

BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of LODR]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L26941TN1957PLC003566																
2	Name of the Company	THE RAMCO CEMENTS LIMITED																
3	Registered address	“RAMAMANDIRAM,” RAJAPALAYAM – 626117																
4	Website	www.ramcocements.in																
5	E-mail id	ksn@ramcocements.co.in																
6	Financial Year reported	1 st April 2019 to 31 st March 2020																
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<p>Codes as per NIC – 2008</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Class</th> <th>Sub class</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>239</td> <td>2394</td> <td>23941 23942</td> <td>Manufacture of Clinker and Cement</td> </tr> <tr> <td>351</td> <td>3510</td> <td>35102</td> <td>Electric power generation by coal based thermal power plants</td> </tr> <tr> <td></td> <td></td> <td>35106</td> <td>Electric power generation using other non-conventional sources</td> </tr> </tbody> </table>	Group	Class	Sub class	Description	239	2394	23941 23942	Manufacture of Clinker and Cement	351	3510	35102	Electric power generation by coal based thermal power plants			35106	Electric power generation using other non-conventional sources
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		35106	Electric power generation using other non-conventional sources															
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Cement (ii) Power																
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations : 1 (b) Number of National Locations : 5 Cement Plants 5 Grinding Units 1 Packing Plant 1 Ready Mix Concrete Unit 1 Dry Mortar Plant Wind farms at 7 locations Registered Office, Corporate Office and 45 Sales Offices																
10	Markets served by the Company	South and East India, Sri Lanka																

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital - ₹ In crores	23.56
2	Total Turnover - ₹ In crores	5,405.64 (Net of duties and taxes)
3	Total Comprehensive Income - ₹ In crores	593.28
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of Net Profit	The Company has spent ₹ 14.99 crores on CSR, which is 1.92% on the average net profit of the Company for the last three financial years.
5	List of activities in which expenditure in 4 above has been incurred	<p>The Company has done CSR activities in various spheres, out of which the following are the top 5 areas:</p> <ol style="list-style-type: none"> Promotion of Education, Enhancing Vocational Skills, Livelihood Enhancement Projects, etc. Eradication of Hunger, Providing of Safe Drinking Water, Health Care, etc. Protection of National Heritage, Sites of Historical Importance, etc. Rural Development Projects Ensuring Environmental Sustainability, Ecological Balance, Protection of Flora and Fauna, etc.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company has two Subsidiaries. 1. Ramco Windfarms Limited 2. Ramco Industrial and Technology Services Limited
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)	The Business Responsibility initiatives of the holding company are applicable to the Subsidiary Company as well.
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 involves its Business Associates, such as Dealers, Logistics Partners, etc. in its Business Responsibility initiatives. However, their extent of participation in terms of percentage cannot be quantified.

SECTION D: BR INFORMATION**1. Details of Director/Directors responsible for BR**

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

1	DIN Number	00331406
2	Name	Shri.P.R.Venketrama Raja
3	Designation	Chairman & Managing Director

(b) Details of the BR head

1	DIN Number	00693181
2	Name	Shri.A.V.Dharmakrishnan
3	Designation	Chief Executive Officer
4	Telephone Number	044 – 2847 8666
5	E-Mail ID	brr@ramcocements.co.in

2. 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. They are:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and 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.

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for BR Principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	The policies conform to the guidelines / standards of Companies Act, 2013 and other statutory acts, regulations, notifications, etc. The policies / standards are at par with generally accepted practices for the respective principles.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	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	Y
6	Indicate the link for the policy to be viewed online?	http://www.ramcocements.in/policies.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company's website contains the policies for information of all internal and external stakeholders. Further, relevant communication is provided to stakeholders through appropriate mediums, such as, Circulars, Notice Boards, Company's Magazine, etc.								
8	Does the company have 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 stakeholders' grievances 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 an internal or external agency?	The ISO Standards and other standards adopted by the Company are subject to routine monitoring / evaluation / review by their concerned external agencies on periodical basis. The implementation of the policies is subject to review by Internal Audit mechanisms.								

