



{Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015}

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L16004MH1936PLC008587
2.	Name of the Company	GODFREY PHILLIPS INDIA LIMITED
3.	Registered address	'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai, Maharashtra – 400033
4.	Website	<a href="http://www.godfreyphillips.com">www.godfreyphillips.com</a>
5.	E-mail id	<a href="mailto:isc-gpi@modi.com">isc-gpi@modi.com</a>
6.	Financial Year reported	2018-19
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of Cigarettes (12003) and Pan Masala (12008) and trading of Unmanufactured tobacco (46202)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	(a) Cigarettes (b) Unmanufactured tobacco (c) Retail
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	International: Thru subsidiary company/ branch :United Arab Emirates, United States of America and Singapore National: Across the country. Details of the office & plant locations are disclosed under the corporate information page of Annual Report.
10.	Markets served by the Company – Local/ State/National/International	National & International

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up capital	Rs. 1039.88 Lakhs
2.	Total turnover	Rs. 259203.25 Lakhs
3.	Total profit after taxes	Rs. 24096.73 Lakhs
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	2 %
5.	List of activities in which expenditure in 4 above has been incurred	(a) Promoting education, healthcare and women empowerment. (b) Undertaking community development initiatives.



## SECTION C: OTHER DETAILS

1.	Does the Company have any subsidiary company/ companies.	Yes
2.	Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	Yes, All of them are aligned to the parent to ensure efficient conduct of business.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company.	Not directly

## SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

No.	Particulars	Details
1.	DIN Number	00029407
2.	Name	Mr. K.K. Modi
3.	Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	-
2	Name	Mr. Bhisham Wadhwa
3	Designation	Chief Executive Officer
4	Telephone number	011-26832155
5	e-mail id	<a href="mailto:bhisham-gpi@modi.com">bhisham-gpi@modi.com</a>

2.

The operating principles adopted by the Company to supplement the requirements under the National Voluntary Guidelines (NVGs)	<p>The National Voluntary Guidelines provide for the following nine principles:</p> <p>Principle 1: Ethics, Transparency and Accountability (P1)</p> <p>Principle 2: Products Lifecycle Sustainability (P2)</p> <p>Principle 3: Employees Well-being (P3)</p> <p>Principle 4: Stakeholders Engagement (P4)</p> <p>Principle 5: Human Rights (P5)</p> <p>Principle 6: Environment (P6)</p> <p>Principle 7: Policy Advocacy (P7)</p> <p>Principle 8: Inclusive Growth (P8)</p> <p>Principle 9: Customer Value (P9)</p>
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### 3. Principle-wise (as per NVGs) BR Policy/policies

#### a) Details of compliance (Reply in Yes/No)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify?	Yes. The policies conform to the relevant standards as per the national /international legal requirements.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Policies that are mandated under the Companies Act/SEBI Regulations are approved/ noted by the Board from time to time. Other policies are approved / reviewed by the senior management of the Company.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Implementation of relevant policies covering various principles is the responsibility of respective functions in the Company. There may be more than one principle which may be a part of a policy and various functions join hands to ensure their implementation. There are specific committees of the Board to oversee implementation of CSR policies, Stakeholder relationships and Senior Management employees nomination & remuneration.								
6	Indicate the link for the policy to be viewed online?	Internal policies which are available on the Company's internal network, Other policies are available on the website of the company ( <a href="http://www.godfreyphillips.com">www.godfreyphillips.com</a> ) through various web links.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have in-house structure to implement the policy/ policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The assessment of working of these policies and principles is within the framework of internal control system of the Company.								

4. Governance related to BR	As a statutory requirement, this report has been compiled and is annexed to the duly approved report of the Board of Directors. Various policies are disclosed on the Company's website <a href="http://www.godfreyphillips.com">www.godfreyphillips.com</a> . Various policies and procedures are already aligned to this endeavor on continuous basis.
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## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1 – Ethics, Transparency & Accountability

The Code of Business Conduct of your Company outlines the values and expected behavior which is required to be followed by its Board of Directors and senior management personnel and their subordinates while dealing with internal or external customers. There are laid down structures, procedures and practices to promote this principle across the value chain. By virtue of the direct responsibilities associated with all major subsidiaries/associates, this principle is expected to be followed in relation to the subsidiaries/associates also. Employees involved in potential conflict of interests are subjected to appropriate action by the Company. The Company is committed to provide full, fair, accurate, timely and understandable disclosure in reports and documents required to be filed / submitted to the regulatory authorities while protecting and maintaining confidentiality and disclosure of price sensitive information as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted 'Whistle Blower Policy' which provides mechanism to highlight any unethical behavior through protected disclosures to competent authority. Code on Insider Trading restricts possibility of any unethical dealing in Company's securities by any insider or connected person whether inside the Company or outside.

Consumer grievance cell addresses complaints related to product and all logical complaints are addressed in the same financial year. All statutory and local body compliances are done within the statutory timelines. There were 9 complaints received during the year from the shareholders/investors and all were redressed to their satisfaction. No complaint was pending for redressal as on March 31, 2019.

