



# Grasim Sustainability Data book

## FY 20-21

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- The data book covers economic, environmental and social disclosures consolidated across Grasim businesses inclusive of Ultra Tech Cement.
- The scope of Independent Assurance Statement included here is limited to standalone performance of Grasim.
- The Independent Assurance Statement of UltraTech Cement is submitted separately.

## 1. ECONOMIC PERFORMANCE

### Customer Satisfaction Measurement

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
Net Promoter Score	Percentage	47	65	68	62

### Supply chain KPI's

Sr. No	KPI	Target	Target Year
1	Supplier Risk Assessment	Assessment of 20% non- critical suppliers	2023
2	Decrease in GHG emissions from logistics	Decrease exports at JNPT port by 95% and imports by 85%	2022
3	Supplier risk assessments	Assessment of 90% of critical suppliers	2022

## 2. ENVIRONMENTAL PERFORMANCE

### GHG Emissions

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
Direct GHG emissions (Scope 1)	MT CO2 e	43,238,910	55,190,680	51,946,265	60,725,722
Indirect GHG emissions (Scope 2)	MT CO2 e	7,970,900	3,126,400	3,238,228	2,521,072

### Energy Consumption

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
Fuels purchased and consumed	MWh	65,605,307	76,157,540	77,656,512	71,598,150
Electricity purchased	MWh	2,143,287	2,253,605	2,881,747	2,516,372
Steam/Heating/Cooling and other energy purchased	MWh	447,490	372,903	419,515	424,852
Non-renewable energy sold	MWh	238,550	18,019	15,481	75,669
<b>Total non-renewable energy consumption</b>	<b>MWh</b>	<b>67,957,534</b>	<b>78,766,029</b>	<b>80,942,294</b>	<b>74,463,705</b>
Total Renewable energy purchased /generated	MWh	550,681	744,455	885,486	1,055,709

### Water Consumption

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
Water from municipality	Million m3	8.16	7.01	10.59	9.99
Surface water	Million m3	49.66	54.49	45.22	40.73
Ground water	Million m3	6.03	5.77	7.49	7.92
Water returned to the source of extraction	Million m3	26.13	25.10	15.01	11.62
<b>Total Net freshwater consumption</b>	<b>Million m3</b>	<b>37.72</b>	<b>42.17</b>	<b>48.28</b>	<b>47.02</b>

### Waste Disposal

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
Total waste generated	MT	2,328,034	2,325,052	2,114,310	1696,482
Total waste recycled	MT	1,828,193	1,413,814	2,058,455	1,683,582
<b>Total waste disposed</b>	<b>MT</b>	<b>855,500</b>	<b>911,239</b>	<b>55,855</b>	<b>12,900</b>

### Air Emissions

Parameter	Units	FY 2018	FY 2019	FY 2020	FY 2021
NOx	MT	66,952	99,298	74,961	97,064
SOx	MT	22,866	31,337	26,985	28,360
SPM	MT	5,546	6,969	5,921	7,115

### Return on Environmental Investments

Parameter	Units	FY 2021
Capital Investments	INR	2,190,000,000
Operating Expenses	INR	1,720,000,000
Total Expenses (Capital Investments + Operating Expenses)	INR	3,910,000,000
Savings, cost avoidance, income, tax incentives etc.	INR	2,708,100,000

### 3. SOCIAL PERFORMANCE

Category	Units	FY 2018	FY 2019	FY 2020	FY 2021
Employee engagement survey	% of actively engaged employees	81	81	88.31	89
Total Employees Hired	Number	1735	2218	1573	606

### SAFETY

Category	FY 2018	FY 2019	FY 2020	FY 2021
<b>Permanent Employee</b>				
Lost time injuries (LTIs) per million manhours worked	1.68	0.87	0.4	0.23
<b>Contractors</b>				
Lost time injuries (LTIs) per million manhours worked	1.29	1.05	0.46	0.2

Category	FY 21
Total Lost time injuries (LTIs) per million manhours worked (Permanent Employees + Contractual Workers)	0.21

### CSR CONTRIBUTIONS

Type of Contribution	Unit	FY 2021
Cash contributions	INR	846,600,000
Time: employee volunteering during paid working hours	INR	352,532.00
In-kind giving	INR	0
Management overheads	INR	24,100,000.00

