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SECTION A: General information about the Company

| | | |
|----|---|--|
| 1 | Corporate Identity Number (CIN) of the Company | L24219DL1985PLC020126 |
| 2 | Name of the Company | M/s. Dhanuka Agritech Limited |
| 3 | Registered address | 82, Abhinash Mansion, 1 st Floor, Joshi Road, Karol Bagh, New Delhi -110 005 |
| 4 | Website | www.dhanuka.com |
| 5 | Email ID | investors@dhanuka.com |
| 6 | Financial year reported | 31 st March, 2018 |
| 7 | Sector(s) that the Company is engaged in (industrial activity code-wise) | Agro Chemical Sector; National Industrial Classification (NIC) Code- 20211 |
| 8 | List three key products / services that the Company manufactures / provides (as in Balance Sheet) | Pesticides, Fungicides and Insecticides |
| 9 | Total number of locations where business activity is undertaken by the Company i. Number of international locations (Provide details of major five) ii. Number of national locations | The Company's manufacturing operations are situated at three locations, viz. Keshwana; Sanand and Udhampur. |
| 10 | Markets served by the Company – Local / State / National / International | The Company created one of the deepest distribution networks in India's agrochemicals sector; more that 80,000 retailers. Now Dhanuka Product is house hold name for Indian farmers. |

SECTION B: Financial details of the Company

| | | |
|---|---|---|
| 1 | Paid-up capital (Rs. In Lacs) | Rs. 981.57 |
| 2 | Total turnover (Rs. In Lacs) | Rs. 97,624.42 |
| 3 | Total profit after taxes Rs. In Lacs) | Rs. 12617.77 |
| 4 | Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | 2.33% |
| 5 | List of activities in which expenditure in 4 above has been incurred | Refer to <i>Annexure B</i> to the Boards' Report, Page 32 |

SECTION C: Other details

1. Does the Company have any subsidiary company / companies?

Ans. Yes. Refer to *Annexure B* to the Boards' Report, *page 39* Wholly Owned Subsidiary Company namely M/s. Dhanuka Agri-Solutions Pvt. Ltd. incorporated in Bangladesh and its operations have not yet started.

2. Do the subsidiary company / companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

Ans. No

3. Do any other entity / entities (e.g. suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities (Less than 30%, 30%, 60%, More than 60%).

Ans. No

SECTION D: BR information

1. Details of Director / Directors responsible for BR

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

| | | |
|----|-------------|---------------------|
| 1. | DIN Number | 07767324 |
| 2. | Name | Mr. Ashsih Saraf |
| 3. | Designation | Whole time Director |

b. Details of the BR Head

| | | |
|----|----------------------------|------------------------|
| 1. | DIN Number (if applicable) | N.A. |
| 2. | Name | Ms. Jyoti Verma |
| 3. | Designation | Company Secretary |
| 4. | Telephone number | 0124-3838592 |
| 5. | E-mail ID | jyotiverma@dhanuka.com |

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N) The NVGs on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles (detailed below) as P1-P9 to be followed:

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 Businesses should promote the wellbeing of all employees.
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 Businesses should respect and promote human rights.
- P6 Business should respect, protect, and make efforts to restore the environment.
- P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 Businesses should support inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner the principle wise responses are mentioned in the Annexure to this report.

Principle-wise (as per NVGs) BR policy / policies (reply with Yes / No)

| SN | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----|-----------|--------|-----------------------------------|---------------------|------------------------|--------------|-------------|-----------------|-----------------------|----------------|
| | | Ethics | Product Life Cycle Sustainability | Employee Well-Being | Stakeholder Engagement | Human Rights | Environment | Policy advocacy | Community Development | Customer Value |

| | | | | | | | | | | |
|---|--|----|----|----|----|----|----|----|----|----|
| 3 | The company does not have financial or manpower resources available for the task | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 4 | It is planned to be done within next 6 months | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 5 | It is planned to be done within the next 1 year | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 6 | Any other reason (please specify) | NA | NA | NA | NA | NA | NA | NA | NA | NA |

3. Governance related to BR

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

Annually

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

The Company publishes the BR Report annually. The hyperlink for viewing the report is www.dhanuka.com.

SECTION E: PRINCIPLE –WISE PERFORMANCE

Principle 1

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes, Whistle Blower Policy and Code of Conduct of Ethics.

