



# GROWTH WITH RESPONSIBILITY

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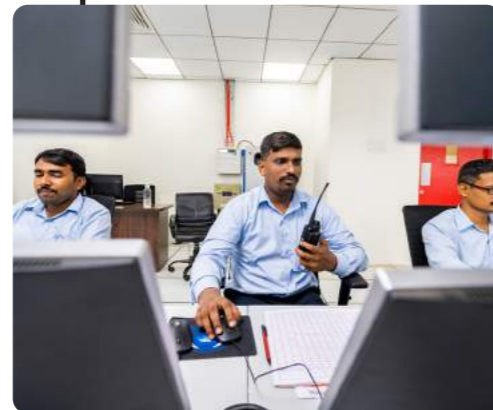
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# ABOUT THE REPORT

Laxmi Organic Industries is pleased to publish its maiden Sustainability Report to all its stakeholders. This report provides our sustainability journey, practices implemented in the areas of sustainability and our roadmap for the upcoming period as well.

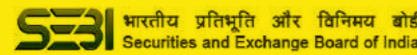
In this our first sustainability report, we showcase our performance, progress and pledge towards Environment, Social and Governance. We report against our impacts in our identified material topics. These topics are aligned to our ESG vision and paving the path towards sustainability.

## Reporting Year and Cycle

The financial accounting, sustainability and financial performance data provided in the report covers information from Laxmi's financial year, 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023. The electronic version of the report can be found on our website: [www.laxmi.com](http://www.laxmi.com)

## Reporting References

The sustainability report is in reference with the Global Reporting Initiative (GRI) Sustainability Accounting Standards and Frameworks. This report highlights our contributions towards achievement of United Nations Sustainable Development Goals (SDGs) and demonstrates our commitment towards our ESG vision. We have also adopted for disclosure, the Business Responsibility and Sustainability Reporting (BRSR) framework published by the Securities and Exchange Board of India (SEBI).

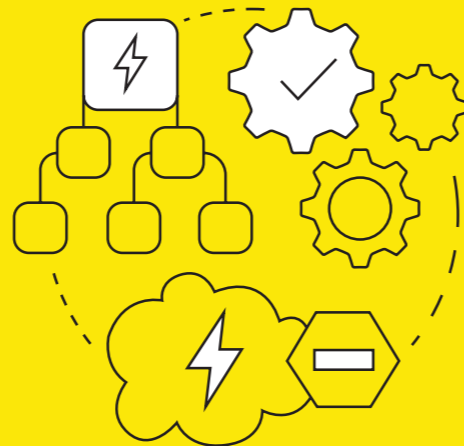


## Reporting Scope & Boundary

The scope of the report includes all the activities and operations of our business segment in India which comprises of the following operational locations.

- Manufacturing plant in Mahad comprising of Unit I manufacturing Acetyl Intermediates and Unit II which manufactures intermediate Specialty Intermediates
- Distillery in Jarandeshwar
- Windmill in Sangli
- Hydropower Generation at Yedgaon
- Innovation Centre in Rabale
- Indian offices in Mumbai, Pune & Hyderabad.

The content of this report is based on material topics those were identified through a structured stakeholder engagement process. We have also included other relevant disclosures to enhance comprehension of our sustainability initiatives and performance.



# FORGING AHEAD SUSTAINABLY- MESSAGE FROM THE MD & CEO



## Dear Stakeholders,

We are pleased to publish Laxmi Organic Industries Ltd first annual Environmental, Social, and Governance (ESG) & Sustainability report. It encompasses LOIL's performance for the fiscal year 2023 (FY23). We had already released a comprehensive Business Responsibility & Sustainability Reporting (BRSR) Report in July 2023.

In FY23, the Company underwent a comprehensive assessment by industry experts and assessors, successfully retaining the Responsible Care certification for another three years. This certification, achieved for the third consecutive time, serves as a testament to the collective efforts of the entire organization.

LOIL has been an early adopter of green energy, with an important portion of energy currently consumed at our Mahad manufacturing locations being secured from various renewable sources encompassing hydro, wind, and solar power.

These focus areas would be worked upon and implemented in our existing operations. And will also be carried forward with all the previous learnings in our upcoming manufacturing plants at Lote and Dahej, and Innovation center at Mahape.

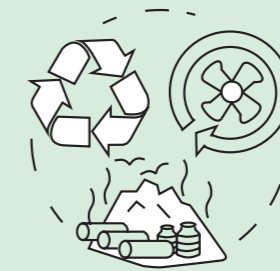
We continue to be unwavering in our resolve to continue creating tangible value for all our stakeholders.

My heartfelt gratitude goes out to all our stakeholders, which include our customers, cherished shareholders, committed team, communities around where we operate and distinguished board members for their constant support and guidance in our journey.

**Dr. Rajan Venkatesh**  
Managing Director & CEO



## Our focus is built on four key themes at improving and reducing our ESG and Sustainability footprint:



### 1 Resource Footprint

Focus areas in energy, emissions, air quality, water, and waste management.



### 2 Product Footprint

Innovations in manufacturing and/or core products and improvements in end-to-end supply chain management.



### 3 Responsible Operations

Further strengthening our core operations through training initiatives and certifications in occupational health & safety, human and labor rights.



### 4 Trusted Partner

Minimizing business, legal and climate change risks through continued governance, ESG data management and periodic disclosure.

# LAXMI AT A GLANCE

Laxmi Organic Industries Ltd. is a publicly listed company. It was set up more than three decades ago in 1989, in with the objective of manufacturing alcohol-based chemicals. In our early days, we focused primarily on the production of bulk chemicals. Subsequently, we progressed up the value chain and started producing ethanol downstreams and pioneered the manufacturing of solvents in India.

Due to our high standards in quality and meticulous focus on customer satisfaction, we became one of the preferred partners of choice of pharmaceutical companies and ink manufacturers.

In the past decade, we have expanded our capabilities to specialty intermediates. The addition of Diketene to our product portfolio has solidified our position as a leading manufacturer of fine and specialty chemicals in the country. In the coming years, we aim to establish ourselves as a leader in specialty intermediates and become the growth partner of choice to global Life Sciences, Crop Sciences and Pigments companies.



Laxmi Organic Industries Ltd is a specialty chemical manufacturer, focused on two key business segments: Acetyl Intermediates and Specialty Intermediates. Since its inception, the company has maintained a constant focus on innovation, creativity and speed, which has enabled it to meet with new challenges and service new opportunities across the world. Our success is the result of our single-minded focus on fine and specialty chemicals. We are driven by an innate desire of achieving consistent profitable growth. We are signatories to Responsible Care, a voluntary commitment by the global chemical industry to achieve excellence in environmental, health and safety performance. Our main manufacturing plants are situated in a chemical park in Raigad, Maharashtra, 150 kilometers South of Mumbai. All of our plants are state-of-the-art and comply with relevant ISO accreditations.

Laxmi is keen on customer-specific and market-driven emerging chemistries. With deep technical knowledge in the fundamental principles of chemistry and a track record of delivering quality solutions

to global clients, Laxmi is comfortably positioned to adopt emerging chemistries. We have recently acquired Miteni SPA's organic fluorospecialties and electrochemical fluorination assets with a view to foray into the fluorospecialty chemical business and leverage our experience, capabilities and relationships.

Our strong innovation capabilities are backed by our state-of-the-art infrastructure. We routinely assess our research infrastructure to make sure they are at par with global best practices. Our innovation centers feature advanced laboratory equipment, along with a robust technical infrastructure for the development of new intermediates.

We use modern analytical instruments for minute and accurate quality analysis of products. Our manufacturing assets have the capability to handle reactions across a broad range of temperatures, ranging from 700°C to -25°C. Our ample refrigeration capacity (more than 2000 Tr) enables us to handle large volumes of refrigeration loads. Our other specialized skills include safe and effective handling of ethylene oxide under pressure, chlorination in cryogenic conditions, esterification, reactive distillation, catalytic oxidations, and more.

## Accreditations and Certifications



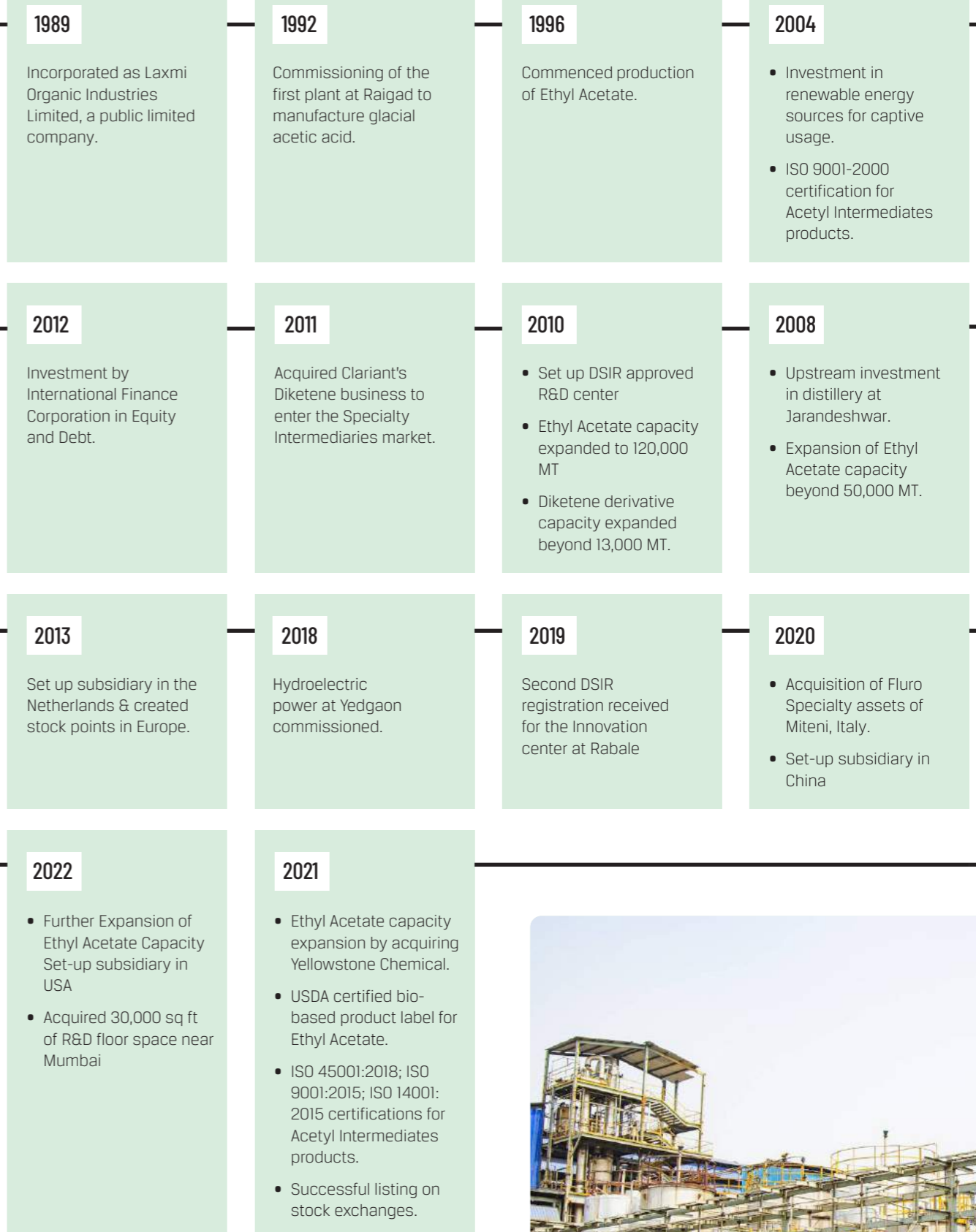
Accredited facilities with ISO 45001:2018, ISO 9001:2015, and ISO 14001:2015 certifications



USDA Certified Biobased Product Label for its Ethyl Acetate, authorized by the U.S. Department of Agriculture



Recognized for its sustainable practices and received the RESPONSIBLE CARE and REACH certification from the Indian Chemical Council

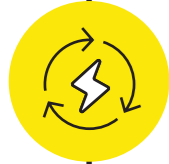


# OUR VISION AND VALUES



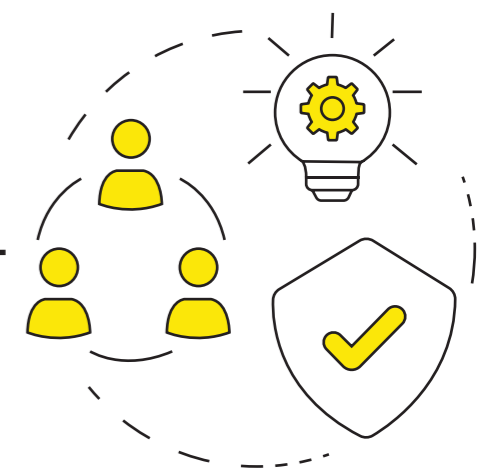
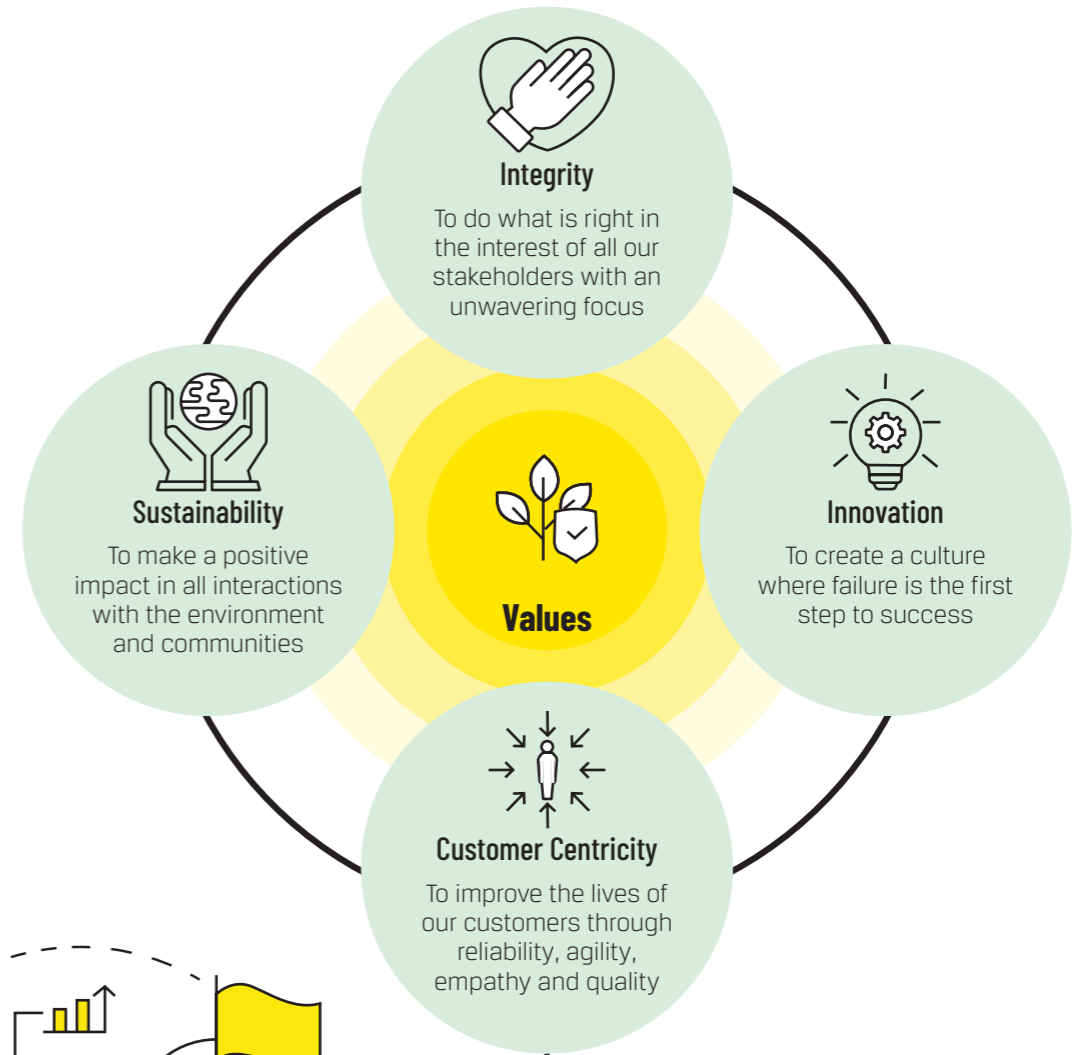
### Corporate Vision

The growth partner of choice to global crop science, life science and pigment customers.



