using a controlled quantity of water. The organic load of the waste is also reduced with proper control of operations.

We have provided well-equipped Effluent Treatment plant with primary, secondary, and tertiary treatment. All the effluent generated from the Sugar Plant and Distillery CPU reject is treated and effluent is disposed of for irrigation purposes on 76 Acres of land of nearby farmers and Green belt development.

In our factory premises, we have planted various types of plants like bamboo, mango, fennel, coconut etc. They used the treated water. The sludge that is produced in our ETP is used in the fertilization of our grounds and provided to the farmers for its use as manure. We have a wet scrubber for air pollution control in the factory as well asfly ash generated from our plant. We use it for farming and brick manufacturing.
With the aim of sustainable growth, we prioritize decreasing the quantity of waste created by our plants. We aim to monitor, reduce, reuse, and recycle our waste wherever feasible. At our sites, we observe both hazardous and non-hazardous waste. Our distilleries and co-generation business units generate additional revenue for the organization while adding value to the by-products of the sugar production process. We strive to ensure that bio-composting is done at our distilleries from waste created after sugarcane juice extraction. This bio-compost is soil-friendly manure that is further given to farmers. Farmers are our primary consumers of organic manure. Press-mud is turned into compost and supplied to farmers at low costs for agricultural use.

The hazardous waste generated at our plants is disposed-off following the local legal requirements. Non-hazardous waste mainly consists of PP bags (used in packaging) and plastic drums, is disposed of through authorized recyclers. In FY'21, with appropriate waste management techniques, we can achieve zero waste to landfills and incineration. Also, we are planning to start reporting on waste reused/recycled.

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Non-Hazardous (MT)</th>
<th>Hazardous (MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-17*</td>
<td>19,804</td>
<td>13</td>
</tr>
<tr>
<td>2017-18*</td>
<td>19,614</td>
<td>7</td>
</tr>
<tr>
<td>2018-19*</td>
<td>18,229</td>
<td>11</td>
</tr>
<tr>
<td>2019-20*</td>
<td>17,964</td>
<td>7</td>
</tr>
</tbody>
</table>

*Non-hazardous waste values for FY'19 and FY'20 is updated on the basis of revised calculations and change in scope.

At our sites we are reusing the excess water generated from the sugar plant which is cooled and then is utilized in chemical preparation. We are continually monitoring water leakages at our plants. Wastewater generation from sugar plant is brought down to 62 Liters per MT of cane crushing. We are also using power plant cooling tower blow down water for gardening. In distillery all the spent lease generated is used for molasses dilution purpose. All the condensates generate in MME is treated in CPU and reused for Cooling Tower make up water.

Also, we have provided the lagoons for the rainwater harvesting purpose. The harvested rainwater is used for the initial startup of the plant. Total volume of rainwater harvested is 17,040 m³.
Responsible, forward-thinking farming

We at DBSIL collaborate with farmers to develop sustainable agriculture methods and strengthen our Green Growth approach. We leverage organic activities, provide subsidized fertilizers, and train farmers to adopt approaches for increasing agricultural production. Several techniques have promoted sustainable farming practices, such as soil intercropping for nitrogen fixation, green manuring, and vermicomposting.

At DBSIL, we promote the growth of an additional crop with sugarcane, and the gross productivity of the land per unit area increases, which generates an extra income for the farmers. We use a drought-resistant variety of cane in areas with significantly less water availability. Also, we are using water-efficient techniques of cane production in areas with low water availability of water along with the drip irrigation method for its advantage of less water consumption.

At DBSIL, we are continuously focusing on improving the soil quality and involving the farmers in the land preparation method. We have adopted a conservational approach which helps us to reduce soil disturbance by preventing soil contamination and erosion. Furthermore, we undertake necessary steps which help us to maintain soil integrity and preserve soil fertility.

As we strive to explore new methods of improving soil health and enhancing the quality of sugar cane, we use the vermicomposting method at our facilities. This helps to improve soil structure, texture, porosity, water holding capacity, drainage, aeration, and reduce erosion. Moreover, it also enhances plant growth by enabling the development of new shoots and leaves, thereby increasing productivity and helping in neutralizing the pH of the soil. Currently, we have 250 vermicompost pits and our farmers are generating and applying compost in their fields.

Furthermore, to ensure soil health, we undertake soil sampling and then recommend measures to improve the soil’s quality. Recommendations are provided to farmers based on the nutrient requirements for different types of soil. To reduce the usage of chemical fertilizers, we are promoting the usage of organic matter and increasing the area for substantial use of organic matter.

We at DBSIL are continuously working towards the conservation of agriculture and protecting the environment. For this purpose, we support our farmer’s agricultural fields through crop management. It enables us not only to improve soil productivity but is also very helpful in enhancing crop productivity. We conduct various awareness sessions to apprise farmers on crop residue management techniques. We focus on promoting the on-farm utilization of residue among our cane farmers. Along with this, during the year under review, we have also increased the number of field days to address their issues.

We use residual leaves in the mulching process and fodder for the cattle instead of burning the leaves. It not only helps reduce pollution but also helps us remain aligned with our Green Growth commitment. In FY’21, DBSIL introduced ‘Trash Mulchers’ on command areas for effective management of leaves as mulching of sugarcane fields significantly improves the fertility of the soil and reduces water consumption.

