

## Business Responsibility Report 2019-20

## Annexure - J

### Preface:

Coromandel International Limited presents its 'Business Responsibility Report' (BRR), as mandated by Securities and Exchange Board of India (SEBI), and in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. The report has been prepared as prescribed and in accordance with the Regulation 34 of the SEBI (LODR) Regulations, 2015.

### About Coromandel International Limited

Coromandel International Limited is amongst India's pioneers and leading agri solutions provider, offering diverse products and services across the farming value chain. It operates in two major segments: Nutrient and other allied businesses and Crop Protection. These include Fertiliser, Crop Protection, Specialty Nutrients and Organic compost businesses. The Company is 2<sup>nd</sup> largest manufacturer and marketer of Phosphatic fertiliser in

India. The Company's Crop Protection products are marketed in India as well as in international geographies, offering wide range of technical and formulation products. The Specialty Nutrients business of the Company focuses on water soluble fertiliser and secondary & micro nutrients segments. The Company is a leading marketer of Organic fertiliser in India and has recently added bio pesticide solutions to its portfolio. It also operates a network of around 750 rural retail outlets across Andhra Pradesh, Telangana, Karnataka and Maharashtra. Through these Retail outlets, the Company offers farming services including crop advisory, soil testing and farm mechanization to around 3 million farmers. The Company has a strong R&D and Regulatory setup, supporting the businesses in process development and new product introduction. The Company has 16 manufacturing facilities, producing wide range of Nutrient and Crop Protection products, which are marketed through an extensive network of dealers and its own retail centers.

For more details, visit [www.coromandel.biz](http://www.coromandel.biz)

### Business Responsibility Report: 2019-20

#### Section A: General Information about the Company

1	Corporate Identity Number	L24120TG1961PLC000892
2	Name of the company	Coromandel International Limited
3	Registered address	Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana
4	Website	<a href="http://www.coromandel.biz">www.coromandel.biz</a>
5	E-mail id	<a href="mailto:mail@coromandel.murugappa.com">mail@coromandel.murugappa.com</a>
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Fertilisers & Chemicals Fertiliser – 20122   Pesticides – 20211
8	List three key products/services that the Company manufactures/provides	Fertilisers, Crop Protection Products and Specialty Nutrients
9	Total number of locations where business activity is undertaken by the Company	16 Manufacturing Locations in India AP - Vizag, Kakinada   TN: Ennore, Ranipet, Thyagavalli   JK: Jammu   GJ: Ankleshwar, Dahej, Sarigam, Nandesari   RJ: Udaipur, Kota   MP: Nimrani   KA-Hospet, UP – Raebareli   MH – Pali
10	Markets served by the Company	India, Latin America, APAC, Africa, Europe, Australia and New Zealand

#### Section B: Financial Details of the Company

1	Paid up capital	₹ 29.30 Crores
2	Total turnover	₹ 13,155 Crores
3	Total profit after tax	₹ 1,059 Crores
4	Total spending on CSR as percentage of PAT (%)	2 %
5	List of the activities in which expenditure in 4 above has been incurred	CSR Activities of Coromandel are focused on Health, Education and Community Development. For details refer Annual Report -Annexure- H on CSR activities.

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## Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiaries of Coromandel are primarily either investment companies or companies holding product registration in foreign countries for export of the Company's products. Hence, this is not applicable.  Number of subsidiary companies: 13
3	Do any other entity/entities (e.g. suppliers, distributors) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate % of such entity/entities?	No

## Section D: BR information

1	Details of Director(s) responsible for BR	Mr. Sameer Goel, Managing Director DIN: 07298938  BR Head: Mr. Sameer Goel, Managing Director DIN: 07298938   Phone: 040 - 27841368 Email: <a href="mailto:GoelS@coromandel.murugappa.com">GoelS@coromandel.murugappa.com</a>
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## 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board of Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies & Codes: <a href="http://coromandel.biz/inv_financial.html">http://coromandel.biz/inv_financial.html</a> CSR Policy: <a href="http://coromandel.biz/pdf/CSRPolicy/CSRPoly_dec2014.pdf">http://coromandel.biz/pdf/CSRPolicy/CSRPoly_dec2014.pdf</a> EQOHS Policy: <a href="http://coromandel.biz/pdf/2016-2017/she/Policy/EQSH_policy.pdf">http://coromandel.biz/pdf/2016-2017/she/Policy/EQSH_policy.pdf</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

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All the policies in Coromandel are governed by its guiding principles and core values. These policies are mapped to each principle hereunder.

## Coromandel Policies Mapping to BR Principles

S. No.	Principle	Applicable Policies
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	<ul style="list-style-type: none"> <li>Values and Beliefs, called the 'Five Lights'</li> <li>Whistle Blower policy</li> <li>Code of Conduct</li> <li>Coromandel Guide to Business Conduct (CGBC)</li> </ul>
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	<ul style="list-style-type: none"> <li>Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)</li> </ul>
3	Businesses should promote the wellbeing of all employees	<ul style="list-style-type: none"> <li>HR Policy</li> <li>Communication policy</li> <li>Prevention of Sexual Harassment Policy</li> <li>Training Policy</li> <li>5S policy</li> </ul>
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	<ul style="list-style-type: none"> <li>CSR Policy</li> <li>Values and Beliefs, called the 'Five Lights'</li> </ul>
5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>Values and Beliefs, called the 'Five Lights'</li> <li>Whistle Blower policy</li> <li>Code of Conduct</li> </ul>
6	Business should respect, protect, and make efforts to restore the environment	<ul style="list-style-type: none"> <li>Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)</li> </ul>
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	<ul style="list-style-type: none"> <li>Values and Beliefs, called the 'Five Lights'</li> <li>Coromandel Guide to Business Conduct (CGBC)</li> </ul>
8	Businesses should support inclusive growth and equitable development	<ul style="list-style-type: none"> <li>CSR Policy</li> </ul>
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	<ul style="list-style-type: none"> <li>Values and Beliefs, called the 'Five Lights'</li> <li>Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)</li> </ul>

## 2a. If answer to the compliance status of any of the Principles listed above is 'No', please explain why

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Not Applicable

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## 3. Governance related to BR

- Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:

The BR Performance revolves around a number of policies which is assessed by the BR Head monthly, quarterly and annually based upon its importance and impact on the environment and Company's operations & activities.

- Publication of BR or a Sustainability Report and its frequency:

This is the fourth Business Responsibility Report of the Company for the Financial Year 2019-20 which forms part of the Company's Annual Report for FY 2019-20. The same can be accessed at [https://coromandel.biz/inv\\_report.html](https://coromandel.biz/inv_report.html). Previous reports were made for the financial year 2016-17, 2017-18 and 2018-19.

## Section E: Principle-wise performance

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

Coromandel fosters a work culture with high ethical principles and standards and encourages its employees to perform with total integrity, commitment and ownership. Commitment to ethical and lawful business conduct is a cornerstone of Coromandel's business practices. It is a fundamental shared value among the Board of Directors, the senior management and all the employees in the company. Coromandel has adopted the 'Code of Conduct' (Code), to ensure ethics, transparency and accountability in all aspects of the business, and create value for its stakeholders in a sustainable manner. The code embodies the belief that being aware of the Company's responsibility towards its stakeholders and acting with the Company's legitimate interest in mind, is essential for the Company's long-term excellence. All Directors and senior management personnel shall affirm compliance with this Code on an annual basis.

In line with the Murugappa Group's values and beliefs (The Five Lights), Coromandel has also adopted the 'Coromandel Guide to Business Conduct (CGBC)' to set forth the principles which guide business transactions with customers, outside businesses, governments, communities and shareholders. All policies are communicated to Coromandel's employees upon joining as well as reinforced through annual refresher sessions.

