



Measuring Progress with Impact:
Our path to a sustainable future

SUSTAINABILITY REPORT

2022-23



Measuring Progress with Impact: Our path to a sustainable future

In the face of unprecedented challenges in the battle against climate change, the need for a sustainable future has never been more pressing. Moving beyond mere metrics and data points, we at Deccan are cognizant in embracing the concept of measuring progress with impact. Our approach transcends traditional methods, focusing not just on outputs, but on the tangible, positive effects our actions have on the world around us. Our holistic perspective necessitates a paradigm shift, one that prioritizes the well-being of our planet and its inhabitants alongside traditional measures of success.

Guided by impact measurement, we aim to create a world where progress is defined by

both economic growth and the well-being of our planet and its inhabitants. This collective effort requires the collective support of individuals, our employees, and our stakeholders. Through collaboration and progress, we can build a sustainable future that leaves no one behind. Inspired by this, we embed sustainable practices throughout our value chain, guided by our four key pillars outlined in our sustainability framework which will be discussed in the subsequent sections.

Join us on this transformative journey. Let us measure progress with impact, together.



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01 Managing Director's Message



Dear Colleagues, Business Partners & Friends,

The relationship between mankind and nature undergone transformational change in the last millennia. The Industrial revolution and rapid development of new technologies have drastically changed the way we interact with and control our surroundings, bringing about fundamental changes in human subsistence. Chemicals and chemical substances are so well integrated in our daily lives that I find it difficult to imagine a facet of human life that has not been touched upon and positively impacted by this beautiful branch of Science. While this has improved the quality of life, it is now time to reflect on how we can continue to lead a quality life, while also preserving our environment and being responsible to all our stakeholders.

Chemical manufacturing inherently requires substantial amounts of natural resources such as petroleum feedstock, water, energy etc. Therefore, it is important for industries to move towards a circular economy, encourage reuse, design processes to minimize waste, promote sustainable consumption and protect natural resources. As world leaders and responsible investors are shifting their focus and prioritising ESG performance, we are very proud to partner with customers who accord paramount importance to ESG and are playing pioneering roles in establishing ESG benchmarks. As a CDMO industry leader and strategic supplier of choice to our customers, we intend to take the lead on sustainability and set ourselves ambitious ESG targets and achieve them.

In this regard it is my proud privilege to present to you the 2nd ESG report through which we endeavour to transparently share our commitments and performance in Environmental, Social and Governance (ESG) principles in all our business operations.

We continue to make progress on our ESG strategy themed '**Embracing Sustainability**' which comprises 4 pillars covering about 15 individual aspects that are material to us. Under this framework, we have also set ourselves targets for the next 3-5 year horizons.

Health, Safety, Environment and Quality embedded in Operations

We benchmark ourselves with the best in the industry with regard to Health, Safety and Environment Management Systems. Our sites are ISO 9000:2015, ISO 14001: 2015 and ISO 45001:2018 certified and have Integrated Management Systems (IMS) that incorporate Quality, Health & Safety and Environmental Management systems in all of our manufacturing operations.

As a contract manufacturer to leading chemical companies, our sites are periodically audited and qualified by our customers, who expect highest standards of HSEQ and ESG performance. We are amongst a handful of Asian companies that meet such requirements and have become 'Strategic Suppliers' for such clientele. As an acknowledgement of our commitment to sustainability, we are now a signatory and certified for Responsible Care by the Indian

Chemical Council and have also received high scores in our 'Together for Sustainability' audits.

Reducing use of natural resources and impact on Climate Change

With the sector growing rapidly, we realize that chemical companies need to play a pivotal role in the journey to achieve net zero emissions. At Deccan, we are in the process of transitioning to a low natural resource business model and have taken a number of initiatives in the past couple of years.

For instance, our Goa plant meets a substantial portion of its steam requirement through renewable energy (biomass) and at our Tuni site we have improved thermal efficiency by 60%, after installation of the combined cycle power plant (electricity + steam). We are constantly on the lookout for opportunities to implement the principles of circularity in water and waste management. In FY 2021-22, our Tuni site switched to 100% use of desalinated sea water, reinstating our commitment to responsible water use. Several of our products also support our clients in their endeavours for low-carbon portfolios.

In FY 2022-23 we made significant investments to increase the share of renewable energy in our energy mix, while also improving the energy efficiency of the existing utility systems. From Q2 of FY 2023-24, 4.5 MWh electricity we consume will be from renewable energy sources and we are exploring options for further increasing the quantum of renewable energy in

our energy mix. In addition, we are aggressively working to reduce emissions from our supply chain by developing suppliers closer to our manufacturing facilities and also investing on low carbon materials.

We are also actively working with institutes & agencies for the carbon sequestration initiatives and planted 50,000 plus saplings in FY 2022-23.

Community Engagement

Over the years, we have also been working for the socio-economic betterment of the communities within which we operate through a host of CSR activities in the areas of education, environment, healthcare and community development. Some such initiatives include waste management activities in communities in the vicinity of our plants, installation of solar panels in schools, healthcare facilities etc, development of infrastructure and distribution of educational material and other support to schools, supporting primary health centres and other healthcare service providers (NGOs) in rural areas etc. It our proud privilege to state that we have received several awards and accolades across locations for our social initiatives. We respect and promote human rights and do not tolerate any form of violations and to this end, we are in the process of implementing ESG policies for our own operations and as well as for our suppliers.

Employee wellbeing

Much of our success in manufacturing, growth, financial performance and ESG initiatives are attributable to our employees whose committed efforts have been propelling us from strength to strength. We view employee wellbeing and engagement as a critical catalyst for our sustained growth. Training and capacity building needs are identified and delivered continually so as to facilitate the growth and development of our talent pool.

Way forward in Embracing Sustainability

As a privately-owned family business, we shape our future with a strong entrepreneurial spirit and commitment to values that enable us pursue our long-term vision for our company. This enduring commitment to values is our greatest strength and competitive advantage, which inspires us to do things that are sometimes difficult, to make commitments that require discipline and to stick to plans for the long haul. We not only look for enduring relationships with our customers and employees, we also understand that we have to do the right thing to preserve the planet for our children.

Our goals are not for the next quarter, or the next year but for the next generations...

Sincerely

G. S. Raju





ABOUT THE REPORT

SECTION 02



This report highlights our Environmental, Social & Governance (ESG) performance for the recent years and has been prepared in accordance with the 'core' criteria of the Global Reporting Initiative (GRI) Standards. The GRI Content Index is provided at the end of the report.

The GRI Standards comprise a set of globally established sustainability reporting requirements, that enable businesses to report sustainability performance and impacts transparently, credibly, and consistently. They also facilitate comparison between organizations in the same sector. The GRI standards encompass topics that interest numerous and varied stakeholder groups including investors, regulatory bodies and governments, policy framers and industry bodies.

To the extent possible, performance data has been presented for the period from 1st April 2019 to 31st March, 2023 [i.e., FY 2019-20 to FY 2022-23] covering 100% of Deccan's operations and revenue.

Reporting Boundary

This is our first year of sustainability reporting. The scope of the report encompasses all our major locations of operations as follows:

- » Tuni, Andhra Pradesh
- » Ankleshwar, Gujarat
- » Corlim, Goa
- » Corporate Head Office, Hyderabad, Telangana

Data Management

To ensure that the information presented in this report is accurate and valid, we have referred to several internal sources of information including periodic reviews and

audit trails. Conversion factors or assumptions are aligned with relevant international standards and are disclosed appropriately alongside the data being presented.

Approach to Materiality

Deccan's ESG performance and reporting considers the topics most material to creating sustainable value for our business and for our stakeholders. Material topics have been identified by way of engaging with internal and external stakeholders and drawing guidance from international sustainability standards.

Feedback

We appreciate your interest in our ESG Report and look forward to addressing any questions/feedback you may have. Please write to us at: ESG@deccanchemicals.com



ORGANISATION PROFILE

SECTION 03 



Exclusive focus on Custom Manufacturing:

Production of intermediates and active ingredients exclusively for customers as per their specifications.



One product-One customer:

Deccan makes every product exclusively for a specific customer and never sells the same product to other customers.



Innovator R&D clients:

Exclusively works only with innovator R&D based companies.

Deccan Fine Chemicals (India) Private Limited (Deccan) is a Contract Development and Manufacturing Organization (CDMO) for active ingredients and advanced intermediates for the Crop Protection, Pharmaceuticals and Specialty Chemicals sectors. The active ingredients we manufacture are used by our clients to produce branded formulations while our advanced intermediaries are used in chemical plants world-over for further processing.

3.1 Introduction to Deccan



Business Areas

Contract Research Services

- » Process research and development services across business areas
- » Managed and delivered by highly skilled and experienced Research & Development professionals

Specialty Chemicals

- » Caters to industries in specialty polymers, rubber, chemical dyes and pigments segment
- » Extensive experience in chemical synthesis, wide range of production platforms
- » Positive track record in new product introduction

Crop Protection

- » Strong synthesis expertise for sophisticated molecules
- » Custom solutions for contemporary herbicides, fungicides, insecticides and plant growth regulators

Pharmaceutical and Animal Health

- » Our products address 3 key segments: farm animals, pets and aquaculture
- » Increased demand from developing economies is expected to drive segment growth

Our uniqueness lies in our business proposition of exclusive partnerships – we manufacture a specific product exclusively for a single customer. Our services comprise fully integrated end-to-end contract

development and manufacturing, ranging from product development to commercial scale. Deccan's customers comprise some of the world's leading companies in the sectors we serve across markets that span multiple

continents. Our goal is to be recognised as a global leader in the custom manufacturing space and serving our customers worldwide as their most trusted partner, offering an unparalleled breadth of technologies, innovations, and

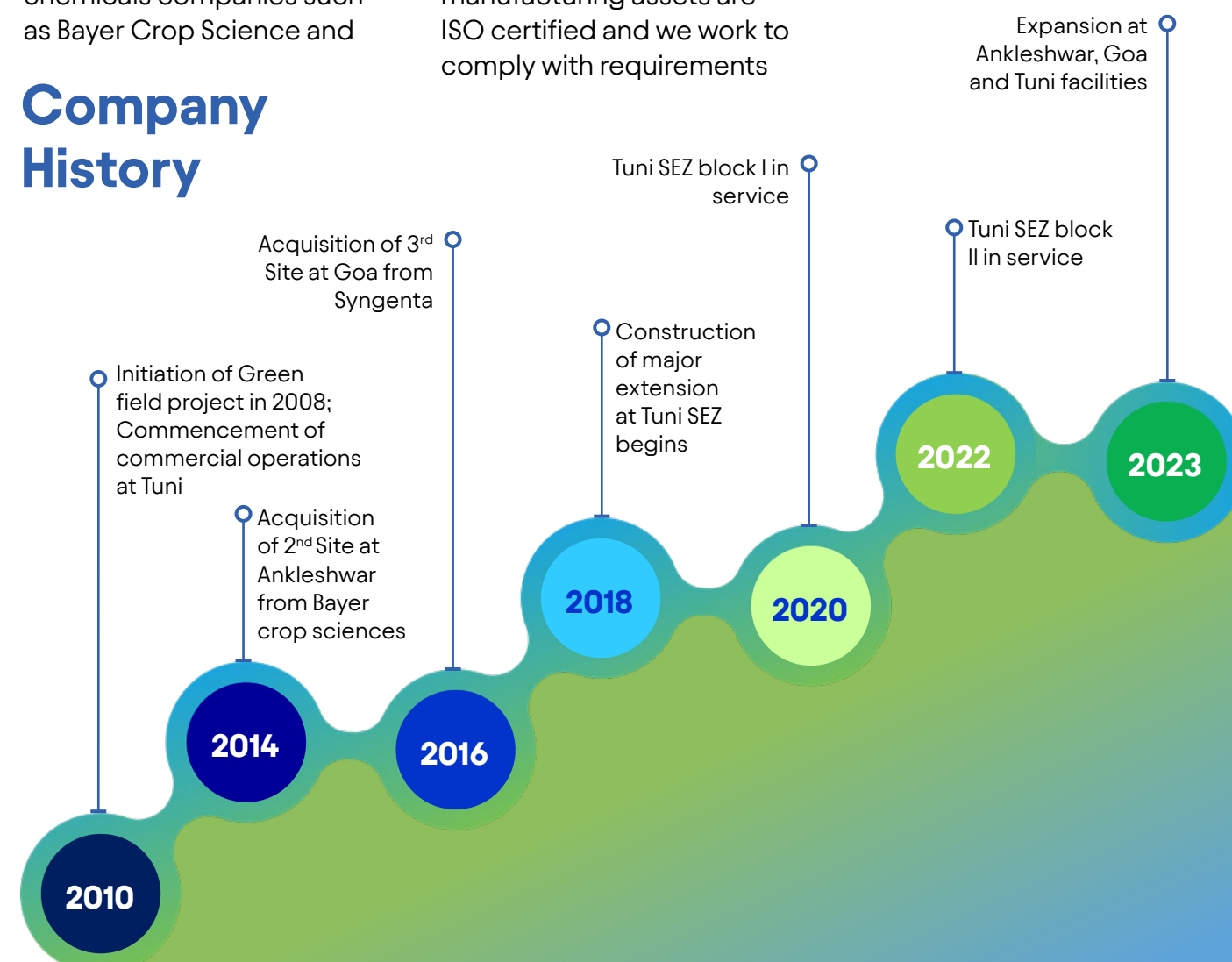
manufacturing scale. Established in 2008, Deccan is a private company registered under Section 25 of the Companies Act, 2013 in India. We trace our provenance to the construction of our first greenfield manufacturing facility at Tuni, near Visakhapatnam, Andhra Pradesh. Since then, we have grown rapidly through acquisition of manufacturing sites and capabilities from reputed multi-national chemicals companies such as Bayer Crop Science and

Syngenta in 2014 and 2016 respectively. Our development path also includes establishing expanded engineering and technology laboratories in Goa in 2017.

Deccan's sustained high growth journey has been driven by exemplary quality, sustainable and safe production capabilities, cost efficient manufacturing, affordable pricing, and a history of timely completion of new projects. Our manufacturing assets are ISO certified and we work to comply with requirements

of global standards and certifications & audits such as 'Responsible Care' and 'Together for Sustainability' (TFS). Today, less than 15 years from our humble beginnings, Deccan is the largest and fastest growing company in our industry. As of March 31, 2023, our total employee strength stands at 2,893 across our manufacturing locations and corporate office.

Company History



3.2

Our purpose, mission & vision



Purpose

Creating Sustainable Value

We want to create value – for our customers and end consumers, for our employees and our shareholders, as well as for the wider society and communities in which we operate.



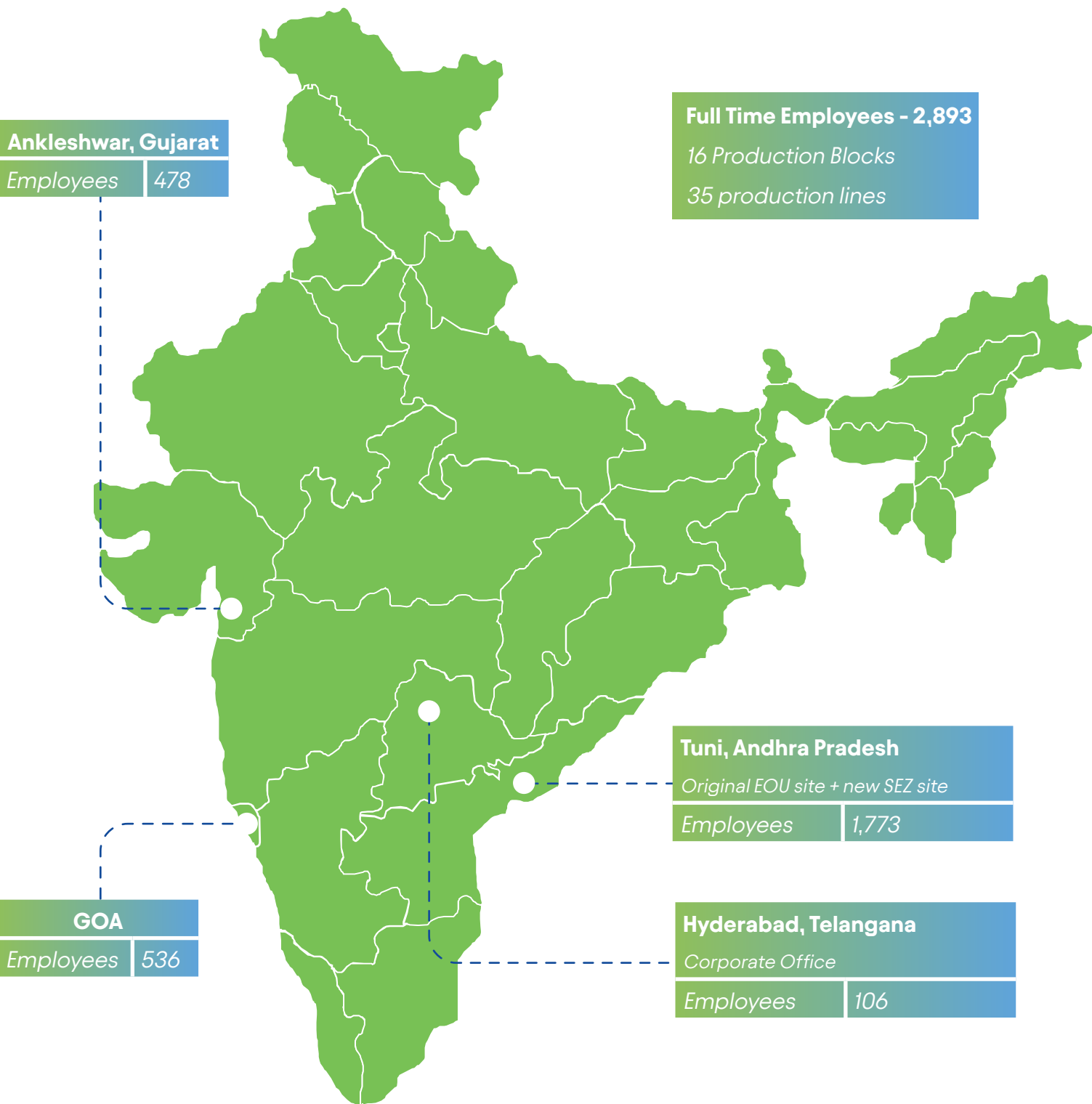
Vision
Leading with our innovations, technologies and manufacturing scale
We will be the global leader in the CDMO space, offering an unparalleled breadth of technologies serving the specialty and fine chemical industry.
For us, “leading” exceeds the definition of being the number one in terms of market share or size. While strong positions in attractive markets are important, it takes more to be “leading with innovations, technologies and manufacturing scale.”
It requires leadership in value creation, responsiveness to volatile markets, and changing customer demands as well as in innovation, quality, service and sustainability.
Deccan is to be acknowledged as the supplier of choice and best-in-class provider of contract manufacturing solutions by our customers.

Mission
Serving our customers worldwide as their Most Trusted Partner with leading positions in all relevant market segments and technologies – as a passionate team united by shared values.



3.3 Our Presence

Our world-class Manufacturing and R&D facilities are located in Andhra Pradesh, Gujarat and Goa.



Manufacturing facilities

Developed to global standards, Deccan has three state-of-the-art, integrated manufacturing facilities equipped with the latest technologies. Spread over multiple acres, each site has the capacity to meet our growing production needs and can also be scaled up as our businesses grow. Our facilities maintain the highest standards of quality, safety, and environmental sustainability. Please refer our website for further details regarding our manufacturing process excellence.

[Cutting Edge Commercial Manufacturing facilities | Deccan Fine Chemicals \(deccanchemicals.com\)](https://deccanchemicals.com).

Manufacturing and R&D facility at Tuni, Andhra Pradesh



Manufacturing facility at Ankleshwar, Gujarat



Manufacturing facility at Goa



R&D facilities

R&D and Pilot Plant facilities house infrastructure that enable complete product and process development and comprise capabilities for chemical synthesis, analytical development and pilot scale manufacturing. The facilities house advanced equipment's and instrumentation and are managed by highly qualified technology and engineering teams. For details, please refer our website

[R & D Facilities for product & process development lifecycle | Deccan Fine Chemicals \(deccanchemicals.com\)](https://deccanchemicals.com)

Technology & Engineering Cum Research & Development Centre at Goa



3.3 Our Capabilities



At Deccan, we continually emphasise 4 major competencies to ensure that we deliver products of the highest quality standards to meet our customers' business requirements.

1. Technology and Engineering (T&E):

We leverage our core competency in process technology and process engineering and collaborate closely with our customers to come up with innovative new solutions. In doing so, we aim to develop state-of-the-art chemical solutions and services that create value for our customers and end-users.

Our T&E department comprises highly qualified scientists and plays a key role in ensuring that we deliver on our client commitments in the most optimal and efficient manner. For further details on the role of the T&E function, please refer [Our excellence in technology and engineering | Deccan Fine Chemicals \[deccanchemicals.com\]](#)

2. Quality Management:

At Deccan, top priority is accorded to quality management and product

integrity. From regularly developing sophisticated analytical methods to following well established protocols to prevent product contamination, our emphasis on ensuring quality standards has earned us the reputation of exceeding expectations among global industry leaders. More about quality management at Deccan can be found here: [State-of-the-art analytical laboratories for Quality assurance | Deccan Fine Chemicals \[deccanchemicals.com\]](#)

3. Manufacturing Excellence:

Our multi-product, multipurpose, batch type plants have the right balance of flexibility and automation. Our DCS (Distributed Control Systems) based manufacturing plants ensure reliable, efficient, safe and on-time production of a wide variety of chemical products. We have a strong base of skilled and experienced control system engineers well versed in handling large-scale complex chemical manufacturing operations. Real-time monitoring enables complete control of process parameters.

Our plants are equipped with DCS platforms from a leading international vendors such as Siemens, ABB and Yokogawa. For details, please refer [Precision in Automation | Deccan Fine Chemicals \[deccanchemicals.com\]](#)

4. Process Safety & Project Management:

The management of New Product Introductions (NPI) at Deccan follows a well-established process, implemented by a multi-disciplinary project team, led by an experienced project manager. Each stage of the product delivery process is supported by in-depth technical assessment, process safety and environmental hazard studies, process flow designing and quality assurance. Importantly, the process incorporates all regulatory requirements, commercial and customer needs are appropriately incorporated into project planning and management. More about our project management capabilities can be found here: [Experts in Managing New Product Introductions | Deccan Fine Chemicals \[deccanchemicals.com\]](#)

Reagents and Reaction Types: The types of reagents we produce range from most basic to among the most complicated, that requires use of cutting-edge technology and have varied uses in the industries we serve. Some such examples are provided below: [more comprehensive information is available on our website [Reagents and Reaction types | Deccan Fine Chemicals \[deccanchemicals.com\]](#).]

Early Intermediates / Advanced Intermediates / Active Ingredients

Challenging reagents

- » Amines (Pyridine, TEA)
- » Butyl nitrite
- » Br₂, Cl₂, SOCl₂, [COCl]₂, CF₃COCl, POCl₃, PCl₃, POC₂Cl₃
- » Complex hydrides (NaBH₄)
- » Cyanides
- » Hydrazine hydrate
- » Hydrogen peroxide
- » Lithium Amide
- » Lithium alkyls (n-BuLi)
- » Metals (Na, Li, Mg, Zn)
- » Methane sulfonic acids
- » Nitrooxadiazamines, azides
- » Potassium fluoride (KF)
- » Sulfur based (CS₂), [CH₃]₂SO₄, mercaptans, thiochloroformates
- » Sodium Methoxide
- » Triphosgene, Sodium thiocyanates

Standard technologies

- » Alkylation and Acylations
- » Balz-Schiemann reaction
- » Bromination / Iodination
- » C-C bond formations: Aldol, Michael, Wittig
- » Chlorination
- » Friedel-Crafts reactions
- » Heterocyclic Chemistry
- » Hydrogenations
- » Nitration
- » Organometallic chemistry
- » Oxidation
- » Reduction
- » Strecker reaction
- » Thermal rearrangements

Advanced technologies

- » Asymmetric synthesis
- » Asymmetric catalytic hydrogenation
- » Buchwald CN coupling
- » Cross-coupling technologies
- » Diels-Alder reaction
- » Enantioselective hydrogenation
- » Fluorination
- » Grignard reactions
- » Pinner reaction
- » Racemization
- » Sandmeyer reaction
- » Sigmatropic reaction
- » Turbo-Grignard formation

LABORATORY

PILOT PLANT

SCALE-UP

LARGE-SCALE
PRODUCTION

3.4 Certifications & Awards



Our commitment to high quality and sustainable manufacturing processes and products has been acknowledged by our customers with performance awards. We have received customer awards from Syngenta, Bayer and Corteva. Presidents award from Corteva in 2022, Supplier award from Syngenta in 2022, Best

Partnership award from Corteva in 2019. As a recognition to our significant contribution towards Goa economy, Deccan was awarded with Inspiring Exporter – Large Sector at Vibrant Goa Inspiration Award, 2023. Our manufacturing facilities comply with highest industry standards on quality and HSE, and have received multiple certifications including ISO

9001-2015, ISO-14001-2015, ISO 45001-2018 and ISO 50001-2018 Management Systems. Our commitment to sustainability and contribution to the well-being of communities have been recognised with awards under multiple categories. Select awards and certifications that we have received over the last few years have been presented below.



Awards/ Certifications

GREEN TRIANGLE HSE AWARD – GOMANT SARVOCHCHA SURAKSHA PURASKAR 1st -prize in the Years 2018, 2019, 2020 & 2022.



Goa Conference on Green Renewable Energy





British Safety Council,
International Safety Award,
2020

Fire & Security Association of India, Finest India Skills & Talent Awards, 2023



Business Goa Award for CSR Excellence, 2019



Best CSR Impact Initiative Award at the Goa Leadership Awards, 2023



Goa State Leadership Award for Best CSR Practices, 2023



Best CSR Brand of the Year



Award on Corporate Communication on TB



GCCI Recognition for Corporate Environment Responsibility



CII National Award for Excellence in Energy Management



CII Andhra Pradesh Industrial Safety Excellence Award -2021-22 and 2022-23: Winner in the Category of Industrial Best Process Safety Practices.



ICC Membership No: **ICC-WR/RM/D-03**

RC Logo No: **068**



Responsible Care[®]

OUR COMMITMENT TO SUSTAINABILITY

Presented to

**DECCAN FINE CHEMICALS
(INDIA) PVT LTD**

With permission to use the RC Logo
[Valid from JANUARY 2022 – DECEMBER 2024]



ICC
Indian Chemical Council



3.5 Memberships & Associations



Details of Memberships and Associations:

Industries
Association



Center for Chemical
Process Safety



CII – Confederation of
Indian Industry



Industrial Waste
Management Association

FICCI – Federation of Indian
Chambers of Commerce
and Industry



National Safety Council



Indian Chemical Council



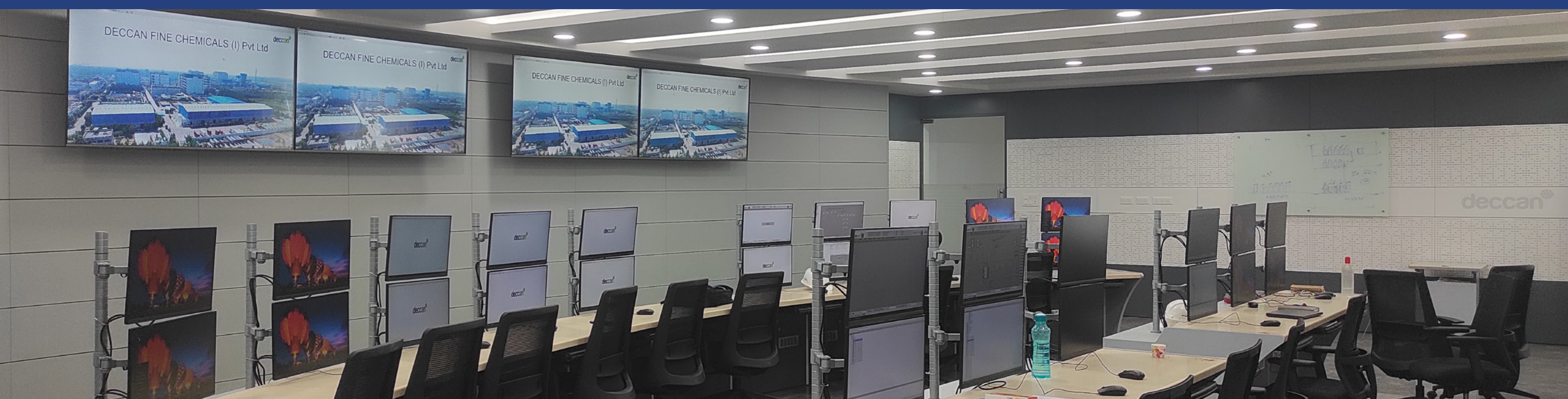
Green Triangle Society

Export Promotion Council



Membership in Disaster
Prevention & Management
Centre [DPMC]





STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

SECTION 04



4.1 Stakeholder Engagement



At Deccan, we view all our stakeholders as being integral to our sustained growth. We emphasize building and maintaining relationships marked by trust, fairness, and being responsible to each stakeholder group. We maintain multiple channels for connecting regularly with our stakeholders and engage with them on numerous topics that are of interest to them.



