

Annexure-J

Business Responsibility Report 2018-19

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 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, Speciality Nutrients and Organic compost businesses. The Company is 2nd

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 Speciality 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 800 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 mechanisation 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 <https://coromandel.biz/>

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	https://coromandel.biz/
5	E-mail id	mail@coromandel.murugappa.com
6	Financial Year reported	2018-19
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 Speciality 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, Thiyyagavalli 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	₹ 29.25 Crore
2	Total turnover	₹ 13,204 Crore
3	Total profit after tax	₹ 714 Crore
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 on CSR activities Page Nos. 81, 82, 83, 84

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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: 11
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: GoelS@coromandel.murugappa.com
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2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Sl.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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: https://coromandel.biz/inv_financial.html CSR Policy: https://coromandel.biz/pdf/CSRPoly/CSRPoly_dec2014.pdf EQOHS Policy: https://coromandel.biz/pdf/2016-2017/she/Policy/EQSH_policy.pdf								
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

	Principle	Applicable Policies
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	<ul style="list-style-type: none"> • Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct • Coromandel Guide to Business Conduct (CGBC)
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	<ul style="list-style-type: none"> • Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
3	Businesses should promote the wellbeing of all employees	<ul style="list-style-type: none"> • HR Policy • Communication policy • Prevention of Sexual Harassment Policy • Training Policy • 5S policy
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	<ul style="list-style-type: none"> • CSR Policy • Values and Beliefs, called the 'Five Lights'
5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> • Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct
6	Business should respect, protect, and make efforts to restore the environment	<ul style="list-style-type: none"> • Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	<ul style="list-style-type: none"> • Values and Beliefs, called the 'Five Lights'. • Coromandel Guide to Business Conduct (CGBC)
8	Businesses should support inclusive growth and equitable development	<ul style="list-style-type: none"> • CSR Policy
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	<ul style="list-style-type: none"> • Values and Beliefs, called the 'Five Lights' • Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)

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

Sl.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
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 third Business Responsibility Report of the Company for the Financial Year 2018-19 which forms part of the Company's Annual Report for FY 2018-19. The same can be accessed at https://coromandel.biz/inv_report.html Previous reports were made for the financial year 2016-17 and 2017-18.

- 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_financial.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 2018-19, 9 complaints were received by the Ombudsman under Whistle Blower Policy which were enquired into and suitable actions were taken thereon and 2 complaints that were received during the last quarter were pending as on 31 March, 2019. 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 Fulfils, in which, 'CARE' emphasises on environment, community, partners, employees and shareholders. Coromandel has its own Fertiliser Technology Centre, FTC, at Vizag, recognised by Department of Scientific & Industrial Research (DSIR) of Ministry of Science & Technology and a R&D center at Hyderabad for Crop Protection Products. Coromandel is having an active R&D program to develop products with high Nutrient Use Efficiency (NUE) which offer the twin advantages of providing higher value to the farmer and protecting the environment and also during the life-cycle of the product the nutrient uptake by the plant is maximised and losses to the environment are minimised.

In 2018-19, a new lab space has been taken at IIT Bombay – Monash Academy in Mumbai for development of innovative, patented and scientifically differentiated products. While 3 of the Company's employees are deployed at the facility, there is also access to talent pool of IIT Bombay and Monash Academy professors for discussions and collaborations. Coromandel also has an exclusive R&D facility at Thiyagavalli, Tamil Nadu, and continuously invests in R&D activities to develop new neem based / Bio - pesticides products.

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

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

- Organic Fertilisers - City Compost : Recycling of nutrients and carbon in organic waste
- Sulphur Enhanced Fertilisers: Maximising the availability of Sulphur to the crop and minimising leaching losses of Sulphur
- 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) to farmers for sustaining the soil health and improving productivity, by sustaining nutrient availability to crops and enriching organic carbon content of soil. Coromandel has initiated city compost Bio-mining in association with Visakhapatnam Municipality contributing significantly to conserve clean environment and add value to available resources. In the year 2018-19, around 4618 MT of municipal waste from Visakhapatnam has been converted to organic manure through Bio-mining. Also, during the year Coromandel has launched three crop specific water soluble grade Speciality Nutrient products, Gromor Ultrasol Solanaceae, Gromor Ultrasol Banana, Speedfol Sugarcane which help in providing balanced nutrition of the selected crops.