Coromandel has well established policies in accordance with the statutory guidelines and the relevant SEBI Regulations.

- Whistle Blower Policy/Vigil Mechanism
- The Dividend Distribution Policy
- Code of practices for fair disclosure of unpublished price sensitive information

- Remuneration Policy
- Policy on preservation and archival of documents
- Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges
- Policy on Related Party Transactions
- Policy for determining Material Subsidiaries

The above company policies can be accessed by anyone from the Company's website [https://coromandel.biz/inv\\_financialresults.html](https://coromandel.biz/inv_financialresults.html)

Key elements of Coromandel's corporate governance are transparency, disclosure, internal controls, risk management, internal and external communications, and adherence to high standards of safety, health, environment, accounting fidelity, products and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has also set up adequate review processes. The Company ensures selection of vendors and contractors, who maintain and follow ethical standards. The Company endeavours to impart periodical training on Ethics to its employees and relevant stakeholders are also made aware of the same, on a regular basis.

During the year 2019-20, 8 complaints were received by the Ombudsman under Whistle Blower Policy which were enquired into and suitable actions were taken thereon and no complaints were pending as on 31 March, 2020. Quarterly report on such complaints and action taken thereon are reported to the Audit Committee.

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

The core operating principles of Coromandel are Knows, Cares and Fulfills, in which, 'CARE' emphasizes on environment, community, partners, employees and shareholders. Coromandel has its own Fertiliser Technology Centre, FTC, at Vizag, recognized by Department of Scientific & Industrial Research (DSIR) of Ministry of Science & Technology and a R&D center at Hyderabad for Crop Protection Products. The FTC at Vizag is responsible for developing the manufacturing process for any new Fertiliser and improving the processes for existing products. Extensive trials are carried out in the pilot plants to improve the efficiency of processes, quality of products, delivery of nutrients to crops etc. Coromandel also has a lab space at IIT-Bombay – Monash Academy for development of innovative, patented and scientifically differentiated products. Coromandel also has an exclusive R&D facility at Thyagavalli, Tamil Nadu, and continuously invests in R&D activities to develop new neem based / Bio - pesticides products.

Coromandel has a New Product Introduction Team (NPIT) which comprises of members from Technology, Marketing, Finance and Manufacturing. This team collects feedback from the company's Agronomists about the problems of

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farmers relating to plant nutrition and decides on the new products to address these problems. NPIT closely monitors the development, testing and launch of new products. The work of NPIT is governed by the primary consideration of providing the farmer with better products which deliver value in terms of yield and quality of produce.

The Company ensures safe and optimal utilization of the resources. Coromandel is primarily a phosphatic fertiliser company, hence it is focused on the life cycle of Phosphorus, a key nutrient for crops. The major source of Phosphorus is mined rock phosphate which is transported from North Africa and Middle East which increases its environmental footprint. Coromandel is working on several parallel approaches to improve the nutrient efficiency of Phosphorus including Nano, Coatings, Gels etc. Coromandel's Plant Nutrition R&D group is developing products that will have much higher P efficiency, thus maximizing the utilization of P by the crops and simultaneously reducing the loss of P to the environment.

Coromandel continuously engages with the customer to educate them on safe usage of product. Also, Coromandel's Agronomic R&D conducts number of trials in farmers' fields to generate data on the performance of new and existing products. The Benefit Cost Ratio (BCR) and the Value Proposition for each product are determined through these trials. Education material for teaching the farmers about the benefits of various products is prepared and shared with Marketing. Coromandel's Agronomic R&D works closely with the farmers to collect information about their practices. This knowledge is considered as Farmers' Practices and is treated as the knowledge created by the farmers. The company ensures that its R&D work gives due recognition to Farmers' Practices.

The social and environmental concerns have been incorporated in the development of the following products at Coromandel:

- Sulphur enhanced fertiliser grades, 24-24-0-8S & 20-20-0-13S are manufactured with unique technology such that it maximizes the availability of Sulphur to the crop and minimizing leaching losses of Sulphur
- GroPlus – Enhanced SSP for improving the P efficiency of SSP
- Kash – Potash fertiliser from sugarcane waste
- Sulphmax – Sulphur fertiliser with high S efficiency
- Organic Fertilisers - City Compost : Recycling of nutrients and carbon in organic waste
- Zinc Fortified Fertilisers – improving crop productivity and human health
- Bio-Pesticides: Coromandel acquired Bio-Pesticides unit towards producing and delivering sustainable and environment friendly products

Coromandel has been a leader in promoting organic fertilisers (Municipal compost, sugarcane filter-cake compost, oilseed cakes, Potash derived from molasses) to farmers for sustaining

the soil health and improving productivity, by sustaining nutrient availability to crops and enriching organic carbon content of soil. In the year 2019-20, the company has sold 26,193 MTs of City Compost which is made after composting city waste. The company has also sold 12,453 MTs of PM compost which is made from sugarcane filter cake which is generated as by-product in sugar mill.

To further support its customers and provide balanced nutrition for crops, Coromandel has launched new products in 2019-20.

The Speciality Nutrient Division has launched:

- Gromor Fitol Pomegranate: Crop specific Fertigation product for Pomegranate crop
- Bosmax: New variant of Sulphur products with Boron & Elemental Sulphur
- Novozin: Started manufacturing of Zinc 12% (chelated) at Vizag Plant. Earlier the same product was procured from domestic sources.

The Crop Protection division has launched new products for increased value addition to the customer:

Astra	Insecticide for Brown Plant Hopper in rice
Arithri	For root growth and development
Xenga	Herbicide for grass and broad-leaved weeds in rice
Fornax SC	Insecticides for lepidopteran pests in cotton, rice, sugarcane
Fornax Granules	Insecticide for stem borers in sugarcane and rice
Mythri	Insecticide for mites and thrips in chilli

Further during the year, Coromandel has produced new grade of 15:15:15 that has unique 1:1:1 ratio of N,P,K for the soils that offers balance nutrition to the soils with Low P grade. For balanced nutrition of specific crops and fertigation of sulphur & micronutrient deficit soils, unique grades and products launched in the year include:

- NovoZin, a Zinc fortified Water soluble Fertiliser grade
- BosMax, a Boron fortified Sulphur Fertiliser
- GroSmart Brand for sulphur enhanced grades

To ensure sustainable sourcing for manufacturing process, SSP business has entered into an annual supply agreement for Sulphuric Acid with Hindustan Zinc. For other raw material i.e., Rock Phosphate the company has a sustainable source from local mines i.e. Rajasthan States Mines & Minerals Limited, Udaipur. Imported Rock is being sourced from Egypt which is also a sustainable source. Almost 100% of Acid is sourced on annual agreement. More than 50% Rock is sourced from local mines. For inbound logistics, the business is finalizing contracts on annual basis with RFQ – Negotiation – Finalization.

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NovZin WSF grade



BosMax - GSulphur



GroSmart Brand

There was a continuous focus at the manufacturing units for improved operational efficiencies and sustainable practices through effective conservation of water, energy and raw material resources.

During the year 2019-20, the Company has:

- Reduced the specific water consumption by 0.18 m<sup>3</sup>/MT at Ennore unit
- Reduced the specific power consumption by 0.47 kWh/MT at Kakinada Unit
- Reduced the specific power consumption in the GSSP unit from 12 to 11 units through production and power factor improvement
- Sourcing of Ammonia 20% solution instead of preparing inhouse by using anhydrous NH<sub>3</sub> gas in Acephate and Propineb manufacturing process reducing ammonia norms by 30% and 15% respectively at Sarigam Unit
- Three Dry Vacuum pumps have been installed in place of steam ejectors reducing ethyl acetate and steam norms by 20% and 15% respectively for Acephate process in Sarigam unit

Coromandel consistently has been receiving the awards for its various environment friendly and sustainable manufacturing practices. In 2019-20, Coromandel Vizag Unit was awarded CII Energy Efficient Unit for 6th consecutive year.