Our key stakeholder groups, engagement channels, and the topics of engagement/interest to each stakeholder group are presented below:

Stakeholder Group	Engagement Channels	Topics of Engagement
Employees 	<ul style="list-style-type: none">» Internal employee communications» Town hall meetings and engaging leadership sessions» Trainings» Team building activities» Engagement initiatives at individual employee level	<ul style="list-style-type: none">» Company's mission, vision» Workplace health and safety, compliance» Capacity building (technical and behavioural)» Internal communications and achievements» Sustainability initiatives and thematic programs-volunteering.
Customers 	<ul style="list-style-type: none">» In-person dialogues» Grievance redressal mechanism» Review meetings	<ul style="list-style-type: none">» Product quality & pricing» Trust, accountability, and transparency-based relationship building» Achievement of customers' sustainability and business goals
Vendor partners 	<ul style="list-style-type: none">» Regular supplier meetings» Supplier audits and onboarding system	<ul style="list-style-type: none">» Transparency» Sustainable procurement
Local communities 	<ul style="list-style-type: none">» CSR and social development initiatives	<ul style="list-style-type: none">» Environment preservation» Enhanced access to healthcare and education
Government and regulatory authorities 	<ul style="list-style-type: none">» Mandatory compliance reports» Industry forums, statutory meetings, policy advocacy	<ul style="list-style-type: none">» Legal compliance» Compliance with ESG requirements» Contribution to CSR and sustainable development
Investors 	<ul style="list-style-type: none">» Periodic meetings	<ul style="list-style-type: none">» Governance and financial performance» Approvals and information required by the Articles of Association» ESG performance» Business updates» Growth strategy and plans
Bankers 	<ul style="list-style-type: none">» In-person meetings/ visits	<ul style="list-style-type: none">» Transparent financial transactions» Debt repayment as per agreed schedules

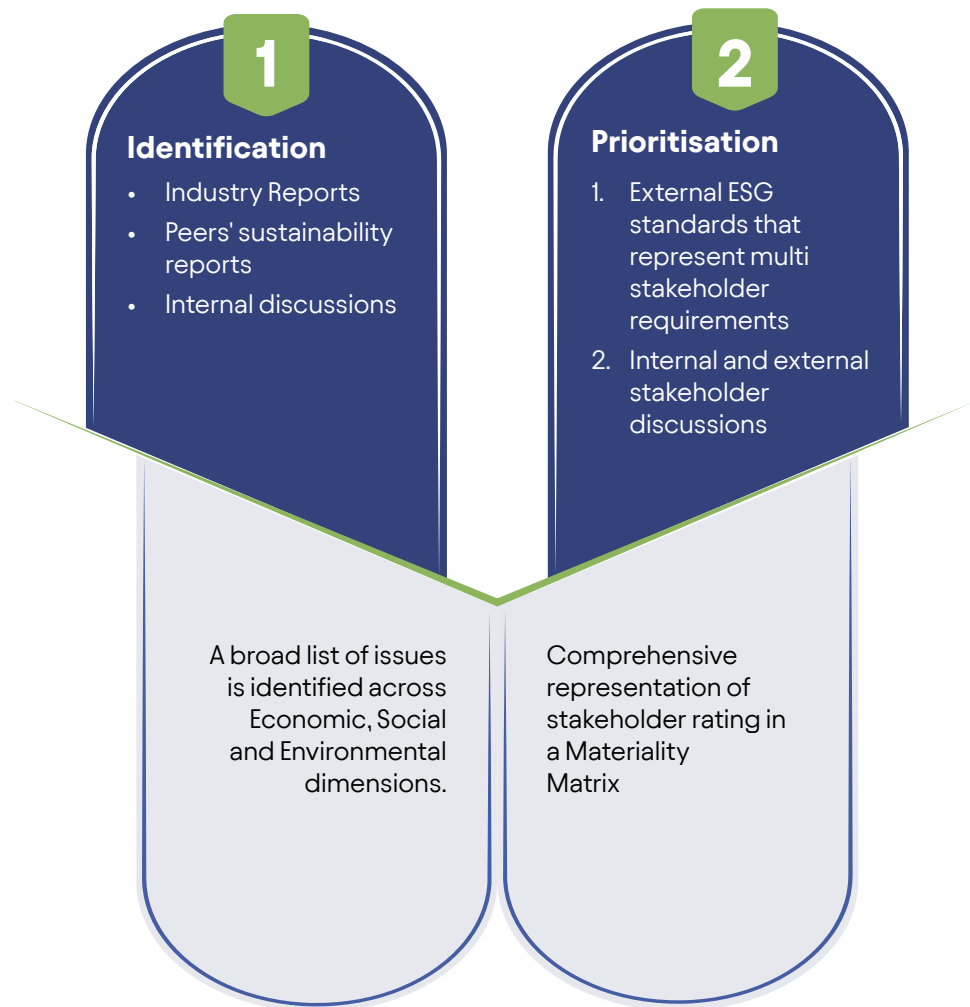
4.2 Materiality Assessment



We believe that to create value for our business and our stakeholders, we must direct our resources to address issues that are most significant for Deccan as well as to our internal and external stakeholder groups. The GRI framework defines material issues as those which have a direct or indirect impact on an organization's ability to create,

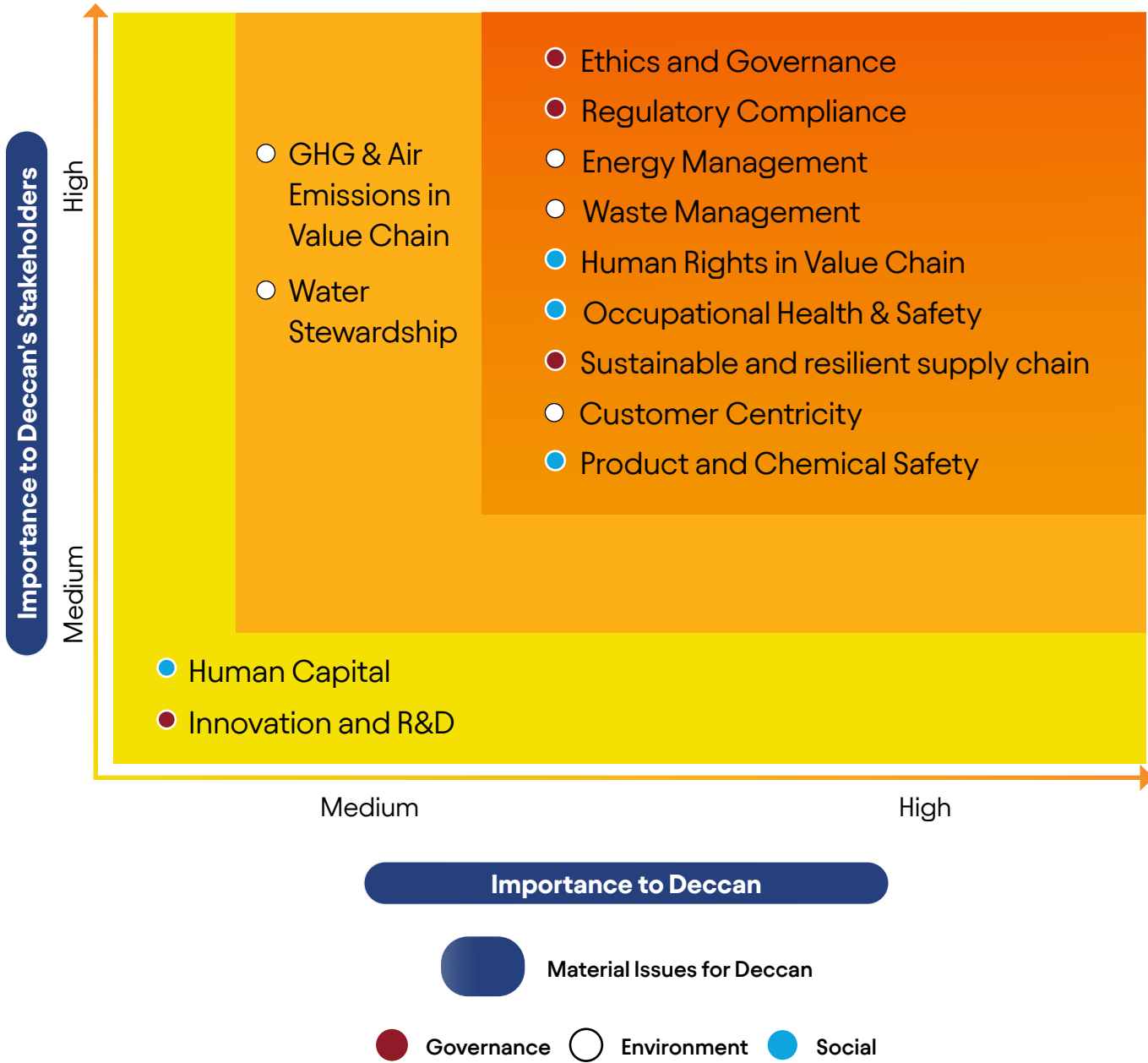
preserve or erode economic, environmental, and social value for itself, its stakeholders and society at large. They are determined through a systematic and robust process that involves identifying a broad set of issues followed by in-depth interactions with stakeholders to prioritize them. We held interactions with

varied stakeholder groups including senior management, employees, investors, customers, vendor partners and CSR partners. The process of identifying material issues is summarized below.












- ESG standards and the stakeholder groups they represent**
- » Investor, supply partner, CSR requirements: Sustainability Accounting Standards Board (SASB), Dow Jones Sustainability Index (DJSI), MSCI
 - » Indian regulations: National Guidelines on Responsible Business Conduct
 - » Overall stakeholder requirements: UN Sustainable Development Goals (SDGs)

Subsequently, the issues that were considered were mapped on two axes, namely: *Importance to External Stakeholders* and *Importance to Deccan*, to develop our Materiality Matrix, shown below.



Issues material to us and the reasons thereof are discussed below:

	Material Issue	Why it is material
Environment	Energy Management 	To work towards sustainable production systems that ensure steady decarbonisation of our operations.
	Waste Management 	This represents Deccan's commitment to transitioning to a circular economy and to environmental preservation.
	Sustainable and Resilient Supply Chain 	A resilient supply chain is key to the sustainability of Deccan's business and sustained growth; it is also key to ensuring that our products fulfil customers' strategic and sustainability objectives.
	Human Rights 	We emphasise the rights of all stakeholders and are committed to ensuring they are upheld across our value chain.
Social	Occupational Health and Safety 	We prioritize the health and safety of all our stakeholders and are committed to ensuring that our workplaces are safe and free from hazards.
	Product and Chemical Safety 	This represents our commitment to ensuring that our products are safe to use and have minimal environmental impacts.
	Ethics and Governance 	We believe that continued transparency and integrity and embedding sustainability principles in all aspects of our business are key to business growth and success.
Governance	Regulatory Compliance 	To uphold high safety and operational standards and the credibility and reputation of our business; also, to minimise our environmental footprint.
	Customer Centricity 	In a 'B-2-B' business such as ours, it is all the more important to ensure high levels of customer satisfaction for sustained business growth and success.





GOVERNANCE

SECTION 05



At Deccan, we believe in responsible, social and ethical behaviour and that we have an obligation to all our stakeholders to maintain high standards of integrity and fairness in all our transactions, within and outside the organisation.

The governance of the company rests with the Leadership Team comprising of the Board of Directors. The day-to-day

functioning of the organisation rests with the functional heads who are responsible for smooth operations of their respective functions including identifying any challenges and duly intimating the same to the Leadership Team.

Safeguarding our people, premises, the environment, surrounding communities and our customers is a priority for us

at Deccan. We therefore ensure compliance with applicable laws and regulations as well as internal standards and ensure transparency in this respect. Deccan's leadership has approved policies that enable our people to maintain integrity and mutual respect in their work relationships. These are briefly described below.

Code of Conduct: Deccan's Code of Conduct extends to all employees and business partners; suppliers are included through contractual provisions. This policy encompasses several key aspects of everyday functioning of the business which include:

» **Whistle blowing:** Employees are enabled to report violations of the Code of Conduct either locally to several points of contact or to the Deccan Head Office. The reporting person's details are kept confidential, and reporting is enabled in a safe

environment, without fear of adverse consequences or discrimination for doing so.

» **Forced, bonded and child labour:** This requires that no person under the age of 18 years, illegal workers, prisoners, or those forced into labour will be employed by Deccan in any part of the

company's operations.

» **Anti – Discrimination and Sexual Harassment:** This requirement calls for fostering a work environment in which each person is treated with respect and dignity and is given fair and equal opportunities for professional development.

The company does not tolerate any form of workplace discrimination or harassment owing to demographic and other potentially discriminatory factors such as ethnicity, sexual orientation, gender, religion, age, disability, political opinion, nationality etc. The procedure to report violations has been clearly communicated and employees are encouraged to follow this to register complaints.

- » **Health, Safety, Environment:** Aligning with Deccan's efforts to be acknowledged as an industry leader in Health, Safety, Environment and Quality (HSEQ), this part of the Code of Conduct calls for the company to conduct business keeping in mind health and safety impacts on all stakeholders and the environment. It also calls out the need for compliance with legal and regulatory

requirements and for products and services to adhere to agreed conditions and meet customers' approval.

- » **Employee Privacy:** At Deccan, employees' correspondence, telephonic conversations, and personal information such as employment and medical records are kept private. While Deccan reserves the right to monitor email and internet usage to protect the company against cybercrime and related hazards, other personal information in the form of telephone calls, employment and medical records are disclosed and monitored only as legitimately required.
- » **Alcohol and drug use:** This requires that all employees attend and carry out their work with judgement and capabilities

that are unimpaired by alcohol and drug consumption.

- » **Security:** We work to follow good security practices in our supply chain and maintain processes and standards that assure the integrity of each shipment from starting point to destination, including all other points in between.
- » **Business Ethics:** This requirement guides Deccan to respect the business laws and regulations as well as ethics of the countries in which we operate. It also extends to suppliers and partners who are required to do the same.
- » **Competition and Antitrust Legislation:** This reflects our commitment to vigorous and fair competition, based on the added value of products and services.

The company desists from engaging in unfair, misleading, or inaccurate comparisons, anti-competitive agreements or arrangements and all at Deccan are required to engage with competitors with care. Employees are encouraged to avoid entering tacit or overt anti-competitive agreements or practices, with any of our competitors or business partners. Further we will cooperate with on-site investigations by officials of competition authorities, if required, and to enable unobstructed investigations.

- » **Anti-Bribery:** This demonstrates our non-tolerance of bribery and extortion in any form either directly or indirectly through third parties. We are committed to the prevention, deterrence, and detection of bribery

and aim to comply with our anti-bribery requirement and global Anti-Corruption Laws. Our stance on anti-bribery extends to all directors, officers, employees, direct agents, business partners and suppliers in our markets and areas of operations. We have put in place a procedure that provides a coherent and consistent framework to enable all individuals associated with Deccan to understand and implement arrangements that enable compliance. This framework also enables employees to identify and effectively report a potential breach.

- » **Entertainment, Gifts, Gratuities and Donations:** Deccan discourages the giving and acceptance of gifts or gratuities or entertainment offers that could influence an employee's or customer's

decision making. Small value gifts that are part of regular business engagements are acceptable and such interactions are required to be managed with integrity.

- » **Records and Reports:** Requires all employees to maintain complete records related to the company's business including electronic records, and to maintain the integrity of record keeping and reporting systems.
- » **Special Risk Areas**
 - Deccan ensures that no animals will be harmed during any business-related activity
 - The company takes steps to mitigate the risks of sourcing from civil war zones even though this risk does not directly apply as customers provide raw material and packing to Deccan.

Information Security Policy:

This policy is intended to protect the integrity of our information assets against internal and external threats including unauthorised misuse / modification. The policy also applies to ensuring the confidentiality of customers' information as well as equipment owned and

operated by Deccan, including systems and applications. Further, this policy outlines the need for compliance with regulatory and legislative requirements and reporting and investigation of all breaches and suspected weaknesses.

We ensure adherence with the procedures detailed in the policy and recorded no breaches of customer privacy or data loss/ thefts or information security related complaints in the reporting years.

ESG Governance:

At Deccan, the Board has oversight of the company's ESG performance while an ESG Steering Committee is being instituted to drive the ESG agenda across locations. The committee is envisaged to be a cross functional team with site representatives and members from functions such

as procurement, HR, Finance and compliance among others. ESG Working groups comprising central and site levels representatives will be formed for implementation of the ESG programs. Members of the working group will include a procurement coordinator, HR coordinator, CSR coordinator,

utilities coordinator and HSE coordinator at all locations. The working groups will be supported by an implementation team consisting of Managers who will serve as ESG SPOCs for each of the operations at the site and site level technical leads who will be the SPOCs for ESG data collection.

BOARD OF DIRECTORS

Our Board of Directors consists of eminent individuals and industry doyens who have decades of experience behind them. Each of them brings a differentiated experience profile covering various aspects of chemicals business that helps them guide the company scale new frontiers on a frequent basis. The company owes much of its success to these fine leaders.

Directors Profiles

Mr. G. S. Raju (Managing Director) is a Mechanical Engineer from Mysore University and holds a Master's degree in Industrial Engineering. He has about 25+ years of experience in agrochemicals / chemicals manufacturing industry. He has vast experience in agricultural chemicals industry and has previously setup greenfield projects and managed multi-unit production facilities.

Mr. KVLP Raju (Executive Director - Technical) is the site head of Deccan's Tuni site and has been with Deccan since its inception. He has about 30 years of experience in the agrochemical/chemicals industry across various roles in fields of production & engineering, maintenance, quality control and plant administration and is an expert in setting up and managing large manufacturing sites.

He is a graduate in chemistry from Andhra University

Mr. Vivek Save (Executive Director) holds MSc. Chemistry degree from the University of Mumbai. He has held various roles and responsibilities in multiple leading organizations within the Indian chemical industry. He started his career in R&D division at Excel Industries, and then worked as Sales Head of Chemical Intermediates at Clariant and Business Unit Head at Sanmar Specialty Chemicals. From 2012 to 2018 he was Managing Director of Lonza India. At Deccan, he leads Business Development and Strategy.

Dr. Beat In-Albon (Non-Executive Director) is an industry expert with about 40 years of professional experience in various senior management roles across global chemical companies. He was the former Chief

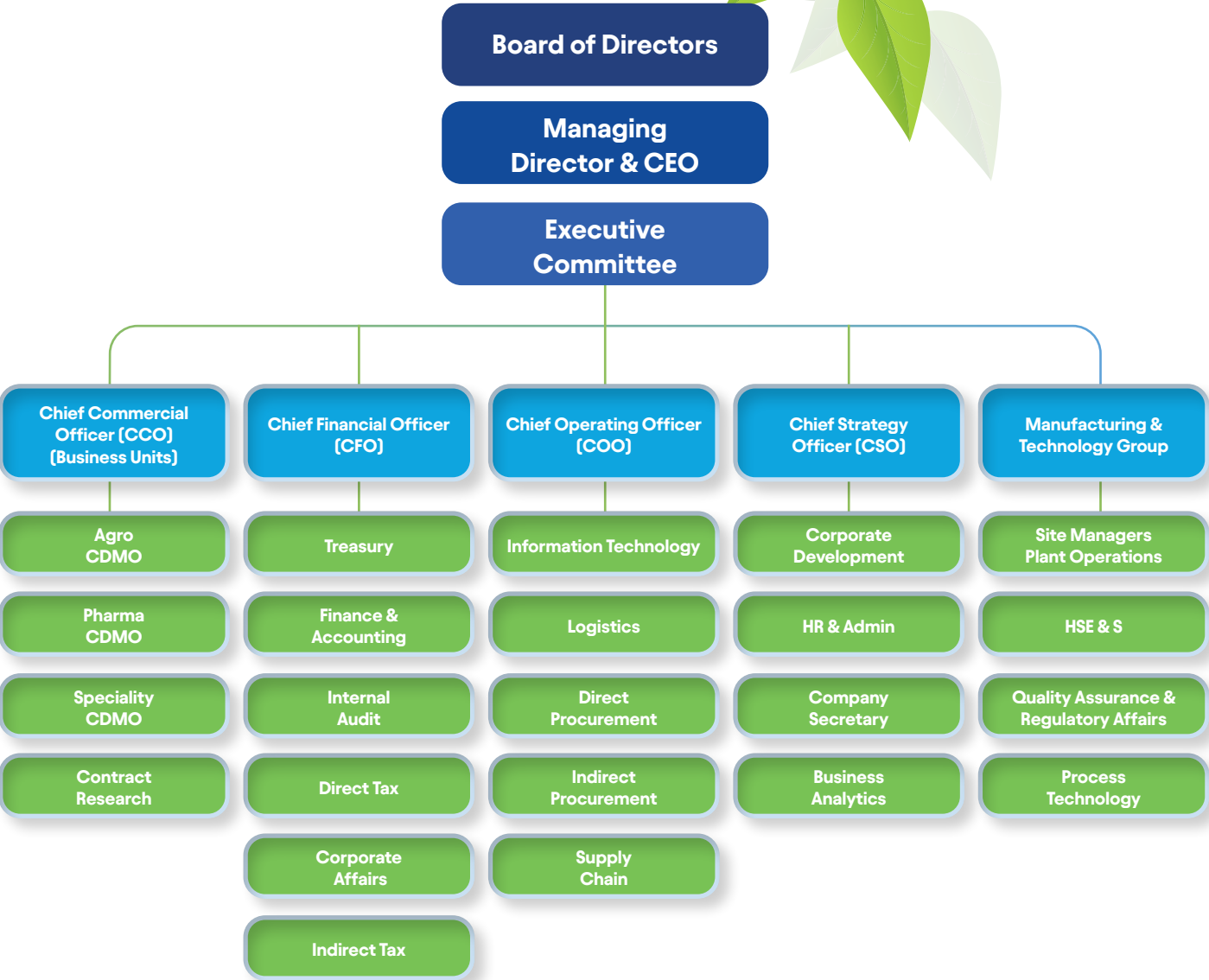
Operating Officer of Lonza, heading Life Science/Specialty Ingredients business and member of the Executive Board. Prior to that, he was a member of the Executive Board of Geneva-based SGS Group and Head of its Industrial Services Division. Preceding SGS, he was employed for 20 years by the Lonza Group where he was Head of the Organic Fine & Performance Chemicals Division. He holds a Ph.D. degree in economics.

Mr. Takahiro Tokuda (Non Executive Nominee Director) is a Bachelor in Agricultural Chemistry from the University of Tokyo. He has been working with Mitsubishi Corporation, holding various managerial positions, since April, 1992. Currently, Mr.Tokuda is the General Manager of Bio-Fine Chemicals Department in Mitsubishi Corporation, Tokyo.

CFO Profile

Hemanath Thakar has over 25 years of work experience in the areas of Finance and Accounts. He has been associated with Deccan since inception. He has vast experience in project viability appraisals, designing internal controls and procedures, and various MIS to facilitate effective decision making. He has vast experience in installation and operation of SAP Systems. Prior to joining Deccan in 2008, he worked with TCS Limited, Bangalore on SAP Platform. He is an Associate member of the Institute of Chartered Accountants of India.

APEX Level Organizational Chart



The Directors represent diverse nationalities, hailing from Japan (1), Switzerland (1), the USA (1), and India (2). They bring a wealth of experience and possess varied educational backgrounds.

The Board Meetings are held as frequently as necessary and in compliance with the provisions of the Companies Act 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India. Eight Board Meetings were held during the year 2021-22 and seven Board Meetings were held during the year 2022-23. The dates for the Board Meetings are fixed in consultation with all the directors to ensure their full attendance and participation in the meetings.

	2021-22	2022-23
Board Attendance	97.5% *	100%
No of meetings	8	7

*In FY 2021-22, one director, was absent for a meeting because of personal emergency.



SUSTAINABILITY @ DECCAN

SECTION 06



Sustainability @Deccan: Embracing Sustainability for a resilient future

At Deccan, we continuously thrive to embed sustainable practices across our value chain. We believe in **"Embracing Sustainability for a resilient future"** to create sustainable value for us and all our stakeholders. Our sustainability framework is centred across four pillars

- Responsible environmental stewardship
 - Investing in our people
 - Safeguarding the future
 - Engaging our stakeholders
- Each of the pillars encompass the Environmental, Social and Governance related issues that are material to us.

As a part of our sustainability journey, we have outlined our goals for 2025 across each of the pillars of the frameworks. The goals are supported by well-defined targets and a 3-year action plan to achieve the same.



Responsible Environmental Stewardship

Over the years, we have had an unwavering focus on reducing the environmental footprint of our operations. The Responsible Environmental Stewardship pillar, focuses on energy and emissions reduction, water and waste management.

On the energy front, our goal is to transition towards low carbon operations continually. We are working towards increasing the proportion of renewable energy in our energy mix and to also reduce emission intensity from the baseline year of FY2021-22. We are also working towards establishing our Carbon

Neutrality roadmap, which shall be disclosed in our subsequent communications.

On water, our aim is to achieve 10% intensity reduction in fresh water consumption by 2025 and to ensure that 20% of the water utilised is being recycled. Our efforts are aligned to reduce total water consumption, reduction of specific freshwater consumption and the intensity reduction in industrial water withdrawal. we are preparing to conduct a water risk assessment for all our operations which will lead to formulating the company's

holistic water risk mitigation strategy.

By 2025, we intend to achieve a 10% reduction in the waste generation intensity from the baseline year FY2021-22. We are also undertaking measures to ensure that 15% of the inputs are recycled material. A key highlight in our waste management strategy is the practice of sending waste for co-processing, thereby diverting waste sent for incineration/landfill – this is being undertaken even while incurring additional costs.

Investing in our people

Our employees are our greatest assets and we undertake several measures to contribute their overall wellbeing. Through our pillar on "Investing in our people", we focus employee engagement, health and safety and diversity and inclusion.

Our goal is to promote an inclusive work environment where employees are always heard and feel valued in the organisation. We believe in lifelong learning and have developed a calendarized training program that includes ESG components for all employees. Employee

satisfaction and feedback is critical for the growth of any organisation, and we are putting systems in place for the roll out of employee satisfaction surveys across the organisation. In the coming years, we intend to integrate ESG aspects like health and safety, working conditions etc. in the employee satisfaction survey.

Over the years, the importance of diversity and inclusion in workforce has been better understood across industry sectors and has now become a business imperative. At

Deccan, we also believe in the need to create an organisational culture where every employee feels valued and respected irrespective of their socio-economic and ethno-cultural backgrounds. Our goal is to champion gender diversity by 2025. We intend to define what parameters of diversity and inclusion are critical for us and to increase representation / hires from the diverse community groups across all employee levels. We aim to develop policies in line with global frameworks that promote and enhance diversity

within our organisation.

One of the most critical components of "Investing in our people" is investing in their health, safety and wellness. Occupation safety is of paramount importance for us at Deccan. Our goal is

Safeguarding the future

At Deccan, we realise that embedding ESG in business operations is now no more a "good to do practice" but has become a business imperative. Our pillar on safeguarding the future focuses on integrating ESG into the business, corporate governance and ensuring transparency in operations through alignment with relevant financial and non-financial disclosures. Our goal is to be known as a responsible company driven by ethics, accountability & transparency. We strive to create a culture of ownership within the company and to achieve zero non-compliance to all applicable environmental, social and governance related laws and

to sustain the wellbeing of the communities and people that we work with.

We intend to develop and implement a safety culture improvement framework. Our aim is to achieve a 50% reduction in the injury rates

regulations.

In line with our sustainability commitments, we have developed an ESG governance structure for overseeing and driving our ESG agenda. The ESG committee will also be responsible for the execution of all ESG related policies and its monitoring. In addition to formalising an ESG Committee and defining its role, we also intend to identify and the define the Board's role in oversight of climate related risks and opportunities. While health and safety is currently a component of the KPIs linked to executive remuneration, we are putting systems in place to link other sustainability related KPIs to the remuneration of our

[IIR] from the baseline of FY 2021-22 and to maintain serious injury/ fatality rates (SIF) at zero. We are also working towards developing a safety integrated organisation structure.

leadership teams. This reflects our long-term commitment to sustainability.

In the coming years, our focus is also to put in place systems that can effectively capture data relating to sustainability KPIs that are being monitored as a part of our sustainability strategy. This will enable us to transparently disclose our ESG performance to all key stakeholders. We also intend to align our disclosures with frameworks such as the Business Responsibility and Sustainability Reporting (BRSR) guidelines, Task Force on Climate Related Financial Disclosures (TCFD), alignment with Science Based Targets (SBTi) among others.

Engaging our stakeholders

Our stakeholders comprise of the communities within which we operate and our supply chain. Over the years, Corporate Social Responsibility (CSR) has become an integral part of our DNA. We believe that it is our responsibility to cater to the unmet needs of the underserved communities. Through our engagement with the communities, our goal is to get them to grow with us. While we have been actively working in the areas of education, environment, rural development, community development, health and hygiene over the years. We

aim to scale our flagship CSR program across locations and maximize the impact of our CSR program. Suppliers comprise an integral part of our value chain. We work very closely with them to ensure that they realize and appreciate the value of operating in a sustainable manner. In line with this, a Supplier Code of Conduct and a Supplier ESG Policy have been developed which outlines our ESG related expectations from our suppliers. By 2025, we aim to ensure that at least 50% of our

suppliers have been assessed on the Supplier Code of Conduct. Another focus area in our Supply Chain Management process is to focus on local and responsible sourcing. We are working towards ensuring that by 2025, 50% of our sourcing is from local suppliers. Our sustainability agenda encompasses the entire value chain and we look forward to actively engaging with our stakeholders on this journey of "Embracing sustainability for a Resilient Future."







