

Business Responsibility Report

We are pleased to present the first Business Responsibility Report of the Company for the financial year ended March 31, 2022 as under:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- 1. Corporate Identity Number (CIN) of the Company:** L24110MH1919PLC000564
- 2. Name of the Company:** The Dharamsi Morarji Chemical Company Limited
- 3. Registered address:** 317/ 321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin - 400 001
- 4. Website:** www.dmcc.com
- 5. E-mail id:** investor@dmcc.com
- 6. Financial Year Reported:** April 01, 2021 to March 31, 2022
- 7. Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sector	Industrial Activity Code*			
	Group	Class	Sub-class	Description
Chemical	202	2029	-	Manufacture of other chemical products n.e.c.

*As per National Industrial Classification 2008 – Ministry of Statistics and Programme implementation

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

- Sulphur Chemicals
- Boron Chemicals
- Benzene and Ethanol based Chemicals

9. Total number of locations where business activity is undertaken by the Company

(a) Number of International Locations: One (1) - Borax Morarji (Europe) GmbH. The Company is into a business of trading of Chemicals. The said Company is incorporated as per the mandate by the REACH Regulations.

(b) Number of National Locations: Three (3)

The Company has its factory located at:

- Roha: 105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha - 402116, Dist. Raigad, Maharashtra.
- Dahej: Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat.

Registered Office located at Mumbai at:

- 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001.

10. Markets served by the Company – The Company sells its products in India as well as exports to more than 25 countries across the globe.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- 1. Paid up Capital (INR):** ₹ 24,93,99,330/- (Equity Share Capital)
- 2. Total Turnover (INR):** ₹ 32,629.80 Lakhs (Standalone) ₹ 32,630.02 Lakhs (Consolidated)
- 3. Total profit after taxes (INR):** ₹ 2,136.34 Lakhs (Standalone) ₹ 2,134.01 Lakhs (Consolidated)
- 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 3.42% on Standalone Basis and 3.43% on Consolidated Basis.
The Company's total spending on CSR for the year ended March 31, 2022, was ₹ 73.09 Lakhs.
- 5. List of activities in which expenditure in 4 above has been incurred: -**
The Company's CSR policy provides room for broad based interventions in diverse sectors. During FY 2021-22, Company carried out CSR activities in following areas with main focus on education and healthcare.
 - Protection of Flora and Fauna
 - Social Welfare for Differently abled
 - Healthcare
 - Social / Women Empowerment
 - Old Age Home
 - Education
 - Any other activity permitted for CSR.

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SECTION C: OTHER DETAILS

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

Yes. As on March 31, 2022, Borax Morarji (Europe) GmbH

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If

yes, then indicate the number of such subsidiary company(s)

The subsidiaries are separate entities and they follow BR initiatives if applicable to them.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? –

The Company does not mandate its suppliers/ distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

- 1 DIN Number : 09180182
- 2 Name : Dr. (Mrs.) Janaki Ashwin Patwardhan
- 3 Designation : Independent Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	06734397
2	Name	Shri Dilip Trimbak Gokhale
3	Designation	Executive Director
4	Telephone Number	022-2204881/2/3
5	e-mail id	dgokhale@dmcc.com

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

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

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y ¹	Y ²	Y ³	Y ⁴	Y ⁵	Y ⁶	Y ⁷	Y ⁸	Y ⁹
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y

The policies are broadly based on National Voluntary Guidelines issued by Ministry of Corporate Affairs. Most of the policies are aligned to various standards such as Responsible Care principles, Together for Sustainability System, ISO 9001 and meet regulatory requirements.

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The mandatory Polices under the Indian laws and regulations have been adopted by the Board and signed by the Chairman or Managing Director & CEO. Other operational internal policies are approved by the management and signed by the Managing Director/ Executive Director/ Senior executives.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company has an Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee to oversee implementation of respective policies. Besides, the Functional Heads are responsible to oversee the implementation of respective policies.								
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Mandatory Policies viz. CSR Policy, Nomination and Remuneration, Insider Trading Policy, Related Party Transactions Policy, Dividend Distribution Policy and Code of Conduct are available at http://www.dmcc.com Other policies are available on request.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰
		Many policies are available on the website of the Company for the information of internal and external stakeholders.								
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The working of the policies is subjected to observations / comments during the course of the normal functioning of the Company and partly during audits of Responsible Care, Together for Sustainability (TFS) and ISO.								