### ESG Vision

As a responsible specialty chemicals company, our ESG vision is to follow a path towards sustainability.



# GEOGRAPHICAL PRESENCE

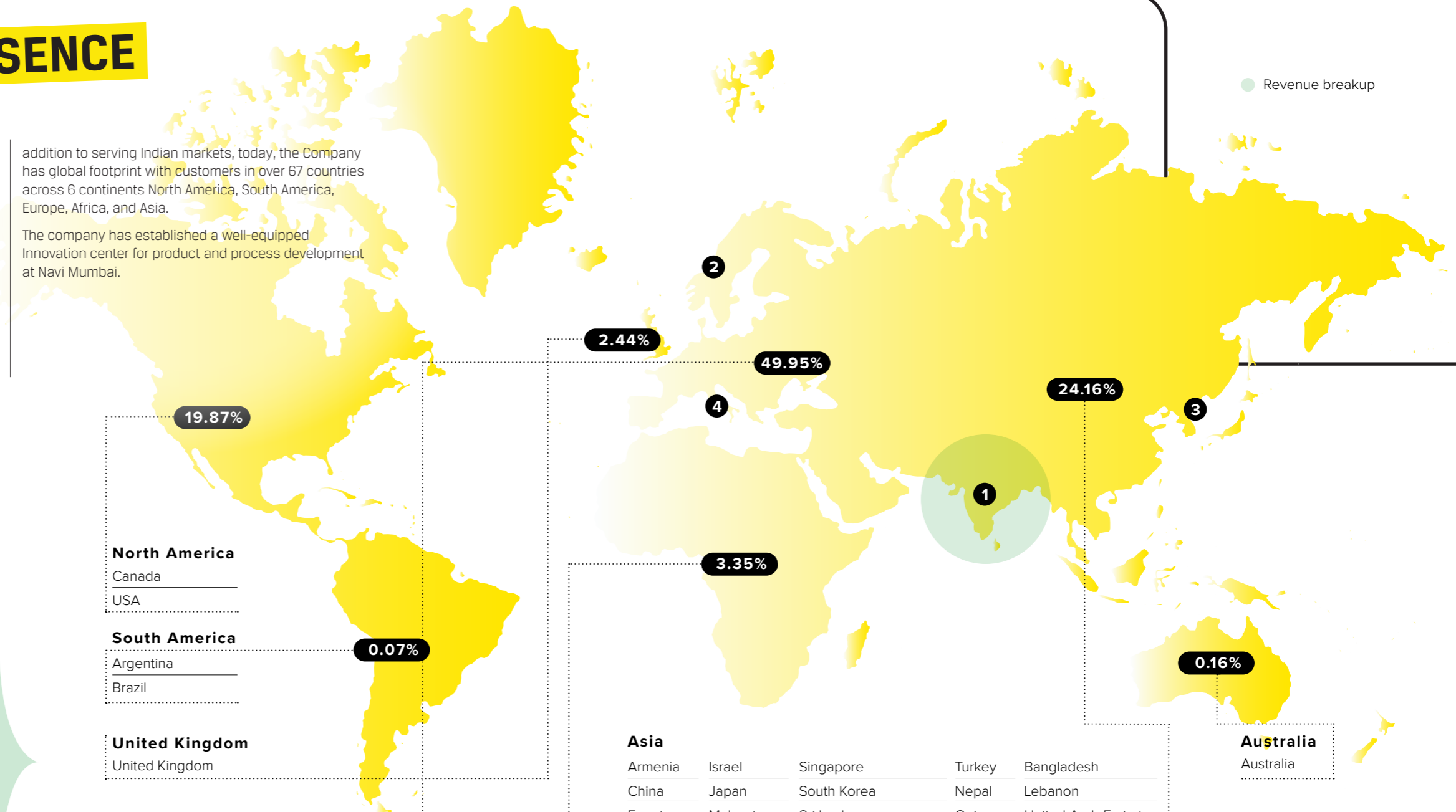
Headquartered in Mumbai, we provide value-added and economical products to customers located globally.

Our chemical manufacturing facilities are based in the State of Maharashtra with sites in industrial zones of Mahad, Lote, Jarandeshwar and Kolhapur. Hydro-based renewable energy manufacturing facility is located at Yedgoan, Maharashtra. Laxmi has investments in windmills across locations in Maharashtra & Karnataka.

With a network of customer-centric offices within the country and internationally, the company is well poised to expand its businesses across domestic and international geographies. In

addition to serving Indian markets, today, the Company has global footprint with customers in over 67 countries across 6 continents North America, South America, Europe, Africa, and Asia.

The company has established a well-equipped Innovation center for product and process development at Navi Mumbai.

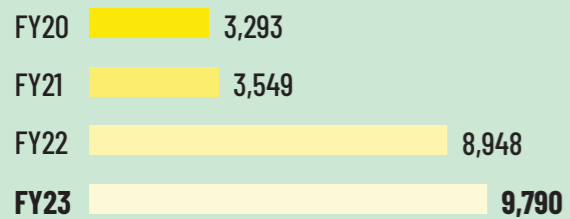


● Revenue breakup

## OFFICES AROUND THE GLOBE

- Mumbai | Pune | Hyderabad (India) — 1
- Leiden (Netherlands) — 2
- Shanghai (China) — 3
- Rome (Italy) — 4

## CONTRIBUTION OF EXPORTS (in ₹million)



**~36%** Exports contribution to overall sales

**44%** 3 Year CAGR growth in export revenues

### North America

- Canada
- USA

### South America

- Argentina
- Brazil

### United Kingdom

- United Kingdom

### Europe

- Belgium
- France
- Germany
- Netherlands
- Romania
- Spain
- Sweden
- Greece
- Czech Republic
- Switzerland

### Africa

- Ghana
- Kenya
- Mauritius
- Morocco
- Nigeria
- Seychelles
- Tanzania
- Uganda
- Djibouti
- Tunisia

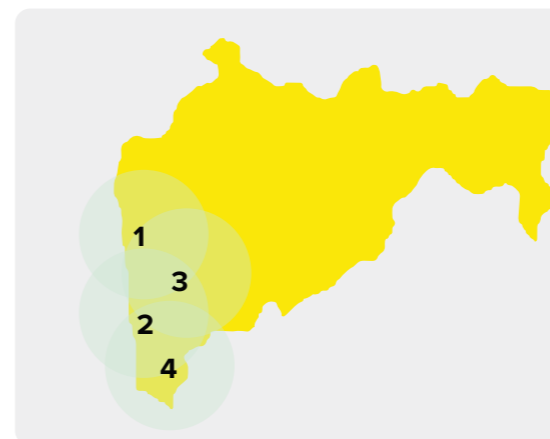
### Asia

- |           |              |                        |          |                      |
|-----------|--------------|------------------------|----------|----------------------|
| Armenia   | Israel       | Singapore              | Turkey   | Bangladesh           |
| China     | Japan        | South Korea            | Nepal    | Lebanon              |
| Egypt     | Malaysia     | Sri Lanka              | Qatar    | United Arab Emirates |
| Hong Kong | Oman         | Taiwan                 | Vietnam  |                      |
| Indonesia | Saudi Arabia | The Russian Federation | Thailand |                      |

### Australia

- Australia

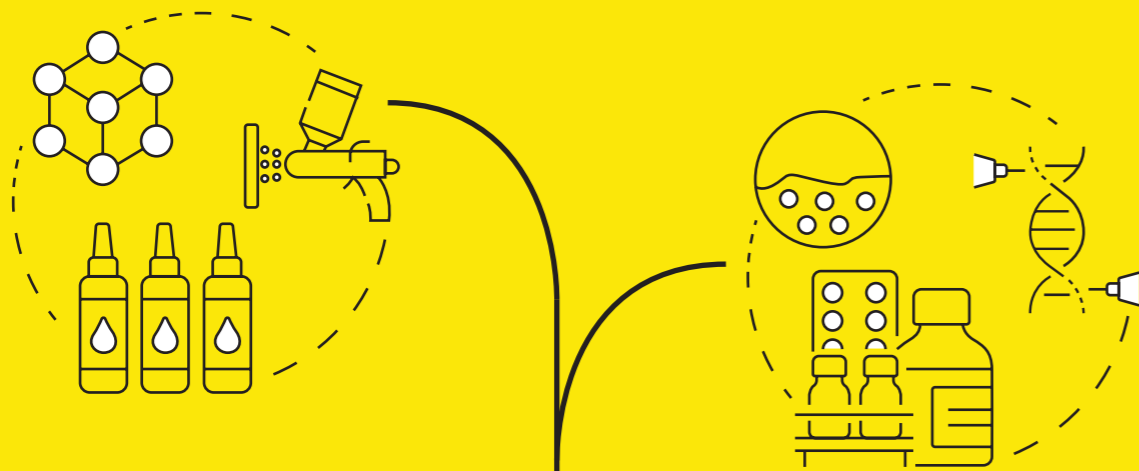
Map not to scale, only for illustration purpose



## MANUFACTURING LOCATIONS IN MAHARASHTRA, INDIA

- Mahad, Raigad district — 1
- Lote-Parshuram, Ratnagiri district — 1
- Jarandeshwar, Satara district — 1
- Panchganga, Kolhapur — 1

# BUSINESS SEGMENTS



## Essentials

### Acetyl Intermediates including Anhydrides

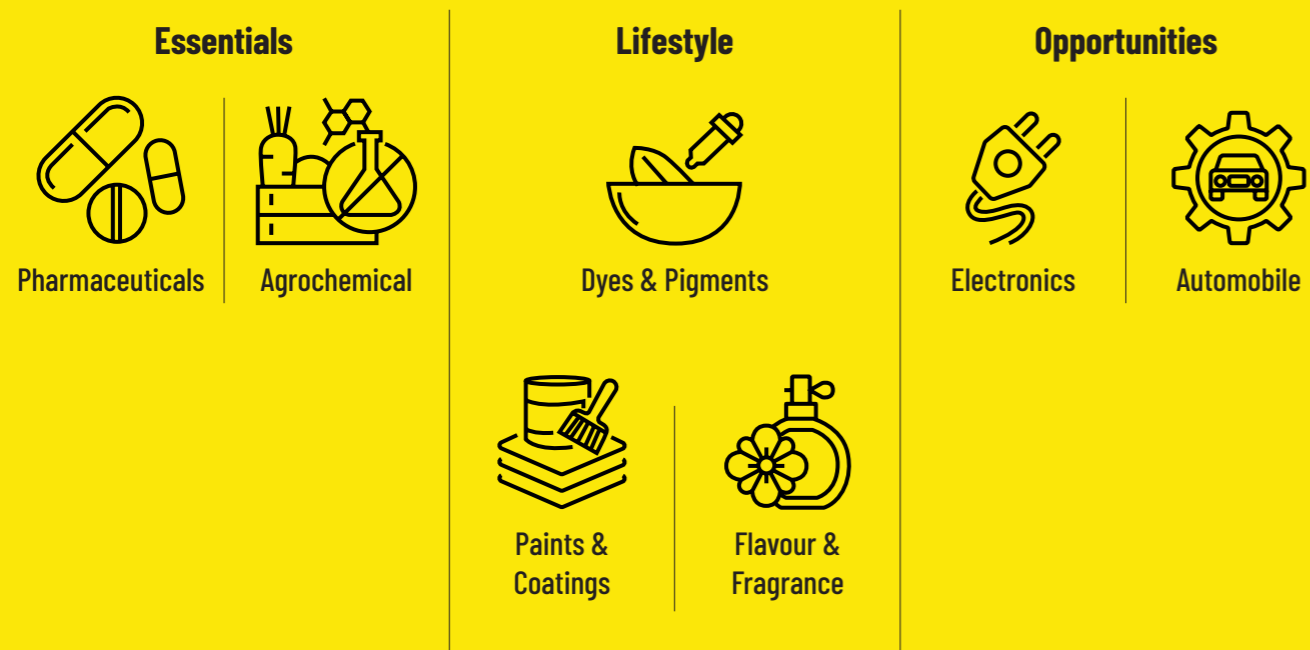
- Lean & reliable supplier
- Large addressable market > USD 12 billion
- Economy of scale and cost leadership

## Specialties

### Fluorine & Specialty Intermediates

- Worldclass technology platforms
- Large addressable market > USD 3.5 billion
- Innovation – lever for profitable growth

## End Use Applications



# SHAREHOLDING PATTERN

Laxmi Organic Industries Limited, the Goenka Group's flagship company was established in 15<sup>th</sup> May, 1989. It is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) since 25<sup>th</sup> March, 2021.

## Subsidiaries, Associates and Joint Ventures

S.No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Subsidiary/Associate/ Joint Venture:
1	Laxmi Organic Industries (Europe) BV, Netherlands (LOBV)	Wholly-Owned Subsidiary
2	Cellbion Lifesciences Private Limited, India (CLPL)	Wholly-Owned Subsidiary
3	Laxmi Lifesciences Private Limited, India (LLPL)	Wholly-Owned Subsidiary
4	Viva Lifesciences Private Limited, India (VLPL)	Wholly-Owned Subsidiary
5	Laxmi Speciality Chemicals (Shanghai) Co. Limited, China (LSCSCL)	Wholly-Owned Subsidiary
6	Yellowstone Fine Chemicals Private Limited (YFCPL)	Wholly-Owned Subsidiary
7	Yellowstone Speciality Chemicals Private Limited, India (YSCPL)	Wholly-Owned Subsidiary
8	Laxmi USA LLC, USA (USLLC)	Wholly-Owned Subsidiary
9	Laxmi Italy SRL	Step Down Subsidiary
10	SaiDeep Traders	Step Down Subsidiary
11	Cleanwin Energy One LLP, India (CEOLLP)	Associate
12	Radiance MH Sunrise Seven Private Limited, India (RMSPL)	Associate



# LAXMI HIGHLIGHTS

## Awards and Certifications



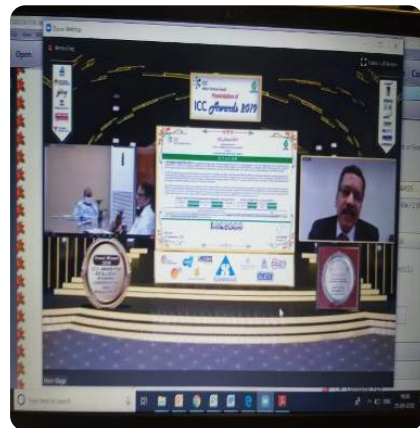
State Level Award - DISH



Energy Performance Award



Industrial & Public Awareness Fire Drill Competition



ICC Award



Excellence in Energy Management Award



Responsible Care Certification by ICC



Certificate of Appreciation from National Safety Council of India for consecutive 3 years

## Membership Associations

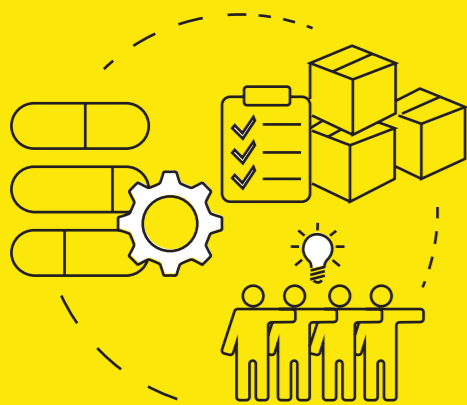
Some of the major associations to which the company holds membership are:

Indian Chemical Council (ICC)	Chemexcil	Mahad Manufacturers Association (MMA)	Safety Professionals Area Network (SPAN)
Mutual Aid and Response Group	Local and District Crisis Groups	National Safety Council of India	



# SUSTAINABILITY AT LAXMI

As the world becomes more aware of the impact of chemicals on the environment and human health, we are continually examining possibilities to become increasingly responsible and sustainable manufacturing, handling and transportation processes are constantly audited and benchmarked against national & international safety and quality demands.



