ARVIND MAFATLAL GROUP
The ethics of excellence

NOCIL

NOCIL LIMITED

SCALING
RESPONSIBLY.
INNOVATING
SUSTAINABLY.

Nocil Limited

Sustainability Report

2024-25

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ABOUT THE REPORT

This Sustainability Report outlines NOCIL Ltd.'s (also referred to as 'NOCIL' or 'The Company') qualitative and quantitative performance and commitments across Environment, Social and Governance (ESG) parameters. The Report also provides shareholders with a clear overview of the Company's key initiatives, progress, and strategic approach to sustainable business practices beyond regulatory requirements. Moreover, it highlights NOCIL's focused efforts to reduce its environmental footprint through energy efficiency, resource conservation, and waste reduction initiatives.

Reporting Scope and Boundary

This Report covers the Company's sustainability performance across its manufacturing sites at Navi Mumbai and Dahej. It also includes its wholly owned subsidiary, PIL Chemicals Ltd., located at Vapi, Gujarat. Additionally, this report comprises significant material topics identified through stakeholder engagement programmes.

Reporting References

This Report has been prepared in adherence to the Global Reporting Initiative (GRI) Standards and demonstrates dedication to the United Nations Sustainable Development Goals (UN SDGs). In line with this approach, this Report aligns the Company's commitments with the ten principles of the United Nations Global Compact (UNGC).

Reporting Period and Frequency

The focus of this Report pertains to the activities and practices conducted during 2024-25. Accordingly, the reporting period extends from April 1, 2024, to March 31, 2025.

External Assurance

This report has not undergone any external assurance.

Feedback

The Company is open to suggestions and welcomes feedback on this Report. Readers may reach out regarding any queries or information.

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MESSAGE FROM THE MANAGING DIRECTOR

"Sustainability at NOCIL is powered by innovation, where responsible growth, green chemistry, and strong governance converge to create long-term value."

Anand V. S.
Managing Director

At NOCIL Ltd (the Company/ NOCIL) sustainability is not a parallel agenda, it is integral to how we grow, invest, innovate, and operate. For decades, we have focused on building strong foundations for long-term, sustainable value creation while remaining deeply conscious of our responsibility towards the environment, society, and all our stakeholders. Our approach is anchored in the belief that enduring business success must go hand in hand with responsible stewardship of resources, ethical governance, and positive societal impact.

Sustainability as a Strategic Lever - Embedding ESG into Decision-making

NOCIL continues to embed Environmental, Social, and Governance (ESG) principles into every layer of decision-making, from operations and capital allocation to innovation, risk management and stakeholder engagement. This commitment goes well beyond compliance. It reflects our intent to create long-term value responsibly, while building resilience in a rapidly evolving regulatory, environmental, and market landscape.

The Company's **ESG Charter** enables the Board and Management to exercise effective oversight on critical and material matters including climate change, human rights, diversity, equity and inclusion (DE&I), occupational health and safety, and governance standards. We recognise that robust social and governance practices are as vital as environmental performance in building a sustainable, transparent, and credible organisation.

Through a structured ESG programme, we have established clear environmental goals focused on **reducing our carbon footprint, optimising energy and water consumption, strengthening responsible sourcing, and advancing waste reduction initiatives.** Sustainability considerations are now deeply integrated into our operating philosophy and long-term strategic planning.

Innovation at the Core of Sustainable Growth

Innovation is the cornerstone of our sustainability journey. Across our operations, we are leveraging **green chemistry, process intensification, digital tools, and advanced process engineering** to enhance efficiency while reducing environmental impact. Our dedicated R&D teams are actively working on **environment-friendly chemistries, safer processes, and resource-efficient technologies** that align with global sustainability expectations and customer needs.

By integrating **process safety and digitalisation** we are improving operational reliability while strengthening our commitment to employee safety and environmental protection. Collaborations with academic institutions and technology partners further enable us to translate scientific innovation into scalable, sustainable industrial solutions.

Corporate Social Responsibility "More than an Obligation, More than a Duty"

NOCIL firmly believes that discharge of Corporate Social Responsibility in itself is a feeling that the Company belongs to the people at large and more so to the people the Company serves. For over five decades, we have invested in initiatives across **healthcare, education, women's empowerment in rural India, and environmental protection,** with the singular objective of creating long-term societal well-being.

The Company is honoured to be the proud recipient of the prestigious **E.T.- Legal - CSR Initiatives Award 2025** presented as part of the Economic

> As we move forward, by synergising people, innovation, and smart technologies, NOCIL is well positioned to address emerging challenges and seize future opportunities. We remain aligned with India's ambitious goal of achieving net-zero emissions by 2070, and we will continue to invest in solutions that enable sustainable industrial growth.

Times Legal Awards 2024-25. This marks the second consecutive year that our Legal function has been recognised for its outstanding and transformative contributions to Corporate Social Responsibility, reaffirming our commitment to driving meaningful impact through legal excellence.

Environment Protection and Responsible Manufacturing

Through research, innovation, and responsible manufacturing practices, the Company strives to reduce Greenhouse Gas emissions, Conserve Water Resources, and reduce energy consumptions. We have a programme in place for waste management using the **3Rs Strategy (Reduce, Reuse & Recycle)** techniques.

A team of R&D scientists are exclusively focusing on **Green Chemistry** and **Environmental Research.** NOCIL is one of the only 83 companies in India that holds certification for **'Responsible Care',** the Global Chemical Industry's initiative, focused on **Environmental, Health and Safety (EHS)** improvements since 2018. The renewal of its **Responsible Care** certification demonstrates the Company's dedication to conserving energy, preserving natural resources, preventing pollution, and safeguarding the well-being of individuals.

External Recognition and Governance Excellence

To underscore NOCIL's commitments to Sustainability, the Company proudly holds a range of prestigious external recognitions and awards

1 The Company's **Sustainability Report 2023-24** has been awarded the prestigious **LACP Platinum Award** for the Best Report in the Chemicals Sector, for the second consecutive year. This global recognition, conferred by the League of American Communications Professionals LLC (LACP), follows last year's success, where the Sustainability Report 2022-23 also received the Platinum distinction in the same category. **This back-to-back achievement underscores the Company's continued excellence in sustainability reporting at an International level;**

2 The Company has once again been recognised at the **CNBC-TV18 India Risk Management Awards - Season 12,** winning in the category of **Regulatory Compliance Management (Mid-Cap - Chemical Sector). This marks the second consecutive year of receiving this prestigious honour,** which celebrates the Company's outstanding performance and leadership in regulatory compliance as a core component of its broader risk management strategy;

3 **Committed to providing the Best-In-Class Investor Services:** The Compliance Function of NOCIL has bagged **the prestigious ISO 9001:2015 certification for ROBUST INVESTOR SERVICING PROCESS from TÜV SÜD.** This certification is a testimony of the relentless pursuit of excellence and commitment on part of NOCIL's Board of Directors and top Management towards providing the best-in-class investor services. This also forms an important part of the Company's Sustainability initiatives and fulfilling ESG requirements in context of Governance Standards and Stakeholder engagement;

4 **Sustainable Procurement process:** The Company has successfully obtained the ISO 20400:2017 certification/validation statement for sustainable procurement, which underscores the commitment to incorporate sustainability principles into the Company's procurement processes. In a sector where the procurement of hazardous materials presents unique challenges, adhering to these sustainability standards demonstrates our commitment to safety, compliance, and corporate responsibility.

Securing multiple prestigious ISO certifications, the Company has reinforced its reputation as a leader in excellence, sustainability, and responsibility.

- ISO 9001:2015 Quality Management System: Ensuring consistent product and service quality.

- ISO 14001:2015 Environment Management System: A strong Environmental Management System (EMS) in place, demonstrating a commitment to environmental sustainability.

- ISO 45001:2018 Occupational Health & Safety Management System: Firm commitment to the health and safety of its employees.

- ISO 50001:2018 Energy Management System: Firm commitment to managing energy consumption efficiently.

These certifications collectively showcase the Company's unwavering pursuit of quality, environmental stewardship, workplace safety, and energy efficiency, values that not only drive operational success but also inspire trust among customers, employees, and stakeholders worldwide.

The Business Responsibility & Sustainability Report (BRSR)

The Company's **Business Responsibility & Sustainability Report** forms part of the Annual Report 2024-25 to the shareholders. As a proactive measure towards its Sustainability measures, the BRSR Core of the Company has been subjected to a 'Limited Assurance' by TÜV SÜD.

As we move forward, by synergising people, innovation, and smart technologies, NOCIL is well positioned to address emerging challenges and seize future opportunities. We remain aligned with India's ambitious goal of achieving net-zero emissions by 2070, and we will continue to invest in solutions that enable sustainable industrial growth.

In closing, I extend my sincere gratitude to our customers, employees, investors, Board members, and all stakeholders for their continued trust and support. Together, we will continue to **scale responsibly and innovate sustainably,** strengthening NOCIL's trajectory of long-term, inclusive, and sustainable growth.

Warm Regards,

Anand V. S.
Managing Director

PURPOSE, VISION AND VALUES

Vision

By putting this into action, we strive to be a global leader and the best choice for our customers, employees and stakeholders, while continuing to uphold the highest standards of social responsibility.

Purpose

Innovating Chemistry; Driving Progress. We bring together chemistry, technology, proven expertise and trusted partnerships to offer sustainable rubber chemicals and beyond.

Values

Living our values of **Agility, Intrapreneurship, Respect and Resilience (AIRR)** infuses us with energy and vitality, bringing our vision to life.

Agility

Swiftly responding to internal and external changes, challenges, or emerging opportunities.

Intrapreneurship

Displaying entrepreneurial mindset and taking ownership for outcomes. Developing and implementing innovative ideas, driving change, and creating long-term value.

Respect

Taking care to make everyone feel valued, heard, and appreciated for their unique perspectives, contributions, and identities.

Resilience

Courageously adapting and thriving during challenges, while bouncing back stronger from setbacks.

EXCELLENCE: AWARDS, ACHIEVEMENTS AND CERTIFICATIONS

1

2

1 ISO 20400:2017 CERTIFICATION

NOCIL was recognised with the ISO 20400:2017 certification for aligning its procurement practices with global sustainability standards. This reflects the Company's focus on responsible sourcing and transparent supply chains.

2 ISO 9001:2015 CERTIFICATION

NOCIL's Compliance Function has earned the prestigious ISO 9001:2015 certification from TÜV SÜD for its robust investor servicing processes.

LACP

NOCIL's Sustainability Report 2023-24 was recognised at the LACP Vision Awards with a Platinum honour. The recognition acknowledged excellence in corporate storytelling, design, and transparency in stakeholder communication.

Arvind Mafatlal Group

Nocil Ltd.

GLOBAL LEGAL AWARDS 2024-25

NOCIL was recognised for the Legal Function's pivotal role in delivering impactful CSR initiatives. The award highlights the Company's strong alignment between legal excellence and social responsibility objectives.

ISO 9001:2015

Quality Management System

ISO 14001

Environment Management System

ISO 45001:2018

Occupational Health & Safety Management System

IATF 16949:2016

Automotive Quality Management System

ISO 50001 ENERGY MANAGEMENT

Energy Management System

ISO 17025:2017

General Requirements for the Competence of Testing and Calibration Laboratories - applicable to QA/MTS laboratories

ISO 20400:2017

Sustainable Procurement

Responsible Care Good Chemistry at Work

Responsible Care Certification

INDIA RISK MANAGEMENT AWARDS

The Company was recognised for best-in-class risk management practices that strengthen organisational resilience, operational continuity, and stakeholder confidence.

The Company has also received the following independent certifications, reflecting its strong commitment to environmental management, occupational health and safety, and energy management.

MEMBERSHIP OF VARIOUS INSTITUTIONS AND ASSOCIATIONS

NATIONAL		
	Indian Chemical Council	All India Rubber Industry Association
	Indian Rubber Institute	Indian Merchants Chamber

STATE		
	Thane-Belapur Industries Association	Dahej Industry Association

SDG

17 PARTNERSHIPS FOR THE GOALS

NOCIL'S SUSTAINABILITY JOURNEY

Board's Commitment

Under the stewardship of its Board of Directors, NOCIL remains committed to the highest standards of governance, ethics, and corporate responsibility. Guided by a robust Code of Conduct, the Company actively fosters a culture of transparency, accountability, and inclusivity across all levels of its operations.

The Company is focused on identifying and utilising opportunities through improved environmental stewardship, enhanced social performance, and sound governance. Priority areas include climate change mitigation, human rights protection, DE&I, and occupational health and safety.

Aligned with its long-term sustainability vision, NOCIL has adopted a comprehensive ESG Charter. The Charter standardises sustainability reporting and strengthens disclosure practices, ensuring consistency, transparency, and alignment with stakeholder expectations.

The ESG Charter defines the Company's strategic priorities, governance framework, and management systems. These elements embed ESG principles into core business processes. Recognising the interdependence between business, society, and the environment, NOCIL encourages active stakeholder participation across its ecosystem.

Furthermore, the ESG Charter is aligned with SEBI (Listing Obligations and Disclosure Requirements) Regulations, amended on May 5, 2021. It also complies with the Business Responsibility and Sustainability Reporting framework dated May 10, 2021, and the United Nations Sustainable Development Goals 2015. The Charter serves as a guiding document for the Board and Management, supporting oversight of key sustainability initiatives.

Core Committee on Sustainability

In 2021, the Company constituted a Sustainability Core Committee, marking a significant milestone in its sustainability journey. The Committee comprises key leaders, including the Managing Director, Group Heads, and the Company Secretary. It ensures the integration of environmental, social, and governance (ESG) principles across all operations.

Additionally, the Committee is responsible for developing and implementing the Company's sustainability strategy, including setting clear ESG objectives such as reducing carbon emissions, optimising resource use, and ensuring ethical sourcing across operations.

The Committee also provides strategic direction, approves sustainability policies, and refines practices to minimise environmental impact and uphold social values. It monitors performance, reviews progress, and promotes a culture of sustainability across the organisation, ensuring regulatory compliance and alignment with stakeholder expectations for long-term value creation.

Commitment to Protecting the Environment

NOCIL's leadership remains firmly committed to advancing objectives aligned with its core values and long-term sustainability goals. The Company believes engaged and responsible employees play a critical role in strengthening performance and driving sustainable success.

A balanced focus on environmental protection, social responsibility, and economic progress underpins NOCIL's approach to sustainable development. The Company seeks to address present needs while safeguarding the environment and the well-being of future generations.

Throughout the design, development, manufacturing, and delivery of its products, NOCIL adheres to the following sustainability principles:

- Reduce waste, Reuse materials, and Recycle wherever possible across both office and manufacturing operations.

- Conserve energy through efficient business processes.

NOCIL goes beyond regulatory compliance by integrating advanced technologies, including Green Chemistry, across its operations. The Company's Research Centre supports this effort through a skilled team focussing on cutting-edge environmental research and the promotion of sustainable practices through Green Chemistry.

Further demonstrating responsible corporate citizenship, NOCIL has implemented the 5S Workplace Organisation Method. The initiative enhances workplace safety, improves productivity, and supports waste reduction.

Innovation Driving Sustainability

NOCIL is proactively investing in product innovation and sustainable practices to meet future industry demands. Its research and development efforts are focused on creating sustainable solutions and cleaner processes that will drive future growth.

As part of this approach, the Company has undertaken several initiatives aimed at improving energy efficiency, resource optimisation, and environmental performance:

1. Increasing use of green electricity.
2. Optimisation of boiler parameters to increase boiler efficiency.
3. Changeover to biomass fuel stock as much as possible.
4. Novel catalytic processes to increase energy efficiency.
5. Improvement in atom economy by adopting various approaches to reduce raw material consumption.
6. Implementation of Carbon Capture Utilisation and Storage (CCUS).
7. Commencement of initiatives at the plant to increase the use of local suppliers and reduce upstream transportation.
8. A Soil Biotechnology (SBT) system has already been installed for wastewater treatment and to improve the quality of discharge water. Additionally, a Multiple Effect Evaporator (MEE) and a Reverse Osmosis (RO) plant have been installed to purify and reuse the treated wastewater.

The Company's Research Centre in Navi Mumbai is recognised by the Ministry of Science and Technology, Government of India. This recognition highlights NOCIL's commitment to high-standard, pioneering research.

It also enables the Company to collaborate with leading academic and research institutions. These partnerships help NOCIL stay aligned with scientific advancements and benefit from specialised expertise.

Supported by a skilled R&D team, NOCIL applies the principles of Green Chemistry to develop environmentally responsible solutions. This approach supports sustainable business growth and reinforces the Company's innovation agenda.

Health, Safety and Environment (HSE) Initiatives

Health and Safety remain core values of the Company and a priority across operations. The Company actively safeguards employee well-being across all manufacturing locations. Each facility operates a well-appointed Occupational Health Centre (OHC). These centres conduct regular and periodic medical examinations for employees. The Company also organises individual and group counselling sessions to promote physical and mental well-being. Health awareness programmes run throughout the year, focusing on relevant topics such as lifestyle changes.

Given the use of hazardous chemicals and complex processes, the Company treats safety as paramount. It actively fosters a strong safety culture through continuous awareness initiatives for employees, workers, and contractors. The Company delivers rigorous training in safe work practices, with strict adherence to established policies, systems, and procedures.

To reinforce this culture, the Company implements several proactive safety practices. These include systematic reporting and investigation of near-miss incidents and regular Safety Attitude Encouragement (SAE) rounds led by the Operations team. The Company tracks safety performance through defined **Key Performance Indicators (KPIs)**, including leading and lagging indicators. Senior leadership reviews these indicators during monthly Environment, Health and Safety (EHS) Review Meetings chaired by the Managing Director.

The Company further strengthens safety through robust Process Safety Management embedded within its risk assessment framework. It applies advanced methodologies such **as Hazard and Operability Study (HAZOP), Hazard Analysis (HAZAN), Pre-Startup Safety Review (PSSR), and Layers of Protection Analysis (LOPA)** to ensure operational integrity and risk control. In addition, the Company maintains strong emergency preparedness. It actively participates in Local and District Crisis Groups and conducts regular mock drills covering multiple emergency scenarios. These drills involve employees and, where appropriate, external stakeholders. The Company has earned recognition from communities and statutory authorities for timely disaster-response support.

Environmental protection remains integral to the Company's operating philosophy. The Company adheres strictly to pollution control norms and promotes responsible manufacturing practices. Through focused research and innovation, it works to reduce greenhouse gas emissions, conserve water resources, and optimise energy consumption.

The Company follows a comprehensive waste management programme based on the 3Rs strategy: Reduce, Reuse, and Recycle. At the Dahej facility, it deploys advanced effluent treatment technologies to minimise environmental impact. A dedicated research and development (R&D) team supports these efforts by advancing Green Chemistry and environmental research initiatives. The Company also maintains a safe and compliant work environment through regular monitoring of **Volatile Organic Compounds (VOCs)**, emissions from boilers and process stacks, noise levels, illumination, and ambient air quality.

