

**Business Responsibility Report (BRR)**

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

1. Corporate Identity Number (CIN) : L31909TN1972PLC006196
2. Name of the Company : Indo National Ltd
3. Registered Address : No.609, Mount Road, Lakshmi Bhavan, Chennai 600 006
4. Website : www.nippobatteries.com
5. E-mail id : jsrinivasan@nippo.in
6. Financial Year reported : 2019-20
7. Your company is engaged in (industrial activity code wise) : Manufacture and sale of dry cell batteries, rechargeable batteries, flashlights, mosquito bats and general lighting products which come under a single business segment known as Consumer Goods. (see below for industrial activity (NIC) code)
8. 3 key products/services (as mentioned in balance sheet) : Key products / services NIC Code :
  1. Dry Cell Batteries : 27201
  2. Flashlight (Torches) : 27400
  3. Lighting and Electricals : 27400
9. Total number of locations where business activity is undertaken
  - (a) Number of International Locations : Nil
  - (b) Number of National Locations : Registered and Corporate Office in Chennai, One manufacturing Unit at Tada, Andhra Pradesh and 32 sales offices / depots across India.
10. Markets served by the Company : Local/State/National

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

1. Paid up Capital : Rs.3,750.00 Lakhs
2. Total Turnover : Rs.32,972.71 Lakhs
3. Total Profit after Taxes : Rs.48.63 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as % of Profit after Tax : Refer to Annual Report on CSR
5. List of activities in which expenditure in 4 above has been incurred : Refer Annual Report on CSR activities

**SECTION C : OTHER DETAILS**

1. Does the Company have any Subsidiary Company/ Companies? :  
Yes. one wholly owned subsidiary and two subsidiaries
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parentcompany? If yes, then indicate the number of such subsidiary company(s):  
The subsidiary companies being unlisted companies participated to the extent as applicable.

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

**SECTION D : BR INFORMATION**

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

Name : Mr. P.Aditya Reddy, DIN Number : 00482051, Joint Managing Director. Ph.No.044-28272711

(b) Details of the BR head : DIN Number (if applicable)/Name/Designation/Telephone number/ E-mail id : The Company does not have a BR head as of now.

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

The Principles are as follows:

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

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

Principle 3 : Businesses should promote the well-being of all employees.

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

Principle 5 : Businesses should respect and promote human rights.

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

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

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

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

Indo National Ltd has always adhered to good business practices in all facets of its operations. It adopts sound corporate governance processes and procedures. The Company has been an ISO certified organization for several years. The Board of Directors has also adopted a Business Responsibility Policy ("BR Policy") addressing the principles set out in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs). This policy is operationalized and supported by various other policies, procedures, guidelines and manuals.

(a) Details of Compliance (Reply Y/N)

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Directors?	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8
6	Indicate the link for the policy to be viewed online?	www.nippobatteries.com							
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year: Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report?  
The BR report for FY18-19 can be accessed through the link, <http://www.nippobatteries.com>  
How frequently it is published? : Annually

**SECTION E : PRINCIPLE-WISE PERFORMANCE**

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

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?  
Yes. The Policy relating to ethics, bribery and corruption covers the Company and its wholly owned subsidiary and subsidiaries.
- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.  
During the financial year 2019-2020, 20 complaints were received from the shareholders, which have been attended to. The complaints are in the nature of non-receipt of dividends, rejection of share transfer, share transmissions, demat requests etc. The Stakeholders' Relationship Committee at its meeting reviews the complaints and the status of their resolution.

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

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

- i. AA Zinc Carbon Batteries.
  - ii. AAA Zinc Carbon Batteries
  - iii. Furnace Operations
2. a. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) :  
AA and AAA Zinc Carbon Batteries are mercury and cadmium free.
  - b. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?  
LPG (green fuel) /Solar power were used for furnace operations in lieu of electricity.
  - c. Reduction during usage by consumers (energy, water) has been achieved in the previous year?  
Water consumption and energy consumption is monitored on daily basis and reviewed monthly and internal target is achieved.
3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so :  
We have process to approve sources (like source identification, evaluation and approvals) to ensure sustainability and to meet environmental requirements. Only from approved sources, materials are being purchased.
  4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?  
Stores, Spares and packaging items are procured from local and small producers. The QC and Technical Team work together with the suppliers for improvements.
  5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so :
    1. Domestic and process waste water is treated and used for gardening. Maintaining Zero discharge.
    2. Recyclable packing material and eco-friendly inks are used for packing
    3. Paper and plastic waste are disposed to authorised re-cyclers.
    4. Actions are initiated to reduce plastic consumption.