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

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the Business Responsibility performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The CSR Committee consisting of 3 Directors is responsible to assess the Business Responsibility performance of the Company and to oversee the implementation of the various policies. It is reviewed on annual basis or as and when

the need arises. The CSR Committee at its meeting held on 19-06-2020 had reviewed and approved the Business Responsibility Report for the year 2019-20.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is published in the Annual Report and also placed on the Company's website at www.ramcocements.in

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1**

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?

The Company's policies viz. Code of Conduct for Board of Directors and Senior Management Personnel and Whistle Blower Policy lay down the rules and procedures by which any stakeholder can report the actual or suspected improper activities of any kind, fraud and violation of company's code of conduct. The whistle blower policy extends to individuals who are in full time or part time employment with the company or its subsidiaries including those serving as consultants and contract / third party employees.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No complaint has been received under Whistle Blower Policy. During the year under review 8 complaints have been received from Shareholders relating to non-receipt of dividends / annual report. The complaints were promptly attended and redressed in time.

Principle 2

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

A. CEMENT

The Company's blended cements viz. Portland Pozzolana Cement and Portland Slag Cement utilises Fly Ash and Slag which are Industrial waste from Thermal Power Plants and Steel Plants respectively. The Company uses waste tyre oil instead of diesel for kilns during start up. Utilisation of these materials in the company's manufacturing process protect environment.

B. POWER GENERATION**WIND ENERGY**

The Company's investment in non-conventional renewable energy source, viz. wind energy is emission free and pollution free generation of power.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Resources	Units of Measurement	2019-2020	2018-2019
Fly Ash	% per ton of PPC	23.05	24.64
Slag	% per ton of PSC	59.67	59.12
Power	Kwh/Ton of Cement	82.94	76.49

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

The Company has no information regarding reduction of energy, water, etc. that has been achieved by the consumers during usage of Company's products.

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.

Yes. The Company's cement manufacturing plants are situated close to limestone mines, thereby reducing the transportation impact of the limestone. The Company's cement grinding units are situated close to thermal power plants, thereby reducing the transportation impact of the fly ash. Bulk materials are transported through various modes viz., rail/sea and road. The mode of transport is chosen based on cost economics.

However, the transportation and logistics optimisation is an ongoing activity to reduce the related environmental impacts.

To ensure sustainability of logistics transportation eco system, the Company is giving need based financial assistance to the transporters and customers to buy and own trucks and also help them to get their old trucks replaced with new ones, ensuring that the trucks would be deployed to meet the Company's transportation requirements.

The mining deploys sustainable mining practices to enhance the life of the mines.

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?

The Company gives priority to procure goods and avail services from local and small vendors, located near to the manufacturing locations. We also provide them training to improve their capacity and capability. The Company ensures that its contractors who supply labour services for plant operations employ workmen from nearby

communities. The Company also educates and trains the workforce in occupational health and safety.

- 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.

The Company's product is not meant for recycling as cement is used for construction of buildings, which are meant to last long. The product is also not recyclable after its usage. The Company's other product, viz. electrical energy is consumed immediately, which also does not provide scope for recycling. The domestic waste water generated at factory, colony, etc. is recycled through sewage treatment plant and is utilised in full.

Principle 3

- Please indicate the Total number of employees. – 3327.
- Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 1905.
- Please indicate the Number of permanent women employees – 12.
- Please indicate the Number of permanent employees with disabilities – 1.
- Do you have an employee association that is recognized by management:

The plants at Ramasamy Raja Nagar and Jayanthipuram have employee unions recognized by the management.

- What percentage of your permanent employees is members of this recognized employee association?
Ramasamy Raja Nagar Plant – 84%
Jayanthipuram Plant – 95%
- 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.