The effectiveness of the Company's integrated Health, Safety, and Environment framework received external validation. Following an audit by the Indian Chemical Council (ICC) in November 2023, the Responsible Care certification was renewed for three years, from February 2024 to January 2027. The Company is among only 83 organisations in India to hold this global chemical industry certification. This recognition reflects its commitment to employee well-being, operational safety, resource efficiency, pollution prevention, and sustainable growth.

01

ORGANISATIONAL PROFILE

1.1 ABOUT NOCIL LIMITED

NOCIL is part of the Arvind Mafatlal Group and manufactures rubber chemicals globally. The Company supplies a wide range of rubber chemicals to a diversified international customer base. Its customers include all major tyre manufacturers and other natural and synthetic rubber producers.

The Company's Rubber Chemicals division has operated for over four decades across more than 40 countries. Over the years, NOCIL has built a strong reputation as a dependable and integrated supplier. It offers end-to-end solutions and positions itself as a one-stop partner for its customers.

Manufacturing Capabilities

NOCIL has two manufacturing sites with advanced technologies located at Navi Mumbai, Maharashtra, and Dahej, Gujarat. In addition, the Company has a wholly owned subsidiary, PIL Chemicals, based in Vapi, Gujarat. It also has two sister concern units under Shri Hap Chemicals, also located in Vapi. Together, these facilities enable efficient production to meet both global and domestic demand.

Navi Mumbai, Maharashtra

The Navi Mumbai plant was established in 1976 at Pawna village, Navi Mumbai. The facility is associated with the Thane Belapur Industrial Association. It is equipped with automated production systems, integrated utilities, and a quality testing laboratory. Furthermore, the laboratory is NABL-accredited under ISO 17025 standards. All raw materials, in-process samples, and finished products are tested in-house.

The plant is located in the Trans-Thane Creek Industrial Area within the Thane-Belapur industrial belt and is strategically positioned to manufacture a comprehensive range of rubber chemicals. Advanced technology and automated control systems ensure efficiency, consistency, and precision across operations. The plant also houses a NABL-accredited Marketing Technical Services (MTS) laboratory, which supports customers by addressing product application and utilisation requirements.

Dahej, Gujarat

NOCIL's Dahej plant commenced production in 2013 and is located approximately 45 kilometres from Bharuch District. Its strategic location provides proximity to the petrochemical industry and connectivity to Dahej and Hazira ports. With fully automated processes, the facility utilises in-house technology and process controls to ensure optimal operations.

PIL Chemicals Ltd., Vapi, Gujarat (Wholly Owned Subsidiary)

PIL Chemicals Ltd. is a wholly owned subsidiary of NOCIL. The manufacturing facility is located in Vapi, Gujarat. It undertakes specialised rubber chemical processing for NOCIL and focuses on polymer and chemical preparations.

1.2 NOCIL'S GEOGRAPHICAL PRESENCE

The Company's head office is in Mumbai, Maharashtra. It serves as the single contact point for international customers across more than 40 countries. The head office also functions as the Western Regional Office (WRO) for the domestic market. Additionally, there are regional offices for the convenience of local customers. These include the Northern Regional Office (NRO) in Delhi, Eastern Regional Office (ERO), and Southern Regional Office (SRO) in Chennai. The Company also has warehouses in Bhiwandi, Maharashtra, and Goa for storage and supply of finished products.
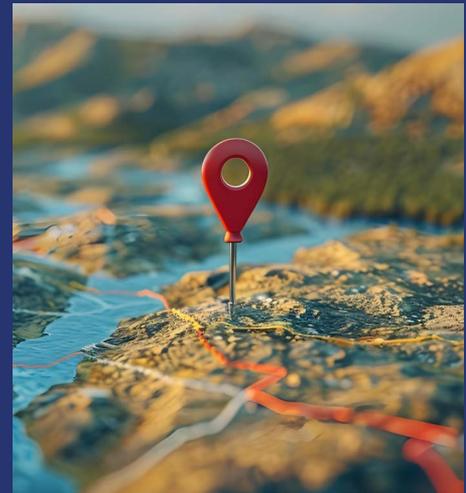
1.3 PRODUCTS AND SERVICES

NOCIL serves a diverse range of industries, including tyre, automotive, rubber goods, and other industrial segments. Its high-quality rubber chemicals are designed to meet distinct industry requirements, supporting innovation, sustainability, and consistent performance. Backed by extensive experience and a strong customer focus, the Company continues to be a trusted partner across global markets.

With a strong emphasis on innovation and sustainability, NOCIL aims to double its market share by using its existing product portfolio and expanding in key regions such as Asia, Europe, and the US. This strategic focus is expected to drive long-term growth while strengthening the sustainability of both tyre and non-tyre industries.

Products

For Industrial Rubber Components

INDUSTRIAL RUBBER COMPONENTS

O-Rings, Seats, Gaskets, Rubber Bushes, Boots, and Vibration Dampers

RUBBER BELTS

Engine Timing Belts, Transmission Belts, and Conveyor Belts

For Other Industries

LATEX PRODUCTS

Latex Foam, Dipped Latex Goods, and Latex Threads

FOOTWEAR

Safety Boots and Rubber Soles

For Industrial Rubber Components

Anti-Degradants and Antioxidants

These are ingredients in rubber compounds that deter ageing and inhibit degradation caused by oxygen, thereby enhancing service life.

Accelerators

These ingredients increase the speed of vulcanisation, enabling the process to occur at lower temperatures with greater efficiency.

Other Applications

These applications include pre-vulcanisation inhibition, post-vulcanisation stabilisation, and latex-based uses, improving the thermal stability of cross-links in rubber products.

Services

Labelling

The rubber industry requires comprehensive labelling to ensure safety, traceability, and regulatory compliance across markets. Labelling standards vary by product type and geography, aligned with applicable national and international regulations. Packaging sizes typically range from 25 kg to 1,000 kg, supplied in paper bags or Flexible Intermediate Bulk Containers (FIBCs), based on customer requirements.

Each package clearly displays essential information, including company name and address, product trade name, general instructions, first-aid guidance, bag number,

date of manufacture (DOM), batch number, and proper shipping name.

Packaging also includes hazard and precautionary statements, GHS hazard symbols, and signal words, in line with European Chemicals Agency guidelines under the CLP framework. All packages are UN-certified, with certification issued by the Indian Institute of Packaging and approved by the Director General of Shipping, Government of India. This certification is mandatory for both sea and air transportation.

Under the International Maritime Dangerous Goods (IMDG) Code, rubber chemicals and compounds are classified as Class 9 substances. Products identified as marine pollutants carry the prescribed IMDG marine pollutant symbol. These labelling requirements communicate chemical hazards, support effective risk management, and protect the environment. Robust labelling practices are critical to enabling global trade, ensuring compliance, and safeguarding workers across the rubber value chain.

1.4 SUPPLY CHAIN AND BUSINESSES

Supply Chain

The Company's Supply Chain Policy outlines its approach to identifying and managing risks and opportunities. These relate to contracting, procurement, and the delivery of supplies and services at both corporate and project levels.

Through this framework, the Company seeks to build sustainable and resilient commercial relationships. This focus is particularly important given the use of hazardous chemicals in production. It is also critical due to reliance on raw materials linked to the petroleum value chain. As a result, the supply chain plays a central role in NOCIL's sustainability efforts.

To strengthen this role, NOCIL continuously enhances Supply Chain effectiveness and efficiency. This is achieved through closer integration with business partners. In parallel, responsible practices are reinforced through structured supplier engagement. New suppliers are screened against defined environmental criteria. Any identified impacts are then actively addressed.

In recognition of these efforts, the Company was acknowledged for aligning procurement practices with global sustainability standards. This alignment reflects its commitment to responsible sourcing and transparent supply chains, including adherence to ISO 20400:2017.

Further reinforcing this approach, the Company's Supplier Code of Conduct incorporates a Human Rights clause. This clause is embedded within supplier agreements to promote ethical business conduct. Regular supplier audits support compliance and continuous improvement. These audits place particular emphasis on environmental performance across the value chain.

Together, these measures demonstrate NOCIL's commitment to sustainability, transparency, and accountability throughout its supply chain.

NOCIL's aim is to focus on:

Customer Centricity

- Fulfilling demand for flexible supply options.
- Minimising lead times to support customer production.
- Tailoring Supply Chain solutions to specific customer requirements.

Sustainability

- Reducing the overall carbon footprint.
- Meeting applicable local government regulations.

Business Relationships

As one of the few companies offering a comprehensive range of rubber chemicals, NOCIL effectively meets diverse customer needs. Building on decades of experience, the Company operates as a one-stop solution provider. This positioning has enabled NOCIL to be recognised as a reliable and trusted supplier. Its strong technical expertise further strengthens this reputation and provides the Company with a competitive advantage in the market.
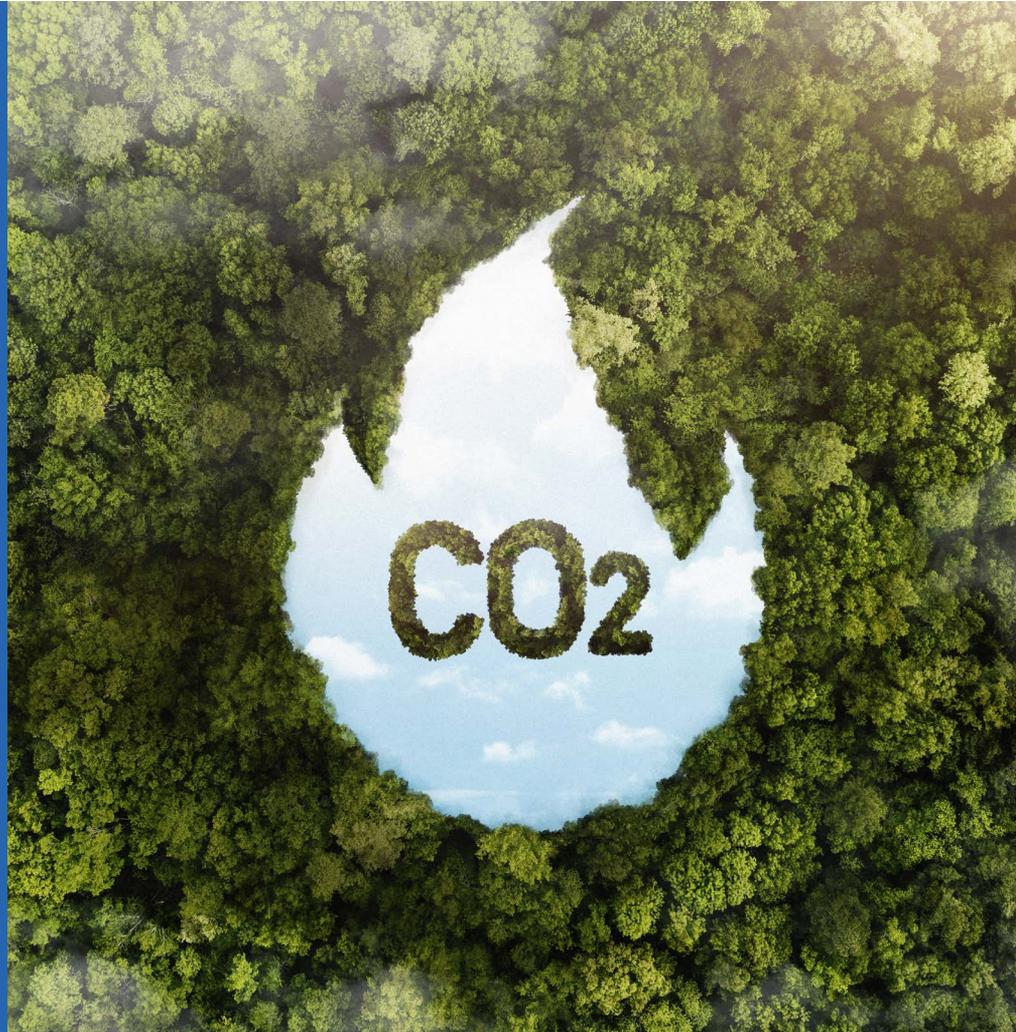
Over the years, this consistent focus has supported NOCIL's growth and scale. Today, the Company stands as India's largest manufacturer of rubber chemicals. Its operations are supported by advanced technology, embedded across production processes.

These strengths are reinforced by an integrated value chain and a broad product portfolio. They are further complemented by a robust marketing network, expert technical support, and an extensive distribution channel. In parallel, the Company's continued investment in research and development drives innovation. This ensures alignment with evolving industry trends and the consistent delivery of high-quality products.

Collectively, these operational capabilities form the core of NOCIL's strategy. They also provide a strong foundation for long-term, sustainable growth.

02

MATERIALITY

DEFINING SUSTAINABILITY PRIORITIES THROUGH STAKEHOLDER INSIGHT

NOCIL conducts materiality assessments to identify the issues that play a significant role in its ability to create sustainable value. By factoring in Stakeholder perspectives in the assessment process, the Company ensures alignment with the expectations surrounding its products and services. Insights from these assessments are integrated into the Company's Sustainability roadmap and business disclosure practices, strengthening the connect between intent and on-ground action.

In its latest materiality assessment conducted in 2024, NOCIL identified and prioritised topics that enable it to remain responsive to evolving risks, opportunities and stakeholder concerns.

Through this assessment, NOCIL systematically identifies and prioritises the most significant Environmental, Social, and Governance (ESG) issues relevant to both the industry and its diverse stakeholder groups.

Beyond strategy and planning, materiality assessments play a critical role in strengthening transparency and accountability. By clearly articulating what matters most, NOCIL reinforces trust with stakeholders while ensuring that sustainability remains an integral part of business decision-making. This approach supports the Company's commitment to Sustainable Chemistry and Responsible Environmental Stewardship, while creating a clear line of sight between stakeholder priorities and organisational goals.

2.1 MATERIALITY FRAMEWORK

The Company operates on the principle that long-term value creation depends on aligning business objectives with the broader needs of the economy, the environment, and society. To support this, it has developed a robust materiality assessment framework that helps prioritise business activities based on their potential impact and relevance. Oversight of this framework rests with the Core Committee on Sustainability, which ensures that material considerations remain aligned with the Company's sustainability direction. To operationalise this commitment, NOCIL has established a materiality assessment designed to bridge its day-to-day functions with its sustainability goals. This framework serves as the primary mechanism for identifying and embedding ESG priorities into the Company's broader business strategy.

The system follows a structured approach that engages both internal and external stakeholders to capture a diverse range of perspectives. To ensure alignment with global standards and maintain transparency, NOCIL utilises industry-specific benchmarks, such as the **Global Reporting Initiative (GRI)** guidelines. This process involves a thorough analysis of qualitative and quantitative data, covering critical areas like environmental impact, community engagement, employee welfare, supply chain practices, and regulatory compliance.

By applying this systematic methodology, the Company is able to:

- Identify and prioritise the Environmental, Social, and Governance (ESG) issues most material to the business and its stakeholders.
- Develop targeted sustainability strategies and set measurable performance goals.
- Enhance overall operational efficiency through better-informed decision-making.

Regular reviews and updates of the materiality matrix ensure the framework remains relevant to evolving market dynamics. Through this approach, the Company continues to pursue growth that is economically viable and environmentally responsible, reaffirming its commitment to corporate citizenship.

2.2 PRIORITISATION PROCESS

Building on the outcomes of the materiality assessment, NOCIL's prioritisation process focuses on how identified sustainability issues are examined, refined and translated into clear areas of focus. The Company analyses the relationships and impacts of these key issues to ensure that strategy and reporting remain aligned with current and emerging stakeholder expectations, evolving business needs, and relevant market trends.

Materiality Process

The prioritisation process applies the outputs of the materiality assessment through the following stages:

1 Identifying Relevant Material Issues

2 Stakeholder Collaboration and Consultation

3 Determining Priority Material Issues

4 Consolidating Material Topics
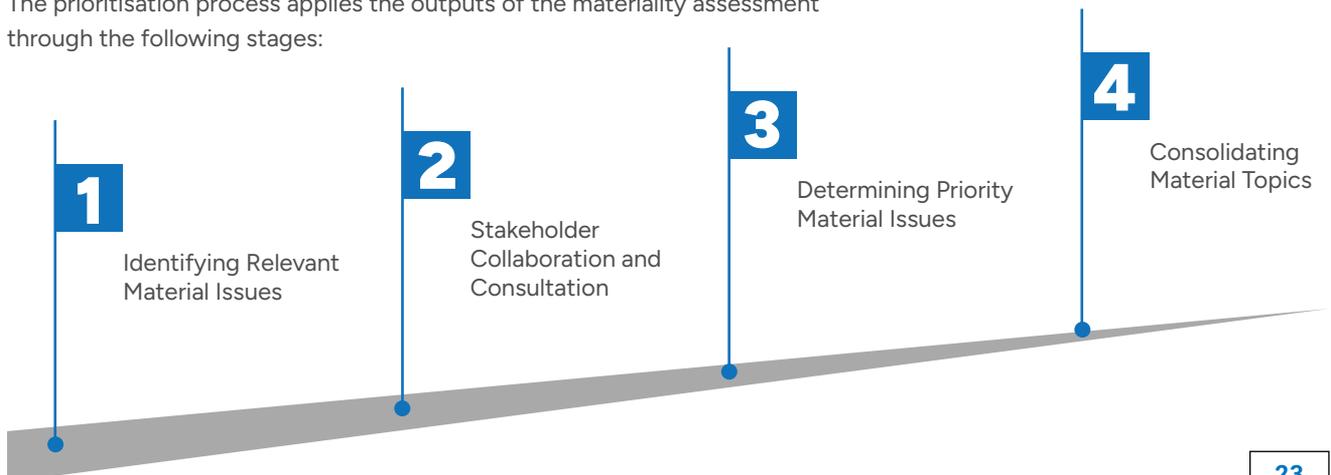
2.2.1 Phase 1: Identify Relevant Material Issues

In this phase, NOCIL reviewed the Universe of sustainability issues identified through the materiality assessment, drawing on multiple reference points, including the Company's previous materiality matrix, recognised sustainability reporting frameworks such as GRI and SASB, and disclosures published by peer companies. Given the breadth of sustainability topics, the objective at this stage was to focus on issues most relevant to the Company's business operations and stakeholder expectations.

This mapping and prioritisation exercise helped clarify key focus areas and identify potential partners for collaboration. Stakeholder groups were selected based on the relevance and credibility of their expertise in material ESG issues, ensuring that inputs were informed and constructive. Feedback was gathered from a diverse range of stakeholders capable of providing meaningful insights on the issues under consideration. To reinforce the link between sustainability and business performance, the identified material ESG issues were aligned with key business drivers such as risk mitigation, customer satisfaction, revenue growth, and employee retention. This alignment ensures that sustainability priorities directly support NOCIL's strategic objectives and long-term performance.

2.2.2 Phase 2: Stakeholder Collaboration and Consultation

At this stage, key management and business leaders assessed the identified issues based on their relative importance to the Company. Their inputs helped the assessment team to evaluate how each issue influences business success. External stakeholders were engaged alongside this internal assessment and invited to rank the same issues, ensuring that business perspectives were tested against external expectations.

