

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company:	L25209DN1985PLC000162
2	Name of the Company:	Nilkamal Limited
3	Registered address:	Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa-Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.
4	Website:	www.nilkamal.com
5	E-mail id:	investor@nilkamal.com
6	Financial year reported:	April 1, 2016 to March 31, 2017
7	Sector(s) that the Company is engaged in (industrial activity code-wise): <i>As per National Industrial Classification – Ministry of Statistics and Programme Implementation</i>	i) 222-Manufacture of plastic products ii) 471-retail sales in non-specialized stores iii) 310-manufacture of mattresses and pillows iv) 469-other non-specialized wholesale trade
8	List three key products/services that the Company manufactures /provides (as in balance sheet):	Plastic moulded products and Mattresses
9	Total number of locations where business activity is undertaken by the Company:	
	a) Number of International Locations (Provide details of major 5):	None
	b) Number of National Locations:	9 plants, 18 @home stores, 14 Nilkamal Home Idea stores and various regional and marketing offices alongwith warehouses across the country.
10	Markets served by the Company – Local/State/National/International:-	Pan India alongwith exports to some of the international countries.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR):	149,225,250
2	Total Turnover (INR):	209,484.71 Lacs
3	Total profit after taxes (INR):	11,845.40 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	1.55%
5	List of activities in which expenditure in 4 above has been incurred	The above expenditure is incurred towards providing education, including special education to autism, cerebral palsy, multi disabled children and differently abled persons, making available safe drinking water, rural development project, providing healthcare and sanitation facilities and environmental sustainability.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes the Company has 4 (four) subsidiaries.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Three out of four subsidiaries are incorporated outside India, and they comply with the local statutory requirements of their respective countries. The fourth subsidiary company, incorporated within India, was incorporated as a Section 8 Company for undertaking the CSR activities of the Company.
3	Do any other entity/ entities, (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company works in association with various stakeholders such as the suppliers, dealers, distributors and the local communities. The Company makes its efforts to encourage the said stakeholders to adhere to the Company's BR policies to the extent possible.

SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR:

DIN: 00035747

Name: Mr. Sharad V. Parekh

Designation: Managing Director

b) Details of the BR head:

1. DIN Number (if applicable): 00035747
2. Name: Mr. Sharad V. Parekh
3. Designation: Managing Director
4. Telephone number: 022 4235 8651
5. E-mail ID: brr@nilkamal.com

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

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

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

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Ref er note 1.	Y	Ref er note 2.
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								

3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are broadly based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India. Further, the Company confirms to BIFMA and Green-guard certification from the UK cert, ensuring sustainable manufacturing practices and International Standards namely ISO 9001, 50001 and 14001 too are in place which ensures quality management, energy management and environment management, respectively.
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The Policies which are statutorily required to be adopted by the Board, have been approved by them, while the others policies are formulated and implemented by the Human resources department of the Company.
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company is having a Committee for CSR, Anti Sexual Harassment of Women at workplace and dedicated Ethic Counselors for Whistle Blower Policy. For other policies, the Company has put in place adequate process and resources for its implementation.
6	Indicate the link for the policy to be viewed online?	Please refer Note 3.
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes
8	Does the Company have in-house structure to implement the policy/ policies.	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes

10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes
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Note: The replies to the questions at serial no. 2 to 10 as mentioned above are applicable to all the Principles except the Principles 7 and 9.

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

- i) The Company has not understood the Principles
- ii) The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles
- iii) The Company does not have financial or manpower resources available for the task
- iv) It is planned to be done within next 6 months
- v) It is planned to be done within the next 1 year
- vi) Any other reason (please specify)

Note 1: With respect to the Principle 7, the Company is a member of various chambers and associations through which it has been advocating from time to time in a responsible manner, and hence a specific policy for the same has not been adopted.

Note 2: With respect to the Principle 9, the Company has a systematic process of assessing customer needs, fulfilling them with innovative products and services and providing value to them in a responsible manner.

Note 3: The Company's CSR Policy, Code of Business Ethics, Code of Conduct, Whistle Blower Policy and Anti-Sexual Harassment Policy, Environment Policy and Health and Safety Policy are available on the Company's website at the following link: <http://www.nilkamal.com/menudetails/investors-zone/corporate-governance/358>.

3. Governance related to BR:

a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Business Responsibility performance of the Company is assessed periodically.
b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company uploads Business Responsibility Report annually, which is available at http://www.nilkamal.com/menudetails/investors-zone/corporate-governance/358 .