#### **4. Targets:**

##### **A) CHEMICALS, FERTILISERS AND INSULATORS (CFI)**

1. Safety: Below 80% reduction in LTIFR by 2025 (over the base year of FY17)
2. Water: 30% reduction in specific freshwater consumption of the main product by FY25 (over the base year of FY17). All units to be ZLD in in water stressed area by FY25 and water positive by FY30
3. Emission: 30% reduction in GHG emissions of the main product by FY30 (over the base year of FY17)
4. Diversity and inclusion: Increase three times woman employees in Management Cadre by FY25 (over the base year of FY19)
5. Employees engagement: 100% of employees to receive Code of Ethics training; Minimum 1 training day per employee per year
6. Community development: 100% of our facilities to participate in community engagement

##### **B) VSF**

1. Safety: Reduction in LTIFR by 90% (over the base year FY15).
2. Emission: Reduce sulphur-to-air release at all fibre sites by 70% in FY22 (over the base year of FY15).
3. Water: Reduction in water intensity in VSF manufacturing process by 50% (over the base year FY15).
4. Water: Reduction in COD to meet EU BAT compliance by FY22 (over the base year FY18).
5. EU BAT Implementation at all Indian Sites by FY22 (over the base year FY18).

## 5. Emerging Risks

Parameters	Emerging Risk 1	Emerging Risk 2
<b>Name of the emerging risk</b>	Transition risk due to water stress	Integrated Annual Report 2020-21 Data Book -Emerging Risk
<b>Category</b>	Economic	Environmental
<b>Description</b>	Risks arising due to the regulations associated with approvals/permissions to withdraw water for industrial use	Effects of climate change is uncertain, and it can give rise to any extreme weather events like storm, cyclone, flood etc. which might disrupt the supply chain
<b>Impact</b>	Water is a critical or key input for most of the businesses like VSF, chemical and textile. Considering the anticipated water stress or scarcity that might arise in the coming years, it is possible that the Regulatory Authorities might restrict on the quantum of water drawn for use in the manufacturing processes. Water regulations might lead towards increasing costs or disrupting operations. The regulatory impact could be not granting approval or permissions for any kind of green field or brown field expansions. Or even if the approval is granted, it could be for lesser quantity which might force the industry to explore newer technologies that consumes less water. In doing so, there is a challenge in terms of the investment to be made in the technology that uses less water without compromising on the quality and output. There are no proven technologies currently for various manufacturing process with lesser / zero water consumption and to that extent there is an uncertainty in this regard. Hence there is a financial implication with respect to investment in the new technology.	Supply chain disruptions can hamper the supply of a critical input /ingredient of any product and thus resulting in stoppage of production of any high demand product/item in the consumer market. For example, flood/cyclone may hit the plants and thus impact the operations. This will impact both upstream and downstream supply chain by reducing the operating capacity of the plant for few days and the deliveries to the customers may face a delay. Additionally, during monsoons, road transport is impacted due to flooding in various regions. When the raw material is sourced from overseas, the impact of extreme weather events can be manifold and can result in supply chain disruptions leading to reduction in production capacity and the commitment to customer to deliver the finished goods.
<b>Mitigating actions</b>	<p>Continuous reduction in freshwater consumption by applying the 4R principles (reduce, reuse, recycle and regenerate) led to a 47% reduction in specific water consumption by VSF business in the last 6 years in FY21.</p> <ol style="list-style-type: none"> <li>Nagda VSF plant will be the first to achieve zero liquid discharge in the viscose industry globally. The commissioning is expected to be completed by Quarter 2 FY22</li> <li>Creating new reservoirs closer to plant locations</li> <li>Research and Development on proven technologies across the World that rely on lesser water consumption.</li> </ol>	<p>We have taken mitigative actions</p> <ol style="list-style-type: none"> <li>to ensure that our business operations are least impacted from extreme weather events. To make sure that the supply chain disruptions are minimal, we promote local vendors and suppliers for critical raw material/key ingredient</li> <li>As a part of our vendor development process, we explore vendors from different geographies while giving first priority to the local vendors across our manufacturing locations.</li> <li>As a part of strategy to mitigate the risk, we have expanded our plants in different geographies of India which helps us reduce the dependency on one plant and reduce carbon footprint by supplying material at nearby location.</li> </ol>