Stakeholder engagement was integral to the materiality assessment, bringing independent insight and enhancing the credibility of the outcomes. The Company also consulted subject matter experts to deepen its understanding of specific ESG topics and to guide the assessment with informed, objective perspectives.

2.2.3 Phase 3: Determining Priority Material Issues

At this stage, data gathered from both internal and external stakeholders is consolidated into a structured framework supported by a quantitative ranking system. This approach translates qualitative inputs into numerical scores, enabling mapping and prioritisation of key issues.

Identifying core material issues is a critical step in NOCIL's materiality assessment process. Each identified topic is systematically evaluated to understand its relevance and potential impact on the Company's operations as well as on its stakeholders. Through this detailed analysis, NOCIL assesses the risks and opportunities associated with each material issue.

The assessment takes into account various factors, including the scale of potential impact, stakeholder concerns, regulatory requirements, industry benchmarks, and alignment with the Company's strategic objectives and core values. To maintain consistency with global sustainability standards, NOCIL also refers to established frameworks such as the Global Reporting Initiative (GRI).

By applying this structured decision-making framework, NOCIL determines the relative importance of material issues and focuses on those that have the most significant influence on its operations, stakeholder expectations, and long-term sustainability goals.

This enables effective resource allocation, clear goal setting, and the development of targeted action plans, supporting sustainable performance and a positive impact on society and the environment.

2.2.4 Phase 4:
Consolidating Material Topics

The consolidation of material topics marks the final stage of the materiality assessment, where the identified and prioritised issues are combined into a unified framework. This process involves integrating insights from stakeholder engagement, internal analysis, and external benchmarks to develop a comprehensive understanding of the most critical topics for the Company.

By carefully examining the connections and overlaps between various issues, NOCIL groups related subjects into broader, overarching categories. This consolidation helps refine the Company's objectives and creates a clear and concise framework that effectively addresses the sustainability risks and opportunities the Company faces.

The consolidation process ensures that the outcomes of the materiality assessment

are practical, manageable, and actionable, providing a solid foundation for the development of the Company's sustainability strategies, goal setting, and reporting practices.

By organising and integrating key topics, NOCIL enhances its ability to prioritise and address the most important issues efficiently, aligning its efforts with stakeholder expectations and fostering the creation of lasting value.

2.3 MATERIALITY MATRIX
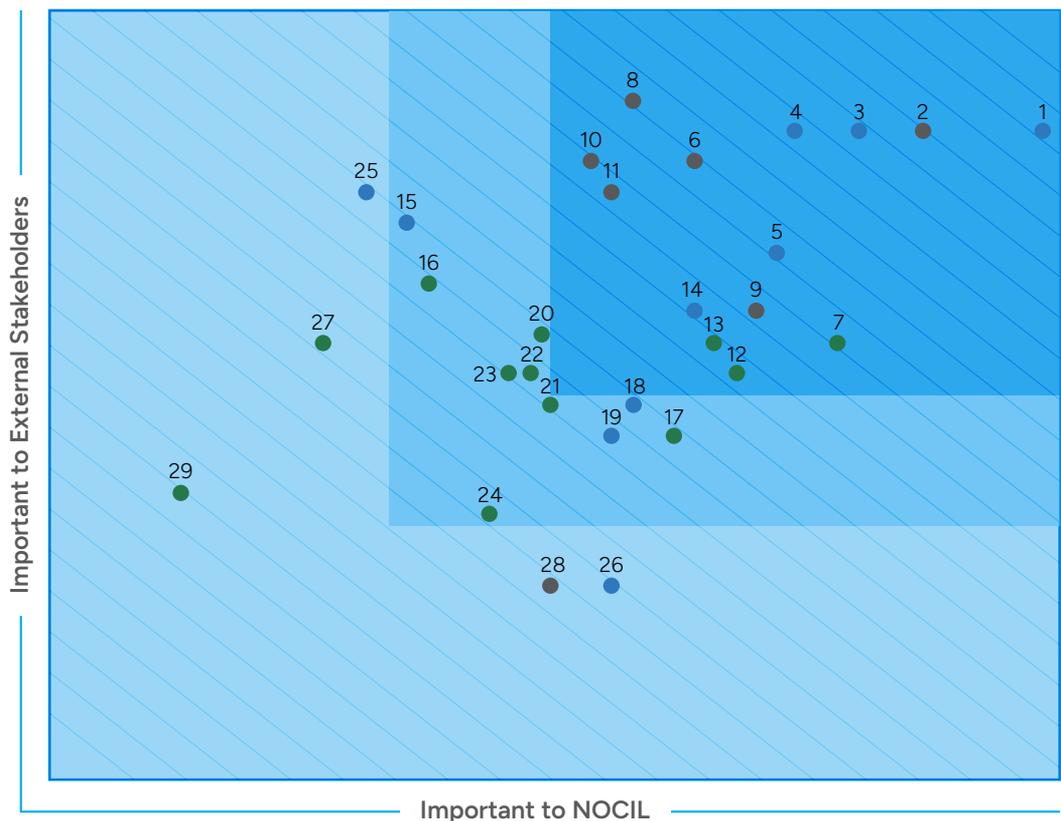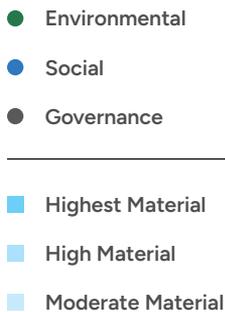
Highest

1. Child Labour and Young Workers
2. Regulatory Compliance
3. Forced or Compulsory Labour
4. Operational Safety and Emergency Preparedness
5. Responsible Marketing and Labelling
6. Organisational Governance
7. Environmental Regulation
8. Anti-Corruption and Anti-Money Laundering
9. Process Safety and Emergency Preparedness
10. Procurement Practices
11. Economic Performance
12. Prevention of Pollution
13. Environmental Stewardship
14. Employee Health and Safety

High

15. Training and Education
16. Recycling Materials
17. Water and Effluents
18. Responsible Sourcing
19. Freedom of Association
20. GHG Emissions
21. Energy Management
22. Effluents and Waste
23. Air Quality
24. Green Energy

Moderate

25. Diversity, Equity and Inclusion (DE&I)
26. Collective Bargaining
27. Product Design for Use Material
28. Operational Changes
29. Reclaiming Products and Packaging Materials

03 APPROACH TO GOVERNANCE

Arvind Mafatlal Group

3.1 GOVERNANCE STRUCTURE AND COMPOSITION

At NOCIL, a resilient corporate culture is key to its robust governance. The Company's leadership advances objectives that remain aligned with its core values and long-term sustainability priorities.

09
Board Members

06
Independent Directors

Corporate governance forms the foundation of NOCIL's approach to sustainability, guiding the integration of Environmental, Social, and Governance (ESG) principles into its overall strategy and operations.

The Company's Corporate Governance Policy is built on the pillars of transparency, fairness, equity, accountability, and full disclosure. These principles protect stakeholder interests and support long-term value creation. NOCIL adheres to governance practices outlined in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46, and Parts C, D, and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Leadership focus on governance standards remains integral to building trust and sustaining a resilient corporate culture. At its core, the governance framework is designed to nurture a principled organisation that creates enduring value for all stakeholders.

NOCIL has established itself as a well-governed corporation with an excellent reputation as a 'Global Partner of Choice', a recognition the Company seeks to protect, strengthen, and build upon.

In 2024-25, NOCIL's Board comprised nine directors, including one woman director, in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013. The Company has also adopted a **Code of Conduct** for Directors, along with a Code for Fair Disclosure and Conduct in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. Strong financial and internal controls, effective compliance systems, and a comprehensive risk management framework continue to uphold high standards of governance and ethical business conduct.

Corporate Governance Policy Pillars

Transparency	Fairness	Equity	Accountability	Disclosure

SDG

3.1.1
Board of Directors

Mr. Hrishikesh A. Mafatlal
Executive Chairman

Mr. Hrishikesh A. Mafatlal, Executive Chairman and Promoter Director of NOCIL, provides strategic leadership to the organisation and also serves as Chairman of the Arvind Mafatlal Group (AMG). He holds a degree in commerce (Hons) from Sydenham College, completed in 1975, and the Advanced Management Programme (AMP) at Harvard Business School in 1993. He previously served on the Board of Governors of IIM Ahmedabad for 12 years from 1995 to 2007 and as Vice Chairman of the Cotton Textiles Export Promotion Council (TEXPROCIL). His professional journey reflects sustained engagement in leadership, governance, and industry advancement.

Mr. Anand V. S.
Managing Director

Mr. Anand V. S. was appointed Managing Director with effect from August 1, 2023. He holds a bachelor's degree in chemical engineering and a postgraduate diploma in management from MDI Gurgaon. With over 27 years of experience in the chemical industry, he brings expertise across business management, sales and marketing, strategy, and operations. His career spans multiple divisions of BASF in India and internationally. Additionally, prior to joining NOCIL, he served as Managing Director of Chemetall India, a BASF Group company.

Mr. Priyavrata H. Mafatlal
Non-Executive Director

Mr. Priyavrata H. Mafatlal holds a degree in marketing and is an alumnus of Harvard Business School, Boston, an academic foundation that supports his leadership responsibilities. He was appointed to the Board as a Non-Executive Director with effect from May 8, 2017, and is part of the Arvind Mafatlal Group (AMG). He is also the son of Mr. Hrishikesh A. Mafatlal, Executive Chairman of the Company. Alongside his Board role, he serves as Managing Director of Mafatlal Industries Ltd., bringing over 15 years of experience across sales and marketing, strategy, and leadership.

Mr. Debnarayan Bhattacharya
Independent Director

Mr. Debnarayan Bhattacharya serves as an Independent Director and holds a B. Tech (Hons.) in chemical engineering from IIT Kharagpur, along with a B.Sc. (Hons.) in chemistry from Presidency College, Kolkata. He has held key leadership roles, including Vice-Chairman of Hindalco Industries and Novelis Inc., and has also served on the Board of Vodafone Idea Ltd. Additionally, his industry knowledge and governance experience contribute meaningfully to NOCIL's strategic oversight.

Mr. Sujal Shah
Independent Director

Mr. Sujal Shah, a practising Chartered Accountant with over 33 years of experience, serves as an Independent Director on the Board. He is the founder partner of SSPA & Co., Chartered Accountants, Mumbai, and specialises in corporate consultancy. His areas of expertise include financial valuation for mergers & acquisitions, brand valuation, business restructuring, family settlements, succession planning, and general corporate advisory. Mr. Shah also serves as an Independent Director on several boards, and his breadth of experience contributes meaningfully to the Company's strategic and governance frameworks.

Mr. Ramesh Iyer
Independent Director

Mr. Ramesh Iyer holds a bachelor's degree in commerce and a master's degree in business administration. He previously served as Vice Chairman and Managing Director of Mahindra & Mahindra Financial Services Ltd., bringing with him extensive experience in the financial services sector. He currently serves as an Independent Director on several boards, where he contributes his industry knowledge and leadership experience to governance and strategic oversight.

Mr. A. Vellayan[#]
Independent Director

Mr. A. Vellayan holds a bachelor's degree in commerce from Shri Ram College of Commerce, a diploma in industrial administration from Aston University, UK, and a master's degree in business studies from Warwick Business School, UK. With expertise in fertilisers, general management, and financial planning, he brings valuable insights to the Board. He was conferred the Doctor of Science (Honoris Causa) by Tamil Nadu Agricultural University. Mr. Vellayan chairs IIM Kozhikode and Coromandel International Limited and also holds directorships at Ambadi Investments and AMM Foundation. Additionally, his previous leadership within the Murugappa Group further reflects his strategic acumen.

([#]Mr. Vellayan passed away on November 17, 2025)

Ms. Radhika Haribhakti
Independent Director

Ms. Radhika Haribhakti brings over three decades of experience in commercial and investment banking, having held leadership roles at Bank of America, JM Morgan Stanley, DSP Merrill Lynch, and RH Financial. She holds a degree in commerce and a postgraduate diploma in management from IIM Ahmedabad. As an Independent Director on several corporate boards, she brings sharp strategic insight and strengthens the Company's governance and decision-making framework.

Mr. Vilas R. Gupte
Independent Director

Mr. Vilas R. Gupte brings over four decades of experience across finance, legal, and commercial functions in various companies. A seasoned Chartered Accountant, he previously served as Chief Executive Officer of NOCIL until July 2005 and continues to advise through a Business Solutions Consultancy. His expertise and continued association support the Company's strategic direction and governance.

3.1.2 Sustainability Governance

The Board has adopted and implemented an ESG Charter to formalise sustainability reporting and strengthen transparent disclosure across all levels of the Company.

The Charter provides a structured basis for the Board and Management to oversee key focus areas like climate change, human rights protection, and diversity and equity.

A Core Committee comprising the Managing Director and the Group and Function Heads, supported by the Company Secretary, has been formed by the Board with the following objectives:

1. To track sustainability initiatives within defined ESG parameters and monitor compliance with the regulatory and statutory requirements, alongside alignment with leading global sustainability standards.

2. To consider and approve ESG policies required for sustainability initiatives and oversee their implementation across the Company through training programmes, internal dissemination through mail, and publication on the corporate website.

3. To consider and approve the appointment of technical and legal consultants engaged in compliance-related matters.

Sustainability Core Committee

MR. ANAND V.S.
Managing Director

MR. R. M. DESAI
VP Operations Admin - IR and CRO

DR. NARENDRA GANGAL
VP - QA, TQM, Analytical Research

DR. VIKAS PADALKAR
VP - Research & Development

MR. ASHWIN BHENDE
VP - Process Engineering, Technology & Project

MR. MILIND SHEVTE
VP - Marketing

MR. AMIT VYAS
Head - Legal & CS

MR. SURESH SHETTY
AVP - Operations

MR. SHAILESH SANGLE
GM - Purchase

3.1.3
Risk Management Committee of the Board

NOCIL recognises that risk is inherent across corporate, administrative, and commercial activities and that unmanaged risks can disrupt the achievement of strategic and operational objectives.

To address this, the Company has instituted a well-defined Risk Management System as a core element of its corporate governance framework, recognising risk management as foundational to effective leadership and sound governance. The system enables the Company to anticipate, identify, and manage risks proactively, limit adverse impacts, and support the consistent achievement of business objectives. A key focus is the systematic analysis of incidents and trends, allowing learnings to inform future preparedness and continuous improvement.

Central to this framework is a comprehensive Risk Management Policy, supported by focused oversight across risk exchange, legal and statutory compliance, human capital and succession planning, market dynamics, competitor activity, and the execution of investment initiatives, including measures to reduce delays and optimise resource utilisation.

The link to access the policy is provided below:

https://www.nocil.com/wp-content/uploads/2023/11/NOCIL-RISK-MANAGEMENT-POLICY.pdf

The Risk Management System is aligned with international standards such as ISO 31000, which positions risk management as an enabler of value creation, performance improvement, strategic alignment, stakeholder inclusion, and continual enhancement. The framework also reflects governance practices prescribed under SEBI LODR regulations, including committee composition, meeting frequency, governance scope, and the consideration of sustainability-related risks.

Through this integrated approach, the Company strengthens decision-making, enhances performance, and embeds risk awareness across management and governance levels. The Risk Management Committee regularly evaluates emerging regulatory developments to ensure timely adaptation. Overall, this structured risk governance approach supports the Company's ability to navigate complexities, safeguard stakeholder interests, and sustain long-term value creation.

> **The RMC discharges a critical function by periodically reviewing the following:**

1. Enterprise Risk Management (ERM)

Sustainability developments across ESG parameters, including periodic upgrades to environmental standards at all manufacturing locations and ancillary units, ensuring Company standards exceed local regulatory thresholds.

2. Process Technology Updates

Review of process technology developments and their timely incorporation to ensure continued operational competitiveness.

3. Business Continuity Plan

Integration of the risk management framework with business continuity and crisis management programmes.

4. IT/Cybersecurity

Annual review of the effectiveness of IT and cybersecurity systems and examination of specific risks referred to by the Board, based on information placed before the Committee by management.

5. Forex Fluctuation Risk

Annual review of foreign exchange risk management effectiveness and the benefits realised during the year, with guidance provided for system improvements where required.

6. Investment Proposals

Review of key risks associated with investment proposals exceeding defined thresholds, along with corresponding mitigation plans.

7. Legal and Statutory Compliance

Guidance to management on strengthening mechanisms to monitor, control and drive statutory compliance across operations, with status reviewed annually.

8. Exploration of Diversification Opportunities

Review of strategy-related risks, including business diversification, underlying assumptions in strategic decisions, and risks arising from strategy execution.

Chief Risk Officer (CRO)

NOCIL has appointed Mr. R. M. Desai as Chief Risk Officer (CRO), an Independent Executive with familiarity across operational and strategic risk domains. He holds sole responsibility for the implementation and oversight of the Risk Management Policy, ensuring independence and the absence of conflicts arising from concurrent leadership roles. The Risk Management Committee (RMC), whose composition, terms of reference, and meeting frequency are detailed in the Corporate Governance Report, supports the Board and provides guidance on the CRO's appointment, performance, and remuneration.

Function and Group Heads, accountable for specific risk areas, are invited to RMC meetings to present mitigation measures. The CRO leads enterprise-wide risk management activities covering internal and external risks, including identification, analysis, mitigation, and continuous monitoring, aligned with ISO 31000 and regulatory expectations of independent oversight.

On a quarterly basis, the Board reviews a detailed Risk Assessment Statement that evaluates controls and responsibilities on a scale of 1 to 5 across key risk areas, including regulatory compliance, equipment downtime, supply volatility, environmental risks, and operational disruptions.

3.2 ETHICS AND COMPLIANCE

NOCIL has established and implemented a comprehensive Ethics & Compliance Policy, guided by the following considerations:

1 The chemical manufacturing industry operates in a highly sensitive environment, where strict adherence to ethical conduct and regulatory standards is essential. Given the handling of potentially hazardous substances, responsible practices across the manufacturing process are critical. At NOCIL ethical conduct and compliance are treated as integral to the Company's sustainability approach. This commitment is fundamental to protecting the health and safety of employees, safeguarding surrounding communities, and reducing environmental impact. Embedding these principles into operations enables the Company to uphold accountability and contribute to a safer and more sustainable chemical industry.

2 Strong ethical standards and regulatory compliance are fundamental to safety, sustainability, and long-term business continuity in the chemical sector. They play a critical role in mitigating risks such as accidents, leaks, and spills that could harm people and the environment. Consistent adherence to laws and ethical norms builds trust with customers, employees, investors, regulatory bodies, and the wider public, strengthening credibility, accountability, and long-term business projects.

3 Compliance with legal and regulatory frameworks is mandatory for all industries, particularly those involved in chemical manufacturing, where the consequences of non-compliance can be severe. These may include legal actions, financial penalties, reputational damage, and even suspension of operations. Implementing robust compliance mechanisms helps companies manage legal risks effectively and maintain smooth, uninterrupted operations.