We recognize the risks associated with chemical handling and storage, as well as compliance with regulations. As a trusted chemical partner, Laxmi is on a path to reduce its environmental impact and ensure that its products have the necessary disclosures to prevent accidents and spillages.

Laxmi is a 'Responsible Care' company. In this report, we provide an overview of our sustainability strategy, initiatives, and progress over the past year. We will also highlight some of the challenges we faced and our plans for addressing them in the future.

We believe that sustainable practices not only benefit the environment and society but also create value for our stakeholders, including our customers, employees, investors, and suppliers. We are committed to collaborating with our stakeholders to find innovative and effective solutions to the sustainability challenges we face.

We hope this report will provide insight into our sustainability journey and inspire others to join us in creating a more sustainable future.

# ESG POLICY



Laxmi endeavors to be a responsible corporate that plays a proactive role in positively impacting society through its operations and activities. As a growing international player in the chemical industry, we play a key role in the economic development of our nation and at the same time recognize the need for urgent action on climate change, pollution control, resource conservation and social responsibility.



### The objectives of the Environment, Social and Governance (ESG) Policy of Laxmi are to:

- 1 Ensure compliance to all relevant local, Indian and global regulations with respect to Laxmi's operations.
- 2 Prepare ESG baseline and aim to be consistently at par with industry standards and best practices.
- 3 Embed ESG considerations into corporate strategy, capital and resource allocation to positively impact society and the environment.

This Policy is applicable to the Company and all individuals working at all levels and grades, including directors, senior management, officers and employees. The scope of the Policy is also applicable in relevant areas for investors, customers, vendors, community and other stakeholders. For further details on scope of Laxmi ESG policy see: [www.laxmi.com](http://www.laxmi.com)

# GOVERNANCE, STRATEGY AND BUSINESS RESILIENCE



## OUR POLICIES

We at Laxmi, embed the highest standards of corporate governance in our business operations, with focus on a fair and transparent manner management. Our robust corporate governance mechanism is driven through our policies, governance philosophy, and corporate codes, in accordance with evolving laws and regulations. It underpins our sustained success by fostering responsible growth. Guided by Laxmi's core value system, our corporate governance enables us to make informed decisions.

For achieving sustainable growth through our business operations, compliance with applicable rules and regulations, codes, guidelines, and policies is crucial for us. Our policies and codes act as guiding forces and drive our business conduct and norms of behavior. Our governance policies guide us on proactive compliance with labor practices and standards, environmental health and safety, board diversity and independent directors, reporting and contact persons, disciplinary action, and compliance with the code.

### Whistle blower Policy

Directors and employees have the right to report concerns about unethical behaviour, actual or suspected frauds, mismanagement, and violation of our Code of Conduct and Ethics. It also provides for adequate safeguard against victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee. The vigil mechanism / whistle blower policy is available on the Company's website at <https://www.laxmi.com/investors/policies>

### Speak-up Policy

In addition to vigil mechanism, the Company has implemented a speak-up policy through which not only employees but also the business associates viz. vendors, consultants, retainers or advisors associate with the Company, are provided a tool to report any instance of fraud, abuse or misconduct, possible misconduct or malpractices at workplace. Any one can access Speak up Committee through speak-up hotline number (1800-102-6969), speak-up hotline email ([speakup@integritymatters.in](mailto:speakup@integritymatters.in)) or directly at Website [https://laxmi.integritymatters.in/cases/case\\_instructions?locale=en](https://laxmi.integritymatters.in/cases/case_instructions?locale=en)

### POSH (Prevention of Sexual Harassment) Policy

Sexual harassment of women at workplace is discriminatory, unlawful, violates the Code of Conduct of the Company and the law of the land. The Company recognizes Sexual harassment as a serious offence and its responsibility to take measures to prevent and deal with sexual harassment at workplace. Sexual harassment of women occurring in the place of work or in the offices, plants or other facilities is unlawful and is strictly prohibited.

Objective of this policy is to prevent Sexual Harassment of women at Workplace and to provide a mechanism for the resolution of such complaints to ensure a safe working environment for employees at all Laxmi organic industries limited offices. The measure will help in achieving gender empowerment and equality which includes protection from sexual harassment and a right to work with dignity, which is a universally recognized basic human right.

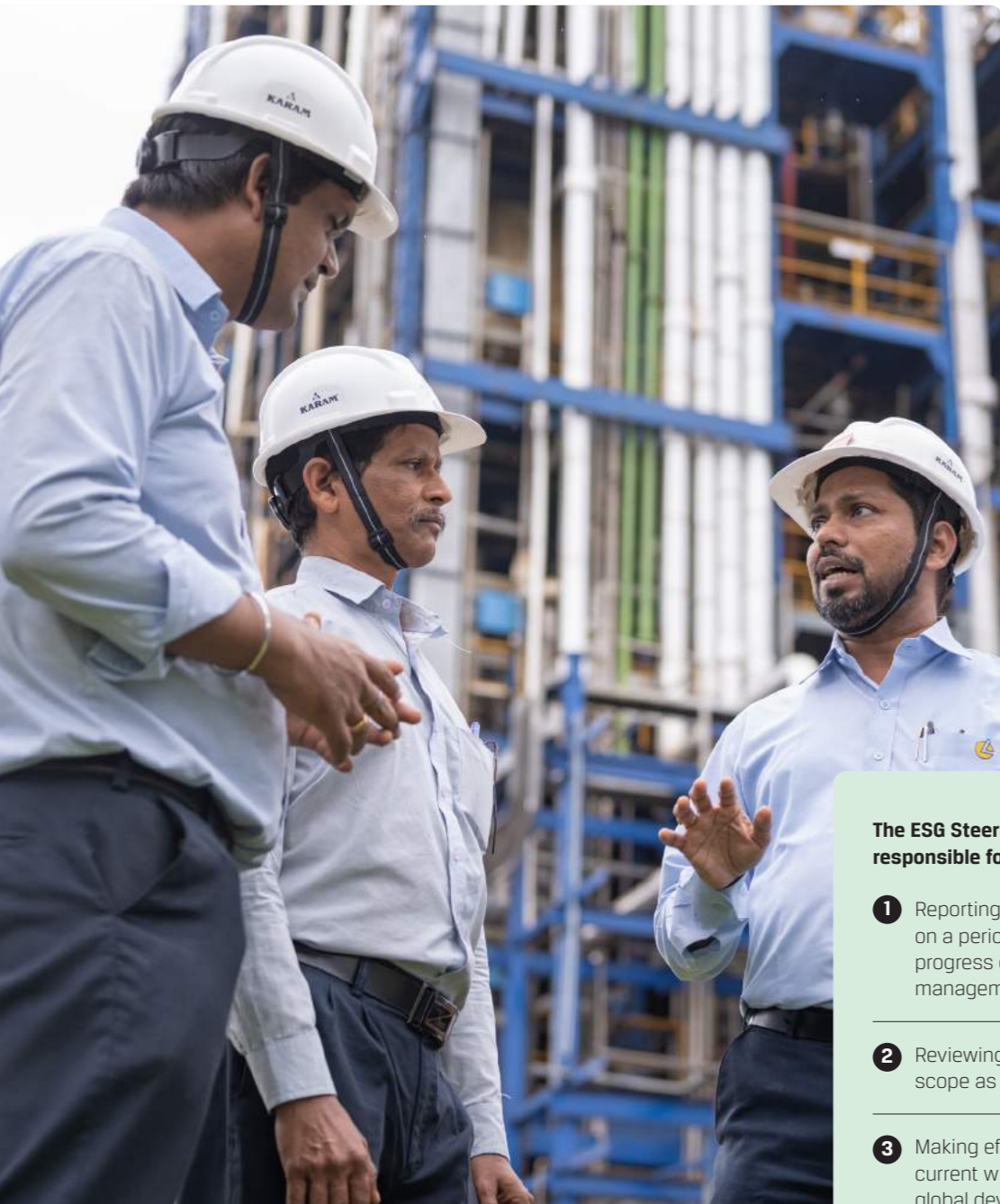
### Some of the major policies of the organization are as follows:

- |  |   |   |
|--|---|---|
| <br><b>1</b> Integrated Environment Health Safety & Quality (Integrated EHSQ) Policy | <br><b>2</b> POSH Policy                            | <br><b>3</b> CSR Policy       |
| <br><b>4</b> Remuneration Policy  | <br><b>5</b> Whistle blower Policy                 | <br><b>6</b> Speak-up Policy |
| <br><b>7</b> Responsible Care Policy  | <br><b>8</b> HR Policy                             | <br><b>9</b> Code of Conduct |
| <br><b>10</b> Board Performance Evaluation Policy                                   | <br><b>11</b> Policy on Related Party Transactions |   |

A few policies are expanded below for illustration.

# ESG GOVERNANCE

The Risk committee of the Board has reviewed and approved the ESG policy and would provide oversight for its implementation within the organization. An ESG Steering committee with senior management representation from all departments such as manufacturing, HR, investor relations, and strategy has been formed to adopt the policy and implement the same in conjunction with the ESG Roadmap.



**The ESG Steering committee is broadly responsible for the following:**

- 1 Reporting to the Risk committee on a periodic basis to appraise on progress on ESG goals as well and management of key ESG risks.
- 2 Reviewing and implementing the scope as defined in the ESG Policy.
- 3 Making efforts to keep the ESG Policy current with respect to national and global developments in ESG with respect to the chemical industry.

# BOARD GOVERNANCE

The Board of Directors of Laxmi conforms with the Listing Regulations, 2015 and the Companies Act, 2013. As on March 31, 2023, the Company's Board consists of nine members, with a combination of executive and non-executive directors. The board has five independent directors, one of whom is a woman. The Chairman of the Board and the Chief Executive Officer (CEO) have their own independent roles for better corporate governance standards.

The Laxmi team comprises members with varied backgrounds, skills, and experiences, who can oversee the company & strategy and operations in a changing business environment.



**Mr. Ravi Goenka**  
Executive Chairman,  
whole-time Director



**Dr. Rajan Venkatesh**  
Managing Director  
and CEO



**Mr. Harshvardhan Goenka**  
Executive Director-Strategy &  
Business Development



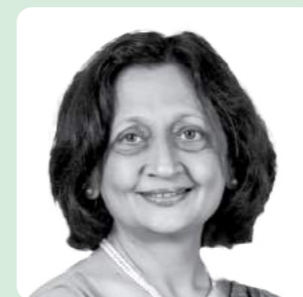
**Mr. Rajeev Goenka**  
Non-executive director



**Mr. Manish Chokhani**  
Independent Director



**Mr. Omprakash V. Bundellu**  
Independent Director



**Ms. Sangeeta Singh**  
Independent Director



**Dr. Rajeev Vaidya**  
Independent Director



**Dr. Rajiv Banavali**  
Independent Director

# BOARD PERFORMANCE MANAGEMENT

The Company has a policy for evaluating the performance of the Board, Committees and individual Directors, including Independent Directors. Criteria for evaluation include contribution to meetings, business knowledge, compliance with code of conduct, and vision. The performance of the Board and individual directors was reviewed based on these criteria. Independent directors also evaluated the performance of non-independent directors, the Board as a whole, and the Chairman, taking into account the views of both executive and non-executive directors.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board and its committees are evaluated annually. The Directors are required to provide their feedback on overall functioning of the Board, Board Committees and contribution by individual Directors. As a part of the evaluation process, a structured questionnaire is used by the Directors for suggestions in areas of improvement to increase management and operational performance. The questionnaire entails parameters such as Board/ Committee Structure, Board Meeting Practices, Board Effectiveness, Participation by Board Members in the meetings.

At Laxmi, we believe in nurturing and growth of our people with continuous focus on learning and development. We organize workshops for our Board members, focusing on areas like ethical business practices, responsible and sustainable development, corporate social responsibility, and corporate governance. Workshops/ trainings are also conducted for the Board's capacity building.

To guide and help the Board achieve its sustainability goals, sustainability activities are proposed to be reviewed on a need basis by Mr. Ravi Goenka, Executive Chairman, whole-time Director and the Leadership Team.



### Key functions of the Board include:

- 1** Provide oversight on corporate governance practices
- 2** Review the business strategy and operational plans developed by the management
- 3** Monitor and review management performance
- 4** Review the risk management approach
- 5** Discharge statutory or contractual responsibilities
- 6** Supervise the process for compliance with laws and regulations
- 7** Monitor and review the Board evaluation framework

### Role and responsibilities of Impact management



**Mr. Ravi Goenka**  
A C F



**Dr. Rajan Venkatesh**  
R F



**Mr. Harshvardhan Goenka**  
S R



**Mr. Rajeev Goenka**  
C



**Mr. Manish Chokhani**  
N S



**Dr. Rajeev Vaidya**  
N R



**Ms. Sangeeta Singh**  
A N C



**Mr. Omprakash V. Bundellu**  
A F



**Dr. Rajiv Banavali**  
R

### Keys:

- A** Audit Committee
- C** CSR Committee
- F** Finance Committee
- N** Nomination & Remuneration Committee
- S** Stakeholders' Relationship Committee
- R** Risk Management & ESG Governance Committee



# NOMINATION AND REMUNERATION PROCESS

The Nomination & Remuneration Committee (NRC) has the necessary authority and powers to operate effectively according to Section 178 of the Act and Regulation 19(1) of SEBI (LODR) Regulations. There were no changes to the committee's composition during the year under review. The NRC is currently made up of three Directors:

Name of the Director	Category	Category
Ms. Sangeeta Singh	Independent Director	Chairperson
Mr. Manish Chokhani	Independent Director	Member
Dr. Rajeev Vaidya	Independent Director	Member

The company has a formal policy for performance evaluation of the Board and committees, including criteria for non-executive and executive directors. The NRC reviews the performance of individual directors, and the Board reviews the performance of the Board, its committees, and individual directors. The independent directors hold a separate meeting to review the performance of non-independent directors, the Board as a whole, and the Chairman, as well as assess the flow of information between management and the Board. The Board plans to formalize a succession plan for outgoing members of the Board and senior management personnel in consultation with the NRC.

Various factors like individual and company performance, annual targets, and compensation market trend in the industry are considered for deciding on remuneration.

## Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR)	Number	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors (BoD)	3*	26722475	0*	0
Key Managerial Personnel	3	26722475	1	24438672
Employees other than BoD and KMP	641	535081	41	746706
Workers	185	458742	2	326381

\*Our other board members are paid commission and not remuneration; hence not included here.



