



Growing together for a sustainable future

In a highly global and interconnected world, Sudarshan believes that the entire globe is a place to deliver value. An organisation can truly grow only if it believes and functions out of a WIN-WIN mindset. A sense of shared value for all stakeholders is the cornerstone of Sudarshan's success. This core belief is reflected in the Company's purpose– "Growing together by being Spiritually Fulfilled, Socially Just, and Environmentally Sustainable".

Hence the theme for Sudarshan's maiden ESG report "Growing together for a Sustainable Future", flows from this purpose. It encapsulates the vision, intent, and efforts of the Company towards a shared and positive tomorrow.

Sudarshan acknowledges the impact of its business activities on the environment and society and constantly strives to implement

measures to reduce its ecological footprint and make a positive contribution to society. The Company's overall business strategy incorporates clearly defined Environmental, Social, and Governance (ESG) goals which aim to produce long-term benefits for all stakeholders. While Sudarshan works towards integrating sustainability into every element of its business operations, it is incredibly grateful for the support of all its stakeholders. It is

their faith in us that has inspired us to grow into a stronger and more ethical Company.

Acting responsibly, embracing ownership, and responding to the needs of stakeholders

are the three key elements that will help us grow together and achieve a sustainable future. The Company is on track to accomplishing its ESG goals and we are delighted to present Sudarshan's maiden ESG Report for the year 2021-2022.



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About the Report

GRI 2-2, 2-3

Sudarshan Chemical Industries Limited (Sudarshan) is a 70-year-young company with a strong value system that has evolved with time. We recognise the importance of sustainability; hence we aim to impact our stakeholders by delivering value beyond financial profits.

With "Growing together for a sustainable future" as our motto – we present our maiden sustainability report for the year 2021-22. The report outlines the Company's engagements with its stakeholders and the programs and initiatives that were undertaken to achieve this shared mission. The report includes information about the material topics that are crucial to our business and stakeholders. The robustness of the Company's Sustainability Management System and reporting procedures are demonstrated in this report. Our non-financial performance, as well as the measures taken to improve governance oversight, strengthen risk management, and enhance operational aspects are shared here in detail.

The report contains forward-looking statements that describe the projections and expectations, based on reasonable assumptions and past performance. These are subject to modifications considering changes in the sector, regional market conditions, governmental rules and legislation, and other incidental considerations. These statements must not be used as a guarantee of the Company's

future performance, as the underlying assumptions could change materially.

The report has been developed with reference to the GRI Standards on sustainability reporting and disclosures. The report has mapped the Company's performance and actions to the UN's Sustainable Development Goals (SDGs). This report has been internally assured by the Company's management.

Reporting Scope and Boundary

The scope of reporting covers Sudarshan's performance on various environmental, social, and governance parameters across all the locations including the Pune headquarters, Roha plant, Mahad plant, R&D center Sutarwadi in the state of Maharashtra (India).

Company joint ventures, subsidiaries (RIECO Industries Limited, Sudarshan CSR Foundation, Sudarshan North America Inc., USA, Sudarshan Europe B. V., Sudarshan (Shanghai) Trading Company Limited, Sudarshan Mexico S de R. L. De CV, Sudarshan Japan Limited), leased facilities, outsourced operations, and other entities have been excluded from the scope of this report.

Reporting Period

This report covers Sudarshan's sustainability performance for the period April 1, 2021, to March 31, 2022.

Contact Details

The Company always endeavours to connect with all its stakeholders and respond to their queries. If you have any comments or suggestions, please contact us at :

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Maharashtra, India

Tel. No.: 020 – 6829 7610

Website: www.sudarshan.com

Email: contact@sudarshan.com

CIN: L24119PN1951PLC008409

From the Managing Director's desk

Dear Stakeholders,

Sudarshan has completed 70 glorious years as a global colour and effect pigment manufacturer. From its humble beginnings in 1952 as a local pigments manufacturer, Sudarshan has successfully transitioned into a world class global solution provider with a vibrant and innovative culture. It has also adopted a sustainable business strategy, committed towards People, Planet, and Profit, and is positively impacting the environment and society, while benefiting all stakeholders.

In this context, it gives me immense pleasure to present our maiden ESG report for the year 2021-22. Sustainability has always been at the heart of everything we do, and we have consistently endeavoured to work together with our stakeholders to leave behind a better planet for future generations. The report theme is hence aptly derived from our higher purpose – *Growing Together for a Sustainable Future*.

After extensive research, interacting with stakeholders, mapping our core values, and evaluating our contributions to society, we have established our ESG focus areas. The goal is to work on these focus areas to create long-term value for all stakeholders, while considering the limited energy and resources of the planet. Realizing the sustainable growth of both our company and society is the aim of our ESG focus areas.

As a chemical company, we have imbibed *Environmental Sustenance* as one of our higher purposes. We have gone the extra mile beyond requisite compliances, to establish efficient effluent treatment plant, recycled water, and solvent recovery projects,

resulting in creating less waste. We have set up state-of-the art waste-water facilities at Roha and Mahad, helping us in mitigating our environmental footprint. We strongly emphasize on Reduce, Reuse, Recycle & Responsible Disposal for waste management.

In the coming years, *Energy Efficiency* will be a key area of focus. We have already diversified our energy sources and 60% of our purchased electricity is from renewable energy sources. We also generate our own electricity, and our Co-Gen Facility (Steam & Power Co-generation plant) generates 124 tons of steam per hour and 15MW of electricity per hour, providing uninterrupted power and significant savings. We are working towards a future where we wish to replace coal with efficient sources of renewable energy. We have always considered *Employee Safety* as our highest priority. We have adopted international standards to provide safe work environment for employees. We have partnered with World class leading EHS consulting firm to achieve the highest level of process safety. We believe in creating *Social Impact* by driving projects passionately across local areas and villages. We strive to make a visible difference by getting involved at the ground level with key stakeholders and focussing on core areas of Education, Women Empowerment and Environment. We are proud to be successfully running a school since 1976 in Roha, Maharashtra and providing quality education and facilities to local children.

Sudarshan is an *Equal Opportunity* employer. Employees are our biggest strength, and our Sudarshan culture promotes *Equal Employment opportunities* and supports

Diversity, and Inclusion. We are one of the first chemical company to encourage employment of women on shopfloor and differently abled individuals.

We follow the highest standards of *Corporate Governance*. We have a strong and independent board with a commitment to uphold the highest levels of *Ethics & Conduct* in all areas of our business. We have an established culture of doing the right thing, the right way, and a robust Governance framework in line with the prevalent best practices in the industry.

Finally, I would like to conclude by reiterating that this report is a good beginning. We are proud of what we have achieved in many of the focus areas highlighted above, but we still have a long way to go. In the coming years, we aspire to make a considerable impact in our society and accomplish our higher purpose of *Growing Together for a Sustainable Future*.

We have started our journey in *Environmental Sustenance* and *Employee Safety*. There is scope for a lot more to be achieved and we will be focusing our energy on these two areas. Over the decades, we have created substantial *Social Impact* across villages, and we intend to sustain the momentum. As an *Equal Opportunity* employer, we are seriously looking at increasing representation of women and differently abled employees across levels in the organisation. We would like to further strengthen our corporate governance practices and exhibit transparency for all stakeholders. We are also challenging ourselves to achieve energy self-reliance through green sources and minimise dependence on coal. I would

like to express my deepest gratitude to all our stakeholders for their invaluable contributions. We believe that we are on the right path and in the coming years will work towards establishing 'Responsible Business Practices for a Sustainable Future'. The future looks optimistic. I am hopeful and confident that as we grow together, our resilience and commitment will help us meet challenges head on and bring us closer to achieve our shared dream of leaving behind a better planet.

Yours faithfully,

Rajesh Rathi
Managing Director



ESG

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Awards, Membership of Associations, External Initiatives, Ratings	8



ESG Highlights

ENVIRONMENT

61%

of purchased electricity from Renewable Sources



82%

of total energy demand is fulfilled from Co-gen plant.



180,000m³

Quantity of water saved



SOCIAL

0.10

Lost Time Injury frequency Rate (per 200,000 of man-hours worked)



28.45

average training hours per employee



15%

female employees



GOVERNANCE

100%

Independent directors on Audit and Nomination and Remuneration Committee



100%

Certification of ISO 14001:2015 and ISO 45000:2018



₹10.54cr.

R&D Spend



Awards, Membership of Associations, External Initiatives, Ratings

GRI 2-28



Mahatma Award



Global Clean village Award



Mahabrand Award



Lokmat Achievers Award 2021



ISO Certification handover to Village Grampanchayat Vashi, Roha by Sudarshan Board of Directors



BEST CSR video award received in India's 1st CSR Film festival.



Suryagaurav National Award 2021 for exemplary contribution in the field of CSR & Skill Development in the Kokan region of Maharashtra

NHRD HR Award Photo



Awards and Accolades:

- Silver medal in EcoVadis CSR Assessment 2022
- Certified as a Great Place to Work for consequently 4 years
- Global Clean Village Award by Energy Foundation, Delhi for adopting villages towards Sustainable Development
- Corporate HR Best Practices award 2021 - by NHRD
- Mahabrand 2021-22, Brands of Maharashtra in the year 2021-22.
- Lokmat Achievers Award 2021
- Suryagaurav National Award 2021 for exemplary contribution in the field of CSR & Skill Development in the Kokan region of Maharashtra.

Members of association:

As on 31st March 2022, the Company is a member of the following trade associations:

- Confederation of Indian Industries (CII)
- Pigment Manufacturers' Association of India (PMAI)
- CHEMEXCIL- Basic Chemicals, Cosmetics & Dyes Export Promotion Council
- Mahratta Chamber of Commerce and Industry and Agriculture (MCCIA)
- ETAD- The Ecological and Toxicological Association of Dyes and Organic Pigments Manufacturer

COMPANY OVERVIEW



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Company Overview

GRI 2-1, 2-6

Sudarshan is a leading colour solutions provider with the widest range of products, including high performance pigments, azo and phthalocyanine pigments, inorganic pigments, effect pigments as well as pigment dispersions and solvent dyes. With a strong global outreach and experience of over 70 years, Sudarshan has been serving coloration requirements of coatings, plastics, printing ink, cosmetics, and special application customers.

The Company has operating production plants in Mahad & Roha (Maharashtra) and dedicated R&D centre in Pune (Maharashtra). Sudarshan caters to the markets in Asia-Pacific, Europe, Americas, Middle East and Africa, around 85+ countries worldwide.



Legal Status & Shareholding Pattern

GRI 2-1

Sudarshan is public listed company, limited by shares. Company is incorporated in India with ROC Pune. The Company's Equity Shares are listed on Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE). The Company's market capitalization was INR 36,012 million as on 31st March 2022. The Company's promoters hold a controlling stake with 35.82% shareholding and remaining 64.15% are with institution and other investors.



Our Vision

To be amongst the top three pigment players in the world



Our Mission

To be a world-class global colour solution provider with an innovative and vibrant culture



Our Values

Seva (Service)
Courage
Commitment and Passion
Respect
Trust

VISION, MISSION AND VALUES

"Growing together by being Spiritually Fulfilled, Socially Just, and Environmentally Sustainable".

Our values

Organisation Value Statements

- I take full ownership to serve our customers with agility and provide a seamless experience.
- I will make my customer experience WOW at every interaction
- I will serve all our stakeholder with an attitude of "Atithi Devo Bhava"

Seva



- I take ownership, keep my agreements and deliver on time.
- I will fulfill the expectations of all my internal & external customers passionately.
- I will challenge under performance and be outcome focussed.

Commitment & Passion



- I would implicitly trust my colleagues and work in a collaborative manner.
- I will always act in the best interest of the organisation
- I will seek help and actively offer help.

Trust



Courage

- I will boldly venture into new areas of thought and action.
- I will speak my mind fearlessly but with grace. Example: Having difficult conversations, giving honest feedback.
- I will accept and share bad news and take responsibility to put things right; actively and positively support best course corrections.



Respect

- I will actively listen with empathy.
- I will value other's time.
- I will let everyone present their thoughts, in discussions and let the best idea win on merits only.



Geographical Presence and Market Footprint

85+
Countries

10
Sales Office

60+
Channel Partners

70+
Sales Members

Global Head Office

Pune

R&D Centre
Ambadvet,
Pune,
Germany

Sales Office
Mumbai, Chennai,
Delhi, Kolkata

Global Presence

India

Sudarshan Chemical
Industries Ltd.

Europe

Sudarshan Europe B.V.

USA

Sudarshan North
America Inc.

Mexico

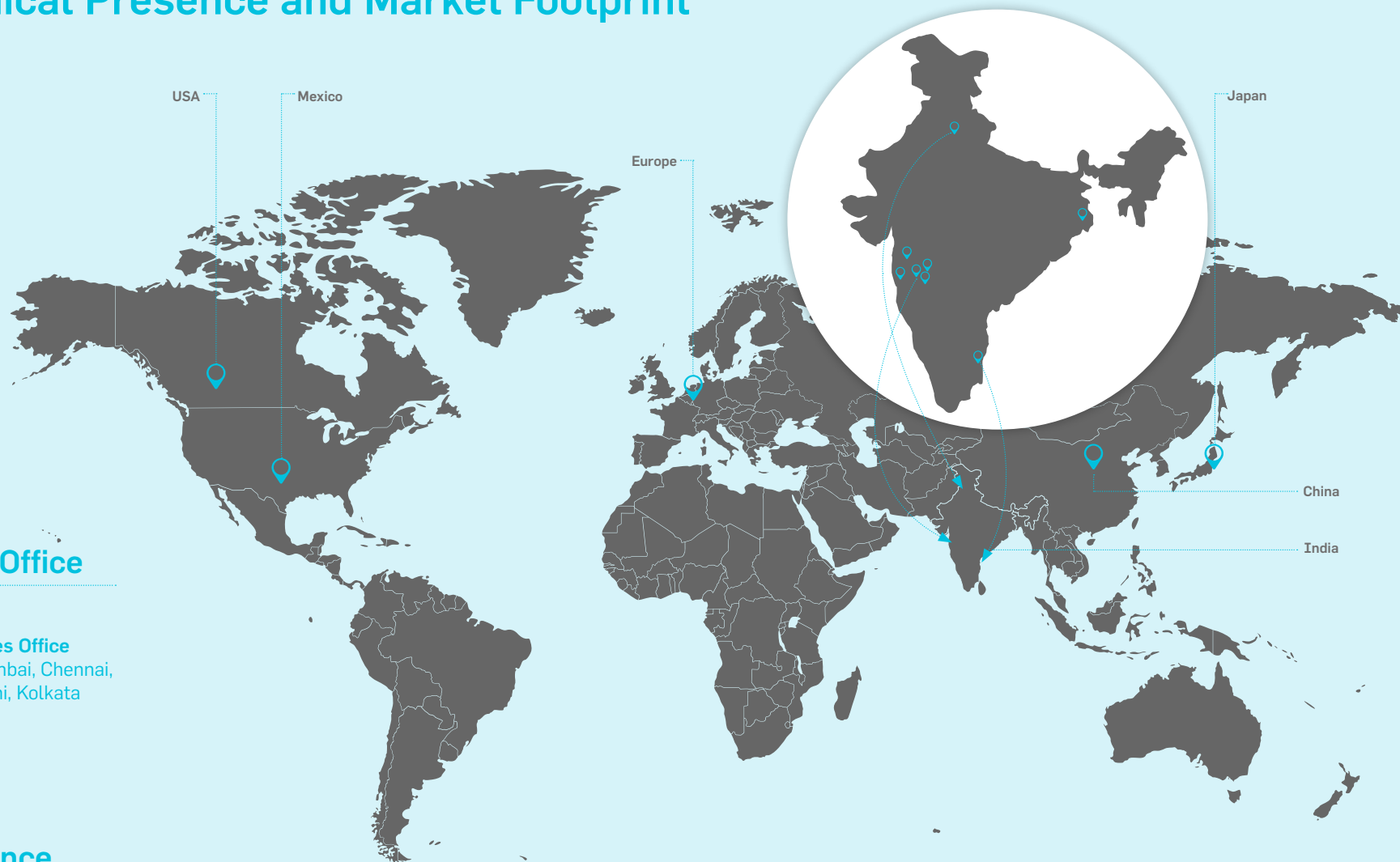
Sudarshan Mexico
S. de R.L de CV.

China

Sudarshan (Shanghai)
Trading Co Ltd.