Alignment with the Sustainable Development Goals

In 2015, all member nations of the United Nations signed the 2030 Agenda for Sustainable Development. Comprising 17 Sustainable Development Goals (SDGs) that are considered to be universal, the SDGs are a blueprint for countries to grow their economies while addressing the climate crisis, protecting

the natural environment, and ensuring opportunities for prosperity, equity, and justice for all. At Deccan, we endeavour to align our ESG efforts with the SDGs and contribute to their fulfilment. In keeping with this commitment, we have articulated our goals

and targets for 2025 (Vision 2025). The mapping of our goals with the SDGs is briefly described below. Details of our current and planned efforts are available in the sections on Environmental Performance, Social Performance and Governance.

Environment	
Lower carbon footprint:	<p>Our efforts towards environmental protection emphasise lowering the carbon footprint of our operations. We are working towards improved energy efficiency and are systematically increasing the use of renewable energy in our operations.</p> <div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>13 CLIMATE ACTION</div></div>
Vision 2025:	<div>» 10% reduction in emission intensity (Scope 1 & 2) from baseline year 2021-2022</div> <div>» 15% use of renewable energy in total consumption</div>
Water stewardship:	<p>We also prioritise reducing freshwater consumption and enhancing the use of recycled water and desalinated sea water. In this respect, we have set ourselves the following targets.</p> <div><div>6 CLEAN WATER AND SANITATION</div><div>15 LIFE ON LAND</div></div>
Vision 2025:	<div>» 10% reduction in specific freshwater consumption from baseline</div> <div>» 20% use of recycled water</div>
Minimise waste generation:	<p>In the area of waste management, we strive to minimise the amount of waste resulting from our operations. We are also actively adopting circular economy practices and are working to consume lower quantities of natural resources in our processes.</p> <div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Vision 2025:	<div>» 10% reduction in waste generation intensity vis a vis the baseline</div>

Occupational Health and Safety:	Ensuring the health and safety of our people and other stakeholders in and around the workplace is a way of life at Deccan. We implement a robust Occupational Health and Safety Management System and train our people regularly on workplace health and safety behaviours. 
Vision 2025:	<ul style="list-style-type: none"> » Reduce Injury and/or Illness Incidence rate (IIR) by 50% vs. baseline (three year rolling-average) » Process Safety Incident (PSI) with high potential: 0 & Reduce PSI with Medium & Low potential by 50% from 2021-22 baseline (three year rolling-average) » Reduce Severe Injury Fatality (SIF) to Zero (three year rolling-average)
Sustainable Supply Chain:	We implement a Sustainable Supply Chain policy that guides our efforts with our supply partners to source raw materials responsibly and reduce GHG emissions in the supply chain.   
Vision 2025:	<ul style="list-style-type: none"> » Reduce absolute Scope 3 of suppliers by 10% » 50% of spending on local suppliers » 50% of vendors screened/ assessed as per Code of Conduct and Supplier ESG policy
Employee Engagement:	Our employee related practices reflect our emphasis on upholding human rights, prioritising merit, and equal opportunity for sustained professional growth. We are committed to create a work environment in which our employees feel valued and have the space to make their voices heard  
Vision 2025:	<ul style="list-style-type: none"> » Conduct external employee satisfaction survey » 100 % employees on site to be trained on ESG topics relevant to Deccan by 2024-2025

Diversity and Inclusion:	We accord importance to building a workforce of people with varied socio-economic backgrounds and representative of gender equality and other demographic factors. Our aim for 2025 is to:  
Vision 2025:	» Promote diversity through internal structures and external recognition
Corporate Social Responsibility:	Through our CSR initiatives, we endeavour to create value for the communities we work among and who enable our sustained growth and success. We implement 15 major projects and 75 sub projects to support communities in the areas of <i>healthcare, education, rural development, environment, agriculture, art and culture and women's empowerment</i> . The programmes we run also give our employees an opportunity to participate in giving back to the communities that support us.     
Vision 2025:	<ul style="list-style-type: none"> » Scale flagship program across locations – at least one flagship program at each location » Employee volunteering -2 days/ employee / year
Corporate Governance and Human Rights:	Ethics, transparency, accountability, and a strong respect for human rights underline all our actions and interactions within our organisation and across our value chain. We work to create a culture of ownership and believe in empowering our people to make the right decisions and choices in their everyday work. We place high priority on upholding human rights and compliance with applicable regulations in the geographies where we work.  
Vision 2025:	<ul style="list-style-type: none"> » Zero Non-compliance » Human rights due diligence at 100% of the facilities » Implementation of ESG governance structure for implementation of projects and effective monitoring

ESG Policy Statement

Deccan is committed to integrating Environmental, Social and Governance (ESG) principles & practices in all our business operations with the aim of creating long-term value, mitigating future risks and maximizing opportunities.

- » We shall incorporate sustainability considerations in all our business strategy and processes.
- » We are committed to conducting our business responsibly, with integrity and with respect for all stakeholders interests.
- » We shall always comply with all applicable laws, rules, licenses, code of practices and exceed, where practicable.
- » We aim to reduce dependency on fossil fuels and increase the use of renewable energy appropriately in our energy mix. Going forward, we will work on identifying opportunities for reducing emissions beyond our operations.
- » We are committed to using water judiciously in our operations and ensure safe handling & disposal or reutilization of waste to conserve energy and promote circular economy.
- » We believe that human capital development is critical to our growth. We strive to create an inclusive, safe and healthy workplace for all our employees and business associates.
- » We have zero tolerance towards any form of harassment and discrimination and strictly prohibit child labour and any kind of forced labour. We are committed to protecting human rights values across our value chain.
- » We strive to build long lasting relationships with our supply chain partners and customers by establishing trust and transparency in our operations.
- » We strive to be a part of the communities in which we operate and actively participate in improving the quality of life of the community members through Corporate Social Responsibility initiatives.

This policy is applicable to Deccan's business operations across all locations. It will be implemented by a three-tiered governance structure that oversees our sustainability commitments.

G.S. Raju
Managing Director

Sustainable Supply Chain Policy Statement

Deccan Fine Chemicals (I) Pvt. Ltd is committed to applying sustainable practices in our business operations. Suppliers and contractors are an integral part of our value chain, and we intend to work with them and enable them to realize long-term success by imbibing the principles of sustainable development in their operations. This "Sustainable supply chain policy" establishes guidelines across Environmental, Social and Governance (ESG) aspects. We are committed to enhancing the sustainable supply chain processes and work with our partners to:

- » Comply with all applicable laws, rules, regulations, licenses and orders applicable to the Supplier's operations.
- » Create awareness to value environmental protection through conservation of natural resources and implementation of measures to minimize potential environmental impacts.
- » Improve resource efficiency, reduce, reuse and recycle resources on an ongoing basis.
- » Adopt the use of renewable energy resources and continually take efforts to reduce greenhouse gas emissions.
- » Establish systems for safe handling, movement and storage of chemicals and waste.
- » Operate the plants and facilities in a manner that protects the health & safety of their employees and the surrounding communities.
- » Embed HSE Culture, adhere to regulations on human rights, working hours & compensation and avoid child labor, forced or compulsory labour & discrimination at the workplace.
- » Prevent bribery, corruption and unfair trade practices in doing business.
- » Conduct business in a fair & ethical manner and take measures to ensure data privacy.

This policy is applicable to all existing/new suppliers, partners and contractors who are in/ intend to enter into a business relationship with Deccan Fine Chemicals (India) Private Ltd.

G.S. Raju
Managing Director

Responsible Care® Policy Statement



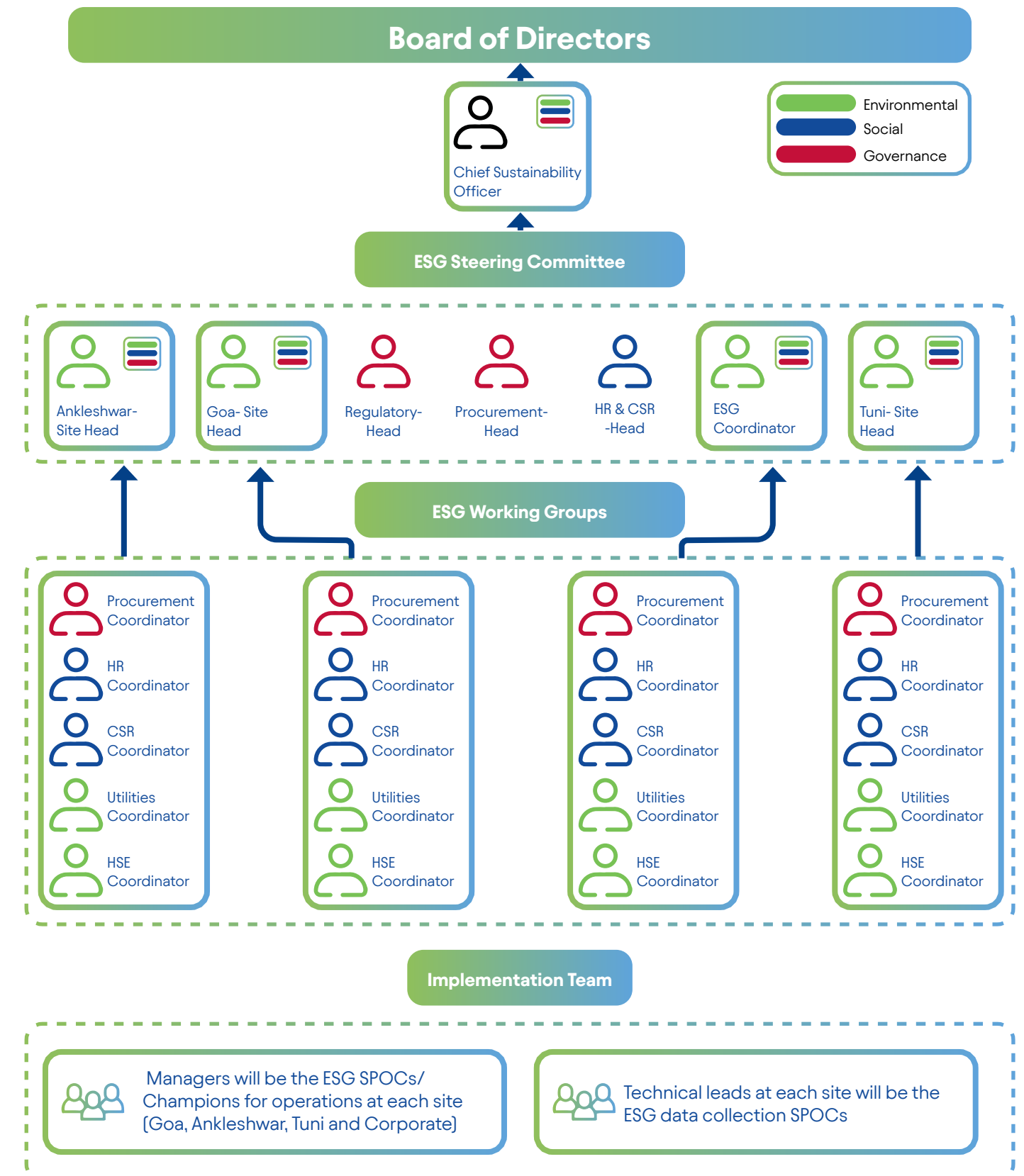
Deccan Fine Chemicals (I) Pvt Ltd is committed to apply Responsible Care principles for continual improvement in the areas of Environmental Management, Safety & Health Protection, Safe Transportation, Product Safety, Process Safety Management and Security of our processes, products and activities.

We are committed to:

- » Implement Responsible Care management system and promote sustainability.
- » Incorporate HSE in our business strategy and processes to achieve beyond statutory compliances.
- » Continually improve HSE performance through effective evaluation of risk, audits and monitoring of performance indicators.
- » Operate our plants and facilities in a manner that protects the environment and the health and safety of our employees and the public.
- » Embed HSE culture through effective training and communication.
- » To promote pollution prevention, minimization of waste, conservation of energy and the responsible use of natural resources.
- » Secure our facilities and data in line with requirements of the security code of Responsible Care.
- » Maintain an open dialogue with employees and stakeholders to address their concerns and assure them of our continued dedication.

G.S. Raju
Managing Director

Embedding 'Sustainability Governance' at Deccan



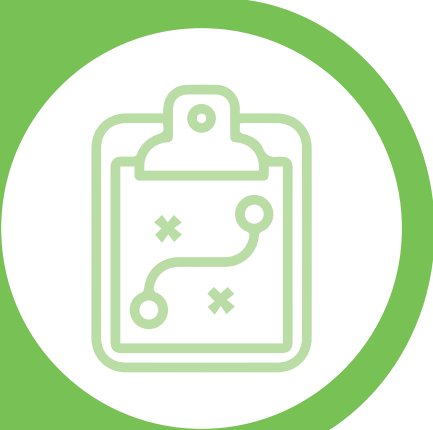


ENVIRONMENTAL PERFORMANCE

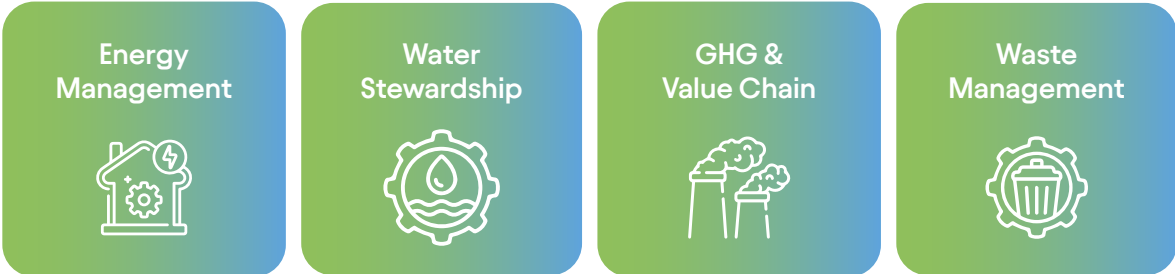
SECTION 07 >



7.1 Management Approach



MATERIAL ISSUES



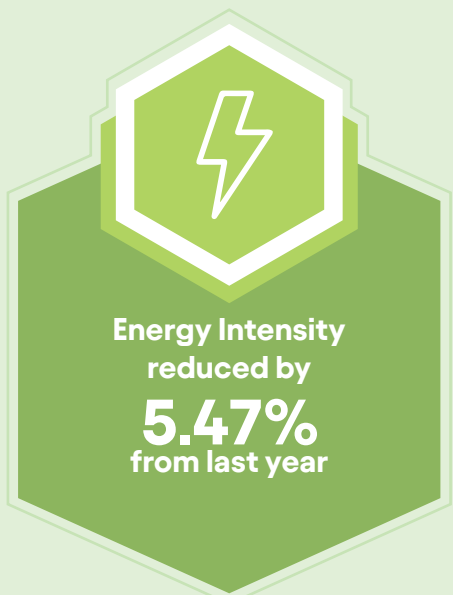
STAKEHOLDERS IMPACTED



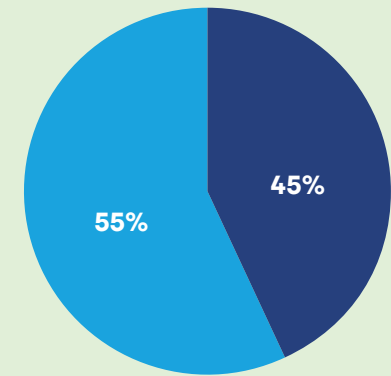
As a fast growing custom manufacturing company, Deccan embraces it's responsibility to reduce the environmental footprint. We work hard to minimize the impact of our operations, conserve resources, incorporate environmentally friendly practices to engage and motivate employees. All our manufacturing

facilities operate under an ISO 14001:2015-certified environmental management system. We are working towards increasing the share of renewable energy in our energy mix and are actively embracing concepts of circulating to ensure that the waste generated in our operations is effectively used [co-processing]. Recognizing

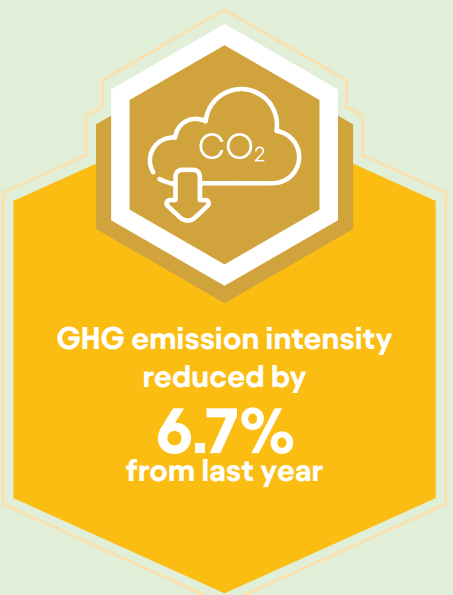
water as a critical, shared resource - we are working to reduce the use of freshwater in production process and reduce our resource intensity. No fines have been imposed by environmental regulatory authorities, and our activities do not have adverse effects on environmentally sensitive areas.



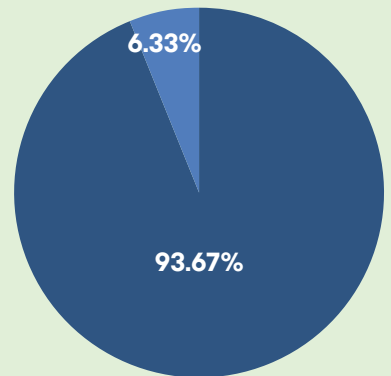
% Energy Sources for Goa Plant during 2022-23



■ Conventional Energy Consumption
■ Renewable Energy Consumption



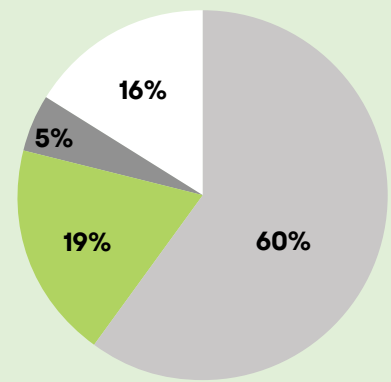
% Energy sources for Deccan during 2022-23



■ % of Energy from Non-Renewable Energy Sources
■ % of Energy from Renewable Energy Sources



Waste Disposal Route during 2022-23



■ Co-processing ■ Recycling
■ Incineration ■ Landfill

7.2 Energy



HIGHLIGHTS

- **Total Energy Intensity (2022-23) - 647.66 GJ/Revenue in Cr. INR**
- **Total Energy Savings (2022-23) - 20,812 GJ**
- **Biomass based energy contributes to 6.33 % of total energy consumption**
- **5.47% reduction in the Energy Intensity during FY 2022-23 over FY 2021-22**
- **In Goa, 50% Energy Consumption through Renewable Energy.**



We have taken several measures towards energy efficiency in our operations and have identified measures to be implemented that will help better rationalise our energy consumption.

We have rolled out energy efficiency initiatives in our operations and deployed advanced automation systems for appropriate measurement and monitoring. We are working towards systematically

switching to high energy efficient equipment and phasing out the use of substances with high global warming potential.

Co-generation plant



Apart from consumption of primary fuels (such as Natural gas & Furnace oil for boiler and incinerators, diesel for DG sets) and electricity, we have also been purchasing steam for process applications since FY 2020-21 at our Ankleshwar facility. Our co-generation or 'co-gen' facility at Tuni operates

on sub-bituminous coal; the co-generation process makes optimal fuel use considering both electricity and steam generation for process application i.e., the co-generation facility is more efficient compared to individual purchase of equivalent quantities of steam and electricity. In a significant

shift towards renewable energy, we have also started using biomass at our Goa site from FY 2021-22. Biomass based energy accounts for 6.33% of the total energy consumption in 2022-23 and by eliminating the use of furnace oil for generation of steam at Goa, we significantly have reduced our Carbon footprint

for steam generation at Goa. One of our significant goals with respect to renewable

energy use is to increase the proportion of renewable energy in our energy mix to

about 15% by 2025.

Briquette Based Boiler in Goa



Air Cooled condenser attached with Tuni Co-gen plant



Total Energy Consumption				
Year	2019-20	2020-21	2021-22	2022-23
Total energy consumption [GJ]	16,78,447	26,54,846	42,11,452	55,53,749

We accord high importance to energy conservation at our facilities and have executed numerous measures to implement ISO 50001:2018; Energy Management System at our sites. Further, we

conduct regular energy audit and implement conservation measures to ensure we consume lesser energy. At Goa, we have installed a mechanical vapor

recompression system in the wastewater evaporation plant (MEE), which allows us to decrease steam consumption by 95% compared to conventional MEE plant.

Mechanical Vapour Recompression Unit



Some of our other initiatives include the following:

- » Installation of high energy efficient drives
- » With the recovery of 43,042 m3 additional quantity of steam condensate & recycling for the re-use in boiler, 11 GJ of energy saving is achieved.
- » Renovation of utility systems at Tuni manufacturing blocks with installation of high energy efficient motors with VFD and high capacity pumps instead of operating multiple lower capacity pumps resulting in annual energy saving of 6,747 GJ.

- » Conservation of electrical energy of around 2081 GJ annually through optimisation of utility system drives and arresting leakages of compressed air & Nitrogen
- » Old and high energy consuming IR compressor has been replaced with a Kaeser compressor to conserve 2,752 GJ of energy annually
- » Implementation of single fluid utility to eliminate energy loss through contamination of utility fluid such as steam condensate, cooling and chilled water & brine

- » CFL/metal halide lamps have been replaced with LED lamps in a phased manner to conserve 82 GJ of electrical energy annually
- » • Process optimization and operational excellence drive at the sites to conserve energy through implementation of various projects and operational controls with the help of automating drives such as installation of VFD, timers achieving 9,188 GJ energy savings.

The table below indicates the savings in energy through the various initiatives undertaken across our sites.

Total Energy Savings [GJ]				
Location	2019-20	2020-21	2021-22	2022-23
Total energy savings	31,352	25,835	24,189	20,812

Nature of Expenditure	Expenditure in Crores (INR)			
	2019-20	2020-21	2021-22	2022-23
Capital Expenditure	86	91	116	128
Revenue Expenditure	24	28	24	42
Total	110	119	140	170

Total Energy Intensity				
Parameter	2019-20	2020-21	2021-22	2022-23
Total annual energy consumption [GJ] (fuels consumed + electricity purchased + steam purchased)	16,78,447	26,54,846	42,11,452	55,53,749
Revenue, in Cr. INR	3,665.51	4,237.70	6,146.33	8,575.16
Energy Intensity in GJ/ Revenue in Cr. INR	457.90	626.48	685.20	647.66



7.3 Water



HIGHLIGHTS

- **100% desalinated sea water being used for operations at Tuni site (since 2021-22)**
- **25% of the water requirement at Goa site is being met through rainwater harvesting**
- **At Goa site water intensity decreased by 58% over 4 year period**

At Deccan, we are mindful that water is a scarce resource and believe that it is critical to conserve water for our future generations. Our aim is to achieve 10% intensity reduction in fresh water consumption by 2025 and to ensure that 20% of the water utilised is being recycled. We are also working to become a signatory to the 'WASH Pledge'. Importantly, we are preparing to conduct

a water risk assessment for all our operations which will lead to formulating the company's holistic water risk mitigation strategy. Deccan's water withdrawal and consumption from all sources are monitored using accurate metering systems. Magnetic flow meters are used and linked to a Supervisory Control and Data Acquisition (SCADA) systems.

Water utilization is monitored on a daily basis by Plant Heads and is also reported to the leadership team periodically. Any concerns with respect to water utilization is thoroughly investigated by the engineering department. Further, internal as well as external third-party audits are conducted to review water use, treatment and related impacts.

Total water consumption in m ³				
Sources and Financial Year	2019-20	2020-21	2021-22	2022-23
Fresh water from sea water desalination RO for industrial + Domestic use	-	27,547	9,01,345	18,06,571
Harvested rainwater	93,792	1,05,115	1,37,128	1,99,740
Third party water supply source	10,03,118	9,96,939	7,38,474	8,08,531
Ground Water	6,325	750	0	0
Total Fresh water consumption, in m³	11,03,235	11,30,351	17,76,947	28,14,842
Revenue, in Cr. INR	3,665.51	4,237.70	6,146.33	8,575.16
Specific freshwater consumption (m³/Revenue), in Cr. INR	300.98	266.74	289.11	328.24

At our facility in Ankleshwar, the main sources of water include surface water supplied by GIDC, water from third-party sources (tankers). Since FY 2021-22, we have eliminated our dependency on ground water and have started roof top rainwater harvesting. Rainwater harvested during 2022-2023 is 4032 m³ and was used for the manufacturing

activities. Water recovered using a Multi Effect Evaporator (MEE) plant is recycled back in the process and it is equivalent to 7% of the total site water requirement.

In Goa, the main sources of water supply are the surface water from the Public Works Department, harvested rainwater and desalinated

water from the brackish water RO is used as stand-by water source. About 25% of the water requirement at Goa site is being met through harvested rainwater. In 2017, we have augmented the water holding capacity from 4,22,000 m³ to 4,45,000 m³ by creating an additional reservoir to reduce dependence on other water supply sources.

All Deccan sites have incorporated a mechanism for reporting and investigating incidents, which includes tracking and reporting any loss of containment. Over the past four years, there have been no incidents related to water

At Deccan, we meticulously oversee the balance between water availability and requirements. Two of our manufacturing sites have their water needs partially fulfilled through the public works water supply, and a formal agreement has been executed for this supply. Additionally, contingency plans are established to address water requirements, including the utilization of harvested rainwater, and desalinated brackish water. We have a contractual agreement with the local regulatory body ensuring the provision of an approved quantity of water and defining the tariffs



Water Reservoir in Goa site

Each year, we target to reduce our water consumption by 5% over the previous year. Since 2018, water consumption at the Goa facility has reduced, primarily through process optimization and lesser water consumption for incineration process. Recycling and reusing

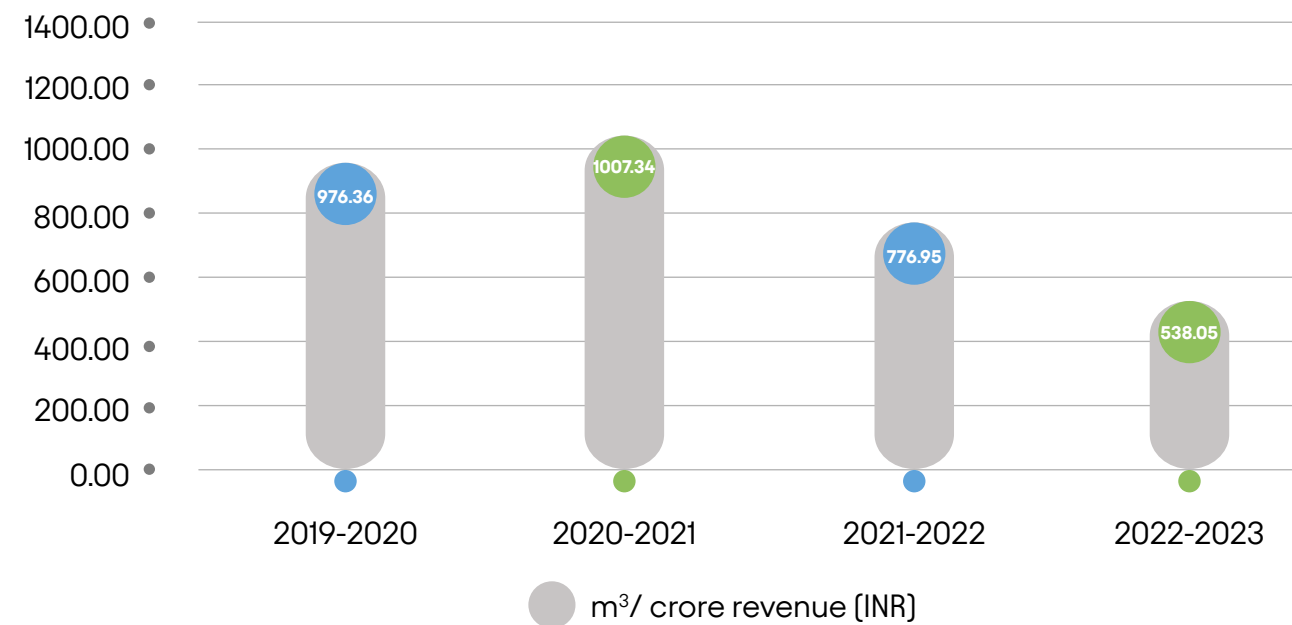
of water in the processes have also contributed to reduced water withdrawal. We do not draw water from the ground and make use of only surface water for the plant operations at Goa and Tuni. No ground water was consumed at Ankleshwar after 2021.

We also endeavour to recover steam condensate & recycle it for reuse in boilers, which will result in lowering 1,120 kLD of freshwater consumption in boilers and reduce the consumption of fuel used for preheating water.