Soil integrity and crop residue

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Research in farming techniques

As we move ahead in our green journey, we are getting constant support from Uttar Pradesh Government. The nuclear seed production program is conducted and supported in collaboration with the Uttar Pradesh Council of Sugarcane Research (UPCSR). To increase the yield and ensure the high-grade quality of sugar production, we have introduced two new varieties of cane i.e. Co 15023 released from SBI Karnal and Co 14201 released from ISER Lucknow. These varieties of cane are high-yielding and disease resistant. This year, in FY’21, we have invested INR 57 Lakh in Research and Development activities.

In addition, we are collaborating with ICAR-Sugarcane Breeding Institute, Regional Centre, Karnal and have plans to associate with the Sugar Technology Association of India (STA) for "Utilization of Sugarcane and Sugar Industry Wastes for Sustainable Sugarcane Production". These initiatives save a significant number of chemical fertilizers at our Uttar Pradesh units. During FY’21, through our initiatives, 23,887 MT of farmyard manure, 3,228 MT of vermicompost and 43,268 MT of press mud, was produced thereby leading to a saving of 199 MT of Urea (N-fertilizer), 1,300 MT of DAP (P-fertilizer), and 558 MT of MOP (K-fertilizer). In addition, 23,616 MT of Bio-compost and 15,194 MT of K-ash was also produced.

During FY’21 through our initiatives, 23,887 MT of farmyard manure, 2,204 MT of vermicompost, 55,708 MT of press mud, 23,616 MT of Bio-compost and 15,194 MT of K-ash were produced and given to the farmers. Thus, leading to savings of 1,185 MT of Urea (N-fertilizer), 1,300 MT of DAP (P-fertilizer), and 2,571 MT of MOP (K-fertilizer).

External initiatives and memberships of associations

DBSIL is rigorously working towards delivering high-quality products to our customers. To achieve excellence in product quality, we have developed our in-house scientific research team and collaborated with reputed institutes.

It is helping us remain committed to our brand image and provide best-in-class sugar to our customers.

Our Nigohi site enables us to meet the needs of our international customer base and export the highest quality of sugar to other countries. We have also implemented quality management systems at every facility to ensure products are safe and meet desired quality standards.

Quality at every stage

Quality at our Company is maintained in the entire supply chain from cultivation to consumption, i.e., ‘from farm to food.’ We ensure high-quality cane varieties throughout our procurement process. We adhere to the highest level of industry standards. Additionally, our Kolhapur unit has received BONSUCRO certification implying collective efforts to implement sustainable sugarcane practice.

Engaging with farmers

At DBSIL, we are determined to support our suppliers and stakeholders through our meaningful commitments to create a sustainable, lasting, transparent network. As a top sugar producer in India, farmers are our primary stakeholders. The cultivation and harvesting of sugarcane directly impacts our profitability and efficiency. The farmers are not seen as a different unit; instead, they are considered an essential part of our value chain. We support the farmers by providing wide-ranging expertise regarding soil treatment, seed selection, plant protection, and soil fertility. We strive to expand farmers’ awareness through periodic meetings to develop farm usefulness further. Through such commitments, we teach farmers to fortify cane development, reduce cane loss, improve sucrose content of cane, and improve overall productivity to generate sustainable income.

Communicating with farmers

We have created several forums and platforms to communicate with farmers about our commitment to Green Growth. These forums help us spread awareness among farmers and ensure their welfare. With the ongoing effort to enrich farmers’ knowledge on agriculture practices, we conduct “Farmers meeting” in different villages, where farmers are made aware of issues like seed treatment, seed selection, best practices, reduction of cut to crush time, etc. Furthermore, more than 200 producers gather at our plants every quarter to address agricultural concerns as part of the ‘Kisan Goths’ program. Additionally, we make audio announcements in cane yards by stationary speakers and mobile E-rickshaws in villages to spread awareness. We also provide LED displays and wall paintings to ensure effortless communication of information to farmers. Other modes like SMS, leaflets, roadshows, dramas, etc. are used to spread awareness. We have also created a Whatsapp group to keep farmers updated with vital information about the cane fields.

Farmer’s welfare

We actively support farmers through various subsidized services. Newly developed seeds in research stations are distributed to farmers while the cost of procurement, harvesting, loading, and transportation of seeds is borne by us. Since field-based agricultural activities are labour intensive, farmers are provided trench openers at subsidized rates to execute activities efficiently. To enrich the quality of the soil, we distribute press mud and organic manure at subsidized rates to the farmers. In addition, we also encourage farmers to use the bio-composting approach.

Local procurement from farmers

We, at DBSIL, are committed to creating value for all our stakeholders and supporting the local communities as much as possible. We strive to hire most of our employees from the local communities and procure materials and services from local suppliers. Most of our sugarcane is purchased from local farmers.
Human capital is the backbone of our business. Our strength lies in people and leaders who set a positive example, celebrate our achievements at DBSIL and work together each year to achieve our business goals. We must retain an engaged staff to develop a high-performing firm. The primary focus of our people management techniques is on recognizing and developing our employees. As we work in a volatile environment with frequent interruptions, such as the current Covid-19 Pandemic, adaptability, on the other hand, is in our employees’ DNA which made it easier for us to overcome this challenge efficiently.