Further during the year 2018-19, New unique grade, Zincated 10:26:26 and new grade, 12:32:16 of fertilisers were manufactured at Kakinada to address market needs and enhance the crop yield for farmers and a new recipe was developed for Mancozeb 75 WDG for better stability and for successful commercial production at the Sarigam unit.

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 2018-19, the Company has:

- Reduced the specific power consumption by 3 kWh/MT at Kakinada unit
- Reduced the specific power consumption by 19.5 kWh/MT at Ennore unit
- Reduced the specific power consumption by 2 kWh/MT at Vizag unit
- Sustained the specific water consumption by 0.4 m³/MT at Kakinada unit
- Reduced the specific water consumption by 0.18 m³/MT at Vizag unit
- Reduced the specific water consumption by 0.13 kg/MT at Ennore unit

- Reduced the specific power consumption in GSSP plant at Udaipur by 0.75 units/MT, Nandesari by 1.12 units/MT and Nimrani by 2 units/MT
- Reduced the steam consumption by 55.5% of Ammoniacal Nitrogen removal Process by converting batch to continuous process at Sarigam unit
- Reduced the Ethyl Acetate reduction in ANF for Acephate production by 15.3% at Sarigam unit

Coromandel consistently has been receiving the awards for its various environment friendly and sustainable manufacturing practices. Few of the awards received during 2018-19 are mentioned below.

- Coromandel Vizag unit has received the 'Best Energy Efficient Unit' from CII for the 5th consecutive year
- Coromandel Vizag unit has received 'All India Best operating phosphoric acid plant' from FAI for the 5th consecutive time and overall 17 times in the past 24 years

In 2018-19, Coromandel as part of its commitment to sustainability has invested in transportation of sulphuric acid in an environment friendly manner. The Company has commissioned a new sulphuric acid tank at Vizag plant with storage capacity of 25000 MT and 5.6 km of pipeline for transferring the acid, replacing the previous practice of transporting with the help of trucks, thereby avoiding movement of 30-40 trucks in a day and hence, reduced the carbon-foot print and improved the safety. The Company's Crop Protection product manufacturing Unit at Ranipet has disposed around 350 MT of returned/recycled crop protection chemicals material in a responsible way through authorised hazardous material processing agency



FAI's 'All India Best operating Phosphoric acid plant' award received by Vizag plant

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CII's 'Best Energy Efficient Unit' award received by Vizag plant

Coromandel encourages the local and small vendors for supply of consumables, engineering stores and carrying out job contracts in order to develop the sustainable capabilities.

Coromandel strives towards sustainable way of utilising the resources & recycling of resources.

- Coromandel Ennore unit has processed 4500 MT of Sulphur, that got piled up over a period of 5 years, in an environmentally friendly manner through effective monitoring and incorporating required changes in the process
- Coromandel completely reprocesses or recycles the off-spec materials which include fines and over size products that get generated in the fertilizer granulation process, which constitutes to 8% of production volume in 2018-19
- In Vizag unit the waste water recycling and consumption is accounted to 88% of overall waste water generated from process and 100% from complex production process
- All other Fertilizer and Single Super Phosphate (SSP) units are zero process effluent discharge units and all process liquids are recycled back into the fertilizer manufacturing process.
- Scrap material like torn HDPE bags and MS scrap are recycled by licensed vendor as applicable

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 emphasise employee training and capability building by placing employee well-being at the forefront, as a key enabler in the organisational strategy

As on 31 March, 2019 there were 4768 Permanent employees (3234 Management staff, 1383 Non-Management staff (NMS) and 151 Trainees) with 154 female employees and 3 differently abled employees. Also, there are around 6,900 off-roll/contract employees.

During the year 2018-19, industrial relations across all plants of Coromandel continued to remain cordial and the Kakinada Unit was

awarded 'BEST MANAGEMENT AWARD' by the Labour Department, Government of Andhra Pradesh. This award was for maintenance of Harmonious Industrial Relations, Industrial Productivity and Commendable contribution for the welfare of the workers.

There are 8 employee associations across the manufacturing locations of the company, with nearly 890 (64%) NMS being members of it. Long term settlements concluded at Kakinada, Udaipur and Nandesari. Productivity Linked Incentive Scheme u/s 31 A of Payment of Bonus Act has been introduced at Udaipur along with long term settlement. 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 communications 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 organisational value reinforcement, sensitisation and awareness workshops on Murugappa Group's 'Five Lights' – Values and Beliefs, Whistle Blower policy and Coromandel Guide to Business Conduct (CGBC) were organised across locations with 100% employee coverage to promote & reinforce value system and equality across the organisation

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. During 2018-19, all the employees have been oriented on POSH policy and procedures.