### Principle 2 – Sustainable Services

The Company has adopted life cycle approach in order to ensure product sustainability across its value chain. Your Company is committed to provide goods that address social and environmental concerns which lead to sustainability. Accordingly, it focuses on controlling quality of air emissions, maximizing re use of treated water and optimizing utilization of natural resources. All out efforts are made at the manufacturing plants to improve efficiency and productivity and reduce wastage. Environmental friendly practices are adopted and product integrity and quality are of prime importance. Tobacco contained in rejected cigarettes is retrieved and used back, plastic core bobbins, shipper cases, wooden pallets, C-48 boxes, filter rod boxes and filter trays are reused and rejected pouches are ripped and recycled to conserve resources. Your Company introduced use of recyclable paper-based laminate for packing of chewing products and implemented strip color-coded packaging to maintain product integrity & hence consumer safety. Various measures are taken to save energy at factory locations.

The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle, including procurement of raw material/service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers. Vendors operating from the close vicinity to the plant location are given preference as it helps saving on transportation and inventory carrying costs. Suppliers and service providers are encouraged to follow applicable laws, rules and regulations as well as the standards relevant to their business and fair work practices. Systematic documentation and records are maintained. Non-conformities are identified & addressed through appropriate process controls. Regular vendor audits are done and vendors are guided on different improvement areas on a regular basis. The endeavor is to make local suppliers to meet international specifications for imported spare parts and we help them in developing these spare parts locally.

Similarly, employees in the plant locations are hired keeping in mind proximity of their residence. Company imparts on-the-job training to unskilled employees in order to upgrade their level of skills and thereby improve their earning ability.



All our major suppliers of raw and packing materials are ISO Certified. The Company undertakes vendor development activities for our raw material and packaging material suppliers.

For Domestic movement the Company has reputed transporters on board who are ISO certified. There are also few transporters such as East India Transport and Chinara Road Lines who are associated with the Company for over 30 years. RFQ is floated almost every six month to top freight forwarders for submitting their best rates, basis which contracting is done with the most competitive vendors. In order to monitor and standardize we have SOP's in place and are being followed by our factories as well as transporter.

All our manufacturing facilities offer dust free environment through closed dust collection systems.

The Company has started procuring supari from agro co-operatives also, apart from traders; this varies basis availability and requirement for processing. Also, we have opened a local procurement center in the vicinity of supari growing area in Shimoga for better sourcing.

### Principle 3 – Employees Well being

The Company ensures to keep its employees motivated through various health and safety measures, performance based compensation mechanism and training interventions at all levels in the organization. Some of the statistics on employees in the organization are as given below.

1. Total number of employees: 989
2. Total number of employees hired on temporary/contractual/casual basis: 732
3. The Number of permanent women employees: 55
4. The Number of permanent employees with disabilities: None
5. Any employee association that is recognized by management: Yes, Tambakoo Janya Padarth Mazdoor Union
6. Percentage of permanent employees being members of this recognized employee association: 14.34%
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	Number of complaints filed during the financial year	Number of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	None	None
2.	Sexual harassment	None	None
3.	Discriminatory employment	None	None

8. Percentage of under mentioned employees were given safety & skill up-gradation training in the last year.
  - (a) Permanent employees : 63%
  - (b) Permanent women employees : 29%
  - (c) Casual/Temporary/Contractual employees : 75%
  - (d) Employees with disabilities : Not Applicable

There are established procedures aimed at accidents and injuries at workplaces. The Company ensures fair treatment to contract workers and there are checks and balances to ensure their statutory contributions and provision of safe working environment. The Company provides welfare facilities like subsidized food,



medical checkup, medical facilities including medical insurance, yoga and other wellness sessions to its on-roll employees. Welfare and development of employees at all levels in the organization remains one of the key agenda in the functioning of the organization.

Recently, the Company has qualified the survey titled "Great Place to Work" conducted by a reputed external agency. As part of this survey, employees shared their views on various aspects of their experience during the tenure of working in the Company.

Various platforms and forums are available internally to acknowledge exceptional performance and desired behaviors. These serve as strong endorsements of high performance and encourage others to make similar contributions.

#### Principle 4 – Responsiveness to Stakeholders

The Company has identified stakeholders across its value chain and there are internal and external stakeholders. These include consumers, distributors, civil society organisations, local communities, regulatory bodies, suppliers, investors and employees.

The external stakeholders are mapped through various, sales & marketing meets, channel partner meets, trade shows, trainings, consumer contact programs, etc. including through use of technology. Internal stakeholders are responded through town hall meets, surveys, feedbacks, internal meetings and other personal interactions. The Company participates with various trade associations and contributes with various inputs in furtherance of the objectives for which the said association is working. The Company acts like a responsible corporate citizen in abiding by rules and regulations formulated by the regulators as an external stakeholder of the Company.

The Company also engages with marginalized sections of the society like small farmers, women working in rural areas, children and adolescents in slum areas for their general well being, empowerment, education, health and nutritional support as part of its CSR initiatives, directly or through external agencies.