**Principle 3 : Business should promote the well-being of all employees**

- |   |                  |
|---|------------------|
| 1. Total number of employees  | : 1019           |
| 2. Total number of employees hired on temporary/contractual/ casual basis (in the FY 2019-20) | : 274 (Contract) |
| 3. Number of permanent women employees  | : 11             |
| 4. Number of permanent employees with disabilities  | : Nil            |

5. Do you have an employee association that is recognized by management : Yes 2 Unions
6. What percentage of your permanent employees are members of this recognized employee association? : Around 12.75%
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year :

No.	Category	No. of complaints filed during the financial year	No. of complaints pending at the end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up gradation training in the last year? :  
 Permanent employees / woman employees- fully : Contract employees- fully :  
 Employees with disabilities – N.A

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

1. Has the company mapped its internal and external stakeholders? : 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 :  
 The Company has taken several initiatives includes food to children, slum families, provide education to all and Woman empowerment.

**Principle 5 : Business should respect and promote human rights**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint ventures/Suppliers/Contractors/NGOs/Others?  
 Yes. While the Company’s human resource policies are intended to ensure adherence with applicable labour laws governing work place practices, contractual obligations are also stipulated in engagements with suppliers and contractors on compliance with applicable regulations.
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 : Business should respect, protect and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint ventures/Suppliers/Contractors/NGOs/others.  
 Your Company’s EHS Policy covers all manufacturing plants of the company and scope extends to employees, contractors and customers. The policy addresses compliance with legal, statutory, regulatory and customer specific requirements related to environment, health and safety.

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.  
Refer Annexure 1 of the Annual Report.
3. Does the company identify and assess potential environmental risks? : Risks and their appropriate mitigations are reviewed and revised on an on-going basis.  
The Company also conducts Safety, Health and Environment Audits annually.
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?  
The Company provides saplings on Environment Day.
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.  
Yes, refer to Annexure 1 of the Annual Report.
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?  
Yes, it is within permissible limits given by CPCB/SPCB for the F Y 2019-20.
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 : Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association?If Yes, Name only those major ones that your business deals with:  
Yes, like Confederation of Indian Industries (CII), Andhra Bengal Chamber of Commerce (ACC), Indian Chamber of Commerce (ICC) etc.
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?  
The Company participates in the meeting and provide suggestion as required.

**Principle 8 : Business should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.  
The Company has constituted a Corporate Social Responsibility Committee. Based on the CSR Committee’s recommendation, the Board has approved a CSR policy. Details of the policy and the programmes undertaken are given in the CSR Report. (Annexure D to the Board’s Report).
2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures /any other organization?  
The CSR projects or programmes are implemented directly as well as through implementing agencies as may be required.
3. Have you done any impact assessment of your initiative? : Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.  
Refer Annexure D to the Board's Report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so : Yes

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

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?  
All consumer complaints received during the financial year have been redressed.
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 displays all requisite product information and safety guidance on the product labels.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details there of, in about 50 words or so :  
The Competition Commission India ("CCI") has imposed penalty of Rs. 4,226.00 Lakhs on the Company vide Order dated April 19, 2018 on certain zinc carbon dry cell battery Manufacturers, concerning contravention of the Competition Act, 2002. On an appeal and stay application filed by the Company before the National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's said Order, the NCLAT has vide its order dated May 9, 2018, stayed the penalty with the direction of depositing 10% of the penalty amount with the Registry of the NCLAT. The same has duly been complied with.
4. Did your company carry out any consumer survey/consumer satisfaction trends? :  
Yes