4 The chemical industry also has a significant environmental footprint. Therefore, ethical practices and compliance measures enable companies to control emissions, manage waste responsibly, reduce pollution, and promote sustainability. These efforts contribute to the protection of natural resources, the preservation of biodiversity, and the overall reduction of environmental impact. Sustainable practices are essential in aligning the industry's operations with broader global goals for climate action and environmental conservation. Moreover, fostering an ethical and compliant workplace environment directly impacts employee safety and well-being. This includes providing appropriate training, protective gear, and well-defined safety protocols to prevent accidents and minimise exposure to hazardous materials. When employees feel safe, respected, and valued, it enhances their motivation, productivity, and long-term commitment to the organisation. By integrating ethical principles and compliance into its core operations, a chemical manufacturing company can develop responsible and resilient business practices. This ensures that decision-making processes consider not only financial outcomes but also social and environmental impacts. In doing so, companies can achieve long-term sustainability while creating meaningful value for society.

5 To ensure robust compliance across all functions, NOCIL has implemented a cloud-based regulatory compliance software tool developed by M/s. AVENTIS (now Team Lease), a leading provider of regulatory technology solutions. This system supports adherence to all applicable laws and statutory requirements by clearly identifying responsibilities across various departments. It enables the Managing Director to present a comprehensive Quarterly Compliance Certificate to the Board, backed by certificates from function and group heads. These heads are regularly updated on legal requirements relevant to their functions and are responsible for delegating specific compliance tasks to appropriate personnel.

The software enhances compliance management through features such as real-time updates on regulatory changes, impact analysis, task tracking, and structured training for both task performers and reviewers. It also ensures proper delegation of responsibilities, maintaining transparency and accountability at all levels. This digital solution has enabled the company to streamline compliance processes, making them paperless and highly efficient.

6 Furthermore, NOCIL uses this tool to monitor and manage compliance for operating permits, environmental clearances, and water permits for both ongoing and new projects. Regular reviews help avoid legal risks and ensure uninterrupted operations, safeguarding the Company's reputation and maintaining its strong presence in the market.

Arvind Mafatlal Group

3.2.1
Policy Commitments

Adhering to ethical principles and complying with established regulations are essential for maintaining the safety, efficiency, and long-term success of a chemical manufacturing enterprise. These practices help safeguard employees, protect communities and the environment, and uphold the Company's reputation.

Ethical and compliant operations ensure that legal requirements are consistently met while fostering transparency and trust with stakeholders. Beyond regulatory obligations, this commitment demonstrates corporate responsibility and promotes a culture of accountability. It also strengthens relationships with regulators, customers,

and the public. By integrating ethics and compliance into everyday operations, companies can create a safer workplace, reduce risks, and contribute to a more sustainable and responsible industry. This approach is vital for long-term resilience and positive social and environmental impact.

All the policies are available on the website: www.nocil.com

- Business Ethics Policy
- Code of Fair Disclosure Conduct to Regulate, Monitor and Report Trading by Insiders
- Code of Conduct for Directors and Senior Management Personnel
- Conflict of Interest Policy
- Corporate Gifting Policy
- Corporate Sustainability Policy
- Corporate Social Responsibility (CSR) Policy
- Dividend Distribution Policy - 2018
- ESG Charter
- Fair Competition Policy
- Familiarisation Programme for Independent Directors
- Grievance Policy for External Stakeholders
- Human Rights Policy
- Investor Grievance Redressal Policy
- NOCIL Risk Management Policy
- Policy for Determining Material Subsidiaries
- Policy on Appointment of Directors & Board Diversity
- Policy on Diversity, Equality & Inclusion

- Policy on Materiality of Events
- Policy on Prevention of Sexual Harassment
- Policy on Related Party Transaction
- Policy on Remuneration
- Privacy Policy
- Social Media Policy
- Vigil Mechanism and Whistleblower Policy
- Criteria for Making the Payments to NEDs
- Terms of Appointment for Independent Directors
- HIV Policy
- Supplier Code of Conduct
- Sustainable Procurement Policy
- FAQs - Insider Trading Code
- Policy on Preservation and Archival of Documents Records
- ESOP Scheme 2013
- Quality Management Service - Investor Servicing Policy
- Long-term Incentive Plan

3.2.2
Political Contributions

NOCIL does not make any contribution to political parties.

SDG

8 DECENT WORK AND ECONOMIC GROWTH

3.3 FAIR BUSINESS PRACTICES

Fair governance practices are essential to safeguarding accountability, promoting ethical decision-making and ensuring compliance with legal and regulatory requirements. Such practices also help build trust among stakeholders, including investors, customers, and business partners. Through transparent governance, NOCIL reinforces its commitment to integrity, sound business practices, and responsible management.

Strong stakeholder relationships are grounded in transparency and fairness across all interactions. Open and consistent communication supports collaboration, builds confidence, and reduces the risk of conflict or misunderstanding. When stakeholders gain a clear view of the Company's values, performance, and societal and environmental impact, their engagement becomes more informed and constructive.

Through openness and honesty, NOCIL listens to stakeholder concerns, earns their confidence, and builds long-term, mutually beneficial relationships. This culture of transparency strengthens trust and supports sustained, positive engagement with stakeholders across the business ecosystem.

3.3.1
Enforcement of Anti-Corruption Policy

By introducing an Anti-Corruption Policy, NOCIL has fostered a corporate culture rooted in integrity and ethical conduct. The Company enforces stringent prohibitions against bribery, kickbacks, and all forms of corrupt behaviour, ensuring that operations remain fair, transparent, and compliant with applicable laws and regulations. This clear stance upholds legal and ethical standards, while protecting the Company from reputational and legal risk. Moreover, by proactively addressing corruption-related risks, the policy also strengthens NOCIL's ability to build and sustain strong business relationships. Over time, this approach reinforces stakeholder trust, preserves credibility, and supports sustainable and honest engagement.

SDG

3.3.2
Enforcement of Policy Prohibiting Anti-Competitive Trade Practices

Preventing and addressing anti-competitive behaviour is essential to sustaining a fair business environment and healthy market dynamics. NOCIL upholds this principle by refraining from practices like price fixing, collusion, or monopolistic conduct, thereby supporting competition that drives innovation, operational efficiency, and customer satisfaction. This approach not only protects the Company's interests but also contributes to the broader industry by promoting fair economic growth and reinforcing market integrity.

During 2023-24, and 2024-25, no disciplinary action was initiated by any law enforcement agency against any of NOCIL's Directors, Key Managerial Personnel (KMPs), employees, or workers on grounds of bribery or corruption. As no such instances occurred, no corrective measures were required, nor were there any unfavourable rulings from regulatory authorities relating to anti-competitive conduct or similar issues.

3.3.3
Preventing Conflict of Interest

Conflict of interest can significantly affect NOCIL's reputation and operational effectiveness. Such situations arise when an employee's objectivity, essential to performing their role and responsibilities, is influenced by actual, perceived, or potential personal, financial, or non-financial interests. To prevent such scenarios, NOCIL has implemented a comprehensive policy applicable to all employees, including regular and contractual personnel, across its Navi Mumbai and Dahej plants, Mumbai head office, and regional offices and godowns. The policy clearly defines prohibited activities and outlines employees' responsibilities in identifying, avoiding, and managing conflicts. Any intentional or negligent breach of this policy results in disciplinary action by the Company.

3.3.4
Collective Bargaining Agreements

The Company acknowledges employees' right to assemble, communicate, and associate with groups of their choice, in line with corporate policies, procedures and applicable laws. NOCIL respects employees' freedom to participate, or not, in its Internal Employee Resource Group and to engage in collective bargaining in accordance with local regulations.

The Company also maintains collective bargaining agreements, which currently cover approximately 10.5% of its workforce.

SDG   3 GOOD HEALTH AND WELL-BEING   5 GENDER EQUALITY

04

ECONOMIC PERFORMANCE

4.1 Economic Value Distributed and Created

Understanding the trajectory of major global economies over the past decade provides essential context for assessing business outlook. It helps identify potential opportunities, emerging risks while informing realistic mitigation strategies for the period ahead.

The global economy in 2024-25 remained uneven, shaped by persistent inflation in advanced economies, cautious monetary tightening, and geopolitical uncertainties affecting global trade and energy flows. Global GDP growth moderated to approximately 2.9%, as per the IMF. Manufacturing segments relevant to the chemical industry such as automotive, construction, and consumer goods, showed gradual recovery. At the same time, the global chemical sector faced margin pressures driven by raw material volatility and increased competitive intensity, particularly from China.

India's economy continued to demonstrate resilience, with GDP growth estimated at around 6.8% in 2024-25. Strong domestic demand, sustained

India's economy continued to demonstrate resilience, with GDP growth estimated at around 6.8% in 2024-25.

Strong domestic demand, sustained public capital expenditure, and a stable macroeconomic environment supported industrial activity and strengthened growth momentum. India outperformed the global average in economic growth, and its performance during this period highlights its emergence as a major global economic player. While China continues to hold a significant share of the global economy, its growth has moderated in recent years. The broader global economy recorded steady but moderate growth, influenced by structural and cyclical challenges.

Looking ahead to 2025, the global economic environment is expected to remain characterised by moderate growth, persistent inflation, and geopolitical instability. Technological advances and the shift towards sustainable practices are supporting innovation, even as challenges related to debt, inequality, and environmental risks persist. The

transition to a greener economy, evolving global trade patterns, and the increasing role of AI and digital finance are likely to shape economic conditions in the coming years.

Although global supply chains have largely recovered from pandemic-related disruptions, they remain vulnerable to geopolitical tensions and natural disasters. The China Plus One strategy continues to influence supply-chain realignment, with companies diversifying manufacturing locations beyond China.

Trade policy positions associated with Donald Trump's 'America First' approach, including a focus on reducing trade deficits, have the potential to trigger trade tensions, tariff actions, tighter immigration norms, and regulatory uncertainty around data protection and digital trade. Against this backdrop, India's stable macroeconomic position and expanding role in global supply chains provide a supportive environment for the Company.

Industry Structure and Developments

Rubber Chemical Industry

As stated in earlier years, trends in the global rubber chemical industry are closely linked to global rubber consumption patterns. While global rubber consumption has grown by around 20% over the past decade, the Company has recorded a growth of 74% over the same period, representing more than 3.7 times the industry growth rate.

The tyre industry remains the largest consumer of rubber globally. In 2023, the global tyre market was valued at USD 172.98 Bn and, according to IMARC Group, is expected to reach USD 270.66 Bn by 2033, expanding at a CAGR of 4.70% during the period 2025-2033.

(Source: Tire Market Size, Share, Growth | Forecast Report 2032 (imarcgroup.com)).

As a leading player in the Indian rubber chemical industry, NOCIL is well-positioned to capitalise on emerging global opportunities. Expanded capacities coming on stream at an opportune time, along with a clear intent to strengthen its international footprint, position the Company to benefit from favourable market dynamics.

At the same time, the year saw severe price erosion, driven largely by aggressive pricing from China, both directly and through subsidiaries in Thailand, as well as from Korea and certain European players adopting similar strategies to gain market share.

Tyre Industry CAGR (2025-2033)

4.70%

The India-Korea Comprehensive Economic Partnership Agreement (CEPA) is a bilateral free trade agreement aimed at enhancing trade and investment between India and South Korea. Under the CEPA framework, tariff reductions on certain rubber chemicals and related products have influenced tariff flows, including increased imports. Rising imports of one of the Company's antioxidant products from South Korea, in addition to China and Thailand, have caused serious injury to the domestic industry, prompting consideration of appropriate trade remedial measures.

Business Outlook: Opportunities & Threats

Opportunities

Despite global headwinds, the Company's strong export base, close customer partnerships, and steady innovation pipeline helped navigate margin pressures and raw material volatility during the year. Strategic investments in capacity expansion and process efficiency further strengthened NOCIL's ability to respond with agility to changing market conditions.

The Company is recognised not only as a dependable, high-quality supplier but also as a comprehensive provider offering an almost complete range of rubber chemicals. Through continued efforts to strengthen long-term relationships with domestic tyre manufacturers, the Company is confident of increasing its wallet share within this segment. India is among the world's largest producers and consumers of tyres, and the steady expansion of the automotive sector, especially two-wheelers and commercial vehicles, continues to drive demand for rubber chemicals.

Amid growing concerns around supply chain dependence on China, several global manufacturers are actively seeking alternative sourcing options. Indian companies, with proven capabilities, are well placed to emerge as reliable partners. The transition towards EVs is driving demand

Growing global demand for eco-friendly and sustainable solutions, along with strong R&D capabilities and a recognised commitment to sustainability, positions the Company well to benefit from continued growth in the tyre industry and the accelerating shift towards electric mobility.

for high-performance and specialised rubber chemicals like those required for enhanced heat resistance and durability, creating opportunities for innovation and premium offerings. In parallel, global and domestic regulations encouraging environmentally responsible products favour companies investing in sustainable and green chemistry, offering early-mover advantages.

On the international front, the Company's proactive engagement with customers to secure volumes, combined with early signs of recovery in global markets, supports a positive outlook. Long-standing relationships with leading international tyre manufacturers have resulted in preferred supplier status, extending to their Indian operations. As these global players expand their manufacturing footprint in India, the Company is well positioned to leverage its domestic advantage and strengthen its role as a key supplier. Competitive pricing, consistent quality, and expanding capacities also support export opportunities, particularly across emerging markets in Asia, Africa, and Latin America.

Advancements in rubber compounding and production technologies are unlocking new opportunities for improved product performance. With ESG compliance, green chemistry, and digitisation becoming strategic priorities, the Company has accelerated efforts across sustainability, product stewardship, and operational excellence. Its long-term focus remains on delivering value-added, differentiated solutions aligned with regulatory expectations and customer requirements. Growing global demand for eco-friendly and sustainable solutions, along with strong R&D capabilities and a recognised commitment to sustainability, positions the Company well to benefit from continued growth in the tyre industry and the accelerating shift towards electric mobility.

Threats

As discussed earlier, China accounts for approximately 80% of global rubber chemical production while consuming only about 40%, thereby generating a significant exportable surplus. In light of continued sanctions imposed by the United States, India emerges as a lucrative alternative market, making it increasingly vulnerable to aggressive dumping practices by Chinese exporters.

A significant portion of raw materials, such as aniline and other petrochemical derivatives, is imported, making companies vulnerable to global price volatility, currency fluctuations, and supply chain disruptions.

Chinese and other Asian manufacturers often operate at lower costs and benefit from economies of scale, leading to pricing pressures and reduced margins for Indian exporters.

Chinese competitors have historically resorted to dumping their products, including penultimate intermediates, in the Indian market at significantly low prices. The possibility of such competitors continuing with irrational pricing strategies cannot be ruled out, which may exert downward pressure on our margins and affect the overall pricing environment in the domestic market.

Fluctuation in the prices of raw materials, such as petrochemicals, poses a risk to cost management and profitability, trade disruptions and volatility in automotive and tyre industries, which can adversely affect supply chains and market access, posing a threat to business continuity.

4.1 ECONOMIC VALUE DISTRIBUTED AND CREATED

4.1.1 Economic Value Generated

(₹ in Crores)

Net Revenue

1,392.69

Net Profit

107.50

Value Generated from Investments and Others

38.57

4.1.2 Economic Value Distributed

(₹ in Crores)

Operating Cost

855.00

Financing Costs

1.78

Payout to Shareholders

50.22

Investments

1,217.35

Wages and Salaries

91.29

Other Expenses

368.61

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4.1.3
Economic Value Retained
(₹ in Crores)

Donations to NGOs and Research

4.02

Net Value Retained

1,451.69

Estimated Value of Liabilities, which Includes Employment Benefits and Retirement Plans

As of March 31, 2024	Non-Current	Current	Total
Gratuity (Net of Fund Balance)	5.69	0.04	5.73
Leave Encashment	9.57	2.61	12.18
Others	1.26	0.32	1.58
Total	**16.52**	**2.97**	**19.49**

PF and pension contributions are remitted to the RPFO and are therefore not included.

05

PEOPLE AND WELFARE
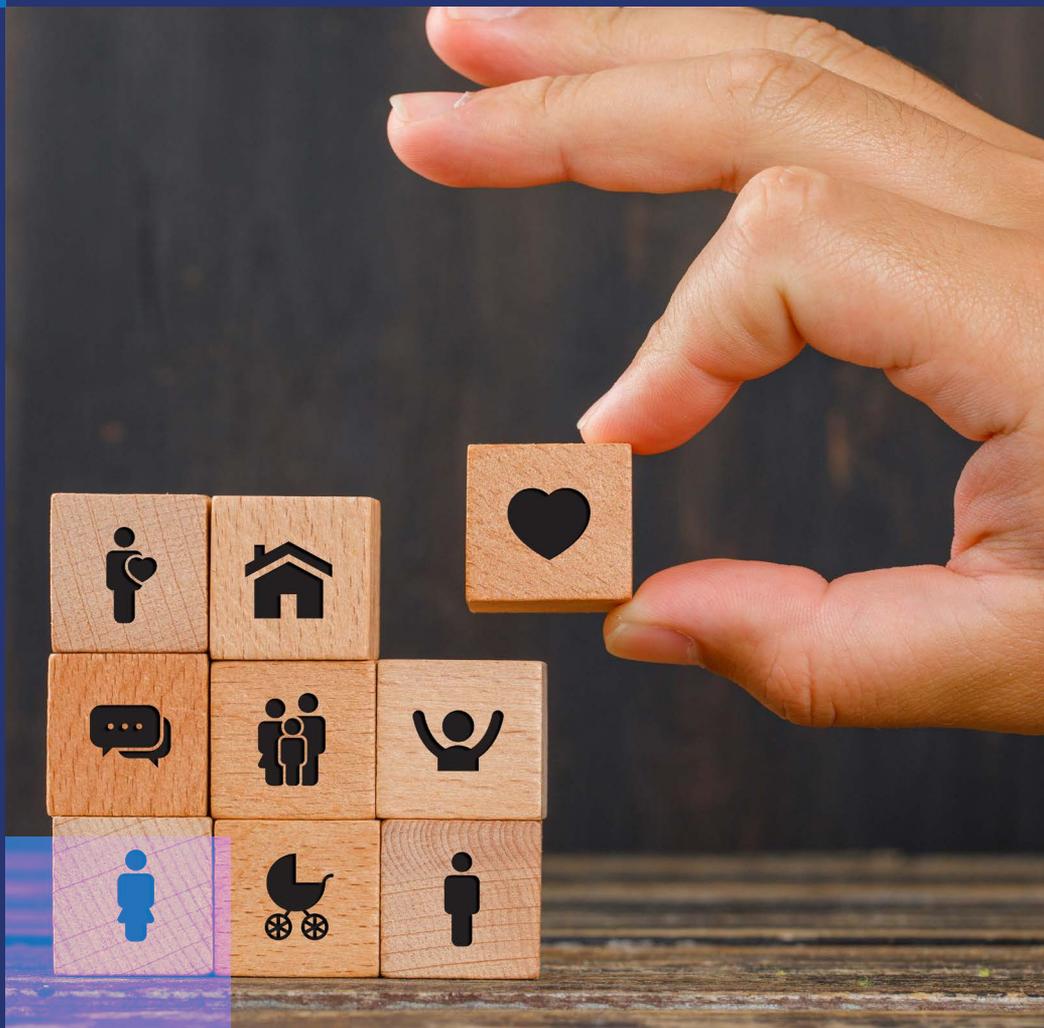
The Company's work culture is driven by positivity, dedication, and strong recognition of employee contributions. It reflects the Company's values, beliefs, traditions, and behaviours that guide employee actions. This culture also focuses on building a robust organisational ecosystem that prioritises employee well-being while contributing meaningfully to community growth.