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

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

(a)	Permanent Employees	56%
(b)	Permanent Women Employees	66%
(c)	Casual/Temporary/Contractual Employees	100%
(d)	Employees with Disabilities	-

The Organisation's main objective is to continuously establish health and safety culture through awareness training initiatives. We have also implemented Standard Safety Management System which provides guidelines to employees in their daily activities with the best Safety, Health and Environmental Standards. We continue to train our employees (Permanent/ Contract/ etc.) with Safety Induction and mandatory training programmes covering all aspects of Safety and emphasising the importance of 'Safety First'. Safety trainings are organised with the support of experts from the industry and the internal safety team. Good safety performance is a key to good operational performance. We always strive for a safety environment with the aim of zero incidents.

Skill upgradation is the key in creating high performance individuals and exploring the potential within the organisation. As part of Skill upgradation training, we have initiated one of the most essential trainings - Behavioural Based Safety across plants and employees. We have steered the preliminary efforts for the implementation of the program and aim to train all the required personnel.

Principle 4

- Has the company mapped its internal and external stakeholders? Yes/No
Yes.
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company's cement manufacturing plants/limestone mines are located in remote rural areas and localities around such places have been identified as disadvantaged, vulnerable & marginalized stakeholders.

- 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's CSR programmes are mainly targeted in improving the socio, economic and infrastructure conditions of the localities around the manufacturing facilities. The Company also undertakes various measures to improve

the quality of their life. These include, computer education training for village students, women empowerment, arrangements for safe drinking water, desilting of water bodies, construction of toilets, formation and enhancement of rural roads, conducting rural medical camps, eye camps, special medical camps for disabled children, green development, etc.

In addition to the above, during the last part of the year there has been widespread outbreak of COVID-19 virus. It had crippled the economic activities by bringing huge hardships to the society including for the villagers in and around the factory area. The Company had provided various safety and medical aids, food, essential groceries, medicines, etc. The Company had also arranged for awareness campaigns to educate the public on social distancing, safety measures, hygienic practices to be followed in home, etc. The details are available in Board's Report.

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?

The Company's Code of Conduct and HR practices have been developed to respect and protect human rights. It extends only to the Company and its Subsidiary.

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

During the year under review, the Company did not receive any complaint in respect of violation of human rights.

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 Policy on environment covers the Company and its Subsidiary.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes. The Company strives to have minimal carbon footprint and to reduce its impact with regard to climate change, global warming, etc. The Company's Safety, Health and Environment Policy gives utmost importance to the environmental impact of the practices it follows and the product it creates. The weblink for the same is : <http://ramcocements.net/ramcocements/pdf/files/policies/SAFETY%20ENVIR%20POLICY%20FOR%20TRCL%202014.pdf>

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

Yes. The Company has a mechanism in place to identify and assess potential environmental risk. The Company's Risk Management Policy covers Environmental Risk and the process for managing it.

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's wind farm project has been registered with United Nations Framework Convention on Climate Change under Clean Development Mechanism. The Company is eligible for Certified Emission Reductions (CERs). The main purpose of the project activity is to generate clean electricity from renewable energy source (wind).

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.

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements. Some of the steps taken for conservation of energy, include,

Installation of Cement Waste Heat Recovery system (CWHR) to reduce the thermal energy consumption in Thermal Power Plant.

Installation of Variable Frequency Drive (VFD) for process fans to reduce electrical energy.

Installation of energy efficient air-cooled condenser fans in thermal power plant to reduce electrical energy.

Installation of VFD for compressors to reduce electrical energy.

Installation of High efficiency water pumps to reduce electrical energy.

Installation of LED lights replacing high wattage High Pressure Sodium Vapour lights.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated by the Company are within the permissible limits prescribed by CPCB/SPCB.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

None.

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:
 - a. Cement Manufacturers Association
 - b. Bureau of Energy Efficiency
 - c. Confederation of Indian Industry
 - d. National Council for Cement & Building Materials
 - e. Federation of Indian Chambers of Commerce and Industry
 - f. Rajapalayam Chamber of Commerce
 - g. Indian Wind Power Association
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. Following are the broad areas.
 - a. Representations relating to mining under The Mines and Minerals (Development and Regulation) Amendment Act, 2015
 - b. Recommendation for increased use of blended cements in Government projects and constructions

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 believes that as the Organisation grows, the society and the community around it should also grow. For this, the company undertakes various initiatives/projects in and around the places where its manufacturing facilities are located. These include,

Rural Industry and Skill Development

Conducted Skill trainings for youth

Employed youth through job placement

Health

Conducted health check-up camps

Eye camps

Treating poor patients through Special Health camps

Education

Provided basic computer training to students

Providing assistance to poor students

Infrastructure Development

Constructed low cost houses, toilets, village road, community halls, etc.