The cultural philosophy of DBSIL is widely established and stated as part of the Dalmia Bharat Group’s ideology. We conduct regular workshops to strengthen the cultural philosophy among our employees. Training and awareness workshops are held regularly to ensure that our employees know our policies, Code of Conduct, whistle-blower mechanism, safety approach, etc.

**Talent management and retention**

**Talent management**

Talent management is a constant process that involves attracting and retaining high-quality employees, developing their skills, and continuously motivating them to improve their performance. The primary purpose of talent management is to create a motivated workforce who will stay with our company in the long run and will stay committed to us.

Our success depends on the complex workforce. To continue growing and building a high-performing company, we focus on attracting and retaining skilled individuals by creating an engaging workplace, where everyone can reach their full potential. Our primary goal is to recruit and improve employee skill sets through skill-up gradation programs, allowing them to realize their maximum potential. We are providing a better work environment, career growth opportunity, and harmonious family environment for employees. To keep our employees motivated we have increased communication with employees to cope with routine issues.

Our talent engagement philosophy is more than just getting individuals to participate in exciting projects. Instead, the programs drive them to a higher purpose: physical, emotional, and spiritual well-being. Therefore, we operate a wellness program called WIN that works with the employee’s mind, body, and spirit.

**The WIN Model**

- **Work The Body**
  Programs that infuse and track health, vitality and vigor in your body thus ensuring that the body is fit to act on a good thought.

- **Inspire The Mind**
  Programs that fire up the spirit of leadership and invoke the right thoughts.

- **Nourish The Soul**
  Programs that help you carry forward your spirit to reach the higher order of consciousness thus experiencing peace.
Employee engagement

Employee engagement is a combination of satisfaction, loyalty and pride. Engaged employees take pride in their work and see company success as their success. We connect and stay engaged with our employees to earn their trust and align them to our values. Our talent engagement initiatives include workshops, events, festival celebrations, outbounds, etc., to boost the company’s cultural philosophy. We understand that humans are social creatures, and due to the pandemic, everyone is working from home. To overcome this challenge, we organized ‘Employee Get Together,’ where everyone got the chance to interact, share their feelings, and relieve the mental stress that happened due to lockdown. We also organized ‘Crushing starting pooja’ to seek the blessings of God. Furthermore, we also celebrated ‘Women’s Day and organised ‘Poster and slogan competition’ during the safety week celebration.

As our organization grows and evolves, attracting and hiring the appropriate personnel remains a top focus. We want to hire and keep individuals that are talented, honest, and hardworking. We recruit people that believe in our goal of “Catalysing Green Growth Transition.” We search for people that go the additional mile, have a positive attitude, and love giving back to the community.

Currently, we are using an Oracle-based platform that is assisting us in digitalizing our HR systems. With an ongoing effort and shift towards digitalization, we have also started to use social media sites to attract staff. It allowed us to decrease recruitment costs and reach a larger pool of applicants. The company implements innovative technological initiatives to facilitate the work of our employees, therefore boosting employee happiness and overall productivity. We are using an online recruitment system for the Executive category. During the pandemic, we have provided facilities for our employees the flexibility of work from home. We have approved a sanctioned workforce budget for the year finalized after discussion with higher management.

Furthermore, we are working on supporting work-from-home opportunities. The Dalmia Way of Life (DWL) HR policy is being followed to provide maximum support to talents while working in the organization. Flexi-time and work from home for non-technical functions have been implemented.

We feel immense pleasure to announce that our attrition rate is 5.23% compared to the last three years. Additionally, we maintain the employee satisfaction index to ensure that employees meet their needs and desires while working towards the organizational goal. As of 31st March 2021, the number of permanent employees, including management employees, non-management employees and permanent workers, from all units and corporate, is 2,088. The total number of contractual employees is 871. The below table shows our entire workforce by gender, attrition rate, and new hires.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Unit</th>
<th>2020-21 Male</th>
<th>2020-21 Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Employees</td>
<td>Number</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>Senior management</td>
<td>Number</td>
<td>174</td>
<td>0</td>
</tr>
<tr>
<td>Middle Management</td>
<td>Number</td>
<td>222</td>
<td>0</td>
</tr>
<tr>
<td>Junior Management</td>
<td>Number</td>
<td>424</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>Number</td>
<td>618</td>
<td>0</td>
</tr>
<tr>
<td>Staff and Workers</td>
<td>Number</td>
<td>316</td>
<td>0</td>
</tr>
<tr>
<td>Staff</td>
<td>Number</td>
<td>1265</td>
<td>3</td>
</tr>
<tr>
<td>Workers</td>
<td>Number</td>
<td>1581</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>Number</td>
<td>1897</td>
<td>3</td>
</tr>
<tr>
<td>Temporary Employees</td>
<td>Number</td>
<td>869</td>
<td>2</td>
</tr>
<tr>
<td>Temporary Workers</td>
<td>Number</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Diversity and inclusion are critical to fostering the dynamic cooperation required to help our company flourish. Our employees inspire us to celebrate our cultural diversity. We want to establish a workplace where everyone feels appreciated and respected. In this environment where people can be themselves while working together to achieve mutual goals. The more we cooperate and respect differences, the closer we will be working in a truly inclusive community.