- 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.



'Best Management Award' received from Honorable Chief Minister of AP, by Kakinada Unit

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Sl.No	Category	No. of complaints filed during 2018-19	No. of complaints as on end of 2018-19	Remarks
1	Child labour/forced / involuntary labour	Nil	Nil	
2	Sexual Harassment	2	Nil	ICC investigated and submitted its recommendations to management within 45 days from the date of complaint. Both cases have been closed with appropriate actions.
3	Discriminatory employment	Nil	Nil	

Employee Well-Being: Coromandel continues to emphasise on employee well-being, health and engagement through various initiatives like

- Employee Wellness: The flagship health and wellness program of '10K Challenge 3.0' – fitness, health and happiness campaign was initiated across all locations for all employees including outsourced, to promote healthy lifestyle. Employee participation in 10K Challenge increased as against the previous year (1888 Nos. in 2016-17 | 2400 Nos. in 2017-18 | 2463 Nos. in 2018-19)
- Employee Assistance Programme (EAP) has been revitalised with enhanced face to face consulting and over the phone consultation with expert counselors focusing on emotional well-being of an employee and his/her family
- Coromandel aims to prevent work-related illness and occupational diseases through implementation of management systems like ISO 14001, ISO 45001, OHSAS 18001 and Process Safety Management System (PSMS). During 2018-19, road safety expo was organised to inculcate safe behavior and attitude for safe commuting & road travel through experiential learning. More than 1,175 employees benefitted from the expo organised at Corporate office and all the Fertiliser manufacturing units.

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 organisation. The Company has deployed various key developmental initiatives in 2018-19

- Sales Force Learning Academy (SFLA)** launched in collaboration with NAARM (National Academy of Agri Research Management).
- "Vidhyaonline":** 15 e-learning modules delivered during the year for knowledge on crops, fertilisers and crop protection chemicals, time management, goal setting and safety.

- Coromandel Knowledge Center (CKC)** launched at Kakinada with the objective of building fertiliser manufacturing technical capabilities – 43 training programs delivered during 2018-19
- Developed a comprehensive technical competency framework** for CPC Technical Units. Also, a Shopfloor behavioural training "Pratibimb aur Jagrukta", was conducted for around 140 employees in Ankleshwar and Dahej units
- Retail Business Unit designed and delivered various interventions to build people capabilities in line with the core competency requirements as below
 - DAESI:** In line with the Government Notification (GO), 350 Retail Store Managers have been enrolled for DAESI (Diploma in Agriculture Extension Services for Input Dealers) to equip themselves with the formal knowledge on agriculture management.
- Various Skill Enhancement and Employee Development programs organised for Retail Store Managers, Area Manager Retail Operations and entry level talent pool including off-roll employees. Also to strengthen agri and technical skills of the field team, various technical and crop based programs were delivered. The total training mandays achieved during the year 2018-19 was 7669.
- WINTUDE (Winning Attitude):** Organised Workshops for Retail Store Managers to harness the power of belief through constructive action and a winning attitude. A total of 508 Retail Store Managers were covered under this program across Zones.

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.

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

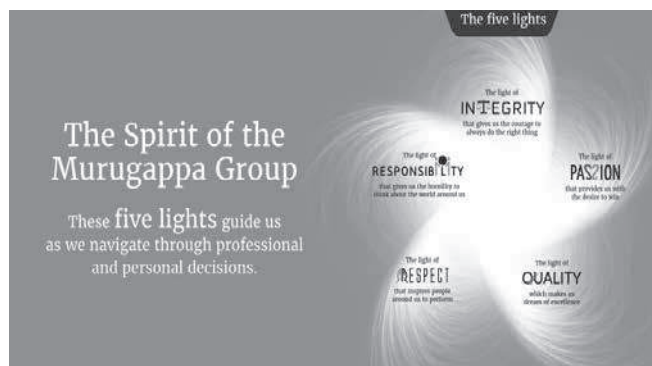
"The fundamental principle of economic activity is that no man you transact with will lose; then you shall not" (an excerpt from Arthashastra). This was the basic principle adopted out by the founder of our Murugappa Group, over a century ago and the tradition has endured. Today, this belief continues 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 continued its flagship program called the Coromandel Girl Child Scholarship Scheme that has been initiated and executed since 2005. The strength of this initiative is its core targeted societal group i.e girl children in government schools, who are supported in continuing their education. The scheme reaches out to girl children in government schools in standards IX and X in ensuring girls continue their education and do not drop out of school. In 2018-19: 1038 number of girl children, from 350 schools, were benefited through the Coromandel Girl Child Scholarship Scheme.
- 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 fertilizer and providing complete farming solution. In 2018-19, 56222 farmer education sessions/meetings were carried out.
- Coromandel strives for the betterment of community in and around its factory locations. Various initiatives in this direction include skill development for employability, livelihood through establishment of glove making units, providing health care through Coromandel Medical Centers and mobile medical