In line with this approach, NOCIL has formulated and implemented policies to respect and protect basic human rights and prevent physical or verbal abuse. These policies are publicly available on the Company's website, and employees receive regular training on their provisions. Employees are aware of their rights and the grievance redressal mechanisms available for reporting policy violations.

The Company respects freedom of choice and diversity and does not discriminate on grounds of religion, caste, gender, ethnicity, race, or political and cultural beliefs. NOCIL follows a merit-based and transparent recruitment process across campus and lateral hiring, with continued focus on attracting the right talent to support current operations and future growth.

A talented and skilled workforce remains a key enabler of organisational success. Accordingly, the Company implements structured training programmes based on assessments of individual roles, teams, industry requirements, and organisational needs. These programmes support professional development and contribute to improved productivity.

Annual training covers both technical and managerial skill development to strengthen leadership capabilities. Training is delivered through in-house programmes, external classroom sessions, and online learning modules. The Company also partners with external agencies to provide digital learning accessible through computers and mobile devices. In addition, training on governance-related policies, including human rights, POSH, anti-bribery, and information security, is conducted to reinforce ethical practices.

In pursuit of becoming a preferred employer, NOCIL remains committed to fostering a diverse and inclusive workplace supported by efficient people processes. This commitment is reflected in the significant increase in female workforce participation compared to the previous year.

5.1 WORKFORCE POOL

5.1.1 Workforce

Sr. No.	Particulars	Total	Male		Female	
			Number	Percentage	Number	Percentage
	Employees					
1	Permanent	678	627	92.48	51	7.52
2	Other than permanent	70	62	88.57	8	11.43
3	Total Employees	748	689	92.11	59	7.89
	Workers					
4	Permanent	59	59	100	0	0
5	Other than permanent	527	517	98.10	10	1.90
6	Total Workers	586	576	98.29	10	1.71

Based on Employment Type

Based on Age		
Age (Years)	Male (%)	Female (%)
21-30	57.37	3.68
31-40	18.87	2.80
41-50	11.79	0.73
51-60	3.98	0.29
Above 60	0.44	0

5.1.2
Representation and Inclusion

Particulars	Total	Male		Female	
		Number	Percentage	Number	Percentage
Board of Directors	9	8	88.89	1	11.11
Key Management	5	5	100	0	0

5.1.3
New Employee Hires

New Hires 2024-25					
Age group (in years)	Male			Female	
	Number	Percentage		Number	Percentage
21-30	126	73.25		16	9.30
31-40	19	11.04		2	1.16
41-50	7	4.06		1	0.58
51-60	1	0.58		0	0

5.1.4
Turnover Rate for Permanent Employees and Workers

Particulars	2024-25			2023-24			2022-23		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent Employees	20.59	7.06	19.70	28.45	21.82	28.15	26.50	18.18	26.18
Permanent Workers	23.73	0	23.73	13.70	0	13.70	16.87	0	16.87

5.2 EMPLOYMENT AND HUMAN RIGHTS

NOCIL is committed to upholding human rights and preventing discrimination across its employment practices. As a chemical manufacturing organisation, the Company believes every individual deserves equal opportunity, fair treatment, and a safe working environment.

The Company's approach is guided by national and international standards, including the Protection of Human Rights Act, 1993. NOCIL recognises that human rights apply universally, regardless of gender, race, caste, religion, or age. Its policies reflect a strong commitment to respect, dignity, and non-discrimination.

The scope of these policies extends beyond employees to suppliers, customers, clients, communities, and geographies where the Company operates. To reinforce its commitment, NOCIL has established structured procedures across employment, training, and performance review, among others to avoid any type of discrimination. These procedures are strictly implemented to prevent discrimination at every stage.

The Company's Human Rights Policy covers key areas such as the prohibition of child and forced labour, freedom of association and the promotion of an inclusive workplace. It also emphasises health, workplace safety, and environmental responsibility.

In addition, NOCIL has policies on Diversity, Equity and Inclusion, and the Prevention of Sexual Harassment. **A Vigil Mechanism and Whistleblower Policy** enable stakeholders to report unethical practices confidentially. Complaints are escalated to the Managing Director or the Audit Committee Chairman, in line with policy guidelines.

In the previous two fiscal years, 2024-25 and 2023-24, the following were reported:

Zero instances of child labour

No reports of sexual harassment

No instances of discrimination

No instances of forced or involuntary labour

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5.3 EMPLOYEE UPGRADATION AND REMUNERATION

To support employee growth and development, the Company offers extensive training programmes and mentorship opportunities to sharpen skills and broaden horizons. In this direction, the Company has introduced a new online learning platform named **Eklavya** for its employees.

This platform is equipped with various video learning modules that support skill upgradation, behavioural training, and leadership development. Each video module is followed by a question-and-answer round to test employees' understanding of the subject. Certificates are provided once the acceptable score is achieved. In addition, on-the-job training is provided to employees to enhance efficiency and productivity in their respective roles.

NOCIL fosters a culture of innovation where ideas are nurtured and boundaries are continuously pushed. As pioneers in the industry, NOCIL embraces cutting-edge technologies and empowers employees to unleash their full potential. This enables employees to collaborate with industry leaders, work alongside talented professionals, and contribute to innovative solutions.

The Company continues to prioritise employees' growth and development through structured training programmes and mentorship opportunities. At the same time, NOCIL ensures a dynamic and inclusive work environment that values diversity and encourages creativity.

Beyond the workplace, NOCIL remains deeply committed to sustainability and social responsibility. With a focus on creating a better world, the Company actively engages employees in meaningful initiatives that positively impact communities and the environment.

Employee skill upgradation is critical not only for NOCIL but also for its workforce, as it serves several vital purposes. It enables the Company to stay aligned with the latest industry developments and maintain its position as a market leader. By equipping employees with current knowledge, technological advancements, and best industry practices, the Company ensures consistently high levels of efficiency, productivity, and creativity across its operations.

Investing in employee skill enhancement also contributes significantly to job satisfaction and engagement. When employees are given opportunities to develop expertise and expand their knowledge base, they feel valued and motivated. This results in both personal and professional growth, leading to improved work satisfaction, enhanced productivity, and higher employee engagement.

NOCIL also places strong emphasis on the well-being and safety of its workforce. The Company ensures a safe working environment through regular training in safety procedures and best practices. Along with promoting a culture of safety and compliance, these efforts help reduce accidents, injuries, and associated costs.

Through continuous investment in workforce upgradation, the Company reinforces its commitment to employee welfare and professional development. This approach strengthens brand credibility and positions NOCIL as an employer of choice within the industry, helping attract and retain top talent.

Annual Merit Increase

Variable Pay

Market Benchmarking

NOCIL's Retirement Programme

Annual Merit Increase

The 'Annual Merit Increase' process is designed to reward high-performing employees.
The evaluation parameters ensure fairness, parity and equity among employees.

Variable Pay

Variable Pay is aligned towards rewarding employees for their performance during the financial year and creating a performance-driven culture.

Market Benchmarking

Market benchmarking process ensures that our rewards programme is competitive.

NOCIL's Retirement Programme

NOCIL's retirement programme, which includes a provident fund, gratuity, and leave encashment, is designed to ensure a joyous and peaceful life for its employees, post-retirement. It helps the Company honour their long-term association with NOCIL.

5.3.1
Employee Training

Particulars	2024-25					2023-24				
	Total	On Health & Safety Measure		On Skill Upgradation		Total	On Health & Safety Measure		On Skill Upgradation	
		Number	Percentage	Number	Percentage		Number	Percentage	Number	Percentage
Employees										
Male	689	689	100	689	100	640	640	100	599	93.59
Female	59	59	100	43	72.88	37	37	100	30	81.08
Total	**748**	**748**	**100**	**732**	**97.86**	**677**	**677**	**100**	**629**	**92.91**
Workers										
Male	576	576	100	0	0	543	543	100	0	0
Female	10	10	100	0	0	0	0	0	0	0
Total	**586**	**586**	**100**	**0**	**0**	**543**	**543**	**100**	**0**	**0**

5.3.2
Performance and Career Development Review

The Company has implemented a Score Card and Key Performance Indicators (KPI)-based performance review system since last year. The process is fair, transparent, objective-driven, and employee development-focused. A calibration round is included to avoid any discrimination or favouritism during the review process.

This approach helps in better understanding employee capabilities and in developing appropriate training and upgradation plans. As an enhancement to the process from the current year, along with KPIs, employees are given the freedom to select two or more learning topics. These topics support employees' personal growth and also help in their future work activities, thereby strengthening both employee and organisational development. NOCIL's rewards philosophy complements this approach by offering industry-level rewards and benefits that support talent retention and long-term organisational stability.

Annual Merit Increase

The process is designed to reward high-performing employees. To support this, the evaluation parameters ensure fairness, parity, and equity across the employee base.

Variable Pay

This is aligned towards rewarding employees for their performance during the financial year. In doing so, it also supports the creation of a performance-driven culture.

Market Benchmarking

This is a process that ensures the organisation's rewards programme remains competitive.

Retirement Programme

The programme includes a provident fund, gratuity, and leave encashment. Together, these benefits are designed to ensure a joyous and peaceful life for employees post retirement.

5.3.3
Nomination and Remuneration

After the completion of the performance review process, employee remuneration is clearly communicated to employees. In most cases, this remuneration is above the minimum wage decided by regulatory bodies.

The Remuneration Committee was formed by the Company's Board of Directors in 2005 and was later renamed the Nomination & Remuneration Committee in 2014. A Remuneration Policy was also formulated with the following scope:

- Recommending to the Board the appointment and re-appointment of the Executive Chairman and Managing Director.

- Reviewing the performance of the Executive Chairman and Managing Director based on the Company's performance.

- Recommending to the Board the remuneration, including salary, perquisites, and performance bonuses, to be paid to the Executive Chairman and Managing Director.

- Reviewing the Remuneration Policy of the Company in line with amended rules and regulations, as well as market trends, to attract and retain the right talent.

- Reviewing and approving elevations, promotions, and revisions in remuneration of the senior management of the Company.

- Granting stock options to designated employees and allotting equity shares on the exercise of ESOPs.

- Formulating criteria for determining the qualifications, positive attributes, and independence of a Director.

- Recommending to the Board policies related to the remuneration of Directors, key managerial personnel, and other employees.

- Formulating a set of criteria for the evaluation of the performance of Independent Directors and the Board.

- Devising a policy on Board diversity.

- Identifying individuals who are qualified to become Directors or who may be appointed in senior management, in accordance with the laid-down criteria, and recommending their appointment and removal to the Board.

- Specifying the manner of evaluation of the performance of the Board, its Committees, and individual Directors,

whether carried out by the Committee, the Board, or an independent external agency.

- Reviewing the implementation and compliance of such evaluations.

- The Nomination & Remuneration Committee appoints every Independent Director after evaluating the balance of skills, knowledge, and experience on the Board. Based on this evaluation, it prepares a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment is required

to possess the capabilities identified in such description.

For identifying suitable candidates, the Committee may:

- Use the services of external agencies, if required.

- Consider candidates from a wide range of backgrounds, with due regard to diversity.

- Take into account the time commitments of the candidates.

	Male		Female	
	Number	**Median Remuneration/Salary/ Wages of the Respective Category (in ₹)**	**Number**	**Median Remuneration/Salary/ Wages of the Respective Category (in ₹)**
Board of Directors	8	0.17 Crore	1	0.17 Crore
Key Managerial Personnel	5	2.28 Crores	0	0
Employees Other than BoD and KMP	627	0.04 Crore	51	0.05 Crore
Workers	59	0.14 Crore	0	0
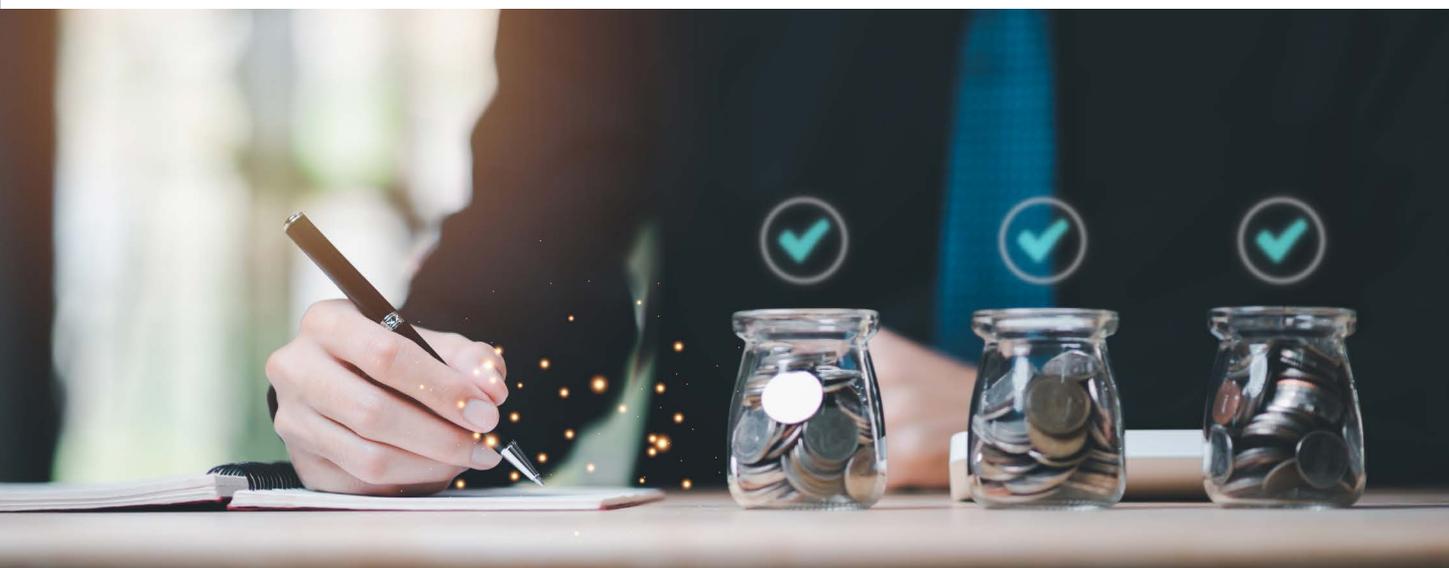
5.4 EMPLOYEE HEALTH AND SAFETY

At NOCIL, safety and health are of supreme importance. Safety is incorporated as part of the performance management system and is a non-negotiable common behaviour expected across all levels and job families.

The Company prioritises providing everyone with a workplace that is free from hazards. It believes that such an environment improves the effectiveness of operations and supports the Company's growth. The Company also firmly believes that every worker deserves the opportunity to perform their duties in an environment that safeguards well-being, reduces the risk of injury, and enhances overall quality of life.

NOCIL has a Health and Safety Management System in place and is certified under ISO 45001:2018. The certification scope covers the manufacture and sale of rubber chemicals, their intermediates, and allied chemicals for rubber processing and other industries. The certification boundary includes both manufacturing plants, the head office, and regional offices.

The Company's manufacturing sites have 24-hour operational Occupational Health Centres (OHCs) with qualified male nurses available round the clock. These OHCs are equipped to handle emergency situations at manufacturing plants. For major incidents, arrangements are in place with nearby hospitals and nursing homes for hospitalisation and treatment. First-aid boxes for minor cuts, bruises, and sprains are available at control rooms, offices, and security gates.

The Company undergoes strict periodic audits and workplace monitoring, both internally and through external parties. These audits cover various parameters such as noise levels, illumination levels, and air quality. In parallel, the Company follows established safety procedures such as Pre-startup Safety Review (PSSR) and in-process safety precautions, including safety alarms and safety equipment.

Process safety issue identification is carried out using methodologies such as HAZOP, HAZAN, and LOPA, with findings effectively implemented. Further, the Company follows the Hazard Identification and Risk Assessment (HIRA) process to guide the identification and evaluation of hazards and risks associated with its activities, services, and products. This evaluation determines whether a particular hazard poses a health or safety risk and assesses whether the organisation can control or influence such risks.

When identifying hazards, the following must be taken into consideration:

- The workplace environment, including temperature, size of the site, number of staff, and shift arrangements.

- Workplace layout and organisational design, including the design of equipment and the way equipment is installed, used, and disposed of.

- Management systems and procedures, along with the level of awareness among employees.

- Human behaviour, particularly actions that may contribute to unsafe situations.

- Emergency situations, including preparedness and response requirements.

- Contractors involved in work practices, and their integration into safety systems.

- Training, to confirm whether all staff members have been trained in the operation of equipment.

- Inspection and maintenance practices, including how often equipment is inspected and repaired.

- Changes in processes or equipment, and whether these changes have been rolled out effectively.

- Past relevant incidents, including actual incidents and potential emergencies.

Numerous methods and sources of information can be used to identify hazards, including:

- SAE rounds, interviews with workers, and information obtained from contractors.

- Information from suppliers and customers, such as Safety Data Sheets (SDS).

- Reports published by regulatory bodies.

- Manufacturer specifications and user guides.

- Previous safety incidents or near-miss reports.

- Codes of practice published by regulatory bodies, such as those related to managing hazardous chemicals in the workplace.

The ranking of Hazard Potential (HP) is determined by considering the Threshold Limit Value (TLV) and Vapour Pressure (VP) of chemicals at specified temperatures. Chemicals are first ranked based on their TLVs and then on their

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Vapour Pressure. These two values are multiplied to arrive at the HP factor.

The use of Hazard Potential (HP) as a criterion for evaluation is appropriate for the nature of chemicals handled by NOCIL. The score so obtained is further multiplied to calculate the total risk score. A higher total score indicates a greater level of risk.

Risk Score = (S) × (HP) × (O)

Each department identifies the legal and other requirements applicable to the hazards relevant to its operations.

A work permit system is followed at the Company for carrying out any non-routine or maintenance jobs. These permits are valid for the specified time, duration, and date of issue. They may be cancelled for any valid reason by the person issuing the permit. The permit system is supported by a Lockout/Tagout and Job Safety Analysis mechanism to ensure safe working conditions for the job.

Safety Committee

NOCIL promotes the participation of workers at relevant levels and functions without any barrier. In line with this approach, the Company has established structured processes for consultation to support effective engagement.