Laxmi Organic Industries Limited

# ETHICAL BUSINESS CONDUCT

## Ethical business conduct

We have an unwavering focus towards ethical business conduct. We adhere to the best industry practices, global and national guidelines, and statutory mandates on ethical business conduct. We have developed and adopted whistle-blower protection policy to promote reporting on unethical and unlawful behavior even on an anonymous basis.

Business ethics broadly covering the areas of corporate governance, employee conduct, labor relations, customer relationships and across the supply chain have the potential to expose the organization to multiple risks including legal, reputational, financial and market related. With ESG themes gaining prominence, governance related issues are coming under increasing scrutiny from potential investors as well as large customers, necessitating robust systems and processes for management of business ethics related issues.

Laxmi Organic Industries Limited is committed to the highest standards of corporate governance in all its activities and processes. It regards corporate governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride in the association.

At the heart of the Company's corporate governance policy is the ideology of transparency and openness in the effective working of the Management and Board. In furtherance of this policy, the Board of Directors has adopted this 'Code of Conduct for Board Members and Senior Management.

This code of conduct has been framed and adopted by the Company in Compliance with the provisions of Regulation of 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Business ethics risks are mitigated through multiple measures such as Code of Conduct for Board of Directors, Independent Directors, Senior Management and Employees, Policy on Anti-Corruption, Anti-Bribery and Anti-Money Laundering, Whistle-blower policy, etc.

The above policies are implemented by nature of awareness trainings and systems for grievance redressal. Policy has been entrusted with responsibility to investigate all complaints and recommend actions. 5 number of training and awareness programmes were held for our Board members as well as Key Managerial Personnel and 16 were held for other employees and workers in FY 2022-23. 22% of BoD, 75% of KMP, 82% of Employees and 53% of workers were covered under these awareness programmes. We transparently disclose any such violations in our sustainability report so as to communicate to all stakeholders. During FY 2022-23, there has been no case reported for anti-competitive practices and conflict of interest. There has been no case of corruption reported. We thoroughly investigate these kinds of incidents and implement corrective measures accordingly.

In the year 2022-2023, Laxmi Organic began its journey to formalize its activities related to ESG. As a part of this process, an anti-corruption, anti-bribery, and anti-money laundering policy was formulated and formally adopted by the Board of Directors. The policy is applicable to all individuals working at all levels and grades, whether permanent or temporary. It is drafted to include relevant provisions of Indian regulations for the Prevention of Corruption Act 1988, as amended in 2018, the Prevention of Money Laundering Act 2002, and the Companies Act 2013. The policy reiterates the company's commitment to act fairly and ethically. Through the policy, the company adopts a

zero-tolerance approach to corruption, bribery, and money laundering. It binds stakeholders to compliance with laws and prohibits improper payments, gifts or inducement, money laundering, and fraud of any kind or form from any person. The policy prohibits making or accepting facilitation payments or kickbacks of any kind, as well as facilitation of such an act. The policy sets out indicative actions and/or situations that can be "Red flags". The policy provides guidelines for records related to making and receipt of payments by the Company. It provides for a framework for internal and external reporting of cases related to corruption, bribery or money-laundering and for implementation of the policy.

The company also takes cyber security seriously and to that extent has a BCP mechanism and policy in place along with cyber insurance in place. The company also have advanced security measures such as non tamperable antivirus installed, ATP services enabled etc. To further strengthen security, we are moving from on prem to cloud infra beginning with emails and in discussions to implement SOC operations as well. The data privacy is controlled via access rights. A copy of the policies will be shared. The same are under review.

Company' Vigilance Mechanism/ Whistle Blower Policy, Speak-up Policy, POSH Policy are effective tools towards grievance redressal mechanism. The Speak Up person will be protected from any adverse actions and their identity would be kept confidential.

**Enhanced Stakeholder Satisfaction:** Effectively reduced shareholder complaints from 64 in FY 21-22 to just 5 in FY 22-23, underscoring our commitment to responsive and proactive stakeholder engagement.

# OUR STAKEHOLDERS AND MATERIALITY

Engagement with our stakeholders is a core element of our sustainability management practice. Their feedback helps us understand expectations and issues it contributes to the development of our overall sustainability approach. We gather the views of our stakeholders by inviting them to discuss critical issues and strategic priorities. We create dialogue groups to understand how our business affects stakeholders and to determine the most material impacts to be managed.

Stakeholder engagement and materiality assessment are critical for our sustainability approach, policies and the structure of this report. We define stakeholders as organisations or individuals, which are directly or indirectly affected by our operations. These stakeholders play a critical role to decide the material issues, which are relevant to our operations. The report provides our integrated stakeholder approach, which has led us to identify our key stakeholders and understand their concerns and our action plans to resolve these concerns and align them with our business policies.

We have also performed materiality assessment to identify sustainability issues relevant to our business and develop this Report, in consideration of our stakeholder expectations and interests on quarterly basis. Materiality assessment plays an important role in shaping our ESG journey and enhancing our ability to create value for our stakeholders. Therefore, at Laxmi, we strive to understand and resolve the key material issues that impact our business, to achieve long-term success as a responsible and sustainable business and can impact our ability to create value for our stakeholders. GRI Standards and BRSR Standards have been a predicament to our assessment, which helped us define and prioritize the material topics clearly for FY 2022-23.



# STAKEHOLDER ENGAGEMENT FRAMEWORK

The company considers it important to have an inside out view of the risk and opportunities arising out of the activities of the company.

To enable the same, key stakeholders-internal and external- were identified and stakeholder consultation was conducted. The stakeholder opinions were captured and the most important 12 material topics were arrived at. Such a consultation is planned to be carried out every 3 years to ensure relevance of the material topics. Frequency of engagement is At least once in 3 years.

S. No.	Stakeholder Group	Channels of communication
1	Employee	Emails
2	Supplier	Emails/Meetings
3	Customer/Client	Emails/Meetings
4	Investors (other than shareholders)	Emails/Meetings
5	Other-Community	In Person Meetings



## Selection of Stakeholder Categories

Selection of stakeholder categories is a well-planned procedure which begins with detailed discussion with Laxmi's dedicated ESG team keeping in mind the:

- 1 Business operations
- 2 Sourcing done to supply chain
- 3 Company's investor profile
- 4 Employee base
- 5 Objectives based on ESG disclosure



# APPROACH TO STAKEHOLDER ENGAGEMENT

## Survey Administration

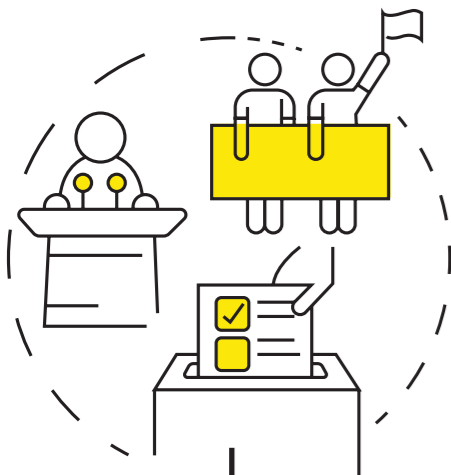
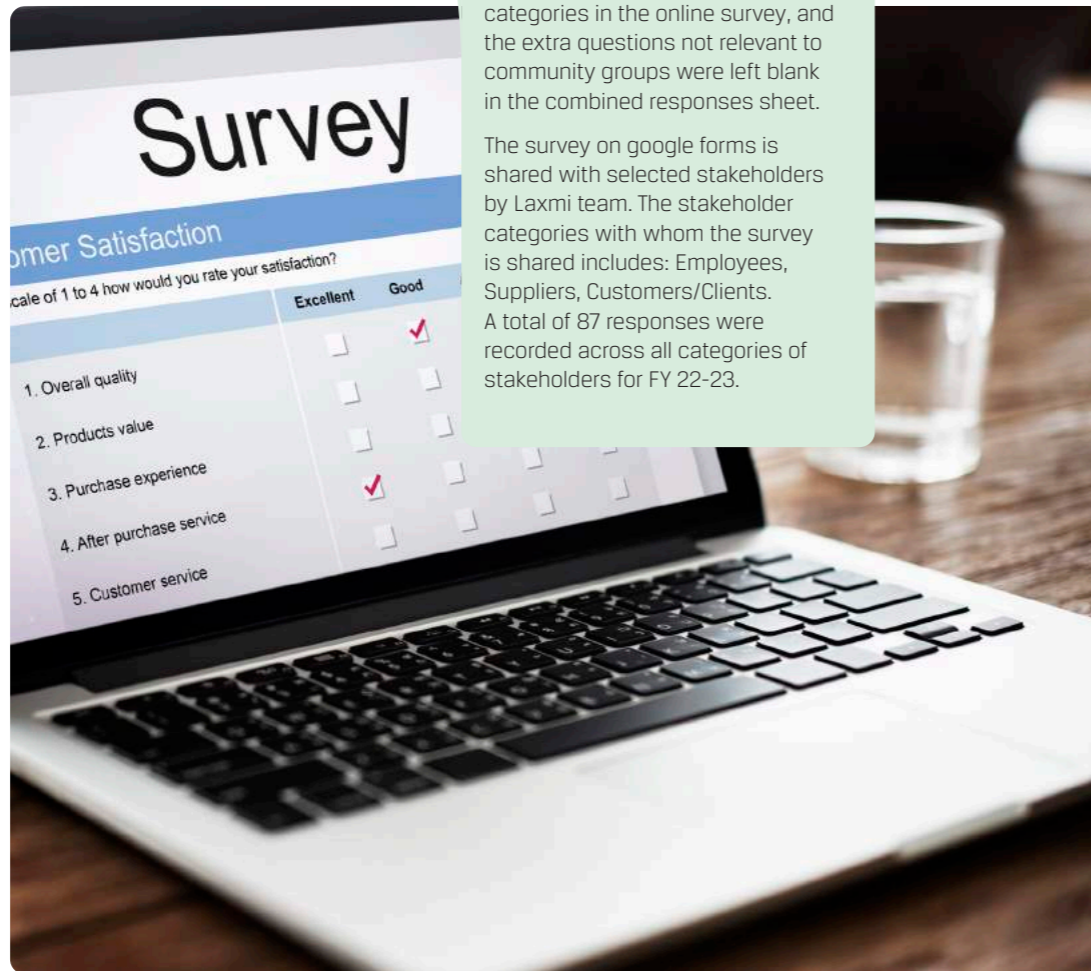
The respective stakeholder groups are assigned SPOCs from the Laxmi team for survey launch communication, clarifying doubts, follow-up on responses and closure. The individual SPOCs played a key role in engaging with their respective stakeholder groups to solicit responses on the survey. Community engagement is arranged at the manufacturing plants at Mahad and Lote to get an understanding of the viewpoints of the surrounding community. These locations are selected keeping in mind that Laxmi's

most significant operations are in this region, and hence the likelihood of these communities being most impacted by Laxmi as compared to other areas. Representatives of the contract workforce, the surrounding community, government officials, and NGOs are included and a total of 15 responses are recorded. The survey questions are slightly modified and reduced to suit the interactions and issues of the selected groups with Laxmi operations.

## Survey Responses

Responses are obtained through in two ways: Online Materiality Survey Responses and Community Survey Responses. To combine the two set of responses from the surveys, the relevant shortlisted set of questions in the community engagement are mapped to extra categories in the online survey, and the extra questions not relevant to community groups were left blank in the combined responses sheet.

The survey on google forms is shared with selected stakeholders by Laxmi team. The stakeholder categories with whom the survey is shared includes: Employees, Suppliers, Customers/Clients. A total of 87 responses were recorded across all categories of stakeholders for FY 22-23.



# MATERIALITY ASSESSMENT: FINDING FOCUS AREAS

## Defining Report Content and Topic Boundaries

As per GRI reporting framework, materiality implies relevance. Relevant topics are reasonably considered important to both stakeholders and the Company. During the reporting period, the Company conducts internal stakeholder consultations to shortlist the significant material topics from the long list of material topics by reviewing frameworks like BRSR, GRI, DJSI, and MSCI. Laxmi reviews and prioritizes the stakeholder expectations based on gravity and frequency of the topics raised by them, while the Company's risks and opportunities are prioritized through internal assessments.



## Material Topics

Our list of material topics is mapped against the GRI Standards topics.

ESG Topics	ESG Theme	Laxmi's Material Topics	GRI Alignment
 <b>Environment</b>	Resource Footprint	Energy Management	GRI 302: <b>Energy</b>
		GHG Emissions	GRI 305: <b>Emissions</b>
		Waste Management	GRI 306: <b>Waste</b>
		Air Quality	GRI 305: <b>Emissions</b>
		Water Quality & Wastewater management	GRI 303: <b>Water</b>
 <b>Social</b>	Responsible Operations	Occupational Health and Safety	GRI 403: <b>Occupational Health and Safety</b>
		Human Rights	GRI 412: <b>Human Rights Assessment</b>
		Product Footprint	GRI 500: <b>Product Responsibility</b>
 <b>Governance</b>	Trusted Partner	Business Ethics	GRI 102: <b>General Disclosures</b>
		Management of Legal & Regulatory Environment	GRI 201: <b>Economic Performance</b>
		Climate Risk & Opportunities	GRI 201: <b>Economic Performance</b>

# RISKS AND OPPORTUNITIES

Laxmi has a well-established, comprehensive and adequate internal controls commensurate with the size of the operations. These controls are designed to assist in identification and management of business risks and ensuring high standards of corporate governance. The internal financial controls have been documented and embedded in the business processes. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Assurance on the effectiveness of internal financial controls is obtained through monthly management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board.

To further strengthen the compliance processes the Company has an internal compliance tool for assisting statutory compliances. This process is automated and generate alerts for proper and timely compliance. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

The Board directly keeps a check on the risk management process. The Board has formed the Risk Management Committee, headed by Chairman, for monitoring and reviewing identified risks. Our risk management

approach is in compliance with the legal requirements as provided by Regulation 21 of SEBI (LODR) Regulation 2015.

As per the requirements of SEBI Listing Regulations, 2015, a Risk Management Committee has been constituted with responsibility of preparation of Risk Management Plan. It's function is to identify, assess and prioritize potential risks and threats. It also establishes effective mitigation measures to be adopted, in case the risk becomes a threat, which essentially softens any potential blow to the Company.



Hazard/risk assessment is also done at the ISO 14001 and the ISO 45001 certified chemical manufacturing sites. Significant risks and concerns are identified through various internal and external mechanisms. Corrective and preventive action plans are implemented based on the application of the hierarchy of risk controls. They can be described as follows:

- Provision of safety-instrumented systems and enhancement of engineering and design controls
- Review and revision of operational control procedures
- Enhancement of EHS competence through ongoing training and retraining.

- Provision and maintenance of fire protection systems, personal protective systems, occupational health surveillance, industrial hygiene practices, and process safety management systems
- Improvements in monitoring and measurement mechanisms
- Internal and external inspections and audits

**Corrective actions taken and implemented for EHS incident prevention and significant risks or concerns identified from assessments:**

- Revalidation of HAZOP/PHA Studies
- Review and revision of SOPs

- Provision of automation for overfill protection and reduction in manual handling
- Enhanced Fire Protection System, including Dedicated Fire Tender
- Flood disaster action plan implementation
- Strengthening of plant structures





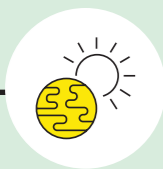
# CLIMATE CHANGE

Climate change and its impact is now very much evident and is a global phenomenon and our Company is no exception to this. Laxmi understands the damage potential climate change can bring to our businesses with respect to natural resources like water. We believe that global emission of Greenhouse Gases (GHG) is the major contributor for climate change. Our customers also inquire about the GHG emissions for the products that they purchase.