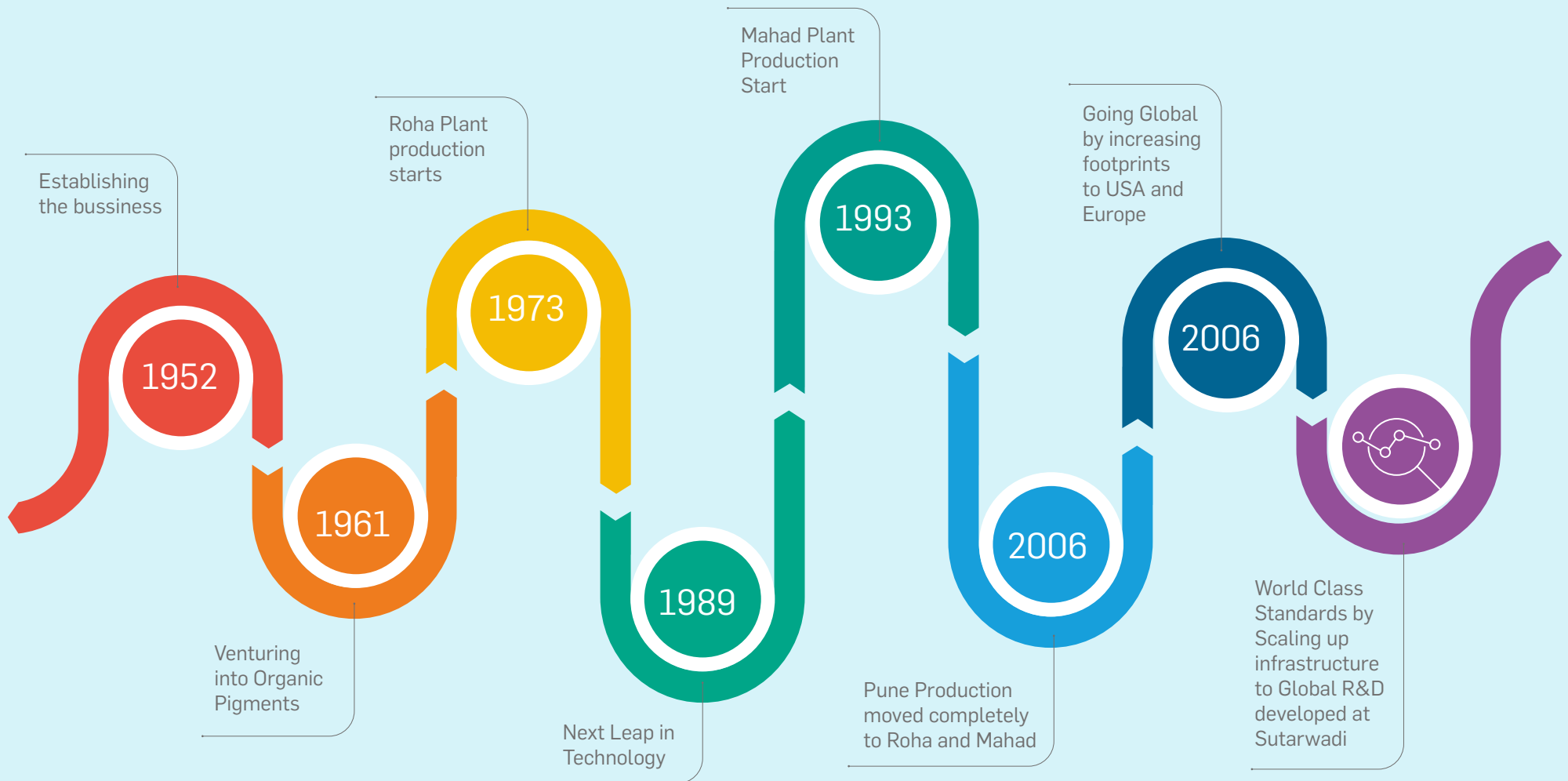
Japan

Sudarshan Japan
Limited.

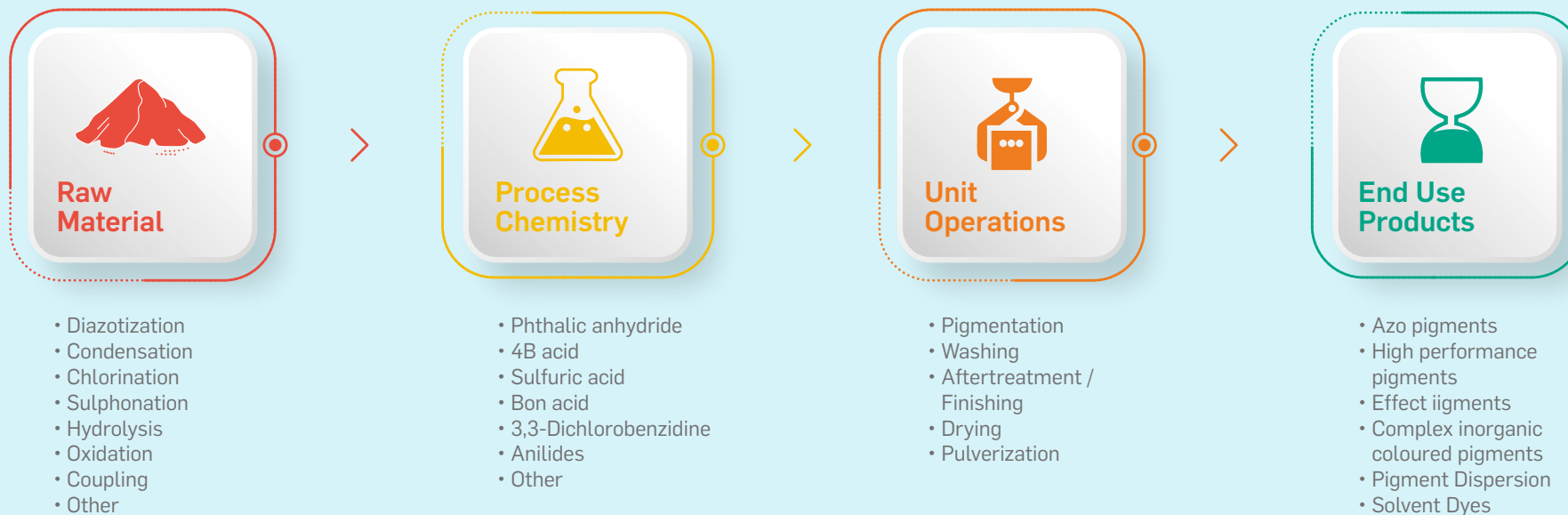


Journey so far

Evolution from a local player to a global player



Overview of Operations



Product Portfolio



Organic Pigments

- Azo
- Phthalos
- HPPs (High-Performance Pigments)



Inorganic Pigments

- CICPs (Complex Inorganic Colored Pigments)
- Chromes
- Cadmium
- Iron Oxides

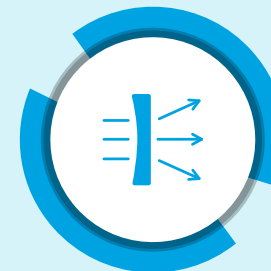


Effect Pigments

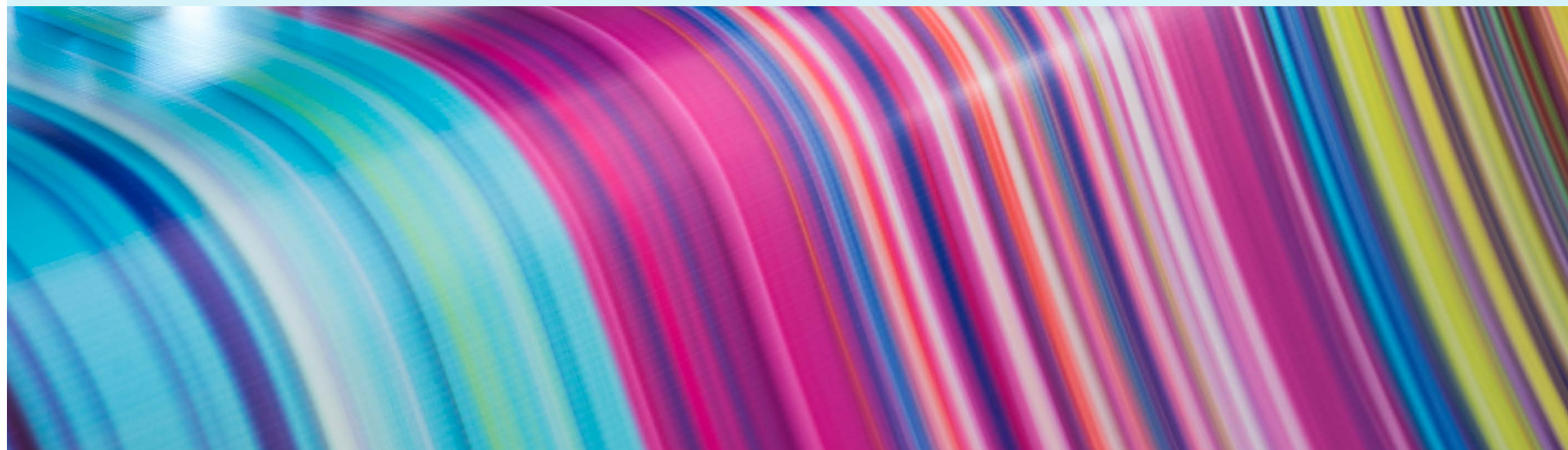
- Cosmetic grade effect pigments
- Industrial grade effect pigments



Solvent Dyes



Dispersions



Business Strategy and Risk Management

GRI 2-25

The goal of Sudarshan is to rank among the top three pigment producers worldwide. The overarching strategy for conducting our business include treating clients with respect and be a reliable partner. This is done by employing a solution-partnering strategy, while offering the best quality products, along with top-notch customer service.

Risk Management Framework

The Company is exposed to a variety of risks, including sectoral risks, sustainability risks, operational risks, financial risks, and cyber/information risks. Our success as an organization depends on effective risk management and our ability to identify and leverage the opportunities while managing the risks.

The establishment and oversight of the Company's risk management framework is the responsibility of the Board of Directors. A Risk Management Committee has been formed in accordance with Regulation 21 of the 2015 Listing Regulations. The Committee's major objective is to review the Company's risk management strategy and ensure that risks are kept below acceptable bounds.

The company has a risk management system in place, including a documented risk management policy and risk register which is regularly updated. A risk register is a collection of risks that are classified as sectoral risks, sustainability risks, operational risks, financial risks, and cyber/ information risks. It also includes management controls and risk ratings. These are continuously evaluated and updated to reflect changes

in the operating environment and the Company's activities. Annual risk management controls and processes assessments are also undertaken independently, with the results reviewed by the risk management committee twice a year.



Stakeholder Engagement and Materiality Assessment

GRI 2-16, 2-26,2-29, 3-1,3-2

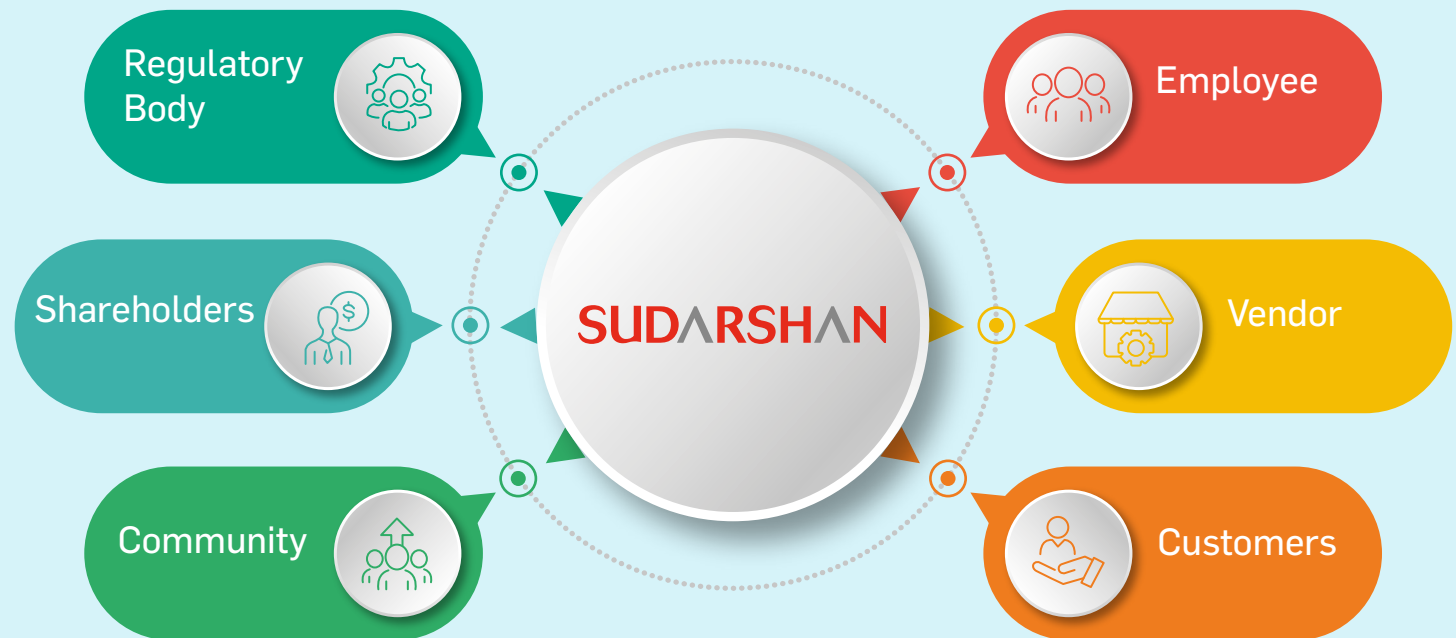
Sudarshan understands the importance of recognizing and meeting stakeholder expectations to create long-term value. Sudarshan's success is the result of the contributions of all its internal and external stakeholders that have fuelled the expansion of the business. The Company is committed to creating deep and lasting relationships with all its stakeholders.

We support an ecosystem that encourages diversity and open exchange of ideas and interacts with a variety of stakeholders. Their suggestions and concerns are just as important to the Company and has been essential in impacting the triple bottom line : People, Plant and Profit. Dialogues with our stakeholders offer the requisite knowledge, skills, and resources needed to create a sustainable business plan. Sudarshan looks forward to sustaining a meaningful and mutually benefitting stakeholder relationships.

Stakeholder Identification

The internal and external stakeholders have been identified and prioritized based on their relative importance and impact on the business, and vice versa. Sudarshan compiled a comprehensive list of individuals and organizations whose interests are affected or might be affected by its actions and divided them into internal and external stakeholder groups.

The Company engages with its stakeholders through a variety of channels throughout the year to learn about their expectations and to communicate about the Company's performance and prospects.



Stakeholder Engagement Framework

Sudarshan considers the views of stakeholders from the entire value chain, to identify and address the most pressing concerns facing the industry. The Company's business processes involve systematic channels of communication with its stakeholders, such as one-on-one meetings, annual general meetings, training, group discussions, surveys, supplier and customer meetings, and grievance redressal mechanisms. Stakeholder issues are evaluated and taken into consideration at a strategic level.

We work consistently to improve the stakeholder engagement process and increase participation. The Stakeholder Engagement Framework below shows how we communicate with them and respond to their issues.

Stakeholder Group	Goal of engagement	Modes of engagement	Frequency of engagement	Key concerns/topics discussed
Employees and Contractual workforce 	• Communicate on business goals, values, and principles • Facilitate learning and developing • Track key performance indicators • Grievance redressal	• Organization-level communication • Department-level communication • Individual-level communication	• Annual, Quarterly, Monthly, Daily	• Performance improvement • Appraisal and remuneration • Employee benefits and initiatives
Vendors 	• Building supplier relations • Supply chain sustainability • Competitive pricing	• Vendor portal • Vendor visits • Email and phone communications • Conferences and exhibitions	• Weekly for critical suppliers • Monthly	• Quality of product • Pricing and price drivers • Manufacturing and supply chain issues
Customers 	• Value addition • Quality and perfection • Customer-centric R&D • Transparency and trust • Customer Health and Safety	• Customer portal, email, and phone communication • Customer visits • Conference and exhibitions	• Annual, Quarterly, Monthly, Daily	• Grievance redressal • Support, guidance, and after-sales service • Value for money
Community 	• Understanding and addressing their concerns • Local community upliftment • SUDHA initiatives	• Community meets • Employee volunteering • Need assessment survey	• Annual, Quarterly, Monthly	• Community grievance redressal • Community sensitization on key issues
Shareholders 	• Information to shareholders • Return on investment • Transparency and disclosures	• Annual Report • Investor relation • Investor presentations • Press releases	• Annual, Quarterly, Monthly	• Return on investment • Shareholder queries
Regulatory bodies 	• Regulatory compliances • Relationship building • Discussions on major investment plans	• MoUs • Annual Report • Press releases	• Annually, Quarterly	• Local Liaising • Compliance

Materiality Assessment

Achieving sustainable development requires recognizing and prioritizing the most significant challenges that we face as an organisation. To this end, the Company conducted a detailed materiality assessment and actively engaged with the organization's stakeholders for this process. Through this exercise, we were able to determine the most important material topics and respond accordingly.

Universe of Material Topics

Key Inputs:

- ESG Standards
- ESG Ratings
- Peer analysis
- External requirements



Business Risk and Opportunities

Key Inputs:

- Risk Management
- Leadership discussions



Stakeholder Inclusiveness

Key Inputs:

- Data Review
- Interview with leadership
- Materiality survey



Prioritization

Key Inputs:

- Data aggregation and analysis
- Prioritization of topics
- Development of materiality matrix



Materiality Matrix

Sudarshan's materiality matrix is prioritized based on high, medium, and low material topics. The material topics in the low priority do not necessarily equate with the level of importance the Company gives to that topic. It however, indicates that there is no immediate risk arising out of those topics and are currently managed well by the company.



Key material topics and their linkage with UNSDGs

Environment

Environment Management



Climate Change



Biodiversity



Social

Occupational Health and Safety



Human Capital Management



Procurement and supply chain sustainability



Labour Relations and Human Rights



Community Engagement



Governance

Innovation and Technology



Product Stewardship



Business Ethics and Conduct



Marketing and Labelling



Economic Performance



Sudarshan's Approach to Sustainability

We are committed to creating long-term value for our stakeholders and a positive impact on the environment. As India's leading pigment manufacturer, Sudarshan seeks to play a key role in advancing the country's chemical sector towards sustainability.