The Safety department investigates safety incidents and, when necessary, seeks external technical expertise. Lost time injury investigations are completed within one month. The recommendations arising from these investigations are risk-assessed by the responsible Person in Charge (PIC) before being finalised.

The PIC ensures that the recommendations are successfully implemented and effective. To support this, the department proactively monitors implementation progress through declarations from area-in-charge or PICs. Records of these declarations are maintained as soft copies.

In addition, the Safety & Environment department compiles and shares monthly statistics on accidents and incidents, including those involving contractor personnel. Dangerous occurrences, near misses, and incidents involving environmental or property damage are extensively reported through a 'near miss accident report' form. This form reaches the Safety department the next day, following which incidents are investigated based on their severity.

The Company employs various Occupational Health and Safety (OHS) services, such as training, Safe Attitude Encouragement (SAE) rounds, audits, and hazard identification and risk assessment, to minimise safety risks. Workers and their representatives are involved in key activities, including incident investigations, SAE rounds, safety audits, suggestion schemes, and safety training. They also participate in departmental and central safety committee meetings.

To ensure accessibility, the Integrated Management System (IMS) and safety manuals are available on the Company's local area network (LAN). Department Heads (HODs) play a crucial role in collecting and integrating inputs from all workers into the IMS.

Routine fire safety drills are conducted at all Company locations. In addition, structured methodologies such as Hazard Identification and Risk Assessment (HIRA) and Hazard and Operability Study (HAZOP) are used to systematically identify and analyse potential process deviations, including variations in temperature, pressure, and flow. These assessments help identify work-related hazards and
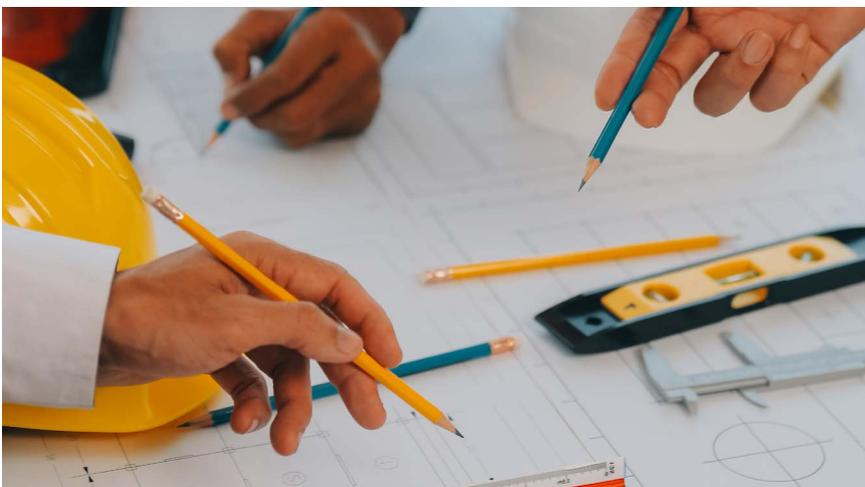
evaluate associated risks, thereby strengthening overall safety measures.

The Central Safety Committee is responsible for overseeing safety matters across the site. The Committee is headed by the Unit Head - Manufacturing & Technical, with the HOD-Safety acting as the Secretary. Members are drawn from various functions, including Production, Engineering, Utilities, Quality Assurance, and Warehouse, with representation from both management and non-management employees.

A new Central Safety Committee is constituted every two years. Quarterly meetings are held to discuss key matters, such as review of safety performance related to accidents and fires during the period, site-level Safety, Health and Environmental concerns, and review of corrective actions and recommendations arising from previous meetings and accident investigations.

The Committee serves as a channel of communication on Health, Safety and Environment matters. It also supports management in organising employee engagement and safety promotional activities, including the Annual Safety Week, Fire Day, and Environment Day.

The inputs are classified into the following categories:

- Identifying the needs and expectations of interested parties.
- Implementing QEHS&R Policy.
- Assigning roles, responsibilities and authorities.
- Undertaking objective planning and achievement.
- Controlling externally provided products and services.
- Monitoring, measuring and evaluating various improvement initiatives.
- Proposing mechanism for consultation and participation.
- Initiating actions to eliminate hazards & reduce OHSMS risk.
- Determining training and competence requirements.

People Covered by the OHS System

	2024-25			
	People Who Are Covered by the OHS System			
Metrics	Internally Audited		Externally Audited	
	Number	Percentage	Number	Percentage
Employees	748	100	748	100
Workers	586	100	586	100

Work-related Injuries

	2024-25	
Metrics	Employees	Workers
The Number of Fatalities as a Result of Work-related Injury	0	0
The Number of High-consequence Work-related Injuries	0	0
The Number of Recordable Work-related Injuries	0	1
The Number of Hours Worked	14,33,960	21,49,292

Metrics of Work-related Ill Health	Employees	Workers
The Number of Fatalities	0	0
The Number of Recordable Cases	0	1
Types of Cases	0	0

Safety Culture at NOCIL

Fire Safety

The safety department of the Company is equipped with a capable firefighting team, systems, and equipment. The firefighting system includes pump houses, hydrant loops, deluge systems, fire alarms, gas alarms, etc. There is a centralised fire alarm panel with a public address system connected to speakers located in control rooms and offices for communication.

These systems are periodically monitored and checked for any damage. Sprinkler systems are provided at hazard locations such as autoclaves, hydrogen parking and unloading areas, coal-fired boilers, and flammable chemical storage tanks. In addition, separate water curtains are available at chlorine and ammonia sheds and autoclaves.

The electrically driven pumps of the hydrant system are provided with an alternative power supply through diesel generators in case of power failure.

Firefighting equipment such as extinguishers, breathing sets, foam stations, and portable foam trolleys are available throughout the site. Proper training on the use of this equipment is provided to every employee during employment. The use of specific types of extinguishers such as powder, CO_2, and foam for extinguishing specific classes of fire is clearly explained during this training.

Apart from extinguishers, the use of foam trolleys and fire hoses is also covered during training. Maintenance and replacement of used equipment are carried out by the safety department.

The firefighting team consists of trained and certified firefighters, along with an auxiliary firefighting team formed from selected members across different functions. These employees are trained in firefighting activities, and regular safety drills are conducted at various plant

locations to assess team effectiveness in handling emergency situations.

Similarly, the Company conducts training sessions for certified first aiders among its employees through external agencies. These first aiders are selected from a wide range of Company activities. Members of the auxiliary firefighting team and first aiders are available at the plant site round the clock.

Emergency Action Plan

The Company has a documented On-site Emergency Plan that outlines various emergency situations that may occur at the site and defines the actions to be taken to mitigate them. The document includes details of processes and chemicals used, safety and environmental risks, and corresponding mitigation measures. It also defines responsibilities, major emergency scenarios, evacuation plans, potential hazards to external activities, and details of firefighting and medical facilities, among others.

Safe Attitude Encouragement Round

The Safe Attitude Encouragement (SAE) round is a programme conducted across the Company to address unsafe acts or unsafe conditions observed at sites. When such instances are identified, the activity

is stopped immediately, and the safe method of performing the task is explained. The ill effects of continuing work in an unsafe manner are also clearly communicated.

As part of the learning process, the individual responsible for the unsafe act is encouraged to share the mistake and the corrective action taken with colleagues. The individual also takes an oath to avoid repeating the same mistake in the future.

The final step of the SAE round involves recording the incident in an online form, capturing details such as the name of the individual, the unsafe act, and the corrective action taken. These records are maintained by the Health and Safety Department for reference and tracking.

The SAE round is not limited to the safety department. Any employee who observes an unsafe act or unsafe condition can initiate this activity. As an enhancement to the programme, from the previous year, safe acts are also being recognised and appreciated through SAE rounds.

5.5 EMPLOYEE BENEFITS AND WELFARE

Employee well-being is central to the Company's philosophy, recognising that a healthy and content workforce is critical to long-term success. To support physical health, employees undergo periodic medical check-ups based on the nature of their work.

Records of these medical check-ups are maintained by the Company. Based on the results, employees are provided with recommendations to improve health, including guidance on diet and exercise.

The Company's people policies are designed with a strong focus on employee welfare. These include attendance policies such as flexi-time, leave policies, and overtime policies. Employees are informed of these policies at the time of joining, and they are made easily accessible through the online HRMS portal.

Being part of the Arvind Mafatlal Group, the Company also adopts various well-being initiatives undertaken by the parent group. Programmes such as Unwind Within focus on employees' mental well-being and are conducted through the parent group.

Through these initiatives, employees are sensitised to the importance of emotional regulation, its relevance in the workplace, and ways to manage it effectively. Special emphasis is placed on the mental health and well-being of female employees. The Empowering initiative specifically focuses on women's health and well-being.

Employee Engagement and Wellness Initiatives

The Company has also constituted a group titled Own Your Engagement (OYE),

aimed at enhancing employee engagement and overall wellness. Single-day wellness activities are regularly planned and aligned with special occasions.

For instance, on the occasion of International Yoga Day, an online yoga session was organised to help employees unwind both mentally and physically.

Women in NOCIL Network

The Company has launched the Women in NOCIL Network (WiNN) to create a positive ripple effect that uplifts the women workforce. The initiative aims to enable belongingness and inclusion, leverage the power of networking, and reap the gender dividend.

WiNN provides a platform for women colleagues to build sustainable professional networks and support career development. It also offers a safe space for women to share challenges and concerns, encouraging collective problem-solving and co-creation of an inclusive work environment where everyone is valued.

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06

ENGAGEMENT WITH LOCAL COMMUNITIES

6.1 NOCIL AND LOCAL COMMUNITIES

NOCIL remains committed to engaging with and supporting the wider community through its proactive Corporate Social Responsibility (CSR) Policy. The Company works consistently to enhance the quality of life of marginalised and underprivileged groups, directing its efforts and resources to areas of greatest need.

The Company's approach to Corporate Social Responsibility (CSR) is guided by the belief that it is 'more than an obligation, more than a duty'. This philosophy is embedded in its comprehensive CSR Policy, which provides a structured framework for identifying key stakeholders and implementing initiatives across priority areas such as healthcare, education, women's empowerment, rural community development, and environmental conservation.

The CSR Policy, periodically reviewed and approved by the Board, reflects the shared values of NOCIL and the Arvind Mafatlal Group in fulfilling their responsibilities as corporate citizens. It sets forth clear guidelines for implementing impactful and sustainable programmes and applies to all CSR initiatives undertaken across locations identified by the CSR Committee and/or the Board, benefitting diverse segments of society.

Oversight of these initiatives rests with a dedicated Board-level CSR Committee, which provides direction and monitors progress. During 2024-25, the Committee convened three times to review implementation and ensure alignment with the Company's CSR objectives.

Through its CSR initiatives, NOCIL strives to create meaningful and lasting social impact, contributing to the upliftment and well-being of communities through a range of focussed programmes, including:

1
IMPLEMENTING HEALTHCARE-RELATED PROJECTS

The Cancer Patients Aid Association (CPAA), a 50-year-old non-government organisation, supports socio-economically underprivileged cancer patients who lack access to, or cannot afford, treatment. One such initiative focusses on providing breast prostheses to women with breast cancer, facing financial hardship in Mumbai, Maharashtra.

NOCIL remains committed to expanding access to quality healthcare for marginalised and underserved communities. The Company undertakes a range of preventive and curative health initiatives in rural and tribal regions, including general medical camps, health awareness programmes, and the provision of essential medicines through its long-standing partnership with Chaitanya Health and Care Trust. Complementing these efforts, a focussed healthcare initiative addresses vision loss in the Thane and Palghar districts of Maharashtra, where poverty and limited medical awareness have led to a high incidence of cataract-related blindness. The intervention provides a cost-effective and widely accepted solution through cataract surgery, made possible with the support of NOCIL, enabling concessional, life-changing treatment for 25 underprivileged patients. Support was also extended across critical medical specialties, including General Surgery, Orthopaedics, Cardiology, Chest Medicine, Neurology, and Interventional Radiology. Together, these initiatives reflect a sustained commitment to targeted, high-impact healthcare solutions for marginalised communities.

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2
SEVA SAHAYOG FOUNDATION

The Abhyasika initiative began in communities with a high presence of marginalised groups. Students enrolled in the programme come from families with limited educational and financial resources, with 69% belonging to special caste categories and around 87% having an annual family income below ₹1 Lac. Their parents are engaged in full-time work to meet basic living needs. Most students are first-generation learners and receive limited academic support at home. Abhyasika helps strengthen foundational learning, encourages peer-to-peer engagement, and provides a platform for students to showcase their hidden talents and develop essential life skills.

Through the Samutkarsh Community Learning Centre, the partnership extends academic support and life-skills education to children from marginalised communities. This is complemented by the School Kit Distribution Programme, which provides essential supplies and supplementary learning material to students with limited resources, supporting school retention and helping bridge gaps in access to education.

The Kishori Vikas Project further expands this focus by supporting adolescent girls between 12 and 18 years of age in urban slums and villages. The project conducts 40 structured sessions covering health, sex education, and personality development, aimed at building confidence and creating greater opportunities for self-expression.

3
EDUCATION

Malvi Education and Charitable Trust (MECT) is committed to empowering tribal children through access to quality education, holistic development, and future career opportunities. Building on the success of its medical initiatives, MECT launched the Sports 4 Development project to nurture sporting talent, starting with 25 students and planning to expand to 100 by 2026, in partnership with the Dani Sports Foundation. Learning is further enriched through exposure visits that connect classroom concepts with real-world experiences, such as trips to CIBART, the Science Centre, and RMD Ayurvedic College.

Educator capability is strengthened through continuous capacity-building initiatives such as specialised training programmes, leadership conclaves, and refresher workshops. The annual JOSH Festival provides a platform to celebrate the cultural and sporting talents of tribal students across 25 schools. In parallel, Project Vidyavan supports academic advancement through learning camps and CET coaching, helping students to secure merit positions in state-level examinations and access premier institutions, thereby opening pathways to a brighter future.

SDG

4
SUPPORTING INDIA'S OLYMPIC DREAMS

Reflecting its commitment to national development, NOCIL partners with Olympic Gold Quest (OGQ), a not-for-profit foundation established by Indian sporting legends Geet Sethi and Prakash Padukone. OGQ plays a pivotal role in nurturing India's sporting talent, supporting over 400 athletes across 10 Olympic and 8 Paralympic disciplines through access to world-class training, coaching, sports science, equipment, and financial assistance.

At the 2024 Paris Olympics, 4 of India's 6 medallists were supported by OGQ, while 25 of the 29 medallists at the 2024 Paris Paralympics were also beneficiaries of its programmes. NOCIL takes pride in contributing to this journey of sporting excellence and national representation, supporting Indian athletes as they achieve global recognition and inspire future generations.

5
SUPOSHAN

To address nutrition and livelihood challenges, the **Vayam Foundation** identified 24 families across 18 villages in the Nashik and Palghar districts. These families were supported to cultivate vegetables on small landholdings and trained to construct **mini farm ponds** with a 5,000-litre capacity, ensuring a reliable water source beyond the monsoon season. By strengthening food security, reducing migration, and encouraging sustainable farming practices, the Suposhan initiative has emerged as more than an agricultural intervention, becoming a source of stability and hope for participating communities. Key outcomes of the initiative include:

- **More Nutritious Meals:** Families that are unable to access markets now have fuller, more colourful plates.

- **Better Incomes:** Farmers with relatively better access to water are cultivating vegetables for sale, with more farmers expected to join this category next year.

- **Reduced Migration:** More community members are staying in their villages, working on their farms instead of seeking unstable urban employment.

- **Environmental Benefits:** The use of organic farming techniques has improved soil health and reduced chemical dependency, while initiatives like soil testing are enabling more appropriate interventions.

6
NM SADGURU WATER AND DEVELOPMENT FOUNDATION

NOCIL has partnered with NM Sadguru Water and Development Foundation under the CSR Convergence initiative for NABARD's Tribal Development Fund (TDF) Wadi Programme. Through this collaboration, the Company supports small and marginal tribal farmers in the Gangartalai block of the Banswara district in Rajasthan, as well as the Limkheda and Dhanpur blocks of the Dahod district in Gujarat.

Some snaps of orchards established by farmers:

7
SHRI CHAITANYA HEALTH AND CARE TRUST

Shri Chaitanya Health and Care Trust is a public charitable organisation committed to the holistic development of rural and tribal communities. Its initiatives focus on agriculture, education, and integrated rural development. Under Agricultural Development, the Trust supports farmers through organic fertilisers, floriculture, horticulture, and the Seeds for Life programme. Over 450 farmers have benefitted from the WADI project, 650 saplings have been distributed, and 1,315 farmers have received high-yield seeds. Through Education and Exposure, the Trust conducts rural education programmes and exposure visits, benefitting more than 340 students under the VENU and Vidyavan initiatives. In Integrated Rural Development, it promotes water resource development, women's empowerment, and livelihood enhancement. Additionally, around 310 individuals have been guided under the Su-Arogya health counselling initiative, while 1,770 students have participated in Anti-Addiction Awareness Camps, fostering healthier, more informed, and self-reliant rural communities.

SDG

8
VAYAM (GRAM SABHA MEETINGS & SUPOSHAN)

Through its support for the Padopadi Swarajya initiative implemented by Vayam, NOCIL contributes to strengthening grassroots democracy and empowering tribal communities. The programme focusses on promoting self-governance in remote tribal villages by raising awareness about constitutional rights, government welfare schemes, and democratic processes.

9
GUJARAT RAJYA GRAM VIKAS SAMITI

NOCIL, in collaboration with the Ahmedabad Municipal Corporation and Gujarat Rajya Gram Vikas Samiti, is implementing an urban forest project to revitalise urban spaces in Ahmedabad. This corporate social responsibility (CSR) initiative involves the plantation of 1,800 trees using the Miyawaki dense forest method, creating sustainable green zones that enhance biodiversity and contribute to improved air quality in the city.

10
SUSTAINABILITY AND FUTURE PLANS

- The Urban Forest will be maintained and cared for over the next two years, including watering, pest control, and tree upkeep.

- GRGVS remains committed to the long-term sustainability of the project through continued community engagement and collaborative partnerships.

- Subject to the availability of additional CSR funding, future phases may include the creation of amenities like walking tracks, swings, benches, and fountains.