Chemical industry is seen as both a significant contributor to climate change and a key enabler of climate change mitigation through improved products and processes. With India signing on to global climate goals and a Net Zero target by 2070, corporates in the Indian chemical industry would be expected to play a key role in mitigating GHG emissions, lowering effluent and waste footprint and enabling circular economy in operations.

The Company identified Risks and Opportunities during FY 22-23.

Risk-taking is an inherent trait of any enterprise. It is essential for growth or creation of value in a company. At the same time, it is important that the risks are properly managed and controlled, so that the company can achieve its objectives effectively and efficiently.



## Climate change risks and opportunities are planned to be addressed through:

- 1 Improving process efficiency, establishing sustainable practices, R&D for better products and processes in terms of emissions reduction and lowering waste footprint.
- 2 Setting ESG targets and implementing governance structure to implement sustainability related initiatives.

Financial implications for climate related risks and opportunities would emanate from new product development, renewable energy investments, energy efficiency investments and sustainable procurement practices.

## Some Major risks identified by Laxmi incudes:

- Water Quality & Wastewater management
- Hazardous Materials Management
- Air Quality Business Ethics
- Management of Legal & Regulatory Environment
- GHG Emissions
- Organization Health & Safety

## Identified Opportunities Include

- Product Responsibility
- Energy Management

Waste management, Human Rights and Climate Risk and Opportunity were considered to be both Risk and opportunity.



## Rationale for identifying the risk/opportunity

Manufacturing specialty chemicals involves multiple risks such as material management, spills, fumes, fire hazards, long-term exposure, health impairment, serious injuries, and fatalities. Laxmi's production process involves the use of water and generation of industrial grade effluent, which could pollute nearby land and water bodies.

The production of specialty chemicals has the potential to release harmful gases that could endanger human and animal lives. Chemical manufacturing is an emission intensive activity monitored by customers, investors, and governments. Employees and workers are exposed to risks from spills, fumes, etc. that has the potential to cause serious damage to health as well as property. Hazardous waste management presents risks to land, water bodies, flora and fauna.

Although, there are certain opportunities as well such as energy efficiency measures, which can help achieve emissions goals and improve financials. Product responsibility is another important area as there is human consumption and/or potential human contact with their customers' end products. Similarly, Laxmi Industries has the potential opportunity to create a nurturing environment where human rights are respected and recognized.

## Approach to adapt or mitigate Risk

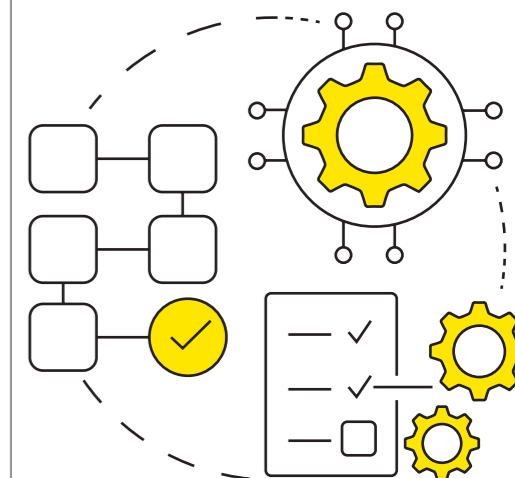
Laxmi Organic has adopted an Integrated Policy on Environment, Health, Safety and Quality Management System (AS per ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Standards) to prevent occupational injuries and ill-health to employees and contractors.

To mitigate risks, Laxmi's plants are located in rain-fed areas with no immediate threat of source water reduction or quality deterioration. Effluent treatment is monitored regularly and zero liquid discharge (ZLD) plants are operated to further limited effluent discharge. To control air pollution, industry and legal standards are considered, trainings and internal audits are done.

Waste recycling could lead to minimal waste generation, and hazardous waste is handled and disposed by approved contractors of the State Pollution Control Board. GHG emissions can be mitigated by conducting energy audits, increasing sourcing of renewable energy, and purchasing offsets. To mitigate human rights risk, the plan is to conduct awareness trainings, provide channels to raise issues, and conduct periodic third-party settlement costs. Risk mitigation mechanisms are also in place to meet customer quality standards on a continuous basis.

## Financial implications of the risk or opportunity

Laxmi's operations are not in water stressed areas and have low levels of short-term risk associated with financial implications of raw water availability or quality. Effluent treatment could entail higher capital and operating costs in case of stricter effluent discharge standards from the Central Pollution Control Board. The immediate financial implications involve mitigation activities such as training, drills, adoption of emergency measures and preparedness for incidents and insurance to mitigate loss of production. Pollution control equipment and safety, control systems and an increase of renewable energy procurement are also capital intensive. Further ahead, moving to higher safety and quality standards could lead to an initial R&D investment before achieving an incremental value from that.



# TARGETS AND COMMITMENTS

## ESG ROADMAP

Laxmi has always been committed towards sustainable growth by reducing to the extent possible the impact on environment and be a **'Responsible partner'** but with increasing responsibility towards environment and stakeholders, Laxmi is also now **moving to be more sustainable** beginning from FY 22-23.

We are deliriously working towards detailing on building the programs that we have already made.

To bring ESG Vision to KPI and actions to work upon, an intense process of shaping down the roadmap was followed. In order to strengthen the sustainability initiatives, through Stakeholder engagements and Materiality assessment, four major themes were introduced. Material topics thus selected by the Stakeholder engagement process were distributed into these four themes namely Resource Footprint, Responsible Operations, Product Footprint, and Trusted Partner.

Resource footprint encapsulates the degree to which activities consume and impact the finite resources including energy, water, materials, and land. It serves as a crucial metric to assess environmental impacts of process and sustainability. Laxmi prioritizes resource efficiency by optimizing energy, responsibly managing water, and adopting waste management techniques, all in alignment with its sustainability goals.

In an industry, Responsible Operations refer to ethical, sustainable, and environmentally conscious practices through their value chain. Laxmi's core business operations are guided by a thoughtfully constructed framework of operational protocols that emphasize responsible practices in alignment with sustainability. This framework seamlessly integrates economic success, environmental consciousness, social responsibility, and robust governance, underscoring Laxmi's holistic commitment to sustainable principles.

Product footprint encompasses the assessment of environmental impacts of a product throughout its lifecycle. It takes into consideration factors such as energy & water consumption, emissions, and waste generation while evaluating the product's overall sustainability. Laxmi uniquely combines product safety and sustainability within its operations. Thorough evaluations of materials, manufacturing, and design showcase its commitment to both safety standards and environmental responsibility.

The theme Trusted Partner portrays commitment to responsible business practices and shows collaboration to put forth sustainable strategies, transparency and accountability. Laxmi is uniting core business with ESG principles, to showcase its commitment to sustainability. ESG influences decisions, supply chains, and stakeholder engagement for responsible impact.



# RESOURCE FOOTPRINT

To protect the environment, we work to improve energy efficiency, diversify our sources of energy, recycle and reuse wastewater, handle materials and waste responsibly, and make efficient use of resources. These initiatives help us not only achieve operational excellence but also reduce our impact on the environment. We are continuously working to enhance our environmental performance and endeavor to communicate our progress in a transparent manner. To manage our emissions and discharge, protect nature, and reduce water consumption and impact on water resources, we have adopted external standards and principles developed by the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC), and Sustainable Development Goals (SDGs).

Laxmi is committed towards the protection of the environment, thereby ensuring a sustainable future of the planet. We exhibit our commitment to environmental responsibility by reducing the carbon footprint from our products, implementing responsible business practices, and supporting our wider value chain in working toward circularity sustainability.

We assessed our resource footprint across our plants in Unit 1 Mahad, Unit 2 Mahad, Jarandeshwar Distillery, all offices, innovation center in Rabale; and are in the process of baselining for future planning purposes.

Key Performance Indicator	Unit	FY 20-21	FY 21-22	FY 22-23
Total production	tons	2,18,586	2,38,158	2,31,261
Total energy consumption	kWh	8,41,69,619	9,24,61,738	11,23,56,898
Energy intensity	kWh/T	385	388	486
Total renewable energy contribution	%	7%	12%	13%
Total grid electricity contribution	%	38%	42%	47%
Total water discharge to CETP	KL	1,49,472	76,740	69,924
Wastewater discharge intensity	KL/T	0.7	0.3	0.3

While the Company has a growth in production by more than 8% from FY 20-21 to FY 22-23, the contribution from renewable energy increased from 7% to 13% in the same period. With the implementation of initiatives of wastewater recycle and reuse, wastewater discharge intensity decreased by over 50% despite increase in output of production.



# ENERGY MANAGEMENT



At Laxmi, we believe that the efficient and effective use of energy brings agility and resilience to our operations, maximises value creation for our stakeholders, and improves competitiveness. Therefore, we focus on managing and optimising our systems and processes to enhance efficiency of our operations, thus improving specific energy consumption.

Our major energy sources include coal, diesel, LPG and grid electricity. In addition to these, we use energy generated from Renewable energy source.

We understand that diversification of energy- mix is one of the crucial levers of decarbonization. We have also developed and adopted plans to increase the share of renewable energy in our energy mix through on- site generation and an open access model.



**Initiatives:**

- 1 Installed Cooling tower capacity enhancement for Energy conservation and reduction in break down.
- 1 Installation & commissioning of package AC with Ecofriendly refrigerant.

# GHG EMISSIONS

An establishment is responsible for all GHG emissions resulting from operations over which it has control. Control can be explained either in terms of finance or operations. Companies can select either the operational control criterion or the financial control criteria when employing the control strategy to combine GHG emissions. For our GHG assessment we have selected operational boundaries. Emissions are calculated using GHG protocol's guidelines for computing scope 1 & 2 emissions. A variety of potential sources of greenhouse gases were taken into account while calculating GHG emissions. In order to compute the total emission, for each financial year the emissions from individual sites were calculated individually.

To minimize the carbon intensity of our operations, we have developed near-term plans to minimize coal consumption by using coal-bio-briquette mixture in coal-based boilers with bio-briquette and installing natural gas-based boilers wherever feasible

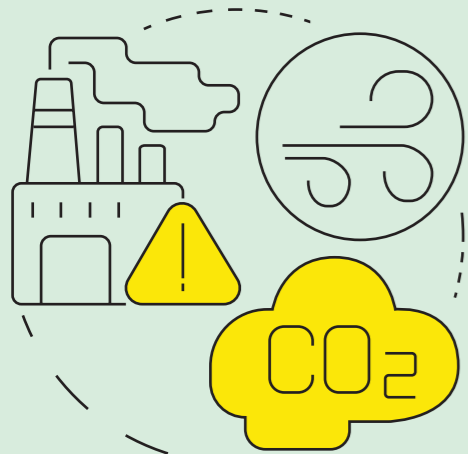
## Total Scope 1 & 2 Emissions

Parameter	Unit	FY 2021-22	FY 2022-23
Total Scope 1 emissions	tCO2e	2,27,895	2,59,215
Total Scope 2 emissions	tCO2e	30,013	36,665
Total Scope 1 and Scope 2 emissions	tCO2e	2,57,908	2,95,879
Emissions Intensity	(tCO2e/ton)	1.1	1.3



### Project related to reducing Green House Gas emissions

- Replacement of coal and F.O. as fuel by cleaner fuel (C9)
- Revalidation of ESP efficiencies to ensure SPM levels are well within the prescribed limits of 50 mg/nm<sup>3</sup>
- Use of mechanical seals instead of glands
- Bulk storage tanks of solvents are installed with vent condensers
- Closed loop operations



# WASTE/HAZARDOUS WASTE MANAGEMENT

The waste management practices adopted in our establishments follows a well-established procedure for collection and storage of hazardous and non-hazardous wastes. Earmarked storage areas facilities are provided for various types of hazardous and non-hazardous waste to facilitate segregation at the source. One of the process streams is used as fuel for the in-process waste recovery system. This system has helped reduce emissions from the stack and recover some products. All the manufacturing sites have obtained membership in a common hazardous waste treatment, storage, and disposal facility approved by the State Pollution Control Board. The waste generated by company are mandatorily required to be disposed off is approved TSFD facility by SPCB. The non-hazardous waste is to be sold respective SPCB scrap vendors.

As per the MPCB consent norms, the disposal pathway is prescribed and the same is adopted. The packaging wastes, E-wastes etc. are disposed off as per the consent norms. Sludge Hydrolysis process is established to reclaim products from the in-process streams.

External agency helps the management system to be on track. There is a monthly monitoring conducted by MoEF&CC Approved Laboratory. In addition, a periodic joint vigilance is done by having the samples collected and analysed by MPCB Officials.



R&D has targets each year to work on projects which reduce waste generation or convert waste to usable products.

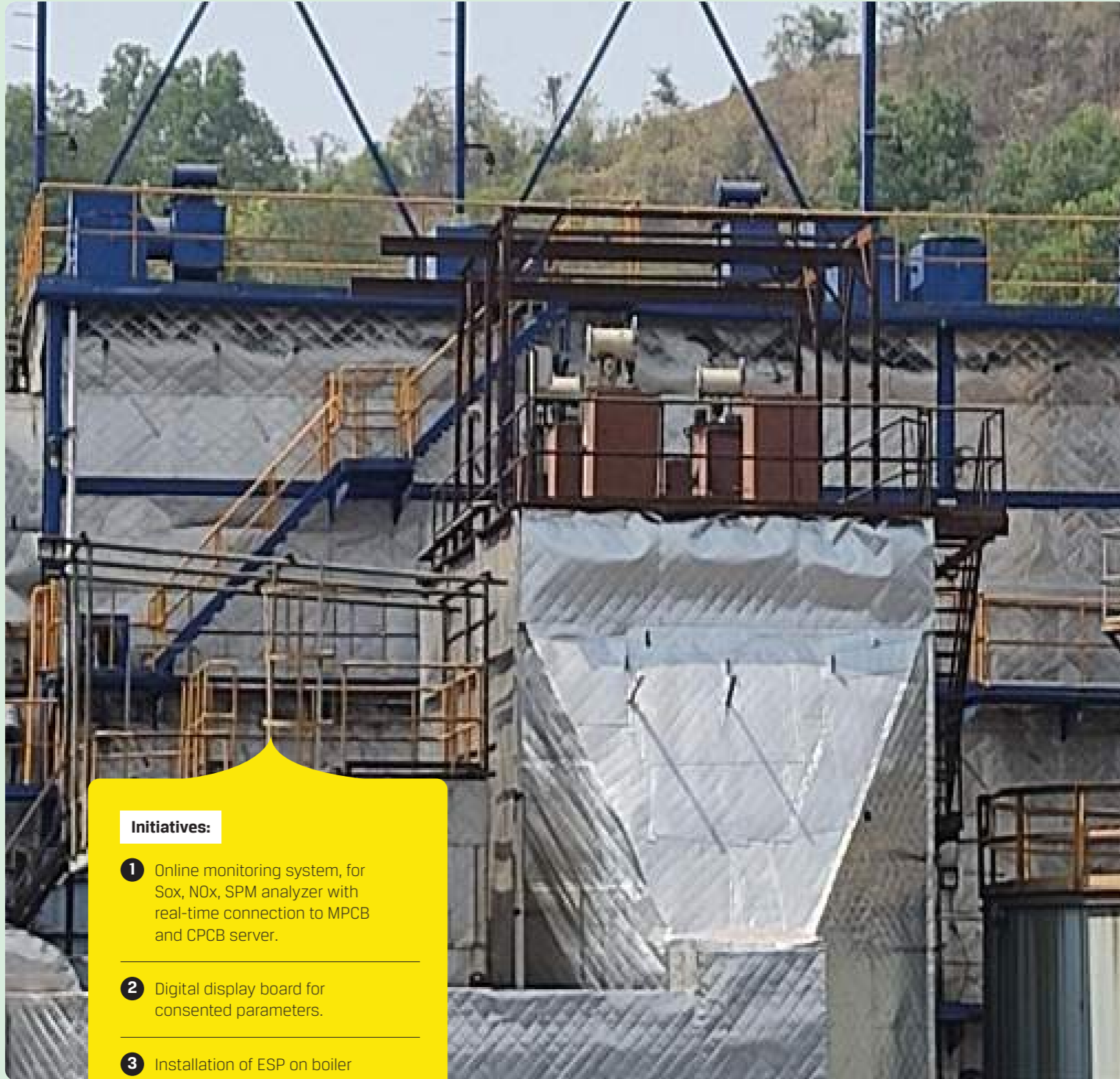
Parameter	Unit	FY 2021-22	FY 2022-23
Non-hazardous waste generated per ton of product	kg/ton	12.6	20.9
Non-hazardous waste recycled, recovered, reused per ton of product	kg/ton	12.6	20.9
Hazardous waste generated per ton of product	kg/ton	9.3	20.6
Hazardous waste recycled, recovered, reused per ton of product	kg/ton	4.2	5.8
Hazardous waste sent to landfill per ton of product	kg/ton	3.0	12.7



### Initiatives:

- 1 Indigenous technology of sludge hydrolysis process was implemented, made a reduction of in-process inventory of hazardous substance.