Coromandel has consistently ensured that the manufacturing processes and technologies employed are resource efficient and sustainable. In 2019-20, the Company has inaugurated a 450 MTPD Phosphoric Acid plant II at Vizag. The production



has been stabilized. An additional evaporation system has been commissioned for the Phosphoric Acid plant that utilizes additional waste steam generated from Sulphuric acid – 1 with improved specific steam generation in sulphuric acid. Also, additional 10 Acres of HDPE lining for Gypsum handling has been provided at the Vizag Unit. Special grade gypsum manufacturing has been initiated for commercialization and customer benefit. For power generation, AFBC boiler with 6.5 MW TG-II & with upgraded DM Water plant also has been commissioned.

Coromandel encourages the local and small vendors for supply of consumables, engineering stores and carrying out job contracts in order to develop sustainable capabilities. In SSP, few of the annual maintenance contracts, packing contract and other services like fabrication, non-critical project procurement etc. are done from local & small vendors. As a strategy, Coromandel's Sarigam unit is working towards sourcing from local available vendors rather than import sources for better control and to support & strengthen Indian/Local vendors.

Coromandel strives towards sustainable way of utilizing and recycling of resources.

- Coromandel totally reprocesses off spec material generated during granulation of fertilisers, which constitutes 7-9 % of production volume during 2019-20
- Power generated from waste heat at Vizag unit amounted to 33% in 2018-19, increased to 37.7% in 2019-20 after successful commissioning of 6.5 MW TG-II during the year
- Waste Utilisation during the year
  - Waste Water – Vizag Plant is a zero-discharge facility, all waste water generated in the process is recovered, treated and reused in process.
  - P205 sludge - contained in Phosphoric acid is totally reprocessed in production process.
  - Sulphur sludge – contained in raw Sulphur is totally reprocessed in production process.
  - Spent Catalyst, waste oil – recycled through authorized re-processors.

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- Scrap material – like torn HDPE bags & Metal scrap, recycled through licensed vendors
- Production of Single Super Phosphate produces waste in the form of Silica and oversize/undersize granule which are recycled further:
  - Precipitated silica is recycled in the production operation and generation is below 5 %
  - Off spec. material if generated, is recycled back to the process, percentage of recycle in the process 5-10%.
  - Scrap material like torn HDPE bags and MS scrap are recycled by licensed vendor as applicable. Scarp material is < 5%
  - 12% reduction in mother liquor in Mancozeb product was achieved by ANF water wash recycling in Mancozeb-B plant at Sarigam unit.
- In Trimethyl Phosphite (TMP) production at Sarigam plant, effluent is generated in aqueous form with dissolved ammonium chloride which is recovered by Multiple Effect Evaporator and 50% condensate is recycled to TMP plant which is further used in process
- 10% reduction in waste water generation achieved in Mancozeb plant at Dahej by reuse and recycle in process after passing the high TDS process effluent through Multiple Effect Evaporators followed by UV filtration and finally passing through RO membrane for getting the water quality suitable for reuse in process.
- Coromandel's R&D work on Organic fertilisers focuses on recycling of nutrients from waste streams such as agricultural residue, sewage, city waste etc. Most of the raw materials used for the manufacture of phosphatic fertilisers are imported. Coromandel's Fertiliser Technology Centre at Visakhapatnam evaluates various raw materials which have a lower environmental footprint. For example, use of Low Grade rock eliminates the need for scarce High Grade rock. Similarly, lower P losses with gypsum during the manufacture of Phosphoric acid allow the use of gypsum as building material.

Coromandel fully complies with the Indian laws relating to Intellectual Property Rights (IPR) and takes the help of renowned Patent Attorneys for guidance in IPR matters.

### Principle 3: Businesses should promote the wellbeing of all employees

Coromandel continues to emphasize employee training and capability building by placing employee well-being at the forefront, as a key enabler in the organizational strategy.

As on March 31, 2020 there were 4,894 Permanent employees (3,551 Management staff, 1,265 Non-Management staff (NMS) and 78 Trainees) with 168 female employees and 5

differently abled employees. Also, there are around 6,786 off-roll/contract employees.

During the year 2019-20, industrial relations across all plants of Coromandel continued to remain cordial. There are 1,265 workmen on roll across all units of Coromandel. There are 8 workmen unions recognized across Coromandel. 900 workmen (71%) are the members of the unions. There are significant number of inter-state migrant workmen in SSP & CPC businesses as contract workmen. After capacity expansion of Phos Acid Plant at Visakhapatnam unit, a comprehensive manpower study was conducted during the year 2019-20 to ascertain optimum utilization of non management staff, management staff and contract workmen. Adequate control measures have been deployed for engagement of contractual staff across the Company. Statutory compliances were monitored and tracked for closure of any significant observations. Education and training of shop floor employees as per unit requirements have been well deployed across the Company. Family picnics, annual communication meetings and other structured social gatherings as part of Employee Engagement and Work life balance across Coromandel have received good support and applause from all employees. As part of fulfilment and support of the Trade union social responsibility management extended its cooperation at various places to sustain the initiative. Safety surveillance has been improved at vulnerable areas at various plants across Coromandel by installing CCTVs. There were change initiatives in behavioral competencies with a special focus on contract workmen at Kakinada, which has won awards and accolades from the Group level.

Coromandel has a policy on Prevention of Sexual Harassment (POSH) to ensure a harassment free workspace for the employees. Sexual harassment cases are dealt as per the Company policy on prevention of sexual harassment. All the employees are communicated on regular basis on the various aspects of prevention of sexual harassment at work through e-articles and other means of communication.

- As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, Coromandel has constituted Internal Complaints Committees (ICC) with a designated independent Chairperson.





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S.No	Category	No. of complaints filed during 2019-20	No. of complaints as on end of 2019-20
1	Child labour/forced /involuntary labour	Nil	Nil
2	Sexual Harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

Coromandel encourages its employees to showcase their talent and skills at prestigious platforms and actively supports their participation in various internal and external platforms. 'Pride of Murugappa' is one such platform where employees across group companies share and learn best practices. In 2019-20, Coromandel has won the Overall Champion Award in 'Pride of Murugappa' (POM – 2019) across all the Group companies, where it has received 9 awards which is 31% of the total number of awards given this year.

Coromandel continues to emphasize on employee well-being, health and engagement of its employees. In this regard, the Company has launched the HRMS module in 2019-20, which has automated most of the HR process and brought in uniformity of the processes across all locations of Coromandel, for the convenience and benefit of its employees. Through the module, HR processes like hiring, recruitments, exit etc., which were earlier manual, have been digitalized. Also, a number of mobile applications have been launched like Alt Worklife, Zippi Messenger & Jinie Chatbot, through which employees can easily manage their attendance, leaves or other HR specific processes. Also, the Company engages with its employees by actively driving initiatives like Health awareness workshops & seminars, safety week celebrations, defensive driving workshops, employee assistance program (EAP) which offers counselling for emotional well-being of employee and his/her family.

Coromandel ensures continuous skill and competence upgrading of all its employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis. The learning & development process of Coromandel aims to build employee capabilities in line with the current and future core competency requirements of the organization. The Company has deployed various key developmental initiatives in 2019-20.