At DBSIL, we are committed to fostering a diverse and inclusive work environment that empowers everyone to be their individual and unique selves. We strive to ensure that our employees face discrimination based on gender, age, color, religion, race, or nationality. We hire employees based on experience, skills, qualification, talent, and performance concerning the assigned role. We are fully committed to diversity and believe in fostering an inclusive culture where everyone is encouraged to perform their best. Furthermore, we also endeavour to eliminate the gender pay gap throughout our organization.

The worldwide talent competition is continuing, particularly in developing and emerging economies. We work hard to find new team members who have the talents we need now or whom we may need in the near future. We also prioritize the growth of our existing workforce by offering extensive and appropriate training and development opportunities. It keeps them interested, updated on the skills they require and motivated to achieve their professional goals.

In FY’21, we have spent over INR 2 Lakh on the training and development of our workforce. On average, an employee has spent 11 hours in FY’21. This year also we continued with our Bottom-up approach in training. We continued our collaboration with the external agency ‘Nalanda LLC.’ They help us to identify the learning needs of employees and help in designing learning programs. With our flagship program, ‘Lakshay’ launched a few years ago, we continue to identify and train future leaders. After the training, focussed career paths of trainees were identified. We strive to build in-house learning and development capability through our Nalanda team.

This year with the ongoing Covid-19 pandemic, we introduced E-learning programs as it was difficult to conduct face-to-face training. Throughout our plants, online training sessions have been organized for the skill development of the employees as a way of coping with pandemic situations. This year it has been observed that there is a significant decline in classroom training. In FY’21, DBSIL’s constant focus is on providing safety training to our employees to ensure an effective and efficient work environment.
Average Training Hours per Employee

<table>
<thead>
<tr>
<th>Designation</th>
<th>Unit</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Workers</td>
<td>Hours</td>
<td>10.4</td>
<td>11.1</td>
</tr>
<tr>
<td>Staff &amp; Workers</td>
<td>Hours</td>
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<td>11.3</td>
</tr>
<tr>
<td>Temporary Workers</td>
<td>Hours</td>
<td>8.9</td>
<td>9.7</td>
</tr>
</tbody>
</table>

HR Team identifies training needs for every performance year after the annual performance review based on business and individual requirements.

The training calendar is a dynamic document. It is periodically revisited to accommodate emerging business responsive requirements and revised accordingly.

Inputs from various sources, including supervisors, regulatory and environmental requirements, technological improvements and individual requests are also taken into account to consolidate the training requirements.

Finally, the inputs are prioritized based on organizational requirements, resource availability and other factors as may be required from time to time, to incorporate into the annual training calendar.

Safety of our employees

At DBSIL, the health and safety of our employees are crucial aspects and remain our top priority. To ensure this, we invest significantly in training, workplace resources, and leading systems and processes to ensure the responsible management of our plants. We strive to provide the health, safety, and general well-being of our employees, workers, and those involved in DBSIL’s operations. It is not only a fundamental right, but it also guarantees that we have a healthy, motivated, and productive workforce. We are also focusing on increasing Employee Welfare activities, and we are striving to go beyond the required safety measures.

With our aim to instil the zero accidents culture in all our plants, we are continuously adhering to our safety-first approach. We feel immense pleasure to state that this year also, in FY’21, we have zero fatalities. To ensure the well-being of our employees, we conduct third-party safety audits. Also, we adopt the resulting recommendations prescribed by them. We have also appointed line supervisors who are accountable for implementing safety programs at the sites. Furthermore, to ensure a safe and healthy environment for our employees, farmers, clients, visitors, contractors, we have also established the Safety Management cell at the site. The Safety Management cell helps assess the potential risks/hazards to the Safety, Health, and Environment, of employees within the plant and ensures monitoring and implementing the safety systems in the plant like the use of PPE’s, monitoring and maintenance of firefighting system, plant inspection.

The fire department conducts emergency, mock, and fire exercises at our sites once a month. This year in FY’21, we have successfully undertaken the drill irrespective of the pandemic. We also provide monthly safety reports for near misses, first aid cases, lost time injury, and fatal injuries and take more proactive safety management approaches. We are committed to maintaining high health and safety standards.

SafetyDashboard

<table>
<thead>
<tr>
<th>Type of Injuries</th>
<th>Units</th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fatalities</td>
<td>Number</td>
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<td>Zero</td>
<td>Zero</td>
</tr>
<tr>
<td>LTFIR</td>
<td>Number</td>
<td>0.59</td>
<td>Zero</td>
<td>0.51</td>
</tr>
<tr>
<td>Near Misses</td>
<td>Number</td>
<td>6</td>
<td>75</td>
<td>409</td>
</tr>
</tbody>
</table>

Evaluating performance

To strengthen the culture of accountability and drive performance, we have implemented a system for performance management. To evaluate an employee’s performance, a balanced scorecard technique has been introduced and implemented. We have templated Key Responsibility Areas (KRAs) for multiple roles. Every permanent employee in the firm receives an annual performance evaluation. Furthermore, to ensure the performance of our executive category we have implemented the PMS system for the executive category, and it is reviewed based on the Goal setting performance. At our Kolhapur site, we have a Performance appraisal management system and policy.

We encourage regular input from our employees to better understand their needs and ambitions. Senior management frequently engages with the talent to provide an overview of the company’s goals. Employees are recognised regularly for their exceptional performance. The Company has begun a 360-degree feedback program for employees to submit input to seniors.