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1	
1	<p>Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs / Others?</p>
	<p>The Company is committed to the philosophy of good corporate governance practices, thereby conducting business in a responsible manner. To achieve the said objectives the Company has framed the Code of Business Ethics for its employees and the Code of Conduct for Directors and Senior Managerial Personnel and the same are available on the Company's website at www.nilkamal.com. The Company has instituted an initiative which enforces a common code of ethics, empowers employees to report unethical practices, ensures swift redressal and institutes specific mechanisms to deal with workplace harassment. The said initiative encompasses the following important policies namely the Code of Business Ethics, the Code of Conduct for Directors and Senior Managerial Personnel, Anti Sexual Harassment Policy and Whistle Blower Policy. Further, the Company also persuades its Joint venture, suppliers, contractors and others to follow the said policies, to the extent applicable to them.</p>
2	<p>How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.</p>
	<p>During the year under review, the Company has not received any complaints of sexual harassment or under the Company's Whistle Blower Policy.</p>
Principle 2	
1	<p>List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities</p>
	<p>All products manufactured by the Company are recyclable and safe. They are a replacement of scarce natural resources and aid in conserving the environment. This year too the Company has continued its efforts towards environmental sustainability through its products as below:</p> <ul style="list-style-type: none"> i) Nilkamal Wello Water Wheel – for the easy transportation of water upto 45 liters especially in rural India. ii) Waste bins - for Swachh Bharat

		<p>Abhiyaan.</p> <ul style="list-style-type: none"> iii) Educational toys – mathematical based educational toys for educative purpose. iv) Shishu desk – for Angan wadi in rural areas. v) Plastic pallets – manufactured as per the FSSAI guidelines for pharma and food processing industry. vi) Road Safety – for safety at the construction site etc. vii) Recycling of approx. 1000 tons of old crates and manufacturing new generation crates for PepsiCo.
2	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):</p> <ul style="list-style-type: none"> (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? 	<p>The Company has acquired ISO 50001 Energy Audit Certifications for all its manufacturing units. Further, in line with Company’s vision for Environment policy, the Company has installed new injection moulding machines with energy saving systems, thus reducing the power consumption, which is reflected by the drop in the energy required for processing every kilo of a plastic by 9.25%.</p> <p>Similarly, the Company also succeeded in reducing water consumption & wastage by 0.42%. Further, the waste water generated in all factories is recycled & reused by as much as 95%.</p> <p>The Company is also using alternate sources such as LPG instead of diesel, PNG Gas pipeline and solar power panels to source energy for some of its manufacturing units.</p>
3	<p>Does the Company have procedures in place for sustainable sourcing (including transportation)?</p> <ul style="list-style-type: none"> a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so 	<p>Yes.</p> <p>All the raw materials, including the packaging material, used by the Company are recyclable. The major raw materials suppliers of the Company themselves have robust sustainable policies in place and such entities have National Awards to their credit for their grades.</p> <p>Further, the Company too practices volume</p>

		<p>based loading, which aids in minimizing the transportation cost thus reducing the carbon footprints.</p> <p>The Company adopts the best sustainable practices in its operations. All the products manufactured by the Company are recyclable and are embossed with the International recycling code for the purpose of ease of identification.</p>
4	<p>Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?</p> <p>a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Yes. The Company encourages the Hub and Spoke Policy resulting in enhanced opportunities for the suppliers situated within the vicinity of the Company's manufacturing units. The Company also provides on-job training with proper QMS practices to the suppliers, thus safeguarding consistent quality and productivity.</p> <p>The Company has preferred vendor programmes through which it ensures that the suppliers utilize their full manufacturing capacity throughout the year.</p>
5	<p>Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so</p>	<p>Yes, the Company has in place a mechanism for recycling products and waste. The Company has an in-house grinding facility for processing waste. The Company recycles its waste as below:</p> <ul style="list-style-type: none"> i) The used crates are recycled for producing new generation crates. ii) Plastics waste is recycled to the fullest extent possible. iii) Metal wastes are repaired and reused to the extent possible. iv) 98% of the waste oil is filtered, recycled and reused. v) Water consumption is monitored on a daily basis and 95% of the waste water is reused for gardening.
	Principle 3	
1	Please indicate the Total number of employees	3346
2	Please indicate the Number of permanent women employees	247

3	Please indicate the Number of permanent employees with disabilities	7
4	Do you have an employee association that is recognized by management	No
5	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
6	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	The Company does not advocate child labour or forced labour. Further, the Company has not received any complaints relating to involuntary labour or sexual harassment.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
i)	Child labour/forced labour/involuntary labour	Nil	N.A
ii)	Sexual harassment	Nil	N.A
iii)	Discriminatory employment	Nil	N.A

7	<p>What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?</p> <p>a) Permanent Employees b) Permanent Women Employees c) Casual/Temporary/Contractual Employees d) Employees with Disabilities</p>	<p>Yes. The Company is providing health and safety training on periodical basis and also prepares the employees for the emergencies.</p> <p>Further, the Company also imparts training on a regular basis to its retail workforce for enhancement of their skills. The Company also organizes learning sessions for its employees for improving their communication and other skills.</p>
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Principle 4

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	<p>Yes</p> <p>The Company undertakes a project on a continuous basis named as 'V30Winner', which provides opportunity to and proactively engages the disadvantaged, vulnerable and marginalized section of its</p>

