

Business Responsibility Report of Gulshan Polyols Limited

Communities throughout the world are in the midst of several crises – an ongoing pandemic, climate change, environmental damage, biodiversity loss, risks to livelihoods, etc. In such times, businesses are expected to play a key role in addressing the major challenges faced by our society.

As pioneer of sustainable urbanisation in India, Gulshan Polyols Limited has continued its effort to develop green, innovative, and customer-focused solutions that are rooted in a legacy of trust and transparency. Its developments are characterised by thoughtful design and a welcoming environment that enhance overall quality of life for both individuals and industries.

The Company focusses on efficient deployment of resources, including people, processes and materials for the production of safe and eco-efficient products, with a view to create value for all its stakeholders. This ensures that the Company embeds balance in its engagement with all stakeholders, keeping the community at the core of whatever the Company does.

SECTION A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L24231UP2000PLC034918
2.	Name of the Company	Gulshan Polyols Limited
3.	Registered address	9th KM Jansath Road, Muzaffarnagar, Uttar Pradesh-251001, India
4.	Website	www.gulshanindia.com
5.	E-mail id	gscldelhi@gulshanindia.com
6.	Financial Year reported	April 01, 2020 - March 31, 2021
7.	Sector(s) that the Company is engaged in (Industrial activity code-wise)	Manufacturing: Group: 153, 269 Class: 1531, 1532, 1533, 1542, 2694
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	<ul style="list-style-type: none"> • Sorbitol • Ethanol • Calcium Carbonate
9.	Total number of locations where business activity is undertaken by the Company	
	a) Number of International Locations (Provide details of major 5)	NIL
	b) Number of National Locations	Plant Locations: 9 In State of Uttar Pradesh, Gujarat, Himachal Pradesh, Rajasthan, Madhya Pradesh, Punjab, West Bengal Corporate Offices: In Delhi
10.	Markets served by the Company – Local / State / National / International	The markets for the Company's products are across India.

SECTION B: Financial Details of the Company (On Consolidated basis)

1.	Paid up capital (INR)	144417020
2.	Total Turnover (INR)	76603.44 lakh
3.	Total profit after taxes (INR)	6,245.55 lakh
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	218.09 lakh
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> • Organized Free Eye Checkup and Contract eye surgery

		<p>Camp</p> <ul style="list-style-type: none"> Organized Health Check Up Camp Primary and secondary School development Other Social/Rural Development As per Schedule VII of the Companies Act 2013 Construction of School for Vocational Studies for under privileged children
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SECTION C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	The Company does not have any Subsidiary Company.
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)	Not Applicable
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%]	Not Applicable

SECTION D: BR Information

1.	<p>Details of Director/Directors responsible for BR</p> <p>a. Details of the Director/ Director responsible for implementation of the BR policy/policies</p> <table border="1"> <tr> <td>DIN No.</td> <td>00062221</td> </tr> <tr> <td>Name</td> <td>Dr. Chandra Kumar Jain</td> </tr> <tr> <td>Designation</td> <td>Chairman and Managing Director</td> </tr> </table> <p>b. Details of the BR head</p> <table border="1"> <tr> <td>DIN Number (if applicable)</td> <td>Not Applicable</td> </tr> <tr> <td>Name</td> <td>Ms. Aditi Pasari</td> </tr> <tr> <td>Designation</td> <td>Whole Time Director</td> </tr> <tr> <td>Telephone number</td> <td>011-49999200</td> </tr> <tr> <td>e-mail id</td> <td>gscldelhi@gulshanindia.com</td> </tr> </table>	DIN No.	00062221	Name	Dr. Chandra Kumar Jain	Designation	Chairman and Managing Director	DIN Number (if applicable)	Not Applicable	Name	Ms. Aditi Pasari	Designation	Whole Time Director	Telephone number	011-49999200	e-mail id	gscldelhi@gulshanindia.com
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Telephone number	011-49999200																
e-mail id	gscldelhi@gulshanindia.com																
2.	<p>Principle-wise (as per NVGs) BR Policy/policies</p> <p>The National Voluntary Guidelines (‘NVGs’) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:</p> <table border="1"> <tr> <td>P1</td> <td>Businesses should conduct and govern themselves with Ethics, Transparency and Accountability</td> </tr> <tr> <td>P2</td> <td>Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle</td> </tr> <tr> <td>P3</td> <td>Businesses should promote the well-being of all employees</td> </tr> <tr> <td>P4</td> <td>Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised</td> </tr> </table>	P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	P3	Businesses should promote the well-being of all employees	P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised								
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P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
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)**