At Deccan, we closely monitor the water availability and requirement . For 2 of the manufacturing sites water requirements are partially met through public works water supply and there is an agreement signed for the supply. Also stand-by arrangements in place to meet the water requirement through the use of harvested rainwater and use of desalinated brackish water. Agreement in place with the local regulatory body for the supply of approved quantity and for the tariffs

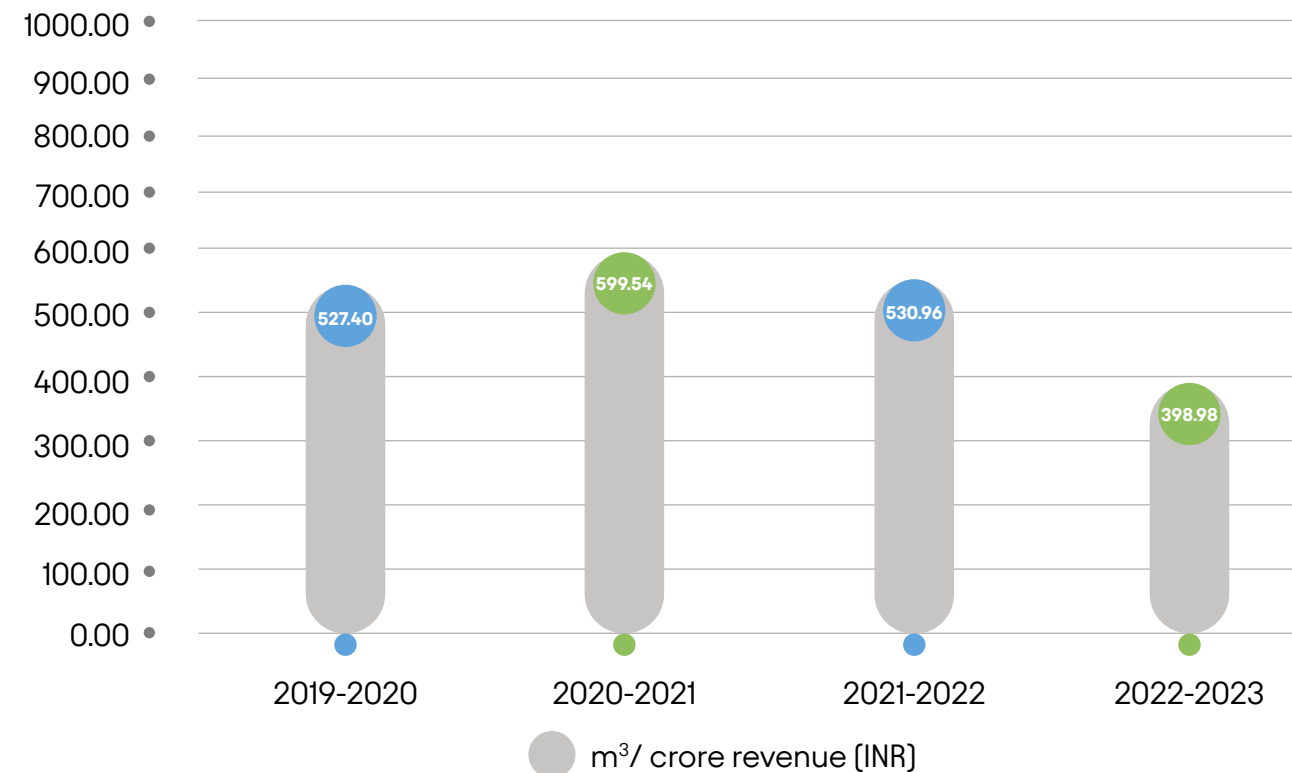
- All our sites has taken proactive measures to prevent contamination of ground & surface water through following measures;
- Liquid raw materials, solvents and wastewater are conveyed through above ground pipeline networks. Also the wastewater/Raw material storage tanks are either installed above the ground level or provided with secondary containment to prevent groundwater contamination. Ground water quality is monitored at fixed intervals and compared with the baseline data.
 - Primary and Secondary containments i.e. bunds and dykes are tested periodically.
 - Conveyance system for fire fought water run off with automatic pumping system
 - Work Instruction and plan in place for periodic testing of pits and tanks.
 - Impervious layer parking is made for all tankers of raw materials and finished products for loading & unloading
 - Soil sample analysis is carried out at different locations and checks the quality of soil for any contamination.

Water Intensity



Water consumption trend in Manufacturing facility at Goa

Wastewater generated in m³ per Revenue in INR Cr.



Waste water generation trend in Manufacturing facility at Goa

At our plant in Tuni, surface water was being used until FY 2019-20 for manufacturing and all other processes and services. Since FY 2020-21, desalinated seawater is being used for all industrial purposes and at present we have desalination unit of 10 MLD capacity. Wastewater generated at the facility is

of two types: reject water from desalination and the wastewater from industrial processes. Desalination reject water does not require any chemical treatment since it undergoes membrane filtration and the reject from RO is then discharged into the sea. On the other hand, the process wastewater is sent to

the effluent treatment plant where it is subject to primary, secondary and tertiary treatment processes before it is discharged into the sea after complete quality assessment, in compliance with the quality parameters prescribed in the consent to operate.



Total treated wastewater discharge in m³				
Treated Wastewater discharge by source	2019-20	2020-21	2021-22	2022-23
Treated wastewater (Industrial +Domestic) discharged to sea / brackish water canal	5,01,017	5,37,556	7,24,731	9,29,699
Treated wastewater (Industrial +Domestic) discharged to CETP	1,08,648	1,12,217	1,11,852	1,20,354
Total Treated Wastewater discharge	6,09,665	6,49,773	8,36,583	10,50,053
Revenue, in Cr. INR	3,665.51	4,237.70	6,146.33	8,575.16
Wastewater Generation intensity (m3/Revenue), in Cr. INR	166.32	153.33	136.11	122.45

Chemical oxygen demand (COD)

At Deccan, over the past four years, we have witnessed a remarkable decline in COD levels. Effective COD management not only benefits the environment but also brings tangible advantages

to Deccan Fine Chemicals, including an enhanced brand image, reduced water treatment costs, and enhanced environmental compliance. We remain committed to continuous

improvement in our COD management practices, contributing to a cleaner environment, a healthier ecosystem, and a more sustainable future for the chemical industry.

Chemical Oxygen Demand	2019-20	2020-21	2021-22	2022-23
Flow in M³	6,09,665	6,49,773	8,36,583	10,50,053
COD (PPM)	183	175	161	142

Wastewater Treatment Plant



Multiple Effect Evaporators for wastewater Treatment



7.4 Emissions



HIGHLIGHT

- **GHG Intensity (2022-23) - 67.30 tCO₂e/Revenue in Cr. INR**
- **6.7 % reduction in GHG Intensity in FY 2022-23 over FY 2021-22**

Emissions reduction is a high priority for us at Deccan. While we already account for Scope 1 and 2 emissions, we aim to include Scope 3 emissions in the accounting system for select categories and will work to reduce these in our value

chain. We have enhanced our efforts to reduce emissions through energy audits and through implementation of energy management systems at our sites. We are also looking forward to align our emission reduction efforts

with the Science Based Targets initiative. We have planned to phase out consumption of ozone depleting substances in our utilities. Carbon capture/ sequestration projects are also on the anvil to be explored.

Scope 1 Emissions tCO ₂ e				
Year	2019-20	2020-21	2021-22	2022-23
Emissions (tCO ₂ e)	1,09,394	1,96,924	3,04,996	4,20,911

Scope 2 Emissions tCO ₂ e				
Year	2019-20	2020-21	2021-22	2022-23
Emissions (tCO ₂ e)	1,22,256	1,20,385	1,38,446	1,56,160



GHG Intensity (tCO ₂ e/ Revenue, in INR Cr.)				
Aspect	2019-20	2020-21	2021-22	2022-23
Total Emissions [tCO ₂] [Scope 1 + Scope 2]	2,31,650	3,17,309	4,43,442	5,77,072
Revenue, in INR Cr.	3,665.51	4,237.70	6,146.33	8,575.16
GHG Intensity tCO ₂ e/ Revenue, in INR Cr.	63.20	74.88	72.15	67.30

Ozone Depleting Emissions						
Ozone Depleting Substances [tonnes]	Ozone Depleting Potential	Source of emission	2019-20	2020-21	2021-22	2022-23
HCFC or R-22*	0.05	Chiller/Air Conditioning	1.37	1.66	0.84	1.51

*There is no significant consumption of any other refrigerants in any of our plants.

Other Emissions				
Aspect	2019-20	2020-21	2021-22	2022-23
NOx [tonnes]	71.15	108.86	91.41	123.69
SOx [tonnes]	80.72	243.80	59.23	59.27
Particulate Matter [tonnes]	33.94	47.12	41.28	44.80
Other [Including VOC tonnes]	0.58	0.23	0.12	4.71

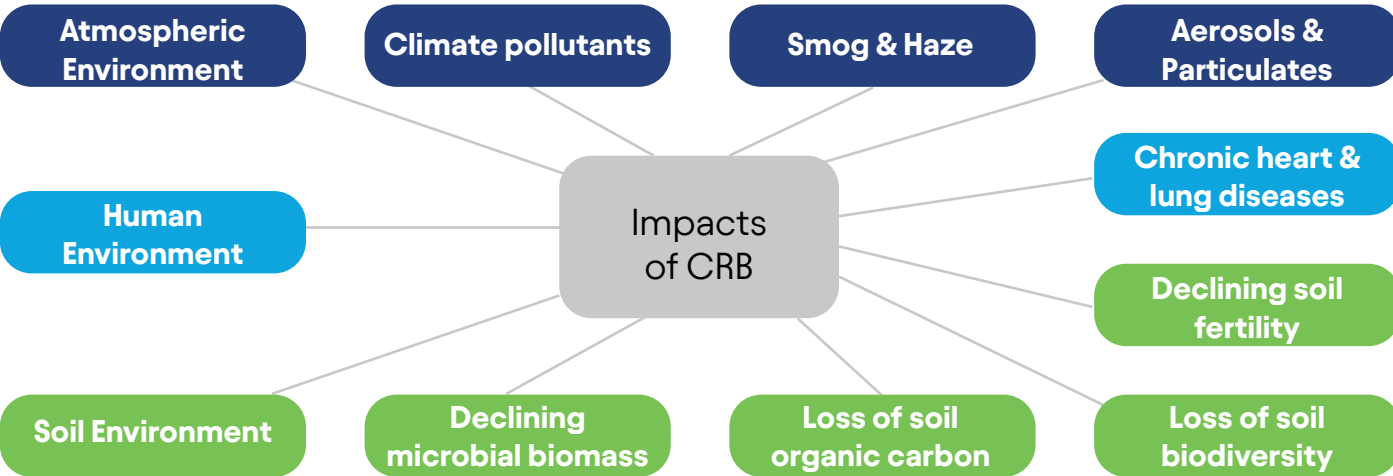
At our Goa facility, several measures have been implemented to lower our carbon footprint and to prevent atmospheric pollution. The biomass-based boiler plant uses residue from agricultural harvesting (e.g., corn cobs, groundnut shells, soya husk, rice husk etc.) to generate steam. The use of alternative fuel and lowered use of furnace oil in steam generation has helped to reduce GHG

emissions by 75%. Further, we have shifted from using furnace oil with 2.5% sulphur content to Low Sulphur Heavy Stock (LSHS) oil in the incineration plant and for the standby boiler. This has resulted in a 60% reduction in sulphur dioxide emissions. Additionally, a transition from HSD (350 PPM sulphur) to liquefied petroleum gas (< 100 PPM) in the oil heating unit has decreased the levels

of sulphur di-oxide and carbon di-oxide emissions since 2018. In yet another initiative, electrostatic precipitators have been installed to trap particulate matter, which are recovered and recycled for brick manufacturing, thereby reducing the release of polluting particulate matter into the atmosphere.

Case Study: Making porous carbon from rice husk to help address key environmental issues

Rice husk, produced after removal of the grain from the paddy, is often burnt and leads to negative health and environmental impacts including release of pollutants including the non-CO₂ emissions such as CH₄, NOx and N₂O.

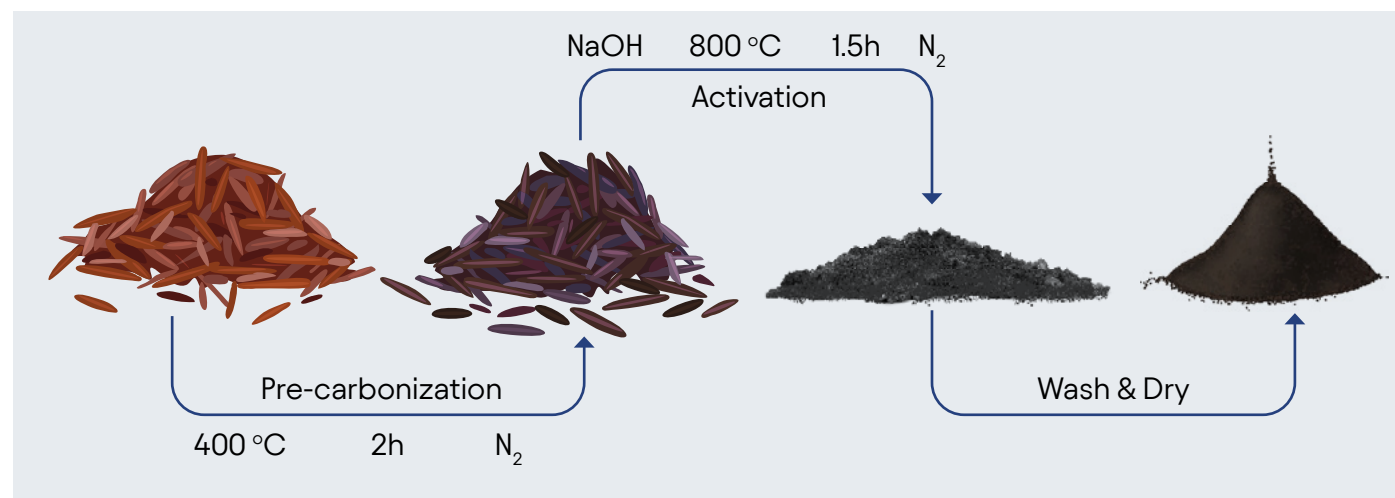
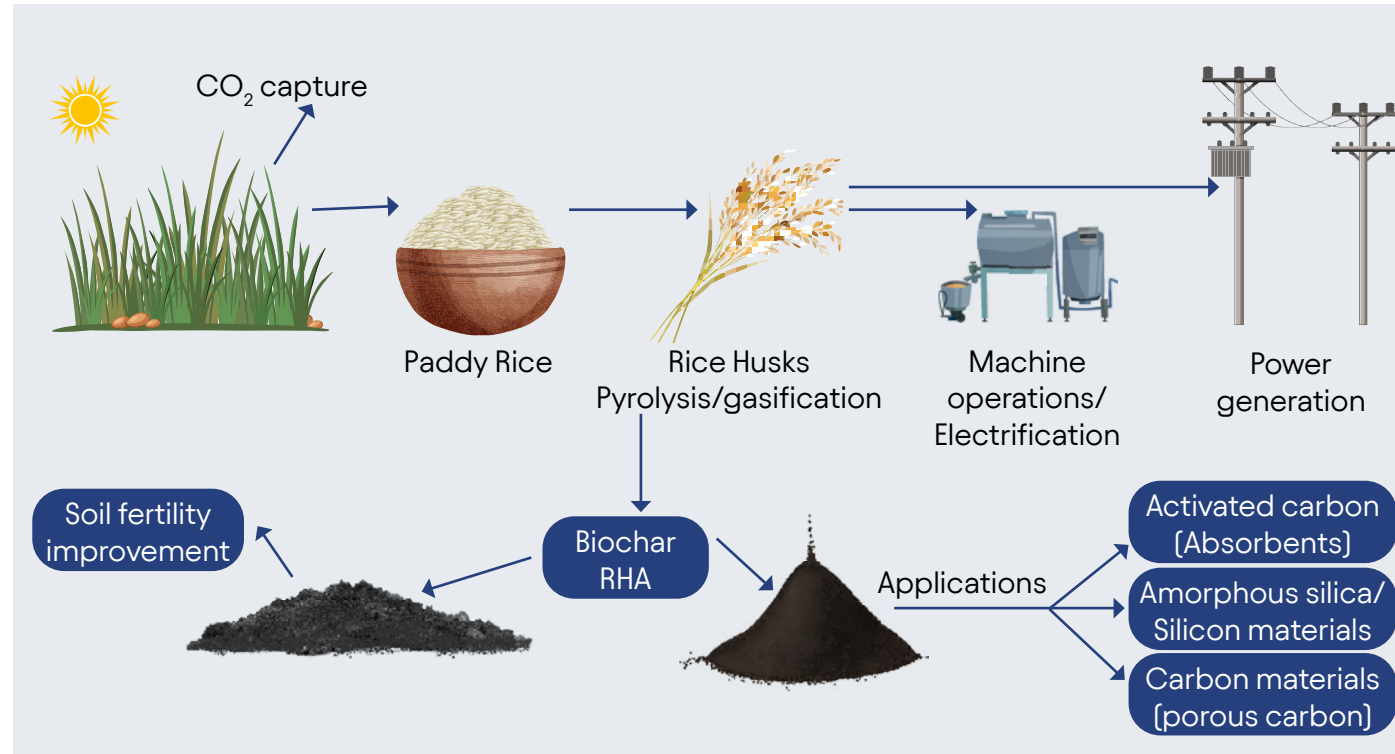


Recommended Interventions in Crop Residue Management

CRM using the Circular-economy principles and guidelines provide a path to reduce the emissions of pollutant species; opportunities for small farmers to generate value-added products from crop residues, and improve soil health and quality through straw incorporation into the soil. The bio-economy principles aim to 1) ensure food and nutritional security, 2) reduce dependency on non-renewable resources and augment the use of biomass for energy, 3) manage the natural resources sustainably, and 4) minimize greenhouse gases emissions and mitigate climate change. Crop residue burning releases climate pollutants [CO₂, CH₄ and N₂O], ozone, aerosols [Black carbon, organic carbon], trace gases [NH₃, SO₂,

Non-methane Volatile Organic Compounds] and particulates [PM_{2.5} and PM₁₀]. Avoiding crop residue burning per se mitigates the emission of air pollutants, leading to public health benefits; human well-being and climate change mitigation. Alternative options to crop residue burning aid in achieving SDG 3 [Good health and well-being] and SDG 13 [Climate Action]. As regards the GHG emissions, crop residue burning contributes about 0.027 GtCO₂ eq. So Crop residues used as industrial raw materials or feedstock for the generation of biofuel and bioenergy [SDG 7] provide economic and livelihood opportunities to farmers [SDG 1—Poverty reduction; SDG 2—Food and nutritional security].

Deccan, in association with one of our clients, is actively contributing to making an activated carbonaceous material out of rice husk, thereby creating a useful product from a potential waste material. Porous carbon from rice husk is a porous material whose uniqueness lies in its potential for application in several areas, notably water and air purification. Deccan has played a key role in the development of this product for our customer. The figure below represents the growth of rice and the use of rice husks for the production of porous carbon.



Millions of tons of rice husk are generated each year and burning this biomass contributes to GHG emissions and to air pollution (particulates etc.). By making activated carbon at Deccan, we are supporting our customer protect the environment in important ways, namely:

- » Preventing GHG emissions from burning of the biomass
 - » Encouraging the adoption of a circular economy by reducing waste generation and strengthening the emphasis on recycling
- Our support also helps our customer in their efforts to fulfil their commitments to

numerous UN Sustainable Development Goals i.e., # 13 [Climate Action], # 12 [Responsible Consumption and Production], # 11 [Sustainable Cities and Communities], # 6 [Clean Water and Sanitation], # 3 [Good Health and Wellbeing] and # 17 [Partnerships for the Goals].

Life Cycle Assessment

At Deccan, the quantitative and qualitative life cycle assessments of the targeted products are carried out adhering to the ISO 14040:2006 "cradle-to-gate" approach.

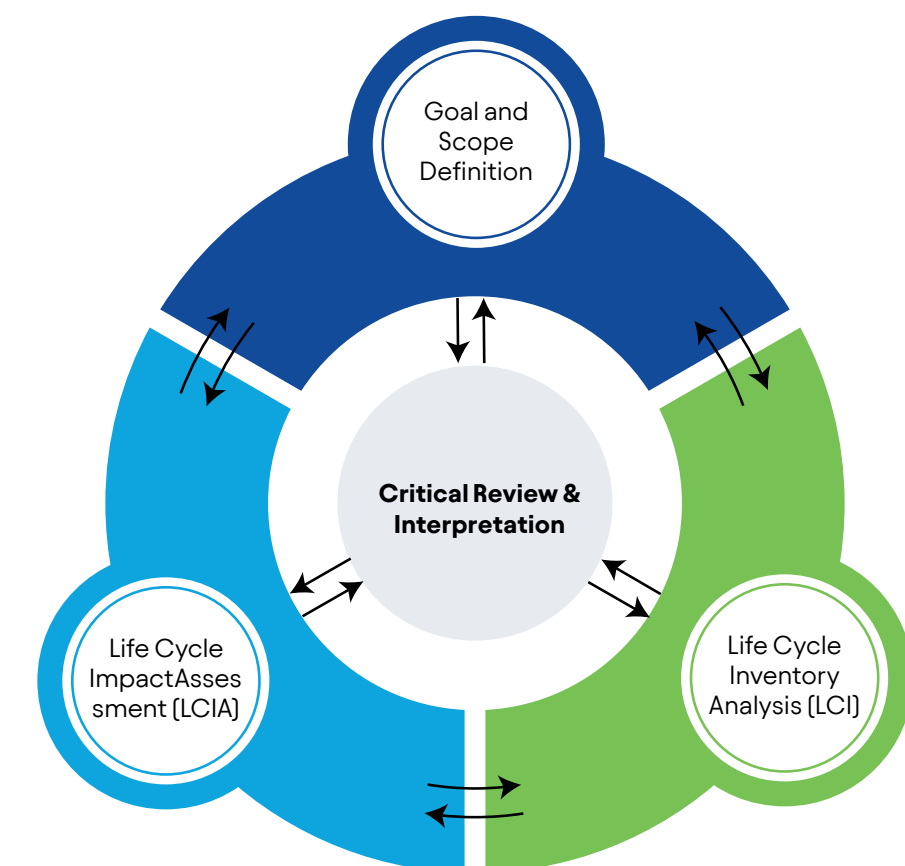
For a quantitative and qualitative life cycle assessment of targeted products, we follow four basic steps to conduct LCA. The four basic steps are 1. Goal & scope definition, 2. Inventory analysis, 3. Impact assessment, and 4. Interpretation.

In the initial phase of life cycle assessment (LCA), the focus is on articulating the purpose and boundaries of the assessment

to provide a foundation for the study. In the subsequent process referred to the Life Cycle Inventory Analysis [LCIA], data collection takes place and the emissions associated with each stage of the product life cycle are quantified to assess and evaluate the potential environmental impacts associated with the product. SimaPro software and eco-invent database are used to measure the efficiency and accuracy of the impact assessment process. These tools provide a structured and standardized approach to evaluate the environmental performance of products and

services across various impact categories.

In the interpretation phase, the results of the life cycle assessment are analysed and assessed to draw the conclusion and understanding the significance of the environmental impacts throughout the life cycle. This phase facilitates informed decision-making, supports sustainable practices, and contributes to the overall goal of reducing the environmental footprint of products and services.



7.5 Waste



HIGHLIGHT

- **78.3% of waste is diverted for utilisation [co-processing & recycling].**
- **Overall 4% Reduction in the total quantity of waste during FY 2022-23 over FY 2021-22.**

We are cognizant of the need to undertake sustainable waste management practices and have set ourselves a goal to minimize wastage and reduce use of natural resources by reusing and recycling waste products. By 2025, we aim to

ensure that waste generation intensity is reduced by 10% over the baseline and that 90% of waste is diverted from landfills. We are also working towards ensuring that by 2025, 15% of the total raw material we use will comprise recycled materials

and that packaging will contain 50% recyclable material. Among other initiatives to lower waste generated in our operations, we intend to examine the feasibility of replacing small packaging for raw material with bulk containers.

Dedicated Hazardous waste storage facility at Goa site



Dedicated Hazardous waste storage facility at Tuni site



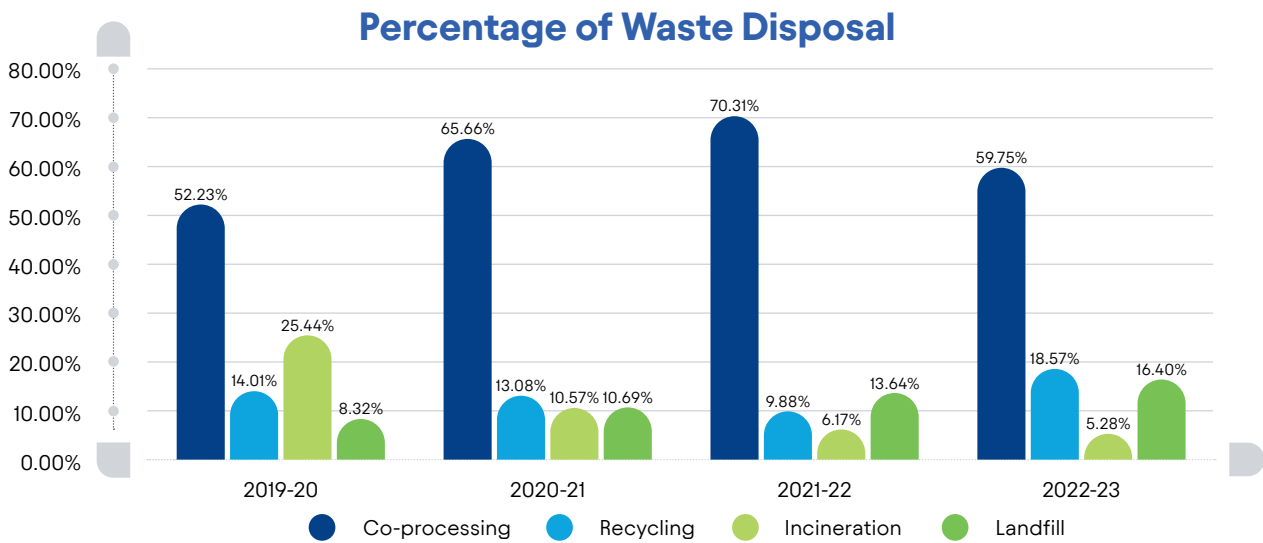
Across all our facilities, we are engaged in co-processing for management of waste. We work with the cement industries to divert waste for incineration and co-processing. This results in reduction of the use of furnace

oil and water. While Scope 3 emissions for transporting the waste to cement factories or to third party incineration sites remain the same, these emissions from diesel use have decreased due to lesser waste incineration on site.

The intensity of hazardous waste generated over the last four years has decreased at all our facilities and we have recorded an increase in the quantum of waste sent for co-processing.

Total Qty of Waste Disposed				
Waste disposal route	2019-20	2020-21	2021-22	2022-23
Co-processing, MT	23,932	34,734	49,914	40,663
Recycling, MT	6,418	6,918	7,014	12,641
Incineration, MT	11,658	5,594	4,377	3,595
Landfill, MT	3,814	5,657	9,682	11,160
Total Quantity, MT	45,821	52,903	70,987	68,058
Revenue, in Cr. INR	3,665.51	4,237.70	6,146.33	8,575.16
Total Quantity of Waste [MT/Revenue], in Cr. INR	12.50	12.48	11.55	7.94

The graph below illustrates the percentage of waste disposal by method of disposal



The tenets of reduce, reuse, and recycle are essential to how we manage waste at our Goa facility. We have forged

relationships with other industrial facilities to recycle and reuse the by-products of our processes. For instance, instead

of incinerating hazardous solid wastes onsite or through a third party, we divert it to be co-processed at cement kilns.

Over the years, there has been a significant and steady increase in the quantity of waste sent for co-processing - from 28.13% in 2018-19 to 59.75% of the waste in 2022-23

To manage liquid waste effectively and to generate lesser, we have set up a multiple effect evaporator

system to isolate and pre-treat by-products such as violates and salts before the wastewater is processed in the effluent treatment plant (ETP). Additionally, we have fitted bio-scrubbers in the vents of neutralization tanks in the ETP. Solid waste incineration systems at Goa and Tuni facilities are

operated and major portion of the waste is disposed through co-processing, very minimal quantity of waste is diverted for incineration and landfills. In FY 2020-21, a new production facility was started at Tuni facility due of which there has been an increase in the waste diverted to the landfill.

- » Process optimization and continuous operation excellence initiatives to maximize solvent recovery & recycling within the process, optimizing the use of key raw materials and minimizing residue generation.

- » Recycling packing materials to aid resource conservation
- » Optimization of steam consumption in the distillation column through process controls and installation of suitable

steam traps & periodic maintenance of steam traps.

Incineration plant in Goa



Projects implemented to reduce waste generation and to recover & reuse.

- » Installation of HCl absorber for recovery and reuse of dilute HCl, instead of neutralizing the HCL gases in Caustic Soda lye in scrubber and sending the wastewater to ETP/ Incineration for treatment.
- » Recycling and reuse of lean water washes back into process to conserve water and reduce wastewater generation.
- » Optimization of catalyst usage in the process, minimization of loss and reduction in the energy requirement for recovery.
- » Simplification of complex operation to conserve energy: Elimination of liquid-liquid continuous extraction process and introduction of batch extraction process.



7.6 Biodiversity



HIGHLIGHTS

- **Co-existing with nature; 140 acres of plant area dedicated to green-belt development, 25 acres dedicated to rainwater harvesting reservoirs which foster rich biodiversity**
- **Sponsorship and financial contributions for preservation of wildlife**
- **51,000 Saplings planted during FY 2022-23**

Link to the plantation drive - <https://sankalptaru.org/c/Deccan-Fine-Chemicals-Forest/>

At Deccan, we are committed to preserving and protecting biodiversity in the areas within which we operate and coexisting with the environment. With the executive management oversight, we undertake projects with various stakeholders in order to contribute towards protecting the environment and enhancing biodiversity. Some of the key initiatives undertaken at Deccan are indicated in the subsequent sections.