**CREAM [Critical Resources & Emerging Aspirational Managers]** : 30 Marketing Officers from Fertilisers in the grades of CF3 and MG3 are identified for the CREAM (Critical Resources & Emerging Aspirational Managers) program to develop the talent for critical roles and retention of talent to be future ready for an agile Organization.

**Leadership Development:** Initiated a structured process of conducting a development centre to identify and nurture High Potentials (HiPos) to develop a strong Leadership pipeline across Fertiliser, SND, Organic and Crop Protection businesses.

- **In Fertiliser and Organic Fertiliser business,** a focused **EXCEL 30 program** was conceptualized and launched. EXCEL 30 is a comprehensive 18 months Leadership

Development program for identified 30 HiPos through Talent management program

- **STEP Up [Supporting Talent to Evolve & Progress]:** Promotion process from NM to MS- Shortlisted 22 out of 29 applications as per the eligibility
- **Leadership Program for Young managers:** Identifying young employees for developing talent for Critical leadership role for junior level managers grade across Manufacturing and Marketing & Sales

Retail Business Unit designed and delivered various interventions to build people capabilities in line with the core competency requirements as below:

- **SPEED (Sales Performance Thru Energy, Execution and Discipline):** The program was designed and rolled out for Area Manager Retail Operations (AMROs) to enhance their capabilities in delivering their current responsibilities while preparing them for next level. The program was designed and delivered with external facilitator to 63 AMROs in 2 batches across the Retail Business Unit.
- **KRISHI KAUSHAL:** To inculcate in-depth knowledge on Crops and Various Agri related aspects to RSMs and FSAs, Krishi Kaushal initiated in association with Agri institutions at zone level with geography specific and crop specific inputs. Associated with Agri institutions like Research Stations and KVKs. Total 21 Programs were organized across the Zones in FY 19-20.
- **Agri and Technical Training:** To strengthen agri and technical skills of the field team, various technical, behavioral and crop based programs were delivered. Total 7,567 Man days covered in 2019-20.
- **Retail product training:** For supporting scientists at store programs, training program was organized for scientists on retail products to familiarize with the products at stores

**Performance Management:** With employee development at the core, and to help talent flourish, CPC has launched a structured framework for NMS to MS upgradation process for its technical plants. A competency assessment has been done for identified NMS staff. Based on the test scores, qualified employees are promoted from non-management to management cadre. In 2019-20, 27 employees out of 37 were promoted.

**Uberisation:** To measure and improve the employees (RSMs and AMROs) performance, Retail SBU has implemented the Uberisation quarterly performance rating application.

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Feedback Rating will be given by their reporting managers for employees every quarter in the form of Stars based on the 4 parameters i.e, Profitability, Compliance, Customer Advocacy and Technical Skills.

All permanent employees (including women employees) and the casual/contractual employees have undergone training in the areas of safety, health, behavioral and skill upgradation. Also, Coromandel encourages and provides training and counseling to employee family members in various areas viz., home safety, home 5S, child education and family health.

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

*"The fundamental principle of economic activity is that no man you transact with will lose; then you shall not"* (an excerpt from Arthashastra). This was the basic principle adopted out by the founder of our Murugappa Group, over a century ago and the tradition has endured. Today, this belief continues to guide our decisions and define our work ethics.

Our Mission is *"To enhance prosperity of farmers through quality farm solutions with sustainable value for all stakeholders"*. Coromandel strongly believes in inclusive growth. In line with the philosophy and mission, Coromandel has mapped all its stakeholders that include farmers/customers, employees, shareholders, Government, society, suppliers and business alliances, society. The Company understands the short term and long term needs & expectations of its stakeholders through established communication mechanisms and delivers to achieve sustainable relationships.

Company's primary stakeholder is the farmer, who is most economically disadvantaged, followed by economically backward communities in the vicinity of its manufacturing plants.

As a responsible corporate, Coromandel believes that it can help make a difference to the environment and change lives for the better. Coromandel makes conscious efforts for community development and to enable the prosperity of farmers. Few of the initiatives with inclusive growth approach of Coromandel that enables farmers' prosperity and community development in the vicinity of manufacturing units are mentioned below.

#### Coromandel Girl Child Education Scheme

The Coromandel Girl Child Education Scheme was launched in 2005 in recognition of the strong support received from the farmers of Andhra Pradesh and to help the girl child in her quest for education in rural areas. 1,210 girls have been provided assistance through the scheme in 2019-20 from rural government schools. The objective of the scheme is to provide financial assistance to the meritorious girl students of rural areas studying in classes IX & X. The scheme has also been extended to cover students from standards XI and XII. The objective is also to achieve equalization of educational opportunities, and to promote the development of talent from rural areas and educating talented rural girl children in government schools.

#### Coromandel Medical Centres

The Coromandel Medical Centres offer out-patient facilities for attending to any general medical ailment. A subsidized admission fee is charged from the patients and medicines are dispensed on a cost to cost basis. The facilities provided at the centre include injections/ IV fluid, nebulisation, and instant sugar testing in addition to X-Ray and ECG services. Diagnostic services were also added to the CMCs to address the issue of expensive diagnostic services. The implementation of medical Services has been done in various locations like Visakhapatnam, Kakinada, Ennore & Sarigam. A total of 79,541 patients have rendered the services. Support groups have also been formed to provide awareness on hypertension and diabetes to the patients. Currently 809 patients are part of the support groups initiated in all the four locations.

#### Farmer Advisory services

Coromandel continuously facilitates the farming community through various services for improving the crop yield like free soil testing for balanced nutrient inputs, farm advisory support through Agronomist team, unique grade & fortified fertilisers and providing complete farming solution. In 2019-20, 30,351 farmer education meetings or seminars were carried out by Retail and Fertiliser Businesses.

#### Principle 5: Businesses should respect and promote human rights

Coromandel ensures compliance with all applicable laws of the land pertaining to human rights, in order to preserve the rights of all its internal and external stakeholders. Coromandel has a procedure for taking an undertaking from all its suppliers/contractors that they will abide by all the local laws as applicable to the workmen engaged by them for the Company. A special focus was given on prohibition of engagement of child labour.

Based on The Five Lights (Value System) of the Murugappa Group, Coromandel Guide to Business Conduct (CGBC) provides guidelines to set forth the principles which will guide business transaction with all stakeholders. The CGBC enables to embed the value system and respect for human rights in every aspect of business transactions including respect for employee fundamental rights, prevention of sexual harassment, any kind of discrimination and adherence to SHE (Safety, Health & Environment) policies.



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Coromandel measures the progress on Human rights protection through metrics like

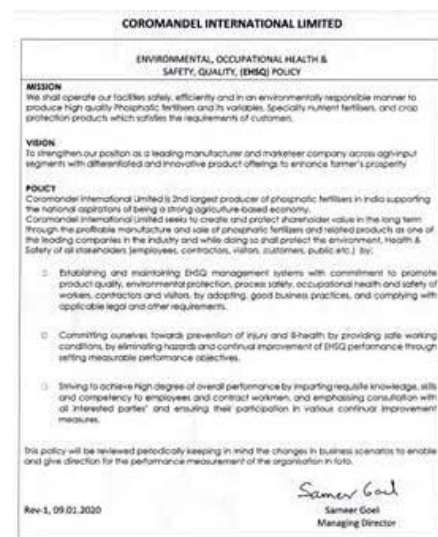
- Training Mandays and employee coverage for awareness on Policies and CGBC
- Employee Engagement survey outcomes on respective parameters
- Number of grievances received and addressed
- Internal HR and Management audit points and closures
- 5S audit score for work environment

Coromandel has deployed various management systems towards ensuring the Human Rights and environment protection which is guided by various policies like HR policy, EHSQ (Environment, Occupational Health & Safety, Quality) Policy, 5S policy, Training and Communication policy.