S.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	N	Y	Y	
	At GPL, we currently have policies in place, which directly and indirectly address 8 out of the 9 NVG Principles.										
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y	
	All of GPL policies are formulated after careful consideration and after consultation with key managerial personnel and relevant representatives of our stakeholder groups, who act in the best interest of our stakeholders.										
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	N	Y	Y	
	Most of GPL's polices are formulated as mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations and they are compliant with the Principles of National Voluntary Guidelines.										
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y	
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The policies are implemented under the directions of Board/Managing Director.									
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	N	Y	Y	
	GPL's policies relating to our external stakeholders can be viewed on the website at www.gulshanindia.com . Our policies relating to our employees, internal stakeholders are available on Company's intranet.										
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y	
	GPL's policies relating to our external stakeholders can be viewed on the website at www.gulshanindia.com . Our policies relating to our employees, internal stakeholders are available on Company's intranet.										
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	N	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?	At GPL, we have a Stakeholders Relationship Committee at the Board level, which addresses the grievance of all stakeholders. Additionally, we also have a Whistle Blower Mechanism which covers all our stakeholders' grievances.									
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	N	Y	Y	
	GPL's Secretarial auditors review majority of the policies which are formulated as per SEBI requirements and also										

		check for compliance. GPL's Internal auditor also reviews processes and policies and also covers implementation and makes notes of any deviations from the policies.
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*Currently, GPL does not have a formal policy in place to address public advocacy (P7 of NVG). However, it is our belief that our Code of Conduct does cover aspects of Responsible advocacy of public policy, like ethics and integrity.

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

S.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 in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)							Currently at Draft Stage		

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.	GPL assesses its BR performance 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?	GPL publishes Business Responsibility Report, as and when it is applicable to the Company. These reports are on Company's website: www.gulshanindia.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH 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, all internal stakeholders of GPL are subjected to work within the boundaries of this policy.

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 complaint was received during the past financial year related to ethics, transparency and accountability.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE.

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

Not applicable

2. **For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

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

The Company understands its obligations on social and environmental concerns, risks and opportunities. Accordingly, the Company has devised the manufacturing process of its product, in a manner taking care of its obligations. The Company has deployed best in class technology and processes to manufacture its product.

We have also instituted the process of Energy audit across all critical operations, at regular intervals and the findings of the audits are implemented. We have started engaging with external functional experts in the field, to help us understand the gaps and implement the best practices aimed at Energy conservation. All the manufacturing units continue to put their efforts to reduce the specific energy consumption.

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

The Company is continuously undertaking various initiatives towards green energy thereby contributing towards clean environment. Continuous efforts and initiatives are being planned in the coming year in this direction.

Further, best practices and bench marking parameters are implemented in all units by the Company to realigned the existing power consuming sections and to remove bottleneck and to ensure the uninterrupted and quality power supply at the minimum cost. Some of the energy conservation measures adopted across the manufacturing units were:

- Conventional light replacement with LED light for Godown lighting, street lighting and plant lighting across all manufacturing units.
- Energy bill reduction initiative by maintaining unity power factor and low distribution losses by installation of capacitor panels in the high rated Kilo Watt ('kW') motors and machineries.
- Energy bill reduced by effective usage of power in night hours to avail benefit of night hours' rebate.
- Use of frequency drive in ammonia and air compressor which saves electric energy
- Use of frequency drive in boiler for ID and FD fan which saves electric energy.

- Improving efficiency on critical resources like water and energy by doing water recoveries and optimizing energy consumption
- Optimizing the resource consumptions and minimizing wastages by automations and controls.
- Constant monitoring of energy consumption and further requisite follow-up.
- In off –hours, lights in work premises is kept off.
- Installed VFDs for motor for reduction of power consumption & smooth operations.
- Installation of energy efficient ceiling fans.
- Phase wise change of plant lighting system to LED to reduce power consumption.
- Installed Oxygen Analyzer in boilers for combustion control.

These measures have also led to power saving, reduced maintenance time and cost, improved hygienic conditions and consistency in quality and improved productivity. The Company is making all efforts to put stress on energy conservation by taking measure to ensure that plant be kept continuous running and idle time is reduced to bare minimum.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.

Yes, the Company has procedures in place for sustainable sourcing. Approx 90% of the sourcing is for our Plants and only 10% items which mainly constitutes of smaller volume are on Ex-works of suppliers. For these smaller items also we have fixed transport contracts from Vendor’s place to our plants.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company procures some goods and services from local and small producers which are nearer to our factories. These smaller producers are regularly given feedback on their quality of goods as well delivery performance.

5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes, the Company has a mechanism to recycle products and waste.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the total number of employees

424 employees

2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.

600 employees

3. Please indicate the number of permanent women employees.

15 employees

4. Please indicate the number of permanent employees with disability.

None

5. Do you have an employee association that is recognized by management?

None

6. What percentage of your permanent employees are a member of this recognized employee association?

None

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.

During the year, no complaint relating to child labour, forced labour, involuntary, labour and sexual harassment was received by the Company.

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

At GPL, we place high importance on the safety of our employees and to ensure this, 100% of our employees received health and safety training.