vans. In 2018-19, around 73,268 patients availed the services of Coromandel Medical Centers, while 13,363 people benefited from the mobile medical van service.

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.

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, EQOHS (Environment, Quality, Occupational Health & Safety) Policy, 5S policy, Training and Communication policy.

There were no complaints on violation of human rights in 2018-19.

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

Coromandel continually strives to minimise the environmental impact of its operations through sustainable practices and responsible use of natural resources through effective implementation of integrated Environment, Quality, Occupational Health & Safety (EQOHS) Policy and ISO 14001:2015 - Environment Management System (EMS). The policy covers the entire operations of Coromandel (employees & contractors, vendors & visitors).

A fundamental part of the Company's annual business planning process is environmental management, wherein each business has to frame the strategy and improvement/Capex projects for environmental management. The Company is also actively involved in sustainable development through various environmental activities at a large scale, like the development of green belt, continual improvement in consumption of raw materials along with energy & water. These activities form an indispensable part of all the operations and fully comply with all the requirements.

Company has adopted "Enterprise Risk Management (ERM)" model to address the environmental risks and operational risks which create business risks. As part of this, the environmental risks are thoroughly evaluated and addressed across the organisation. Individual responsibilities are given to monitor and mitigate the potential environmental risks, if any. Manufacturing sites undergo Environmental Impact Assessment studies, as required, to understand and mitigate the long term impacts.

Fertiliser manufacturing operations at Vizag and Ennore units use 50% of its energy generated from the waste heat recovered from its captive Sulphuric acid plant, further reducing the Carbon foot print of the organisation.

At Coromandel, all major manufacturing processes have installed Continuous Emission Monitoring Systems (CEMS) in all process stacks and Online Ambient Air Quality (AAQ) monitoring system, through which real time data is uploaded to Pollution Control Board websites, which are open to public viewing. Additional investments were made in 2018-19 at Ennore plant to install flow meter quantification of reject water from boiler and cooling towers, which is being recycled for plant purposes. CCTV cameras were installed in Visakhapatnam unit for Online Closed-Circuit television monitoring. As part of ISO 14001:2015, the Company has deployed various Environmental Management Programs (EMPs) like impervious secondary containment in PA tank area, installation of boom barrier in the sea water canal, gypsum neutralisation 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 impact due to the manufacturing process and related activities.

Crop Protection Product manufacturing operations at Ankleshwar and Dahej units use recycled water after purification through RO system to conserve water. Green belt development has been initiated across all Crop Protection technical product manufacturing sites to reduce ambient pollution levels from nearby industries. Following are some of the other initiatives at the crop protection business's manufacturing units:

- RO plant at Ankleshwar and Dahej sites
- Zero effluent discharge from formulation sites
- On line process stack emission monitoring system activation at technical manufacturing sites to get early warning in case any abnormal emission from process stacks
- Initiation of Mechanical Integrity and Quality Assurance program under Process Safety management to strengthen equipment integrity to prevent leak/spill
- Certification of all the units under EMS to manage environmental aspect.