The Company has mapped an ESG strategy that will boost its performance in the Environmental, Social, and Governance aspects. The Strategy takes into consideration the current baseline data of the Company, targets adopted by peer companies, international best practices, and evolving megatrends in sustainability. Based on the materiality matrix, the Company analysed its top material issues and built a framework that lays down targets for each of the material topics with an overarching purpose and governance framework.

This framework has made it easier for the Company to determine its sustainability priorities and guides the creation and execution of its ESG related activities. The sustainability targets and KPIs (Key Performance Indicators) are in line with the 17 UN Sustainable Development Goals (SDGs) enabling us to contribute to a global future that is secure, inclusive, and environmentally sound.



ESG Strategic Framework

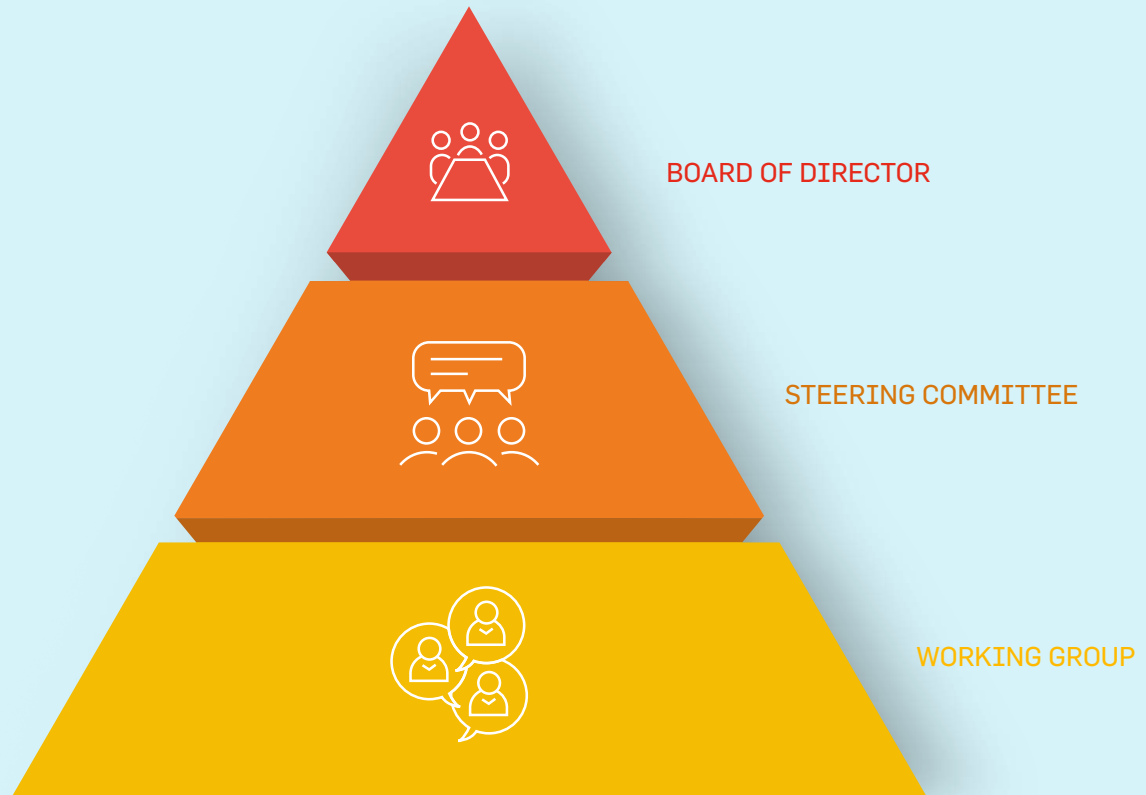
The framework is aligned with the Company's higher purpose – "Growing together by being Spiritually Fulfilled, Socially Just, and Environmentally Sustainable". It is categorized into the Environment, Social, and Governance pillars, each consisting of key focus areas, targets, and roadmaps to attain these objectives.



Robust ESG Governance

The ESG Governance team has been set up to ensure strong governance for sustainability. The role of the leadership team is to assist the Board in meeting its ESG goals. The team is responsible for the guidance to ensure continual improvement in our sustainability performance and the implementation of appropriate processes and policies. The Leadership team is responsible for structuring our sustainability strategy, and long-term goals and targets. It plays a key role in business decisions to ensure workplace safety, eliminate potential damage to the environment, enhance our commitment towards stakeholders, and maintaining the Company's reputation as a leader.

The Steering committee is chaired by Managing Director and comprises the Executive Director, Chief Financial Officer, Head People Practice, Company Secretary, Head EHS, Head Procurement, and Site Heads. The committee meets on periodically to review performance against set targets and plan the roadmap ahead. They provide updates on ESG performance to the Board on a quarterly basis. The Working group comprises operating managers across all functions, who have been entrusted with implementing the ESG programme across Sudarshan.



GOVERNANCE

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GOVERNANCE

Growing Together with ethical governance and stakeholder value creation

Linkage with UNSDGs



Strategic Targets / Governance Targets

Focus Area	Target
Board Diversity	30% women directors on Board by FY 2026
Board L&D	Annual 4 person-hours of L&D on ESG for all directors w.e.f. FY 2024
Board Oversight on ESG	Quarterly Reporting to Board on ESG parameters w.e.f. FY 2024
Compliance	100% Compliance
IT Security	Half-yearly Penetration Testing of systems and networks w.e.f. FY 2024 and Vulnerability Assessment annually
Business Continuity	Institution of back-up mechanism by FY 2025
Cyber Security Awareness	Average 2-person hours training on cyber security w.e.f. FY 2024

Material Topics



Innovation & Technology Upgradation



Corporate Governance



Ethics and Conduct



Compliance



Economic Performance



Tax strategy



Marketing and Labelling



Digitisation and Cyber Security



Risk and Opportunity Management



Business Model Resilience



Sudarshan's Approach to Governance

GRI 3-3

Sudarshan has adopted fair, ethical, and transparent governance practices. As a responsible corporate entity, we maintain the highest standards of accountability, integrity, and probity. A robust governance framework enables the organization to create value for stakeholders, mitigate regulatory and legal risks, and attain sustained competitive advantage. The Company believes that a powerful, independent, and diverse Board can provide appropriate strategic direction,

exercise adequate oversight, and ensure that the Company operates in alignment with the mandate provided by stakeholders.

The Company's Policies on 'Board Diversity, Remuneration, and Succession' drive the composition and conduct of the Board. To translate its intent of good governance, Sudarshan has adopted appropriate policies, codes, and SOPs. These help in developing a robust governance framework that ensures ethical, fair, and transparent business conduct.

The Company's strong fundamentals, robust capital structure, and agile approach to market ensure that risks are mitigated, opportunities are leveraged, and value creation is maximized. The Company's financial decisions are guided by the principles of sustainability and inclusivity covering all the stakeholders. Sudarshan's responsible business conduct extends beyond its operating boundary. The Company's growth is based on a customer-centric approach. Detailed product information concerning safe storage, transportation, handling, usage,

and disposal is communicated to relevant stakeholders under the applicable norms and regulatory framework."

Technological evolution and the information revolution will steer the market landscape, business conduct, and business model transformations. Hence we strive to continually upgrade existing technologies, automate processes, and digitize information management systems in accordance with industry developments.



Corporate Governance

Sudarshan's Board comprises a diverse mix of professionals with rich experience, and competencies. The skill matrix of the Company's directors is detailed in its Corporate Governance Report which can be accessed from **Sudarshan Annual Report 2021-22**. The Board guides the Company strategically, performs adequate due diligence, and ensures stakeholder inclusiveness.

Number of Board Members	11
Number of Executive Directors	2
Number of Independent Directors	7
Women Directors	18.18%

The Company has two women independent directors on its Board since 2015, which exceeds the minimum compliance requirements and provides a broader perspective for governance.

GRI 2-11, 2-12, 2-15

Name of Director	Designation
Mr. P. R. Rathi	Chairman
Mr. R. B. Rathi	Managing Director
Mrs. S. A. Panse	Non-Executive and Independent Director
Mrs. R. F. Forbes	Non-Executive and Independent Director
Mr. D. N. Damania	Non-Executive and Independent Director
Mr. S. Padmanabhan	Non-Executive and Independent Director
Mr. S. K. Asher	Non-Executive and Independent Director
Mr. N. T. Raisinghani	Non-Executive and Independent Director
Dr. Deepak Parikh	Non-Executive and Independent Director
Mr. Ashish Vij	Wholtime Executive Director
Mr. A. N. Rathi	Non-Executive and Non-Independent Director

The composition and conduct of the Board are in compliance with applicable regulations including the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, and the rules notified under the Companies Act, 2013. Sudarshan believes in segregation of responsibilities of Chairman and Chief Executive. Chairman of the Board is non-executive director, who empowers Board and enables a stringent oversight on its operations.

The Company's independent directors are appointed through a robust process prescribed by the Nomination and Remuneration Committee (NRC). Adequate due diligence is performed to ensure that the conduct of independent directors is free from any conflict of interest. Tenure and reappointment of directors are governed by applicable regulations and framework defined by NRC.



Board Committees

The Board delegates functions and responsibilities to the management. Board Committees work as an integrating mechanism in such processes. Composition of various Board Committees are detailed below: Responsibilities concerning management of ESG aspects is undertaken by relevant committees such as Audit Committee, Nomination and Remuneration Committee, CSR Committee, Risk Management Committee, and Stakeholder Relationship Committee. Salient features of Board Committees are as follows:

- Sudarshan has 100% independent Audit Committee and Nomination and remuneration Committee which helps ensuring a higher level of integrity and accountability
- The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements
- NRC ensures directors, key management personnel (KMP) and senior management are appointed and compensated fairly without any conflict of interest and prejudices. It also anchors the internal Board evaluation process.
- The key role of the Stakeholders' Relationship Committee is a) to assist the Board of Directors ("the Board") and the Company to oversee the various

aspects of interest of security holders of the Company b) To consider and resolve the grievances of the securities holders of the Company including complaints related to transfer of shares, non-receipt of Annual report, non-receipt of declared dividends etc.

and c) to review measures taken for effective exercise of voting rights by investors.

- The Risk Management Committee guides the Company in monitoring the identified potential risks including those arising from ESG aspects and mitigation measures.



Mr. Pradeep Rathi
Chairman



Mr. Rajesh Rathi
Managing Director



Mr. Ashish Vij
Whole Time Director



Mrs. S. A. Panse
Non-Executive
Independent Director



Mrs. Rati F. Forbes
Non-Executive
Independent Director



Mr. D. N. Damania
Non-Executive
Independent Director



Mr. S. Padmanabhan
Non-Executive
Independent Director



Mr. Sanjay K. Asher
Non-Executive
Independent Director



Mr. Naresh T. Raisinghani
Non-Executive
Independent Director



Dr. Deepak Parikh
Non-Executive
Independent Director



Mr. Anuj N. Rathi
Non-Executive
Non-Independent Director

Policies

GRI 2-23, 2-24

The Company's code of conduct, policies, and governance framework instils a value system that holds all its business operations and personnel to high standards of honesty, integrity, ethical behaviour, and compliance. The Company has established clear guidelines for appropriate behaviour for employees, management, and suppliers. For the code of conduct to be more effective, they are revisited and updated from time to time. Details on policies and codes are available on the company's website as follows:

[Company Policies | Sudarshan](#)

Board Performance Management

GRI 2-18

Board evaluation is the process to assess the functioning of the Board and its committees towards achieving the desired objectives, remaining within the ambit of the regulations, and working effectively to meet the business strategy. The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down. It recommends to the Board their appointment and removal and specifies the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out and review its implementation and compliance. The Nomination and Remuneration Committee recommends to the Board, appointment, remuneration and removal of Director, KMP and Senior Management

Nomination and Remuneration Process

GRI 2-19, 2-20, 2-21

The Nomination and Remuneration Committee (NRC) determines the compensation of Directors, KMPs, and the Senior Management Personnel. Academic credentials, sectoral and functional knowledge, integrity and conduct in public life, and the ability to give the organization strategic direction are some of the criteria for selecting directors. Remuneration decisions are based on several criteria, including individual and company performance, annual goals, company HR policy, and industry trends.



Ethics and Conduct

Sudarshan is strongly committed to the elimination of practices concerning corruption and bribery. The Company never engages in or supports unethical commercial practices, unfair or exploitative behaviour, or other illegal activities. During the current financial year, no cases of anti-competitive or monopolistic practices, or conflicts of interest were reported.

The Company's zero-tolerance policy towards corrupt practices extends beyond its operating boundary. The Company's Code of Conduct and Whistle Blower Protection Policy provide adequate safeguards against fraud and corruption at all levels. During the reporting year, no material cases on the grounds of corruption/bribery were reported.



Compliance

Regulatory and legal frameworks provide the legal license to operate. Non-adherence with existing norms is associated with reputational, regulatory, and legal risks. Sudarshan is committed to ensuring 100% adherence to applicable laws and regulations. To achieve this objective, it has adopted IT-based Compliance Management Tool managed by a third party.

This system has a special license module which tracks applicable licenses and renewal process. Every regulation has been mapped with compliance owner. Accuracy, agility, and responsiveness of this system enable strict adherence with applicable compliances. During the reporting period, no fines or other penalties for noncompliance were levied for violation of norms concerning listing regulations, competitive practices, human rights protection, and ethical business conduct.



Economic Performance

GRI 201-1

Sudarshan strives to achieve robust and resilient financial performance through responsible and ethical business operations. A strong economic performance enables the organization to achieve organic and inorganic growth, value creation for all stakeholders, and sustainability in long run.

The Company has integrated sustainability into financial decision-making through a methodical, scientific approach. This has resulted in performance optimization and the rationalization of business decisions.

The Company had a planned capex of INR 7,500 million during the 2019-2022 period. Sudarshan's capex plans are directed at technological transformation, capacity expansion, new product and business development, energy management, and waste-water treatment facility. Capacity enhancement resulting from this capex is expected to add INR 15,000 million of additional revenue by FY 2025.

Economic value generated	2021-22	2020-21
Revenue from operations	191,891.10	170,850.10
Economic values generated from investments & other sources	838.20	592.20
Total Income	192,729.30	171,442.30
Exceptional Income	0.00	1,072.80
Net Profit	10,037.60	13,623.40
Operating cost (includes the cost of raw materials, depreciation, and other expenses)	164,327.00	141,878.10
Employee wages and benefit	12,925.40	10,872.60
Interest payment to providers of credit	1,731.10	1,640.00
Dividend/Pay-out to shareholders	4,112.30	0.00
Payment to government (taxes)	3,708.20	4,501.00
Community investments	307.1	297.7
Retained earnings	5,925.30	13,623.40
Retained earnings (Post CSR)	5,618.20	13,325.70

Defined benefit plan obligations and other retirement plans

GRI 201-3

We offer our employees a defined contribution plan and perks to ensure their long-term financial well-being. As a responsible employer, we offer numerous employee benefits like - medical insurance, life insurance, health care services, maternity leave, paternity leave in addition to defined contribution plan.

Defined Contribution schemes	2021-22	2020-21
Contribution to Provident Fund (INR)	11,7691,621	97,608,612
Contribution to Gratuity Fund (INR)	16,612,582	19,968,921

Financial Assistance from the government:

GRI 201-4

During the reporting period Company received following assistance from government:

- Direct subsidy
- Tax exemptions (AA, EPCG)
- Duty drawbacks



Tax Strategy

GRI 207-1, 207-2, 207-3, 207-4

Sudarshan's tax strategy is driven by compliance with applicable regulations and intent to contribute towards the equitable distribution of wealth. The CFO is responsible for devising an appropriate tax strategy that ensures compliance with tax laws and enables the company to leverage opportunities available for tax savings. Relevant internal stakeholders are trained adequately on applicable national and international tax regulations. The Company strives to achieve tax transparency in its operations. Requisite details of tax implications in respective geographies has been provided in the following Table:

Tax Jurisdiction	India	US	Mexico	China	Japan	Europe
Name of Resident entities	Sudarshan Chemicals Industries Limited	Sudarshan North America Inc.	Sudarshan Mexico S. de. R. L. de. CV	Sudarshan (Shanghai) Trading Company Limited	Sudarshan Japan Limited	Sudarshan Europe BV
Primary activities of the organization	Pigment Manufacturing	Pigment Trading	Pigment Trading	Pigment Trading	Pigment Trading	Pigment Trading
Number of employees and basis of calculation for this number	1985	9	2	3	4	11
Total Employee remuneration	11,368	1002	79	20	497	906
Taxes withheld and paid on the behalf of employees	1602	-	18	-	-	395
Taxes collected form customers on behalf of tax authority	30,867	NIL	-	CNY 25002	NIL	-
Industry related and other taxes or payments to government	-	-	-	-	-	-
Significant uncertain tax positions	None	None	None	None	None	None
Revenues from third party sales	154815	11254	5300	417	-	30259
Revenues from intra group transactions with other tax jurisdictions	37076	123	224	-	-	7
Profit/loss before tax	13756	589	417	36	-127	1662
tangible assets other than cash and cash equivalents	105572	1	0	0	1	104
Corporate income tax paid on cash basis	INR 3216.5	NIL	USD 128393	NIL	JPY 70000	EURO 444063
corporate income tax accrued on profit/loss	3708	-	95	-	1	351
Reasons for difference between corporate income tax accrued on profit/loss and the tax due if the stationary tax rate is applied to profit/loss before tax'	-	-	-	-	-	-
The time period covered by the information reported above	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22





Marketing and Labelling

GRI 417-1, 417-2, 417-3

The Company endeavours to ensure accurate, transparent and timely communication of appropriate product information to its customers and other relevant stakeholders. The Company complies with the applicable health and safety norms. Safety Data Sheets and other documents as mandated by the applicable compliances are used by the company to communicate product specifications, hazards, and risk mitigation techniques. The company follows the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulations set forth by the European Union and other equivalent regulations such as AP891, USFDA, Japanese norms, etc.