To further evaluate performance, we have a Safety Dashboard to track accidents and safety measures. The dashboard includes metrics such as the number of fatalities, LTI/IR, and near misses. This helps us monitor trends and take corrective actions to improve safety standards. The dashboard also includes a Safety Management cell to assess potential risks, hazards, and ensure the implementation of safety systems within the plant.
Our employees are trained regularly in safety awareness programs. We ensure the safety and protection of our workers by providing appropriate Personal Protective Equipment (PPE) such as hand gloves, safety helmets, nose masks, earplugs, safety shoes, aprons, goggles, safety belts, etc. We also provide uniforms to every employee and ensure their appropriate use for the activities they are undertaking. Display signages have been used throughout our facilities for proper usage of PPE. They are trained as per the job and instructed to follow the guidelines and use proper PPE. A firefighting system is in place throughout the facility, and fire extinguishers and sand buckets are positioned as needed.

Safety issues at the facility level are highlighted on the board to raise awareness and prevent their recurrence. Every year, safety week is observed from the 4th to the 10th of March, and safety awareness events are carried out.

On March 04, 2021, the 50th National Safety Day was celebrated at the Jawaharpur, Nigohi and Kolhapur facilities. Activities like mock drills, safety talks and first-aid training were conducted. A drawing competition around the theme ‘safety’ was organised for children. To propagate awareness among workers, an event on “Sadak Suraksha” (road safety) was conducted. An exhibition showcased PPEs and other equipment related to first aid and firefighting. Training for employees on the use of fire extinguishers also was driven by VNS Fire Service, Kolhapur. A safety slogan and poster competition were organized for employees in which over 100 employees (and their children) participated.

Furthermore, our employees at the executive and above levels get safety training as part of their induction procedure. Safety training is imparted to each section on a fortnightly basis. In the pandemic situation, the classroom training was suspended. All the training was conducted on the field, maintaining social distance. The training is mandatory for all the workers. Workers get on-the-job training as well as safety briefings once a week from their respective departments.

Every new employee receives a health check-up, and regular employees receive a yearly check-up. DBSIL organizes 4-5 health check-up camps a year. The Company has set up a health centre at each facility which comprises a doctor and nurse. Furthermore, we also have an in-house occupational health dispensary containing three beds. We have tie-ups with Ashter Aadhar Hospital Kolhapur, which conducts health sessions for our employees for a better lifestyle.

Safety training and development

<table>
<thead>
<tr>
<th>Safety Training (Hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2018-19</td>
</tr>
<tr>
<td>FY 2019-20</td>
</tr>
<tr>
<td>FY 2020-21</td>
</tr>
</tbody>
</table>

Safety committee

We have established a safety committee at both the plant and corporate levels. The safety committee is chaired by senior management of DBSIL and comprises a 50:50 representation of employees and management. The safety committee meets regularly to assess safety concerns and suggest steps to improve safety procedures at our plants. All events involving safety are investigated and remedial actions are put in place. The safety committee strives to ensure that employees are trained on accident prevention and control while using the safety appliances. The committee helps assist and cooperate with the management in achieving the aims and objectives outlined in the “Health and Safety Policy”.

Additionally, the committee also helps carry out health and safety surveys to identify unsafe working conditions/practices, which causes the accident in the plant to ensure the safety of the employees. The workers are free to raise their health and safety concerns in the open forum. Furthermore, we also have an HSE management system that is governed by a safety committee that comprises 50 % of workers and 50 % of Management. A well-qualified health and safety officer is deployed to ensure the proper implementation of a health and safety management system. We also involve the active participation of workers with our safety committee. They help us ensure a safe working environment and enable us to create safety awareness that helps us improve safety culture and reduce risk at the workplace.

Safety risk management

At DBSIL, we have a prime focus on identifying the risk hazards, managing them and taking steps to minimize the risk. For this purpose, our dedicated team visits the sites regularly to identify the hazards. After identification, risk assessment is done. The workers are briefed on the safe working method in the form of Toolbox Talk prior to their deployment. During the plant round, we also meet workers for the safety talk. For this purpose, we have appointed a qualified Safety Officer who is certified by RLI Kanpur. Then each incident is investigated by a team of sectional heads, involving the job supervisor and the working crew for a better understanding of the scenarios. Additionally, we have also done the HAZOP Study and risk assessment and conducted a 3rd party safety audit from time to time with government approved competent persons.
To mitigate the risk hazards, we have added each staff member in a WhatsApp group to highlight any safety issues attended immediately by respective departments. We also take regular follow up to ensure compliance in a minimum time frame. We have provided access to workers so that they can give their feedback through the safety committee. If the workers raise the issue or report it then we address it on WhatsApp or by mail. Finally, the findings are documented, and the preventive measures are implemented throughout the unit.

We also provide HSE score which is aligned with the KRA of each person. Periodically we arrange mock drills and HSE training to make employees aware of safety norms. We strive to ensure maximum participation from the front-line workers.

Fire is a major hazard, and we make proper arrangements to mitigate it by providing a Fire Hydrant System, Fire Extinguishers, Smoke, and Fire Detectors in the plant. For risks generated from bagasse dust and rotating parts of machinery, regular water sprinkling is done to suppress the bagasse’s dust. Also, awareness is spread to ensure all employees appropriately use that mask. All rotatory parts are guarded to avoid entanglement.