		<p>workforce.</p> <p>Under this project a group of 3-5 workman is formed who provides the Company innovative ideas, either financial or non-financial, for the benefit of the Company. The best ideas amongst all are selected and adopted by the Company and the team is incentivized.</p> <p>In this manner the Company recognizes and motivates the marginalized stakeholders.</p> <p>The Company had undertaken 1163 projects during FY 2016-2017.</p>
	Principle 5	
1	Does the policy of the Company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others	All the aspects of the Human rights are covered by the Company's internal HR policies and practices. The Company does not hire child labour, forced labour or involuntary labour and never discriminates between its employees. Further, the Company also persuades its Joint venture, suppliers, contractors and others to follow the said practices, to the extent possible.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management	Nil
	Principle 6	
1	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures /Suppliers /Contractors /NGOs /others	The Company's policy on Environment is applicable to all, including its Joint Venture Companies. Further, the Company obtains its raw material from large suppliers who themselves are law compliant and have National awards to their credit.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	<p>Yes. The Company believes that addressing the global environmental issues is a major concern and the Company takes steps on a continuous basis such as:</p> <ul style="list-style-type: none"> i) Recycling of old goods and manufacturing new goods therefrom. ii) Recycling and re-using waste water. iii) Installation of solar power panels. iv) Using energy efficient

		<p>equipment at all its units</p> <p>Further, during the year under review, the Company has also obtained the “Green guard” certification from the ‘UK Cert’. The said certification implies that the products of the Company:</p> <ol style="list-style-type: none"> i) Consumes less energy at every stage of manufacturing ii) Does not emit harmful gases, when exposed for longer durations, which pollutes indoor air quality. iii) Can be safely disposed or recycled to make new products at the end of its life cycle.
3	Does the Company identify and assess potential environmental risks? Y/N	Yes, the Company has a mechanism to identify and assess potential environmental risks in its plants.
4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed	Yes. By way of implementation of EnMs ISO 50001 across all units, Green guard certification for its products, SCM practices focused on volume based logistics planning and control in order to reduce carbon foot prints and operational health and safety policy (OHSAS) are also undertaken by the Company.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N If yes, please give hyperlink for web page etc.	<p>Yes, the Company has undertaken the following initiatives:</p> <ol style="list-style-type: none"> 1. Obtained ISO50001 – Energy Management Systems (EnMS) certification for all its Plants. 2. Uses BEE approved 5 star-water pumps for cooling towers, thus saving 28% energy. 3. Installation of variable frequency drives in injection moulding machines, thus saving demand load and power consumption by avg. 15%. 4. RT5 tube Asian street light replaced with LED fittings of lower watts with same lux level. 5. Use of natural lights in shop floor by putting transparent sheets on roof top. 6. Use of energy savings Aerogel technology barrel heater jackets for

		<p>injection moulding machines to reduce heat loss and to reduce atmospheric temperature- resulted in savings of 33% of energy.</p> <p>7. Optimization of air pressure at various locations to reduce units saving per day.</p> <p>8. Use of Wind energy at its Hosur plant.</p> <p>9. Use of Solar power panels at its Barjora plant.</p>
6	Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	Nil
	Principle 7	
1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Federation of Indian Chambers of Commerce and Industry (FICCI) and Plastic Export Promotion Council (PLEX Council), Retail Association of India (RAI)
2	Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes. The Company proactively participates in the various activities for the of the association.
	Principle 8	
1	Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof	Yes. The Company has a CSR policy in place and it carried out activities majorly in the areas of Education including special education to the cerebral palsy, autism, multi-disabled children and differently abled persons, making available safe drinking water, providing of health care and sanitation facilities, environment sustainability and rural development.
2	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?	The Company has incorporated 'Nilkamal Foundation' – a section 8 Company for undertaking its CSR activities. The Company carries on its activities through the said Nilkamal Foundations well as by

		way of direct contributions.
3	Have you done any impact assessment of your initiative?	The impact assessment of CSR initiatives is an ongoing exercise as per the CSR activities.
4	What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	During the year ended March 31, 2017, the Company has spent c 183.87 lacs on various projects. The details of the same are provided under the 'Annual Report on CSR' section.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	The Company has contributed its funds to institutions furthering the benefit to the disadvantaged and needy section of the society and the same has been acknowledged by them.
	Principle 9	
1	What percentage of customer complaints/consumer cases are pending as on the end of financial year	As on March 31, 2017, about 6% of the customer complaints received during the year was pending.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. Remarks (additional information)	Yes. The Company follows all legal statutes with respect to product labeling and displaying of product information, such as features, attributes, benefits, recycling codes, etc., wherever required. Further, the Company adheres to appropriate advertising policies and also adopts fair business practices in all its dealings. The Company never restricts the freedom of choice and free competition in any manner while catering to its customer needs.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Nil
4	Did your Company carry out any consumer survey/ consumer satisfaction trends?	Yes. The Company has carried out certain customer surveys pertaining to customer satisfaction.