In FY 2022-23, we undertook significant environmental initiatives within our operating sites. A total of 36,550 trees

were preserved within these sites, contributing to the conservation of greenery and biodiversity. Additionally, as part of our commitment to environmental sustainability, we planted 15,000 trees at offsite locations. In alignment with our dedication to wildlife conservation, Deccan took a step further by adopting three animals, including two leopards, one ostrich, and one zebra. This initiative was executed at the Vishakhapatnam Zoo, where we also supported the construction of an enclosure for the Red Naked Wallabie, contributing to the well-being and conservation

of these species. To uphold our commitment to environmental conservation and biodiversity, we recognize the imperative need for the entire value chain to refrain from engaging in operational activities near biodiversity. This commitment necessitates a collective effort from all stakeholders involved in our value chain, including suppliers, partners, and employees.

We have been working with the Wildlife Trust of India on their White Winged Duck Project. The white winged duck is the State bird of Assam and is now an endangered species as

per the International Union for Conservation of Nature (IUCN). Through our partnership with the Trust, we are working on a project that is focused on restoring their ecosystems and reviving their population. We have also been working with the Indira Gandhi Zoological Park at Visakhapatnam and have sponsored the construction of a new habitat for the red necked wallabys, which are marsupial species, exotic to India. We have also adopted 2

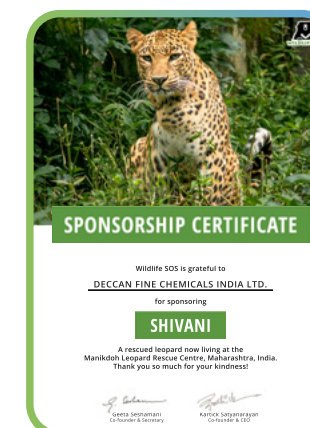
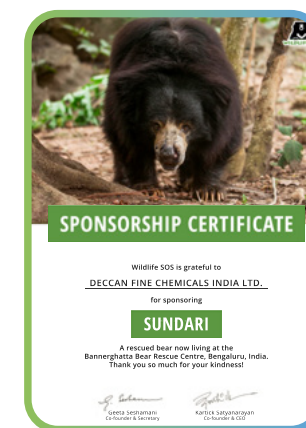
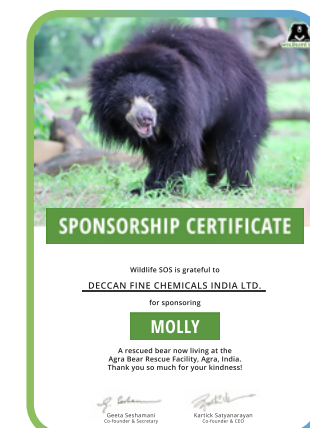
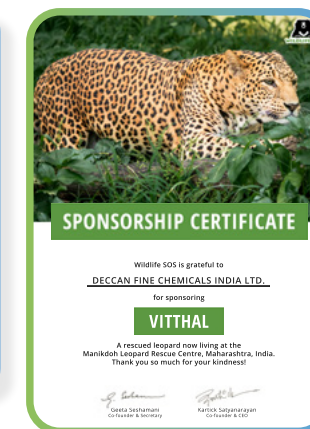
leopards, 1 zebra and 1 ostrich in the zoological park.

We strive to live in harmony with nature and our facility at Santa Monica is a testament to this. It encompasses three reservoirs and multiple woodlands, which host 87+ species of local flora, 50 + species of birds and a few species of reptiles and mammals. We have also been working with Wildlife SOS a non-profit organisation focused on protecting and conserving India's natural heritage and

wildlife. Through our association with Wildlife SOS, we have been able to adopt 2 elephants, 2 sloth bears and 2 leopards which are now living in conservation parks and rescue centres across various parts of the country.

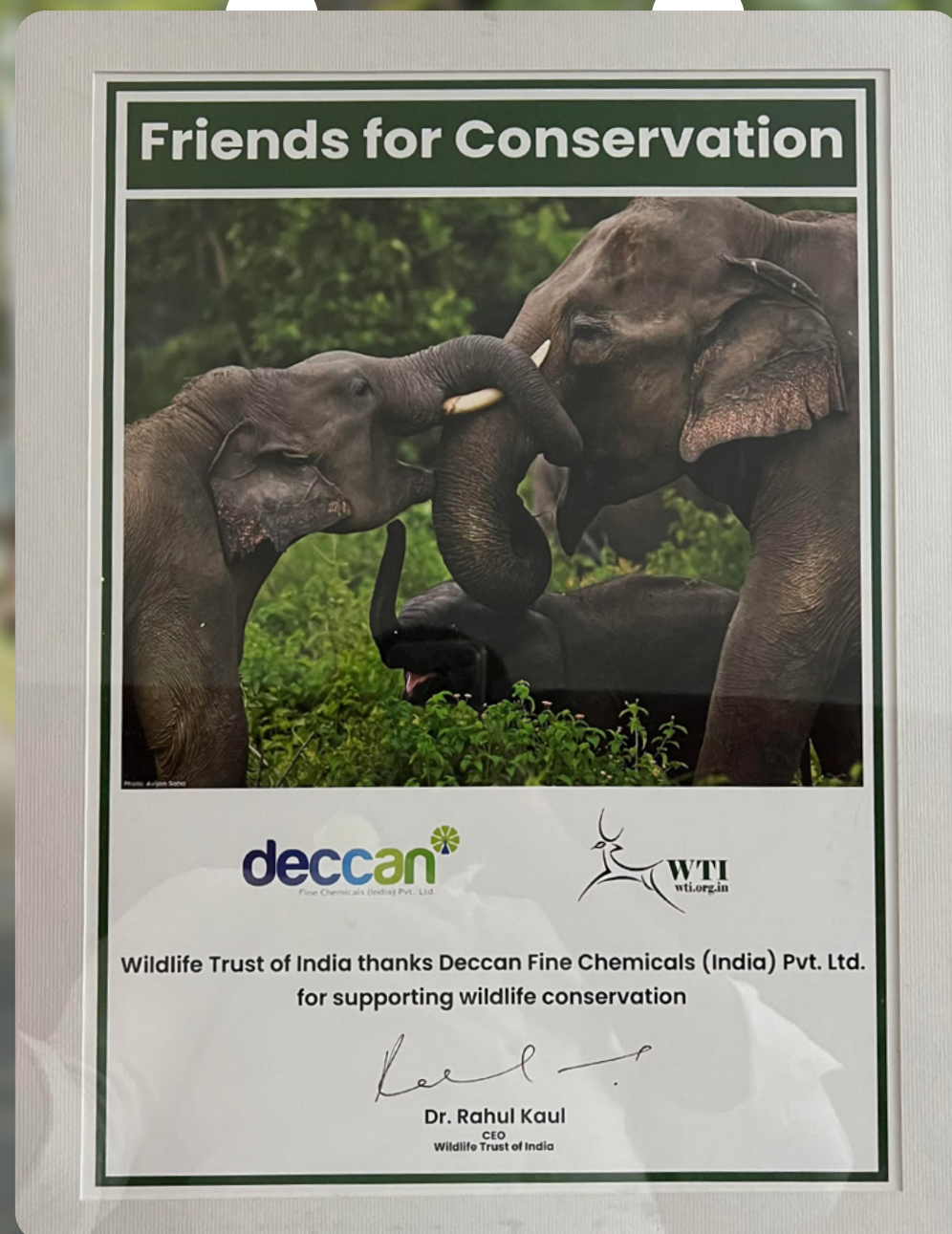
We have also contributed to funding the construction of the Kaziranga Discovery Park. It is being built near the Kaziranga National Park, Assam which is a UNESCO World Heritage Site.

By supporting this project, we intend to educate the masses about the wildlife in the park.

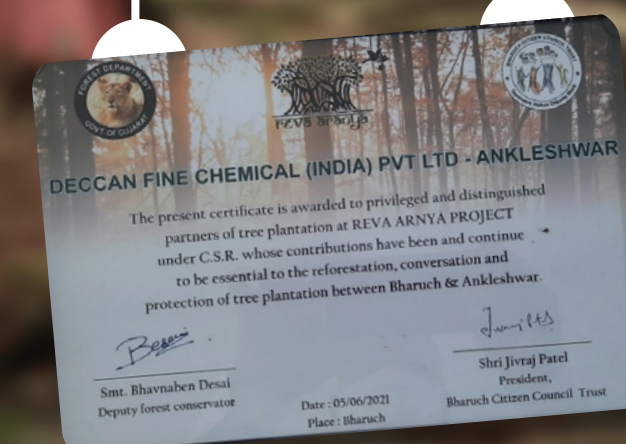


Sponsorship certificate for supporting rescued wildlife

Appreciation received from Wildlife Trust of India supporting wildlife conservation



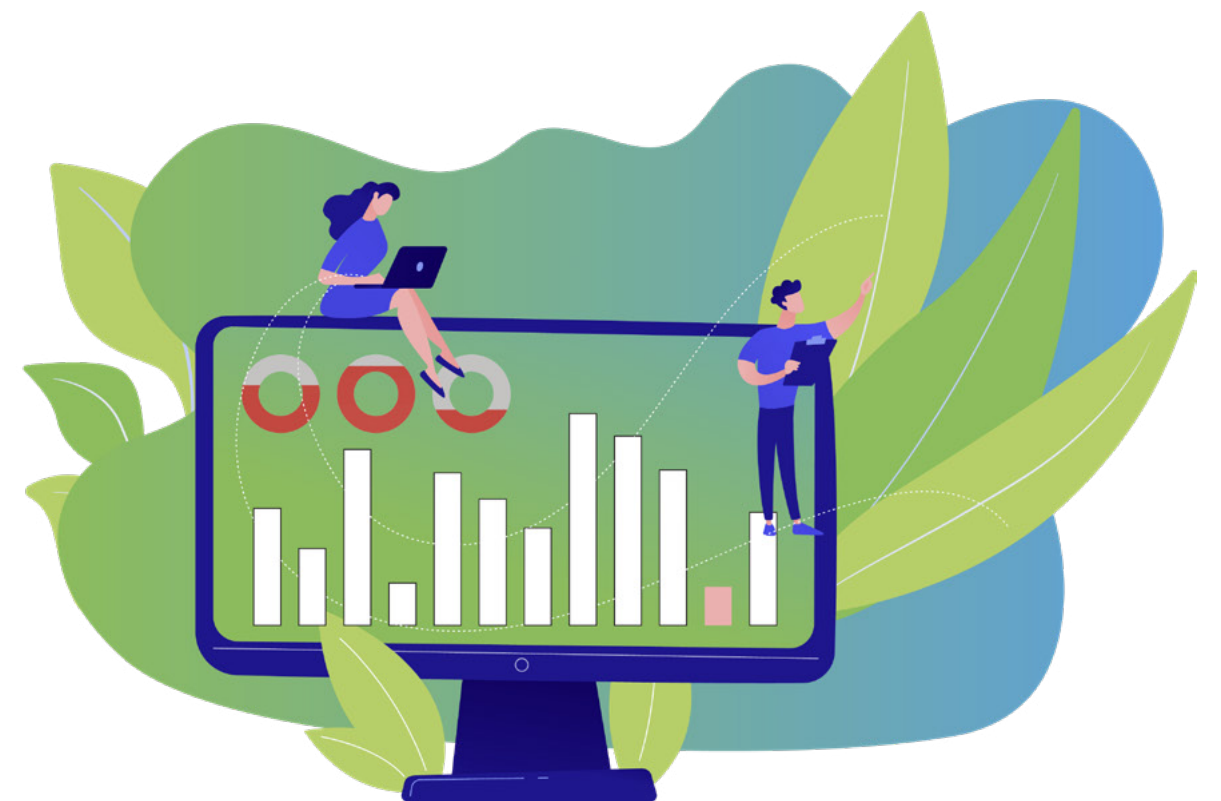
Appreciation received for plantation





SOCIAL PERFORMANCE

SECTION 08 >



8.1 Management Approach



At Deccan, we are committed to create value for both internal and external stakeholders including employees, suppliers and the communities where we operate, among others. We are working diligently to embed industry-best ESG practices in our own operations and also extend them to external stakeholders such as suppliers so as to create sustained long-term value.

Our employees are the custodians of our values and our business objectives and we believe their growth and well-being are of paramount importance. Our employee culture and the diversity that we foster ensure that each individual feels valued and they are provided with ample opportunities to meet their growth aspirations. In line with our sustainability framework, we believe in “investing in our people”. We are committed to the learning and development of our employees as well as in creating a healthy and safe work environment.

Well defined policies and systems are in place for recruitment and training of

employees. Employees are entitled to a whole range of benefits including those that go beyond the legal mandate. We have also put in place a transparent evaluation process where employee performance is measured, against pre-determined KPIs and new targets set for the subsequent cycle – keeping in mind both business needs and employees' aspirations.

Our HSE policy outlines our commitments to HSE and is observed in letter and spirit. Our uncompromising HSE standards is one of the enablers of our customer trust. Hence, HSE is also viewed as a critical business driver and goes beyond mere risk mitigation & management. Every employee is expected to participate in HSE trainings and understand the values of HSE culture & practices.

Through a myriad of activities in the areas of health, education, environment, skill and community development, we work towards the socio-economic betterment of the underserved communities. Through our CSR initiatives, our employees are also

provided an opportunity to give back to society. Our employees actively participate in volunteering activities and contribute to the success of our CSR programs.

Our relationship with suppliers is not viewed as being transactional – we believe in the power of partnerships and contributing to each other's success. Our Supplier Code of Conduct and Sustainable supply chain policy outline our priority topics with respect to ESG. We undertake joint exercises to reduce the environmental footprint of supplier operations and towards upholding human right.

At Deccan, we have refrained from making any contributions or expenditures towards political campaigns, organizations, lobbying efforts, trade associations, tax-exempt entities, or other groups aimed at influencing political campaigns, public policy, and legislation

Please read further about our social performance in the ensuing section.

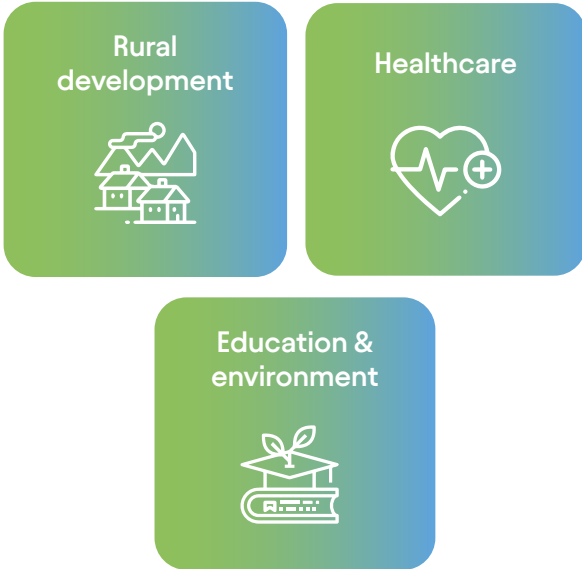
8.2 Corporate Social Responsibility



HIGHLIGHTS

- **INR 18.7 crores CSR budget in FY2022-23 - 70% increase from FY 2021-22**
- **Number of projects: 20 Major projects → 75 sub-projects**

KEY FOCUS AREAS



STAKEHOLDERS IMPACTED



Community

At Deccan, we are committed in creating a positive social impact by contributing to the socio-economic betterment and progress in the communities we serve and operate. Since our inception, we are actively involved in community initiatives driven by a common goal of mutual growth, prosperity, and development. Our approach to community engagement extends far beyond mere financial contributions, furthermore, we are dedicated to the efficient implementation of projects that create long lasting positive change. Our CSR efforts are primarily focused on the following areas:

- » Healthcare
- » Education
- » Rural Development
- » Environment
- » Agriculture
- » Art and Culture

- » Women Empowerment
- » Elimination of Poverty, Hunger, and Malnutrition
- » Sports

We work closely with our CSR partners for project implementation and view CSR as a vehicle through which our employees can also engage and support the communities and demonstrate social consciousness.

Our CSR spend by activity for the reporting years is shown in the table below.

CSR Expenditure				
CSR Focus Areas	Amount Spent on CSR Activities (In Million INR)			
	2019-20	2020-21	2021-22	2022-23
Health Care	6.0	15.7	22.3	36.7
Education	6.1	2.1	6.5	20.6
Rural Development	9.7	23.4	75.0	102.0
Women Empowerment	0.2	1.3	1.3	5.2
Environmental	3.4	3.6	6.3	16.8
Agricultural	0.7	1.2	2.1	1.1
Art & Culture	3.1	0.8	3.2	3.3
Sports	1.7	0.7	0.3	1.5
Poverty	0.8	3.0	0.9	0.0
Other Support	2.1	0.9	0.0	0.0
Total	34	53	118	187

As seen in the table above, our community investments have increased by over 53.4% from FY 2019 up until FY 2023.

Healthcare, Hygiene and Nutrition

Health and hygiene is a basic human requirement, the lack of which adversely impacts an individual's ability to lead a dignified life and also impedes future prospects of growth and development. Recognizing this, we have undertaken several initiatives in this area, some of which are detailed below.

Ankleshwar:

At Bharuch district, adequate facilities to meet plasma and platelet requirements of patients were not available. Patients suffering from dengue and other illnesses would need to visit hospitals in Surat or Vadodara to pursue treatment. Through a baseline survey conducted by the Rotary Club of Ankleshwar, it became evident that there was a need for Apheresis facility in Bharuch. We were instrumental in equipping the Kumarpal Gandhi Blood Bank at Ankleshwar with a Single Donor Platelet Equipment (SDP). The Apheresis instrument also

proved to be very useful in Covid-19 plasma treatment protocols. Through installation of a "Trima Accel Automated Blood Collection System with Prima Accel LRS Plasma Set Machine", a large number of people residing in Bharuch and Narmada will be benefitted. In addition to our ongoing efforts, we are committed in providing essential healthcare services to vulnerable communities and in FY 2022-23, our major initiatives include:

- » Purchasing medicines and providing them to various charitable institutions and medical practitioners operating in underserved areas, including slums, tribal villages, and community settings.
- » Sponsoring medical equipment for charitable hospitals to enhance their capacity to deliver quality healthcare.
- » Distributing nutrition kits to registered tuberculosis patients at seven public health centres in

Ankleshwar to support their treatment and recovery.

Few of the key medical/ healthcare institutions engaged by our volunteers are:

- » Dispensary run by Jay Shree Jalaram Sewa Manadal Trust, Bharuch
- » Ramakrishna Vivekananda Charitable Trust, Ankleshwar GIDC
- » Anandimaa Meidcal Centre "Shri Dhyanyogiji Welfare Foundation"
- » Shri Bhagubhai Mafatlal"Sevashram" Hospital, Bharuch
- » T.B. Elimination Program of Govt. of India

These institutions provide free OPD consultations, medical check-ups, diagnoses, and treatments to poor and underprivileged patients. They also provide all necessary medicines on a regular basis and sponsor critical medical equipment such as Phaco M/c for cataract surgery, colposcopy, and medical equipment for cancer treatment radiation centres.

Supply of Medicine to Needy Patients via Medical Practitioner and Trust (Year)	2019-20	2020-21	2021-22	2022-23	Total
Number of Beneficiaries	6090	8320	10520	40555	72900

The Government of India has launched the T.B. Free India 2.0 Campaign to eliminate tuberculosis from the country.

As part of this campaign, we have been providing support to registered tuberculosis patients since August 2022.

By March 2023, we have distributed a total of 1890 nutrition kits to patients in seven PHCs in Ankleshwar.



Healthcare support through medical camps, supply of medicines and medical instruments

Health Centres & ESIC Hospitals.



Free medicine sponsorship



Goa:

Every year, we support leprosy and pulse polio campaigns organized by the Primary Health Center (PHC) at Corlim. Through the PHC, we support provision of basic medicines and treatments to patients in the neighboring villages. We also continue to support the center through provision of nutrition kits to malnourished patients, provision of medical equipment and other related infrastructure. Taking forward our strategy to achieve "SWACCH Corlim", we have also carried out cleanliness and tree plantation drives. We organize cutting of bushes and stray weeds every year post monsoon in the entire village. In addition, a tree plantation drive was also conducted in association with the PHC, Corlim. In association with the PHC, we also conduct an anti-malarial (mosquito elimination) drive for six months in the year for the villages in Corlim and Old Goa. We are actively involved in Leprosy and Pulse Polio

immunization campaigns organized at PHCs in Corlim and Betki. The initiative benefitted around 4000 personnel. Our contributions include providing transportation for healthcare workers to reach remote areas, organizing awareness campaigns to encourage participation, and distributing nutritional supplements to vaccinated individuals. For timely medical access to essential medicines for individuals in surrounding villages, Deccan provides free or low-cost medicines to poor patients who cannot afford basic medical treatments. In collaboration with the Corlim PHC, we conduct annual anti-malaria and anti-dengue spraying campaigns in the villages of Corlim and Old Goa. These campaigns aim to reduce the risk of mosquito-borne diseases and protect the health of the community. Additionally, we provide rainwear to healthcare workers involved in the spraying

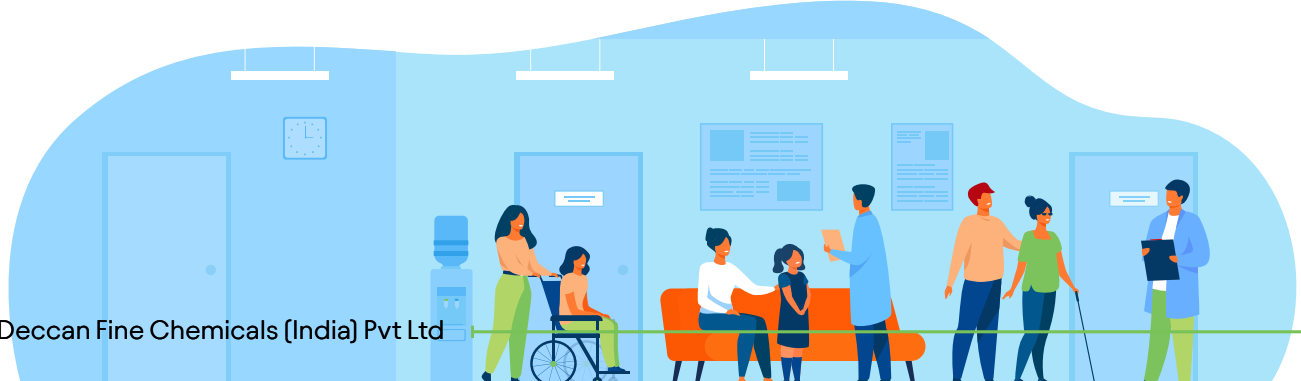
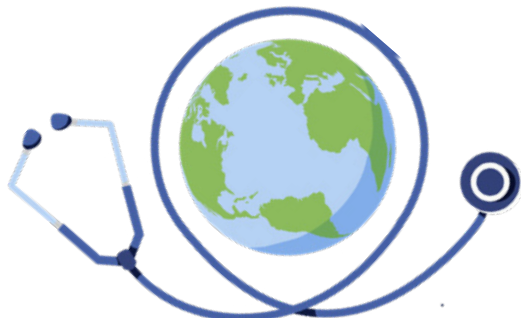
activities to ensure their safety and comfort. We organize annual cleanliness and tree plantation drives in the villages of Corlim and Cumbharjua. These initiatives promote a clean and healthy environment for the community and contribute to sustainable development. Along with afforestation dives we have also taken part in the clean-up of wild vegetation in the villages of Corlim. By removing excess vegetation, we can improve the safety, aesthetics, and health of our communities, as well as protect the environment. As an overall communal enhancement, Deccan tendered in providing nutritional support to over 200 poor families ahead of Ganesh Chaturthi demonstrating a commitment to addressing not just medical needs but also broader aspects of community welfare.

OPD Room Renovation at Primary Health Centre, Corlim

During the COVID-19 pandemic, we provided personal protective equipment, immunity building medicines and nutrition kits to more than 130 families in the villages in the vicinity of our facility.



Medicines and nutrition to patients and community members, Goa



Corporate Office, Hyderabad

We prioritize child health, particularly in areas such as cardiac care, HIV/ AIDs, and intellectual disability. Part of our contributions and support



Hrudaya Cure a Little Heart

We also support Innova Little Heart Foundation which conducts research as well as provides treatment for the management of heart defects in young children. We



in paediatric healthcare have been extended through *Hrudaya Cure a Little Heart*, an organization that provides free of cost surgeries to children



also contribute to the *Andhra Mother and Child Foundation* for paediatric cardiac care. With respect to children with HIV/AIDS, we support AGAPE, an



(from families below the poverty line) suffering from congestive heart disease.

organization which provides residential education as well as medical care for orphaned children affected by the deadly disease.

Tabitha Development Society – An old age home Bhimavaram, Andhra Pradesh.

An elderly care facility, initiated by KVV Lakshmi, operates in a rented building, providing exceptional care for 40 senior citizens. Deccan has generously supported the project by contributing to the construction of a Dining Hall, providing 30 beds, and establishing a water purification plant.



The Sivananda Rehabilitation Home receives support from us for the treatment, care and rehabilitation of persons suffering from leprosy and tuberculosis.

Sivananda Rehabilitation Home



Unicorpus Health Foundation



Bannu Arogyada Seva Society



Education

It is well established that the progress of society and our country rests on the quality of education and life skills that we equip today’s children and students with. Deccan supports numerous schools and institutions for

children from underserved communities. Our support goes towards the development of school infrastructure in rural and tribal areas, procuring and distributing books and educational material. We also extend financial support

to enable the education of girl children who are visually challenged. In addition, we also fund education in technical streams e.g., Deccan contributes to *Kasturba Health Centre* for medical education in rural areas.

Ankleshwar:

Shantidham Ashramshala in Gangapur faced a critical challenge in providing adequate boarding facilities for its resident girls and boys. The existing arrangement in an old, small school building not only lacked hygiene but also posed safety concerns due to its deteriorating condition. Our CSR team from Ankleshwar, took proactive steps to address this issue. A new residential hostel with ground and first floors was constructed on

spare land within the school campus. The project included not only the construction of the hostel but also comprehensive infrastructure support such as electrification, installation of bunk beds, and provision of mattresses, ensuring a safe and comfortable environment for the students. Deccan intervened in the library renovation and computer lab restoration of Sharda Mandir Vidyalaya High School. The

deteriorating condition of the slabs and heavy leakage during the rainy season rendered these facilities unusable. Deccan involved in the structural repairs, installation of new infrastructure including furniture, painting, and electrification. The revitalized spaces now provide students with functional and conducive environments for learning, research, and computer-based activities. Deccan supported Juna Tavra Primary

School which lacked space for recreational activities and for providing lunch to its students. Recognizing this need, a multipurpose shed was constructed to cater the school's needs. This initiative not only addressed the immediate requirement for recreational space but also created a versatile area for conducting various

school functions. The project contributes to the overall enhancement of the school environment, fostering a more holistic educational experience for the students. Deccan identified the necessity of a dedicated computer lab to empower students with essential digital skills for research and project work

at Balhans College of Social Science in Thava. In response, as part of CSR Initiative, Deccan procured and installed 12 desktop and computers. The computer lab now serves as a hub for students to engage in research, project work, and other computer-based academic activities, enriching their educational experience.

Goa:

We have identified fourteen primary schools within proximity to our site and have identified the basic requirements to improve learning in these schools. Each year close to 1000 students across age groups have been provided necessities like

school uniforms, raincoats, school bags, shoes, notebooks, and workbooks. Due to lack of financial support, several students are dropping out from formal education and are unable to pursue their academic interest. Hence, a scholarship program was

initiated to support meritorious, underprivileged students. Through the scholarship program, we intend to motivate students and enable them to become employable in the industry in the future.



Education material distribution at GPS

Scholarships at Village Panchayat, Corlim



We have supported many schools in the surrounding villages through provision of

Computers, CCTV Surveillance systems, Laboratory set ups and Equipment, LCD Projector

Systems, Smart Learning Set UPS, classrooms and benches, digital library etc.

Laboratory inauguration, Vidya Prasarak School



We also believe in recognizing talent and encouraging the students in co-curricular

activities. With the objective of promoting talent, we have undertaken various activities to

support and sponsor events in educational institutions.

Few of the events supported by us are listed below:

- Technical Fest "TECHNOTSAV" at Govt College of Arts & Science, Khandola.
- Technical Fest "SPECTRUM" at Goa Engineering College, Farmagudi.
- Workshop organized at BITS Pilani.
- Techno Cultural Fest "SAAVYAS 2018" at National Institute of Technology, Farmagudi.
- National Level Case Study Competition – "SAMIKSHA 2018" organized at Goa Institute of Management – Sanquelim.

To addresses the critical need for adequate learning space, Deccan is actively engaged in the providing washroom facilities. Apart from the same, Deccan also provides classroom furniture,

surveillance systems, and sports equipment enhances the overall educational experience. Deccan supports competitions and school programs to identify and promote hidden talents

among students as These events contribute to the overall development of students beyond traditional academic subjects.

Corporate Office, Hyderabad
Kasturba Health Society



We actively support the education and care of destitute and orphan children, through provision of study material,

clothing, and nutrition; we also emphasize holistic and all-round development by embedding cultural and

spiritual values in children through the financial contributions we make.

Donation of RO Unit & Basic Infrastructure to MPP School – Gajapathinagaram

In December 2022, Deccan provided infrastructure facilities like Storage Rack, Office tables, Office Chairs and 250LTS/PH Capacity RO unit in order to provide safe drinking water to the students.



Renovation of Anganwadi building Rajavaram

In February 2023, at Rajavaram village, due to lack of funds from the Nadu Nedu program initiated by govt. of AP, the development of the Anganwadi building was hampered. As a result, children attending this preschool were relocated to adjacent place owing to the bad infrastructure.