<p><b>Mitigating actions</b></p>	<p>Developed and implemented environment friendly Lyocell technology inhouse which has near Zero environmental impact</p>	<p>d) Secondly, an attempt has been made to ensure that the skilled manpower employed at our units are local and their access to the plants is not hampered during any extreme weather event.</p> <p>e) We also have disaster management plan at Corporate and Unit level where we work with our people and communities to reduce vulnerability to natural calamities and to cope with the disaster.</p> <p>f) We are evaluating climate change risks and opportunities as per the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. Outcome of this study will be integrated with the long-term business strategy, risk management and business planning.</p>
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## 6. Policies

1. Code of Conduct: <https://www.grasim.com/upload/pdf/code-of-conduct.pdf>
2. Corporate Tax Policy: <https://www.grasim.com/upload/pdf/corporate-tax-policy.pdf>
3. CSR Policy: [https://www.grasim.com/upload/pdf/Grasim\\_CSR\\_Policy\\_2013.pdf](https://www.grasim.com/upload/pdf/Grasim_CSR_Policy_2013.pdf)
4. Executive Remuneration Policy: <https://www.grasim.com/upload/pdf/ABG-executive-remuneration-philosophy-policy.pdf>
5. Grievance Handling Policy: <https://www.grasim.com/Upload/PDF/grasim-grievance-handling-policy-fy21.pdf>
6. Board Diversity Policy: <https://www.grasim.com/upload/pdf/board-diversity-policy-grasim.pdf>
7. Energy and Carbon Policy: <https://www.grasim.com/Upload/PDF/grasim-energy-carbon-policy.pdf>
8. Environmental Policy: <https://www.grasim.com/Upload/PDF/grasim-environmental-policy-2021.pdf>
9. Human Rights Policy: <https://www.grasim.com/upload/pdf/human-rights-policy.pdf>
10. Supplier Code of Conduct: <https://www.grasim.com/upload/pdf/suppliers-code-conduct.pdf>
11. Water Stewardship Policy: <https://www.grasim.com/upload/pdf/water-stewardship-policy.pdf>
12. Wood Fibre Sourcing Policy: <https://www.grasim.com/Upload/PDF/fibre-sourcing-policy.pdf>
13. Risk Management Policy: <https://www.grasim.com/Upload/PDF/risk-management-policy.pdf>
14. Whistle Blower Policy: [https://www.grasim.com/upload/pdf/whistle\\_blower\\_policy.pdf](https://www.grasim.com/upload/pdf/whistle_blower_policy.pdf)



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## INDEPENDENT ASSURANCE STATEMENT

**The Board of Directors and Management**  
Grasim Industries Limited,  
Mumbai, India

Ernst & Young Associates LLP (EY) was engaged by Grasim Industries Limited (the 'Company') to provide independent assurance to specified sustainability data for the reporting period FY 2020-21.

The preparation of the sustainability data as per Global Reporting Initiative (GRI) Standards is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the sustainability data as described in the scope of assurance below. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the sustainability data is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### Scope of assurance

The scope of assurance covers the following aspects:

- ▶ Quantitative data for only the specified sustainability indicators (as annexed) related to the Company's sustainability performance for the period 1st April 2020 to 31st March 2021;
- ▶ Remote verification of sample data at the following manufacturing locations:
  - Chlor Alkali – ~~Nagda~~, ~~Rehla~~
  - Epoxy - Vilayat
  - Textiles – Jaya Shree Textiles
  - Viscose Stable Fibre (VSF) – ~~Nagda~~, Vilayat, BC-~~Kharach~~
- ▶ Review of data on a sample basis through desk reviews at the above-mentioned manufacturing locations, pertaining to the following Environmental and Social Disclosures of the GRI Standards:
  - Environmental Topics: Energy (302-1), Water (303-3, 303-4, 303-5), Emissions (305-1, 305-2, 305-7), Effluents and Waste (306-3, 306-4, 306-5).
  - Social Topics: Employment (102-8), Occupational Health and Safety (403-9).

### Limitations of our review

The assurance scope excludes:

- ▶ Operations of the Company other than those mentioned in the 'Scope of Assurance';
  - ▶ Data and information other than those mentioned above;
  - ▶ Data and information outside the defined reporting period i.e. 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021;
  - ▶ The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
  - ▶ Review of the company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
  - ▶ Data and information on economic and financial performance of the Company;
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#### Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as conformance of the disclosures under the key performance indicators as per GRI Standards.