11
MYPAL CLUB FOUNDATION
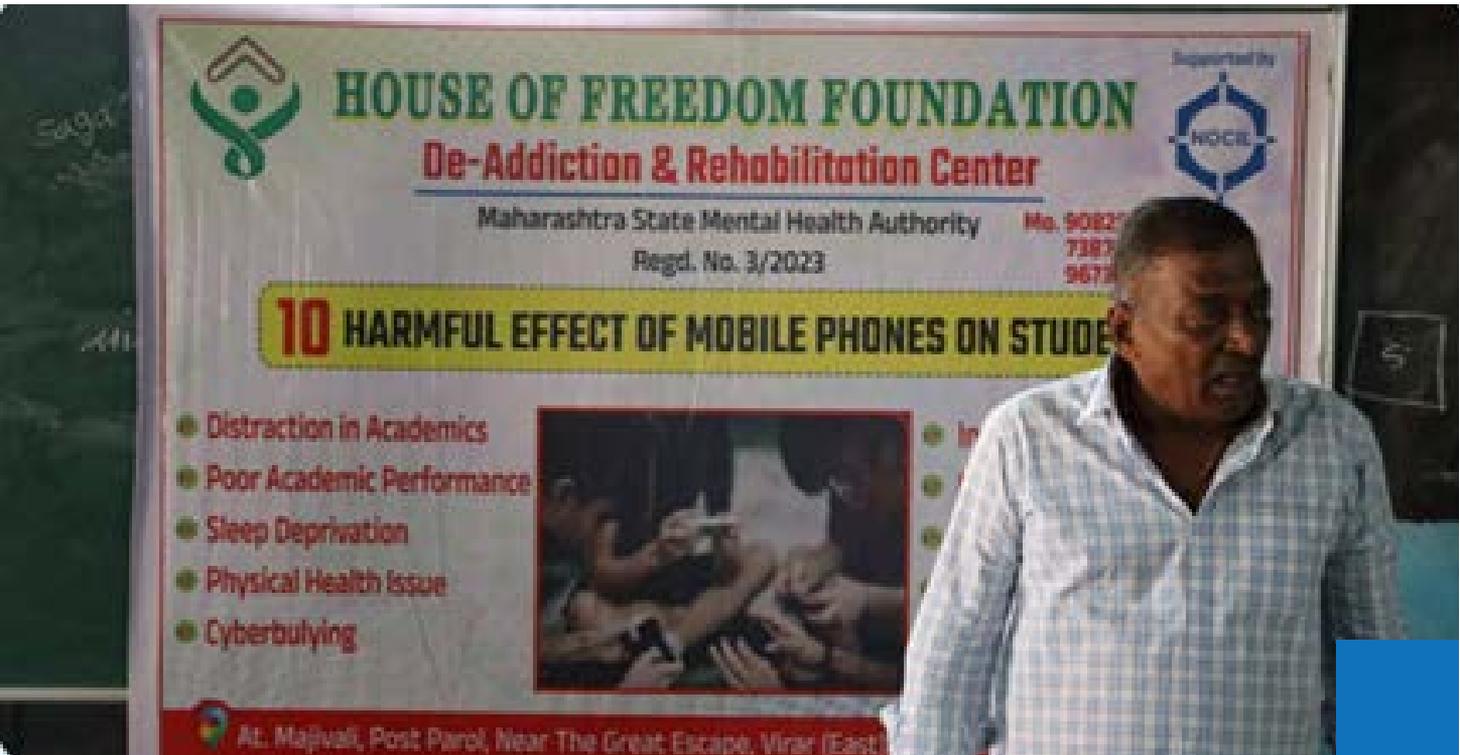
12
HOUSE OF FREEDOM

The House of Freedom Foundation conducts a variety of awareness sessions focussed on addressing addiction. One core programme centres on alcohol addiction, educating participants on its causes and wide-ranging effects on individuals, families, and particularly on children and youth. These sessions cover the physical and financial consequences of addiction, as well as its impact on family dynamics.

Another programme addresses the growing concern of mobile phone addiction by highlighting its potential side effects and promoting responsible usage practices. Participants are introduced to practical guidelines and informed about the broader impact of excessive mobile use on daily life. Both programmes incorporate interactive Q&A sessions, enabling active engagement and deeper awareness of the Foundation's work.

In addition, to strengthen operational continuity, NOCIL supported the installation of a generator at the de-addiction centre. This intervention ensures uninterrupted delivery of essential services, helping maintain a stable and supportive environment for individuals on their recovery journey.

SDG

6.2 CSR GOVERNANCE

NOCIL undertakes its CSR activities in accordance with Schedule VII of the Companies Act, 2013. The Company's CSR efforts are directed towards the following key focus areas:

Eradicating hunger, poverty, and malnutrition, while promoting healthcare, sanitation, and access to safe drinking water.

Promoting education and special education and enhancing vocational skills for children, women, senior citizens, and the differently abled.

Empowering women, supporting socially and economically backward groups, and establishing homes for women, orphans, and senior citizens.

Promoting environmental sustainability through the conservation of natural resources and the protection of flora, fauna, and biodiversity.

Preserving national heritage, culture, and art, including the restoration of historic sites and the promotion of traditional arts and crafts.

Encouraging rural sports, as well as nationally recognised, Olympic and Paralympic sports, through training and support.

Supporting the welfare of armed forces veterans, war widows, and their dependents.

Contributing to the Prime Minister's National Relief Fund and other government welfare initiatives for marginalised communities.

The **CSR Committee** and the **Board** are authorised to consider and undertake any other CSR activities that are in compliance with the provisions of the **Companies Act, 2013**, and applicable **CSR Rules**, including amendments made from time to time. Such activities may extend beyond the Company's immediate areas of operation, based on the assessed needs of communities across the country.

Wherever possible, NOCIL aligns its CSR initiatives with similar programmes undertaken by other companies within the **Arvind Mafatlal Group**, as well as with initiatives run by **Central** and **State Governments**.

In accordance with the Companies Act, 2013, any CSR project or activity that benefits only the Company's employees and their families is **not** considered a valid CSR initiative.

NOCIL has established a structured process to implement meaningful and sustainable CSR programmes aligned with its social responsibility goals. Each financial year, the Company commits to allocating at least **2% of its average net profits** (calculated over the three immediately preceding financial years) towards the **CSR budget**.

This allocation is made in compliance with **Section 135** of the Companies Act, 2013, and **the Companies (Corporate Social Responsibility Policy) Rules, 2014**, including applicable statutory modifications or re-enactments. The average net profit is calculated as per the guidelines outlined in **Section 198** of the Companies Act, 2013.

6.2.1
Identification Process

- Need assessment studies conducted by external agencies and institutions.
- Internal need assessments undertaken by cross-functional teams.
- Receipt of proposals and requests from district administrations and local government, among others.
- Discussions with, and requests received from, local representatives, civic bodies, citizens' forums and voluntary organisations.
- Consideration based on the discretion of the CSR Committee and/or the Board of Directors.

6.2.2
Approval Process

NOCIL follows a structured and well-defined procedure for approving CSR programmes. CSR initiatives, whether identified by the corporate office or individual manufacturing units, are submitted to the **CSR Committee** along with recommendations from the respective proposers.

The CSR Committee is responsible for formulating and recommending the **Annual Action Plan** to the Board of Directors, in line with the Company's CSR Policy. The Action Plan includes:

1	**2**	**3**	**4**	**5**
A list of approved CSR projects or programmes in areas specified under Schedule VII of the Companies Act, 2013	The execution methodology for each project or programme.	Details of fund utilisation and implementation timelines.	Monitoring and reporting mechanisms.	Need and impact assessments, if applicable.
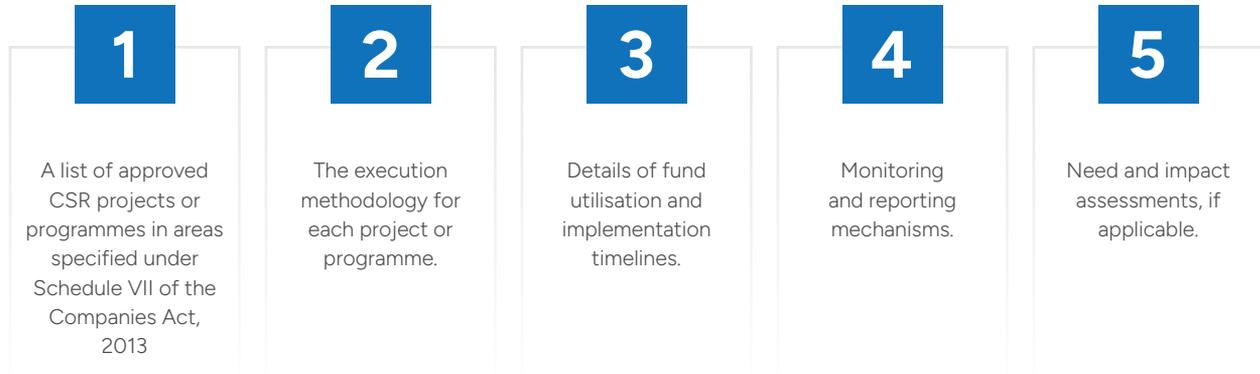
Following review or approval by the CSR Committee, the proposed programmes are submitted to the Board of Directors for final approval. The Board retains the authority to modify the Action Plan during the financial year, based on the Committee's recommendations.

To address urgent or unforeseen requirements, the Chairman or Managing Director is authorised to approve CSR proposals up to ₹10,00,000, in accordance with the authority granted by the Board. This authority may also be further delegated to designated officials to enable timely and effective implementation of CSR initiatives.

6.2.3
Modalities of Execution

CSR activities may be implemented directly by the Company under the supervision of the CSR Committee, the Board of Directors, or any person authorised by them.

Alternatively, the Company may undertake CSR projects through implementing agencies. These may include a Section 8 company established by the Company, either independently or in association with other companies, including its holding, subsidiary, or associate entities. CSR projects may also be implemented through registered public trusts or societies, provided such entities are registered under Section 12A and Section 80G of the Income Tax Act, 1961. Companies within the Arvind Mafatlal Group may collaborate on such initiatives.

Subject to compliance with the applicable rules, this may include:

- Arvind Mafatlal Foundation

- Navinchandra Mafatlal Foundation Trust

A company established under Section 8 of the Companies Act, 2013, or a registered trust or a society established by the Central Government or a State Government.

Any entity established under an Act of the Parliament or a State Legislature.

The Company may also fulfil its CSR obligations by partnering with external organisations that have a proven track record of at least three years in undertaking similar activities. Such organisations may include Section 8 companies (non-profit entities), as well as registered public trusts and societies registered under Sections 12A and 80G of the Income Tax Act, 1961.

Examples of such eligible trusts include:

N.M. Sadguru Water and Development Foundation

Shri Chaitanya Health and Care Trust

The Company may collaborate with other entities, including those within the Arvind Mafatlal Group, for the implementation of Corporate Social Responsibility (CSR) projects. The CSR Committee may also prepare separate reports for such collaborative initiatives.

All implementing entities are required to comply with applicable statutory provisions, including filing prescribed forms and obtaining necessary registrations, as required under the law.

6.2.4
Monitoring

Fund Management and Oversight

The Board of Directors is responsible for ensuring that CSR funds are used strictly for the purposes approved for each project. This assurance is supported by certification from the Chief Financial Officer (CFO), or the person in charge of financial management.

To do so, the CFO may rely on several measures:

Independent Audits

Review of periodic or one-time audit reports issued by the auditors of the implementing NGO to confirm utilisation of funds for approved CSR objectives.

NGO Self-Certification

Submission of an affidavit by the NGO confirming appropriate utilisation of CSR funds.

Documentation

Provision of documentary evidence such as pictures or videos, demonstrating the implementation of CSR activities.

Statutory Document Review

Cross-verification of NGO activities through a review of statutory filings submitted to regulatory authorities.

Site Visits

Conduct of surprise site visits by the CFO or inspections carried out through an appointed Chartered Accountant, including verification of documentation and records.

CSR Monitoring and Impact Assessment

These measures operate in addition to the Company's existing monitoring process, which may also be relied upon by the CFO for certification purposes. The Corporate HR/Unit HR head maintains a monitoring system to track the progress of ongoing CSR initiatives.

Monthly progress reports on CSR initiatives are submitted to the Corporate Office.

 The Corporate HR function periodically undertakes impact assessments of high-value programmes through independent third-party professionals or institutions.

Feedback is also obtained directly from beneficiaries to assess outcomes and strengthen the effectiveness of CSR interventions.

6.3 ENGAGEMENT WITH STAKEHOLDERS

NOCIL devotes significant effort to identifying key stakeholders and prioritising them based on their interests and level of influence. This process is supported by a structured assessment of Political, Economic, Social, Technological, Legal, and Environmental (PESTLE) factors, complemented by collaborative brainstorming across teams to deepen understanding and encourage diverse perspectives. Through this comprehensive evaluation of external influences, the Company is better positioned to anticipate stakeholder expectations and respond to emerging issues. This considered approach to stakeholder engagement helps foster meaningful relationships that contribute to sustainable growth and long-term value creation.

Stakeholder Group — Channels of Communication

Stakeholder Group	Channels of Communication
Customers	Email, Meetings
Regulatory Bodies	Email, Meetings
Shareholders	Meetings, Website, Newspaper Advertisement
Employees	Meetings, Notice Board
Suppliers	Email, Meetings
Investors & Funders	Meetings, Website, Newspaper Advertisement
Communities	Notice Board, Meetings
Analysts	Email, Meetings

Legend:
- Email
- Meetings
- Website
- Newspaper Advertisement
- Notice Board

SDG 8 DECENT WORK AND ECONOMIC GROWTH

All critical concerns raised by key stakeholders are communicated to senior management and the Board of Directors through structured engagement sessions.

Frequency of Engagement (Annually/ Half-Yearly/ Quarterly/ Others - Please Specify)	Purpose and Scope of Engagement, Including Key Topics and Concerns Raised During Such Engagement
As and when required	Product Specification, Customer Specifications, Product Planning
As and when required	Regulatory Performance
Annually	Company Performance
Annually/Half-Yearly/Quarterly	QEHS&R (Quality, Environment, Health, Safety & Responsible Care) Policy, IMS (Integrated Management System) Objectives, Policies, Procedures
As and when required	Services and Product Requirements
Quarterly	NOCIL's Performance
Annually/Half-Yearly	Emergency Preparedness, through the Company's CSR activities
As and when required	NOCIL's Performance

07

SUSTAINABILITY FOOTPRINT

7.1 Sustainable Operations with KPIs

As a bulk chemical manufacturing company, NOCIL understands that its operations have an impact on global climate change and therefore remains committed to reducing its environmental impact. The Company places emphasis on efficient and sustainable resource utilisation. Through continuous enhancement initiatives, the Company endeavours to optimise production processes, reduce energy consumption, and minimise waste generation. As a Responsible Care certified entity, the Company complies with all applicable environmental regulations. It also seeks to lower the carbon footprint of its products by implementing sustainable business practices and encouraging similar practices across its supply chain. The Company's recent Sustainable Procurement certification under the ISO 20400 guideline reflects its efforts to actively involve suppliers in its sustainability journey.

NOCIL's R&D facilities are recognised by the Department of Scientific and Industrial Research (DSIR) under the Ministry of Science and Technology. Collaboration with educational institutes and specialised research institutes

supports knowledge exchange and innovation. A highly experienced team is dedicated to advancing environmental research and promoting sustainable products through the adoption of green chemistry principles. The Company's research and development efforts focus on two different fronts: technological development to optimise energy consumption and utilisation, and process development aimed at improving efficiency by decreasing raw material consumption and waste generation. These initiatives are driven by specialised teams with strong industrial expertise, contributing meaningfully to the Company's sustainability objectives.

Various projects were implemented to reduce climate-related impacts such as the installation of solar panels, purchase of green power, installation of an RO water plant, use of bio-coal as a biofuel, and utilisation of treated STP water from the Navi Mumbai Municipal Corporation (NMMC) for gardening purposes.

The Company remains proactively committed to:

- Conducting all activities in an environmentally responsible manner, exceeding statutory environmental compliance requirements and standards.

- Increasing the use of renewable energy and fuels.

- Adopting efficient technologies to improve energy efficiency.

- Investing in R&D for environmentally sustainable products.

- Reducing water consumption by increasing the use of recycled water

and installing modern technologies like the Multiple-Effect-Evaporator (MEE) and Reverse Osmosis (RO) system to reduce dependency on fresh water.

- Implementing the '5S Workplace Organisation Method' to enhance productivity, safety, and waste reduction.

- Adopting a '3Rs' strategy focussing on pollution prevention and waste management.

- Promoting a safe and healthy work environment through high HSE standards across operations.

- Reducing carbon footprint and Scope 1 and 2 emissions in line with commitments under the Science Based Targets initiatives (SBTi).

- Implementing greener hazardous waste disposal practices by shifting from incineration to pre-processing (co-processing).

7.1 SUSTAINABLE OPERATIONS WITH KPIs

NOCIL's approach is grounded in stability, resilience, and strategic foresight. The Company remains focussed on sustainable growth through continued investments, talent development, innovation, digitalisation, portfolio expansion, sustainability, and strong governance. By integrating sustainability into its operations, the Company aims to create lasting value for stakeholders while contributing positively to the environment and society.

In industries like rubber chemical manufacturing, embedding sustainability is essential for responsible environmental stewardship. It also plays a critical role in strengthening stakeholder trust and supporting long-term business resilience in an evolving global sustainability landscape.

7.1.1
Energy Consumption

Increasing energy efficiency across its processes remains a key initiative of the Company as it advances towards a more sustainable future. NOCIL is developing novel catalytic processes to enhance energy efficiency and reduce waste generation from its activities. As the Company continues to grow its business, absolute energy consumption may increase compared to previous years; however, relative energy consumption, aligned with business growth, continues to decline. The Company is certified under the ISO 50001:2018 Energy Management System, under which high energy-consuming activities and equipment are regularly monitored and

targeted objectives are implemented to reduce overall consumption. Various training programmes are conducted to improve awareness around energy conservation. Employee participation is encouraged through the Yogdaan scheme, which invites energy-saving ideas from all levels of the organisation. These ideas are evaluated by a cross-functional team for feasibility, with selected initiatives recognised and rewarded, fostering wider participation and innovation.

In recent years, the Company has undertaken various steps to reduce its overall energy consumption through multiple initiatives like replacing older, energy-intensive equipment such as

motors, fans, lightings, and transformers, among others, with more efficient alternatives. NOCIL is also progressively shifting electricity consumption from non-renewable sources to renewable sources like wind and solar. Both manufacturing sites are equipped with in-house solar panels and have also entered into third-party and open-access arrangements for green power procurement. Together, the two sites source approximately 30% of their annual electricity from renewable energy. In addition, the Dahej manufacturing site operates a turbine that generates grey electricity using steam from production processes.

A Conservation of Energy

The steps taken and their impact on conservation of energy include:

- Deployment of energy-efficient cooling towers with EC fans.
- Installation of energy-efficient pumps.
- Installation of a heat exchanger for the air compressor lube oil system.
- Replacement of conventional lighting with LED lights across the plant.
- Installation of inverter-based R32 window and split air conditioners.
- Installation of energy-efficient IE3 motors.

Steps taken by the Company for utilising alternate sources of energy:

- Introduction of green power through open-access arrangements, with 30% of total electricity consumption met through solar and wind power via third-party agreements.
- Installation of a rooftop solar systems on office buildings, contributing 0.5% of total electricity consumption.

B Technology Absorption

Efforts made towards sustainability, compliance and technology absorption:

DAHEJ SITE

- Initiation of the TDQ capacity augmentation project to consolidate business demands in rubber chemicals.
- Commissioning of a second steam turbine (cogeneration) to improve operational efficiency.