Established drinking water facilities in villages.

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

The Company's CSR initiatives are implemented both by internal teams as well as through / coordination with external agencies, like NGOs, Government Institutions, Academic Organisations, etc.

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

The Company does the impact assessment of its CSR initiatives through qualitative feedbacks, received from beneficiaries of the activities undertaken. Based upon such reviews, the initiatives are structured.
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 31st March 2020, the Company has spent ₹ 14.99 crores towards Health, Education, Infrastructure Development and other various community development projects, towards its CSR commitment. The details are available in Board's Report. The company had also spent a sum of ₹ 3.99 crores on other social causes and projects, which do not qualify under the classifications listed out in Schedule VII of the Companies Act, 2013.

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 CSR initiatives are carried out on a need based approach. The Company adopts participatory approach with communities / beneficiaries. With regard to project development and major asset creations, Company participates in mutual beneficiary contribution. These strategies ensure that the relevant beneficiaries successfully adopt and maintain them.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There were 1,006 customer complaints received during the year. The complaints received were relating to poor construction practices and improper cement storage. The Company is educating all construction professionals – Masons, Architects, Contractors, Engineers – through its awareness/promotional programs. All the complaints were resolved during the year and no customer complaints were pending at the end of the year.

The consumer appeal which was pending in the Honourable High Court of Andhra Pradesh had been closed.

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)

The Company displays information as mandated by the local laws on the product label. No other additional information is provided.

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 thereof, in about 50 words or so.

COMPLAINT BY BUILDERS ASSOCIATION OF INDIA

Based on a complaint filed by Builders Association of India in 2006, Competition Commission of India (CCI) vide its order dated 20-06-2012, had held that leading cement companies, including The Ramco Cements Limited and Cement Manufacturers Association (CMA) had contravened the provisions of Section 3(1) read with Sections 3(3)(a) and 3(3)(b) of the Competition Act, 2002 and imposed penalties of which the penalty for The Ramco Cements Limited was ₹ 258.63 crores. The cement companies appealed to Competition Appellate Tribunal (COMPAT) against the order of CCI. COMPAT referred back the matter to CCI for fresh adjudication. CCI held the cement companies liable for cartelisation vide its order dated 31-08-2016, which was in substantial part, a reiteration of its earlier order dated 20-06-2012.

The Company filed an appeal against the order of CCI before the Competition Appellate Tribunal (COMPAT), New Delhi and obtained an interim order on 28-11-2016, wherein the Company had been directed to deposit 10% of the penalty amount in the Registry of COMPAT in the form of Fixed Deposit within 60 days thereof. Accordingly, the amount of ₹ 25.86 crores has been so deposited on 30-11-2016.

The Company filed a civil appeal before the Honourable Supreme Court of India and obtained stay of the proceedings before COMPAT. In the meanwhile, Government of India had abolished COMPAT and transferred all pending cases to National Company Law Appellate Tribunal (NCLAT), New Delhi.

NCLAT, vide its judgement dated 25-07-2018, had dismissed the Company's appeal along with the appeals of other cement companies against the order of CCI. The Company had appealed to Supreme Court against the order of NCLAT. The Honourable Supreme Court of India on 05-10-2018 admitted the appeal of the Company and other affected cement companies and ordered the continuation of interim orders that had been passed by NCLAT in these cases.

Accordingly, the Company had deposited with NCLAT, 10% of the amount imposed as penalty [10% of ₹ 258.63 crores (i.e) ₹ 25.86 crores].

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

Yes. The Company carries out consumer surveys / consumer satisfaction trends, through interaction with end users and the information is utilised to improve the business operations / services.

SEPARATE FINANCIAL STATEMENTS