There were no complaints on violation of human rights in 2019-20.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

Coromandel continually strives to minimize the environmental impact and operational safety risks of its operation through sustainable practices and responsible use of natural resources through effective implementation of Integrated Environment, Occupational Health & Safety, Quality (EHSQ) Policy. The policy covers the entire operations of Coromandel and applies to its Employees, Contractors, Vendors, Visitors and other



Revised EHSQ Policy

stakeholders. The policy has been revised in 2019-20, as per ISO 45001: 2018 safety management system, incorporating vision & mission, inclusion of provision of safe working conditions by eliminating hazards and continual improvement etc.

Coromandel deems safety of personnel as its top most priority and drives the safety process and programs with a goal of Zero harm. A fundamental part of the Company's annual business planning process is environmental management, wherein each business has to frame the strategy and improvement projects for continual improvement of environment Management system. The Company is also actively involved in sustainable development through various environmental activities at a large scale like development of green belt, continual improvement in consumption of Raw materials along with efficient energy saving practices and water conservation by recycling the waste water, rain water harvesting etc.

Company has adopted "Enterprise Risk Management" Approach (ERM) model to address the environmental and operations risks which challenge business continuity. As a part of this, the environmental and safety risks are thoroughly evaluated and addressed across the organization. Manufacturing sites undergo environmental impact assessment studies, as required to understand and mitigate the long-term impacts. Also, life cycle studies are carried out for environmental concerns like plastic waste management.

Fertiliser manufacturing operations at Vizag and Ennore units use 50 % of its energy from the waste heat recovered from its captive Sulphuric acid plants, further reducing carbon footprint of the organizations.

At Coromandel, all major manufacturing processes have installed continuous Emission Monitoring Systems (CEMS) in all process stacks and online (CAAQMS) Continuous Ambient Air Quality Monitoring System through which real time data is uploaded to respective Pollution Control Board Websites which are open to public viewing. In SSP, acid tank farm dyke walls strengthening has been done to prevent spillage or leakages. An additional ₹ 65 Lakhs has been spent on prevention or control of acid spill at Nimrani and Baroda Units.

As a part of ISO 14001:2015, the Company has deployed various Environmental Management Programmes (EMPs) like imperious secondary containment in PA tank area, installation of gypsum neutralization process, installation of LED electrical lamps instead of high energy consuming lamps, replacement of old wound motors by new motors to conserve energy, installation of energy savers in all air conditioner units implemented across units, to prevent and reduce environmental impacts due to the manufacturing process and related activities. In SSP units, a total of 3 EMPs (Environment Management Programs) were implemented in the units, namely Sound / Noise Pollution Controls, Dust level Control through installation of Twin Vertex type Cyclones (Hospet and Udaipur) and Plantation. In 2019-20, under IMS certification, EMS 14001: 2007 was re-certified by BSI for SSP units.

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Considering water as precious commodity, all the Fertiliser units are completely recycling and utilizing the waste waters in the process itself and Zero Liquid discharge (ZLD) is always maintained. In SSP plants, zero liquid discharge is ensured across all operations, including handling of raw materials to finish goods. Additional investment of ₹ 300 Lakhs has been done to ensure and monitor Zero Liquid Discharge to complete revamp for scrubber System.

- HF analyzer installation at Baroda unit to ensure and maintain environmental norm
- AMC given to maintain and control the pollution system and measure like scrubber, flow meter, analyzers, humidifier etc

The Company gives utmost importance to employee's health, Safety and Environment and has adopted the Zero harm policy. The Company has put in robust process safety performance indicators to track its SHE performance. Employees are encouraged to raise 'near-miss' safety concerns and these inputs are periodically monitored, analysed and action taken. The company has rolled out the behaviour-based safety program "Safe start" to improve on the safety culture within the organization and control incidents. The company has also introduced the 12 Life Saving Rules to further strengthen its safety practices.

The Company implemented the additional five elements which are enablers under advanced risk-based Process Safety Management Systems (PSMS), expanding management's commitment and involvement towards Plant safety. The company carried out Quantitative Risk Assessment (QRA) at all Fertiliser sites to enhance the contingency plans & emergency procedures to deal with societal risk. All key manufacturing sites have taken-up structural integrity upgrading program to mitigate risks related to asset integrity.

In its endeavor to continuously improve the environmental performance, various initiatives have been adopted in its manufacturing processes, to promote use of energy efficient and environment friendly technologies. Some of the environment improvement initiatives across few of the units includes:

- **Vizag Plant:**
  - CFO for PA expansion has been obtained from APPCB and successfully commissioning of the PA-2 projects with all environmental safeguard measures in place
  - Online stack analysers installation at PAP 2
  - Gypsum lining 10 acres with recycling arrangement
  - Initiation of TERI plantation
  - Installation of Pulse jet Bag Filters at ball mill (PAP-2)
  - Conversion of earlier dumping yard into weigh bridge
  - Improvements in analysers at old Ball mill area

- ZLD tank at ETP area
- Stack platform replacement and repair for C train stack
- Use of natural light for all the new godowns constructions
- Conversion of open godown to closed godown
- Upgradation of DM water plant with Ultra filtration technique
- By increased use of Molten sulphur at Visakhapatnam, there is overall reduction in fugitive emission and also reduction in greenhouse gases to the tune of 4,700 MT/yrs of CO2.
- Use of closed pipe conveyor at Visakhapatnam Unit for the elimination of fugitive dust emission during the transformation and reduced power consumption

■ **Ennore Plant:**

- Digital Hazardous waste display installed. Gypsum yard HDPE lining impervious layer work in progress covering around 2 acres.
- Installation of MED plants at Ennore unit which will use sea water thus saving of natural water also energy.

■ **Kakinada Plant:**

- In house initiatives were taken to improve the aesthetic of the plant through the landscaping and horticulture development

■ **Sarigam Unit:**

- Three Dry Vacuum pumps have been installed in place of steam ejectors reducing ethyl acetate and steam norms by 20% and 15% respectively for Acephate process.

- As existing scrubbers for Chlorine and Ammonia was found inadequate for worst case leakage scenarios, new scrubbers have been designed and installed to handle single Chlorine tonner and single ammonia bullet leakage scenarios

- As a strategic initiative to control fugitive emissions, detailed study of current venting system, loading and unloading activities, human exposure, etc was carried out and Fugitive Emissions Control Scrubbers have been installed for Multipurpose Plant, Phosphorus Trichloride plant and Trimethyl Phosphite plant

- Fogging system has also been installed to control dust and odour issues across the site for particular areas

■ **Dahej Unit:**

- The unit has installed Solar street lights along the periphery of the plant and all the industrial lighting fixtures were converted to energy efficient LED.

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To further strengthen its commitment to environment, Coromandel Vizag plant has adopted certain new and emerging technologies for environment conservation. Some of these include:

- Miyawaki plantation which is under progress
- Gypsum lining through CPCB approved methodology with sump and pump arrangement
- HF analysers with latest TDLAS technology installed at PAP-2
- SO<sub>2</sub> analysers also with CPCB approved technology installed at Boiler

Coromandel has continued its support to improve the green cover through various initiatives:

- Around 20,000 samplings completed during FY 19-20 and till date total 90,000 saplings planted in Visakhapatnam city under Green Visakha with the help of District Forest Officer & VUDA
- At Ennore, plantation has taken place in and around plant premises. Banyan trees plantation has taken place around the peripheral areas in Ammonia tank area
- Around 300 acres of Kakinada Plant is covered till date by Green Belt. Construction of Birds Paradise at Kakinada unit which has been featured in BBC documentary in the field of Biodiversity conservation.