# AIR QUALITY MANAGEMENT



- Initiatives:**
- 1 Online monitoring system, for Sox, NOx, SPM analyzer with real-time connection to MPCB and CPCB server.
  - 2 Digital display board for consented parameters.
  - 3 Installation of ESP on boiler to improve air quality and reduce emission.

# WATER QUALITY & WASTEWATER MANAGEMENT

Currently, there are 3 manufacturing units which cater to 99% of the turnover of the company. Expansions of the facilities have taken place continually to meet the increased demand for the products.

During expansion principles of ZLD are incorporated at the design stage itself. Eg.- Circular economy for minimizing waste generation, Low Temperature Evaporation/Mechanical Vapour Recompression (MVR) technology has been implemented for enhanced treatment - A comprehensive treatment scheme has been implemented for recycle and reuse of treated effluents back to process.



Parameter	Unit	FY 2021-22	FY 2022-23
Total freshwater withdrawal	KL	11,17,710	12,44,543
Freshwater withdrawal intensity	KL/ton	4.7	5.4
Total water discharge	KL	76,740	69,924
Water discharge intensity	KL/ton	0.32	0.30
Total wastewater reuse	KL	2,19,463	2,09,336
Wastewater reuse intensity	KL/ton	0.92	0.91



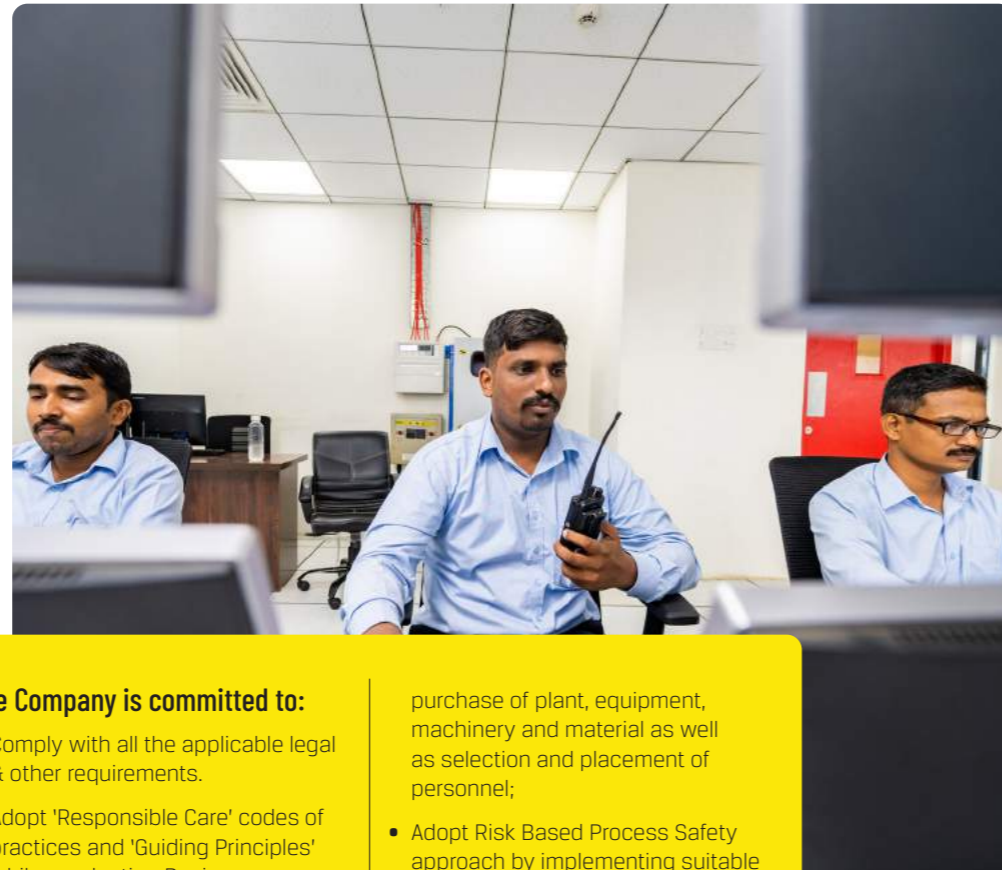
- Initiatives:**
- 1 Low Temperature Evaporators (LTE No. 3) to
    - Achieve ZLD target.
    - Uninterrupted manufacturing activities
  - 2 LTE system with Feed Tank, Condensate Tank, Filtrate Tank, Concentrate Tanks & Filtration system helped in the quality improvement of Treated effluent.
  - 3 Implemented ATFD-2 System for High COD.
 

Through such multiple initiatives about 500 KL/day waste water is reused.

Priority substances of concern for which discharges are treated, including how priority substances of concern were defined, and the approach for setting discharge limits, are described by SPCB consent with its standard criteria and discharge limit. There was no non-compliance with respect to discharge limits.

# INTEGRATED MANAGEMENT SYSTEM

Laxmi has an integrated policy on Environment Health Safety and Quality Management System as per ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Standards. Certifications copies photographs to be added during design stage



**The Company is committed to:**

- Comply with all the applicable legal & other requirements.
- Adopt 'Responsible Care' codes of practices and 'Guiding Principles' while conducting Business Activities.
- Prevent occupational Injuries & ill-health to employees & contractors by deploying various hazard identification, risk assessment and risk control mechanisms.
- Protect the environment by preventing the pollution through reduction in emissions, trade effluents, wastes and the inefficient usage of natural resources at various phases of product lifecycle.
- Satisfy our customers with highest quality products & services by use of best manufacturing technologies in an eco-friendly environment.
- Establish Quality & EHS objectives designed to maintain or improve performance.
- Integrate appropriate practices of sustainability in all decisions including those dealing with purchase of plant, equipment, machinery and material as well as selection and placement of personnel;
- Adopt Risk Based Process Safety approach by implementing suitable Process Safety Management in order to control the operational risks at 'As Low as Reasonably Practicable' level.
- Establish consultation & participation arrangements with employees at different levels including workers & with all relevant stakeholders to achieve organizational EHSQ aims & objectives and to address their needs & expectations.
- Provide information, instruction, and training & re-training to employees & contractors in order to competently perform their EHSQ duties & responsibilities.
- Strive for continual improvements in our EHSQ & Sustainability performance.
- This policy shall be made available to all the internal stakeholders & external business partners as appropriate.

# OPERATIONAL HEALTH AND SAFETY

OHS systems covers the major production facilities of the company. The system is implemented at three major manufacturing units of the company thus covering 99% of the turnover.

The Company is certified to ISO 45001 standards that ensure implementation of sufficient and effective hazard protection system at the certified premises. Hazard risk assessments are regularly conducted to identify and apply measures to mitigate risks. Emergency control procedures are implemented defining communication channels and responsibilities during untoward incident. Mock drills are conducted to train for preparedness of all site personnel in case of an incident. The system requires communication of safety related information of the product to the customer. Selection of transporters follows the process of vendor selection and continual vendor evaluation. As a part of the system drivers periodically undergo training sessions on transportation and product safety.

### Development and training on Incident Communication Protocol:

- 1 Fire Hydrant system up-gradation.
- 2 Fire tender procurement for strengthening of fire protection system with.
  - Fire water adequacy.
  - Water curtain for toxic gas
  - Sprinklers for ammonia tonners leading to improved emergency preparedness.
- 3 Rescue boat for casualty mobilization during flood emergency in July 2022.
- 4 Strengthening of chemical handling Information disclosure by providing quality MSDS form standard software enhanced the information quality in August, 2020.

### Laxmi Life Saving Rules- Safety First:

LOIL has launch Laxmi Life Saving Rules (LLRs) across Laxmi enterprises. The LLRs are simple sharp and Ensure SAFE Operations as well as providing Right to Operate. LLSRs sets out clear expectations from all the personnel directly or indirectly working with interest of LOIL, covering activities with the high risk potential. All the employees and contractors are well-versed with the LLRs and meticulously follow the same in the interest of Prevention of EHS incidents and ensuring our and others SAFETY. The LLSRs are gratis to the existing LOIL EHS management system, Procedures and Practices.

### Workplace Health and Safety (OHS) Improvements:

- 1 Continuous VOC monitoring system as per the internal EHS Audits.
- 2 Full review of Departmental HIRA Registers and initiation of action plan.
- 3 Review and Revision of all critical SOPs/Operating Procedures. Random verification of its implementation.
- 4 Review and Revision of all critical SOPs/Operating Procedures. Random verification of its implementation.
- 5 Development and training on Incident Communication Protocol.
- 6 CPP automation including Pneumatic Sand handling system 14TPH & 22TPH for Manpower optimization (In progress).
- 7 Installation of Fire hydrant water storage tank at YCPL (2200KL) for Meeting fire water and process water requirement.
- 8 Plant automation through DCS for plant reliability and Man power optimization.

# STAKEHOLDER ENGAGEMENT



Laxmi Unit II Head explaining EHS Practices implemented



Laxmi Unit II Head explaining EHS Practices implemented



Visit started with Company Leadership Team

- 1 Security Vulnerability Assessment by ICC HQ and Sandia National Laboratories (SNL), USA.
- 2 Recertification of "Responsible Care Management System". Laxmi has been recertified by ICC Auditors for next three years.
- 3 Fire Adequacy Studies.
- 4 External Safety Audits.
- 5 EHS and Sustainability Audits & Assessments by Customers, and Green Suppliers Platforms namely - Together for Sustainability (TFS) and EcoVadis.

# RESPONSIBLE SUPPLY CHAIN MANAGEMENT

The director's responsibility statement ensures that systems are in compliance with the provisions. Laxmi has a compliance system in place, which is continually reviewed by the reporting entity. Based on the management's representations and explanations, the company's systems and processes are considered adequate for its size and operations. The company has the necessary monitoring mechanisms in place to ensure adherence to all applicable laws, regulations, rules, and guidelines.

## Product Responsibility

Two key product segments for Laxmi include the life sciences and crop sciences industry, where our products form key constituents of pharmaceutical products such as anticoagulants, anti-inflammatory, antimalarial, antiretroviral, etc., and in crop protection chemicals such as synthesizing fertilizers and seed treatment chemicals. Product responsibility plays a significant role as it is closely connected with human consumption/ or potential human contact with our customers end products.

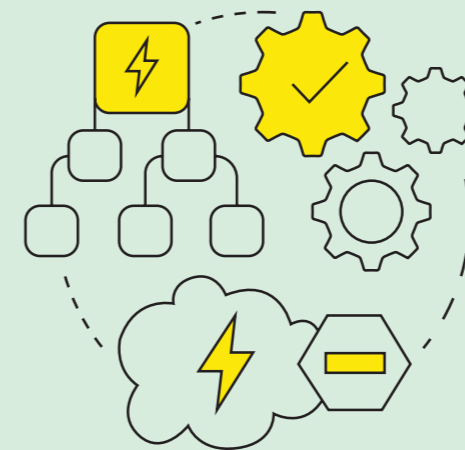
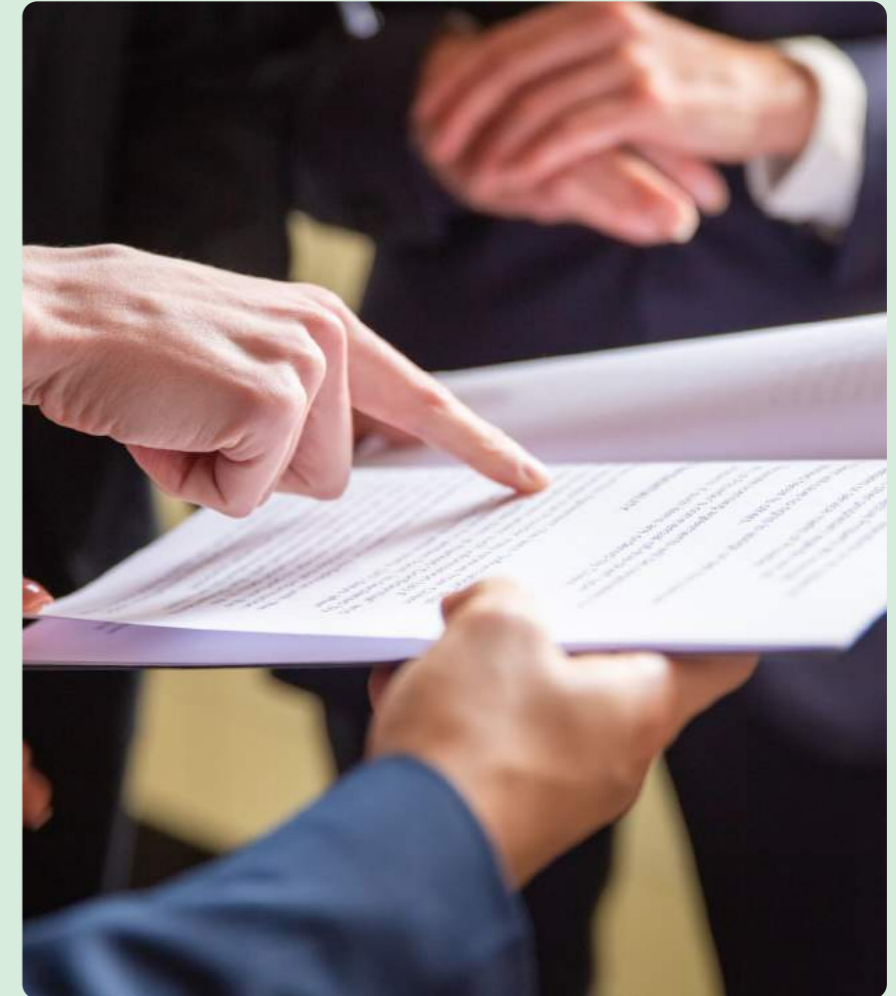
Risk mitigation mechanisms are in place as Laxmi meets the quality standards of the customers on a continuous basis. Laxmi, always being a responsible care partner looks to open up newer customer sections when if products with higher safety and quality is demanded.

Financial implications of quality related issues could lead to lost sales. Moving to higher thresholds of product safety and quality would entail R&D investment prior to incremental revenue accruing from the same.



## Sustainable procurement Policy

Laxmi understands its suppliers fall under different categories in terms of their scale, the product or service they supply, the raw materials being used by them, their organization structure and geographies of operation. Keeping these factors in mind, we have designed the Policy in a manner that it works for the whole supplier base, although the level and type of compliance varies depending on the type of the supplier and the principles applicable to them. We expect our suppliers to set in place internal policies, governance structures, systems, processes and take any other relevant measures to ensure adherence with this Policy. We work with our suppliers to identify issues that do not meet our expectations and help them in addressing the gaps identified, if any.