Recipients of our CSR funding are depicted below:



Hyderabad Children's Aid Society and Sri Saraswati Vidya Peetham



Nachiketa Tapovan



Chetana Charitable Trust - Nandana Grameena Paathashala

Tuni Site

With the objective of ensuring that every individual residing in the nearby villages have access to clean drinking water facilities, we have installed 17 RO plants across 17 villages. Each of these RO plants have a capacity of 2000 litres per hour and have been benefitting over 1,10,000 people.



Environment

Our efforts in environment protection and preservation are focused on 3 key areas:

- Green Belt Development and reforestation
- Introduction of renewable energy resource
- Waste management in the community

Green Belt Development and reforestation

Since inception, employees across all sites have been coming together for taking part in tree plantation activities. We have planted more than 50,000 saplings till date. We also encourage and educate people in the nearby villages about different practices to protect the trees.

Deccan has contributed to establishing a greenbelt to shelter avifauna and participated in Reva Abhayaran, a project for the restoration of 6.5 km of degraded forest land provided by the Government of Gujarat. Additionally, we provided a crematorium with an advanced wood fire cremation

system, to help preserve trees. "Reva Aranya" is a tree plantation project conceived by Bharat Citizen Council. The objective of the project is to turn the tree plantation site [forest department land between Bharuch and Ankleshwar] into a dense forest with more than 30,000 trees in six phases. Deccan has adopted Phase-III of this project. We have supported the plantation of approximately 4000 trees in 5 acres of land. We also supported phase 1 and phase 2 of the project, during which we sponsored the plantation of 6,500 trees.

We have initiated a greenbelt program in more than 10 different villages near Tuni, to improve the ecosystem and biodiversity. Deccan is partnered with Shri Vidya Bharati Vanvashi Shikshan Samiti to undertake the Green Belt Development project. The Madhav Vidhyapith Campus in Kakadkui generously offered land for this initiative, where we have planted and currently maintain 1,000 trees. This endeavour not only contributes to the environmental well-being but also aims to create a sustainable and vibrant ecosystem within the educational campus



Advancing Sustainable Living in Bharuch: A Multifaceted Approach:

In a concerted effort to elevate the standards of cleanliness, greenery, and overall livelihood of the residents in Bharuch City, the My Liveable Bharuch Initiative was launched under the patronage of the Bharuch District Collector's office. Embracing our responsibility as a responsible corporate, we actively participated in this initiative by contributing towards the betterment of the community. The project's implementation involves collaboration with an outsourced agency appointed under the My Livable Bharuch initiative with the primary focus emphasising in conducting regular cleanliness drives and beautification projects, aligning with international standards for a more habitable city.



Case study: Plant a Tree – Seed ball, throw and grow!

Deccan has partnered with Jan Shikshan Sansthan, an NGO, to green the Seethamma Konda hillock near Visakhapatnam. As part of our CSR initiatives, we provided financial support to implement the project which

had many volunteers, students and local community members participate in it. The activity entailed planting seed balls. These are balls of clay, cattle dung and compost

in which seeds are placed and planted, to grow into saplings when the rains arrive. In all, 150,000 such seed balls were planted across the hillock.



Introduction of renewable energy resource

In adherence to our steadfast commitment to environmental conservation and the promotion of green and renewable energy, we have executed noteworthy projects involving the installation of solar panels at various educational and healthcare institutions. This initiative, aimed at harnessing

sustainable energy sources and minimizing carbon footprint, has been successfully implemented at three key locations. Sardar Hospital in Ankleshwar now boasts a 20-kW solar system, while Shantidham Ashramshalas in Kodvav and Kantipada have received installations of 10 kW and 6 kW,

respectively. The collective capacity of 36 kW across these locations has not only ensured a reliable and sustainable energy supply for the institutions but has also led to a substantial reduction in electricity expenditure.

Solar Panel Installation



Advanced wood fire Cremation Furnace



Waste Management:

Segregation of waste at source and resource recovery is the key to a well- established waste management system. To drive this, we have undertaken solid waste management projects

Community-based plastic waste management:

We have adopted 10 villages in Bharuch district of Gujarat, where we implemented a plastic waste management campaign that includes creating awareness about plastic waste, as well as collection and recycling.

Solid waste management:

We have undertaken solid waste management projects in the villages of Corlim and Marcel. This involves activities like collection, sorting, disposal and treatment of dry and wet waste, collected from more than 1200 households in Corlim village and more than 400 households and commercial establishments in the village of Marcel. Waste bins for households, community areas, waste dumping and segregation sheds and related support has been provided. We have also set up a Biogas plant at Montfort Institute in Corlim to process wet waste collected from Corlim village. This plant has a capacity to handle 150 kg of waste each day. This plant is run on its peak capacity and energy produced is used in the canteen at Montfort Institute.

Biogas plant, Montfort Institute, Corlim



Waste collection center at the Goa Secretariat, Porvorim



Advanced Wood Fire Cremation System : A Sustainable Alternative

Guided by our dedication to environmental protection, we initiated the installation of the "Harit Bhathhi" Advanced Wood Fire Cremation System at Vaikunth Dham in Bharuch. This innovative system significantly reduces wood consumption during cremation by up to 60-70%, simultaneously cutting down the cremation time from the traditional 3 hours to 1.5 hours. As a testament to our commitment, we provided 13 free cremations at the Vejalpur Smashan Gruh post-installation until March 2023, promoting sustainability in the end-of-life rituals.

Rainwater Harvesting System

In our dedication to sustainable water management, we have initiated a project focused on the Installation of Rainwater Harvesting Systems at key locations. The primary objective is to conserve rainwater during the rainy season and subsequently employ the stored water during drier months. Noteworthy installations include Madhav Vidypaith in Kakadkui, Netrang, and Prathmik Shala in Kapodra. The purpose of these installations is to harness rainwater for various purposes. The tangible outcome of this endeavour is evident in the rise of water levels in the land surrounding these locations, attributed to the successful charging of approximately 20,000 litres of water into the soil. This outcome highlights the effectiveness of Rainwater Harvesting Systems in replenishing local water tables, contributing to water conservation, and addressing challenges associated with water scarcity. This initiative aligns with our broader commitment to environmentally responsible practices, fostering a more sustainable and resilient water supply in the face of evolving climatic conditions.



Empowerment of Women and Adolescent Girls

Empowerment of women is the key to social transformation. Deccan supports the empowerment of girls and women in numerous initiatives through financial support for education and related materials, nutrition, institutional infrastructure development and training in income generating skills such as nursing, beauty care and tailoring



Goa

Through our Sparsh program on women empowerment, we have identified Self Help Groups in Corlim village. Various training classes such as Jute Bag Making, Cooking, Beautician Styling, Shell craft making are conducted for these women. Also, we create platforms for self-help groups to showcase their products and reach out to potential customers. One such platform is a sweet sale on

festivals like Ganesh Chaturthi and Diwali. We organize these sweets sales at our site, where interested members from the self-help groups are given opportunities to sell their homemade sweets to our employees. In FY 2022-23, over 150 women benefitted from these initiatives. The success stories of individual participants serve as an inspiration to others, leading to a collective sense

of empowerment among the women. Deccan's women empowerment programs encourage collaboration and interaction between the women and the community, creating opportunities for business partnerships and contributing to overall community development. Deccan ensures that its programs are responsive to the needs of underprivileged women while maintaining a supportive environment.

Ankleshwar

We also support menstrual and reproductive health education and hygiene practices among adolescent girls. Some of the organisations we support include:

- Ramakrishna Vivekananda Charitable Trust & Mahila Mandal, Ankleshwar and Jhagadia, Gujarat
- Government of Gujarat, Beti Bachao, Beti Padhao programme

Deccan focusses on empowering female participants from rural areas and tribal villages through skill development. Female

participants from rural areas and tribal villages with low income are targeted and are offered various short-term skill development courses

as a practical and effective approach to equipping participants with the necessary skills for self-employment.

Skill Upgradation Courses for women entrepreneurship and opportunity for Job & employment

Female participants from rural areas & tribal villages from low-income communities are identified and imparted various short term skill development courses by certified and competent trainers. The objective of the initiative is to generate self-employment opportunities and jobs and enable these women to

become self-reliant and take care of their livelihood and extend economic support to family members. At Ankleshwar, In the 2022-23 financial year, the project successfully completed 18 skill development courses, benefiting 456 female participants who are now

independent earners for their families. These courses included Assistant Beauty Therapist (3-month course), Sewing Machine Operator Course (3-month course), and General Duty Nursing Assistant Course (6-month course with 3 months of theoretical training and 3 months of practical training at a hospital).

Computer Lab Inauguration



General Duty Nursing Asst. Course Inauguration



Our support to the Ujjaini Varishtha Nagarik Sangathan's Sewadham Ashram enables

destitute persons including women, single mothers, and pregnant women and those

with mental health and terminal or chronic ailments, to find shelter and care.

Ujjaini Varishtha Nagarik Sangathan's Sewadham Ashram



Through the Centre for Social Service, we support shelter, education and skills training of orphan/ homeless girl children and destitute women, enabling them to open the doors to a better life. Our support to the Vaidehi Seva Samithi enables similar opportunities for homeless



girls and women from low socio-economic backgrounds. The Vaidehi Ashramam ensures shelter, nutrition, personal care and education starting from the pre-primary level all the way to graduation. The institution's other programmes which we support encompass holistic education, self-defence and



skills training for adolescent girls and women in slum areas around Hyderabad and Ranga Reddy districts; legal and police protection for destitute women who have faced harassment from their families; medical consultations and assistance in slum areas around Vaidehi Ashramam.

Vaidehi Seva Samithi



Ankleshwar

Malnutrition is a major challenge and is widespread in India, especially among those from low income and underserved communities. We at Deccan contribute nutritious food to children from families that lack the



resources to meet their food and nutrition requirements. Our contributions are directed through the Kalarva School, Dhvani School and Ramkrishna Vivekanand Charitable Trust to children with mental health problems, hearing, and vision



disabilities. We also provide food grain kits to the visually challenged and underserved people and ensure that children of contract labourers receive milk and biscuits daily.



Sri Saraswathi Vidya Seva Samithi



Community Development

Supporting the development of communities around our facility is an integral part of our CSR activities in Goa. This not only enhances the quality of life for residents but also helps us build strong relationships with them, based on mutual understanding and

respect. Our initiatives in this respect include refurbishing community infrastructure such as local police station and electricity office, constructing bus stands, erecting stages for entertainment, beautifying open spaces. We also provide nutrition to 500 poor families

each year and support the Directorate of Fire and Emergency Services with breathing apparatus. Our efforts so far have touched the lives of 7,000 households in nearby villages.

Rural water supply tanks



In addition to these infrastructure projects, Deccan has also undertaken several initiatives to address the specific needs of the communities in which we operate. These initiatives include:

- » Providing food supplies to orphanages and old age homes: Recognizing the critical need to address hunger in our communities, Deccan has partnered with organizations like Sri

Girls Hostel Construction by Deccan



- » Renovating rural water supply (RWS) tanks: Understanding the importance of access to clean drinking water, Deccan has undertaken the renovation of RWS

- » Improving access to farming lands for farmers: Recognizing the challenges faced by farmers in Kandipudi village due to a lack of proper roads, Deccan constructed a 1,000-meter gravel road connecting

the village to agricultural fields. This improvement has significantly eased transportation for farmers and laborers.

- » Construction of Cement Concrete roads and drainage system in RK Colony, Tuni: Addressing the lack of proper drainage and damaged roads in RK Colony, Tuni, Deccan constructed a 350-meter CC drain

- » De-silting irrigation canals: To ensure adequate water supply for agriculture, Deccan desilted a 2.4-kilometer stretch of an irrigation canal, benefiting approximately 1500 acres of farmland and over 800 farmers.

Through these initiatives, Deccan demonstrates its commitment to the well-being of the communities in which it operates, not only through philanthropic endeavours but also by addressing their specific needs and challenges. Deccan's CSR initiatives are an integral part of its corporate ethos, reflecting its dedication to creating a more equitable and prosperous society.

Agriculture

Deccan has launched the "Krishi Mitra" program to provide local farmers with the latest information and technical expertise on up-to-date agricultural practices. This program has benefited over 200 farmers every year. Additionally, Deccan has established Crop Cafeterias in Corlim village, where local Goan crops are cultivated in both Kharif and Rabi seasons. The company has also provided land ploughing services to paddy farmers in Dhulapi village and assisted with fertilization for more than 160 paddy farmers in surrounding villages. In Dhulapi, an irrigation project has been implemented to provide proper water supply to paddy fields, addressing a major concern for farmers. Furthermore, Deccan has launched Watermelon Projects

in Parra and Bastora to revive the lost glory of watermelons in these villages. This project has benefited over 40 farmers in the last fiscal year, achieving an average yield of 200 watermelons per 200 square meters of land. Deccan's agricultural initiatives have had a significant impact on the local community. By promoting alternative sources of livelihood, supporting local products, creating employment opportunities, reviving lost agricultural traditions, and contributing to overall economic development, Deccan is making a positive difference in the lives of farmers and the broader community. Sports and Culture Deccan is also actively participating in maintaining social harmony in the

surrounding villages by supporting various sports and cultural activities. Over the years, Deccan has supported two out of thirty-seven GFDC Centers in the state, one at Corlim and the other at Marcel, by providing playing kits, nutritional diets, and other support. Deccan has also provided annual support to Sateri Ravalnath Sports Club, a renowned sports club from Dhulapi, in the form of participation fees for various tournaments and sports kits. In addition, Deccan has assisted other sporting clubs and cultural organizations such as Rajeshri Creations, Khelo India Khelo, Corlim Parish Youth, and Cricket Club of Cumbharjua in various sports and cultural activities to promote social harmony.

Glimpses from the field

Renovation support provided to Government Junior College, Tuni



Scholarship Recipients, Tuni



Water plant installation at Srirampuram



Community hall construction at Mangavaram



8.3

Health & Safety



HIGHLIGHTS

- **Process safety - an integral part of organizational culture**
- **HSE performance linked to annual compensation review**
- **In-house process hazard laboratory for process safety and product safety studies**
- **Rewards and recognitions for HSE performance and initiatives**

MATERIAL ISSUES



STAKEHOLDERS IMPACTED



At Deccan, Health & safety is not just viewed as a risk management activity – it is the way we do business. Safety is everybody’s responsibility, starting from our employees

and workers on the production floor to the top management. We believe that sound HSE practices are key to the sustained growth and success

of our business. Maintaining high safety standards have resulted in several positive implications for Deccan, as demonstrated in the graphic below.



Occupational Health and Safety Management Systems (OHSMS)

Over the years, a robust OHSMS has been developed and deployed by us, which has been pivotal in ensuring safe operations - 100% of our employees and workers are covered under the same. Each workday at our sites begins with safety briefings and HSE incidents/events are reviewed on priority.

Each Deccan employee is required to participate and contribute to the company’s HSE training programmes, which are structured to assess adequacy of competence at different stages of the training. Our business operations comprise of legacy sites which have had a history of different sets of safety practices as



well as our greenfield Tuni plant. While highest safety standards are maintained at all these sites, we are working towards making our processes and management systems consistent and uniform across the organization. This is planned to be achieved

through 'Project RISE', which, among other aspects, aims to embed safety objectives in employees' performance by linking them to achievement of key performance indicators (KPIs) and a system of rewards and recognition.

We are also in the process of formulating a comprehensive group-wide HSE&S management framework with direct involvement from our leadership team. Organization-wide HSE&S KPIs are expected to be rolled out by 2025. This is envisaged to deliver the following benefits to the business:

- » Visibility of HSE performance and issues will enable the leadership to channel action and resources towards HSE
- » Build unmatched HSE capability that can be leveraged across the organization
- » Enhanced efficiency in risk reduction and greater

speed and rigour in mergers and acquisitions

- » Strengthen the Deccan brand in the eyes of customers

Periodic audits, both internal and external, are conducted to ensure the robustness of our HSE management systems and to identify areas for continuous improvement.

Process Safety

Process Safety Management (PSM) is at the core of the operations at Deccan. Process safety management is a set of formal management practices designed to prevent, mitigate and respond to process plant incidents that can affect operating personnel, off- site

communities, environment or this can result in significant property damage and business loss. CCPS process safety management model is followed across all the three manufacturing sites. PSM controls a manufacturing process by identification, assessment and mitigation of process hazards and risks.

The following facets of process safety management, among others, are crucial considering the nature of our operations.



PSM element	Focus areas
Process Safety Information	<ul style="list-style-type: none">» Hazards of materials (Flammability, Toxicity, Reactivity)» Process design basis (PFD, PID, Process chemistry, operating conditions)» Equipment design basis
Process Risk Assessment	<ul style="list-style-type: none">» Hazards assessment» Risk assessment (HAZOP, QRA, LOPA, What-IF, FMEA)» Consequence analysis (dispersion modelling), Human factors analysis
Operating procedures and safe practices	<ul style="list-style-type: none">» Parameters for safe operation» Consequences of operating outside process limits» Corrective actions to avoid deviations
Management of Change	<ul style="list-style-type: none">» Assess impact of any change (technology, people) on HSE» Documentation of changes and rationale for approval
Quality Assurance	<ul style="list-style-type: none">» Design basis and criteria documented for equipment» Written quality control procedures for equipment fabrication» Appropriate checks and procedures to ensure that equipment is fabricated and built as per design specifications
Pre-start up safety review	<ul style="list-style-type: none">» Final check of new/modified equipment/process/facility to ensure that its safe to operate» Ensure all recommendations from risk assessment process is completed» Team should be multidisciplinary (operations, maintenance, tech-services, HSE)
Asset Integrity	<ul style="list-style-type: none">» Predictive and preventive maintenance program» Establishes quality control for maintenance, spare parts and equipment
Training and performance	<ul style="list-style-type: none">» Ensures that the operating personnel are trained and skilled» Training need analysis based on skill set
Contractors	<ul style="list-style-type: none">» Ensures all contractor activities are assessed for hazards, risks and control placed» Performance monitoring of contractors based on safety metrics
Incident Investigation	<ul style="list-style-type: none">» Investigation of all serious, potentially serious incidents to improve HSE performance» Prevents recurrence of incidents, identifies weakness in HSE systems and guides» Development of HSE standards
Emergency response and planning	<ul style="list-style-type: none">» Planning for potential emergencies (consequence analysis, written ER & CP procedures)» Develop and conduct training programs» Auditing of ER & CP and associated system
Auditing	<ul style="list-style-type: none">» Provides a measurement of compliance with established PSM program» Compare performance vs established standards» Internal, external audits

Process Hazards Assessment [Chemical Reaction Hazards and Fire & Explosion Hazards]

All chemical processes are assessed for process hazards [Chemical reaction hazards and Fire & Explosion hazards associated with powders] before scale up. Chemical reaction hazards are assessed at the Process Hazards Labs [two such labs being present at our Tuni and Goa sites]. Fire & explosion hazards associated with powders are currently assessed at external testing laboratories.

Tuni Lab

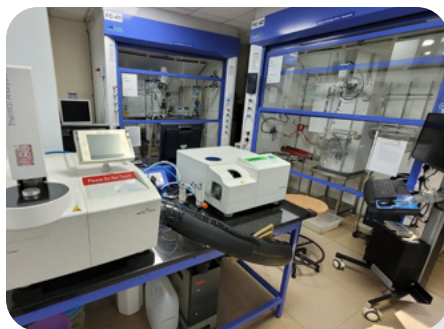


Goa Lab

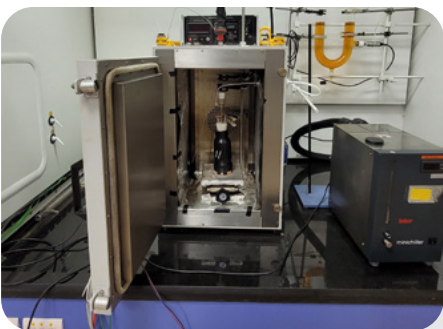


The assessment for chemical reaction hazards starts at an early stage with close coordination between the process chemistry and the process hazards teams, where the inherent hazards are identified using literature screening and chemical reactivity worksheets. This helps in identifying any show-stoppers/ potential incidents at the lab-scale during the early stage of process development.

DSC



Dewar Flask



ARC



Carius



RC1



This is followed by experimentation with calorimeters.

Mettler Toledo Differential scanning calorimetry (DSC) with High Pressure gold plated crucibles and Carius tube testing is used for initial screening for heat and gas generation from thermal instabilities.

- » Accelerating Rate Calorimetry (ARC) and ambient pressure Dewar calorimetry for studying the sample under low heat loss [adiabatic] conditions.

Isothermal measurements are also carried out using the DSC and ARC for assessing auto-catalytic thermal decompositions.

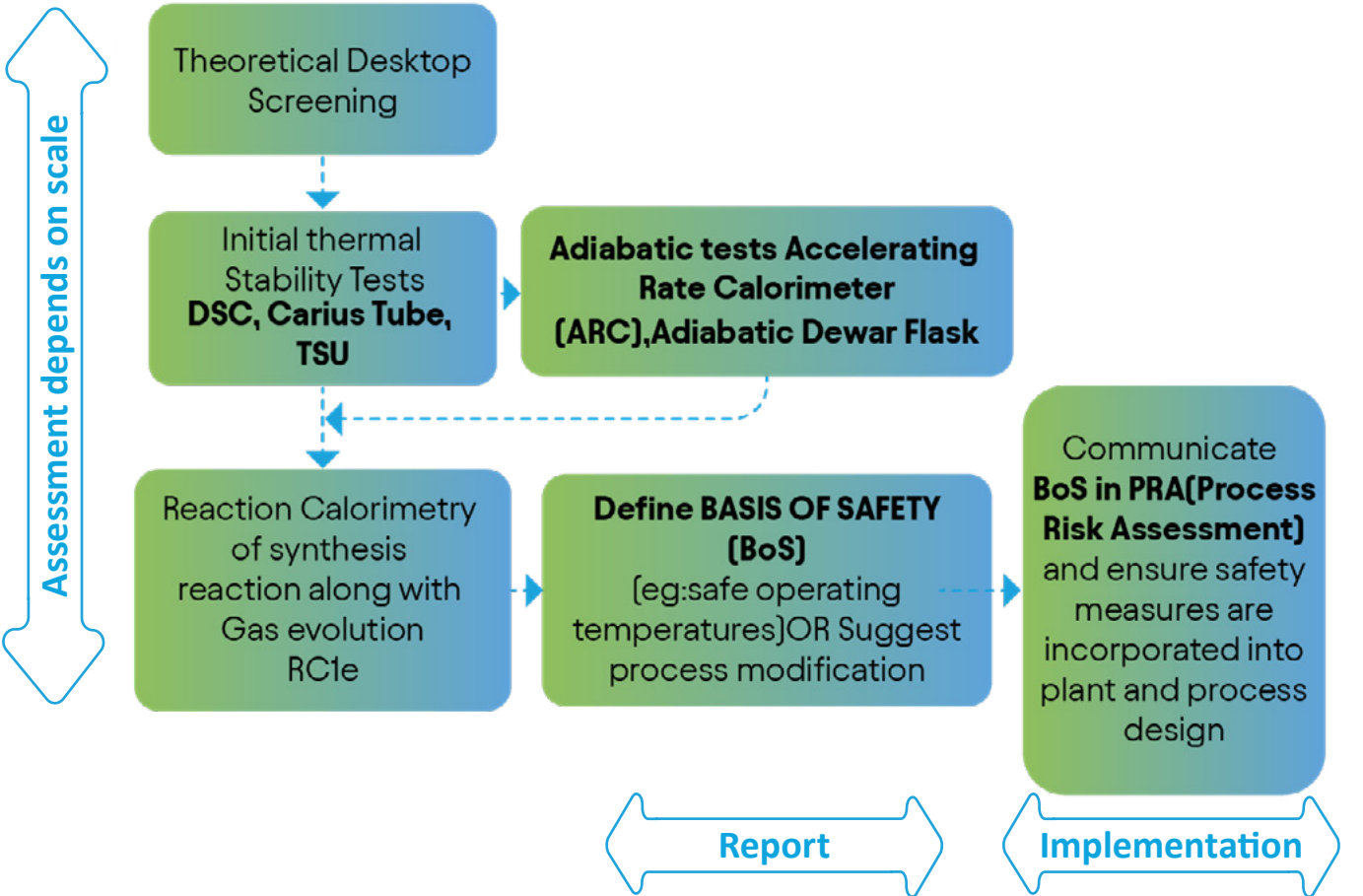
- » Reaction calorimeter (RC1e) along with the U-tube gas manometer is used for studying heat of reaction, gas generation and kinetics for synthesis reactions operating from ambient to 6 barg pressure.

The results from the hazard assessment are used to

arrive at the 'Basis of Safety' and this is reported in the form of Chemical Reaction Hazard Assessment report. The process is then risk assessed by the Process Risk Assessment team to evaluate the layers of protection before scale-up at pilot and commercial scales.

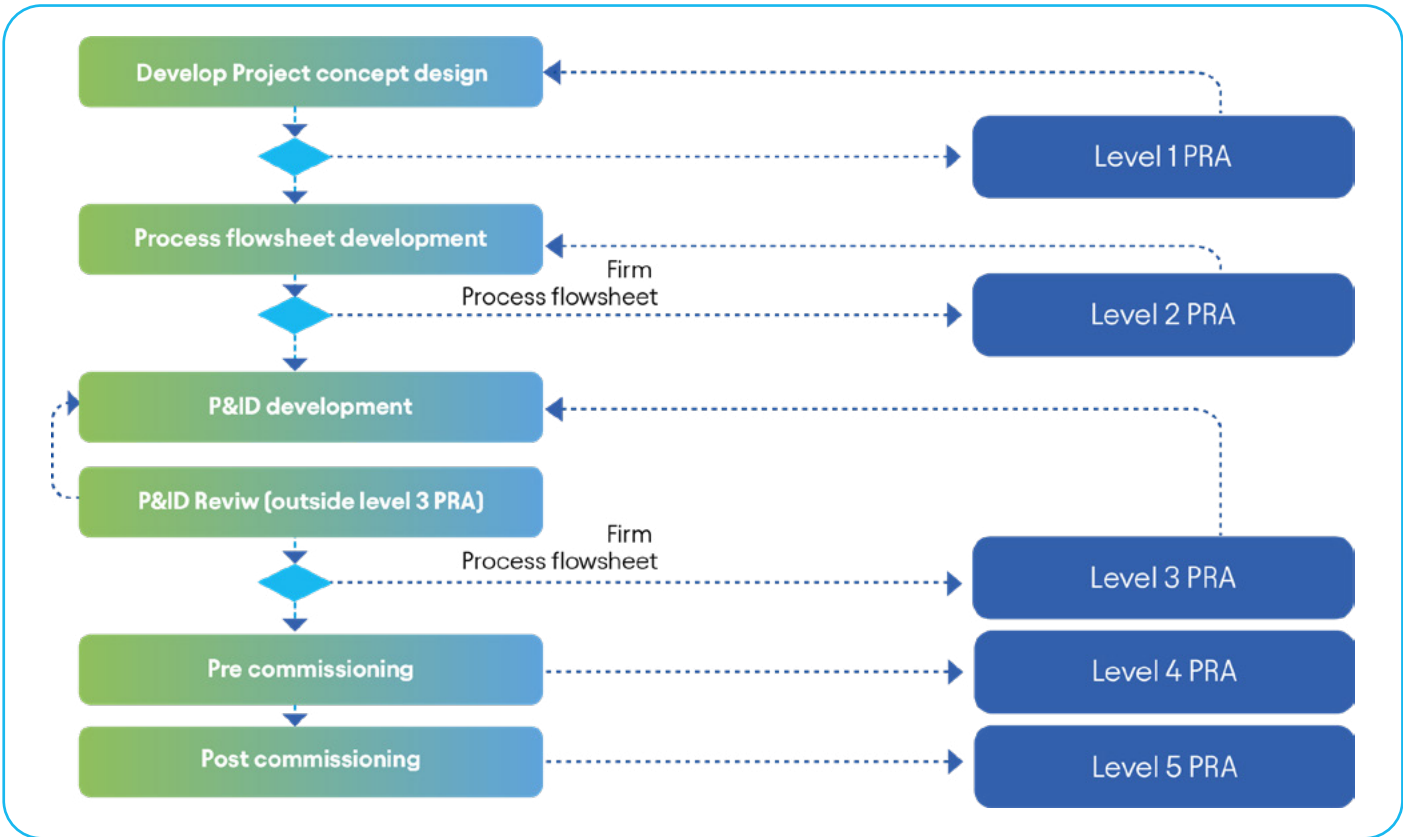
The lab is managed by a team of competent chemical engineers and physical chemists who have the necessary expertise and years of experience to their credit.

Assessment methodology



Process Risk Assessment

A 5 level Process Risk Assessment methodology is followed at Deccan. The PRA team consists of personnel from process chemistry, process hazards group, process engineers, plant operation engineers, plant mechanical and maintenance team and other experts from occupational hygiene and environmental compliance.