To become energy efficient various projects were executed across units on a continuous basis. Following are some of the key initiatives in this direction at few of the manufacturing units:

- **Vizag Plant:**
  - Installation of Variable Frequency Drives in Sep 2019 with an investment of ₹ 140 Lakhs which resulted in energy saving of 3,28,765 KWH /year units
  - Modernisation of electrical Low-Tension switchgear which has resulted in Energy saving of 1,92,000 KWH /year
  - Modern Energy Efficient LED lighting system which has resulted in Energy saving of 12,52,826 KWH / year
- **Ennore Plant:**
  - 90 Nos. Energy efficiency motor replaced instead of normal motor
- **Kakinada Plant:**
  - Kakinada unit makes use of Solar energy as a renewable source of energy. It is having Solar water heating facility for the boiler feed water heating purpose. This helps in reducing Natural gas consumption for preheating purpose through the two sets of heater available, the temperature

of water can be increased up to 80°C producing 1,20,000 liters per day.

- Beside these, for reducing grid power consumption company has taken the following initiatives:
  - Installed 450 no's of LED Energy Saving lights resulted in savings of 2,77,777 Units per year
  - Installed 40 no's of IE3 motor installation of below 5 HP ratings resulted in savings of 92,592 Units/ year
  - Installed BLDC replacing conventional fans resulted in savings of 36,900 Units per year

▪ **SSP plants:**

- Installation of VFD (variable frequency drive) was done at Udaipur, Baroda, Ranipet and Nimrani Units
- Installation of LED lights has been done across Units based on replacement strategy
- IE 3 motor replacement and Energy efficiently motor procurement has been done in the project
- To improve scrubber system efficiency invested ₹ 255 Lakhs on revamp of scrubber system

▪ **Ankleshwar Unit:**

- About 1,06,051 KWH of energy saving achieved by installation of energy efficient motors at various locations in the plant
- About 1,97,810 KWH of energy saving achieved by installation of energy efficient cooling tower pumps with motors in Utility section
- About 41,451 KWH of energy saving achieved by installation of high efficiency energy saving E-Glass Proxy FRP Fans for different cooling towers
- About 5,465 KWH of energy saving achieved by installation of energy efficient BLDC ceiling fan at various locations in the plant
- About 19,320 KWH of energy saving achieved by installation of steam operated pressure powered pump unit (PPPU) in Malathion/Profenofos & MEE Plant for condensate transfer

Coromandel has also received recognition for its various environmental initiatives during 2019-20:

- Vizag and Ennore units have received CII EHS excellence awards – 3 star rating from CII Southern Region
- The bio-diversity effort of having Bird's Paradise inside the factory premises at Kakinada has been recognised by the Government of Andhra Pradesh by felicitating with the State Biodiversity Award in the month of May'2019

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Various environmental studies were conducted based on requirement for continuous improvement. Some of the key initiatives in 2019-20 include:

- Safety Culture Survey: The company carried out Safety Culture Survey for the second consecutive year through UK, HSL and overall rating was comparatively higher than the average of the participating companies and Coromandel's own performance in the year 2018-19.
- Quantitative Risk Assessment (QRA): The study has been done by IoMOSSIAC to identify risk at Sarigam unit and subsequent recommendations have been implemented.
- DuPont has been engaged for 2 years to bring cultural change in Safety and enhance Process Safety at Sarigam Site. Process Hazard Analysis of all plants at Sarigam site has been done. All Critical and medium risk recommendations are implemented and validated by Dupont.
- Aloha software was introduced to conduct dispersion studies of any hazardous chemicals.
- Top 5 Risk Scenarios of Sarigam site were identified and Risk Containment of the same has been done and recommended safeguard has been introduced to reduce risk.
- Hazardous Area Classification Audit has been conducted by MS CHOLA at Sarigam Unit.

During 2019-20, there was one case filed in the court which is sub-judice presently and no open show causes from CPCB / SPCB. During the year 2019-20, the Total Recordable Injury Rate (TRIR) per million-man hours stood at 0.58 for fertiliser and SSP business and total reportable injury cases for the year was 5 out of which regrettably 2 were fatal injury cases and 3 were medical treatment cases. These injury cases were thoroughly investigated and subjected to root cause analysis and action plans chalked out and implemented to prevent recurrence.

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

Coromandel engages in policy advocacy in a responsible manner through its membership in various industry forums & associations. Coromandel continues to share its rich experience to provide incisive insights and detailed inputs to

key decision makers in planning better policies in the setting of new industry standards and regulatory development pertaining to areas such as fertiliser policies, subsidy policies, industry economic reforms, improving industry standards, development of new and unique grades of products for enhanced crop yields, inclusive development policies.

The Company works with apex industry institutions that are engaged in policy advocacy, like the Fertiliser Association of India, International Fertiliser Association, Crop Care Federation of India, Pesticide Manufacturers and Formulators Association of India, Southern Indian Chamber of Commerce and Industry, Confederation of Indian Industry, Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, National Safety Council, Environmental/Pollution Control Boards, Bureau of Indian Standards, Central Insecticides Board, State Fertiliser Marketing Federation, Petroleum and Natural Gas Regulatory Board and Gas Authority of India Limited.

Coromandel Leadership team plays an active role in industry federations. For example, Mr. Sameer Goel, Managing Director, is a Director in FAI, Mr. Srikanth S, EVP & Business Head (Crop Protection) is among the Board of Directors CCFI while Dr. Kuppasamy, Sr.GM & Head-Regulatory Affairs (Crop Protection) and Dr. Rajul Edoliya, VP & Head-Business Development & Regulatory Affairs (Crop Protection) are Technical Committee members in CCFI. Mr. B. Prasannatha Rao, Executive VP and Head of HR, is a member of National Human Resource Development (NHRD) and Mr. Arun Leslie George, Executive VP and Head of Retail Business, is a member of Board of Apprenticeship training. Also, Dr. Amit Rastogi, EVP-Technology is a member of Working Group on Nutrient Stewardship in IFA and a member of Agricultural Sciences Advisory Committee in FAI, Mr. Amir Alvi, EVP & Head – Manufacturing (Fert.) is a member of technical committees in FAI & IFA while Mr. Kalidas P, EVP & Head – Sales & Marketing (Fert. & Org.) is a member of FAI and Mr. Pradeep Kumar, VP & Head of HR(Fert.. Org. & SND) is a member of NHRD & CII. Coromandel's engagement with the relevant authorities for responsible advocacy is guided by the values of integrity, respect and responsibility and with sustainable value for all stakeholders. Few of the key areas that Coromandel has advocated in last few years through industry associations for the advancement and benefits of farmers, as well as production augmentation and employment generation are mentioned below.

1. Direct Benefit transfer
2. Environmental Clearance for new manufacturing projects
3. GST rate on Fertiliser
4. Quality testing of SSP
5. Priority of 'Make in India' concept for Fertiliser industry
6. Balanced use of Fertiliser Nutrients
7. Neem oil coating of Urea
8. Micro Nutrient Fortification



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9. Use of Sulphur enhanced Fertiliser
10. Promoting organic manure
11. Usage of Gypsum; and
12. Indigenous sourcing of Potash

Coromandel, for the social development initiatives and plant capacity enhancement projects, organizes meetings with the local administration and state governments to seek their participation and expertise support.

**Principle 8: Businesses should support inclusive growth and equitable development**

Coromandel International Limited has put in place 'Policy on Corporate Social Responsibility' to guide its efforts on CSR initiatives that contribute to inclusive growth and equitable development. Coromandel primarily seeks to impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. Coromandel is dedicated to the cause of empowering people, educating them and in improving their quality of life. While it undertakes program based on the identified needs of the community, education, healthcare and community development initiatives shall remain its priority and major domain areas to make a meaningful impact on their lives in our geographical locations.