Laxmi also expects the suppliers to monitor and report the initiatives undertaken by them with regards to ensuring adherence to procurement policy. The suppliers are expected to continuously focus on improving their performance with regards to compliance with procurement policy. Laxmi supports and encourages those who report actual or suspected breaches without any fear of retaliation.





# OUR EMPLOYEES

Our stakeholders have contributed immensely to our successful journey. One of the most important stakeholders in our business are our people. In addition to demonstrating the greatest degree of environmental and social responsibility, our people have encouraged us to leverage our purpose of being sustainable and achieve business resilience through responsible operations. Our actions towards people are guided by our core values of "Innovation, Integrity, Customer Centricity and Sustainability"

We recruit top talents from renowned business and engineering institutes. We have adopted a merit-based, transparent recruitment process that includes both campus and lateral hiring. We are an equal opportunity employer and we do not discriminate against our people based on religion, caste, gender, ethnicity, race, language, etc.

As of 31<sup>st</sup> March 2023, we have a total of 687 permanent employees in our organization which is 31% higher than the number of employees as on 31<sup>st</sup> March 2022. We hired 164 new employees and women constituted 6.7%



of our newly hired employees. The company has formally adopted the Speak Up Policy which provides a mechanism for employees to put forth their grievances if any. It is a tool to enable reporting of any instances of fraud, abuse, misconduct, malpractices such as abuse of authority, breach of contract, financial irregularities, legal violations, misappropriation of funds or other unethical, biased and fraudulent conduct. Through this policy the company conveys zero tolerance to unfair practices, discrimination, harassment and victimization. The policy communicates the composition of the 'Speak up committee and sets out the various channels for reporting, procedure for protected disclosures and investigation. There were no complaints related to working conditions or Health & safety in FY 22-23.

### Employee Turnover (FY 22-23):

# 19.9%

highlighting dynamic workforce changes.

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>					
Permanent (A)	687	645	94%	42	6%
Other than Permanent (B)	67	56	84%	11	16%
<b>Total employees (A + B)</b>	<b>754</b>	<b>701</b>	<b>93%</b>	<b>53</b>	<b>7%</b>
<b>Workers</b>					
Permanent (C)	187	185	99%	2	1%
Other than Permanent (D)	535	535	100%	0	0%
<b>Total workers (C + D)</b>	<b>722</b>	<b>720</b>	<b>99.7%</b>	<b>2</b>	<b>0.3%</b>

# DIVERSITY & INCLUSION

Laxmi organic aspires to be an employer of choice for Gender Diversity in the Indian Chemical companies. While concurrently enhancing the professional success and overall satisfaction of women at Laxmi. We have successfully initiated several key milestones so far like:

- The Identification of Gender compatibility positions
- Sensitization of the Senior leadership team

- Leadership sponsors by assigning Diversity and Inclusion (D&I) goals to each leader accounting for more than 10% weightages
- Launching the "Woman of Laxmi Council" to serve as a resource group
- Revising and refining our flexible work policy
- Raising awareness among our manufacturing workforce about inclusive behaviors

**Certain initiatives are in the planning stages for the forthcoming fiscal year, which are as follows:**

- 1 Implementing a governance framework for Diversity and Inclusion (D&I) targets across the organization
- 2 Encouraging & supporting our female colleagues to pursue roles in manufacturing & senior leadership positions
- 3 Creating a general diversity talent pool through early talent development program across all levels



### Female Representation:

# 11%

in our Board of Directors

# 25%

among key personnel managers

# EMPLOYEE BENEFITS

## Making Laxmi a better place to work

We are committed to the fundamental labor law principles of diversity, inclusion, and equal opportunity to prevent discrimination based on disability. Our Human Rights Policy covers these principles and has commitments including fair treatment and non-discrimination. It is meant to ensure there is no discrimination on the basis of gender, age, social origin, belief, disability, or religion and to provide equal employment opportunities.

We extend comprehensive support to our permanent workforce, encompassing 100% coverage for health and accident insurance, as well as maternity and paternity benefits, fostering a resilient and inclusive workplace.

Demonstrating our steadfast commitment to employee well-being, we provide retirement benefits, such as PF, ESI, and gratuity, for all members of our workforce.

5% of our employees and 67% of our workers actively participate as members in workers' associations, showcasing a collaborative and empowered workplace environment.



## Capacity building

All the employees including contractor have been imparted training to enhance their capacities as per the training plan

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	On Skill upgradation		Total (D)	On Skill upgradation	
		No. (C)	% (C / A)		No. (F)	% (F / D)
<b>Employees</b>						
Male	645	528	82%	492	412	84%
Female	42	38	90%	31	31	100%
<b>Total</b>	<b>687</b>	<b>566</b>	<b>82%</b>	<b>523</b>	<b>443</b>	<b>85%</b>
<b>Workers</b>						
Male	185	73	39%	152	11	7%
Female	2	2	100%	2	0	0%
<b>Total</b>	<b>187</b>	<b>75</b>	<b>40%</b>	<b>154</b>	<b>11</b>	<b>7%</b>

\*We do not have individual level details for training on health & safety but it will be recorded from FY 23-24

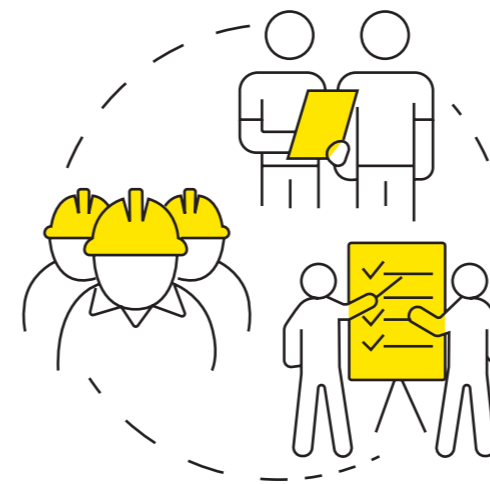
In FY 22-23, 89% of our permanent workforce got performance and career reviews, reflecting an improvement from the previous year's 85%.

# EMPLOYEE SAFETY

For contractual and direct hired employees, a monthly Departmental EHS Meetings are conducted where action taken on their Departmental EHS concerns are addressed and communicated about the compliance. Central Safety Committee conducted at each site for review of CAPA and requirement of any additional human, technological or financial resources.

Multiple platforms are available for the identification of work-related hazards and the assessment of risks. These platforms, which cover the spectrum of activities, are: Job Safety Analysis, Hazard Inventory Registry (Hazard Identification, Risk Assessment and Determination and Implementation of Risk Controls), Hazard and Operability Studies (QRA), Quantitative Risk Assessments, Fire Risk Assessments etc.

Plants, Offices and Distilleries are assessed by statutory authorities. Manufacturing facilities covering 99% of turnover is assessed either by statutory bodies or by third party/ certification bodies. Well-established procedures have been implemented for the reporting, investigation, and analysis of EHS incidents and injuries. The procedures cover incident (including near-miss) reporting protocol for verbal and written reporting, investigation team charter, investigation methodologies, and analysis.



Hazard control programmes involve participation from workers and contractors. Individual roles are explained in local language so that workers can protect themselves from work-related risks. In addition, instructions for workers, including safe sign boards, are displayed in conspicuous places. For prompt evacuation from work-related risks,

evacuation plans with clear access and egress and safe assembly points are provided. Employees and workers of the entity have access to non-occupational medical and healthcare services. Health counselling is conducted following a periodic medical examination. There were no safety related incidents in FY 22-23.

# CUSTOMER CENTRICITY

Our client-centric approach and focus on product stewardship has aided in the growth and consolidation of their customer base. Through the implementation of customer-centric practices, we have been able to develop unique business strategies that have enabled us to maintain a competitive edge over time.

Periodic customer satisfaction surveys are being conducted by the company to gather feedback and improve customer service. The surveys are divided into three key areas: product quality, product packaging, and customer service. This approach allows us to listen to our customers and provide better services accordingly.

Customer satisfaction is evaluated on a continual manner using various parameters like

- Percentage of customers rating product quality as good or excellent
- Customer retention,
- Year on year increase in volumes purchased by key customers in different buckets

Trends on similar attributes are clear indicator of high level of satisfaction amongst customer base.

The company specializes in the production of a range of Specialties that cater to various industrial sectors. These Specialties are used to manufacture higher value chain moieties for pharmaceuticals and bulk drugs, and are also utilized in the production of pigments for paints and inks. Additionally, certain Specialties are employed in the agrochemical value chain. The company has recently expanded its business to include fluorochemicals, which offers several niche Specialties to the pharmaceutical and agrochemical industries. Furthermore, we produce green solvents that are preferred over conventional carcinogenic alternatives in the production of paints, coatings, and adhesives.

Laxmi Organic utilizes a network of strategically placed branch offices to effectively cater to customers both domestically and internationally. This approach includes establishing offices in the Middle East, Europe, and China to serve the international customer base. To ensure timely service, tankages are maintained at key European ports, including Rotterdam.

Furthermore, in addition to serving the Indian market, the Company has a global presence, with customers in over 67 countries spanning across various continents including North America, South America, Europe, Africa, and Asia.



# CUSTOMER HEALTH AND SAFETY

The company places a strong emphasis on the health and safety of its customers, and is fully committed to upholding these values. We adhere to the highest standards of health and safety within our industry, and utilize the Globally Harmonized System (GHS) labeling and Safety Data Sheets (SDS) to document and communicate product specifications, potential hazards, and mitigation measures.

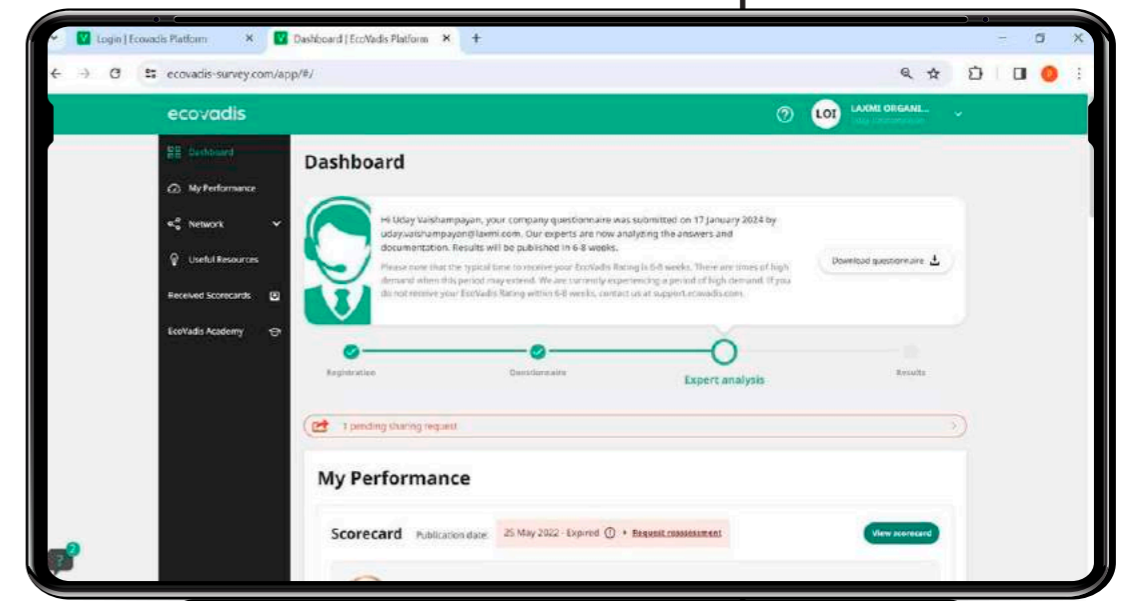
## Customer Satisfaction

Customer satisfaction is one of the main concerns for Laxmi, thus the company has a system for the collection and dissemination of Product Safety Information through 'Material Safety Data Sheets' to keep track of the same. In addition, the Customer Support, Marketing, and Sales representatives regularly contact the customers for specific needs of the customers. Laxmi conducts audits for manufacturing facilities to assess the effective implementation of EHS systems in accordance with the customer's EHS standards and protocols.

## Grievances

The company's formal Customer Complaint Management system logs and investigates complaints received from customers or distributors regarding quality, packaging, logistics, and documentation, among others. It also establishes a timeframe for closing complaints and providing feedback to customers.

During the reporting period, the company received 15 complaints from customers of which 11 were successfully resolved. Regulatory authorities issued no penalties, sanctions, and show cause notices due to violations of product safety norms.



# OUR COMMUNITY



The company is aware of the significant impact that the Chemical Industry has on both the environment and the individuals residing in and around the manufacturing site areas. Any form of production activity can have a direct or indirect positive/negative effect on the surrounding geographical regions, altering the traditional lifestyle of local communities and affecting the socio-economic profile of the area. The company strives to maintain a balance between its business operations and values in an ethical manner, demonstrating its commitment to sustainable development by empowering and inspiring communities in the vicinity of the company's manufacturing units. This is achieved through various voluntary social initiatives, such as micro-enterprises and self-help groups, with the community being recognized as a major stakeholder. The company identifies their needs and addresses their concerns to ensure a better quality of life.

## CSR Policy

Through its services, conduct, and activities, the company aims to create value in the communities it serves. Laxmi's CSR Policy allows it to carry out CSR initiatives in the communities surrounding its work centers.

The company identifies, designs, and implements CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013, and Schedule VII. The CSR projects are overseen by the board on the recommendation of the CSR Committee, as per the Companies (Corporate Social Responsibility Policy) Rules, 2014. In the past 1.5 years, the company has spent a total of INR 1.25 crores on CSR programs.

## CSR Objective and Scope

Objective CSR photographs to be added during design stage in the section

The objective of Laxmi's Corporate Social Responsibility (CSR) Policy is to achieve the following:

- 1 Enhance the quality of life for the communities living in the proximity of the Company's manufacturing units.
- 2 Promote environmental best practices and maintain ecological balance to contribute to sustainable development.

- 3 Be a responsible and responsive corporate citizen by providing welfare measures and creating a safe, harmonious, and ecologically balanced environment for its members and the wider community.
- 4 Maintain a commitment to quality, health, and safety in all aspects of the business and for people.
- 5 Promote workforce diversity and equality of opportunity through its business operations.
- 6 Create social value and allow individual employees to participate in various programs.
- 7 Provide vocational training to improve the skills of individuals working in the unorganized sector.

## Scope

Laxmi's Corporate Social Responsibility (CSR) Policy outlines a comprehensive set of objectives aimed at fostering sustainable development and social well-being. These objectives encompass a wide range of initiatives, including quality of health, clean & safe drinking water, education, and waste management.

The CSR Policy prioritizes supporting and participating in various initiatives aimed at fostering socio-economic development. This includes projects in Laxmi's thematic areas of health, water, education, and waste management. The company also extends its commitment

to rural development to enhance living conditions, infrastructure, and economic opportunities. Additionally, disaster management activities are a core aspect, encompassing relief efforts, rehabilitation of affected communities, and contributing to the reconstruction of damaged areas. The underlying objective of all these efforts is to have a positive and lasting impact on society. By supporting such projects and initiatives, the company actively aligns its activities with the global Sustainable Development Goals (SDGs). This commitment reflects the company's dedication to contributing to broader societal well-being and environmental sustainability.

## Work Initiatives taken

Our company places a high value on the well-being of the communities located in close proximity to our plants and recognizes the profound influence that our industry can have on them. We are dedicated to demonstrating our commitment to these communities through a range of impactful social initiatives.