#### What we did to form our conclusions

In order to form our conclusions, we undertook the following key steps:

- Interactions with the key personnel at the Company's manufacturing plants to understand and review the current processes in place for capturing sustainability performance data;
- Desk review of manufacturing locations as mentioned in the 'Scope of Assurance' above.

#### Our Observations

There is scope for improving the internal data controls, documentation management and method of calculation for the indicators under assurance scope. Areas of further improvement wherever identified have been brought before the attention of the management of the Company. Specific observations have been provided in the management letter which has been submitted to the Company separately.

#### Our Conclusion

On the basis of our reviews carried out as per 'Limited Assurance Engagement of ISAE 3000', nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards for the specified sustainability indicators.

#### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics<sup>1</sup> for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,

Chaitanya Kalia  
Partner  
30 July 2021  
Mumbai

**Annexure- Sustainability Data FY 21**

Sustainability Indicators	Unit	Businesses of Grasim Industries Limited			Total
		Textiles, Insulators & Fertilisers	Chemicals	Viscose	
<b>1. Water and Effluents</b>					
Surface water	Million Cubic Metre	5.67	6.81	23.44	35.93
Ground water	Million Cubic Metre	2.23	0.38	-	2.61
Water from Municipality / Water Utility	Million Cubic Metre	0.02	4.04	5.19	9.24
Total Water Withdrawn	Million Cubic Metre	7.92	11.23	28.63	47.79
Total water discharge	Million Cubic Metre	1.14	3.04	19.66	23.84
Total water consumption	Million Cubic Metre	8.02	9.01	17.29	34.33
Water Recycled	Million Cubic Metre	1.23	0.82	8.32	10.38
<b>2. Waste</b>					
Hazardous Waste Diverted from Disposal					
Recycled and reused	MT	199.40	743.13	9,326.16	10,268.68
Other recovery options	MT	-	47.24	9.20	56.44
Non-Hazardous Waste Diverted from Disposal					
Recycled and reused	MT	7,108.51	3,19,827.32	1,85,079.94	5,12,015.77
Other recovery options	MT	2.00	2,464.69	41,885.79	44,352.48
Hazardous Waste Directed to Disposal					
Incineration	MT	33.96	364.10	6,726.42	7,124.47
Landfilling	MT	183.07	34,840.26	7,220.90	42,244.23
Other disposal operations	MT	4.05	-	-	4.05
Non-Hazardous Waste Directed to Disposal					
Incineration	MT	-	188.19	-	188.19
Landfilling	MT	5,194.98	18,358.32	53.41	23,606.71
Other disposal operations	MT	1,335.16	309.83	-	1,644.99
Waste disposal	Million MT	0.01	0.38	0.25	0.64
Hazardous waste	Million MT	0.00	0.03	0.02	0.05
Non-Hazardous waste	Million MT	0.01	0.35	0.22	0.58
Waste generated	Million MT	0.01	0.38	0.24	0.63
<b>3. Energy and Emission</b>					
Non-Renewable Energy Consumption	Million GJ	25.84	25.17	19.58	70.60
Renewable Energy Consumption	Million GJ	0.01	0.32	1.94	2.27
Total Energy Consumption	Million GJ	25.85	25.49	21.52	72.87
Scope 1 Emissions (direct emissions)	Million MT CO <sub>2</sub> eq	0.59	1.78	1.78	4.14
Scope 2 Emissions (indirect emissions)	Million MT CO <sub>2</sub> eq	0.08	1.02	0.02	1.12
Total scope 1 and 2 emissions	Million MT CO <sub>2</sub> eq	0.67	2.80	1.79	5.25

Sustainability Indicators	Unit	Businesses of Grasim Industries Limited			Total
		Textiles, Insulators & Fertilisers	Chemicals	Viscose	
SOX (Data not reported for HPF Viscose)	MT	87.27	2,694.19	2,507.64	5,289.09
NOX (Data not reported for HPF Viscose)	MT	1,776.22	940.44	532.09	3,248.75
SPM	MT	352.62	568.24	389.32	1,310.18
<b>4. Social</b>					
LTIFR - Permanent employees	Per million hours worked	0.44	0.34	0.44	0.43
LTIFR - Contractual employees	Per million hours worked	0.30	0.38	0.12	0.29
LTIFR – Total employees	Per million hours worked	0.39	0.37	0.33	0.36
Total number of employees					
Permanent (M)	Number	7,476	2,977	12,628*	23,081
Permanent (F)	Number	120	116	244*	480