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

- Ennore Plant has adopted vertical gardening method to improve greenery inside the plant
- Visakhapatnam Unit has developed green cover in 22 acres (20,000 plants) of land with the help of District Forest Officer & VUDA through 'Green Visakha' initiative
- Green grass development in fertilizer berth at Visakhapatnam Unit
- World Environment Day celebrations with theme 'Beat Plastic Pollution'
- Ennore Unit restricted the usage of single use and throw away plastic

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

- All units are moving towards LED lighting instead of Mercury Vapour and Tube lights to conserve electrical energy
- Focus on use of renewable solar energy by installing solar street light fittings
- In Ennore Unit, captive power plant (CPP) vacuum pump motor has been changed to high efficiency motor to reduce the motor power from 37.5 KW to 22 KW
- Ennore Unit installed steam condenser to condensate the waste steam from Sulphuric acid plant

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- Visakhapatnam Unit has carried out Plant Layout optimisation by installation of Sulfuric acid storage & handling facility in wharf area to avoid spillage of acid during multiple levels of material handling
- Energy efficient transformer installed in Ennore Unit
- Kakinada Unit has installed energy savers in Air Conditioners
- Company's proactive approach in preserving the biodiversity at Kakinada site has caught the attention of nationwide stakeholders
- As part of ground water conservation, Ennore unit has received MoEF & CC clearance for utilising sea water for process requirement

Coromandel has also received recognition for its various environmental initiatives:

- Company's Ennore & Kakinada Units won EHS Practices Award from CII-SR in the year 2018
- Kakinada unit won 4 star award CII-Southern Region for its EHS Excellence in 2018

Various environmental studies were conducted based on requirement for continuous improvement. In 2018-19, following key initiatives were taken:

Processed Safety Management System: 5 New elements of PSMS were rolled out successfully, at Vizag which are the key enablers to sustain the 14 elements of PSMS. They address management's commitment, process safety competency, knowledge management, risk-based approach and leading and lagging indicators.

Safety culture study: All across the Fertiliser manufacturing units, the safety culture perception survey was carried out to identify gaps and improve the overall safety culture. The survey was carried out with the help of Health and Safety Laboratory from UK. The outcome of the survey was mapped into action plan and being implemented across all the locations.

DuPont safety initiative was launched in which 837 employees participated in safety perception survey and 52 employees participated in Nukkad natak on safety at Sarigam unit

QRA study: The QRA study was completed for Vizag and Kakinada units and it is being initiated for Ennore. The QRA study was carried out as part of risk based approach where the worst credible scenarios were assessed and risks were evaluated. The outcome of the QRA has directed to creation of an action plan with short term and long term aspects to mitigate the significant risk associated with the operational activities.

Coromandel has received all the needful environmental approvals and consents for the year from the PCB and MoEF. Company continuously ensures all the emissions, discharge and wastes

disposal are well within the permissible limits. Coromandel files the environment reports to respective government bodies and these reports are also available to public https://coromandel.biz/she_compliance_report.html

No show cause/legal notices are pending against the Company from CPCB/SPCB for the year 2018-19.

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 fertilizer 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 Industry 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, Dr. Kuppusamy, Sr. GM & Head-Regulatory Affairs (Crop Protection) is a Technical Committee member in CCFI, Mr. B. Prasannatha Rao, Executive VP and Head of HR, is a member of National Human Resource Development (NHRD), Mr. Arun Leslie George, Executive VP and Head of Retail, is a member of Board of Apprenticeship training. 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

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7. Neem oil coating of Urea
8. Micro Nutrient Fortification
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, organises 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, in line with its CSR Policy, has been focusing on upliftment of the society by implementing the programs related to health, education and community development, research and development projects on environment improvement to make a meaningful impact on their lives. The aim is to improve the wellbeing and quality of life of the community people, focusing on communities living close to Coromandel's areas of operation.

Coromandel has been executing Corporate Social Responsibility (CSR) activities for a long time through AMM Foundation of Murugappa Group. Coromandel is also working closely with Government as well as NGOs based on the need and expertise for implementing the program smoothly. Also, Coromandel has

an in-house CSR team at every site to implement programs in coordination with various stakeholders which are coordinated from Corporate Office to ensure effective implementation and constant monitoring to create an impact in the society and ensure improved socio-economic conditions.

Coromandel conducted Social Impact Assessment (SIA) during 2017-18 for its CSR programs like Girl Child Scholarship Scheme, and Public Private Partnership in upgrading pediatric ward at Kakinada Government General Hospital. Based on the impact study, further strengthened the initiatives in 2018-19 like:

1. Provided diesel generator for uninterrupted power supply for the pediatric ward at Kakinada Government General Hospital and medical equipment for the upkeep of the ward.
2. 1038 girls were awarded scholarships through the 'Coromandel Girl Child Scholarship Scheme'
3. Public Private Partnership for RO water supply at Kakinada and Vizag in Andhra Pradesh

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

- Support for flood relief:
 - o Coromandel has conducted relief and recovery support activities immediately after Kerala Flood in 2018. Coromandel Vizag supported to help Kerala State

Coromandel Girl Child Scholarship Program
Supporting girl child education

About **3 million** girls are out of school in India.