As a socially responsible organization, Laxmi has shown its dedication to the welfare of the community by investigating the concerns that required our focus and attention. In close cooperation with an expert entity and stakeholder interactions, we systematically pinpointed and classified these issues into four clearly defined thematic areas: health, water, education, and waste management.



Theme	Project	Location	Initiation	Number of villages covered	Number of beneficiaries
Health	Community Vaccination	Mahad Taluka & Lote	2021-22	Mahad Taluka	2000
	Mobile Health Unit	Mahad Taluka	2022-23	21	5000
	Mobile Health Unit	Lote Taluka	2022-23	30	9000
Waste	Waste Collection Vehicle	Mahad Taluka	2021-22	1	7000
Water	Water Project	Mahad Taluka	2021-22	1	3000
	Solar Project at Jack well	Mahad Taluka	2022-23	1	3000
Education	Primary School Construction & Renovation at ZP School	Poladpur & Khed Taluka	2022-23	2	96
Others	Community hall	Kamble Village	2022-23	1	1500

## Health

We identified health as a vital thematic area to improve the overall well-being of the communities, underscoring its significance. In our endeavors to contribute to the enhancement of community health, our key initiatives included community vaccination efforts during the Covid-19 pandemic and the introduction of our Mobile Health Unit.

### Community Vaccination

The period of the COVID-19 pandemic shed light on issues that were previously less prominent. Challenges arose regarding the availability of vaccines for local communities, a shortage of dedicated paramedical personnel, and a distinct lack of focus, particularly in the rural areas of Mahad Taluka. In response to these challenges, we initiated the deployment of two mobile vaccination units, which included vehicles and trained paramedical staff. All operations were carried out in close collaboration with Primary Health Centers and Taluka Medical Officers,

facilitated by partnerships with local government authorities and select private entities for vaccine procurement. This initiative was launched during a time when government agencies faced difficulties in securing vaccines and when there was public hesitancy towards vaccination. Through this program, in partnership with the district and Taluka health department, we undertook a public awareness campaign to educate the community on the benefits of vaccination, dispelling concerns associated with it, and successfully administered vaccines to nearly 2,000 beneficiaries.



### Mobile Health Unit

In another notable endeavor, we introduced a Mobile Health Unit (MHU) in the regions of Mahad and Lote following a comprehensive evaluation of various factors and in close coordination with local district health authorities. The MHU is tailored to offer health education on hygiene and prevalent diseases to our designated beneficiaries. Under this program, we offer door-to-door healthcare services free of charge, including the provision of basic medications. The MHU is dedicated to providing diagnosis, consultations, treatments, and referrals for chronic illnesses. Our healthcare team consists of a qualified MBBS doctor, a pharmacist, a community mobilizer, and a dedicated driver. We have extended this service to a total of 18 villages in the Mahad taluka, which previously had limited access to healthcare services.

To facilitate the execution of the MHU program, we have forged a partnership with 'Helpage India'. This partnership is governed by a formal agreement spanning a three-year duration. The initiative was inaugurated in April 2022 and is currently operating successfully.

We organised commemorative events and awareness initiatives on World Health Day, Doctors' Day, and Elder Abuse Awareness Day. We hosted seven health awareness camps, each addressing various facets of healthcare.



## Water

We have recognized the significance of clean & safe water as a crucial aspect for the nearby villages.

We conducted an assessment of the drinking water issues affecting several villages in the vicinity. Subsequent discussions were held with the village panchayats. Our initial focus was on addressing these challenges in the villages of Nadgaon and Asanpoi, with the primary objective of extending drinking water supply from the MIDC water source. These projects were

carried out effectively, leading to an enhanced availability of potable water that benefited 3,000 villagers. Furthermore, we allocated resources for the establishment of new drinking water connections.

We partnered with a village in Mahad Taluka to provide a 15 HP solar water submersible pump along with solar panels. This project was initiated to tackle issues related to electricity and promote the adoption of sustainable, non-conventional energy sources while ensuring access to water.



## Education

Our primary objective is to emphasize comprehensive education and the development of skills, both initial and advanced.

### Promoting better education

In the initial phase, our efforts were concentrated on constructing essential civil infrastructure for primary schools. We collaborated closely with district and local education authorities to identify the project site in the Mahad-Poladpur region. Our ongoing efforts include the reconstruction of a primary school in Parsule. We are deeply involved in the endeavor to consolidate eleven adjacent schools into a unified project site. Our main aim is to introduce a Semi-English Medium education system, and we are working in close collaboration with the local communities, school and district authorities, as well as the Chief Executive Officer of the Zilla Parishad. This project is anticipated to yield positive outcomes for approximately six villages, benefiting more than 130 students. Additionally, it will relieve the government by consolidating nearby schools, thus optimizing resources. We have also worked with Songaon Gram Panchayat and school authorities to undertake infrastructure development at ZP School, Mathwadi, situated in Lote.



### National Apprenticeship Promotion Scheme (NAPS)

NAPS, the National Apprenticeship Promotion Scheme, is a government initiative overseen by the National Skill Development Corporation department of India, operating as part of the broader 'Skill India' program. Our organization is deeply involved in the realm of skill development and upskilling for entry-level industrial workers through the NAPS program.

Laxmi's approach revolves around elevating the employability of candidates by delivering comprehensive training, ultimately building a talent pool for the chemical industry. This program also plays a pivotal role in fostering gender diversity within our talent pool.

Currently, we have successfully registered over 130 trainees through the NAPS program at our manufacturing facilities in Mahad. These trainees actively contribute to our workforce, participating in various shifts.



### Waste Management

Through a collaborative effort with the local community, we identified and promptly addressed challenges related to domestic waste management in both Birwadi and Mahad. In close partnership with the officials from the village Gram Panchayat, we devised effective solutions for the proper disposal of domestic waste, a matter of significant concern for the villagers. Our assistance included the provision of waste collection vehicles such as tractors and trolleys. The Vehicle Handover Program was executed with the active participation of company representatives, Village Panchayat members, local residents, and the elected MLA for the region.

This initiative effectively resolved the issue of waste collection and disposal, benefiting the entire village, encompassing approximately 12,000 beneficiaries. Additionally, we extended

our support to the NGO Shrunkhala by offering them a storage facility for their Dry Waste Collection Center.



### Other initiatives

Furthermore, we have proactively addressed the evolving community needs alongside our strategic thematic areas as mentioned below.

We have undertaken multiple initiatives to support the community in the Asanpoi area. This includes the construction of a community hall to provide shelter during flood situations. We also generously donated four container cabins serving as temporary housing to those affected by landslides in Talayee. In the aftermath of the floods, we provided support to the Taluka administration and law enforcement agencies by supplying them with public address systems, thereby strengthening their capacity to carry out administrative functions during emergency situations. We extended our assistance to nearby villages with the provision of essential supplies such as dry rations, blankets, mats, and clean drinking water. We partnered with district authorities to establish a library in Mahad, benefitting students preparing for competitive exams.

We observed World Environment Day in the presence of the Unit Senior Leadership Team (SLT) and the Member of the Legislative Assembly (MLA). During this event,

we successfully planted 3,000 trees in the vicinity of Asanpoyee, in close collaboration with the Gram Panchayat and the village committee. This tree plantation project encompassed 40 acres of land and delivered significant benefits to a total of 85 farmers.

Moreover, we contributed approximately 50 used drums to the Khardi Gram Panchayat, which were repurposed as tree guards for newly planted roadside trees. This generous initiative had a positive impact on a total of 650 beneficiaries.

Our organization actively participated in a solar lighting initiative in the regions of Songaon and Dhamandevi.



We envisioned that this project would deliver substantial benefits to more than 7,000 residents, and it has been successfully finalized in the recent period.



### Future endeavours

Alongside our successful projects, we are proactively involved in the expansion of two significant initiatives in the forthcoming years, namely the Mobile Health Unit and the National Apprenticeship Promotion Scheme Program. The MHU is designed to bolster the overall well-being of the community and tackle the persistent health-related challenges they face. The expansion of the NAPS program will have a pivotal role in equipping the emerging younger workforce with essential skills at the entry level. These initiatives highlight our steadfast dedication to the betterment and progression of our community.



**Statement of use** Laxmi Organic Industries Limited has reported the information cited in this GRI content index for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 with reference to the GRI Standards.

**GRI 1 used**  
GRI 1: Foundation 2021 (GRI 101 does not include any disclosure)

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	About Laxmi
	2-2 Entities included in the organization's sustainability reporting	About Laxmi
	2-3 Reporting period, frequency and contact point	About Laxmi
	2-4 Restatements of information	About Laxmi
	2-5 External assurance	About Laxmi
	2-6 Activities, value chain and other business relationships	About Laxmi
	2-7 Employees	Our Employees
	2-8 Workers who are not employees	
	2-9 Governance structure and composition	Governance
	2-10 Nomination and selection of the highest governance body	Governance
	2-11 Chair of the highest governance body	Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance
	2-13 Delegation of responsibility for managing impacts	Governance
	2-14 Role of the highest governance body in sustainability reporting	Governance
	2-15 Conflicts of interest	Governance
	2-16 Communication of critical concerns	Governance
	2-17 Collective knowledge of the highest governance body	Governance
	2-18 Evaluation of the performance of the highest governance body	Governance
	2-19 Remuneration policies	Governance
	2-20 Process to determine remuneration	Governance

GRI STANDARD	DISCLOSURE	LOCATION
	2-21 Annual total compensation ratio	Governance
	2-22 Statement on sustainable development strategy	Message from the CEO
	2-23 Policy commitments	Governance
	2-24 Embedding policy commitments	
	2-25 Processes to remediate negative impacts	Risk and Opportunity, Policies
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder
	2-27 Compliance with laws and regulations	Operational Excellence, BRSR P6:E12
	2-28 Membership associations	About Laxmi, BRSR P7:E1
	2-29 Approach to stakeholder engagement	Stakeholder engagement
	2-30 Collective bargaining agreements	Our Employee
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Materiality
	3-2 List of material topics	Materiality
	3-3 Management of material topics	Materiality
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Laxmi glimpses
	201-2 Financial implications and other risks and opportunities due to climate change	Risk and Opportunity
	201-3 Defined benefit plan obligations and other retirement plans	BRSR- P3/E2
	201-4 Financial assistance received from government	
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	
	202-2 Proportion of senior management hired from the local community	Our Employees
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	
	203-2 Significant indirect economic impacts	

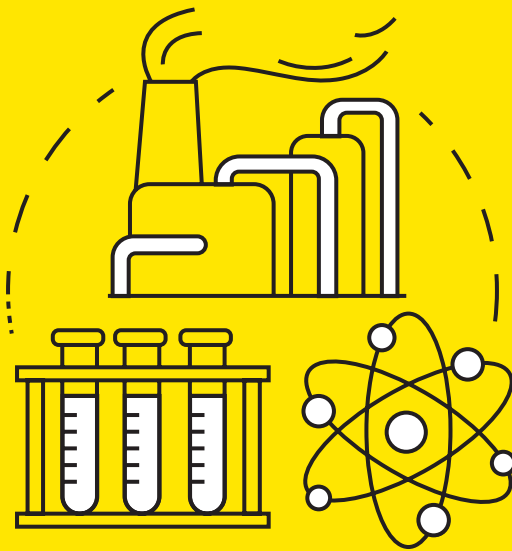
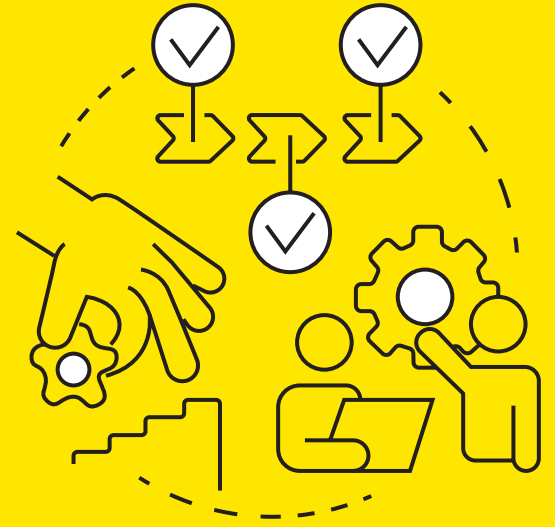
GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	Supply chain management
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	
	205-2 Communication and training about anti-corruption policies and procedures	PI: E4, Governance
	205-3 Confirmed incidents of corruption and actions taken	Governance
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	
<b>GRI 207: Tax 2019</b>	207-1 Approach to tax	
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Resource Footprint P6 E1, P6 L1
	302-2 Energy consumption outside of the organization	Resource Footprint
	302-3 Energy intensity	Resource Footprint
	302-4 Reduction of energy consumption	Resource Footprint
	302-5 Reductions in energy requirements of products and services	Resource Footprint
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Resource Footprint
	303-2 Management of water discharge-related impacts	Resource Footprint
	303-3 Water withdrawal	Resource Footprint; P6 E3
	303-4 Water discharge	Resource Footprint; P6 E3
	303-5 Water consumption	Resource Footprint; P6 E3
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Resource Footprint
	304-2 Significant impacts of activities, products and services on biodiversity	Resource Footprint

GRI STANDARD	DISCLOSURE	LOCATION
	304-3 Habitats protected or restored	Resource Footprint
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Resource Footprint
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Resource Footprint; P6 E6
	305-2 Energy indirect (Scope 2) GHG emissions	Resource Footprint; P6 E6
	305-3 Other indirect (Scope 3) GHG emissions	Resource Footprint; P6 L4 (not calculated for current FY)
	305-4 GHG emissions intensity	Resource Footprint; P6 E6
	305-5 Reduction of GHG emissions	Resource Footprint
	305-6 Emissions of ozone-depleting substances (ODS)	Resource Footprint
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Resource Footprint; P6 E5
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Resource Footprint; P6 E8
	306-2 Management of significant waste-related impacts	Resource Footprint; P6 E9
	306-3 Waste generated	Resource Footprint; P6 E8
	306-4 Waste diverted from disposal	Resource Footprint; P6 E8
	306-5 Waste directed to disposal	Resource Footprint; P6 E8
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain Management
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain Management; P6 L8
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Our Employees; Section A-IV-20
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Employees; P3 E2
	401-3 Parental leave	Our Employees; P3 E5
<b>GRI 402: Labor/Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	Our Employee



GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Responsible Operations; P3 E10, P3 E12
	403-2 Hazard identification, risk assessment, and incident investigation	Responsible Operations; P3 E10
	403-3 Occupational health services	Responsible Operations
	403-4 Worker participation, consultation, and communication on occupational health and safety	Responsible Operations
	403-5 Worker training on occupational health and safety	Responsible Operations; P3 E8
	403-6 Promotion of worker health	Responsible Operations
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Responsible Operations
	403-8 Workers covered by an occupational health and safety management system	Responsible Operations
	403-9 Work-related injuries	Responsible Operations
	403-10 Work-related ill health	Responsible Operations
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Our Employees
	404-2 Programs for upgrading employee skills and transition assistance programs	Our Employees
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Employees
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Strong Governance
	405-2 Ratio of basic salary and remuneration of women to men	Strong Governance
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Our Employee
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
<b>GRI 410: Security Practices 2016</b>	410-1 Security personnel trained in human rights policies or procedures	
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples	
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	
	413-2 Operations with significant actual and potential negative impacts on local communities	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain Management
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain Management
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Our Customers
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Our Customers
<b>GRI 417: Marketing and Labeling 2016</b>	417-1 Requirements for product and service information and labeling	Our Customers
	417-2 Incidents of non-compliance concerning product and service information and labeling	Our Customers
	417-3 Incidents of non-compliance concerning marketing communications	Our Customers
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Our Customers



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