During the reporting period, the company has not received any major complaints about health and safety issues from customers. No penalties, sanctions, and show-cause notices were issued by any regulatory authority for violation of product safety norms.



Digitisation and Cyber Security

GRI 418-1

Application systems and business processes are continuously improved by adopting best-in-class processes and automation and implementing the latest IT tools which help further for maintaining financial and commercial discipline. As part of this journey, the Company has upgraded to SAP S4 HANA. Sudarshan is committed to enhancing the automation of its processes. Elimination of manual operations makes operations safe,

minimizes errors, and improves yield.

In today's technologically advanced world, information security and privacy are top priorities for any company. The information security structure and procedures used by the Company adhere to the regulatory standards of the numerous markets we service and conduct our business in. To protect information assets from purposeful or unintentional modification and to ensure the accuracy, completeness, and validity of the organization's information assets, Sudarshan is committed to data protection and data confidentiality.

The Company undertakes vulnerability assessments and penetration testing in addition to aligning processes and controls with global standards. The Organization has put in place multi-factor authentications,

access control systems, firewalls, anti-virus on centralized servers, training sessions, and employee sensitization to enhance its IT and cyber security systems. During the current financial year, there were no incidents of data breaches.

Data Centre Migration

To ensure data integrity and security, the Company is migrating its data to co-location data centres. This migration will help in backing-up data at distant locations. In the event of any disaster affecting the operating sites, data integrity, and protection are ensured. The new data centers will be Tier-4 compliant which is currently the best available technology.



ENVIRONMENT

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ENVIRONMENT

Growth with operational resilience and environmental sustainability

Linkage with UNSDGs



Environment Targets

Focus Area	Target
Energy Management	To reduce specific energy consumption by 3% year-on-year till year 2030
Climate Change	To reduce absolute GHG emissions by 42% by year 2031-32 from the baseline of 2020-21
Water Management	To reduce specific water consumption by 20% by year 2025-26 from baseline of 2020-21.
Waste Management	To achieve zero waste to landfill by year 2031-32

Material Topics

Environment Management



**Sustainable Product Development/
Product Stewardship**



Responsible Material Management



Water Stewardship



Waste Management

Energy & Climate Change Management



Energy Efficiency



Energy Source Diversification



GHG Emission Management or Emission Management



Air Emission



Sudarshan's Approach to the Environment

GRI 3-3

As a responsible organization we firmly believe in the concept of growth that is operationally resilient and environmentally sustainable. Due to the nature of our business, our operations are dependent on resources such as energy, water and raw materials. Thus, achieving eco-effectiveness and eco-efficiency across the value chain is critical to Sudarshan's goal of "becoming a sustainable, world-class global solution provider".

The Company's commitments to environmental stewardship have been mentioned in its Environment, Health, and Safety (EHS) Policy. It states that the Company is committed to operating and maintaining its facilities in an environmentally responsible & safe manner. Principles of Comply, Minimize, Conserve, Educate,

Audit, and 4R guide us in accomplishing our environmental sustainability objectives.

Comply	Compliance with applicable laws
Minimize	Minimizing environmental impact through safe technologies, facility design and operating procedures
Conserve	Conserving energy and work to improve the manufacturing efficiency of the products and operations
Educate	Regular training to ensure knowledge of updated laws and regulations, pollution-prevention and waste-minimization practices, and technological developments.
Audit	Periodic audit of operations to confirm compliance with these principles and local laws
4 R	Adherence to the principles of the circular economy led by the 4Rs- Reduce, Reuse, Recycle, Responsible Disposal



Environment Management

Sudarshan's focus on environmental sustainability starts from the product conception stage. The Research and Development (R&D) team has adopted a robust 'Stage-Gate' system of product development. In addition to process and design reengineering, to minimize adverse environmental impacts, innovative solutions are being adopted to augment solvent and catalyst recovery, eliminate toxic substances from the products, and explore alternative raw materials. The Company has adopted Management of Change (MoC) guidelines, under which, available processes and technologies are evaluated systematically for environmental footprint in terms of material usage, energy consumption, water consumption, and hazardous waste generation.



Sustainable Product Development

GRI 416-1

'Product Stewardship' is a critical element of the Company's business operations. It strives to ensure the safe use of products throughout its entire value chain beyond regulatory requirements. Sudarshan's focus on environmental sustainability starts from the product conception stage. Sudarshan endeavours to integrate sustainability right from the product conception stage by adopting the 'Stage-Gate' system of product development. Under this system, a product goes through stages of detailed assessment on various parameters including - resource consumption, process safety, and environmental safety. A product is commercialized only when it passes through checks on environmental sustainability,

process safety, and customer health and safety. Stringent internal analytical tests ensure products are in compliance with the requisite regulatory norms and standards.

The Company drives continuous product improvements across the portfolio to offer better value propositions to customers. The technical capability of the R&D team is a combination of highly experienced in-house experts, state-of-the-art analytical testing facilities, and a well-equipped application lab.

In addition to process and design reengineering, to minimize adverse environmental impacts, innovative solutions are being adopted to augment solvent and catalyst recovery, eliminate toxic substances from the products, and explore alternative raw materials. The Company has adopted Management of Change (MoC) guidelines, under which, available processes and technologies are evaluated systematically for environmental footprint in terms of material usage, energy consumption, water consumption, and hazardous waste generation.

Sudarshan's product portfolio consists of a variety of pigments with applications in various industries including cosmetics and indirect contact with food. Some raw materials contain impurities such as Polychlorinated Biphenyls (PCBs), Dioxins, and Hexachloro Benzene (HCB). These chemicals are classified as Persistent Organic Pollutants (POPs) as per the Stockholm Convention. Being a responsible organization, we have endeavoured to minimize PCB and HCB content in products with initiatives like quality control of raw materials, process re-engineering, and quality assurance at various stages of manufacturing to limit PCB and HCB content in finished goods.

Reducing HCB in Products

Sudarshan ensures compliance to the amendment in Annex I to Regulation (EU) 2019/1021 of the European Parliament and of the Council on persistent organic pollutants with regards to hexachlorobenzene. Improving the impurity profile of our products is an integral part of our continuous improvement process under the SUDARSHAN EXCELLENCE program.

Sudarshan has developed a proprietary process for manufacturing Isoindolinone Pigments [Yellow 109 (CAS No. 5045-40-9), Yellow 110 (CAS No. 5590-18-1), and Orange 61 (CAS No. 40716-47-0)]. In this process, Tetrachloro Phthalic Anhydride (TCPA) is reacted with phosphorous pentachloride (PC15) at 120-160 °C for 10-20 hours to form Tetrachloro Phthaloyl Chloride (TCPC) and subsequent cooling and washing. Finally, TCPC is reacted with an ammoniacal solution in the presence of an organic water-immiscible solvent such as toluene, xylene, benzene, monochlorobenzene (MCB), o- dichlorobenzene an ammonium salt of Tetrachlorocyno benzoic acid (TCCBA). This innovation reduces concentration of HCB from 1,000 PPM to less than 50 PPM.

We have been granted a patent for the above process innovation.

Use of Diethyl Sulphate (DES) for ethylation process

Pigment Violet 23 (PV 23) is used in paints, plastics, inks, and textile applications. N-ethyl carbazole is one of the key intermediates in Pigment Violet 23 synthesis. Ethylation can be done using the following two processes

- Ethylation using ethyl chloride (EC)
- Ethylation using Diethyl Sulphate (DES)

We have changed from EC to DES process to achieve improved process safety, higher yield and purity

- EC is a flammable gas at room temperature and pressure, and a volatile liquid below 120C. On the other hand, DES is easier to handle as it is a stable liquid at room temperature
- EC reaction occurs at high temperature, pressure whereas DES reaction is at room temperature and without pressure
- EC handling needs special provisions. It is transported in cylinders, stored in tanks and charging is done under 3.5 bar pressure liquid over 3-5 hours. It requires a special leak-proof charging system as well as installation of EC leak sensors as a precaution. DES process uses a simple gravity charging system
- By changing from EC process to DES, we have eliminated unwanted byproduct generation (methyl carbazole) and improved yield by 2-3%. DES process results in consistent colour shade and higher purity product



Responsible Material Management

GRI 301-1, 301-2, 301-3

Being in the pigment industry, Sudarshan's operations are material intensive. The Company uses various organic and inorganic chemicals in its manufacturing processes. Major raw materials include Phthalic Anhydride, Sulfuric Acid, Aluminium Chloride, Chlorine, Mica, and Cuprous Chloride. Furthermore, mono-chlorobenzene, xylene, and formamide are some of the solvents used in its manufacturing processes. The company has a strong focus on yield improvement and solvent recovery with an objective to minimize hazardous waste generation and reduce use of fresh materials in the operations. During the reporting period, the company used 44,467 MT of raw materials. The Company improved yield on the selected products by 4-6% compared to the previous year.



Materials	2021-22		2021-22
Raw Materials		Associate Process Materials	
Phthalic Anhydride	14,108	Methanol	2,583
Sulphuric Acid	9,000	IBN	2,055
Aluminium Chloride	6,170	Mono-chlorobenzene	213
Chlorine	3,878	Dimethyl Formamide	120
Uncalcined Mica	3,460	Mixed Xylene	94
Cuprous Chloride	2,382	Total	3,215
Phthalo Blue	2,000	Packaging Materials	
CPC Blue	1,869	HDPE Bags (Numbers)	16,76,111
Caustic Lye	1,600	LDPE Bags	261
NaCl	1,234	Paper Bags (Numbers)	6,49,983
Cosmetics Mica	860		

Solvent recovery

The Company has a special focus on solvent recovery. During the reporting period, the company implemented process and design reengineering initiatives that resulted in solvent recovery in the tune of 80-95% for various solvents.

Due to the contamination of packaging materials, reclaiming and reusing these are not feasible. Reclaiming pigments from end-use products is technologically infeasible. Due to these reasons, the Company cannot reclaim and reuse its products from the end-of-life stage.

Technological upgradation of filter press.

The Company has upgraded majority of the filter presses from conventional type to membrane type and reengineered its filtration process and achieving a reduced water, solvent, and steam consumption.

- Moisture in press cake has reduced by 10 to 20% which resulted in 5% to 10% reduction in Steam during the drying process
- Elimination of usage of hot water in filtration process, resulted in the reduction of steam consumption
- About 3-5% improvement in solvent recovery
- 30-35% reduction in water consumed during the filtration process.



Water Stewardship

GRI 303-1, 303-2, 303-3, 303-4, 303-5

Currently, the company's daily requirement for water is sourced from MIDC. Sudarshan has a state-of-the-art wastewater treatment facility at Roha and Mahad. Furthermore, our R&D site is a zero-liquid discharge facility. During the reporting period our specific water consumption in utility decreased by 21%.

Total water withdrawal during the reporting period was 5,264,665 m3. The Company consumes approx. 10% of water withdrawal and the rest is discharged as per regulatory norms. In addition, the organization has implemented various water-saving measures such as rainwater harvesting, use of recycled effluent and condensate recovery that has resulted in savings of 182,000 m3 of water.

Rainwater Harvesting

The Company has built rainwater harvesting infrastructure at its Roha Site. Total catchment area under the infrastructure is 3,140 meter square. During the reporting period, the Roha site received 3.36 meters of rain. It resulted in total rainwater harvesting of 10,500 kl.



Waste Management

GRI 306-1, 306-2, 306-3, 306-4, 306-5

We believe that the adoption of the principles of the circular economy will be critical to responsible waste management. In particular, the 4Rs: Reduce, Reuse, Recycle, and Responsible Disposal. Our approach towards waste management is as follows:

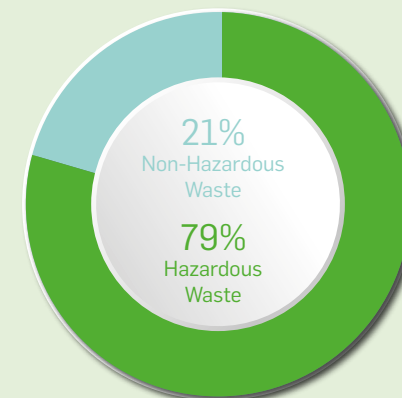
- Responsible storage and inventory management to reduce waste generation
- Responsible asset management to optimize

performance and yield so as to minimize waste generation

- Employee training and sensitization on waste material handling.
- Prevention of spills and leakages
- Responsible logistics and transportation management
- Responsible disposal waste materials as per regulatory norms.

Anaerobic Digestion of Biological Sludge

The Company is in the process of upgrading the anaerobic digestion technology from Anaerobic Hybrid Reactor (AHR) to Anaerobic Venturi Reactor (AVR). This will improve digester efficiency by an additional 20%. Methane captured will be used in the paddle drying process, canteen, or any other heating applications. This will help in reducing quantity of hazardous waste generated by an estimated 50%.



Energy and Climate Change Management

Being in the pigment manufacturing industry Sudarshan's operations are dependent on energy use for chemical reactions. We have adopted a two-pronged strategy to manage its energy consumption and resultant Greenhouse Gas (GHG) emissions. The first is achieving energy efficiency in operations, and the second is energy source diversification.

Our manufacturing processes use energy in the form of steam and power. Steam is used for reaction chemistry while power is primarily used for running utilities and process equipment.



Energy Efficiency

GRI 302-1, 302-2, 302-3, 302-4

Cogen Power Plant

The Company has installed 15 MW cogeneration power plants with two 62 TPH boilers at Roha site. The Cogeneration power plant helps in achieving higher fuel efficiency through waste heat recovery and steam condensation systems. It can operate at 80-85% efficiency. Environmental benefits of Cogen Power Plant are as follows:

- CO2 emission reduction: Approximately 158 tCO2e per day due to waste heat and steam condensate recovery
- Emissions of Suspended Particulate Matter is less than 30mg/Nm3 because of installed ESP.

The Company has committed to improving its energy management system in alignment with global standards. We undertake periodic energy audits and adopt measures to improve energy efficiency based on the findings of these audits. Energy efficiency measures adopted during the reporting period are summarized below:

- Installation of high-efficiency equipment,
- Replacement of conventional tray dryers by highly efficient CD dryers
- Addition of large capacity lower steam consumption SFDs in place of tray dryers
- Replacement of old motors with high-efficiency motors,
- Replacement of reciprocating air compressor to screw compressors.
- Installation of energy-efficient cooling tower fans,
- Installation of LED lights

- Installation of oxygen and blowdown control system for boiler in Mahad,
- Installation of air boosters, flash vessels, and auto condenser cleaning systems for ice plants,
- Installation of VFD for big power motors, i.e. PA Fan and MCW Pumps,
- Installation of condensate and flash steam recovery for effect pigment and HPP (Roha plant)
- Installing automatic power factor bans to improve PF to 0.99 from manual capacitors.



Energy Source Diversification

GRI 302-1, 302-2, 302-3, 302-4

The Company aspires to increase the share of renewable energy in its total energy mix to decarbonize its operations. We have entered into power purchase agreements with renewable energy companies with assets in Aurangabad (wind power) and Sutarwadi and Roha (solar). The Company has a guaranteed offtake of twenty-seven million units of renewable energy as a part of these agreements. During the reporting period, the company used 1,05,648 GJ of renewable energy which was 60% of its total purchased power consumption.

Energy Management		FY-2019-20	FY-2020-21	FY-2021-22
Purchased Electricity				
Electricity – Purchased	GJ	58,865	76,418	71,707
Electricity – Wind	GJ	26,059	21,014	19,837
Electricity - Solar	GJ	594	31,065	85,811
Fuel Consumption				
Coal	GJ	1,821,844	2,065,818	2,331,933
LPG	GJ	88,309	91,667	92,566
Furnace Oil	GJ	5,373	6,561	4,404
Diesel	GJ	4,300	5,199	6,881
LDO	GJ	2,593	1,772	3,046
Total Energy Consumption	GJ	2,007,937	2,299,515	2,616,186

During the reporting period, specific energy consumption reduced marginally for Blue Green, High Performance Pigments and Effect Pigments. However, absolute energy consumption increased due to:

- The Commissioning of new projects and
- Infrastructure expansion

We have identified projects to reduce energy consumption for other business units.



GHG Emission Management

GRI 305-1, 305-2, 305-4

Sudarshan is committed to contributing its share towards the achievement of the Nationally Determined Contributions (NDCs) under the Paris Climate Change Agreement which seeks to limit global warming to less than 1.5 degrees Celsius above pre-industrial levels. In achieve this , the Company strives to reduce its emissions across all its operations. By significantly increased our renewable energy consumption, we are contributing positively towards reduced GHG emissions.

Scope 1 and Scope 2 GHG emissions across operations during the reporting year were 226,668 tCO₂e and 15,736 tCO₂e, respectively. Scope-2 GHG emissions of the Company have decreased by 6% due to increased renewable energy consumption.