The two most important stakeholders of Coromandel are farmers and surrounding community villagers.

- Businesses have forged long and enduring partnerships through crop development and procurement activities; and
- Communities residing near our manufacturing units, situated in urban and semi-rural locations.

Coromandel engages with several stakeholders such as suppliers, distributors, local communities, government and other entities in the value chain. The Company collaborates with all relevant stakeholders as part of its BR initiatives.

Coromandel has developed various monitoring and evaluation tools to understand and assess the social and economic impact of various CSR initiatives. As part of which, Coromandel with support from Sigma Research & Consulting Private Limited is undertaking an impact and perception study among its social stakeholders.

Coromandel always tries to innovate and invest in research and development initiatives which gives significant results and directly or indirectly promoting the wellbeing of society and help in mitigating the adverse impact on the stakeholders socially and economically.

Coromandel complements the government initiatives at the local level and has taken up to the national levels in partnership with local government and also engaged with respective departments for smooth implementation of the programs.

Coromandel undertakes CSR initiatives/projects directly or through AMM Foundation of Murugappa group or through any other NGO, Trust or agencies and entities as it deems suitable. Coromandel is creating a meaningful and measurable positive impact on the lives of economically, physically and socially challenged communities by supporting initiatives aimed at creating conditions suitable for sustainable livelihood in these communities living close to Coromandel's area of operation.

**Performance 2019-20**

**CSR Interventions:**

Supporting children with hearing impairment (Balavidyalaya Trust)

Balavidyalaya is credited to be the first "oral" school for infants with hearing impairment, in India. The aim of the school is to diagnose hearing loss in infants and young children and fit them with suitable hearing aids. The school also helps children acquire early verbal language skills and help them to get integrated academically and socially into the normal schools.

The school provides a free learning environment to children born with hearing impairment. All the children attending the school belong to economically deprived backgrounds.

Government General Hospital

Coromandel has refurbished the Paediatric Ward in the Government General Hospital in Kakinada and undertaken civil renovation, electrical wiring, provided lighting fixtures and new UPS, roof treatment and constructed additional wash rooms in 2014. To further improve the quality of the treatment 6 ventilators with compressors have been provided along with various other medical equipment. Apart from that Coromandel is committed in providing continuous support in maintaining the ward by providing housekeeping and security services, to ensure that the quality is maintained.

Hrudaya - Cure A Little Heart Foundation

Hrudaya Foundation has been providing yeomen services to humanity by carrying out surgeries on children affected with Congenital Heart Diseases. The number of children affected with CHD has been increasing in a geometric progression, in which only 6% to 8% of them are lucky to receive the medical treatment. The rest are not diagnosed and treated on time or that their parents cannot afford the cost of surgery and treatment. The cost for each cardiac surgery is approximately ₹1.5 to ₹2.0 Lakhs. This surgery better their chances of life and helps them lead a normal healthy life thereafter. With Coromandel's support 28 surgeries have taken place for children suffering from heart ailment in 2019-20 and 133 surgeries in all have been supported in the past five years.

Federation of Farmers Associations (FFA)

Federation of Farmers Associations (FFA) is a grassroot-level organisation involved in policy advocacy, technology transfer

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and encouraging investments in agriculture. The organisation has experience in various districts of Andhra Pradesh, where they have worked extensively in improving the lives of the marginalised farmers through a multi-pronged approach. They are currently working with the women groups of Gummadidala block of Sangareddy district on empowering women with livelihood skills to improve their economic standards. A total of 350 women have been trained on tailoring and distributed sewing machines. They have also been trained on establishing market linkages, to enable them to approach textile houses, for suitable orders.

Retail Agri skill training for rural youth

Coromandel is undertaking agri skill training with Access Livelihood Foundation on retail store management. To impart the necessary skills required for retail store management to youth from rural areas. The following set of skills will be imparted to the trainees through this skill development initiative with well experienced and qualified trainers. (i) Technical skills, (ii) Self transforming skills, (iii) Operational and Marketing skills and (iv) soft skills. 295 candidates have completed eight batches of training & 30 students trained through Anudip Employability Skill Development initiative on web designing and IT related courses.

Nature Conservation

Coromandel has collaborated with the Madras Crocodile Bank Trust and Centre for Herpetology which is one of the largest reptile zoos in the world and one of the oldest non-government environmental organizations in Asia. The primary aim of the organization is to promote the conservation of reptiles and amphibians on the Indian subcontinent. MCBT has 16 of the world's 23 species of crocodilians on exhibit; exhibits of the 4 deadliest snakes of India; and attracts a larger number of visitors.

Green Visakha project

Visakhapatnam is one of the most polluted cities in the country. The state government has taken an initiative of planting trees and ensuring that the pollution levels are decreased. The project envisages plantation of trees in areas which are not covered. For this the locations have been identified, outside the Plant. Till date, Coromandel has planted around 20,000 plants across 44 acres of land.

Coromandel has spent around 2% of its average net profit for the preceding financial years on its CSR activities across locations in the domain of education, health care and community development. Year wise CSR expenditure given below:

Year	2015-16	2016-17	2017-18	2018-19	2019-20
INR in Lakhs	1,075	1,097	1,271	1,328	2,111

Awards:

In 2019-20, Coromandel won 3 prestigious National level awards, the details as follows:

1. Coromandel International Limited has received The Public Relations Society of India (PRSI) National Awards under the category of 'Best Private Organization Implementing CSR' which was held on the 13<sup>th</sup> December 2019 in Hyderabad.



2. Coromandel also won the CSR Times award for Best Corporate in Health category on 18<sup>th</sup> September 2019 at National CSR Summit at New Delhi. The application was for the preventive healthcare practices through the Coromandel Medical Centre.



3. Coromandel won the ZEE Business National CSR Leadership Congress & Awards for Best Overall Excellence in CSR held on 18<sup>th</sup> September 2019





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Coromandel works towards ensuring sustainability of its CSR programs beyond project period by creating an enabling environment for community adoption of such programs. Through its partner NGOs, Coromandel facilitates in empowering community members through structures such as

Women Federations through capacity building measures so that the CSR interventions become self-sustaining programs beyond the project period. These impact the household on a larger scale and also help in improving the socio-economic condition of the family.

### Impacted lives of more than 3.8 Lakh community members through CSR initiatives

#### Impact: 3,81,021 Beneficiaries (2019-20)



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

Coromandel believes that customer-centricity is the key to long-term business sustainability. The Company has made successful engagement and provides value to the customers and consumers in a responsible manner. "To enhance prosperity of farmers through quality farm solutions with sustainable value for all stakeholders", the Company continuously strives to enhance the value addition to the farmers through its various products and services which enable farmers to take informed decisions towards enhancing productivity. During the year 2019-20, around 10,23,747 farmers were covered by Coromandel Retail division and around 5,80,000 farmers by Crop-Protection business through various outreach programs. Crop Protection division through its digital activation initiative has also sent multimedia messages educating farmers on key products to around 1,50,000 farmers of Andhra Pradesh.

Coromandel enables overall well-being of customers and the society through its various best practices and value added services at no additional cost to customers/farmers with various aspects:

1. Nutri-clinics: Integrated Nutrient Clinics were setup which act as one stop solution for every agri-input related need (soil tests, crop advisory, etc.) of the farmers. In 2019-20, 30 Gromor Nutri-clinics have been established
2. Scientist at Store : In order to provide value added expert technical advisory to farmers, Retail business has provided for an agricultural expert to be available at the Gromor stores on a fixed day in a week. The expert will provide expert advice to the farmers on various aspects of crop management. The initiative has been launched during the kharif season of 2019 with 27 eminent scientists. A total of 2,113 Scientist at Store meetings were conducted from June 2019- March 2020 in 270 MGCs.