- The Company is committed to grow in a socially and environmentally responsible way, while meeting the interests of its major stakeholders.
 - In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Whistle Blower Policy has been implemented as a mechanism for employees to report concerns about unethical behaviour or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously.
 - The Policy is a step towards better Corporate Governance and is available on the Company's website.
- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the Financial Year 2017-18, the Company has received 59 correspondences and 01 Complaint directly and 27 correspondences has received by RTA (including nil complaint) from Shareholders. At the end of financial years no complaint was pending and all were resolved.

Principle 2

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

The philosophy of the Company is to tie-up with innovators, especially Japanese Companies and launch new products which are eco-friendly, less toxic, safe for environment and having less residues for the benefit of the Indian farming community. The following products have designed to incorporate social and economical concerns. Environmental considerations get incorporated in each proposal through process hazard analysis and what-If analysis. All the activities that the Company performs, the farmers is always our priority. We work with the farmers closely to improve the yield and enhance the productivity.

Dhanuka is actively involved in creating awareness of the effect of residue burning and educating the farmers for adoption of zero tillage practices.

- a) Pesticide
- b) Insecticide
- c) Fungicide

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

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

The Company has taken up energy conservation programmes in all manufacturing units involving our inhouse team and experts from outside and registered saving in terms of energy and waters.

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

We educate, emphasize and encourage our farmers to use Modern Agriculture Practices for enhancing production by resulting saving in energy and water of the initiatives are;

- Soil Testing: Mobile soil testing van allotted to us by the Ministry of Agriculture, Govt. of India under public-private partnership is also in operation and serving to farmers.
- Crop Insurance: Our Company is publicizing highlights of Pradhan Mantri Fasal Beema Yojna (PMFBY) in our Monthly advisory for the farmers and our field staff has the necessary brief of opening their meetings-field visits, trainings, on-farm demonstrations etc.
- Improved Seeds and Seed Treatment: Dhanuka Group is providing machines for seed treatment at the farmer's door-step, providing gratis samples of Vitavax Power for on-farm demonstrations by the Krishi Vigyan Kendras (KVK), developed a jingle (Har Beej ko Suraksha Ka Teeka, Jaise Har Bache Ko Polio Ka Teeka) which was adopted by the Govt. of India as a part of its campaign.

- Rainwater Harvesting and Reuse: We always concern about water scarcity and advise the farmer creating small pond in their land. Construction of 4 check - dams in Rajasthan is the best example created by Dhanuka amongst the industry.
- Judicious Use of Pesticides: Our Company advocates safe and judicious use of pesticides and following the recommended dose and application methods. Trainings and demonstrations are regularly organized to upgrade skills in handling spray pumps, selection of appropriate nozzle, safe storage of pesticides, disposal of containers after use, precautions for the person handling pesticides.
- Liaison with Research Institute: We are in constant touch with farmers across the country and educating the farmers about different sources of improved technology and linking them with SAUs, ICAR Institutes, and KVKs etc.

The above measures and programmes have resulted in saving of water.

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

Yes

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

Yes

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

Dhanuka Agritech Limited has been committed to have a mechanism to recycle products and waste. In this direction, Keshwana unit has planned to install all equipment which are beneficial for environment. As declared as ZERO discharge facility, we have installed Effluent treatment plant (ETP) for treatment of industrial effluent, Sewage treatment plant (STP) for domestic effluent. All the water generated from the plant comes to either ETP or STP. After treatment, the treated water is reused in gardening. For monitoring the water quantities, we have installed Flow meter for actual quantities.

We have installed Rain harvesting system. All the rain water through storm water drainage comes to Rain harvesting pits. NO rain water goes to outside drain as wastage. By collecting water in rain harvesting pits, the ground water level is maintained. Water for initial rain is treated in ETP.

We have installed scrubbers for removal of contaminants from the air coming from the plant. The water is washed by the water and the water is recycled and then goes to ETP for treatment.

Principle 3

1. Please indicate the total number of employees:

The Company had 1259 employees at March 31, 2018.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

None.

3. Please indicate the number of permanent women employees:

The Company had 42 women employees at March 31, 2018.

4. Please indicate the number of permanent employees with disabilities:

Nil

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

No

6. What percentage of your permanent employees are members of this recognized employee association?

Total No. Nil

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

The Company does not engage in any form of child labour/forced labour/involuntary labour and does not adopt any discriminatory employment practices. The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The said policy is in line with relevant Act passed by the parliament in 2013. During the year, No cases were happened.