Air Emission

GRI 305-6, 305-7

Our plant operations endeavour to minimize emissions of oxides of sulphur and nitrogen, particulate materials, Volatile Organic Compounds (VOC), and other hazardous chemicals. Sudarshan strictly adheres to the prescribed norms concerning stack emissions and ambient air quality. The measures adopted in this regard are:

- Use of low-sulphur coal in its boilers
- Use of Electro-Static Precipitators (ESP) and Scrubbers in all stacks

In addition to this, we don't use ozone depleting substances in production processes. Use of such materials are limited to maintenance of air conditioners.



Biodiversity

GRI 304-1, 304-2, 304-4

Protecting the environment is a part of the core philosophy of the Company. Sudarshan strives to constantly minimize the negative environmental impact of its activities. Our operating sites are located in industrial areas as notified by MIDC. We have undertaken a comprehensive environmental impact assessment to understand potential ecological and ecosystem risks and identify mitigation measures. Furthermore, to augment green belt, the Company has planted 1,645 tall trees within its premises and more than 1,800 outside its sites.



SOCIAL



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SOCIAL

Growing together by being socially just and adding value to all stakeholders

Linkage with UNSDGs



Strategic Targets

Focus Area	Target
Safety Management	- System maturity score of a minimum of 80% for the following critical safety and process safety elements by 2024: - HIRA - Hazard Identification & Risk Assessment - PTW - Permit to Work - CSM - Contractor Safety Management - PSI - Process Safety Information - Safety culture maturity score of a minimum of 80% by 2025 - Zero Process Safety Events (Tier 1 and 2 as per API 754) by 2025
Diversity & Inclusion	30% Women participation in the overall workforce by 2025
Learning & Development	Average 6 person-hours of ESG training annually
Human Rights	100% employees trained on Human Rights Policy 100% redressal of complaints concerning violation of Human Rights
Employee engagement	Great place to work – Gold standard by 2025

Material Topics



Human Capital Management



Human Rights



Occupational Health and Safety



Procurement and Supply Chain Sustainability



Employee engagement and wellbeing



Community Engagement

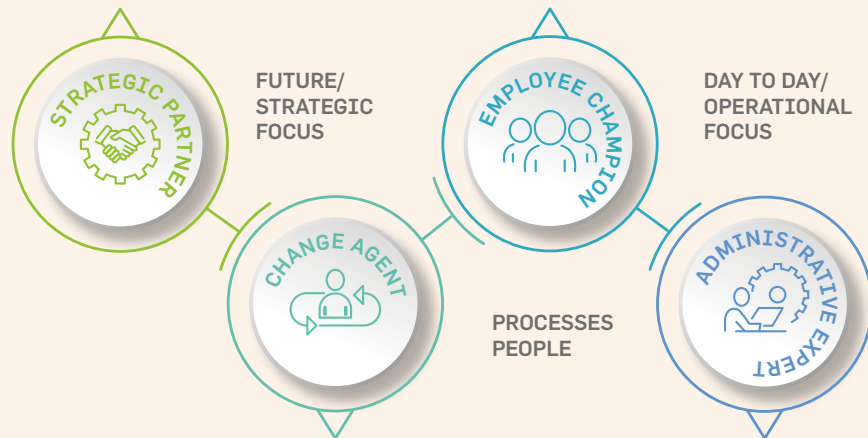


Sudarshan's Approach to the Social

Our goal is to create a meritocratic organisation that empowers employees to take the right business decisions by providing an open, safe, and motivating work environment. We are committed to fostering an environment that encourages learning and growth and enables us to build a next-generation organisation with a focus on promoting innovation, delivering business value, and driving thought leadership. We seek to attract the best people to Sudarshan and provide a range of learning opportunities for all of them to thrive.

- Leadership Strategic meet
- SUDA LEAP (LDP)
- SUDA Inspire (MDP)
- Leadership Coaching
- Brand management
- HRBP
- Sudarshan Learning Academy

- HR/IR Ninja
- Appreciative conversation or Performance Management System
- Shop floor excellence - WCM execution
- Fun at Work
- Employee Reward Recognition
- Fit Sudarshan initiatives



- Promotion of Vision, Mission, Values
- SUDA Essence
- SUDA Tete-a-Tete
- SUDA Tribe
- Value week celebration
- Value Assessment of leaders
- Sudarshan Learning Academy and OD initiatives
- Employee Engagement Survey (SUDA Pulse)
- Growing together
- Spirituality workshop

- Time & Attendance - oriole pay
- Payroll - SAP
- Organization Chart, Recruitment, Appreciative conversation, employee data base- Success factor
- HR Policy manual
- Employee induction and Onboarding programme
- Talent Acquisition
- HR Operations Desk



Human Capital Management



People are our strength and our central to our success. We have introduced multiple initiatives that cater to the wellbeing and health of our employees and their families. We ensure holistic development of our employees by providing them with opportunities to grow. As a part of our structured drive, we identify high calibre individuals and provide them with high-impact roles and autonomy to fulfil their potential.

We consistently recognise our employee's

efforts in business and those going beyond duty hours during the pandemic period for community development and care. Beyond the competitive benefits and compensation, we proudly offer a rich culture, steeped in creativity and a commitment to our associates and communities.

The human resource function at Sudarshan is designed as per the Dave Ulrich model of managing HR roles.

The HR processes and initiatives at Sudarshan are mapped against each segment of the model and are described below in brief.



Strategic Partner

- Leadership strategic meets:
- SUDA Leap : Leadership Development Program
- SUDA Inspire : In Manager Development program
- Human Resource Business Partner



Employee Champion

- HR Ninja : Employee engagement programme
- Shopfloor excellence
- Employee Reward & Recognition
- Performance Management System

We have always believed in the importance of helping people live a meaningful and holistic life, by creating environment sustainability, living a spiritually fulfilling life and developing a socially just community. We have been executing social development programs for



Change Agent

- Promotion of Vision, Mission & Values
- Employee engagement survey
- Growing together - Spirituality Workshop



Administrative Expert

- Time & Attendance – Oriole Pay (Digital portal)
- Payroll – SAP
- Organisation Chart, Recruitment, Appreciative conversation, employee data base – Success Factor
- HR Policy Manual

the past four decades and will continue doing so well into the future. Under the banner of SUDHA : Sudarshan's Holistic Aspirations, we have undertaken programs that positively impact our people's lives.



Global Culture at Sudarshan

We have a well-defined larger purpose, vision, mission, and values. As a growing organization with business interests and operations across the globe, adopting a global culture is imperative. We have endeavoured to create a culture that is a unique to Sudarshan and its ways.

Sudarshan global Cultures and Values are based on 5 pillars : SEVA, COURAGE, COMMITMENT & PASSION, RESPECT, TRUST. Our PCe2 model stands for

- **P** People first in a joyful environment
- **C** Collaboration and Teamwork
- **e²** Execution Excellence and Agility
Embracing Change for Transformation

Our PCe2 model culture is the social and psychological environment of an organization. It symbolizes the unique personality of a company and expresses the core values, ethics, behaviours, and beliefs of an organization.



People first in a joyful environment

- We care and share with empathy
- We appreciate diversity and inclusivity – We welcome ideas from diverse groups -age, gender, diverse culture.
- We connect and share laughter towards creating a joyful environment
- We learn, grow and passionately foster self -development
- We believe in a culture of continuously seeking and providing feedback.

Collaboration and Teamwork

- We set the right expectations and live up to it
- We are, "One team with one goal".
- We respect each other's views, opinions, and welcome ideas openly
- We proactively seek and provide support.

Execution Excellence and Agility

- We will do, "Right First Time – Quality in everything we do"
- We deliver on our promise
- We are agile and open to multi-tasking
- We work with a sense of urgency, speed, and action

Embracing Change for Transformation

- We Think Global and Act Local
- We have an open mindset and are flexible
- We learn, Un-learn and Re-learn, since we believe there might be a better way!



SUDA Tete-a-Tete.

Suda Tete-a-Tete is one of our creative initiatives wherein we reinforce and celebrate our Culture and Values being lived not only at our workplace but also in our personal life.

This is a chat show with individuals and groups which will be in the form of a short video series that focuses on different perspectives around Culture and Values. This chat show will not be confined only to our employees but will also include our extended family members throughout the globe. We intend to bring in perspectives

from different viewpoints irrespective of position, tenure, function, gender etc. to bring in diversity and inclusivity .

This video series will be created using inhouse talent and will be released once in 6 months. These videos will be available on our company social media handle like Facebook, YouTube, Twitter etc.

To start with, we will kick off with a very interesting topic and need of the hour "Solitude to Longevity". This episode we are going to dedicate and pay our gratitude to our veterans who have been in the organization through thick and thin and are still continuing and setting a great example for others to follow.



Our Leadership Model

Sudarshan Learning Academy helps and supports employees to learn new technologies, systems, and processes. Overall, the academy is a centre to help employees achieve their larger purpose. Sudarshan Learning Academy was launched with the primary objective of

- Aligning learning strategy with business strategy and transformation objectives.
- Inculcating a learning culture within Sudarshan
- Being an enabler and accelerator of building skills leading to enhanced business performance.



The impact of our interventions has increased the long-term operational efficiency as well as measurable human asset performance. Thus contributing to the regeneration of efficiency in people and business processes and resulting in value creation across the organisation.

The three primary goals of Sudarshan learning Academy are:

- 1) Training Need fulfilment ratio : 85-90%
- 2) Man days (Target Vs actual) : 2 days

3) Training effectiveness Target : 4 (On scale of 1 – 5)

Our Learning strategy is based on the belief that each person has their own learning curve. We link each training programme offered to the competencies of the Company. Our Internal team is encouraged to build the content of each so that alignment of strategy is intact. Each training programme of Sudarshan will reinforce the Vision, Values and Culture of Sudarshan.

Our Workforce/ Employee/Talent Retention & Management

GRI 401-1, 401-2, 401-3, 402-1

Diversity & Equal Opportunity, Talent Acquisition & Retention, and Learning & Development are the pillars of our Human Resource Management function. We are focussed on not just hiring the appropriate individuals but also on retaining talent and ensuring that the existing staff's capabilities are enhanced.

We are committed to giving back to the society, which can be seen in our focus on recruiting local talent in the area we operate. This provides significant opportunities for strengthening our communities and promoting inclusive growth. In this process, we reduce cost, improve efficiencies, and increase diversity and inclusion across the

organisation.

We have policy to recruit, hire, and promote qualified personnel in all job classifications regardless of race, religion, age, sex, sexual orientation, gender identity, marital status, or disability. Sudarshan is an equal opportunity/affirmative action employer. We provide equal wages to all employee at entry irrespective of their gender.

Women are integral to our business model and growth ambitions. We seek to manage and grow socially responsible businesses where women participate on an equal basis. We believe that women's rights and economic inclusion are priorities to win in the long-term.

18%

Female as a percentage of new hires

15%

Female employees in FY 2021-22

9%

of Senior Management are Female

18%

of Board of Directors are Female

New hires in FY 2021-22

	Age Group			Gender	
	<30 Years	30-50 Years	>50 Years	Male	Female
Senior management	0	12	2	14	2
Middle management	2	27	2	31	0
Junior management	68	36	0	93	11
Staff	124	0	0	87	37

Total Full Time Employees

	Age Group			Gender	
	<30 Years	30-50 Years	>50 Years	Male	Female
Senior management	0	42	22	60	4
Middle management	4	84	36	118	6
Junior management	169	255	72	460	36
Staff	344	13	0	244	113
Workers	0	75	169	244	.

Employee Wellbeing & Welfare

GRI 403-4, 403-6

At Sudarshan, we lay emphasis on the continuous development of our employees. Our talent management programmes provide training for all employees, including young talent, mid-level executives, and top management. We believe that today's youngsters are the leaders of tomorrow.

SUDA NURTURE : Internal Job Posting Platform

We are committed to nurture internal employee's talent to progress in their careers and enhance skillset. In order to create a culture to promotes employee growth and

development, we introduced Internal Job posting initiatives. It allows employees to move to other same-level positions that may interest them. This helps to build a culture of trust that enhances employee engagement and retention. During reporting period 10 personnel were recruited through this initiative. We have set a target to fill 50% of open position from Internal Job Posting initiatives by FY 2023-24.

We provide help for education, medical needs, and employee welfare benefits. Group medical and personal accident insurance, parental leaves, retirement benefits, stock options, disability support, adoption policies, and leaves for exceptional circumstances are all covered.



19

Total number of employees who took Parental leave

19

Number of employees who resumed office post completion of Parental leave

100%

Return to work Rate

Flexibility is one of the most valued quality in the workplace by employers and employees. It benefits both sides, contributing to a more adaptable, enjoyable, and inviting place to work. In line with this and to promote a healthy work-life balance, The Company has introduced a flexible work policy to all employees.

Safety

GRI 403-1, 403-2, 403-3, 403-5, 403-7, 403-8, 403-9, 403-10

We never compromise on safety. Our ambition is to become a leader in safety and create a workplace free from fatalities and serious injuries. Building a strong safety culture takes time and is a continuous process. The safety, health and well-being of our employees has always been our top priority.

Our plan to meet our goal of 'Zero Harm' to our employees entails improvement in our operational safety, fostering a safety culture, skill enhancement, setting up a safety governance structure and asset optimisation.

Central to our approach is our risk management system, through which we systematically identify, assess, and manage health and safety hazards and credible risk scenarios associated with our operations. We let our people know that we expect every individual, all employees, and contractors, to take responsibility for their own safety, and for the safety of their colleagues and the communities in which they work.

We promote, educate, and support our workforce in making healthy lifestyle choices and recognising the importance of good mental health. We expect everyone entering our industrial sites to be fit for work, free of fatigue and not under the influence of alcohol or drugs that may impair their ability to work safely.



LTIFR
(Per 200,000
hours worked)

0.10

2020-21: 0.16

Severity Index
(Per 200,000
hours worked)

6.99

2020-21: 14.60

ISO 45001:2018
(Certification)

100%

sites certified to
Health & Safety
Management
System

We promote the reduction of process safety incidents and improve risk awareness with a culture of dealing openly with mistakes and have actioned initiatives to foster dialogues around safety. To reduce process safety incidents, we focus in particular on technical measures and on a leadership culture that places even greater emphasis on process safety. We are associated with M/s CholaMS Risk Management Services to drive structural approach for Process Safety Management (PSM) at Sudarshan. We have formed a task force from various department-level employees. The Task force team undergoes PSM element training

like basic boot camp, competency building, train-the-trainer, etc. We address health and safety risks for changes of operations, new projects, and expansion activities through a comprehensive risk management framework. We expect our employees and contractors to know the risks of working with our products, substances, and plants and to handle these responsibly. In addition, we are continually refining and expanding our training methods and offerings to increase risk awareness. We have translated our Health and Safety procedures into all major languages spoken by employees. As part of our efforts to upskill our contractual workers, we include our

business partners in various safety training programs such as induction safety training, on-the-job safety training, Safety Town Halls, & Field Safety Audits. We conduct regular trainings for contract workforce on SOP & Trade skills. All our operating sites have an Emergency preparedness plan (including disasters) along with responsibilities in place covering all the risk associated with the operational activities and effective engineering controls are provided to mitigate and handle the emergency. Risk mapping is done for all such risks and emergency scenarios, mock drills, rescue team and training are regularly carried out to make our systems more robust

and check the effectiveness of the emergency response procedure. Unit leadership regularly reviews the emergency preparedness and contingency planning at their sites.

We have also set up an incident management committee to investigate all the incidents (Safety, Environment, process) and learnings are shared across all the locations for horizontal deployment. Based on recommendations received suitable changes are made in the emergency response plans.



Safety Vision



We care for our employees and stakeholders by implementing world class practices and be the safest organization



Safety Mission



Life Cycle approach to safety –
Adopt the process of benchmarking from Concept to Decommissioning
Contractor Safety Management
Contractor Safety is as important as that of employees
Asset Integrity & Barrier Management
Ensuring availability, reliability and integrity of safeguards to mitigate the operational risk

SAFETY VALUES



COMPETENCY DEVELOPMENT

We build safety competencies of all employees and contractors to positively influence risk perception



ZERO TOLERANCE

We practice zero tolerance to non-reporting of incidents and safety deviation



SAFETY FIRST

We demonstrate that Safety overrides all other priorities



OPERATIONAL DISCIPLINE

We strongly believe all incidents are preventable and hence design inherent safe processes and ensure operational discipline



ACCOUNTABILITY

Safety is my responsibility and I am accountable for all my actions

SUDA Kavach

Sudarshan has embarked on a safety-culture transformation journey- "SUDA Kavach" with Chola MS Risk as its knowledge and implementation support partner. The journey focuses on benchmarking the best international practices in Occupational Health & Safety Management (OH&S) system and the Process Safety Management (PSM) system. The program is built

on developing internal capabilities and competencies among the workforce at all levels of the organization on relevant OH&S and PSM concepts. The SUDA Kavach program also has an element of influencing safe behaviour among the employees as well as the associates through a unique method of Behaviour Science Based Safety (BSBS) and Nudge theory.

The program started with a Gap Analysis exercise and Safety Culture Survey by

Chola MS Risk in September 2021 to identify the maturity of existing safety management systems and the prevailing culture. Accordingly, a road map was developed for implementing the Safety Culture Transformation program in a phased manner. The first phase of SUDA Kavach was rolled out in February 2022 with a series of specialized safety studies such as HAZOP, Quantitative Risk Analysis, Fire & Gas Mapping, Hazardous Area Classification, Fire protection system design review, and In-Plant Traffic Management study. This was followed with a Vision workshop, wherein the Safety Vision, Mission, and Values were co-created with the Leadership team. Subsequently, a variety of interventions have been introduced including the selection of Element Champions and Taskforce team, Bootcamps, System and Technical Standards development, Awareness training, Competency building programs, and deployment of safety specialists to handhold the our team along with the support of subject matter experts.

