

Business Responsibility Report for the year 2019-20

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN)	L26942ML2001PLC006663									
2	Name of the Company	Star Cement Limited (SCL)									
3	Registered office address	Vill: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210									
4	Web site	www.starcement.co.in									
5	Email ID	investors@starcement.co.in									
6	Financial year reported	2019-20									
7	Sector(s) that the Company is engaged in (Industrial activity code wise)	<table> <tr> <th>Sl. No.</th><th>Product</th><th>NIC code</th></tr> <tr> <td>1</td><td>Cement</td><td>23941</td></tr> <tr> <td>2</td><td>Cement clinker</td><td>23941</td></tr> </table>	Sl. No.	Product	NIC code	1	Cement	23941	2	Cement clinker	23941
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8	Three key products/ services that the Company manufactures/ provides	Cement Cement Clinker									
9	Total number of locations where business activity is undertaken by the Company:										
	(a) Number of International locations	The Company has a subsidiary in Myanmar which is yet to start operation.									
	(b) Number of National locations	The Company's registered office is situated in Meghalaya and Corporate Office at Kolkata. It has manufacturing unit at Lumshnong, Meghalaya and Sonapur, Assam. Company's Plant at Siliguri, West Bengal will be operational during the year. It has Sales and Marketing office at Guwahati, Patna, Siliguri and Project Office at New Delhi.									
10	Markets served by the Company Local / State / National /International	Star Cement Limited operates in Eastern part of the country and mainly concentrate its business in North Eastern and Eastern Region of India.									

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (as on 31.03.2020)	₹41,24,28,997/-
2	Total Turnover (FY 2019-20)	₹1,80,133.56 Lakhs
3	Total profit after tax (FY 2019-20)	₹21,870.69 Lakhs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Against the requirement of ₹396.07 Lakhs, the Company spent ₹406.07 Lakhs towards CSR during 2019-20 which is 1.59% of profit after tax.
5	List of CSR activities in which expenditure has been incurred	The major areas as listed under Schedule-VII of the Companies Act, 2013 where CSR expenditures have been incurred: - Education - Health care and sanitation - Disaster relief - Rural development - Enhancing vocational skills & livelihood - Rural sports upliftment

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been informed to internal and external stakeholders and the same is also available on the Company's website www.starcement.co.in								
8	Does the Company has in house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholder's grievance related to the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by and internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		BR Policy is evaluated internally.								
3	Governance related to Business Responsibility									
	Frequency with which the Board of Directors, Committee of the Board or CEO meet to access the Company's BR performance	The overall BR performance of the Company is reviewed by the BR Head annually and varied aspects of BR performance of each department/unit are assessed by the respective department/unit heads.								
	Publishing of Business Responsibility or a Sustainability Report, its frequency and hyperlink	BR report is forming a part of the Annual Report. The report is also available on the Company's website at: www.starcement.co.in								

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1 - ETHICS, TRANSPERANCY AND ACCOUNTABILITY

- 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?

The policy generally serves as roadmap to the employees of the Company and its subsidiaries. The Company has adopted own procedures to address any issues pertaining to ethics, bribery and corruption. Whistle blower policy of the Company is in force to effectively address issues from any stakeholders.

- How many stakeholders 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.

The Company keeps close contact and friendly interacts with the investors, consumers and vendors so that their complaints, if any are amicably sorted out.

Stakeholders Complaints	Received	Resolved	Complaints Resolved in %
Investors complaints	1	1	100%
Consumers complaints	49	49	100%
Vendors complaints	NIL	NA	NA

PRINCIPLE 2 - SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE CYCLE

1	Three products/ services whose design has incorporated social or environmental concerns, risks and/or opportunities	(a) Cement (b) Clinker
2	Details in respect of resource use (energy, water and raw materials etc.,)	
	(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain	Company emphasises on research and development of new technology so that usage of natural resources are minimal. It motivates and works closely with suppliers and vendors of supply chain to reduce any hazardous environmental impacts.
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	Initiatives undertaken by the Company for optimal utilisation of energy, water as follows:

		- Heat resistant paint used in Kiln Hood and TAD to save radiation loss, so that saving of 2 to 2.5 Kcal/Kg clinker energy. - Consumption percent of Fly Ash in PPC Cement increased from 25.2 to 29.1%. 65 Nos. of 400W HPSV Flood Light fitting replaced with 200W LED light fittings resultant saving of 0.56 Lakhs Kwh Per year. 50 Nos. of 250W HPSV street Light fitting replaced with 90W LED light fittings resultant saving of 0.35 Lakhs Kwh Per year. 100 Nos. of 400W HPSV flood Light fitting replaced with 100W LED street light fittings resultant saving of 1.3 Lakhs Kwh Per year.
3	Procedures in place for sustainable sourcing (including transportation) and percentage of input sourced sustainably.	The Company focus on long term strong relationship with its suppliers. Social, ethical and environmental factors are considered while selecting the suppliers. It focuses on integrating sustainability in the procurement process. Effective system has been embedded to purchase the raw materials and act according to production and sales forecasts to ensure optimum raw materials procurement. Higher capacity of containers are used for transportation to save fuel.
4	Steps taken to procure goods and services from local and small producers including communities surrounding the place of work.	To maintain sustainability in procurement process emphasises given to procure the materials from local areas surrounding the factory and preference given to local and MSME suppliers.
5	Mechanism and percentage of recycling of products and wastes.	We are using 29-31% fly ash (a bye product) in PPC cement, through hopper feed belt. 100% lub waste are using in preheater (calcliner vessel) and others waste are using is kiln. Waste water generated is used in dust suppression, gardening etc. Rain water is preserved and used for domestic purposes.

PRINCIPLE 3 – EMPLOYEES WELL-BEING

The Company believes that employees well being is key to success of the organisation and therefore, it places high echelon to the employees well being and satisfaction. The Company has adopted various measures to ensure safety and health of the employees.

Recreation and recognition are crucial to motivate the employees and measures adopted are as follows:

- (1) Long Term Service Award
- (2) Birthday celebration
- (3) Recognition to retiring employees
- (4) Rewards for outstanding performance
- (5) Health check up and eye testing camp
- (6) Women's day celebration
- (7) Observations of various festive days
- (8) Organising sports and competitions

Information as per BRR framework:

1	Total number of permanent employees	696
2	Total number of employees hired on temporary/ contractual/ casual basis	1060
3	Number of permanent women employees	38
4	Number of permanent employees with disabilities	NIL
5	Employees association recognised by the management	SCL respects rights of every employees and values their opinion/suggestion at all levels. Employees enjoy freedom to raise their concerns wherever requires and due attention is always given by the management. For the reason employees not shown their interest to form any Association.
6	Percentage of permanent employees who are members of recognised employee association	NIL

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in last financial year and pending as on the end of the financial year:

Sl. No.	Category	No. of complaints filed during financial year	No. of complaints pending on end of financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

The Company has Sexual Harassment Committee where the employees can register their complaints in respect of sexual harassment.

8. Percentage of under mentioned employees who have given safety & skill up-gradation training in the last year:

Permanent employees	100%
Permanent women employees	100%
Casual/Temporary/Contractual employees	21.72%
Employees with disabilities	NA

PRINCIPLE 4 – STAKEHOLDERS ENGAGEMENT

Company believes that performance of business entity depends on the value created for various stakeholders of the Company at large. The Company puts its endeavours to identify and address the needs and concerns of the stakeholders.

Information as per Business Responsibility framework:

1	Mapping of internal and external stakeholders	The Company has mapped its internal and external stakeholders by way of following mechanisms:	
		Investors and stakeholders	General Meetings, Annual Reports and Investor meet
		Local communities	Frequent visit and close interaction
		Employees	Meetings, intranet, training, survey
		Customers	Customers meet, survey and various contests
		Suppliers & dealers	Site visit, tour, meetings and feed back
		Government & Regulatory authorities	Industry bodies and forums
		Media	Press release, interview and announcement.
2	Identification of disadvantaged, vulnerable & marginalised stakeholders.	The Company with its continuous efforts identifies vulnerable and marginalised communities around manufacturing unit and works towards their betterment by various initiatives. It also identifies disadvantaged, vulnerable and marginalised stakeholders and continuously works for their upliftment.	
3	Special initiatives taken by the Company to engage with disadvantaged, vulnerable and marginalised stakeholders. If so, details in about 50 words.	The Company keeps efforts for the communities residing in proximity of manufacturing unit for improving their standard of living, education, sanitation, skill development through various initiatives as a part of corporate social responsibility (CSR). The Company's vocational training centre imparts various vocational training for economic upliftment of the local people making them self-dependent. The Company does not encourage any kind of discrimination based on caste, religion, sex, social background etc.	

PRINCIPLE 5 – HUMAN RIGHTS

The Company is committed to respect and protect human rights and always strives to serve all individuals with honesty and fairness.

Information with reference to BRR framework:

1	Coverage of Company's policy on human rights and extension to the Group/Joint Ventures /Suppliers / NGOs/ Others	The Company wherever possible, takes initiatives to promote awareness of human rights across value chain. The Company encourages all its partners to value human rights and always discourage any violation of human rights.
2	Stakeholders complaints received in past financial year and percentage of complaints resolved satisfactorily by the management.	No complaint received in past financial year relating to human rights violation.