NAVI MUMBAI SITE

- De-bottlenecking of capacities for antioxidants and accelerators based on market demand.

SBTi Targets

SBTi has validated the GHG emissions reduction targets submitted by NOCIL.

58.80%

Reduction in Scope 1 and Scope 2 GHG emissions by 2033-34.

35%

Reduction in Scope 3 emissions by 2033-34.

Energy Consumption*

Parameter	2024-25	2023-24
From renewable sources (in GJ)		
Total electricity consumption Green power (A)	56,246.57	30,498.88
Total fuel consumption (B)	10,050.01	Nil
Energy consumption through other sources (C) Solar	4,240.71	1,656.68
Total energy consumed from renewable sources (A+B+C)**	**70,537.29**	**32,155.56**
From non-renewable sources (in GJ)		
Total electricity consumption (D)	1,34,643.47	1,50,893.47
Total fuel consumption (E)	13,95,020.10	12,93,665.56
Total energy consumed from non-renewable sources (D+E)	15,29,663.57	14,44,559.03
Energy consumption through other sources (F)	0	0
Total energy consumed (A+B+C+D+E+F)	**16,00,200.86**	**14,76,714.59**
Energy intensity in terms of physical output	**22.65**	**22.12**

Total Energy Consumption for 2024-25 was 16,00,200.86 GJ

Notes:

*The above calculations are in accordance with Part B, Attribute 6 of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

**Energy consumption increased due to an increase in production.

7.1.2
Emissions

NOCIL actively engages itself in various emission reduction initiatives to reduce the carbon footprint of its products. The Company's energy reduction initiatives have been majorly influencing its emission. Initiatives like shifting from conventional grid electricity to green electricity have greatly reduced GHG emissions. The Company's efforts for emission reduction are not just to comply with government regulations and consents but go beyond that to affect overall climate change conditions.

NOCIL prioritises optimising energy use and reducing its carbon footprint. The Company has implemented energy-efficient measures and adopted renewable energy by installing solar panels and purchasing hybrid green power.

By using cogeneration technology, NOCIL further improves its energy efficiency. The Company has set aggressive targets to reduce Scope 1 and Scope 2 emissions, aligning with the Science Based Target Initiative (SBTi). This commitment to limiting global warming to well below 1.5°C makes NOCIL one of the few chemical companies in India to have taken such a pledge. The Company has already validated its targets for the near term and Net Zero through SBTi that aligns with the Paris Agreement 2015.

To meet the growing expectations of external stakeholders, the Company primarily focusses on monitoring and reporting its emissions to maintain transparency. Reporting is done through various national guidelines-based reports like BRSR and various online portals like

Climate Disclosure Project (CDP), Science Based Target initiative (SBTi), and EcoVadis, among others.

The Company recently acquired the ISO 20400:2017 Sustainable Procurement Guideline Validation Statement, which ensures its commitment towards the development of its supply chain in accordance with sustainability principles. The Company began arranging training sessions, audits and capacity-building sessions to develop its entire supply chain. This will ultimately help in reducing emission throughout the supply chain and help the Company to attain its goal in reducing its Scope 3 emissions.

Emissions Data

Parameters	2024-25	2023-24
Scope 1 emission (MTCO$_2$e)	1,31,729.46	1,18,119.92
Scope 2 emission (MTCO$_2$e)	27,187.41	30,224.93
Scope 3 emission (MTCO$_2$e)	3,17,216.98	2,91,511.169
Total emission (MTCO$_2$e)	4,76,113.85	4,39,856.019
Emission intensity (MTCO$_2$e/ MT production)	6.738	6.589

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Air Emissions (Other than GHG Emissions)

Parameters	Unit of Measurement	2024-25	2023-24
NOx	Kg/Day	145.51	164.99
SOx	Kg/Day	543.45	623.31
Particulate matter	Kg/Day	212.40	244.91

Emissions Intensity for 2024-25

Scope 1	Scope 2
1.86 MTCO$_2$e/MT of Production	0.38 MTCO$_2$e/MT of Production

Emissions Intensity

Parameters	2024-25	2023-24
Scope 1 Intensity	1.86 MTCO$_2$e/MT of Production	1.77 MTCO$_2$e/MT of Production
Scope 2 Intensity	0.38 MTCO$_2$e/MT of Production	0.45 MTCO$_2$e/MT of Production
Scope 1+ 2 Intensity	2.24 MTCO$_2$e/MT of Production	2.22 MTCO$_2$e/MT of Production

2022-23 was taken as a base year. Total Scope 3 emission in the base year was 2,41,739.26 MTCO$_2$e. Total Scope 3 emission intensity in the base year was 4.02 MTCO$_2$e/MT of production.

7.1.3
Sustainability and Waste

NOCIL is dedicated to protecting the environment and ensuring a sustainable future. The Company demonstrates this commitment by reducing the carbon footprint of its products, adopting responsible business practices, and collaborating with its broader value chain to promote sustainability throughout its operations.

NOCIL has established a comprehensive waste management programme based on the 3Rs strategy - Reduce, Reuse, and Recycle, to promote sustainable environmental practices. At its state-of-the-art Dahej plant, the Company employs advanced effluent treatment technologies to ensure effective waste handling. An exclusive team of R&D scientists focusses on Green Chemistry and Environmental Research, driving innovations that support sustainable manufacturing. Emphasising process optimisation, NOCIL aims to minimise material losses and reduce waste generation at the source, thereby enhancing operational efficiency and environmental stewardship.

Recognising the nature of chemical manufacturing, which can produce hazardous waste such as heavy metals, spent acids, catalysts, and wastewater treatment sludge, the Company actively pursues strategies to minimise these wastes in line with circular economy principles. By focussing on reducing, reusing, and recycling, NOCIL optimises resource efficiency while significantly lowering environmental impact and landfill contributions. The Company strictly adheres to regulations governing the transport, treatment, storage, and disposal of hazardous waste. Its waste management approach integrates waste reduction, effective treatment, recycling, and recovery wherever feasible. Although these measures may involve initial investments or operating costs, they help reduce long-term expenses and mitigate risks related to remediation liabilities and regulatory penalties.

NOCIL is committed to incorporating cutting-edge technologies such as Green Chemistry into its operations. Its dedicated research centre supports advanced environmental research and sustainable business practices, underscoring the Company's commitment to eco-friendly innovation. As part of its corporate responsibility, NOCIL has adopted the '5S Workplace Organisation Method' to enhance productivity, safety, and waste reduction. The Company's pollution prevention initiatives align with the 3Rs approach to maintaining a sustainable environment.

To ensure proper waste disposal, NOCIL has entered into contractual agreements with authorised third-party waste management firms, including Mumbai Waste Management and Trans Thane Creek Waste Management Association (TTCWMA) for the Navi Mumbai Plant, and Recycling Solutions Private Limited (RSPL) and BEIL Infrastructure Limited for the Dahej Plant. These partnerships have proven effective in reducing emissions and managing waste responsibly. Furthermore, NOCIL has partnered with Go Green to implement a greener hazardous waste disposal method, transitioning from incineration to pre-processing (co-processing), thereby reducing environmental impact.

The Company utilises distillation and extraction techniques for purification and continuously emphasises waste reduction and process yield improvements through its R&D efforts, contributing further to pollution mitigation. NOCIL maintains strict compliance with relevant environmental legislation, including the Environment (Protection) Act, 1986; Plastic Waste Management Rules 2024; and the Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989.

Additionally, the Company has taken necessary steps to register under the Extended Producer Responsibility (EPR) provisions of the Plastic Waste

SDG

Management Rules 2016, reflecting its commitment to sustainable plastic waste management.

NOCIL, the largest manufacturer of rubber chemicals in India, is committed to maintaining high standards of environmental compliance and operational excellence. The Company engages a Ministry of Environment, Forest and Climate Change (MoEF)-approved laboratory for regular monitoring of all process and boiler stacks, ensuring that emissions consistently meet the prescribed regulatory norms.

Environmental control is exercised meticulously across liquid, gaseous, and solid waste streams. NOCIL operates a comprehensive Effluent Treatment Plant (ETP) and has adopted advanced technologies such as Soil Biotechnology, Hydrodynamic Cavitation, and Multiple Effect Evaporator systems. Treated effluent, meeting all statutory standards, is discharged into underground MIDC/GIDC drainage pipelines with continuous online monitoring of parameters such as pH, flow, and Chemical Oxygen Demand (COD).

Hazardous waste is stored in designated areas and periodically disposed of through authorised Treatment, Storage, and Disposal Facilities (TSDFs). Scrubber systems are installed on process stacks, and drains are connected to chemical sewers leading to the ETP. An Electrostatic Precipitator (ESP), monitored via camera surveillance, controls particulate emissions from coal-fired boilers. To further reduce emissions, the Company has transitioned to eco-friendly PNG fuel, replacing conventional liquid fuels in boilers and laboratories.

NOCIL holds certifications for **ISO 9001, ISO 14001, ISO 45001, IATF 16949, ISO 50001** and **ISO 20400:2017,** reinforcing its ongoing commitment to Health, Safety, Environment, and Energy Management excellence.

Total Waste Generated

Metrics		Value	Unit
Plastic Waste		17.416	Metric tonnes
E-waste		0.3002	Metric tonnes
Biomedical Waste		0.00208	Metric tonnes
Construction and Demolition Waste		826	Metric tonnes
Battery Waste		5.344	Metric tonnes
Radioactive Waste		NIL	Metric tonnes
Other Hazardous Waste		8,040.875	Metric tonnes
Other Non-Hazardous Waste Generated	Metal Waste	241.043	Metric tonnes
	Wooden Scrap	49.44	Metric tonnes
	Glass Waste	4.96	Metric tonnes
	Coal Boiler Ash	6,614.935	Metric tonnes
	Garbage	71.33	Metric tonnes
	Total	**6,981.712**	**Metric tonnes**
Total		**15,871.65**	**Metric tonnes**

*Total waste production rose due to an increase in production.

Hazardous Waste Diverted to Recovery Operations

Metrics	Value	Unit
Preparation for Reuse	5.6442	Metric tonnes
Recycling	0	Metric tonnes
Other Recovery Operations	39.89	Metric tonnes

Non-Hazardous Waste Diverted to Recovery Operations

Metrics	Value	Unit
Preparation for Reuse	6,614.935	Metric tonnes
Recycling*	263.419	Metric tonnes
Other Recovery Operations	0	Metric tonnes

*Recycling waste includes - Paper, metal, wood, glass and fly ash.

Hazardous Waste Directed to Disposal-by-Disposal Operation

Metrics	Offsite Value	Unit
Incineration (with Energy Recovery)	7,630.3	Metric tonnes
Incineration (without Energy Recovery)	0.00208	Metric tonnes
Landfilling	370.685	Metric tonnes
Other Disposal Operations*	0	Metric tonnes

*Other disposal operations are sold to an authorised party as per consent.

Non-Hazardous Waste Directed to Disposal-by-Disposal Operation

Metrics	Offsite Value	Unit
Incineration (with Energy Recovery)	120.77	Metric tonnes
Incineration (without Energy Recovery)	0	Metric tonnes
Landfilling	826	Metric tonnes
Other Disposal Operations	0	Metric tonnes

7.1.4
Water Consumption

NOCIL acknowledges the vital importance of water conservation in an era marked by increasing scarcity. To advance its operational excellence, the Company has implemented a suite of improvement initiatives aimed at optimising production processes.

NOCIL has implemented initiatives to reduce water consumption, recognising water's critical role in chemical production. The Company focuses on comprehensive water management strategies that not only lower operating costs but also help mitigate the financial impacts of stringent regulations and supply shortages. Central to this effort is the 'Recycle and Reuse' water strategy deployed across its production sites. Through this approach, NOCIL continuously improves its water use efficiency, reduces consumption, and safeguards water as a vital resource.

NOCIL has launched initiatives to reduce its water consumption, recognising its crucial role in chemical manufacturing. The Company's water management strategy aims to enhance resource efficiency, cut operational costs, and mitigate risks associated with regulations and water scarcity.

The Company has implemented a 'Recycle and Reuse' approach at its production facilities to ensure sustainable water use. At its Dahej site, NOCIL is currently installing a **Reverse Osmosis (RO) plant** to improve water recycling capabilities. These efforts underscore the Company's commitment to conserving water resources, boosting operational efficiency, and preventing negative impacts on local ecosystems.

The Company reiterates its commitment to preserving water resources and ensuring its operations pose no adverse impacts on local water bodies. NOCIL also extends its efforts beyond plant boundaries by supporting community water conservation. It has backed a project, code-named Jal Sangrah, led by the Ashray Foundation in Santalpur Taluka of Patan district. This initiative focusses on constructing 'Holiyas', traditional water storage structures, to combat chronic water storage issues. This project enhances agricultural yields, ensures drinking and sanitation access, boosts rural livelihoods through increased employment, and raises incomes in Gujarat's communities.

Internally, NOCIL has adopted diverse measures for water and wastewater management, driven by escalating scarcity and costs influenced by overconsumption, limited supply, pollution, and climate change. The Company adheres strictly to environmental regulations, ensuring meticulous wastewater treatment and disposal. As part of its sustainability agenda, NOCIL now meets 15% of its water requirement using recycled tertiary treated water sourced from the Sewage Treatment Plant (STP) of Navi Mumbai Municipal Corporation, a significant step toward reducing reliance on freshwater sources.

NOCIL has extended financial support to the NM Sadguru Water & Development Foundation through its CSR programmes, advancing sustainable land and water resource management initiatives that boost agricultural ecosystems and uplift marginalised communities. At its Dahej site, the Company plans to install a Reverse Osmosis (RO) plant with a capacity of 300 m³/day. These efforts play a key role in curbing water consumption while enhancing overall operational efficiency.

SDG

operations do not adversely impact nearby water resources. NOCIL's dedication to responsible water management and water quality preservation contributes significantly to the health and well-being of surrounding communities. It adheres strictly to environmental regulations, including standards from the Maharashtra Pollution Control Board (MPCB) and Gujarat Pollution Control Board (GPCB), and applies rigorous wastewater treatment measures.

NOCIL remains dedicated to advancing its water sustainability mission while strengthening ties with local communities and stakeholders. Through targeted educational programmes workshops, seminars, and interactive sessions, the Company raises awareness around

responsible water use and equips communities' programmes, ironable knowledge.

By promoting transparent and inclusive dialogue, NOCIL fosters stronger relationships and cultivates shared stewardship of water resources. These initiatives act as a platform for meaningful exchange, reinforcing the message that water conservation is a collective responsibility. Looking ahead, NOCIL will continue to expand these efforts, prioritising accessibility, clarity, and trust in all communications. By anchoring its sustainability narrative in tangible actions and clear language, the Company strengthens its credibility and empowers stakeholders to join in protecting this vital resource.

NOCIL recognises that water is indispensable in chemical production, essential for cooling, steam generation, and feedstock processing. This importance is intensified by long-term historical increases in water scarcity and cost, driven by overconsumption, limited supply from population growth, pollution, and climate change. In such a scenario, water scarcity elevates the risk of operational disruption and raises procurement costs and capital expenditure. To address these risks, NOCIL has implemented actions to reduce water use through efficiency improvements and focusses on water management strategies that lower operating costs over time while mitigating regulatory, supply, and community-related disruptions.

Acknowledging stakeholder concerns around water quality, the Company reaffirms its commitment to protecting local water bodies and ensuring its

7,10,299 KL of trade effluent was treated through primary and secondary aerobic biodegradation, followed by tertiary treatment, while 8,157 KL of sewage effluent was treated by the SBT system.

Water Consumption (Kilolitre/Day)

Parameters	2024-25	2023-24
Third party water	12,98,861.00	11,80,477
Total water consumption	5,80,405.00	5,66,600.00
Total water discharge	7,18,456.00	6,13,847
Water intensity (KL per MT of production	8.21	8.48

08

SUSTAINABILITY PROCUREMENT

NOCIL has **achieved ISO 20400:2017 certification** for sustainable procurement, a significant accomplishment given the inherent complexities of sourcing hazardous chemicals. This certification highlights the Company's disciplined approach to integrating sustainability across its procurement practices.

Beyond strengthening NOCIL's reputation as a responsible and forward-thinking organisation, the certification positions the Company as a credible sustainability leader in the marketplace. It reflects a sustained commitment to minimising environmental impact and promoting ethical practices across the supply chain. By adhering to these strict standards, NOCIL demonstrates its dedication to safety, compliance, and corporate responsibility, especially in a sector with unique challenges in handling hazardous materials.

Achieved Certification
ISO 20400:2017

Our sustainable procurement objectives:

1. Ensure full adherence to relevant internal and external stakeholder engagement practices related to sustainable procurement.

2. Guarantee that its targeted suppliers have formally signed and comply with NOCIL's Supplier Code of Conduct covering raw materials and packaging materials.

3. Undertake sustainability assessments of its targeted suppliers.

4. Promote procurement from MSMEs and other vulnerable groups like women-led and persons with disability-led businesses.

5. Collaborate with and train targeted suppliers in initiating the capture of Scope 1 and Scope 2 emissions data.

Sustainable Procurement Governance

NOCIL has established a governance framework for sustainable procurement to guide purchasing decisions. This framework balances economic, environmental, and social objectives, ensuring procurement practices support long-term sustainability and ethical business practices.

Sustainable procurement governance includes the structures, policies, and procedures that oversee the purchasing of goods and services in a responsible manner. It ensures that procurement decisions remain aligned with sustainability goals, legal requirements, and ethical standards.

The key elements of this governance framework include:

- Leadership Commitment: Ensuring top-level support and accountability.

- Policy and Strategy: Developing clear guidelines.

- Compliance and Legal Framework: Adhering to all relevant laws and regulations.

- Risk Management: Identifying and mitigating sustainability-related risks.

- Performance Monitoring: Tracking progress and driving continuous improvement.

- Transparency and Disclosure: Communicating efforts to relevant stakeholders.

NOCIL encourages feedback from all stakeholders to improve its systems. Progress is regularly measured, reviewed, and reported, with best practices shared over time. Further details on NOCIL's sustainability journey are available in the Company's Annual and Sustainability Reports on its website. Suppliers are encouraged to stay informed through these disclosures. Any queries regarding this policy may be addressed to the designated contact.

Key considerations for supplier selection:

- **Quality and Timeliness:**
  Suppliers are expected to deliver materials and services that meet quality standards and contractual timelines.

- **ESG Compliance:**
  Suppliers must operate ethically and responsibly, in line with applicable laws, NOCIL's ESG Framework and the Supplier Code of Conduct.

- **Performance Tracking:**
  Supplier performance is assessed across quality, delivery, health and safety, and ESG parameters, with a minimum qualifying score of 60%.

- **Collaboration and Improvement:**
  Where a score drops below 60%, NOCIL will engage with suppliers to support improvement, without assuming financial liability.

- **Audit Right**
  The Company reserves the right to audit supplier facilities to ensure compliance with risk management and control procedures.

- **Strengthened Collaboration:**
  NOCIL aims to strengthen partnerships with suppliers to jointly address risks and opportunities for sustainable growth.

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