

ANNEXURE-VII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	CIN	:	L24219TG1993PLC01593
2	Name of the Company	:	BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
3	Address of the Registered office & contact details	:	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500 034, Telangana Ph: 040-42221212. Fax: 040-23540444
4	Website	:	www.bhagirad.com
5	Email Id	:	info@bhagirad.com
6	Financial year reported	:	1 st April, 2021 – 31 st March, 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	20211-Agro Chemicals Manufacturing
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	The Company manufactures generic agrochemical active ingredients and its intermediates. It is involved in the manufacturing of insecticides, fungicides, herbicides etc. like Azoxystrobin(Fungicide), Fipronil, Pymetrozine (insecticides) and Mesosulfuron (herbicide), Di Chloro Aniline(Intermediate)
9.	Total Number of locations where business activity is undertaken by the Company	:	Only one manufacturing location at Cheruvukommupalem, Ongole, Prakasam District, Andhra Pradesh. The Registered Office is situated at Hyderabad.
10	Markets served by the Company- Local/State/ National/ International	:	National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	:	8,30,97,000/-
2	Total Turnover (₹)	:	43653.81 lakhs
3	Total Profit after taxes(₹)	:	3590.26 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax	:	Pursuant to section 135 of the Companies Act, 2013, the Company's total spending on CSR for the year ended March 31, 2022 was ₹ 46.89 lakhs which is 2% of the average Net Profit for Last 3 years.
5	List of activities in which expenditure in 4 above has been incurred	:	The CSR Amount was spent towards Relief to fight against the COVID-19, Rural Development, Promoting education and Healthcare, etc. Please refer Annexure IV to Directors' Report for CSR related information and also under CSR section in the annual report.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies	:	As on March 31, 2022, the Company has one wholly owned subsidiary namely M/s. Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050)
2	Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s)	:	No participation by the said subsidiary in business responsibility initiatives of the company as of now.



- 3 Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] : No

SECTION D: BR INFORMATION

1. Details of Director(s) responsible for BR

Details of Director/Directors responsible for BR : Details of the BR head

DIN	: 00159543	Name	: Sri A.Arvind Kumar
Name Sekhar	: Sri S. Chandra	Designation	: Chief Executive Officer
Designation	: Managing Director	Telephone No	: 040-23608083
		e-mail id	: arvind.a@bhagirad.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies

Principles to assess compliance with environmental, social and governance norms are provided as under:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8(P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Particulars	P1	P2	P3	P4	P5	P6	*P7	P8	P9
1. Do you have a policy(s) for the principles?	Y	Y	Y	Y	Y	Y	NA	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3. Does the policy conform to any national/international standards? If Yes, Specify?	Policies are prepared considering the relevant provisions of applicable laws and wherever applicable on relevant provisions of 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', as deemed appropriate at the time of formulation of policies								
4. Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	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	NA	Y	Y



Particulars	P1	P2	P3	P4	P5	P6	*P7	P8	P9
6. Indicate the link for the policy to be viewed online?	The policies can be viewed online at the below mentioned link on the website of the company: https://www.bhagirad.com/corporate.html								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8. Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9. Does the Company have a grievance redressal mechanism to address stakeholder's grievance related to the policy (ies)?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company has not carried out independent audit / evaluation of the working. However, the Policy relating to Environment, Health and Safety apart from internal audits are evaluated by external ISO audit agencies.								

*Presently, the Company is not actively engaged in influencing any public and regulatory policy.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not applicable since the response to none of the Principles is in the negative.

3. Governance related to BR

a. Frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company	The Board of Directors assess the performance of the Business Responsibility on an Annual basis
b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?	Yes. The Company publishes BR report annually and the same forms part of annual report, which can be accessed in the Company's website i.e www.bhagirad.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

Policy governing Principle 1: Ethics, Transparency and Accountability Policy

The above policy has been hosted on Company's website under the hyperlink <http://bhagirad.com>

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

Yes, the company is committed to dealing legally and ethically in all aspects of business. We ensure that the third parties with whom we work reflect the same high ethical standards and demonstrate a commitment to compliance with all applicable laws.

The Company's Code of Conduct and Ethics address compliance with internal business conduct and ethics as well as regulatory requirements. The Code of Conduct is prescribed for all employees, including directors of the Company. The Company's Whistle Blower Policy encourages employees to bring instances of unethical behavior to the knowledge of the management.

- How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.:

The Company has in place a robust grievance redressal mechanism for timely dealing with the complaints received from various stakeholders. The details of shareholders complaints received, resolved and pending during the financial year 2021- 22 are furnished in the Corporate Governance Report.



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

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

The Company is committed to efficient and optimum use of water, energy, chemicals and put in place systems for reducing waste in the manufacture of its products among which Fipronil Insecticide, Pymetrozine Insecticide and Azoxystrobin fungicide, benefitting the farming community in India and other overseas countries. The Company strives to comply with the requirements related to environment, health and safety.

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

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

The Company has since invested on installation of Agitated Nutsche Filters for filtration and waste water treatment and Agitated Thin Film Dryer to efficiently treat the effluents.

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

The products are sold on B2B basis and the end product is made by the formulator.