Notes

- 1 This aspect is covered under the Company's Code of Conduct and Fair Business Policy.
- 2 This aspect is covered under the Company's Responsible Care Policy
- 3 This aspect is covered under the Company's Safety and Health Policy
- 4 This aspect is covered under the Company's Responsible Care Policy and Community Relation Policy
- 5 This aspect is covered under the Company's Human Rights Policy
- 6 This aspect is covered under the Company's Environmental Policy
- 7 This aspect is covered under the Company's Policy Advocacy
- 8 This aspect is covered under the Company's Community Relation Policy and Corporate Social Responsibility (CSR) Policy
- 9 This aspect is covered under the Company's Quality Policy
- 10 To some extent.

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

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

3. Governance related to BR

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

The Business Responsibility Reporting is applicable to the Company w.e.f. April 01, 2021. The Board of Directors of the Company will assess the BR performance of the Company annually.

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

The Business Responsibility Reporting (BRR) is applicable to the Company w.e.f. April 01, 2021 i.e. for financial year 2021-22 and therefore the Company will be publishing BRR for FY 2021-22 forming integral part of its Annual Report. It will be available on the website of the Company at www.dmcc.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

This Principle is embodied in the Code of Conduct, Whistle Blower Policy and Fair Business Policy.

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

Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with its stakeholders. Your Company has adopted Code of Conduct, which is applicable to the Board of Directors and Senior Management Personnel of the Company. This Code requires all Directors and Senior Management of the Company to act honestly, ethically and with integrity. The Code also provides for avoiding any conflict of interest and to act in the best interest of the Company. All Directors and Senior Management Personnel affirm compliance with Code of Conduct annually.

Your Company also has in place Vigil Mechanism / Whistle Blower Policy which serves as a mechanism for the Directors and all employees of the Company to report any genuine concerns about unethical behavior, actual or suspected fraud or violation of code of conduct. Apart from Code of Conduct and Vigil Mechanism, your Company has also adopted Code of Practices and Procedures for fair disclosure of unpublished price sensitive information.

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

No complaints, issues or concerns were received by the Company under Code of Conduct and Whistle Blower Policy and Fair Business Policy during FY 2021-22.

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

The policy is part of your Company's Environment, Health and Safety (EHS) Policy and Responsible Care Policies.

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

- Sulphur Chemicals
- Boron Chemicals
- Benzene and Ethanol based Chemicals

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

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

The Company is committed to environment sustainability. It constantly works towards reduction and optimum utilization of energy, water, raw material, logistics, etc., For more details please refer to **Annexure I** of Directors Report.

Specific consumptions of Raw material, Energy & Water consumption.¹¹

S. No.	Name of the Product	Name of the Major raw materials	Raw Material Consumption (eg. Ton / ton of product)	Sp. Water Consumption (m3 / ton of product)	Sp. Energy Consumption (Kwh/ ton of product)
1	2	3	4	5	6

Year 2021-22

¹¹Please refer **Annexure I** of Directors' Report.

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

Not Applicable to our products.

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

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

The main raw materials such as Sulphur, benzene and ethanol are mainly procured through reputed manufacturers / producers keeping in mind the need for quality and consistency.

The Company participates in developing Product Safety and Stewardship and Product Distribution Code as a part of initiative taken by Indian Chemical Council under Responsible Care Programme. The Company is also a member of Nicer Globe to ensure safety of material while under transportation. The Company continues to pursue its system of procurement under sustainable sourcing. The Company endeavors to purchase energy efficient machinery/products.

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

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

The Company takes ancillary services including job work from the communities surrounding the place of work as also procures material from local and small vendors to the extent possible and viable.

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

Please refer to **Annexure II** of the Directors Report

Principle 3–Businesses should promote the wellbeing of all employees.

This Principle is embodied in various policies for the benefit of the employees which are issued by the Human Resources function of the Company from time to time.

1. Please indicate the Total number of employees as on 31.03.2022: 385 Permanent Employees

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis as on 31.03.2022: 294

3. Please indicate the Number of permanent women employees: 16

4. Please indicate the Number of permanent employees with disabilities: 1

5. Do you have an employee association that is recognized by management? Yes.

6. What percentage of your permanent employees is members of this recognized employee association? (as on 31.03.2022): 36.36%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

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

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

- | | |
|--|--------|
| (a) Permanent Employees | - 100% |
| (b) Permanent Women Employees | - 100% |
| (c) Casual/Temporary/Contractual Employees | - 100% |
| (d) Employees with Disabilities | - 100% |

Health and safety is of paramount important to the Company. All employees of the Company including temporary employees and employees at plants are provided with safety training. Training is imparted in case of new safety device before putting it to use. Training is provided to workers for Chemical Handling, PPE Training, machine Handling and Waste Handling Training. Safety Boards are displayed and operative instructions are displayed and firefighting training is also imparted to selected employees of each shift. Safety meeting is conducted at every quarter and mock drills are also conducted at regular intervals.