PRINCIPLE 6 – ENVIRONMENT

1	Coverage of the policy related to principle 6 and its extension to the Group/ Joint Ventures/ Suppliers/ Contractors / NGOs/ Others	The policy is applicable to the Company. We aim to apply the principle across the value chain.
2	Company's strategies/ initiatives to address global environmental issues such as climate change global warning etc.	• Company has installed all associated pollution control equipments (ESP, RABH, Bag filters) as per prescribed for the operating unit. • Company has installed online dust and gaseous monitoring equipments in associated stacks. Emission levels are within the limit and online equipments are connected with SPCB/CPCB server. • The dust collected from the various pollution control equipments, are being recycled back into the process. • Closed roof sheds provided for all Raw materials. • All roads were concretized with provision of auto sprinkler system to control fugitive emission. • SCL are developing green belt area with all local species and ever green sapling. • Plastic packets/ bags are restricted within the Registered office.
3	Identification and assessment of potential risk assessment	Identification and assessment of potential risk is a continuous process. Sound monitoring system is in place to identify any potential risks involved in the operations. Any potential risks are addressed at the initial stages. Continuous monitoring and inspection is done on regular basis and necessary corrective actions are taken to mitigate the same.
4	Company's initiative/projects related to clean development mechanism and environmental compliance report filed	• SCL have installed all associated pollution control equipments (ESP, RABH, Bag filters) as per prescribed for the operating unit. • Two road sweeping machines are available to clean the floors and roads around the plant. • Auto sprinkler systems have been provided on road, crusher hopper, coal shed and others vulnerable areas. • All environmental compliance reports are submitting to authority as per prescribed time frame.
5	Company's initiatives on clean technology, energy efficiency, renewable energy etc.	Company is recycling solid waste, used Lubricants, empty fly ash bags, Jute waste etc. to promote clean technology.
6	Reporting on the emissions/waste generated by the Company as per permissible limits given by CPCB/SPCB	The environmental monitoring reports are regularly submitted to CPCB/SPCB. The Company has been successfully meeting the applicable environmental standards by using efficient control equipment and constant monitoring.
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.	There are no pending or unresolved show cause/ legal notice from CPCB/SPCB as on 31st March, 2020.

PRINCIPLE 7 – RESPONSIBLE POLICY ADVOCACY

1	Membership in any trade and Chamber or association	Bharat Chamber of Commerce Cement Manufacturer's Association
2	Advocacy/lobbying through above associations for the advancement or improvement of public good	SCL actively participate in the aforesaid forums on the issues and matters related to the interest of the stakeholders and continue advocacy the matters for advancement of public good.

PRINCIPLE 8- INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1	Specified programmes /initiatives / projects in pursuit of the policy related to Principle 8	(i) Wellbeing of local communities (ii) Empowering women (iii) Conservation of environment (iv) Promoting education (v) Healthcare programme (vi) Self-employment programme
2	Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO/ Government structures/ any other organisation.	Programmes/ projects are undertaken through own promoted Charitable Trust/ NGO and local community.
3	Impact assessments for initiatives undertaken	Impact assessment is done internally to understand the effect of initiatives undertaken by the Company.
4	Company's direct contribution to community development projects and details of the projects undertaken.	Company's contribution to community development projects carried under CSR initiatives details of which is provided in the Director's Report and its annexure.
5	Steps taken to ensure that the community development initiatives is successfully adopted by the Community	The Company encourages participation/interaction with local communities adjacent to the plant locations to understand their basic need and feelings. Meetings are conducted with the local communities to understand their need and requirements and take suitable actions as per requirements.

PRINCIPLE 9- CUSTOMER VALUE

1	Percentage of customer complaints/ consumer cases are pending as on the end of financial year	Nil.
2	Display of product information on the product label, over and above what is mandated as per laws.	The Company follows all legal requirements for product labelling and product information. The Company display product information on the product label.
3	Case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last 5 years and pending as on end of financial year.	The Company (SCL) had received a notice from the Director General of Competition Commission of India (CCI) seeking various information on alleged cartalization. SCL filed application before CCI for recall/ review of the order by which CCI registered the case and ordered investigation. As complete information sought by CCI was not received within reasonable time, CCI imposed a penalty of ₹5 lakhs upon SCL. Challenging the order of penalty the Company filed Writ Petition and challenging the order of investigation and registration of Case by CCI, the Company also preferred Writ Petition before Guwahati High Court. The Company has received stay order on both the Writ Petitions. CCI has filed Affidavits. Cases are sub-judice.
4	Consumer survey/ consumer satisfaction trends carried out by the Company.	The Company believes that consumer satisfaction is key to the success of business. Therefore, the Company connects with consumers through dealers network to understand quality feedback and also through market inspection and survey by own employees. The Company follow systematic process for resolution of all complaints received at its earliest possible time.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 25th June, 2020

Sajjan Bhajanka
Chairman
(DIN: 00246043)