The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth.

#### Principle 5 – Respect for Human Rights

The Code of Business Conduct of the Company not only covers the employees but also the others who are directly or indirectly working with it. Similarly, the policy on Prohibition of Sexual Harassment at Work Place is applicable to all employees, suppliers, contractors and vendors working with it. The said Policy and its implementation is directed towards adherence to applicable laws and upholding the spirit of human rights. No complaints of sexual harassment, gender or caste based discrimination or child labour were received in the financial year under the report. Company is committed to the manufacture and supply of quality and safe products to the entire satisfaction of customer and will continually strive to improve the effectiveness as well as implementation of the established quality & food safety management systems and practices.

#### Principle 6 – Environmental Responsibility

Your Company believes in following best practices in the field of environment, health and safety. As a responsible corporate citizen, the Company realizes its responsibility towards the conservation of the environment and has adopted policies to use methods that have been proven environment friendly. The policy also extends to suppliers and contractors as it encourages them to get ISO 14000 certification.

In terms of environment-friendly manufacturing, Company's facilities comply with some of the highest international quality standards like ISO 22000:2005, ISO 14000(2015), ISO 50000 (energy), ISO 14001, ISO 50001 (EnMS) certification of the plants is further proof of the Company's commitment towards the



environment. The manufacturing facility at Rabale is a IGBC certified Gold rated green factory building. The manufacturing unit at Guldhar has received Greentech Platinum Awards during the year.

The Company understands the criticality and consequences of global environmental issues. Wide range of initiatives such as plantation, use of energy efficient technologies, reduction in use of energy and water, rainwater harvesting, use of solar power, etc. are some of the steps in this direction. Some of the recently taken initiatives include synchronization of power between DG based source and PNG based source in order to optimize load sharing and re-setting of RH point in HVAC, thereby reduce fuel consumption. Similarly, re-use of treated water waste for horticulture has led to water conservation and zero discharge. All utilities in the plants are being gradually replaced with more energy efficient models. All these measures are aimed at conserving natural resources, maintaining qualitatively superior work environment and reducing wasteful consumption. The Company continually identifies and assesses potential environmental risks associated with its operations and complies with applicable environmental regulations set by regulatory authorities.

The Company has a strategy to execute projects in an environmental sustainable way. All the major parameters on energy conservation, water conservation, sustainable site selection, indoor air quality, reuse of waste water, natural light use, reducing energy load by design of structure have been taken care during construction phase. In Guldhar, the Company has developed & maintained recharge structure in ponds of 2 nearby villages (Khimaoti & Shahzadpur) for rain water recharge capacity of more than 1.10 lakh litres to maintain ground water within vicinity.

There are no show cause /legal notices received from CPSB/SPCB which were pending unresolved at the end of the financial year.

#### Principle 7 – Public Policy Advocacy

The Company is a member of various trade bodies and chamber of associations for the advancement of public good. We do not engage in lobbying activities but actively participate in forums that impact the interest of stakeholders in general in the broad areas of governance and administration, economic reforms, environmental safety, public health, education, inclusive development policies, energy security, sustainable business principles, taxes, water and food security, etc. Some of the trade associations with which we are associated are; Federation of Indian Chambers of Commerce and Industry, Ghaziabad Management Association, Confederation of Indian Industry, Central Ground Water Authority (CGWA), Indian Chamber of Commerce and Industry (ICCI), PHDCCI, ASSOCHAM, Tobacco Institute of India, Thane Belapur Industrial Association, and Trans Thane Creek Waste Management Association.

The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

#### Principle 8 – Support for Inclusive Growth

The Company is committed to support inclusive growth and equitable development. The Board of Directors have formulated a Corporate Social Responsibility policy and its impact is contained in annual report separately. The initiatives like development of small and marginalized farmers, empowerment of women, development of education facilities, health and nutritional support to AIDS impacted children, needful support to school dropout children in slum areas are some of the initiatives undertaken in partnership with some external agencies. Other initiatives taken during the year include tree plantation drive and water conservation in village ponds. The Company constantly assesses the impact of various initiatives taken and strives towards maximizing the benefit accruing out of such initiatives.





#### Principle 9 – Engagement with Customers

There is a proper mechanism in place to receive and resolve customer complaints as quickly as possible. Consumer surveys and regular engagement with them is part and parcel of the normal business. Your Company ensures to display all the requisite information on product labels as is mandatory as per applicable laws governing product packaging and labelling. The Company undertakes a number of surveys in order to assess consumer satisfaction with reference to product formulation, packaging and advertising. Customers are the centric part of the Company's business hence all necessary policies are framed around customer satisfaction. A structured customer complaint redressal system is in place to address all issues related to customer. All complaints received from the customers are acknowledged, investigated and responded to as per the Standard Operating Procedures. Consumers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. There are no cases pending against the Company regarding any unfair trade practice or anti-competitive behavior. Your Company adheres to all applicable rules and regulations with responsibility.

The Company is committed to providing products and services that offer best-in-class quality and user experience. The Company also makes efforts to educate customers on responsible usage of its products and services.