Estimates show that for every **100 girls** in rural India, only **1** reaches **Class - XII**

How Coromandel is making a difference?
Coromandel Girl Child Education Scheme is helping girl students from rural areas studying in classes IX and X to continue their education.

Educated girls are more likely to:

- | Earn 10% more income
- | Marry 4 years later
- | Survive childbirth
- | Have fewer and healthier children
- | Send their children to school

REACH

1038 girls	350 schools
102 districts	639 villages

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19,469 Children Impacted



1,038 girls benefited through scholarships



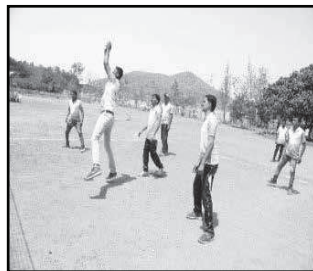
7,826 got benefited through Medical camp



86,631 Medical Services through 4 centers



13,774 women and 2,553 youth beneficiaries



2,688 benefited through sports



487 Toilets Constructed



Saved lives of 425 critically ill children through support of medical equipment



31,100 plants planted



496 beneficiaries from activities by ladies club



202 beneficiaries from trade union's social responsibility activities



1,474 hours volunteered by employees

which has been badly affected by heavy floods and thus caused irreparable damage and huge loss in all manners. 572 employees contributed voluntarily and have taken a generous decision to collect one day of their gross salary to support the flood victims

- o The Company has extended support to the relief activity of the Government to restore normalcy during 'Gaja' cyclone and extended assistance to the people affected by the cyclone. Further, employees of the Company also voluntarily provided relief materials to the people affected by the Gaja Cyclone in the districts of Thanjavur and Pudukkottai.

- Public safety and security: Company has sponsored CCTVs to the Department of Police, Tamil Nadu, for enhanced public security and prevention of crime through technology (CCTV) enabled surveillance and 40 CCTVs were installed in Ennore, Chennai.

- Bio-mining in Vizag: Coromandel has provided the technical support to process municipal waste into organic manure
- Green Visakha: District level social responsibility program for developing green cover (60% by 2029) in Vizag was initiated by Parliamentary standing sub-committee for environment, sponsored by District Collector Visakhapatnam. Visakhapatnam Unit has developed green cover in 22 acres (20,000 plants) of land with the help of District Forest Officer & VUDA through 'Green Visakha' initiative. The Vizag district is now covered with 43% green cover.

Coromandel largely drives its initiatives towards the society through its in-house team. As required, the Company also partners with external NGOs like AMM Foundation, Murugappa Chettiar Research Centre, Federation of Farmers Association, and Hrudaya – Cure A Little Heart Foundation.

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Coromandel has spent around 2% of its average net profit for the previous 3 years on CSR activities across locations in the areas of Education, Health and Community development. Year wise CSR expenditures are given below

Year	2015-16	2016-17	2017-18	2018-19
₹ in lakhs	1075	1097	1271	1328

In 2018-19, Coromandel has won the following accolades for its work in the communities:

- Received 2 awards from National CSR Summit & Awards for its contribution towards girl child education under the 'Coromandel Girl Child Scholarship' program, and the 'Kakinada Birds Paradise', under the Green & Environment Stewardship category
- The Public Relations Society of India (PRSI) National Awards awarded Coromandel for the Best Private Organisation Implementing CSR
- Coromandel was awarded The Economic Times award for the 'Best CSR Practices'



Coromandel's 'Girl child scholarship' program awarded under National CSR Summit & Awards

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 2018-19, around 13 lakh farmers were covered by Retail Business while more than 3.50 lakh farmers were covered by Fertilizer Business through various outreach programmes organised across India.

