

## **ANNEXURE G TO THE DIRECTORS' REPORT**

### **Business Responsibility Report**

#### **ABOUT THIS REPORT**

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the "Business Responsibility Report" (BRR) of the Company for the financial year 2020-21 forming part of this Annual Report is as follows:

#### **SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number of the Company	L15420PN1933PLC133303
2.	Name of the Company	Tilaknagar Industries Ltd.
3.	Registered address	P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur- 413 720
4.	Website	www.tilind.com
5.	E-mail id	investor@tilind.com
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing (Main Activity Group Code-C)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Indian Made Foreign Liquor, Extra Neutral Alcohol
9.	Total number of locations where business activity is undertaken by the Company	A) Number of International Locations - 7 B) Number of National Locations - 16
10.	Markets served by the Company	Local, State, National and International Markets

#### **SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Capital (Rs. in lacs):	12,543.46
2.	Total Turnover (Rs. in lacs):	1,41,836.42
3.	Total profit/(loss)after taxes (Rs. in lacs):	(2,879.21)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) / Rs :	Rs 44.83 lacs
5.	List of activities in which expenditure in 4 above has been incurred:-	Refer the Annexure 'F' to the Directors' Report

**SECTION C: OTHER DETAILS**

1.	Does the Company have any Subsidiary Company/Companies?	Yes, the Company has 8 Subsidiary Companies as on March 31, 2021: - Prag Distillery (P) Ltd. – <i>Under Liquidation</i> ; - Vahni Distilleries Private Limited; - PunjabExpo Breweries Private Limited; - Kesarval Springs Distillers Pvt. Ltd.; - Mykingdom Ventures Pvt. Ltd.; - Studd Projects P. Ltd.; - Srirampur Grains Private Limited; and - Shivprabha Sugars Ltd.
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)	No
3.	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

**SECTION D: BR INFORMATION****1. Details of Director/Directors responsible for BR:**

- a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

1	DIN	00305636
2	Name	Mr. Amit Dahanukar
3	Designation	Chairman & Managing Director

- b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00305636
2	Name	Mr. Amit Dahanukar
3	Designation	Chairman & Managing Director
4	Telephone Number	+ 91 22 2283 1716 / 18
5	E-mail id	investor@tilind.com

## 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

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

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

Sr. 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)	The spirit and content of the code of conduct and the applicable laws are captured in the policies framed by the Company. The Company believes that these policies are adequately addressing the above principles, as far as practicable and the policies are open for amendments as and when felt necessary.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	The Board has approved and adopted the Business Responsibility Policy on the basis of recommendation of the CSR Committee. Apart from the policies								



### **3. Governance related to BR**

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

**Annually.**

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

Published Business Responsibility Report annually as part of the Annual Report. The same is displayed on the website of the Company i.e. [www.tilind.com](http://www.tilind.com).

## **SECTION E: PRINCIPLE-WISE PERFORMANCE**

### **Principle 1- Ethics, Transparency and Accountability**

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

Yes, the Company has formulated Code of Conduct, to conduct the business in an ethical manner as well as to create a work environment that is conducive to all stakeholders.

Further, the Company has adopted a Whistle Blower Policy through which its stakeholders can report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. It also provides adequate safeguards against victimisation of persons who uses such mechanism.

2. **How many stakeholder 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.**

No stakeholder complaints were received during the financial year 2020-21 on the conduct of business involving ethics, transparency and accountability.

### **Principle 2- Product Responsibility**

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

The Company has been incorporating social, environmental concerns and risks symbols on its product labels of Mansion House Brandy, Courier Napoleon Brandy-Green, Courier Napoleon Brandy-Red and Mansion House Whisky. The Company is fully aware of its responsibility as a growth promoter and is continuously engaged with the stakeholders for the growth of all concerned.

**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 is conscious of its resources requirements and continuous effort is being made to reduce the resources inputs like water, electricity, fuel and raw materials in all its manufacturing locations.

Use of returnable and recyclable packing solutions for most of the products has been a key initiative to manage cost and quality, reduce material use and avoid waste generation.

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

Plant was under shut down due to Covid-19 and high molasses cost, thus the coal saved during the financial year 2020-21 is lower than the financial year 2019-20. The Company undertook certain critical repairs on the biogas digesters' which has resulted in the Digesters not being available for extraction of Bio-gas.

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

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

All the manufacturing activities are undertaken in a way to ensure continuous reduction in raw material wastage and improve product yield. The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing. Significant measures have been taken to reduce the packaging impacts in the supply chain by using recycled/returnable packaging solutions for various components sourced.