The safety of our employees is our primary focus, and we are working to minimize and manage health and safety risks. Keeping this in mind, we have introduced a safety booklet as a part of building safety culture. We have launched Dalmia’s Safety Booklet Volume-1 (Shri Dutta Sakar Karkhana- Kolhapur) on Republic Day (26th January 2021).

Every year we celebrate Safety Week to create safety awareness and imbibe a safety culture in the plant. During the year under review, we had organized various competitions like Best Safety Poster and Slogans, Inter department Housekeeping competition, Safety equipment exhibition.
Mock drills

Mock drills are conducted periodically for the worker to test the effectiveness of the training program from time to time and the way to react in case of emergency.

First Aid training

We conduct the First Aid Training programme for the employees to provide immediate help in case of emergency situations. Well-equipped First Aid Boxes are provided in each section of the factory.

Fire safety system

Fire safety measures are incorporated within the factory premises. All the fire extinguishing media such as water, dry chemicals, CO₂, sand, foam etc. are always kept ready and easily available in vital locations. Fire Hydrant system is also available in all the locations in the plant.

Managing labour relations

DBSIL recognizes the necessity for employees to join trade unions in order to effectively express their objectives to senior management. We have employee trade unions in our Maharashtra plants that cover about 90% of the workforce. However, we don’t have employee unions in our Uttar Pradesh facilities. Interactions between top management and labour unions take place on a regular basis. Collective bargaining is conducted in Maharashtra factories through labour unions. Collective bargaining is carried out at Uttar Pradesh factories through an authorized ‘Sugar wage Board.’ When it comes to operational modifications, the minimum notice time is 21 days.

Human Rights provide universal acknowledgement of every individual’s inherent dignity, making them one of the essential values we maintain. As India’s largest sugar producing company, we employ individuals from many ethnic backgrounds and engage with a diverse variety of cultures and communities. We at DBSIL, take the responsibility to safeguard human rights extremely seriously.

The human relations and compliance department of DBSIL collaborates with the units to guarantee that no human rights violations occur. In the event of a violation, the offender faces stringent punishment. Discrimination on any basis is not permitted, and workers are urged to follow the Code of Conduct. Our plants and sites are inspected on a regular basis to ensure that no violations of human rights occur. It is ensured that no child or forced labour occurs on the grounds, particularly in the case of contractual employees. There were no incidents of child or forced labour at our operations in fiscal years FY’21. We also encourage our suppliers and vendors to uphold the universal human rights principle and work in accordance with our Code of Conduct. Additionally, we also encourage our labour to adhere to 100% legal compliance. We are planning to start reporting on training on human rights.

Protecting our communities

We understand the value of partnering with the communities we operate and recognize that thriving and resilient communities are essential for a sustainable future. Community engagement immensely benefits our company and supports our mission to be a responsible industry leader. We are proud that our operations have a positive economic, social, and environmental impact on our communities. We remain focused on generating systematic and sustainable improvement for local communities surrounding our plants and project sites.

We have pivoted efforts for community engagement with the Dalmia Bharat Foundation (DBF). We believe in the engaged in the concept of giving back and sharing with the underprivileged sections of the society. With the joint effort, we have identified three CSR focus areas i.e., Livelihood, Climate Action, and Social infrastructure.
Livelihood:
Transforming households, including adding unemployed youth into the skilled workforce for enhanced income.

Climate Action:
Water: Harvesting and conserving water for productive use.
Energy: Ensuring access to clean cooking and lighting solutions.

Social Infrastructure:
Addressing basic health, education, rural infrastructural needs of the local community.

Livelihood
Through the livelihood programs, we have facilitated the marginalized communities to secure livelihood opportunities, enhance related skills, increase income in rural and urban India, and generate sustainable livelihoods. Our livelihoods projects help unemployed youth acquire new skills and upgrade their existing skills in the farming, and non-farming sectors. Our initiatives in skill development benefitted 2,018 families, resulting in an average increase of INR 60,000 per year for each beneficiary.

We implemented four major Livelihood projects: DIKSHA, Self-help groups, Moonj craft, and Dairy development project. All these are in line with the Sustainable Development Goals of the United Nations (UN SDGs) as reflected below.

Livelihood Skills Training
DIKSHA (Dalmia Institute of Knowledge and Skill Harnessing) is a skill training program that aims at boosting the livelihood conditions of local communities living in and around the locations. We have provided small-duration skill courses that helped build capacity, foster community links, and promote small businesses with this program. It focussed primarily on rural youth who are unemployed or employed only during the specific part of the year. DIKSHA has been working with continuous passion to skill India’s youth and set them on a path to a brighter future. During the year under review, 281 trainees completed their training, and 210 trainees were undergoing training. The number remained low in FY’21 because of the closure of Centres for a few months due to the Covid-19 pandemic. 137 trainees have been successfully placed and others are in the process of placement. The starting salary of our trainees’ range between INR 8,000 and INR 10,000 per month.