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3. Farm Advisory Services: Coromandel provides farm advisory services through various modes viz., 'Hello Gromor' Centre (Toll free helpline for farmers), voice SMSes, extensive farmers' group meetings, seminars, webinars and village sessions, Interactive touch screen kiosks, etc.
4. Agronomists: Coromandel's team of Agronomists work closely with the farmers to educate them about the usage of various farm inputs and overall solutions to the customer needs. 60 agronomists are working across the country and promoting Integrated Nutrient Management for various crops and region.
5. Soil testing services: Application of right nutrients to soil ensures higher crop yields and also reduces the cost of nutrient application.

The products of Coromandel are in adherence with and governed by respective Government rules and regulations like Fertiliser Control Order (FCO) and Central Insecticides Board & Registration Committee (CIB&RC). Hence, there is no restriction or barrier of entry for other market players and customers are having the full freedom to select the products of their choice.

Coromandel discloses all the relevant information on safe and judicious usage of its product through various channels like packaging, labeling, leaflets and website. Crop protection chemicals/specialty nutrients products are provided with the info on safe handling, dosage to crop, time and method of application, thus encouraging consumers to use products in a responsible manner. Product details and state wise, crop wise fertigation schedules also provided to customer in SND knowledge portal of Coromandel. The Toll-free (Hello Gromor center) phone number are provided in all packs for enabling customers to register their queries and complaints.

Coromandel ensures that all the claims made in advertising are backed by the results established through pilot experiments, field studies and demonstrations carried out in fields and with proper registration of products as per all legal requirements.

Coromandel continuously educates and creates awareness to farmers on optimal usage of fertilisers and effects of usage of higher dosage of fertilisers and crop protection chemicals through its extensive soil testing, farm advisory, Store Advisory Board Meeting, Farmer panel Feedback and farmer education sessions.

- Soil tests : To educate the farmer on importance of soil health through Mana Gromor Centers Company has conducted 22,685 soil tests during the year 2019-20 through Mobile soil test kits. The Retail team visits the villages with the Mobile soil testing kits and performs the soil tests in front of the farmers and gives the prescriptions to the farmers and educates them on soil health.
- Number of SBZ (Sulphur, Boron & Zinc) soil analysis carried out and given recommendations were – 7,450.

- 21,884 farmer meetings by Retail and 8279 by Fertilisers were conducted in 2019-20 to educate farmers on various aspects of agriculture
- A total of 188 Crop Seminars, 450 Crop demonstrations, 30 exhibitions/stalls and 360 Field days/Crop shows were organized by the Fertiliser business
- Organic Business conducted 43,374 number of Organic Carbon test to make farmer aware about status of organic carbon in the soil while a total of 31,172 OC/SBZ tests were organized by Fertiliser Business
- Crop Protection Business has held farmer awareness meetings in collaboration with two leading Indian agricultural universities on agronomic practices of key crops, responsible use of crop protection chemicals and Coromandel products.

The key customer-friendly initiatives in 2019-20 include:

- **Loyalty program:** Loyalty program was launched from September'19 to March'20 by Retail. Approximately 10 Lakhs farmers got enrolled under the loyalty program.
- **HNI Loyalty program:** Separate loyalty programs was also run for HNI customers for the period October'19 to March'20. 1.28 Lakhs HNI customers were identified for HNI loyalty scheme. Apart from loyalty benefits, services like satellite based agro advisory, expert advisory, soil testing, daily field visits are also provided to HNI farmers.
- **Gromor Rythu Sambaraalau Scheme:** In order to encourage customers to visit Gromor centres, "Gromor Rythu Sambaralu" scheme was launched from December'19 to March'20. Under the scheme, farmers received useful gift items through lucky draw conducted at stores.
- **Satellite based Agro advisory:** To promote precision farming, satellite based Agro advisory program has been started across Andhra Pradesh, Telangana, Karnataka and Maharashtra. Under the program, stress maps of fields are provided to farmers and advisory is provided by Gromor staff after ground truthing. For the year 2019-20, around 14000 farmer fields have been Geo-tagged and technical advisory was provided.
- Crop Protection Business also conducts **Gromor Suraksha Days** every Wednesday to create awareness among farmers regarding the need of PPEs.
- Specialty Nutrient division has launched a farmer level scheme launched for **Bosmax** through the QR code app

Coromandel promotes increased usage of Organic compost to rejuvenate the soil condition and enhance crop yield, thereby reduce the excessive application/consumption of chemical fertilisers. Coromandel continually develops unique grades of products that enable slow release of nutrient to soil for enhanced retention/availability of nutrient to crops and thereby reducing seepage of nutrients.

## Annexure J (Contd...)

Coromandel tracks grievances from the farmer, related to products and services and creates necessary improvement for farm productivity. The number of calls by **Hello Gromor** for the year 2019-20 on farm advisory to farmers is as below:

- o In-bound calls – 6,392
- o Outbound calls – 19,151

Fertiliser Business also receives customer feedback directly from its Sales and agronomy teams during customer outreach activities or through retailer. Sales team attends to these complaints and they rope in Agronomy if the complaint is related to technical knowledge and product quality. The complaint is addressed by Agronomist team or escalated further for resolution of complaint. There is also a tele-calling officer who collects feedback for Gromor 14:35:14. The Company has also developed an online grievance tracking and redressal tool, TIME, to address product and packing related complaints from farmers and dealers. Speciality Nutrients has launched a customer complaint app for the internal team. The same to be used by the field team to raise any complaints in markets with a proper escalation mechanism.

Customer feedback is taken with utmost seriousness and attempts are made to satisfactorily close all customer feedback or complaints expeditiously. Around 190 complaints were received and addressed through CRM calls of 'Hello Gromor' for the year 2019-20.

During the year one complaint was filed against the Company before a Consumer Forum and the number of complaints / cases outstanding as on 31 March 2020 was 20. These complaints are contested claims and pending before consumer forum. There were no cases filed and pending against the Company with respect to unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.

Coromandel conducted various market research studies through external agencies and internal teams during the FY 19-20, to understand the farmer's perception and satisfaction level across SBUs. Some of the important surveys done include:

### Retail division:

- **Net Promoter Score:** To understand the satisfaction level of customers and loyalty towards brand. A total of **29,171** farmers were surveyed for NPS and NPS score for 2019-20 was 5.
- **Cotton seed preference study:** To undertake cotton seed brand preference study to determine the most preferred cotton seed brands by the farmers and the most stocked brands by retailers.
- **Repeat purchase study:** To understand the buying behaviour of customers and identify the reasons for repeat purchase. The outcome has provided insights into Product range stocked, Brand and SKU availability, Credit period offered, Payment options and Fairness of pricing are the major driver for store selection.

### Fertiliser division:

- NPS survey for Gromor 14:35:14 in Andhra Pradesh, Telangana, Maharashtra, West Bengal.
- Research on acceptance of Small pack in AP – paddy nursery, MH and WB – vegetable farmers
- A Dipstick study to understand customer feedback for the new product GroSmart

### Crop Protection division:

- The Business has conducted a marker research study through Kantar to study effectiveness of our branding activities. The Business intends to leverage the survey outcomes to streamline its branding activities for better reach of the customer.

### Speciality Nutrients division:

- Customer feedback survey done for the newly launched products.

**On behalf of the Board of Directors**

Place: Chennai  
Date: May 26, 2020

**M M Murugappan**  
Chairman