**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?**

The Company procures goods from small scale industries and small producers including from communities surrounding its place of work.

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

The Company has an ongoing process to reduce, to recycle and to reuse the available resources. The waste generated in the Company's manufacturing operations is either reuse/recycled, wherever possible or disposed of safely.

**Principle 3- Wellbeing of Employees**

- 1. Please indicate the Total number of employees: 475 employees**
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 237 Contractual employees**
- 3. Please indicate the Number of permanent women employees: 18 Women employees**
- 4. Please indicate the Number of permanent employees with disabilities: Nil**
- 5. Do you have an employee association that is recognized by Management:**  
Yes, TI has employee's association/Union and it is recognized by Management.
- 6. What percentage of your permanent employees is members of this recognized employee association:**  
36% of permanent employees are members of this recognized employee association
- 7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

<b>Sr. No.</b>	<b>Category</b>	<b>No of complaints filed during the financial year</b>	<b>No of complaints pending as on end of the financial year</b>
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

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

a	Permanent Employees	85%
b	Permanent Women Employees	70%
c	Casual/Temporary/Contractual Employees	85%
d	Employees with Disabilities	Not Applicable (as there are no employees with disabilities at present)

#### **Principle 4- Responsiveness to Stakeholders**

**1. Has the Company mapped its internal and external stakeholders?  
Yes/No:**

Yes, the Company has mapped its internal and external stakeholders, the major/key categories viz. shareholders, customers, employees, vendors, suppliers, media, financial institutions/ banks, Central and State Govt./regulatory authorities.

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

Yes, through the Company's CSR activities the disadvantaged, vulnerable & marginalized stakeholders are identified.

**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 programmes and projects are committed towards serving the socio-economically backward and disadvantaged communities with an aim of improving the quality of their lives. The Company, in fulfilment of its role as a socially responsible corporate citizen and in line with its philosophy to spread the largest good to the widest number, has chosen to intervene in those areas where it can strengthen the base, enable people to lead a healthier and happier life and spread cheers for the better good of the community in which it operates, through its services, conduct and initiatives.

Further, the Company had also taken initiatives such as empowerment of women, senior citizens, differently abled and socially and economically backward section of society, promoting preventive healthcare, sanitation and making available safe drinking water facilities and animal welfare projects under its CSR programs.



### **Principle 5: 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 Business Responsibility Policy covers the aspects on Human Rights for the Company. The Company also respects the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.

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

No complaints were received for human rights violation during the reporting period.

### **Principle 6- Environmental Responsibility**

- 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's CSR policy extends to all units and locations of the Company and its subsidiaries/tie-up/leased units in service to the business and the Company.

- 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.**

No.

- 3. Does the Company identify and assess potential environmental risks? Y/N**

No.

- 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?**

No.

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

No.

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

Yes, the Company is in compliance within the prescribed permissible limits as per CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.

**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- Public Policy Advocacy**

**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:**

The Company is Member of Association for Distilleries and IMFL Manufacturers in the state of Andhra Pradesh, Telangana, Karnataka and Maharashtra.

**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)**

The Company scrupulously follows the guidelines of respective State Government for labels to be affixed on its products, which carry messages about consumption of Alcohol as per the requirements. These are mainly for public good. For e.g. messages "Consumption of Alcohol is Injurious to Health" and "Be Safe Do not Drink and Drive", are also mentioned on the label in local vernacular languages as per the requirement.

**Principle 8- 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.**

Corporate Social Responsibility (CSR) is a strategy of a Company to integrate social, environmental and economic concerns in its values and operations to improve the welfare of society and stakeholders.

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

The Company's CSR initiatives are implemented through internal team as well as in partnership with Non-Governmental Organisations (NGOs). The other training & development initiatives are also implemented through internal team as well as with other external subject matter experts.

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

Periodic review is done on the CSR activities carried out during the financial year 2020-21, by the Company.

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

Amount spent for undertaking CSR initiatives is Rs 44.83 lacs, during the financial year 2020-21, details of the same are given in Annexure 'F' of the Directors' Report.

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

Yes, the CSR initiative undertaken by the Company focuses on community participation, empowerment and community development.

**Principle 9-Engagement with Customers**

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

The Company had received approximately 48 Consumer Complaints in the financial year 2020-21 out of which 5 (10 %) complaints were pending as on the end of the financial year.

**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 all the statutory product labelling requirement and display the product information.

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

No.

- 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, the Company regularly conducts the consumer survey.