“I had completed Paramedic training under Bridge program from Dalmia Institute of Knowledge & Skill Harnessing, Shahjahanpur, Uttar Pradesh in March 2021. After completion of the training, I got a job as a healthcare worker at Satyamand Hospital, Shahjahanpur. During the Covid-19 pandemic, from April 2021 to July 2021, I earned INR 40,000/-.
I would like to thank DIKSHA and Dalmia Bharat Foundation for providing this opportunity in crises.”

- Nancy
Dairy development project

To improve the livestock’s quality and productivity, the company has engaged with a professional organization to work with the villagers in operational projects in the districts of Sitapur and Shahjahanpur in Uttar Pradesh. A 5-year long project is currently being implemented in 42 villages of Uttar Pradesh. The dairy development project focused on improving artificial insemination, livestock, and better animal husbandry practices. In FY’21, 3,847 cows and buffaloes were artificially inseminated, 1,243 calves were born, which included 627 female calves and 614 male calves. Additionally, 41 awareness camps were arranged, 158 households were given awareness training and session on better fodder development like Makhan and Napier grass, 415 kgs of micro-nutrients were distributed and 3,533 animals were dewormed. All these efforts increased the cost of livestock assets created for the community to INR 3.21 Cr. It also helped to increase the monthly income from the sale of milk to INR 52.87 Lakh.

We supported three SHGs in Jawahapur for income generation. Uttar Pradesh received the contract to stitch 46,000 school uniforms from District Education Department. One SHG in Nigohi bagged an opportunity. The key objective behind this initiative is to reach out to communities and help women take up income-generating activities like supplying precast cement information boards and sculpting clay products. Currently, each women member has been given a contract for a year to run Dhakia Tiwari Panchayat’s ration-shop. We supported three SHGs in Jawahapur for income generation opportunities. The project enables women to be financially independent and secure their lives through setting up Self-Help Groups (SHGs) and activities. The key objective behind this initiative is to reach out to communities and help women take up income-generating activities and enhance their household incomes. During the year under review, about 60 SHGs women members across 3 locations in Uttar Pradesh received the contract to stitch 46,000 school uniforms from District Education Department. One SHG in Nigohi bagged a contract for a year to run Dhakia Tiwari Panchayat’s Ration-shop. We supported three SHGs in Jawahapur for income generation activities like supplying precast cement information boards and sculpting clay products. Currently, each women member has been enabled to earn around Rs 3,000/- per month from their respective activity.

Self-help groups

This project enables women to be financially independent and secure their lives through setting up Self-Help Groups (SHGs) and opportunities. The key objective behind this initiative is to reach out to communities and help women take up income-generating activities and enhance their household incomes. During the year under review, about 60 SHGs women members across 3 locations in Uttar Pradesh received the contract to stitch 46,000 school uniforms from District Education Department. One SHG in Nigohi bagged a contract for a year to run Dhakia Tiwari Panchayat’s Ration-shop. We supported three SHGs in Jawahapur for income generation activities like supplying precast cement information boards and sculpting clay products. Currently, each women member has been enabled to earn around Rs 3,000/- per month from their respective activity.

Moonj craft

We have worked with rural women at Ramgarh in Uttar Pradesh to promote the traditional Moonj craft and enabled these women to generate income from it. To advance this initiative, we have signed an MDU with the MonAmi Foundation to boost the skills of Moonj craftsmen in Uttar Pradesh. We provided them with training on capacity building, designing of products, and strategies to create market connections. Women also received enough training on design, pattern, and packing. Aside from local handicrafts or related fairs, Moonj artists took part in the handicraft festival Shipk Kumbh, which provided them with an opportunity to demonstrate their abilities and build their network. 60 women were gainfully employed and continue to earn an average salary of around INR 4,000 per month.

Climate Action

The key objective is to enable Indian farmers to improve soil quality and provide water for productive use like agriculture and milch animals. We have worked towards solving the soil and water issues in our project areas. Extensive work on water harvesting structures, water storage capacities, micro-irrigation practices such as drip irrigation, and sustainable and productive agriculture practices were undertaken during the year under review.

Water Conservation / Harvesting initiatives

Climate change leads to depleting water resources and excess rainfall, reiterating the importance of water conservation. We repaired 34 village ponds, saving about 2.56 Lakh m³ of water and benefitting over 2,010 people. To achieve effective run-off water management, we interconnected nine village ponds in Mahsui and Korona Villages in Ramgarh. Drip irrigation was installed on 69.25 acres, helping 85 people in Kolhapur and Sitapur districts. This also saved 2.70 Lakh m³ of water and led to an increase in earnings by INR 14,000 per acre. Furthermore, our project maintained 20,000 m³ of water harvesting capacity by creating two taluks at Salem, Tamil Nadu. We also converted 75 defunct bore wells into bore well recharge structures. Besides this, plantation of 2,850 saplings of mixed fruit-bearing saplings and local species, with an intent to increase the green cover in common land, strengthening of village pond bunds & also add to nutritional security of communities.

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Special mention: Mrs. Pooja Devi, who is a member of Dagraha Baba SHG and resident of Bargadiya, Ramgarh, has been selected as the Bank Sakhi by NRLM. Holding this position, she will now act as the bank aggregator for the Korona Gram Panchayat. In addition, she will facilitate and represent the panchayat in all bank related works including withdrawal and deposit of money.

Pooja says “I am personally grateful to the DBF team for supporting me in preparing for the online exam and interview. Also, helping me in filling the application form including submission of documents.”