PRINCIPLE 4: ENGAGING STAKEHOLDERS - SUSTAINING VALUE

Ours is an inclusive model where we value each and every stakeholder and their opinion matters to us. At Gulshan Polyols, we believe in transparent dialogue where anyone should be able to voice their opinions; that they should be listened to; and that they can expect a considered and constructive response.

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

Yes, the Company has conducted a mapping exercise, from which we have classified our stakeholders into the following categories - Investors, Shareholders, Employees, Local Communities (including vulnerable groups such as indigenous communities, women and persons with disabilities), Civil society (including Non-Governmental Organisations) NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, regulatory bodies and competitors. Engagement responsibility for each stakeholder group is entrusted with specific teams in our Company.

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

Yes, we have identified disadvantaged, vulnerable and marginalised stakeholders and it is an on-going process. Through are CSR programs we have focused on the development of underprivileged and people from low income group in our nearby communities.

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

Yes, we are engaged with the disadvantaged, vulnerable and marginalised stakeholders through various programs. Focus has been given to people from low-income group and special skill training programs have been developed for them by the Company to make it effective and fruitful.

PRINCIPLE 5: PROMOTING HUMAN RIGHTS

At Gulshan Polyols Limited, we respect human rights and the policy is embedded in our Company's Code of Conduct. Our Human Rights Policy is aligned to the UN Guiding Principles on business and Human Rights and includes strict prohibition of child or forced labour – either directly or through contract labour. Additionally, our Code of Business Conduct and Ethics (Code) commits us to comply with all relevant national laws and regulations, underpinning our approach to protecting the fundamental rights of all our direct and indirect employees. Human rights training are an integral part of our Sustainable Development Framework implementation and are covered through training on Code of Business Conduct and Ethics.

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?

Human Rights policy is aligned to the UN Guiding Principles on Business and Human Rights and is a mandate for all of its Group Company's employee's. Further it also encompasses all its suppliers, contractors and NGOs.

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

No complaint was received pertaining to human rights violation during the reporting period.

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.**

We have established & implemented Environment policy to safe guard Environmental damage. A process is maintained for improving Environment Management System to ensure complete satisfaction & value creation to all stake holders. We take every step to measure possible in managing environment related activities as per ISO: 14001:2015

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.**

Yes, we are sapling at a regular interval & encouraging for plantation at the free space to safeguard environment as well as global warming.

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

Yes, our two units are as part of ISO: 14001: 2015, and all four units are as part of 9001/2015 Certification. We undertake continuous assessment of the potentiality of environmental risk. We also undertake internal & external audits to assess the implementation of our environment related activities.

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?**

Yes, the Company has undertaken projects related to Clean Development Mechanism during the reporting period.

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, the Company has not taken any initiative via any project; However, Company is efficiently saving the energy during day time by proper utilisation of sunlight etc.

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 emissions/ Hazardous waste generated at plant/factory is within the permissible limits as per CTE/CTO of CPCB/SPCB.

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.**

No such case in legal department's records.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

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:**

Not Applicable

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)**

Not Applicable

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

At Gulshan, we believe in Inclusive growth of the marginalized stakeholders. We are committed to add value to the local stakeholders wherever we operate. This may be through employment, trade development, enhanced infrastructure, or greater well-being and empowerment. Our community investment strategy focuses on health, education, livelihoods and environment. We are constantly working towards the developmental needs of the underprivileged communities through our CSR programs to create an inclusive and equitable society. Education, skilling, women's empowerment, water, and health continue to be our priority areas. Consistent with our Sustainable Development Model of drawing on global best practice, our community investment approach is being aligned to the UN Sustainable Development Goals. We firmly believe in the power of partnerships and follow a Public-Private-People-Partnership (4P's) model. This is in keeping with our commitment towards co-creation, inclusion and community ownership of social initiatives. As a responsible corporate citizen, the Company focusses on ethical and transparent business practices, with inclusive community development lying at the core of its social initiatives. The focus of our community investment initiatives is on upliftment of underprivileged, especially integrated development, which impacts the overall socio-economic growth and empowerment of people, in keeping with the national and international development agendas.

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

We implement our programs through all the following modes – directly through our Corporate Social Responsibility team and in partnership with government and civil society organizations. We also actively encourage our own employees to contribute towards these social initiatives.

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

No

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

A brief detailed of contribution is provided in Annexure D to the Board's 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.**

Most of our programs emerge from a community needs assessment and are delivered in close partnership with them. For the successful implementation and adoption of our initiatives, we consult and engage with all appropriate stakeholders, right from the inception of the projects. Communities are also involved at every step of these programs. Our role is chiefly that of a catalyst in the whole process.

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.

No such complaints in legal department's records.

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, all our packaging adheres to the legal metrology.

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.

No such case in legal department's records.

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

Yes