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

- Permanent employees
- Permanent women employees
- Casual/temporary/contractual employees
- Employees with disabilities

Training of safety and skill up gradation is continuous process in our Company.

Employee health and safety is of prime importance to Company.

We are continuously working on improving upon competencies of our employees helping them in skills development through training interventions.

Training wing under HR department with the help of in-house trainers and also engaging experts in relevant areas of training are hired to impart training to employees.

Structured Training need analysis is done periodically with the help of HOD in all departments to understand the skill gaps to enable, customize the contents.

This involves training on behavioral as well as functional related. Majority of employees and workers have been covered under training.

Principle 4

1. Has the company mapped its internal and external stakeholders?
Yes/No

Yes, the Company has mapped its key internal and external stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized Stakeholders?

The Company engages with its stakeholders on an ongoing basis. It is committed to the welfare of marginalized and vulnerable sections of the society and endeavours to meet the expectations of the said stakeholders.

The Company has also identified specific areas like educating and training underprivileged /vulnerable stakeholders which help them in improving their standard of living.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company has taken various initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders, which are stated below:

Check Dam

With an objective to propagate water conservation under CSR activities, Dhanuka Group was the first among the Pesticide Industries for constructing four check dams in Jugalpura, Devipura (District Sikar), Mainpura ki Dhani and Sankotra, (Jaipur District), Rajasthan, through PHD Chamber of Commerce, in partnership with the local communities in Rajasthan. These are likely to benefit around 3,000 households (20,000 populations). All these Check-Dams are operational and full after rain. For providing pure and safe drinking water to the rural community, we have also constructed 'Community Water Centre' at Banethi, (Kothputi) Rajasthan.

Community Water Center (CWC)

We have constructed First Community Water Center (CWC) at Banethi village, Kotputli Tehsil of Jaipur District, Rajasthan. The community water center has been constructed in association with Naandi Foundation and will benefit over 7000 villagers.

Principle 5

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

The Company remains committed to respect and protect human rights. The Company's Code of Business Conduct & Ethics and the human resource practices cover most of these aspects. The Company does not hire child labour, forced labour or involuntary labour. The Company never discriminates between its employees. This practice extends to the Dhanuka Group.

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

No stakeholder complaints, relating to human rights, have been received in the past financial year.

Principle 6

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

It Covers company and surrounding

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

World Water Day

In order to address concern of Global Warning, DHanuka AGritech Limited, participated in World Water Day- conference on integrated Water Resource Management for enhancing Farmers' Income held at New Delhi. The event was jointly organized by ASSOCHAM and Ministry of Agriculture & Farmers Welfare with an aim to enhance farmer's income. The event was inaugurated by Mr. S.K. Pattanayak, IAS, Secretary, Department of Agriculture, cooperation & Farmers Welfare, Government of India and saw participation from key dignitaries and industry leaders.

With an aim to propogate water conservation, the seminar proved to be a platform to discuss challenges of integrated water resource management, creating awareness among farmers about the value and scarcity of resources, sharing technologies and services towards efficient use of water in agriculture and;

On the occasion of World Water Day celebration, every year during the World Water Week (Starting from March 16 to March 22) Dhanuka has organized drawing competition for school going kids for spreading the 'Save Water' Message in loud. On March 22, 2018 we celebrated World Water Day and organized drawing competition in around 200 schools in pan India. We have distributed the effective literature to students called "Why Save Water' and 'How to Save Water'. The prize money we have distributed on school level are Rs. 2000 for 1st prize winner, Rs. 1000 for 2nd Prize Winner and Rs. 500 for 3rd Prize Winner at school level. All 1st prize winner participants are eligible for national level competition and we have distributed Rs. 10000 for National level 1st prize winner, Rs. 7500 for National level 2nd prize winner and Rs. 5000 for National Level 3rd Prize winner. The painting created by the winners are well publicized in Dhanuka literature like Dairy, Calendar etc for promoting the student hard work.

UN World Water Day is celebrated every year on 22 March to focus attention of different stakeholders on the importance of the limited natural resource-WATER. The World Bank's Report on India pointed

out that while the development of sustainable, safe, usable water is a global challenge, it's an acute matter in India because of its high population density, time and space variability of rainfall and increasing contamination of available groundwater resources.

This year the theme was *Nature* for Water' – exploring *nature*-based solutions to the water challenges we face in the 21st century.