Some of the critical elements that are being implemented in Phase 1 of SUDA Kavach include Leadership & Commitment, Workforce Involvement, Process Safety Information, Process Hazard Analysis (Hazard Identification & Risk Assessment), Work Permit System, Contractor Safety Management, and

Incident Reporting & Investigation.

A dedicated Contractor Incubation Centre has been established at Roha to improve the overall safety culture among the associates (contract workforce) through competency building and field-level interventions for influencing safe behaviour.

A governance mechanism is in place which consists of an Apex Committee, Site level steering committee, and Element committees to periodically monitor and review the progress of various element implementation activities. Key Performance Indicators are defined for each element, which is further translated into employee KRAs to encourage participation and give due weightage to their contribution towards this journey.

Employee Health and Well-being

GRI 403-4, 403-6

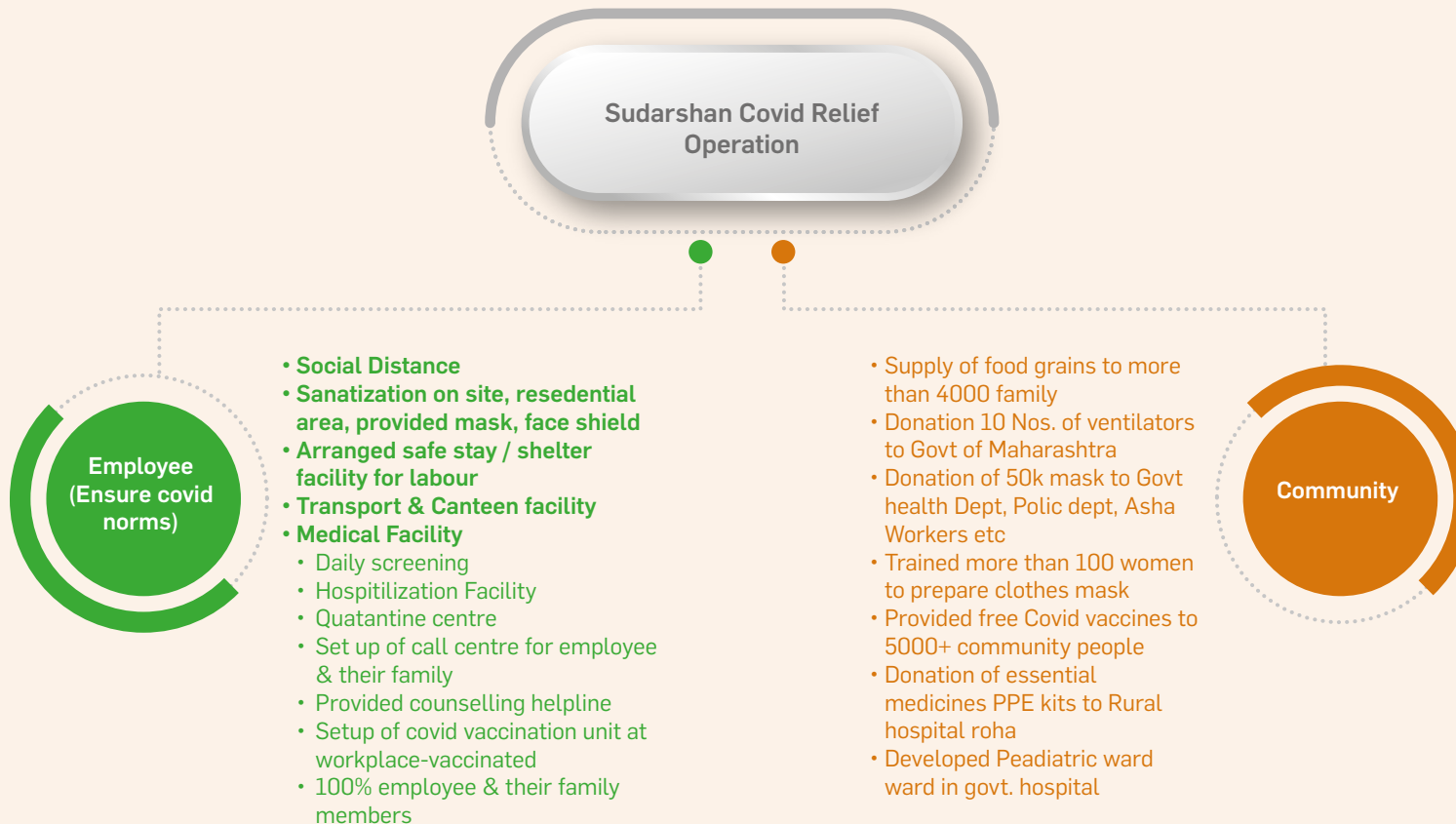
Our health management team serves to promote and maintain the health and productivity of our employees. In 2021, COVID-19 (Second Wave) in India dominated corporate discussions of health, safety, and well-being. We took all necessary measures to keep employees safe and thanks to decisive action, the Company managed to minimize adverse health effects and prevent internal outbreaks.

Occupational hygiene leads to safe and sustainable growth. This includes prevention of all occupational diseases and facilitating a hygienic working environment. Promotion of a healthier lifestyle increases productivity, reduces absenteeism, and enhances retention. We involve hi-tech processes and conduct lifestyle management trainings while

regularly monitoring and controlling exposure to hazardous substances.

The Company has established occupational health centres at all locations for regular health examination of both permanent and contractual employees. Additional health benefits, such as pre-employment medical check-ups and periodic medical

check-ups, are conducted by onsite medical professionals who monitor the occupational exposure limits. Our Occupational Health Assessment plays a central role in on-site industrial hygiene for all our operational locations, and also extends to our Business Partners. We plan to conduct exposure assessment across all our sites. Reduction to exposure plans will be developed to minimise exposure levels. Our aim is to reduce the potential health risks by recognising, evaluating, and controlling occupational health hazards and occupational exposures. We are committed to providing Safe Water, Sanitation and Hygiene facilities to all people working on our premises. We use WBCSD WASH Pledge Self- Assessment Tool to assess the level of WASH facilities. It helps identify gaps in comparison with leading international practices as well as evaluating the implementation on a yearly basis.



Fit Sudarshan Steps towards Physical Health

To ensure a fitter workforce Sudarshan launched *Fit Sudarshan*. Under this initiative we started conducting marathons once a year for all employees (including overseas emps.) as well as their family members under various distance categories 3 Kms, 5 Kms, 10 Kms and 21 Kms, for different age categories at Roha (Maharashtra). Many employees and their family members have been motivated to take up fitness seriously, post the launch of this. 2015 was our first run, by year 2019 we were able to cover 1,800+ employees and family members. The toughest marathon being the Ladakh Marathon at an altitude of 11,155 ft above sea level. We didn't conduct the marathon during the pandemic period. However, during this period total 350+ employees & family members in their personal capacity have participated in various runs in different cities of the country.



It's my passion towards fitness that drives me.. At 52, I train 3 days a week without a break whether it is summer, rain or winter... No excuses..."

As fitness is one of our key aspect.

We are happy to announce that Mr. Gaurav Pancholia from Finance & Accounts Team based at GHO participated in Republic Day Ride from Pune to Gateway of India (Mumbai) distance 175 Kms. organized by Indo Athletic Society, Pune.

The riders started on 25th Jan. from Ravet, Pune at 7:45 pm and reached Gateway of India, Mumbai on 26th Jan. at 5:30 am.

This was Mr. Gaurav Pancholia's third 100+ Kms ride. Cycling is best way to keep fit. It is environment friendly, and one can start exploring new places. Requesting employees and their family members to start cycling, may be short distance but a regular one.



"Initially I was not very keen to attend this program and was finding ways to escape but finally on the first day itself I realised that I did a right thing to attend it. After this I have started loving myself, have started believing in my team much more than what I used to and believe me, I am getting a much better response from my team.

On the family front as well, life is more fulfilling and peaceful. Have again started enjoying seeing my children growing everyday and learning new things. My own energy levels are high, I have better will power and enjoy every moment, whatever may be the circumstances."

Ashish Vij (Executive Director)

Spiritual Reconnect sessions are 45-50 minute sessions which are conducted once a month. At these sessions, we practice meditation and yoga which were taught during the "Spiritually Fulfilling Life @ Sudarshan" workshop. This is conducted at all 4 locations and is a 2 ½ day workshop. We have had over a 1,000 employees attend these, till date.

The objective of this initiative is

- To help the employee be centred with an orientation toward spiritual practices and to give them the opportunity to practice them at work.
- To help the employee to align with the Vision and Global Values of Sudarshan through spiritual thought processes and practices.

Learning & Development

GRI 401-1, 404-2

Our approach towards Learning:



Analyse & Appreciate:

- Vision and Mission
- Do an Appreciative Inquiry and Skill Gap analysis
- Analyse the Training Needs Analysis (TNA) in the organization

Design:

- Design strategic interventions and a complete Annual Calendar on the basis of Skill Gap Analysis and TNA
- Develop a strategy to create an environment of continuous learning
- Strategize on 70:20:10 Model in Learning philosophy

Development:

- On the basis of designed training calendar and skill gaps, design learning modules based on Company's competencies and aligned with its ethos.

Implementation:

- Training Modules should be implemented and monitored using KirkPatrick's Model.

Evaluation:

- Assess the effectiveness of the training modules
- Check for positive reduction in skill gap
- Revise the modules as per business requirements

Ongoing career and skills development through training and education are critical to ensuring that we have the right people with the necessary skills. We have made concerted efforts to guarantee that employees receive the appropriate interventions to support their holistic development, and that manpower waste or redundancy is minimised. Senior employees train the new hires for real-life situations and superior performance. Employees are trained to be tenacious, resilient, and responsible in facing VUCA (Volatility, Uncertainty, Complexity and

Ambiguity) situations

We have created a comprehensive set of learning and development (L&D) programmes to improve people's capabilities and skills in a variety of settings and professions. A systematic approach to skill evaluation and training requirement identification allows for effective upskilling and skill gap closure. To improve employee performance, the Company promotes a culture of continual learning.

Training programmes are conducted in a 70:20:10 learning method.

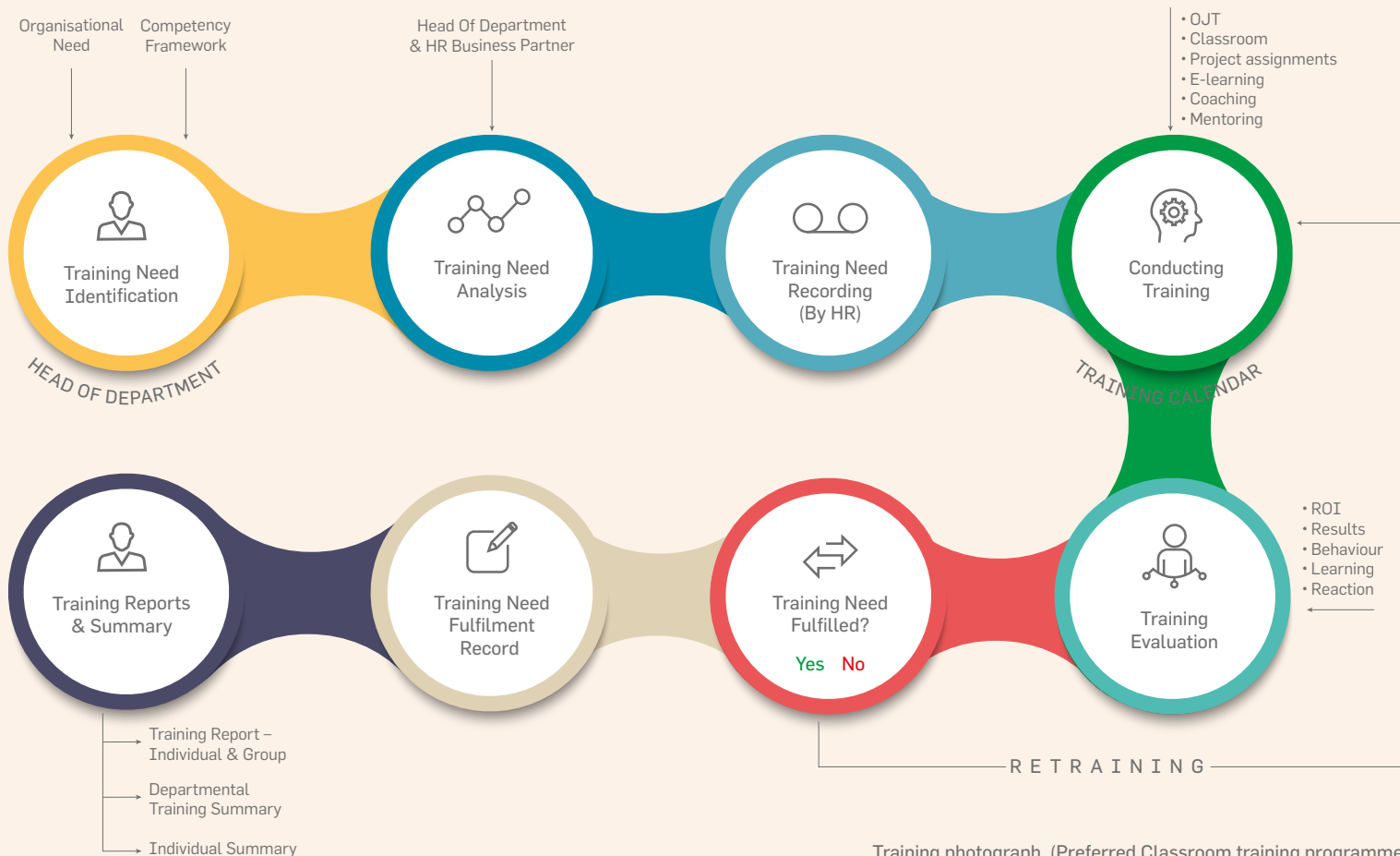


On-the-job or 70%:	Interaction with Others or 20%	Formal or 10%:
• Action learning projects • On the Job Training • Team Assignments • Shadowing with knowledgeable people • Cross-functional team projects	• Being mentored / Coached / Counselling • Observing and asking questions by experts • Best practices learning • Brainstorming sessions / ideation forums	• Classroom session • Taking University Courses • Online courses • External company sponsored courses • Attending professional association forums, seminars, conferences, exhibitions, trade fairs, suppliers

Following the assessment of training needs in many areas, such as behaviour-based, safety, leadership skills, and so on, our L&D interventions develop performance-based indicators (KPIs) for our staff to measure their successes over a specific time interval (annual). Our HR initiatives aim to

instil value creation throughout the organisation, assisting employees in meeting time-bound targets in accordance with the Sudarshan's strategy and vision. They include the following:

- Providing long-term, best-in-class programmes to curious learners, allowing them to achieve higher degrees while working.
- Providing new hires with training, to help them develop unique problem-solving skills
- Focus on the development of young leaders, with an emphasis on succession planning
- Providing on-the-job projects, learning management systems, e-learning, classroom training, and other opportunities for employees at all levels to improve their leadership and general business abilities



Training photograph. (Preferred Classroom training programme)

84%
received career and skill
related training programme.

28.45
average training hours per
employee- against target of 16.0

96%
received Code of Conduct & POSH
related training programme

Employee Engagement & Communications

We believe in fostering solid relationships based on trust. The return is a more vibrant enterprise, more innovative products, and happier employees. The trust between employees and managers is one of the key pillars of a successful business. A culture of trust enables employees to work freely and put in the extra effort to get the best results. The managers, in turn, encourage their juniors to come up with innovative ideas. Together they deliver far more than the sum of their efforts.

We partner with external domain experts on a periodic basis to gauge the engagement levels of our employees.

An engagement survey is conducted for staff and workers on a random basis. The survey window is open for approximately two weeks, where employees are asked to respond to statements using a 5-point scale. After analysing



4 Years in Row



the responses, the score is released. Along with the score, a report is also shared with the organisation, highlighting the strengths and opportunities for improvement.

We believe employee communication is very important as it can increase employee morale, engagement, productivity, and satisfaction. This ultimately helps drive better results for departments and teams, and the business's bottom line. Below is our communication model for internal stakeholders.

12,249
(98%)

employee connects
against target 12,518

COMMUNICATION AT SUDARSHAN



Suda Connect is a yearly Company level townhall meeting with all employees. Managing Directors communicate organisational performance along with the future plan.

Suda Interconnect is a quarterly location level townhall meeting with respective employees. Site Leadership communicate quarterly performance along with the future plan.

Newsletters & magazines: We publish the following newsletters for our employees

- Suda Essence Values newsletter is being published on fortnightly basis to convey the value stories demonstrated by our employees.
- Suda Soul magazine is being released on half yearly basis addressing organisational global culture.

Sudarshan Communication Mail: is a media for communicate all organisation level advises, policies and initiatives to all employees.



Lean Daily Management meetings in operations: Performance of critical parameters are discussed at three different levels –

- LDM 1 happens on the shop floor in every shift between supervisors & field officers
- LDM 2 happens every day amongst the shift executive and line Managers in the plant.
- LDM 3 happens once a week amongst the shift executive and line Managers on the site.

Departmental meeting is a yearly department level meeting with respective employees. Department Head communicate organisational performance along with the future plan



HR/IR Ninja meet: Company rolled out HR Ninja programme across Company. Our representatives from people practice team connects with employees to understand their growth aspirations, take feedback and address concerns.