Level 1 PRA Hazards data	<ul style="list-style-type: none">Physical properties, Toxicity data, Fire & explosion data for liquids, gases, vapors and powders, chemical compatibility, Material of construction compatibility, Thermal stability data, Engg data
Level 2 PRA Major risk identification	<ul style="list-style-type: none">Validates key design requirements and control strategiesConcentrates on identification of major risks - Fire & Explosion,Over-pressurization, Toxicity (acute & chronic), Environmental release
Level 3 PRA (HAZOP)	<ul style="list-style-type: none">Continuation of Level 2 in great detail-confirms safe design and operation- HAZOPUses a set of deviation keywords for process parameters
Level 4 PRA (PSSR)	<ul style="list-style-type: none">Carried out before introduction of hazardous material into plantEnsures all PRA actions are complete and controls are in place
Level 5 PRA	<ul style="list-style-type: none">PRArevalidation

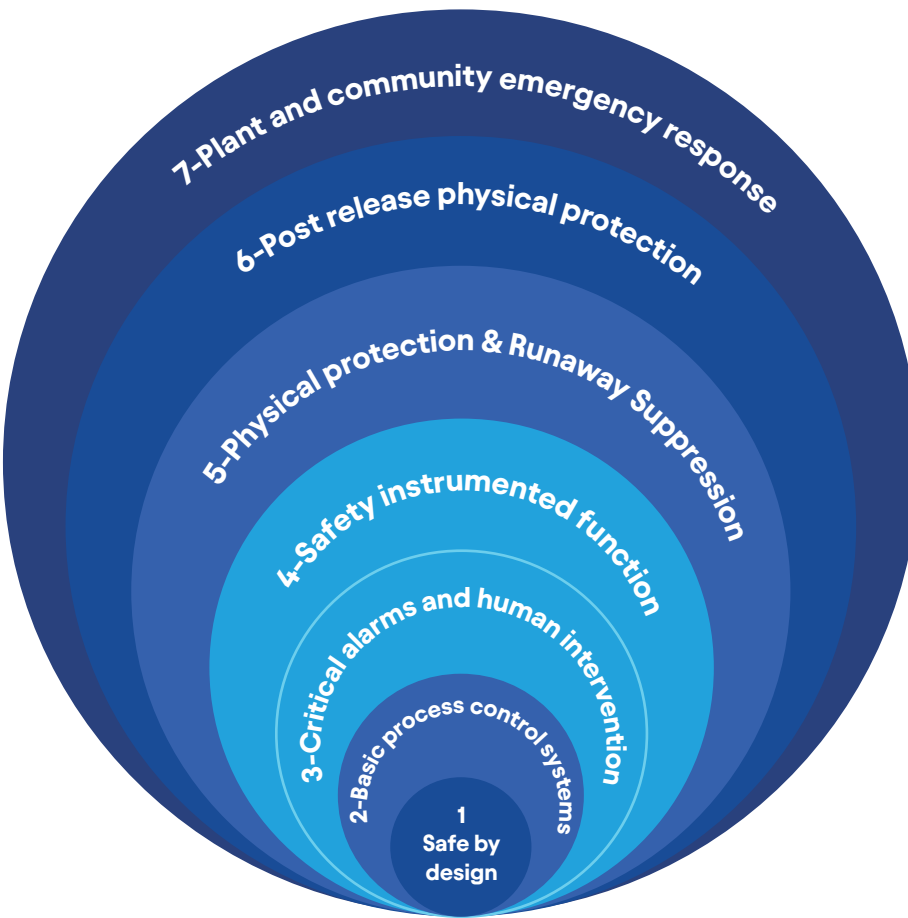
The PRA assesses and defines the Layers of Protection for mitigation of the risks in the following order

- » **Safe by design**
Rate controlled reactions, operations below thermal decomposition where possible, dilution of high energy compounds, operation below flash point of solvent where possible, Indirect heating cooling systems, Inertisation, static hazard control measures, closed sampling and handling of chemicals
- » **Basic Process Control systems**
DCS Interlocks for temperature, pressure, level, pH, weight, density for phase separation
- » **Critical alarms**
Alarms based on PRA
- » **SIS**
Additional SIS Interlocks based on PRA in accordance with IEC61511
- » **Physical protection and runaway suppression**
Overpressure protection with RD & SRV, Quench systems for critical reaction runaway control
- » **Post release physical protection**
Bunds for tanks farm, enclosures with LEV for toxic gas storage room, flange guards, catch tanks

for runaway reactions, pipe in pipe for toxic chemicals pipelines

- » **Plant and community emergency response**
Foam sprinkler and hydrant system for fire protection,

gas suppression for DCS rooms, emergency control center, occupational health center, community emergency response preparedness.



Role of Automation in our safety practices

Aligning with our Health, Safety and Environment (HSE) Policy, we are committed to providing a safe and healthy workplace for our employees and safe environs for other stakeholders who may be impacted by our operations.

Automation plays a significant role in the implementation of HSE at Deccan. Today,

we have one of the highest number of automated material handling systems in the country among chemical processing companies, which ensures minimal human contact – thereby reducing incidents/accidents linked to human errors and better OHS standards overall.

We are in the transition phase towards purchasing materials in bulk packaging and have put in place systems for fully automated transfers and handling (including hazardous chemicals) that minimize

health and safety risks and eliminate untoward incidents. In addition, we have our own state-of-the-art process hazards laboratory. This allows us to assess all potential material and process hazards

that may be brought to our attention by customers and suppliers and also highlight unidentified hazards, if any, thereby improving safety in the manufacturing process.

Safety Performance in Numbers:

Safety Parameters	2019-20	2020-21	2021-22	2022-23
Number of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0
Number of recordable work-related injuries	1	0	0	0
Total Recordable Injury Rate (TRIR)	0.2	0	0	0

Note: The TRIR has been calculated for million man-hours worked, as per the Factories Act.

Key Elements of a Health and Safety Management System at Deccan

1. Process Safety Management

(Please refer the ensuing section)

2. Occupational Safety & Hygiene

Occupational Safety & Hygiene related to anticipating, recognizing, evaluating and controlling health hazards in the working environment with the objective of protecting workers' health and well-being and safeguarding the community at large.

3. Hazard Identification:

We have put in place elaborate systems for identification and management of hazards.

Identified hazards are categorized as follows and managed accordingly.

- » Chemical Hazards (Gases, vapours, solids, fibres, liquids, dusts, mists, fumes, etc.)
- » Physical Hazards (Noise and vibration, heat and cold, Electromagnetic fields, lighting)
- » Safety Hazards (Unsafe acts and unsafe conditions)
- » Ergonomic Hazards (Lifting, stretching, and repetitive motion)
- » Psychosocial Hazards (Stress, workload and work organisation)

Monitoring of identified hazards (evaluation)

Health risk assessment:

This is a careful examination of what could cause adverse health effects to people in our workplace, including assessment of the sufficiency of existing controls and requirements for additional control, if any.

Workplace monitoring (external):

At Deccan, workplace monitoring is carried out annually, involving specialist third-parties.

- » Personal exposure monitoring is a way of measuring a worker's exposure level to a hazard. This is relative to the work period and the activity undertaken.
- » Workplace area monitoring is a measurement of the contaminants present in the work area and measured considering 8 hours of work

Workplace monitoring: (conducted internally using gas detection measuring tubes)

- » Exposure to schedule 2 chemicals is done using gas detection tubes internally, once a year

Physical hazards monitoring and evaluation:

Noise is measured across the site and high noise areas are identified and appropriate engineering controls are implemented to reduce the noise to acceptable levels. Areas of high noise are clearly marked as appropriate warning signages. Furthermore, as a part of the annual medical examination, audiometry tests are conducted for employees working in high noise areas.

Chemical Risk Assessment:

This is process to control safety and security risks associated with hazardous chemicals.

At Deccan, chemical risk assessment is conducted before a worker starts to handle a chemical.

Risk is calculated as a product of severity and probability.

RISK = Severity * Probability



Severity depends on hazardous nature of the chemical being handled. Chemicals are categorized under hazard category from A to E, A being least hazardous and E being highly hazardous (carcinogens and mutagens).

Probability depends on: Quantity being handled, Duration of work, Physical form of chemical, Nature of work

Controls:

- » Elimination and substitution
- » Engineering control (drum charging booth, Local exhaust ventilation, Fumex blower)
- » Administrative controls
- » PPE: Helmet, safety shoes, goggles, splash goggles, face shield, ear plugs, ear muffs, chemical resistant gloves and suits and boots (Harvik), respiratory protection such as Nose filters, PAPR, SCBA, Full face respirator/ half face respirator, airline respirator, etc.

4. Safe system of Work or workplace Safety

Workplace safety is critical to our continued operations. We ensure that our work environments are safe enough for our employees to do their jobs well with the lowest levels of risk and highest levels of workplace safety.

While no workplace is completely devoid of risks, our ongoing challenge is to keep risk mitigated and workplace safety standards high – and constantly improving on the same.

We have the following essential elements to ensure workplace safety.

- » Permit to Work
- » Management of Change
- » Incident Reporting and Investigation
- » HSE walkthrough Inspection
- » Safety Maintenance and Control (SAMACO)
- » Safety Data Sheet (MSDS)
- » Personal Protective Equipment
- » Job Safety Analysis – Work Place Risk Assessment/ Hazard Identification & Risk Assessment and Control.
- » Mandatory Safety Induction Trainings and Site & Department/Section role based trainings

5. **Response to Emergency & Mitigation Plan**

A well-documented On-Site Emergency Management Plan is in place at all the manufacturing sites to address all foreseeable emergencies. Our On-SEP has been prepared in line with the applicable regulations [SCHEDULE –II of The Manufacture, Storage and Import of Hazardous Chemical

Rules, 1989, which is a local statute governing Major Accident Hazard (MAH) Units in India].

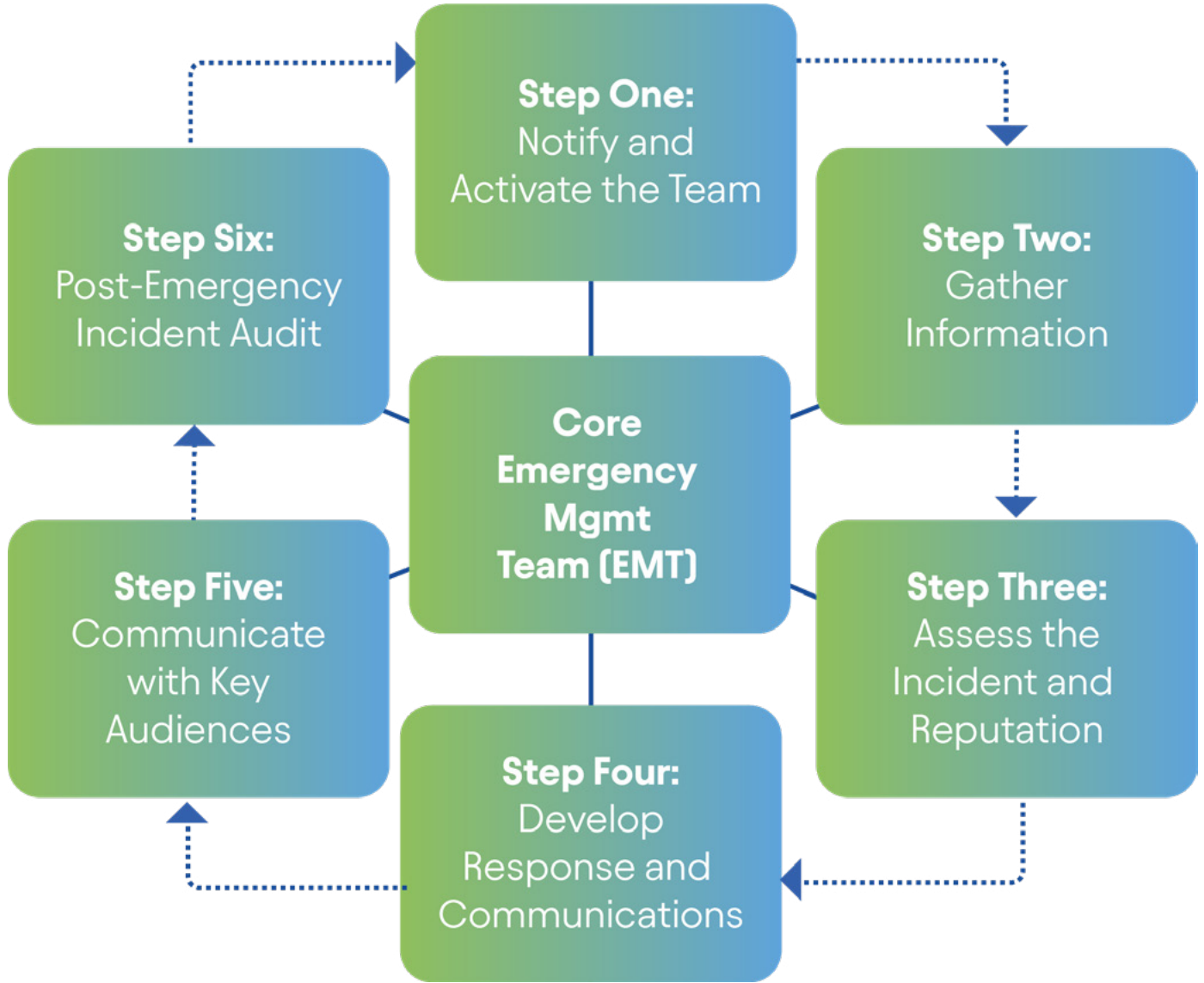
The emergency preparedness and response plan supports the following:

- » To protect people, environment, assets and reputation of Deccan

- » To limit and control the adverse consequences of events that are out of control

- » To ensure adequate communication to concerned stakeholders

Deccan's Emergency Management follows a 6-step process described herein.



All Emergency Management Infrastructure & Equipment such as Fire Pump house, associated Hydrant network, Fire extinguishers, Smoke detectors, Sprinkler network, Fire Tender, Plant & Tank farm bunds for loss of containment, that are required to implement the Emergency Plan is made available & maintained by an effective preventive maintenance plan. Sufficient

manpower in the form of our Emergency Management Team is also available round the clock to implement the On-SEP, in the event of a necessity arising for the same. The Emergency Management Team's skills are periodically refreshed & upgraded through an effective & rigorous Role Based Training Program. The Emergency Scenarios Management Plans that are

documented in the On-SEP are periodically practiced through mock drills & reports of the same are submitted to local statutory authorities i.e. the office of Chief Inspector of Factories & Boilers in each state where we operate. This On-SEP is reviewed every year or as and when there is any major change to be incorporated in the plan.

Gas Leak Emergency Management Van (Glem Van)

Breathing Apparatus, Aprons and other PPE's, Water curtain Nozzles, Tools for emergency response and gas detectors are made available in the vans.



Fire tender;



Fire deluge system and Medium Velocity Sprinkler for Bulk storage system

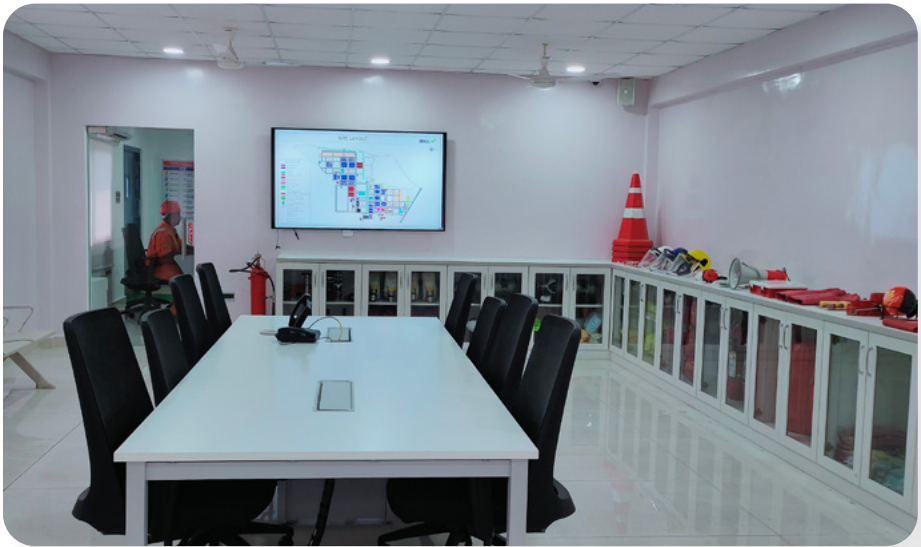


Fire Alarm System

Main Fire Alarm Panel (Notifier)

The Main Fire Alarm Notifier Panel is located in the Emergency Control Centers & is connected to SCADA interface for better operator control. It monitors the Fire Detection / Protection & Alarm infrastructure, indicates the affected area & communicates to all repeater panels installed in control rooms across site. The entire system is addressable & exact location of emergency can be identified accurately in a matter of seconds.

Emergency Control Center



Managing Medical Emergencies

Our Occupational Health (OHC) Centres in each plant location are equipped to provide first-aid treatment in compliance with the requirements of Factories Act and state Factories Rules. At each such centre, an ambulance

is stationed and is manned 24*7. Each OHC is manned by a medical assistant, an ambulance driver and trained first aiders round the clock. List of trained emergency rescue team members with their contact details are always

made available at the ECC as well as in the Occupational Health Centre. Antidotes for major chemicals handled by the unit are identified and always maintained in each of our OHCs.



Emergency Management Team



HSEQ&En Policy Statement



At Deccan, we strive to achieve excellence in Occupational health, Safety, Environmental performance, Quality and Energy management for sustained success of our business. Our commitment to excellence in the above attributes covers all our stakeholders such as employees, contractors, customers and suppliers. It is applicable to our entire business operations and related processes including procurement and logistics.

Deccan is committed to:

- » Incorporate HSEQ&En and social responsibility principles and practices into all our business operations and related processes.
- » Integrate HSEQ&En criteria in all decision-making process including new business investments procurements and contractual agreements.
- » Comply with all applicable regulatory and other requirements, international standards, guidelines and voluntary programs the company participates in.
- » Provide an environment friendly, safe workplace and healthy working condition for the prevention of work-related injury and illness.
- » Develop and implement standards, procedures and guidelines on HSEQ risk identification, assessment and control measures.
- » Frame HSEQ&En objectives and targets with prioritized action plan for achieving the overall performance and year-on-year goals.
- » Ensure the availability of appropriate and adequate resources to achieve the HSEQ&En objectives and targets.
- » Consider sustainable technologies and materials including those that are energy-efficient, water efficient and result in lesser emissions and waste etc.,
- » Improve the awareness levels and ensure that all our employees & relevant stakeholders are trained on HSEQ risk and mitigation measures, emergency preparedness and response, energy conservation and pollution prevention practices through effective communication modes and engagement programs.
- » Consult with our employees, contractors and relevant stakeholders through open communication channels towards suggestions to reduce HSEQ risks and engage with them in continual improvement initiatives.
- » Evaluate all projects with respect to HSEQ risks and implement the best available technology to achieve organizational goals.
- » Measure the HSEQ&En performance across all business operations and related processes and derive key performance indicators to monitor and report the performance at scheduled intervals to relevant stakeholders.
- » Ensure that all incidents are reported, investigated, root causes identified; for all such incidents corrective actions shall be taken and recorded.
- » Conduct periodic audits, reviews and report the progress to the management.
- » Deploy all best practices across our business operations and related processes and extend such practices across our value chain (upstream & downstream) as applicable.

G.S. Raju
Managing Director

8.4 Employee Focus



HIGHLIGHTS

- **Full-time employees: 2,893**
- **Role-based training matrix; 62,790 man-hours of training**
- **100% employees covered under Annual Performance Review**



MATERIAL ISSUES



STAKEHOLDERS IMPACTED



Employment Practices

At Deccan, we recruit high-quality talent for the company and emphasise merit in our hiring practices. Our Human Resources (HR) team follows a well- established recruitment procedure and runs an employee referral programme, which leverages existing employees' social and professional networks to attract the most suitable talent to join us. We follow the principle of equal opportunity

in building our workforce and make all efforts to avoid biases arising from factors such as gender, race, religion, caste, and other socio-economic considerations. Specifically, our hiring managers are encouraged to maintain gender diversity among the people they hire. We also comply with the national minimum age requirement for employment

and ensure that all persons hired are above the age of 18 years. All the employees at Deccan, working in both permanent and contractual positions are Indian Nationals. As of end 2022-23, we had a total employee strength of 2,893. The table below shows the number of full-time employees by age and gender, in the reporting years.

Full Time Employee count by location

Location	Total Employees (Nos.)			
	2019-20	2020-21	2021-22	2022-23
Tuni	758	1,015	1,406	1,773
Ankleshwar	412	429	426	478
Goa	477	486	483	536
Corporate Office, Hyderabad	79	92	100	106
Total	1,726	2,022	2,415	2,893

Employee count by age and gender

Year	Age Group (Nos.)			Gender (Nos.)	
	<30 Yrs.	30-50 Yrs.	>50 Yrs.	Male	Female
2022-23	969	1,694	230	2,776	117
2021-22	846	1,357	212	2,315	100
2020-21	574	1,240	208	1,953	69
2019-20	434	1,078	214	1,687	39

New employee hires by location

Location	New Employees Hired (Nos.)			
	2019-20	2020-21	2021-22	2022-23
Ankleshwar	110	65	61	151
Goa	35	37	42	89
Tuni	317	474	715	766

New employee hires by age and gender

Years	Age Group (Nos.)			Gender (Nos.)	
	<30 yrs	30-50 yrs	>50 yrs	Male	Female
2019-20	205	256	1	452	10
2020-21	281	294	1	547	29
2021-22	447	367	4	783	35
2022-23	557	448	6	967	39

Employee turnover by location

Location	Employee Turnover (Nos.)			
	2019-20	2020-21	2022-22	2022-23
Ankleshwar	81	46	64	99
Goa	36	28	46	40
Tuni	184	226	327	399

Employee turnover by age and gender

Years	Age Group (Nos.)			Gender (Nos.)	
	<30 yrs	30-50 yrs	>50 yrs	Male	Female
2019-20	189	80	23	293	8
2020-21	218	57	25	295	5
2021-22	226	189	22	430	7
2022-23	301	217	20	515	23

At Deccan, in the reporting year, There have been no violations related to corruption or bribery, discrimination or harassment, conflicts of interest, money laundering, or insider trading

Enhancing Gender Diversity in STEM and Managerial Roles:

Deccan is committed to fostering a diverse and inclusive workplace where all employees have equal opportunities to thrive. We believe that

gender equality is essential for achieving our business goals and creating a more equitable society. As part of our commitment to ESG principles,

we are focused on increasing the representation of women in STEM-based positions and managerial roles.

STEM		Managerial Role
No. of Female Employee's		15
At Deccan, we are committed to create a culture that supports women's advancement to leadership positions. We offer a variety		of programs and initiatives to promote women in management. At Deccan, we are working to close the gender gap in STEM based positions by providing women with the support and resources they need to succeed.

Employee Leave and Benefits

Deccan's employees are entitled to benefits on par with industry standards and to leaves as required by law. The table below highlights some of the benefits provided to employees.

Benefits provided to employees

Employees	
Life Insurance	Employees are covered under the Employees Deposit Linked Insurance Scheme (EDLI) covered by the Employees Provident Fund Organisation (EPFO). Additionally, employees are also covered under a Term Life Insurance Policy for 24hrs.
Disability - Group Personal Coverage/ESIC Coverage	Group Personal Accidental Insurance A is additionally extended to employees for 24 hrs.
Parental leave [maternity leave or paternity leave]	Maternity leave is applicable to employees
Marriage leave [additional to normal leaves allotted]	Employees are entitled to 5 days leave along with a sum of Rs.7,500 (for confirmed employees only)
Retirement provision	Retirement benefits are available to both full time and contract employees. Full-time employees are entitled to gratuity as per applicable law.

In addition to the above listed benefits, employees also receive bereavement leaves, are entitled to housing, transportation and food allowance, spousal medical check-up and optional

parental medi-claim on a subsidized basis.

As legally required, Deccan's employees are entitled to take parental leave, over and above the statutory leave available

to them. Shown below are the number of employees who availed parental leave and returned to work in the reporting year.

Employees availed parental leave and returned to work, by gender

Year	No of Employees, by gender, taken Parental Leave		Total number of employees that returned to work in the reporting period after parental leave ended, by gender.		No of employees returned to work after parental leave ended, who were still employed twelve months after their return to work
	Male	Female	Male	Female	
2019-20	15	0	15	0	15
2020-21	24	1	24	1	25
2021-22	19	2	19	0	21
2022-23	22	2	22	2	24

During the reporting period, 24 employees have availed parental leave, of which all the employees returned to work in the reporting period.

Employee Focus and Well-being

Our people are the cornerstone of our continued growth, and their professional development is accorded high priority at Deccan. To ensure that all employees have the necessary skills to fulfil their job requirements, while maintaining health and safety for their colleagues, and the environment, we follow a structured training programme, comprising 4

segments. These include refresher trainings as well as those for new recruits.

» New recruits: New employees are taken through a full-day induction session in which they are acquainted with the company's Code of Conduct, HR and general administration procedures, grievance management, performance management, rewards and recognition etc. They are also familiarized with access to the site and safety requirements.

» Site Role Based Training: The company's Role

Based Training Matrix [RBTM] showcases training modules in relation to the roles identified as requiring training, including refresher training. Each year, the RBTM is reviewed and approved by the site and departmental heads, after which it is rolled out as per a training calendar. These trainings are coordinated and managed by the Training Coordinator.

» Departmental/ Sectional Role Based Trainings: These trainings follow a similar procedure as above, with the sessions delivered to employees of relevant

departments/ sections (who do not work at the sites).

» **Learning and Development Trainings:** Focused on employees' professional development and career progression, these trainings are coordinated by our HR team together with respective departments/ line managers. Employee trainings are delivered by a dedicated training team, supported by the company's Human Resources department. Each employee's training status is tracked through an automated system. In the coming months, we aim to roll out an upgraded dashboard for every employee's training status that will indicate the sufficiency or gaps in work related competence. The below table indicates the types of training and the number of people trained during the last four years.

Employees trained by type of training

Sr. No.	Description of course	Total hours offered	No of Persons			
			2019-20	2020-21	2021-22	2022-23
1	Internal Courses for Skill Upgradation	47,084	1,115	2,078	1,949	2,841
2	External Courses for Skill Upgradation	15,706	1,374	687	863	1,331

Gender	Hours of training by gender				
		2019-20	2020-21	2021-22	2022-23
Male	Participants	1,598	1,716	1,964	2,745
	Hours	23,935	38,939	42409	45,371
Female	Participants	17	42	43	96
	Hours	233	494	966	1,713

Training - Job Level	Designation wise Training				
		2019-20	2020-21	2021-22	2022-23
Managerial	Participants	498	539	577	802
	Hours	7,892	10,699	12,970	17,037
Non Managerial	Participants	1,117	1,219	1,430	2,039
	Hours	16,276	28,734	30,405	30,047

Employee Training on HR Practices						
			2019-20	2020-21	2021-22	2022-23
1	Training on Human Rights Policies/ Procedures	Hours	159	237	852	946

Performance Evaluation

Alongside training, we prioritize regular evaluation to ensure that employees have understood job requirements and are able to translate internal trainings into outputs. All employees are mandatorily evaluated after internal trainings, either through a questionnaire, oral feedback, or demonstration of skills on the job. Remedial training is provided for as necessary. All employees also undergo an annual performance review and are evaluated vis a vis key performance indicator (KPIs). In FY 2022 -23, 100% eligible employees underwent annual performance review. At Deccan, gender pay assessments are conducted as a part of Assurance engagements.

Sr. No.	Category	Unit	2019-20		2020-21		2021-22		2022-23	
Employees who received a regular performance and career development review during the reporting period			Male	Female	Male	Female	Male	Female	Male	Female
	Employee category									
1	Managerial Employees	Nos.	395	10	483	11	523	13	636	15
		%	100%	100%	100%	100%	100%	100%	100%	100%
2	Non-Managerial Employees	Nos.	817	21	962	28	1,104	52	1,384	72
		%	100%	100%	100%	100%	100%	100%	100%	100%

Freedom of Association				
	2019-20	2020-21	2021-22	2022-23
No of Employees in Union/ Association	168	154	137	121
% of employees	10	8	6	4



I. Long Service Awards

Completed Years of Service

5 Years	Cash award
10 Years	Cash award
15 Years	Cash award
20 Years	Cash award
25 Years	Cash award
30 Years	Cash award
35 Years	Cash award
Super Annuation with minimum 10 years of service	Cash award

*At Ankleshwar site, employee's serving 15, 20 and 25 years are given 10 grams gold coins in addition to the cash award.

II. Reward & Recognition

1. Individual Awards

Award Name	Eligibility (Work Level)	Frequency	Award
The Mercury awards – Ace of the month	All levels	Monthly	Cash award
The Venus awards for Constant Contributor	All levels	Half yearly	Trophy and cash award
The Neptune Award for Helping Hand	All levels	Half yearly	Trophy and cash award
The Jupiter Award – "Above and beyond" Performance	All levels	Annually	Trophy and cash award
Spot Merit Award	All levels	Spot award any time during the year	Certificate with cash coupon

2. Team Awards

Award Name	Eligibility (Work Level)	Frequency	Award
The Milky way Award – "We can do it" spirit	All levels	Half yearly	Trophy and cash award
The Galaxy Award – Team of Champions	All levels	Annually	Trophy and cash award
Safety Man of the Month Award	All levels	Monthly	Certificate with cash coupon

3. HSE awards for Individuals

Award Name	Eligibility (Work Level)	Frequency	Award
Zero LTA Awards	All levels	Annually	Cash award to all FTE across site
ERT incentive	ERT members	Annually	Cash award each member
ERT incentive	ERT members completing 100% ERT RBTM	Annually	Cash award each member
ERT incentive	ERT members	Annually	Family meal - up to INR 2000/- to each member
Safe employee of the month	All levels	Monthly	Cash award each member
Best Safety Observation of the month	All levels	Monthly	Cash award each member
Safety Quiz	All levels	Quarterly	Cash award each member

HSE awards for team

Award Name	Eligibility (Work Level)	Frequency	Award
HSE Awards	All levels	Quarterly	Cash award each member
Best PTW	All levels	Monthly	Cash award each member
Best JSA	All levels	Quarterly	Cash award each member

III. Employee Referral Award

- Cash award to employee for referral based on the work level of candidates selected.
- The employee will be eligible for an additional Incentives if the referred candidate joining the organization is a female.