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

Certain aspect of this principle forms part of the CSR Policy.

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

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanism to engage with various stakeholders to understand their concern and expectations. Individual departments within the organization have roles and responsibility identified and defined to engage with various stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders and are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes. Your Company recognizes the vital role played by society at large in its growth and development and strives to discharge its social responsibility as a corporate citizen. Our CSR projects focus on participatory and collaborative approach with the community. Over a period, your Company has identified disadvantaged, vulnerable & marginalized stakeholders in and around local area in which the company operates. In order to improve their standard of living, your Company has emphasized on CSR projects in the areas of Protection of Flora and Fauna, Social Welfare for Differently abled, Healthcare, Social Empowerment, Old Age Home, Education, Social Empowerment.

Principle 5- Businesses should respect and promote human rights.

This Principle is embodied in the Human Right Policy.

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

The Company has the policy for Human Rights to take care of Human Rights of all stakeholders.

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

During the year under review the Company has not received any complaints regarding violation of human rights.

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

This Principle is embodied in the Environment Policy.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint

Ventures/Suppliers/ Contractors/NGOs/others.

The Company strives to protect environment by adopting various eco-friendly measures. The Environment policy is made for implementation by the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N.

Yes. The Company strives to make the processes and operations environment friendly.

If yes, please give hyperlink for webpage etc. The Company is yet to have a separate webpage yet on these strategies, however the Company publishes its environmental initiatives in its Annual Report. Further, as a part of initiatives under the Corporate Social Responsibility, the Company inter-alia contributes towards protection of Flora Fauna.

Responsible Care®: Responsible Care® is a global voluntary initiative of the Chemical Industry, the objective of which is continuous improvement in the areas of environmental protection, health, safety and security. Your Company is one of the few in India authorized to use the Responsible Care® logo. This has been achieved after extensive site and systems component, third party mentoring, and a series of audits. The existing validity of the Company to use logo was from March, 2019 to February, 2022 and renewable thereafter. The Company is pleased to inform that based on Responsible Care Audit, the Company is authorized to use Responsible Care® Logo, for further period of Three Years i.e. from April, 2022 to March, 2025.

Together For Sustainability®: The TFS Audit was carried out under the stipulations made by a Group of EU based major Pharmaceutical companies.

3. Does the company identify and assess potential environmental risks? - The Company regularly identifies and assess potential environmental risks that is associated with it and strives to adopt the practices and process which will have minimal or no impact on the environment to be carbon neutral.

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

The Company supplies about 100 MT steam per day to the neighboring Units, thereby helping them to reduce carbon emission.

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

The Company continues measures to reduce energy consumption at its plants and offices by improving energy intensive manufacturing process. Please refer to **Annexure I** of Directors' report.

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

The Emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year under report.

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

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

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

The Company is member of following chambers/associations:

- a) Indian Chemical Council;
- b) IMC Chamber of Commerce and Industry;
- c) Fertilizer Association of India
- d) CHEMEXCIL (Basic Chemicals, Cosmetics & Dyes Export Promotion Council)

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

Yes, The Company supports the initiatives taken by above associations in their endeavor for the advancement or improvement of public good. The Company participates in advocating matters for advancement of Chemical sector, policies and economic reforms.

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

This Principle is embodied in the CSR Policy.

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

The Company has taken a holistic approach towards the development of the deprived groups of the society. The details of the CSR projects undertaken by the Company are described in '**Annexure – II**' of Directors' Report - Annual Report on CSR activities.

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

CSR programmes are implemented directly by the Company as well as through external agencies.

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

The Company is not required to do Impact Assessment as per the CSR Provisions of the Companies Act, 2013, however, the Company gets regular updates from the agencies about the beneficiaries and impact on the society w.r.t. CSR.

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

During the year, the Company has spent ₹ 73.09 Lakhs towards various CSR activities. The project wise details are provided in '**Annexure II**' of Board's Report - Annual Report on CSR activities.

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

Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community.

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Before undertaking any CSR project, needs of communities are assessed. Once CSR project is implemented, to the extent possible, visits are made and proofs are also obtained in the form of photographs to ensure that the activities are proactively welcomed and adopted by the communities.

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

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

Customer Satisfaction is of utmost important for the Company and there are no customer complaints are pending.

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

Yes. The Company displays all the requisite information on product labels as per the laws.

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

There have been no cases relating to unfair trade practices, irresponsible advertising, and/or anti- competitive behavior against the Company during the last five years and pending as on end of the financial year 2021-22.

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

Yes, Customer Satisfaction Surveys are conducted by the Sales and Marketing Team by way of taking oral/written feedback for betterment of the products and to assess the consumer's requirements and consumer satisfaction levels.