Appreciative conversation: performance appraisal is a half-yearly performance evaluation interaction between employees and line managers.

Performance Management

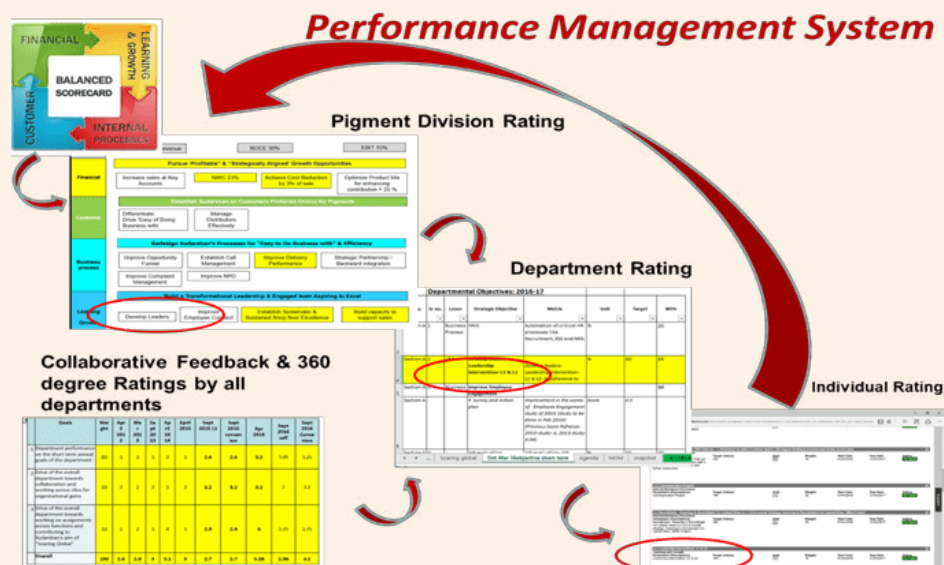
GRI 404-3

Sudarshan's performance management system is used to map KPIs for all employees. These individual KPIs are aligned to set the annual business targets for departments, which in turn are linked to derive the corporate-level targets.

A robust review structure is in place to ensure that business deliverables are aligned with half-yearly reviews for eligible employees. After receiving comments from the immediate supervisor, the annual evaluation rating is assessed

objective & targets for the upcoming Financial Year. This helps Functional Leaders to formulate respective Departmental Goals & action plan to achieve organisational target. This in turn enables an alignment of Individual Targets to functional imperatives. This process also helps an Employee to align & understand the linkage of Individual Goals with Departmental Goals & Organisational Goals.

During reporting period 100% of eligible employees have undergone performance



by an assigned Committee. We have very fair and transparent performance management system in place. The main objective of the Annual Strategic Meet is to discuss & finalize the Organizational

appraisal cycle. 105 employees were recognised as high performers and 48 employees were promoted to the next level and for bigger responsibility.





Human Rights

GRI 406, 402, 408, 409, 410, 411, 202-1

Our Human Resources department is responsible for ensuring that we do not infringe upon any human rights. As an organisation dealing with employees and communities we are highly aware of our responsibility to respect human rights.

Our human rights policy is based on and derived from the UN Guiding Principles on Business and Human Rights. We are committed to complying with all applicable local, state, and national laws, to respect & uphold the human rights of our workforce, communities and all those people with whom we interact. The Company adheres with The Voluntary Principles on Security and Human Rights. We undertake comprehensive risk. Risk Assessment with the objectives to -



Spiritually fulfilling • Socially just • Environmentally sustainable

- Accurately assess risks which are critical to the security of personnel, local communities, and assets, and to the success of the Company's short and long-term operations.
- The Company's and public security - This component guides the relationship between companies and public security to reduce the risk of abuses and to promote respect for human rights.

During the reporting period there were Zero cases of Human Rights violation recorded.

We also expect our suppliers, contractors, and business partners to share this commitment, and put in place policies and processes that support and uphold respect for human rights. We respect the culture, heritage, and norms of the local communities of Maharashtra, where we operate. We recognise that we must take steps to identify and address any actual or potential adverse impacts with which we may be involved in either directly or indirectly through our own activities or business relationships.

We have a diverse extended supply chain, and we recognise the critical role our suppliers play in helping us to source responsibly and

sustainably. Our Responsible Sourcing Policy sets out our expectations with regards to the respect for the human rights, including labour rights, of the workers in our extended supply chain.

We comply with national and international legal requirements and ensure that -

- We have zero tolerance for child labour and any form of forced labour, either directly or through contract
- All our workplaces are free from all forms of discrimination or any kind of harassment
- We meet local minimum wage levels and provide social benefits in accordance with national and international standards.

The Company has appointed internal committee to address employee grievances. Our Grievance redressal process is as below:



Right to freedom of association

GRI 407

When it comes to human rights, we make no distinction between direct and indirect workers and have in place a comprehensive system for contractual labour management and employee well-being across all our locations. We endorse the right to freedom of association. Transparent and fair discussions between union representatives and management are initiated to form collective bargaining agreements. The arrangement includes remuneration, allowances, working conditions, incentives and bonuses, health and safety, manpower productivity among others. 100% of eligible workforce covered by collective bargaining agreement (full-time employees)

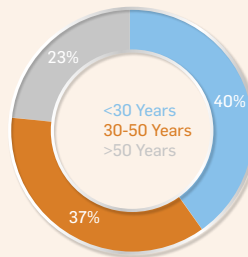
Diversity & Inclusion

GRI 405-1, 405-2

We recognise the value of a diverse workforce. We are an equal opportunity employer and strive to create an inclusive workplace and work culture. We are committed to treating all our people with respect, care, fairness, sensitivity, and dignity. We believe that, by doing so, we will be equipped to deliver better business results. We are on track to maintaining our goal of 30% gender diversity across all levels.

While we appreciate diversity in all its forms, our key focus areas are

1. Gender inclusiveness
2. Inclusion of the differently-abled
3. Inclusion of a multigenerational workforce



We conducted a series of gender-neutral training and sensitization programs to create a conducive and safe workplace for women. SUDA SAKHI ERG

(Employee Resource Group) is a platform developed for women to discuss their challenges and concerns. Every month two training sessions are conducted on various topics like health and safety, self-defence, and emotional well-being. The Company recognizes the contribution of our female employees with initiatives like the NAARI SHAKTI awards.

	2020-21	2021-22
Females/Women in the Workforce	130	160
Female/Women - new hires	46	50
Female/Women in Senior management positions	4	2

Overall Development



To provide support & address developmental needs



Health & Wellbeing



- Competence Development
- Personality Development
- Financial Planning & Awareness
- Assertiveness for Women
- Conflict Management
- Skill Development Workshop
- Satisfaction Surveys

- Physical Health & Nutrition
- Health & Hygiene
- Work Life Balance
- Stress Management
- Yoga/ Zumba/ Meditation
- Self Defense
- Cultural Events/ Festivals
- Chai Pe Charcha

'Women Power' in our chemical plant shop-floor

Since the Company operates in rural areas of India, we constantly work towards improving education for women. As a part of the Company's Global Culture framework; we strive to have a gender neutral workplace and focus on gender equality across the shop floor.

The journey started in 2018, when we strategically decided to engage women employees from surrounding villages. There was always apprehension of women employees operating on the shop floor and in all three shifts. We engaged with the local community through our CSR foundation, spoke to parents and well-wishers of these employees, organized visits to our plant and created an environment of trust and confidence.

Sudarshan employed a woman as a Field Officer in Production and testing functions. We also provided infrastructural support



to these employees. We appointed a female nurse at the Occupational Health Centre and a woman security guard in all three shifts. We conducted a series of workshops on gender equality for managers and supervisors, to create a safe and healthy environment on the shopfloor for our female employees.

SUDA Tribe is an ideation workshop through which we aim to bring a diverse work group together to create conversations and exchange ideas for cultural integration. This initiatives at Sudarshan focus on integration of employees across diverse age groups and experience levels. SUDA Tribe has provided a platform for employees, both old-timers and lateral hires, to meet and share their experience for an open-minded discussion about Sudarshan's culture,

Skits and tribal dances were used as a medium to drive home the message of

togetherness. This has helped reinforce our values of SCCRT – Seva, Courage, Commitment and Passion, Respect and Trust across functions and locations



SUDA Sakhi – ERG was formed to connect with and engage with female employees. This forum provides a platform to address various concerns, celebrate events and achievements. It is headed by our People Practices head. Every month two sessions have been planned and will cover health, hygiene, self-defence, emotional wellbeing, self, and relationships.

We acknowledge the contribution of women employees through our reward & recognition scheme. An internal survey on the effectiveness of this initiative concluded that the women employees showed increased confidence levels and more than 90% of them were satisfied with the workplace and were motivated to take up new responsibilities. The attrition rate was reduced by 7% among women employees and the production quality increased extensively.

"The Company is committed to increasing the number of women at the plant and enhancing their roles and responsibilities. All our new plants to have more than 60 % of women as field officers."



We have observed a high level of commitment, dedication, and sincerity from female field officers on the shop floor. They are very good observers and take note of minute variations in operational parameters."

"Their high compliance rates in occupational health and safety requirements are crucial to operations in a chemical plant" – Head Production HPP Division

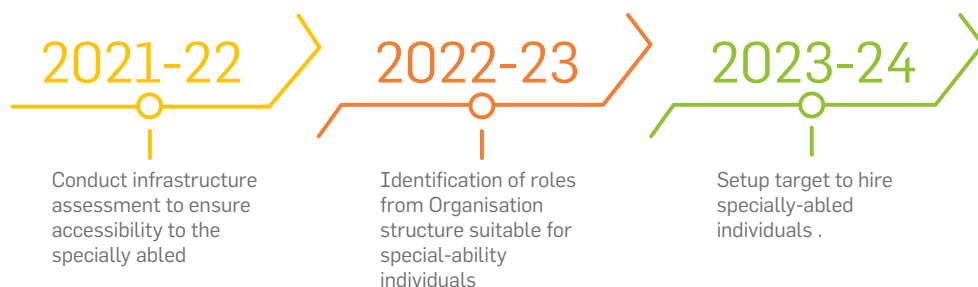


Promoting Specially Aabled

We are committed to providing equal opportunities in employment and create an inclusive workplace in which all employees are treated with respect and dignity. The Company proactively works towards ensuring that its workforce comprises people with disability, subject to applicable regulations, qualifications, and merit of the individual. This Equal Opportunity Policy is in accordance with

the provisions of The Rights of Persons with Disabilities Act, 2016. Inclusive infrastructure facilities are available at our premises. As on March 31, 2022, Company has one differently abled personnel working in Company.

As a first, towards the integration of differently abled personnel in our operations, we have drafted the following plan -



Anti-Harassment Policy

We aim to maintain a work environment characterised by mutual trust and the absence of intimidation, oppression, and exploitation, or harassment of any kind. Through the implementation of this policy, and by educating, mentoring, and guiding our employees, we seek to prevent, correct, and discipline behaviour that violates this policy. All employees, regardless of their positions, are covered by, and are expected to comply with this policy, and to take appropriate measures to ensure that prohibited conduct does not occur. In pursuance of the mandate under the POSH Act 2013, we have constituted a committee known as the "Internal Complaints Committee (ICC)"

to receive, hear and redress any and all complaints pertaining to sexual harassment at workplace. During reporting period, there were zero cases of anti-harassment recorded.



Responsible Procurement

GRI 308-1, 308-2, 414-1, 414-2

Sudarshan believes in the value-chain-based collaborative approach toward business sustainability. The Company understands the significance of inculcating good ESG practices into procurement and supply chain management for achieving goals of corporate sustainability. In this endeavour, Sudarshan has implemented the Responsible Supply Chain Initiative. Under this initiative, we have developed and adopted a Supplier Code of Conduct that covers ESG aspects comprehensively. The Code has been shared with all tier-1 suppliers.

The Company has also adopted systems and processes to screen all suppliers for environmental and social compliances. During the reporting period 100% of new suppliers were screened for ESG compliances. Some of the aspects covered in these are environmental clearance, applicable licenses and consents, commitments to eliminate child and forced labour, protection and promotion of human rights, etc. Suppliers with ISO 14001, ISO 45001, and equivalent certifications are our preferred suppliers.

Supplier 51 Programme

Sudarshan has conducted the criticality assessment of all suppliers on the grounds of spend and business risks. Of the total supplier base, fifty-one suppliers have been identified as critical suppliers. Approximately 70% of the total spend on materials is spent on these suppliers.

The Company has implemented a systemic engagement programme to strengthen strategic partnerships with these suppliers. One-on-one engagements

are conducted with these suppliers. The Engagement protocol covers a wide range of aspects including continuous improvement of ESG issues.

We have developed a roadmap to include comprehensive ESG criteria for supplier selection, evaluation of existing suppliers on ESG performance, and capacity building of suppliers with high ESG risks.

Raw material Planning & Logistics

The Company is mindful of the environmental impacts of logistic management. To optimize supply chain and logistics, it has implemented an automation programme. For this purpose, an IT-based tool 'Plan Visage'. It has been integrated with SAP and provides end-to-end visibility on demand and supply and raw material planning. It has helped in improved

inventory management and waste reduction.

Furthermore, the Company has implemented Warehouse Management System (WMS) warehouse at Roha which has been integrated with SAP. It helps in logistic planning and optimization and reduces GHG emissions associated with transportation.

Sustainable Mica Sourcing

Large mica reserves can be discovered in India, especially in the central and eastern regions of the nation beneath forests. However, the mining of mica creates a lot of environmental and health hazards. To prevent further deforestation, biodiversity loss, and to safeguard human rights, India passed a forest law in 1980. However, women and children still work in dangerous conditions, frequently risking their lives by venturing deep into underground tunnels where there is little oxygen. As the job is illegal, accidents are not compensated.

As a result, the Responsible Mica Initiative (RMI) was founded to protect the environment, end inhumane working conditions, and prohibit child labour in the Jharkhand mica mining industry by 2022. Sudarshan has become a part of this initiative and it ensures that all its suppliers have become a member of RMI too. The Company has evaluated and identified four mica vendors that supply

mica ethically and follow all government regulations. The entire supply chain – raw material inputs can be traced through documentation and the same gets audited by Sudarshan. The Company pays all the mica tax or royalty fees to the government timely. Regular internal, and external audits are carried out with the help of RMI-approved third-party auditing firms. Customer audits/inspections are conducted regularly for these suppliers.

Due to these initiatives toward sourcing sustainable mica, The gaps between recommended practices and current practices by the mica vendors has reduced to a large extent. The unorganized sector of mica processors now keeps track of and maintains all documents meticulously, they have introduced systems and processes towards sustainable sourcing, and ensure adequate licensing, safety practices, and health check-ups are conducted at their plants.

Customer Centricity

GRI 416-1, 416-2

The ESG strategy of the Company encompasses its commitment to adding value to all its stakeholders and therefore to its customers. Sudarshan ensures high-quality products are delivered while keeping the health and safety of customers as the top priority. The Company recognizes the need to have well-equipped Research & Development (R&D) facilities to meet customer requirements and develop cutting-edge products. These products are

developed to meet global standards and are environmentally viable, reflecting our commitment to environmental sustainability.

Sudarshan's customer-centric approach encompasses:

- Delivering value-added products conforming to requirements.
- Practicing stringent quality standards with consistency to ensure safe, effective, and easy-to-use products.
- Soliciting customers' feedback, and insights and addressing their issues timely.

Sudarshan has one of the largest and widest range of pigments with a brand history of over seven decades giving us an edge over our competitors. Over the years, we have consistently delivered quality pigments making Sudarshan a preferred brand in this category.

The Company has established a two-way relationship with customers by providing comprehensive product information that complies with all applicable labelling regulations and compliance. Sudarshan has a well-established sales team who reach out to customers, understand their grievances, and maintain customer relations. Key account managers are appointed to specifically manage our top corporate customers focusing only on delivery and quality. Each customer is tagged with a salesperson/relationship manager, who is the primary point of contact for the customers. A performance dashboard is generated and circulated to all the key customers that reflect Sudarshan's performance and provides a better understanding on how the Company serves them. Sudarshan also invites its customers to their plants and R&D labs for them to get a feel and assurance on the quality of products. These initiatives help build deeper customer engagement.

The code of conduct directs the employees on how to interact with consumers, encouraging regular customer feedback, and motivating them to resolve any concerns that arise. The employees are instructed under Sudarshan's "Customer Centric Policy" to be sensitive and responsive to the needs and concerns of customers. Periodic customer satisfaction surveys are conducted and feedback is shared with sales teams to help plug any existing

gaps. We are happy to report that there are no cases underway against Sudarshan for anti-competitive behaviour, misuse of a dominating position, or unfair business practices. In the financial year 2021-22, we haven't received any complaints from customers relating to their health and safety.

Commitment towards Customer Health and Safety

Nanoparticles of pigments interact with human physiology easily and have the potential to cause adverse effects. European Chemical Agency (ECHA) has classified a select C. I. Pigment as nanoparticles. Sudarshan is committed to supporting the efforts to have a better understanding on the nano characteristics of pigments, safe use, and potential health and environmental risks.

At present, Sudarshan products are not intentionally manufactured at the nanometric scale, containing particles, in an unbound state or as an aggregate or as an agglomerate and where, for a minimum proportion of particles (50%) in the number size distribution, one or more external dimensions is in the size range 1-100nm.

The Company is in process of generating the appropriate analytical data to assess presence of nanoparticles in its products.