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

Yes

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so

The company procures raw materials from reputed manufacturers and ensures that applicable protocols are followed while loading

and unloading and during the transportation. The raw material and the finished goods are transported in securely fastened drums as far as required and in containers wherever exports or imports are involved.

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

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company encourages procurement of goods and services from locally available resources. Knowledge sharing, on job training and periodic visits of vendors and visits of the company's personnel to other plants are facilitated to encourage skill development among personnel.

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

Yes, the Company operates a zero liquid discharge plant and recycles waste water by processing it in RO plants and STPs.

Principle 3: Businesses should promote the wellbeing of all employees (As on March 31, 2022)

- Please indicate the Total number of employees – 421
- Please indicate the Total number of employees hired on temporary/contractual/ casual basis. – 147
- Please indicate the Number of permanent women employees. – 18
- Please indicate the Number of permanent employees with disabilities – Nil
- Do you have an employee association that is recognized by management? – No

- What percentage of your permanent employees is members of this recognized employee association? NA
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. –

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ Forced labour/ Inventory labour	Nil	NA
2	Sexual harassment	Nil	NA
3	Discriminatory employment	Nil	NA



8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? Following is the respective percentage (rounded-off) for these employees:

- | | |
|--|-----|
| (a) Permanent Employees – | 22% |
| (b) Permanent Women Employees – | 75% |
| (c) Casual/Temporary/Contractual Employees – | 30% |
| (d) Employees with Disabilities – | Nil |

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

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

Yes, the Company has mapped its stakeholders as part of its stakeholder engagement process.

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

Yes, the Company has identified the communities which are disadvantaged, vulnerable and require focused intervention. The Company engages periodically with these stakeholders to understand their problems and mitigate them as far as possible.

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

The company's CSR activities are dedicated towards improving the lives of the marginal and vulnerable communities. The CSR Initiatives are focused on promoting education, health care, disaster management, relief, Rural Development.

Principle 5: Businesses should respect and promote human rights

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

The Company follows its policy on Human Rights which are applicable to all employees in the Company. Company discourages dealing with any supplier/contractor if it is in violation of human rights and also prohibits the use of forced or child labour at all manufacturing units /with business associates. Company strongly opposes human exploitation, and all other forms of unacceptable treatment of workers and believes that its employees shall live with social

& economic dignity & freedom, and treated equally regardless of nationality, gender, race, economic status or religion.

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

No stakeholders' complaint in relation to human rights was received by the Company in the financial year 2021-22 and even in the past Financial Year.

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

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

The Company and its Wholly Owned Subsidiary Company adhere to all the Statutory and Environmental Regulatory requirements. The company and its subsidiary take steps to conserve and protect the environment by addressing local environmental challenges and promoting sustainable practices.

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

The Company ensures as a policy that the operations are conducted in a manner that takes care of the safety and health of the employees, local people and also diligently complies with all the applicable environmental laws. The company developed a green belt in a vast area abutting the factory land besides undertaking plantation of trees in the nearby villages.

Some of the other initiatives undertaken by the company to address global environmental issues are: Optimal use of natural resources, spread green awareness across internal and external stakeholders

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

Yes, the Company has Risk Management mechanisms in place to identify and assess existing and potential risks across its operations.

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

Currently no projects related to Clean Development Mechanism have been taken up by the Company.



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

The Company has not taken the said initiatives, during the year under review.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by Centre Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported?**

Yes, the Emissions/Waste generated by the Company were within the permissible limits given by CPCB / SPCB for the financial year and they are being reported.

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

Nil

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

During the period under review, the Company is not directly engaged in influencing public and regulatory policies.

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

BCIL is a member of the following.

1. Pesticide Manufacturers and Formulators Association of India(PMFAI)
2. The Federation of Telangana Chambers of Commerce and Industry.
3. CHEMEXCIL

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

Yes, from time to time, the Company takes up the matters of public interest through these Associations/ Bodies

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

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

The Company undertakes various initiatives through the CSR committee of the Board as per the CSR policy of the Company. The CSR activities of the Company include the following:

- Promoting education
- Promoting Health Care
- Environment Sustainability
- Rural Development projects
- Disaster management, relief and rehabilitation

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

The CSR programmes are undertaken directly by the Company and also by way of contribution to eligible entity for spending on an eligible activity.

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

The Company has not carried out any impact assessment of CSR initiative during the year under review.

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

For the financial year 2021-22, the Company has spent an amount of ₹ 46.89 lakhs for the CSR activities. The details of the CSR activities and the amount contributed thereon are provided in Annual Report on CSR activities forming part of the Board's Report (Annexure IV).

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

Yes, the Company ensures that the initiatives undertaken under the CSR are thoughtfully selected, well-implemented, accepted and valued by the intended beneficiaries.



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

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

As on 31st March, 2022, one case filed in a consumer court is pending.

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

Yes, the Company adheres to the applicable laws & regulations regarding the display of the product label and the information related thereto.

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

There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years reported by any stakeholder against the Company and no cases are pending as at the end of Financial Year 31.03.2022

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

The company believes that engaging with stakeholders. Consumers is central to improving accountability within the organisation as well as to expand into wider market. The company focuses on stakeholder's engagement and keeps track of responses/comments from various stakeholders, Consumers.

**For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited**

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543

Registered Office:

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Place: Hyderabad
Date: 26th May, 2022