This year, your Company joined hands with FICCI and organized a gala event with a theme of 'Role of Water in Doubling Farmers Income'. It was a very happy augury that the event was inaugurated by Shri Ram Meghwal, Hon'ble Minister of State for Water Resource, River Development & Ganga Rejuvenation. A key- note address was presented by Shri Nitin Jairam Gadkari, Hon'ble Union Minister for Roads, Transport & Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation. The closing function was addressed by Prof Ramesh Chand, Member, NITI Aayog who spoke on 'Government Support on Water'. During the two technical sessions, several scientific lectures were delivered by noted agricultural scientists. The delegates who joined the event were a mix of scientists, Senior Staff from Pesticide Industry, NGOs, farmers, Development personnel, and policy makers.

Our focus of *"Gaon Ka Pani Gaon Me, Khet ka Pani Khet Me"* is very much in line with the present NDA Govt. led by Hon'ble Prime Minister Shri Narendra Modi, of 'Per drop – More crop' to conserve water and its better management for crop production. Your Company has been celebrating World Water Day on March 22 every year since 2010 in partnership with prestigious National Institutes, SAUs etc. where lectures on water conservation & reuse were organized. In addition, Drawing competition on 'Conservation of Water' theme in more than 200 schools every year with distribution of 1st, 2nd and 3rd prize, sixty seconds documentary- *"Insaan Paani Banatoh Nahi Sakta per Bacha Jaroor Sakta Hai"*, etc. are being regularly arranged. Dhanuka Group was also the first among the Pesticide Industries for constructing four check dams in Jugalpura, Devipura (District Sikar), Mainpura ki Dhani and Sankotra, (Jaipur District), Rajasthan, through PHD Chamber of Commerce, in partnership with the local communities in Rajasthan. These are likely to benefit around 3,000 households (20,000 populations). All these Check-Dams are operational and full after rain. For providing pure and safe drinking water to the rural community, we have also constructed 'Community Water Centre' at Banethi, (Kothputi) Rajasthan.

3. Does the company identify and assess potential environmental risks? Y/N

The Company is ISO 9001:2015-certified across all locations. The company's Keshwana & Udhampur units are certified with ISO: 9001:2015 and ISO 14001:2015 and OHSAS 18001:2007. Dhanuka's R & D Centre (Gurgaon) is certified by the Ministry of Science and Technology, Government of India and NABL Certification from National Accreditation Board for Laboratories as a certified research Lab.

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

Presently, the Company does not have any project related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

No

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

Yes

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

None

Principle 7

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

- (a) Keshwana Industrial Association
- (b) Udaipur Chamber of commerce & Industry
- (c) Crop Care Federation of India
- (d) Fertilizer Association of India

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

Yes, Water Management initiatives has been taken up by the Company from time to time.

Principle 8

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

The Company has a well-defined CSR policy which is in line with the Companies Act, 2013. The Company, have taken various CSR initiatives for support and development of society. The report on the CSR projects carried by the Company is annexed with the Board's Report.

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

The Company, through various NGOs, supports various CSR initiatives in a project/ program mode. All the projects are monitored by the internal teams of the Company.

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

A report on each project and its impact on society are taken from NGOs/ Trusts which is reviewed from time to time. The internal teams ensure the implementation of the projects undertaken.

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

The Company has spent Rs. 294.20 crore on the CSR Activities during the financial year 2017-18. The amount was spent on areas as mentioned in **Annexure B** to the Board's Report.

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

Yes. Initiatives undertaken under CSR are tracked to determine the outcomes achieved and the benefits to the community. Internal tracking mechanisms, monthly reports and follow-up field visits, telephonic and email communications are regularly carried out. The Company has dedicated team of employees to drive and monitor the CSR activities.

Any project that comes up for CSR is first internally reviewed and assessed by the Management. If the Management is convinced of the project, it is put up to the CSR Committee for its consideration and approval. If the project is approved, it is tracked and the reports, through telephone, emails etc., are taken from time to time.

Principle 9

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

The Company's uncompromising commitment to providing worldclass products and services to customers is supported by its concern for the safety of its customers. A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc.

All complaints are appropriately redressed and resolved. As on the end of the financial year, there was negligible percentage of unresolved complaints.

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

Yes, the Company displays product information on the products label.

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

No, any complaint filed by customer during financial year.

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

Yes, we are already displaying the information on product label as per norms.

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

No.

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

Yes we have carried out consumer survey through various project given to MBA student and were found high satisfaction.