Community Engagement

GRI 413-1, 413-2

UN SDGs Coverage



Making a difference to our communities

Our Corporate Social Responsibility model guides us to be socially accountable to our stakeholders, and the public. Reaching out to the community has always been an integral part of Sudarshan's ethos. Over the years we have consistently engaged with communities

and now have a well-designed and detailed model for our outreach. The model is based on Design, Operate and Transfer. It works on the principle of Delivering sustainable impact by relying on expertise, participation, and commitment of all.



Sudarshan's Holistic Aspiration (SUDHA) was initiated in 2011 to give a structure to the existing projects and to begin new projects to engage and empower women in the community.

Higher Purpose of Sudarshan
'Growing Together' by being Spiritually Fulfilled, Socially Just and Environmentally Sustainable."



Vision of SUDHA

Wholesome sustainable growth of women and children in communities around Sudarshan's plants



Mission of SUDHA

Reach out to communities by engaging in projects pertaining to Women Empowerment, Health, Education, Environment and Community Development.



Objectives

- SERVING communities for a better future
- CREATION of belongingness through sustainable inclusive growth
- EMPOWERING women for leadership
- CREATING groups to lead projects ahead

SUDHA's five pillars for strategic development

Women Empowerment

- 500+ women from 10 villages covered under various livelihood projects
- Initiation of bag making projects for women in Roha
- Tailoring project in the regions of Sutarwadi & Roha

Health

- Promotion of healthcare through camps and drives
- Asha workers training as Arogya Sakhis
- Promotion of female hygiene
- Health awareness in Adiwasiwadi

Education

- ISO Certification of ZP Schools and Anganwadis
- E-learning setup and computer education
- JM Rathi school near Roha plant
- Tie ups with Seva Sahyog and Teach for India Foundation

Environment

- Waste management initiatives – Compost bins and Ghanta Gadis system
- Organic Farming initiatives
- Cleanliness drives
- Tie up with INORA
- Tree Plantation drives

Community Development

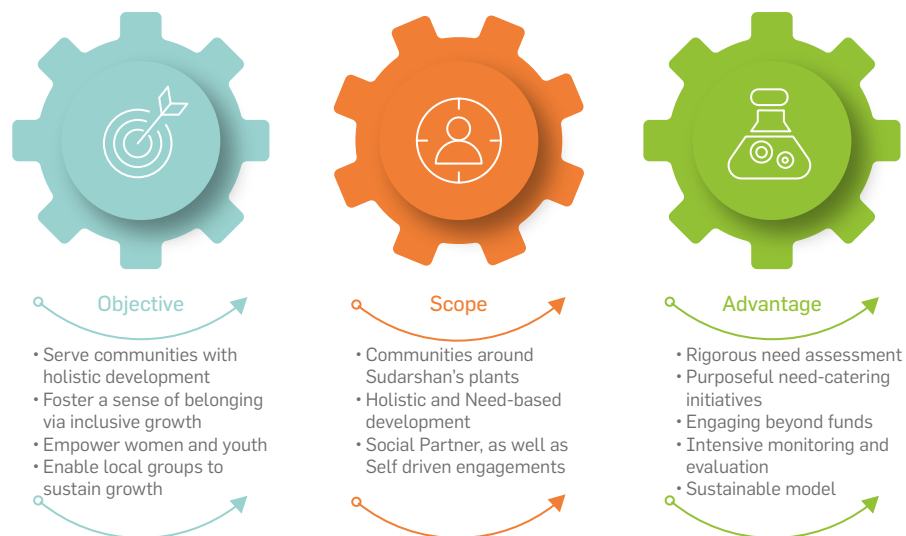
- Livelihood generating activities
- Ideal Village Project [15 villages adopted]
- ISO Certification for Grampanchayat
- Community bonding activities
- Projects of Clean Roha Healthy Roha & Mahad



SUDHA – Our Corporate Social Relationship Strategy

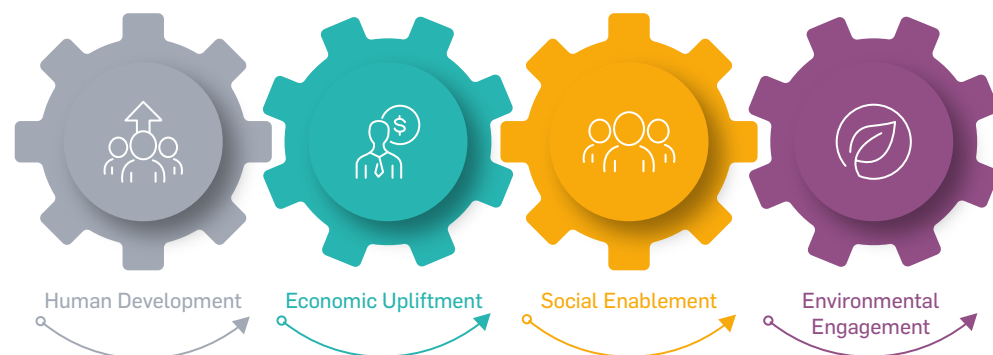
Growing Together... with SUDHA's Strategy to deliver on the 4 pillars of sustainable development

SUDHA STRATEGIC COMPONENTS



S U D H A

SUSTAINABILITY DELIVERED



Ideal Village Development Project (IVDP) Engagement

IVDP engagements are for priority communities that need all-round intervention. We design them to meet the pressing needs of the local village while ensuring that maximum UN SDGs are covered.

- **Multi-Partner Approach** – Specialist partners are onboarded during the Design phase for their expertise in specific areas. They continue to work in close collaboration with the Village Development Committee (VDC) during Operate phase
- **Village Development Committee (VDC)** – A steering committee, comprising members from Beneficiary Community, Gram Panchayat, Social Partner, and Sudarshan, convenes regularly to provide a plan and inputs during Design, review progress in the Operate phase and take over during Transfer phase.



Catalysing International Organization for Standards (ISO) 9001:2015 Engagement and Certification

ISO engagements are for community institutions such as Schools and Gram Panchayats. We design them to enable these institutions to serve the communities better. Strong institutions and public trust in them are essential to bring about sustainable development.

- Certification Consultancy – Tailored consulting services are provided by our partner during the Design and Operate phases to help the institutions get certified
- School Management Committee(SMC) and Gram Sevaks – A steering committee, consisting of Enrolled Parents' Representatives and members of School, Sudarshan, and Social Partners, convenes regularly to deliberate on areas of improvement during the Design phase, review progress during the Operate phase, and take over during Transfer phase

Thematic Focus Areas

Opportunity

- New enrolments in schools
- Enhanced Gram Panchayat visibility at Block level



Arogya Sakhi Engagement

As many villages are far from Primary Health Centres, this initiative leverages the government's Asha worker programme to ensure that the villagers have easy access to basic health care. Activities are undertaken to upskill the Asha workers so that they can provide better care. Below are benefits of this engagement

- Availability of better first aid care
- More systematic collection of health data
- Early identification of disease outbreaks
- Better availability of AN&PN care in villages
- Reduction in pregnancy related complications
- Support available for health check-up camps
- Confidence of Asha workers is enhanced

Activities undertaken



Capacity building - Aroghya Sakhis are trained on communication & data collection. Additional trainings are given as per requirement



AN & PN care - Aroghya Sakhis are trained on best practices for AN & PN care and are encouraged to regularly follow up on pregnant women



Regular meetings - Weekly meetings are conducted to understand new problems and guide on next steps



Medical kits - Basic kits are provided to the Aroghya Sakhis for first-aid



Health camps - Aroghya Sakhis also help create awareness for and organise health camps

SUDHA F.E.E.S – Our Partner Evaluation Framework

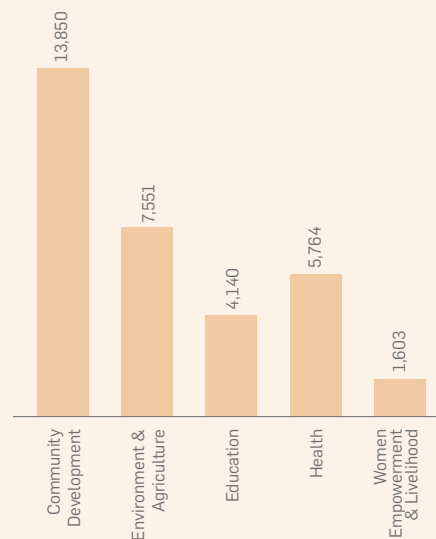
We have adopted standardised evaluation of partners across locations and partners are chosen based on meeting these 4 important parameters.



Our contribution to society

During reporting period, we reached 32,908 beneficiaries through our engagement programmes. Sudarshan has been working extensively in the rural areas of Maharashtra over the past 7 decades.

During the reporting period, through our CSR initiatives, we have installed 317 solar streetlights, 26 Solar based E-learning sets, 35 water coolers in schools and communities. As a part of employee volunteering programme, we planted more than 1,500 trees in nearby communities.



Community Impact Assessment

Under the flagship project of SUDHA's "Ideal Village Development Project", Sudarshan conducted a third-party impact assessment. The assessment was carried out based on the globally accepted REEIS framework (Relevance, Effectiveness, Efficiency, Impact, and Sustainability). A multi-stakeholder approach was developed involving a secondary study of the program, 391 individual surveys, in-depth interactions with 11 groups, and 59 interviews representing different stakeholders. The impact study

shows the project helped in identifying the needs of the local communities. Some of the best practices that were highlighted in the assessment are,

- Skill training - conducted based on the need and relevance to the local communities.
- Aarogya Sakhi's model - strengthened the existing system and improved overall awareness and services in healthcare.



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ESG Data Packs

Environmental

Energy Mix				
Purchased Electricity				
		2019-20	2020-21	2021-22
Electricity - Purchased	GJ	58,865	76,418	71,707
Electricity - Wind	GJ	26,059	21,014	19,837
Electricity - Solar	GJ	594	31,065	85,811
Fuel Consumption				
Diesel	GJ	4,300	5,199	6,881
Furnace Oil	GJ	5,373	6,561	4,404
LDO	GJ	2,593	1,772	3,046
Coal	GJ	1,821,844	2,065,818	2,331,933
LPG	GJ	88,309	91,667	92,566
Total Energy Consumption	GJ	2,007,937	2,299,515	2,616,186
Energy Intensity	GJ/MT	62	69	81

Emissions				
		2019-20	2020-21	2021-22
Diesel	tCO2e	319	385	510
Furnace Oil	tCO2e	416	508	341
LDO	tCO2e	192	131	226
Coal	tCO2e	172,346	195,426	220,601
LPG	tCO2e	5,572	5,784	5,841
Grid	tCO2e	13,408	16,769	15,736
Scope-1	tCO2e	178,111	201,342	226,668
Scope-2	tCO2e	13,408	16,769	15,736
Total Emission	tCO2e	191,519	218,111	242,403
Emission Intensity	tCO2e/MT	0.0059	0.0066	0.0075

Foot note: Emission factors are used to calculate emissions for all direct emission-related activities as per IPCC guidelines for GHG inventories (2006). For indirect emissions (i.e., purchased electricity), the factor is taken from the Baseline Carbon Dioxide Emission Database Version 17.

Water Management				
		2019-20	2020-21	2021-22
Water Withdrawal	Cubic Meter	4,197,828	4,725,725	5,264,665
Water discharge	Cubic Meter	3,521,579	4,110,452	4,271,265
Water Consumed	Cubic Meter	676,249	615,273	993,400

Waste Management				
		2019-20	2020-21	2021-22
Used / Spent Oil	MT	908	960	2,262
Landfill - WWTP Sludge	MT	3,495	9,640	8,445
Incineration - Process Residue	MT	-	18	126

Energy Management – GJ (%)				
		FY-2019-20	FY-2020-21	FY-2021-22
Purchased Electricity				
Electricity - Purchased	%	2.93%	3.32%	2.74%
Electricity - Wind	%	1.30%	0.91%	0.76%
Electricity - Solar	%	0.03%	1.35%	3.28%
Fuel Consumption	tCO2e	172,346	195,426	220,601
Diesel	%	0.21%	0.23%	0.26%
Furnace Oil	%	0.27%	0.29%	0.17%
LDO	%	0.13%	0.08%	0.12%
Coal	%	90.73%	89.84%	89.13%
LPG	%	4.40%	3.99%	3.54%
Total Energy Consumption	%	100%	100%	100%

Social

Total number of employees					
Employee Category	Less than 30 years	30-50 years	More than 50 years	Women	Men
Senior Management	-	42	22	4	60
Middle Management	4	84	36	6	118
Junior Management	169	255	72	36	460
Staff	344	13		113	244
Workers	-	75	169	-	244

Total number of employees as on 31.03.22 | GRI 2-7

Diversity in governance bodies				
Employee Category	Total Members	Male	Female	
Stakeholder Relationship Committee	3		3	
Risk Management Committee	6		8	1
Finance Committee	5		4	1
Audit Committee	2		2	1
Shares Committee	3		3	-
Corporate Social Responsibility Committee	3		2	1
Nomination and Remuneration Committee	4		3	1

GRI 405-1

Ratio of basic salary and remunerations		
Employee Category	Ratio of Basic Salary of Women to Men	Ratio of Basic Remuneration of Women to Men
Senior Management	4.50	10.98
Middle Management	0.10	0.91
Junior Management	1.21	17.09
Field officer	0.00	1.04

GRI 405-2

New hires during FY 2021-22					
Employee Category	Less than 30 years	30-50 years	More than 50 years	Women	Men
Senior Management	0	12	2	2	14
Middle Management	2	27	2	11	93
Junior Management	68	36	0	37	87
Staff	124	0	0	43	117

Number of new hires during FY 2021-22 | GRI 401-1

Employee Turnover						
Employee Category	Total	Less than 30 years	30-50 years	More than 50 years	Women	Men
Senior Management	13	0	8	5	1	12
Middle Management	29	0	25	4	1	28
Junior Management	99	68	29	2	9	90
Field Officers	68	65	3	0	17	51
Workers	10	0	0	10	10	0

Employee turnover during FY 2021-22 | GRI 401-1

Employee Category	Training hours (Men)	Training hours (Women)
Senior Management	331	26
Middle Management	1,193	8
Junior Management	14,032	393
Field Officers	19,323	8,938
Workers	99	0
Contract Workers	2,756	48

Employees and contractors' training hours during FY 2021-22

Employee Category	Eligible for career development review	% of Men	% of Women	Total %
Senior Management	62	92.19	4.69	96.88
Middle Management	107	81.45	4.84	86.29
Junior Management	425	85.10	6.70	91.79
Field Officers	173	32.21	16.25	48.46

Employees receiving regular career development reviews during FY 2021-22 | GRI 404-3

Parameter	FY 2020-21			FY 2021-22		
	Male	Female	Total	Male	Female	Total
Total number of employees entitled to parental leave	390	135	525	423	168	591
Total number of employees who took parental leave	12	1	13	17	2	19
Total number of employees that returned to work	12	1	13	17	0	19
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	11	1	12	14	1	15

GRI 401-3

Governance

Economic Values GRI 201-1

Economic Values

Economic value generated (INR Lakhs)	2021-22	2020-21
Revenue from operations	191,891.10	170,850.10
Economic values generated from investments & other sources	838.20	592.20
Total Income	192,729.30	171,442.30
Exceptional Income	0.00	1,072.80
Net Profit	10,037.60	13,623.40
Operating cost (includes the cost of raw materials, depreciation, and other expenses)	164,327.00	141,878.10
Employee wages and benefit	12,925.40	10,872.60
Interest payment to providers of credit	1,731.10	1,640.00
Dividend/Pay-out to shareholders	4,112.30	0.00
Payment to government (taxes)	3,708.20	4,501.00
Community investments	307.1	297.7
Retained earnings	5,925.30	13,623.40
Retained earnings (Post CSR)	5,618.20	13,325.70



Tax Strategy

GRI 207-1, 207-2, 207-3, 207-4

Tax Jurisdiction	India	US	Mexico	China	Japan	Europe
Name of Resident entities	Sudarshan Chemicals Industries Limited	Sudarshan North America Inc.	Sudarshan Mexico S. de R. L. de. CV	Sudarshan (Shanghai) Trading Company Limited	Sudarshan Japan Limited	Sudarshan Europe BV
Primary activities of the organization	Pigment Manufacturing	Pigment Trading	Pigment Trading	Pigment Trading	Pigment Trading	Pigment Trading
Number of employees and basis of calculation for this number	1985	9	2	3	4	11
Total Employee remuneration	11,368	1002	79	20	497	906
Taxes withheld and paid on the behalf of employees	1602	--	18	--	--	395
Taxes collected form customers on behalf of tax authority	30,867	NIL	--	CNY 25002	NIL	--
Industry related and other taxes or payments to government	-	-	-	-	-	-
Significant uncertain tax positions	None	None	None	None	None	None

Revenues from third party sales	154815	11254	5300	417	-	30259
Revenues from intra group transactions with other tax jurisdictions	37076	123	224	--	--	7
Profit/loss before tax	13756	589	417	36	-127	1662
tangible assets other than cash and cash equivalents	105572	1	0	0	1	104
Corporate income tax paid on cash basis	3216.5	NIL	USD 128393	NIL	JPY 70000	EURO 444063
corporate income tax accrued on profit/loss	3708	--	95	--	1	351
corporate income tax accrued on profit/loss	3708	--	95	--	1	351
Reasons for difference between corporate income tax accrued on profit/loss and the tax due if the stationary tax rate is applied to profit/loss before tax'						
The time period covered by the information reported above	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22

Notes