- Mrs. Pooja Devi
Access to clean energy
We initiated an access to clean energy program for providing renewable energy solutions to vulnerable rural communities. Our clean energy solutions (clean cooking and lighting) in rural areas include fuel-efficient cookstoves, liquified petroleum gas (LPG) connections, biogas plants, and solar lighting systems such as lanterns, streetlights, study lamps, and home lighting systems. Through this initiative, we assisted 1,358 families in purchasing solar-powered battery sprayers. Additionally, we built solar-powered pumping systems in two locations in Uttar Pradesh during the previous fiscal year, which continue to assist more than 250 villagers in irrigating and cultivating their land. This effort has resulted in an INR 10,000 boost in incomes for the recipients.

Sustainable sugarcane initiative
The sustainable sugarcane initiative is a pilot project to improve sugarcane cultivation at Sitapur in Uttar Pradesh. The project aims to share knowledge of best practices among sugarcane planters and build up demonstration plots for practical learning and replication among farmers. The company chose 100 farmers from 20 communities to work on specific deliverables based on sustainable sugarcane growing. We have set up 153 vermicomposting and 305 farmyard manure units to apply organic manure to around 1,650 acres of land. Additionally, we took the initiative with 450 sugarcane cultivators to enhance the sugar cane quality.

Social infrastructure
Social infrastructure project allows rural communities to find their footing in a constantly changing world. DBF activities and initiatives in health, sanitation, education, rural infrastructure, and awareness generation are carried out with the assistance of communities, local government agencies, and business partners. Through this project, we were able to set up 2 community-owned RO Plants in Kolhapur having the potential to cater to 3,200 households of 2 villages. Currently, around 73,000 liters of water are sold per month from these plants. Convergence has been done with Agriculture, Horticulture, MNREGA & various other Govt schemes like Pension, KISHAN Mantri Nidhi, Migrant labor, Widow Pension to leverage benefit of INR 1.79Cr for the community.

World on Wheels project
In collaboration with HP India, we assisted roughly 130 villagers in Maharashtra and Uttar Pradesh. We reached out to students, children, women, farmers, and older persons, taught them digital literacy, provided job-related aspects and techniques for improved agricultural practices.

Open defecation-free villages
We collaborated closely with local officials and communities in Uttar Pradesh allowing the building of 18 ISLs, which helped around 90 villages.

Happy School project
We worked with 46 institutions, including both schools and ‘Anganwadis’ to improve their infrastructural facility. We have also re-layered entire roof of a Government School in Kolhapur. This initiative enabled the school to have a strength of 210 children from classes 6-10. Additionally, we undertook the Seekho Sikhaa, a pilot project in partnership with the Seekho Sikhaa Foundation, to transform education in Sitapur district, Uttar Pradesh, India. The vision of the project was to “nurture an environment of learning” and enable children to realize their potential and dreams.

Observing national and international days
We conducted regular awareness programmes to educate the community about the days of social importance. This included providing them knowledge about important national and international days.

Fight against Covid-19
After the World Health Organization (WHO) declared the Covid-19 pandemic in March 2020, the world faced a social and economic crisis. Throughout the pandemic, we collectively worked together to remain steadfast in these challenging times. It is our priority to protect the health and safety of our employees, as it is one of the key drivers in ensuring higher productivity across all our plants.

To mitigate the impacts of the Covid-19 pandemic, we have implemented the most stringent precautions to ensure that we function in the safest manner possible. Our first and foremost goal in this “new normal” has been to guarantee that our employees are exposed to a safe working environment when they return to our premises. Keeping this in mind, our dedicated teams have verified that every safety need is met and have defined safety rules across all sites and facilities to raise awareness.

Covid-19 measures
With the pandemic likely to remain with us for the remainder of 2021, it has become imperative that team members are provided with every opportunity to receive a Covid-19 vaccination. For this purpose, we initiated the vaccination drive where our employees are vaccinated, and the villagers and family members of employees are provided with the vaccine shots. We offered the vaccines free of cost to all our employees, their family members, and the community. We set up the vaccine camps and recorded the detail of every individual to whom the vaccine has been given.

We strive to ensure that all the employees and the local communities receive timely medical care during these challenging times. For this purpose, we have established Covid-19 Care Centre. We also converted our Kolhapur and Sangli factories into isolation wards to deal with the pandemic situation. We also arranged food for our contractors and farmers.

We conducted daily yard meetings at our cane yards to spread awareness among the villagers and farmers during the crushing season. Furthermore, we also organized various cane development activities, which also enabled us to spread awareness. To inform the villagers about the various Covid-19 precautions, we made announcements.

As our activities involve the engagement of farmers and employees at our sites, we have taken various initiatives to ensure their health and safety. Our CSR team distributed masks in our mill area village and motivated the employees and villagers to wear masks. To ensure the safety of our workers at the factories, we sanitized the factories and the mill areas thoroughly. To reduce the spread of infection, we also adopted the practice of hand sanitization of our farmers and workers. Additionally, we also maintained social distancing at our cane yards and in our factories. For the welfare of our communities, we also conducted village sanitation.
<table>
<thead>
<tr>
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<th>Title</th>
<th>Reference section / Information</th>
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<td>102-4</td>
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<td>Information on employees and other workers</td>
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<td>Precautionary Principle or approach</td>
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