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:

- Nutri-clinics:** Integrated Nutrient Clinics were setup which acts as one stop solution for every agri-input related need (soil tests, crop advisory, etc.) of the farmers. 4 clinics were established in 2018-19, 2 in Andhra Pradesh and Telangana and 2 in Karnataka. 844 farmers utilised the services of these clinics and 168 organic carbon tests, 143 SEZ tests and 97 NPK tests were conducted.
- Agronomists:** Coromandel's team of Agronomists works 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
- Soil testing services:** Application of right nutrients to soil ensures higher crop yields and also reduces the cost of nutrient application.
- Quick Test Kit for Quality:** To measure nutrient content in the product to develop quality consciousness amongst the users of Single Super Phosphate (SSP)
- 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.

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/speciality 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

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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.

- o A total of 21743 soil tests were organised by Fertiliser Business (OC test – 18077, SBZ test – 2801, SSP Quick test – 290, NPK test – 575) in 2018-19
- o The Retail division carried out 11,920 number of SBZ (Sulphur, Boron & Zinc) soil analysis and given recommendations in 2018-19
- o Fertiliser division has organised 163 Crop Seminars with experts, 5463 farmer meetings, 14360 Group discussions, 319 demonstrations, for educating the farmer in 2018-19
- o 1,614 number of dealer trainings and organised crop seminars with scientists by the Retail division
- o A total of 35,917 farmer meetings/training sessions were conducted by Retail division in 2018-19

The key customer friendly initiatives during 2018-19 include:

- Gromor Pragati - A loyalty program launched for dealers and retailers to earn points while purchasing Coromandel products (DAP & Complex). These points can be redeemed for exciting rewards from the rewards catalogue specially created for them. Around 3291 dealers were covered under this program in 2018-19.
- Gromor Anubhandam Scheme – In order to encourage customers to visit the Gromor centers regularly, to avail the technical services apart from buying agri-inputs, the Gromor Anubhandam loyalty program was operated. Loyalty points have been provided to 4,04,959 farmers
- Cotton Booklet scheme – To ensure that the cotton farmers use entire set of Agri-inputs as per the technical recommendations cotton booklets were provided to farmers during cotton seed purchase at MGCs & NGCs. A series of discounts were offered on the products mentioned in the booklet. This scheme was operated in the state of Karnataka, Andhra Pradesh and Telangana. 85024 Cotton booklets have been provided to farmers.
- Bengal Gram seed scheme – As ensured in Cotton booklet scheme to use entire set of Agri-input products as per the technical recommendations the same was followed for Bengal gram seed scheme. Bengal gram seed booklets were provided to farmers who purchased Bengal gram seed in MGCs. A series of discounts were offered on the products mentioned in the booklet. This scheme was operated in the state of Andhra Pradesh. 13,700 Bengal gram booklets have been provided to farmers.
- Referral Scheme – To encourage farmers to visit MGC & NGC and avail right set of products & farm advice Referral scheme was introduced. Both the farmer who referred and also the Referred farmer benefitted through discount from the scheme.

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

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 on farm advisory to farmers is as below:

- o In-bound calls – **14120**
- o Outbound calls - **15112**

Customer feedback is taken with utmost seriousness and attempts are made to satisfactorily close all customer feedback or complaints expeditiously. Around 26 complaints were received and resolved through CRM calls (Hello Gromor) for the year 2018-19.

There were no customer/consumer legal cases/appeals filed in 2018-19 and 19 cases were pending against the Company as on 31 March 2019, involving an amount of Rs.106.30 lakhs. These complaints are contested claims and pending before consumer forum. Also, there are no cases filed and pending against the Company with respect to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

Coromandel conducted various market research studies through external agencies and internal teams during the FY18-19, to understand the farmer's perception and satisfaction level across SBUs. Retail division has conducted Brand Equity study for Karnataka, Churn study, cotton seed brand preference study. Fertiliser and CPC divisions have conducted most effective communication channel survey by ACNielsen. Net promoter score study was undertaken by SSP and Fertiliser divisions, while SND division has done 'Customer feedback study for Gromor Ultrasol range' and 'Study on Poly house and urban landscaping'. These surveys depict the increased farmer's awareness level on choice and selection of products and services, opportunities through unmet needs of farmers and NPS score depicting the customer satisfaction level, promote or detract or remain passive, with the products and services. Coromandel persistently works towards maximising the sustainable value for all stakeholders by delivering the promise, reliability assurance, value for money and exceeding expectations of customers in line with its brand essence 'Maximise'.

On behalf of the Board of Directors

Place: Secunderabad
Date: 23 April, 2019

M M Murugappan
Chairman