IV. Recognition & Engagement of Employees' families

- Scholastic Award for Employee's Child Securing 80% & above in 10th & 12th Class [Certificate + Cash award].
- Annual Health Check-up for Employee's spouse.
- Celebration and Gathering during major festivals in the Factory as well as in the Housing Colony



Code of Conduct

Deccan is committed to Integrity, Respect, Responsibility, Excellence and Standards of conduct. We believe in responsible social and ethical behaviour and have a responsibility to the employees serving the company. Furthermore, Deccan and our employees have an obligation to all our stakeholders to observe high standards of integrity and fairness in all dealings.

This Code of Conduct applies to all Deccan employees and business partners. This is communicated to suppliers through contractual provisions.

We expect everyone who works or represents Deccan to adhere to the following:

- » Be honest and ethical in all dealings, avoid any acts of corruption or bribery such as offering or accepting bribes, kickbacks, or other illegal payments.
- » Treat everyone with respect, not discriminate against or harass any individual based on race, colour, religion, national origin, gender, sexual orientation, age, disability or any other factors.
- » Attend to work without any impaired of judgment and therefore - refrain from abuse of alcohol and/or other drugs that may affect their work.
- » Avoid engaging in any activities related to money laundering, such as accepting, or handling proceeds from illegal activities, disclose any potential conflicts of interest, and avoid making decisions that could benefit themselves over the company.
- » Not engage (including in part) in any kind of fraud, theft, or embezzlement, or any unauthorized activities outside of the scope of employment.
- » Report any kind of violations, violence or threats of violence.

Our Management's responsibilities include:

- » Comply with all applicable laws and regulations and help employees to seek guidance.
- » Institute a grievance redressal process and whistle-blowing process & protect employees who report potential wrong-doing.
- » Implement and monitor our code of conduct and related policies to ensure its effectiveness.
- » Protect worker rights, ensure no hiring of child labor, forced or bonded labor.
- » Provide workers with contracts and ensure reasonable working hours and payment of fair wages and benefits; respect right to freedom of association and to bargain individually and collectively
- » Promote equal opportunities for all the employees by committing to diversity, equity, and inclusive work culture. We do not tolerate any discrimination or harassment in any form.
- » Protect employee data, use it appropriately for business purposes, and give employees access and control appropriately.
- » All communication channels (email and internet traffic) are Deccan's property and may be monitored. Telephonic conversations are not monitored unless agreed upon in advance or for training purposes only.
- » Sourcing from conflict zones is not directly applicable to Deccan as raw material & packing material are supplied by customer; however, Deccan will take all the necessary action to address & mitigate any associated risks.

G.S. Raju
Managing Director

8.5 Supply Chain Management



HIGHLIGHTS

- **Supplier ESG policy and CoC compliance**
- **Engagement with suppliers to foster material circularity**
- **Material sourced from India**
2022-23: 53.3%
- **In FY 2022-23, 6.31% by weight of the raw materials utilized is derived from renewable resources.**

MATERIAL ISSUES

Sustainable & resilient supply chain

Product & chemical safety

STAKEHOLDERS IMPACTED

Vendor Partners

Customers

Our procurement system including logistics play a key role in our efforts to be a responsible corporate. We have initiated several measures in our supply chain that help lower our environmental footprint, ensure the safety of our stakeholders, and enable us to engage with and build supplier relationships that support our commitment to sustainability.

Lower carbon emissions

In recent times, we have shifted our reliance on imported raw materials and transitioned towards sourcing them from suppliers within India and in close proximity to our facilities. In the fiscal year 2022-23, we successfully procured 30,033 metric tons of raw materials from local suppliers at close proximity, significantly reducing the need for transporting goods over long distances—resulting in a remarkable reduction of 800,000 kilometers in transportation. Furthermore, we have successfully identified and engaged with local suppliers for raw materials that were traditionally imported. Our commitment to local procurement initiatives has yielded positive outcomes, including shorter transportation distances by sea/road, diminished use of fossil fuels in logistics, and

subsequently, a notable decrease in carbon emissions. This achievement is attributed to the meticulous selection of material discharge ports. Presently, 70% of our imports are unloaded at points approximately 30 kilometers from our facility in Goa. This strategic approach has substantially curtailed fuel consumption and minimized the distances over which raw materials are transported.

These efforts are supported by the appropriate selection of the port of material discharge. This aspect is important in optimizing the distance travelled and reducing fossil fuel-based emissions. In this respect, we work to identify the closest delivery points to receive shipments of raw material.

As of today, around 70% of our imports are discharged at points about 30 kms from our facility in Goa, considerably reducing fuel consumption and distances over which raw material is carried.

Implementing the principles of circular economy

Cognizant to the benefits of the principles of circular economy, we have implemented steps in reducing the use of plastic storage in our procurement and logistics practices. For

instance, earlier we used to store raw materials such as ethyl acetate and acetic anhydride in HDPE storage drums. In all efforts to reduce polymer use in the business, we have introduced the use of ISO tanks for storage, instead.

Reducing the quantities of packaging that enter our system has also helped us minimize potential environmental harm. Purchases of smaller pack sizes e.g., 25 kgs have been replaced with bulk pack sizes of 750 kgs. This has not only lowered packaging waste, but also results in less raw material residue. In turn, this can avoid contaminating natural resources such as water and soil.

Besides decreasing the quantities of packaging that come into the system, we have also begun reusing packaging such as HDPE storage drums and IBCs. These are sent back to suppliers who re-use them to provide raw material, thus contributing to lowering waste generated in our value chain.

Recycling too has a place in our efforts to enhance responsible consumption. Some of the materials that we procure locally comes in packaging made of wood recycled from pallets that were originally part of the packaging of imported goods.

Low risk logistics and stakeholder safety

The transition from multiple primary packaging units to fewer and bulk packs is closely linked to a safe and healthy work environment for stakeholders including our employees, those of our supply partners, and people living in the vicinity of our facilities. Due to the automation in handling packs and the method of emptying large packs directly into a hopper, people are minimally exposed to raw materials, especially the hazardous ones. Additionally, there is no spillage, hence the chance of environmental pollution is minimized.

Positive outcomes of purchasing material in bulk packs are also seen in their transportation. Owing to their large size, these packs are transported in tankers that are considered road-worthy and able to safely bear the loads they are designed to carry. With lower potential for accidents (arising from vehicle maintenance or suitability), there is less danger of contaminating the environment through which they are transported.

In Goa, we take the services of an agency that does reconnaissance and selects

the safest and best possible routes for the transportation of hazardous materials. This includes identifying routes from where emergency services can be accessed, those that ensure the safety of the vehicle, driver and the goods being transported and an escort service to navigate unsafe areas and poor route conditions.

Building sustainable supplier relationships

To be a credibly and sustainable corporate, it is essential that we enhance the sustainability of our value chain including the businesses that belong to our supply partners. Supplier approval at Deccan is an ongoing process through which we identify and engage with those that best support our business and ESG objectives. Our Supplier Code of Conduct requires key suppliers to commit to adhering to the requirements it lays out and to demonstrate respect for the values important to us.

We have established a sustainable supplier chain policy that outlines our expectations for our suppliers in terms of environmental stewardship, labour practices, and ethical sourcing. To ensure compliance with our policy and our supplier code of conduct, we conduct regular supplier audits. In FY 2022-23, we carried out 12 supplier audits across all operating locations and have a roadmap in place to expand our audit program to cover approximately 50% of our suppliers by 2025.

Through our rigorous supplier audit program, we are committed to upholding our sustainability commitments and fostering a supply chain that is not only environmentally responsible but also socially and ethically sound.



Deccan Fine Chemicals (India) Pvt Ltd



Deccan Fine Chemicals (India) Pvt Ltd

Independent Assurance Statement

To the Directors and Management,
Deccan Fine Chemicals (India) Private Limited,
8-2-293/82/A/74A, Road No. 9, Jubilee Hills,
Hyderabad – 500 033, Telangana, India

Deccan Fine Chemicals (India) Private Limited, (hereafter ‘Deccan’ or ‘the company’) commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of the non-financial Information disclosed in their ESG Report (hereinafter ‘the Report’). The report is based on the Global Reporting Initiative (GRI) standards 2021. The assurance engagement was conducted in reference with AA1000 Assurance Standard v3, specifically ‘Type 1, Moderate Level.’ The ESG Report covers Deccan’s ESG KPIs for the period of 1st April 2022 to 31st March 2023, and the verification was conducted within the reporting boundary during September and October 2023.

Management's Responsibility

Deccan has monitored the ESG data and is responsible for identifying materiality, and related sustainability issues, establishing, reporting performance management, data management, and quality. The management is responsible for the information provided in the report and the process of collecting, analysing, and reporting the information presented in web-based and printed forms, including website maintenance and its integrity. Furthermore, Deccan’s management is responsible for accurately monitoring and reporting the ESG data following the applied criteria so that it is free of intended or unintended material misstatements. Deccan will be responsible for archiving and reproducing the disclosed data for the stakeholders upon request.

Scope and Boundary

In particular, the assurance engagement included the following:

- i. Verification of the application of the principles as mentioned in the Global Reporting Initiative (GRI) Standards, and the quality of information presented in the ESG data over the reporting period;
- ii. Review of the policies, initiatives, practices and performance described in the Report;
- iii. Review of the non-financial disclosures made in the Report against the requirements of the GRI Standards;
- iv. Verification of the reliability of the GRI Standards Disclosure on environmental and social topics by verifying sample data;
- v. Specified information was selected based on the materiality determination and needs to be meaningful to the intended users.

TUVI has verified the below-mentioned GRI disclosures given in the Report:

Topic	Indicator	GRI Disclosure
Material	Recycled input materials used	301-2
Energy	Energy consumption within the organization	302-1
	Energy Intensity	302-3
Water & Effluents	Water withdrawal	303-3
	Water discharge	303-4
	Water consumption	303-5
Waste	Waste Generated	306-3
	Waste diverted from disposal	306-4
	Waste directed to disposal	306-5
Emissions	Direct (Scope 1) GHG emissions	305-1
	Energy indirect (Scope 2) GHG emissions	305-2
	GHG emissions intensity	305-4
	Nitrogen Oxides (NOx), sulphur oxides (SOx), and other significant air emissions	305-7
Occupational Health and	Occupational health and safety management System	403-1
	Worker participation, consultation, and communication on occupational health and safety	403-4

Safety	Workers covered by an occupational health and safety management system	403-8
	Work-related injuries	403-9
	Work-related ill health	403-10
Employment Training and Education	New Employee Hire & Turnover Details	401-1
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2
	Parental leaves	401-3
	Average hours of training per year per employee	404-1
	Programs for upgrading employee skills and transition assistance programs	404-2
	Percentage of employees receiving regular performance and career development reviews	404-3
Local communities	Operations with local community engagement, impact assessments, and development programs	413-1

The reporting aspect boundaries are set out in the report covering the ESG KPI performance of Deccan encompassing:

- 1. Goa Plant located at Corlim
- 2. Ankleshwar Plant located in Gujarat
- 3. Tuni Site located at Venkatanagaram Post, Kesavaram, Andhra Pradesh

In addition, assurance boundary is also extended to the Hyderabad Head Office

- i. 8-2-293/82/A/74A, Road No. 9, Jubilee Hills, Hyderabad – 500 033, Telangana, India

The hybrid combination of remote and onsite verification was conducted at Ankleshwar Plant located in Gujarat – 26-29 September 2023 (onsite), Tuni Site -03-04 October 2023 (remote) and Goa Plant located at Corlim – 05-06 October 2023 (remote), Head Office – 12 and 16 October 2023 (remote). The assurance activities were carried out together with a desk review of data of other locations.

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the ESG data, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion from the prospective information. During the assurance process, TUVI did not come across any limitations to the agreed scope of the assurance engagement. TUVI is contracted by the Deccan and answerable to the Deccan's management only. TUVI verified the data on a sample basis; the responsibility for the authenticity of the data entirely lies with Deccan. TUVI expressly disclaims any liability or co-responsibility in the case of erroneous data reported or for any decision a person or entity would make based on this assurance statement.

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a limited level of ESG assurance and to express a conclusion based on the work performed. This engagement did not include an assessment of the adequacy or the effectiveness of Deccan's strategy or management of sustainability-related issues or the sufficiency of the report against GRI Standards, AA1000 Assurance Standard v3 and other requirements mentioned under the scope of the assurance. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information disclosed by Deccan. The intended users of this assurance statement are the management of ‘Deccan’. This assurance engagement is based on the assumption that the data and information provided to us by Deccan are complete and true.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focused on verification efforts with respect to disclosed KPI’s. TUVI has verified the KPI’s and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- i. TUVI examined and reviewed the documents, data, and other information made available by Deccan for non-financial KPI’s (non-financial disclosures);
- ii. TUVI conducted interviews with key representatives, including data owners and decision- makers from different functions of the Deccan during the verification;
- iii. Review the level of adherence to principles of GRI standards.
- iv. TUVI examined and reviewed the documents, data (on sample basis) and other information made available by Deccan for the reported disclosures including the Management Approach and performance disclosure;



Opportunities for Improvement

The following are the opportunities for improvement reported to Deccan. However, they are generally consistent with Deccan management's objectives and programs.

- 1) Deccan may strengthen its internal reporting by opting a smart cloud-based data management system and compliment the same with periodic internal data and performance reviews,
- 2) Deccan can perform a detailed climate risk analysis applicable to entire supply chain starting from raw material extraction, transport, manufacturing, packaging, finish good transport followed by use phase (scenario analysis) and end of life as feasible,
- 3) The Deccan may perform equipment wise GHG mapping for all of the location to identify the hot spots and accordingly design the structured and focused mitigation measures,
- 4) Deccan can establish site wise KPI and monitor the respective progress to track the realization against the set plant wise targets.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the "disclosures on ESG performance" and reference information provide a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the GRI Standards.

Deccan appropriately discloses the KPI's and actions that focus on the creation of value over the short, medium and long term. The selected KPI's disclosures by Deccan are fairly represented. On the basis of the procedures we have performed, nothing has come to our attention that causes us to believe that the information subject to the limited level of assurance engagement was not prepared, in identified ESG information is not reliable in all material respects, with regards to the reporting criteria.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements. Deccan refers to general disclosure to report contextual information about Deccan, while the 'Management Approach' is discussed to report the management approach for each material topic.

Universal Standard: Deccan followed GRI 1: Foundation 2021: Requirements and principles for using the GRI Standards; GRI 2: General Disclosures 2021: Disclosures about the reporting organization. General Disclosures were followed when reporting information about an Organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices and reporting process and GRI 3: Material Topics 2021: Disclosures and guidance about the organization's material topics. GRI3 was selected for Management's Approach on reporting information about how an organization manages a material topic.

Topic Specific Standard: 300 series (Environmental topics), and 400 series (Social topics); These Topic-specific Standards were used to report information on the organization's impacts related to environmental and social topics. *TUVI is of the opinion that the reported material topics and Topic-specific Standards that Deccan used to prepare its Report are appropriately identified and addressed.*

Limited Assurance Conclusion: Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. TUVI found the ESG information to be reliable in all principles, with regards to the reporting criteria of the GRI Standards.

Evaluation of the adherence to adherence to AA1000 AccountAbility Principles along with other contemporary Principles

Stakeholder Inclusiveness: Stakeholder identification and engagement has been carried out by Deccan on a periodic basis to bring out key stakeholder concerns as material topics of significant stakeholders. In our view, the Report meets the requirements.

Sustainability Context: Deccan established the relationship between ESG and organizational strategy within the Report, as well as the context in which disclosures are made. In our view, the Report meets the requirements with regards to the ESG Context.

Materiality: The materiality assessment process has been carried out, based on the requirements of the GRI Standards, considering topics that are internal and external to the Deccan's range of businesses. The Report fairly brings out the aspects and topics (KPI's), and its respective boundaries of the diverse operations of Deccan. In our view, the Report meets the requirements.

Responsiveness: TUVI believes that the responses to the material aspects are fairly articulated in the report, i.e. disclosures on Deccan policies and management systems including governance. In our view, the Report meets the requirements.



Impact: Deccan communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with GRI and its policy framework encompassing the environmental, social, ethical and other policies. Deccan reports on sustainability performance to the members of top management, who oversee and monitor the implementation and performance of objectives, as well as progress against goals and targets for addressing sustainability-related issues.

Completeness: The Report has fairly disclosed the selected non-financial KPI's, as per GRI Standards. In our view, the Report meets the requirements.

Reporting Principles for defining report quality: The majority of the data and information was verified by TUVI's assurance team during the remote assessment and found to be fairly accurate. The disclosures related to ESG issues and performances are reported in a balanced manner and are clear in terms of content and presentation. In our view, the Report meets the requirements

Reliability: The sampled data and information was verified by TUVI's assurance team and found to be fairly accurate. Some inaccuracies in the data identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and these errors have been corrected. Therefore, in reference with the GRI Standards and limited level assurance engagement, TUVI concludes that the ESG data and information presented in the Report is fairly reliable and acceptable. In our view, the Report meets the requirements.

Neutrality: The disclosures related to ESG issues and performance are reported in a neutral tone, in terms of content and presentation. In our view, the Report meets the requirements.

TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement. The intended users of this assurance statement are the Management of Deccan. The Management of the Deccan is responsible for the information provided in the Report as well as the process of collecting, analyzing, and reporting the information presented in web-based and printed Reports, including website maintenance and its integrity. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information (Sustainability Performance) disclosed by Deccan in the Report.

Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing sustainability services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with Deccan on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited

Manojkumar Borekar
Project Manager and Reviewer
Head – Sustainability Assurance Service



Date: 16-10-2023
Place: Mumbai, India
Project Reference No: 8121892835
www.tuv-nord.com/in



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GRI INDEX

SECTION 09



GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 2: General Disclosures 2021				
GRI 2-1	Organizational details	Organization Profile	15-16	
GRI 2-2	Entities included in the organization's sustainability reporting	About the Report	11	
GRI 2-3	Reporting period, frequency and contact point	About the Report	11	
GRI 2-4	Restatements of information	-	-	
GRI 2-5	External assurance	-	152	This report has been assured by TUV India Private Limited
GRI 2-6	Activities, value chain and other business relationships	Introduction to Deccan	14	
GRI 2-7	Employees	Employee Focus	138	
GRI 2-8	Workers who are not employees	-	-	Information on contractual workers will be reported in our future sustainability reports
GRI 2-9	Governance structure and composition	Governance	47	
GRI 2-10	Nomination and selection of the highest governance body	-	-	Not reported [confidential]
GRI 2-11	Chair of the highest governance body	Governance	47	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Governance & Sustainability @ Deccan	45,59	
GRI 2-13	Delegation of responsibility for managing impacts	Governance & Sustainability @ Deccan	45,59	
GRI 2-14	Role of the highest governance body in sustainability reporting	Governance & Sustainability @ Deccan	45,59	
GRI 2-15	Conflicts of interest	Governance	43-45	There were no identified instances of Conflict of Interest in the reporting period.
GRI 2-16	Communication of critical concerns	Governance	43-45	
GRI 2-17	Collective knowledge of the highest governance body	Governance	46	
GRI 2-18	Evaluation of the performance of the highest governance body	-	-	Not reported [confidential]
GRI 2-19	Remuneration policies	-	-	Not reported [confidential]
GRI 2-20	Process to determine remuneration	-	-	Not reported [confidential]
GRI 2-21	Annual total compensation ratio	-	-	Not reported [confidential]
GRI 2-22	Statement on sustainable development strategy	Message from MD	6-8	
GRI 2-23	Policy commitments	Sustainability @ Deccan	56-58	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 2-24	Embedding policy commitments	Sustainability @ Deccan	56-58	
GRI 2-25	Processes to remediate negative impacts	Governance	45-45	No significant negative environmental or social impacts were reported/observed in the reporting period.
GRI 2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	37	
GRI 2-27	Compliance with laws and regulations	Governance	43	
GRI 2-28	Membership associations	Memberships & Associations	32-33	
GRI 2-29	Approach to stakeholder engagement	Stakeholder Engagement	37	
GRI 2-30	Collective bargaining agreements	-	-	NA
GRI 3: Material Topics 2021				
GRI 3-1	Process to determine material topics	Materiality Assessment	38	
GRI 3-2	List of material topics	Materiality Assessment	39	
GRI 3-3	Management of material topics	Materiality Assessment	40	Also further discussed at the start of Environmental and Social performance chapters.
GRI 201: Economic Performance 2016				
GRI 201-1	Direct economic value generated and distributed	-	-	Not reported [confidential]

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 201-2	Financial implications and other risks and opportunities due to climate change	-	-	The company is in the process of comprehensively evaluating climate change related risks. Details of the study will be disclosed in future Sustainability reports
GRI 201-3	Defined benefit plan obligations and other retirement plans	Employee Focus	140	
GRI 201-4	Financial assistance received from government	-	-	Not reported [confidential]
GRI 202: Market Presence 2016				
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	-	Not reported [confidential]
GRI 202-2	Proportion of senior management hired from the local community	-	-	All members of our Senior Management are Indian nationals and have rich experience in chemical processing industry
GRI 203: Indirect Economic Impacts 2016				
GRI 203-1	Infrastructure investments and services supported	Corporate Social Responsibility	98	
GRI 203-2	Significant indirect economic impacts	Corporate Social Responsibility	92	
GRI 204: Procurement Practices 2016				
GRI 204-1	Proportion of spending on local suppliers	Supply chain management	149	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 205: Anti-corruption 2016				
GRI 205-1	Operations assessed for risks related to corruption	Governance	45	
GRI 205-2	Communication and training about anti-corruption policies and procedures	Governance	45	
GRI 205-3	Confirmed incidents of corruption and actions taken	-	-	Nil; there were no identified incidents of corruption in the reporting period.
GRI 206: Anti-competitive Behaviour 2016				
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	-	-	There were no such incidents in the reporting period.
GRI 207: Tax 2019				
GRI 207-1	Approach to tax	-	-	Not reported [confidential] - financial information has not been disclosed as part of this report.
GRI 207-2	Tax governance, control, and risk management	-	-	Not reported [confidential] - financial information has not been disclosed as part of this report.

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 207-3	Stakeholder engagement and management of concerns related to tax	-	-	Not reported [confidential] - financial information has not been disclosed as part of this report.
GRI 207-4	Country-by-country reporting	About the Report	11	
GRI 301: Materials 2016				
GRI 301-1	Materials used by weight or volume	-	-	Not reported [confidential]
GRI 301-2	Recycled input materials used	Sustainability @ Deccan & Waste	50 & 80	
GRI 301-3	Reclaimed products and their packaging materials	Supply chain management	149	
GRI 302: Energy 2016				
GRI 302-1	Energy consumption within the organization	Energy	66	
GRI 302-2	Energy consumption outside of the organization	Energy	66	
GRI 302-3	Energy intensity	Energy	68	
GRI 302-4	Reduction of energy consumption	Energy	67	
GRI 302-5	Reductions in energy requirements of products and services	Energy	65	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 303: Water and Effluents 2018				
GRI 303-1	Interactions with water as a shared resource	Corporate Social Responsibility	106	
GRI 303-2	Management of water discharge-related impacts	Water	73	
GRI 303-3	Water withdrawal	Water	73	
GRI 303-4	Water discharge	Water	73	
GRI 303-5	Water consumption	Water	70	
GRI 304: Biodiversity 2016				
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	84-85	
GRI 304-2	Significant impacts of activities, products and services on biodiversity	-	-	Not applicable as all of our operations are located in industrial zones and are not in proximity of any biodiversity rich areas.
GRI 304-3	Habitats protected or restored	Biodiversity	84-85	
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	Not applicable as all of our operations are located in industrial zones and are not in proximity of any biodiversity rich areas.

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 305: Emissions 2016				
GRI 305-1	Direct [Scope 1] GHG emissions	Emissions	75	
GRI 305-2	Energy indirect [Scope 2] GHG emissions	Emissions	75	
GRI 305-3	Other indirect [Scope 3] GHG emissions	-	-	We are in process of accounting our material scope 3 emission. The same will be disclosed in FY 24
GRI 305-4	GHG emissions intensity	Emissions	76	
GRI 305-5	Reduction of GHG emissions	Emissions	76	
GRI 305-6	Emissions of ozone-depleting substances [ODS]	Emissions	76	
GRI 305-7	Nitrogen oxides [NOx], sulfur oxides [SOx], and other significant air emissions	Emissions	76	
GRI 306: Waste 2020				
GRI 306-1	Waste generation and significant waste-related impacts	Waste	80-81	
GRI 306-2	Management of significant waste-related impacts	Waste	80-81	
GRI 306-3	Waste generated	Waste	81	
GRI 306-4	Waste diverted from disposal	Waste	81	
GRI 306-5	Waste directed to disposal	Waste	81	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 308: Supplier Environmental Assessment 2016				
GRI 308-1	New suppliers that were screened using environmental criteria	Supply chain management	150	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	-	-	No significant negative environmental impacts were observed in the supply chain in the reporting period.
GRI 401: Employment 2016				
GRI 401-1	New employee hires and employee turnover	Employee Focus	139	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Focus	140	
GRI 401-3	Parental leave	Employee Focus	141	
GRI 402: Labor/Management Relations 2016				
GRI 402-1	Minimum notice periods regarding operational changes	-	-	90 days
GRI 403: Occupational Health and Safety 2018				
GRI 403-1	Occupational health and safety management system	Health & Safety	121	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Health & Safety	124-130	
GRI 403-3	Occupational health services	Health & Safety	128	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Health & Safety	121 & 123	
GRI 403-5	Worker training on occupational health and safety	Health & Safety	121	
GRI 403-6	Promotion of worker health	Health & Safety	121 - 123	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health & Safety	121 & 123	
GRI 403-8	Workers covered by an occupational health and safety management system	Health & Safety	121	
GRI 403-9	Work-related injuries	Health & Safety	128	
GRI 403-10	Work-related ill health	Health & Safety	128	
GRI 404: Training and Education 2016				
GRI 404-1	Average hours of training per year per employee	Employee Focus	142 & 143	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Employee Focus	142 & 143	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Employee Focus	142 & 143	

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 405: Diversity and Equal Opportunity 2016				
GRI 405-1	Diversity of governance bodies and employees	Employee Focus	138	
GRI 405-2	Ratio of basic salary and remuneration of women to men	-	-	Deccan is an equal opportunities employer and there is no disparity in remuneration by gender.
GRI 406: Non-discrimination 2016				
GRI 406-1	Incidents of discrimination and corrective actions taken	-	-	There were no instances of discrimination reported during the reporting period.
GRI 407: Freedom of Association and Collective Bargaining 2016				
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-	All our suppliers abide by our Supplier Code of Conduct
GRI 408: Child Labor 2016				
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	-	-	Nil; we have a zero tolerance policy for employment of child and forced labour.
GRI 409: Forced or Compulsory Labor 2016				
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	-	Nil; we have a zero tolerance policy for employment of child and forced labour.

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 410: Security Practices 2016				
GRI 410-1	Security personnel trained in human rights policies or procedures	-	-	Security services are provided by third-party. We are currently in the process of instituting a training on Human Rights for security personnel.
GRI 411: Rights of Indigenous Peoples 2016				
GRI 411-1	Incidents of violations involving rights of indigenous peoples	-	-	Not Applicable; all our operating locations are in industrial zones and there are no indigenous communities present in the vicinity of our plants
GRI 413: Local Communities 2016				
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility	92 - 119	
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	-	-	Deccan operates in safe manner, ensuring there no potential negative impacts on the communities. Further, there have not been any instances of concerns raised by local communities in the reporting period.

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 414: Supplier Social Assessment 2016				
GRI 414-1	New suppliers that were screened using social criteria	Supply chain management	150	
GRI 414-2	Negative social impacts in the supply chain and actions taken	-	-	No significant negative social impacts were observed in the supply chain in the reporting period.
GRI 415: Public Policy 2016				
GRI 415-1	Political contributions	-	-	Nil
GRI 416: Customer Health and Safety 2016				
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Health & Safety	120	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	-	No significant non-compliance incidents concerning the health and safety impacts of products and services was observed during the reporting period.
GRI 417: Marketing and Labeling 2016				
GRI 417-1	Requirements for product and service information and labeling	-	-	Other than statutory requirements such as 'Material Safety Data Sheets (MSDS)' and similar disclosures that are intended for the knowledge and use of our customers - there are no other labeling information requirement.

GRI INDICATOR	DISCLOSURE	SECTION REFERENCE	PAGE NO.	REMARK
GRI 417-2 I	Incidents of non-compliance concerning product and service information and labeling	-	-	No significant non-compliance incidents concerning products and services information and labelling was observed during the reporting period.
GRI 417-3	Incidents of non-compliance concerning marketing communications	-	-	Deccan is a custom chemical manufacturer and is in a B-to-B business. There are not specific compliance requirements for marketing information and there have not been any instances of concerns being raised by our customers on any marketing communication from Deccan.
GRI 418: Customer Privacy 2016				
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	Nil; No complaints concerning breaches of customer privacy and losses of customer data was observed during the reporting period.

Measuring Progress with Impact: Our path to a sustainable future



Deccan Fine Chemicals (India) Pvt. Ltd.
Sustainability Report