

October 4, 2021

The National Stock Exchange Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	The BSE Limited, Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai - 400 023
Code : PRSMJOHNSN	Code : 500338

Dear Sirs,

Sub : Submission of Sustainability Report for the Financial year 2019-20 [Regulation 30 of SEBI (LODR) Regulations, 2015]

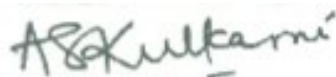
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of Sustainability Report of Prism Johnson Limited ("the Company") for the Financial Year 2020-21.

The same is also available on the website of the Company at www.prismjohnson.in. This is for your information and records

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**



ANEETA S. KULKARNI
COMPANY SECRETARY





CONCRETE STEPS TO A SUSTAINABLE FUTURE

SUSTAINABILITY REPORT 2020-21



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About the report

Concrete Steps to a Sustainable Future, is the 2nd Sustainability Report of Prism Johnson Limited ('Prism Johnson', 'PJL', or 'Company') and relates to the period 2020-21. The report is prepared in accordance with Global Reporting Initiative (GRI) Standards: Core Option. The Company has also mapped its performance with Sustainable Development Goals (SDGs). The economic performance reported is in line with the Company's audited annual results for 2020-21 prepared in accordance with the Companies Act, 2013.

Scope and Boundary

The report covers the following manufacturing facilities of Prism Johnson: Prism Cement's two manufacturing units at Satna (Madhya Pradesh); H&R Johnson's tile manufacturing plants at Dewas (Madhya Pradesh), Pen (Maharashtra), Kunigal (Karnataka), Karaikal (Puducherry), and Vijayawada (Andhra Pradesh), and faucet manufacturing plants at Baddi (Himachal Pradesh) and Samba (Jammu and Kashmir); and Prism RMC's 96 ready-mixed concrete plants across 44 cities and towns in India and 6 quarries in Sindhudurg, Chennai, Mangalore, Bengaluru, Hyderabad, Visakhapatnam. The Company has made all attempts to ensure that it presents a complete and correct representation of the organization's performance. During April 2021, National Company Law Tribunal (NCLT) approved the Composite Scheme of Arrangement and Amalgamation ("Scheme") among the Company and some of its wholly-owned subsidiaries. The financial and operating data includes effect of this Scheme. All assumptions and methodologies used are included in the relevant sections.

Defining Report Content

The report provides an insight into the quantitative and qualitative disclosures on the Company's standalone financial, economic, environmental, social, and governance performance for the period of April 1, 2020 to March 31, 2021. The Company performed a detailed materiality assessment in 2019-20, based on stakeholder consultations and peer benchmarking, and has retained the same for 2020-21. The report also highlights the Company's contributions towards the United Nations SDGs.

External Assurance

The content and data disclosed in the report has been externally assured by Thinkthrough Consulting Pvt Ltd, as per the AA1000 Assurance Standard (AA1000AS v3) – Type 2 Moderate criteria.

For more information on PJL please visit www.prismjohnson.in

We welcome your feedback on our report, please reach out to us at investorrelations@prismjohnson.in

Message from the Chairman



Dear Stakeholders,

I'm happy to share with you, the second sustainability report for Prism Johnson Limited. The report covers our sustainability journey for 2020-21, and reinforces our commitment towards sustainable business operations, as we strive to emerge as an organization following the best Environment, Social and Governance (ESG) practices.

The building and infrastructure sector plays a crucial role in the rapid urbanization and infrastructural growth globally. And with an increase in the number of building projects in the national infrastructural pipeline, it is inevitable that the sector will continue experiencing a rapid growth in India as well. It has already been predicted in the report on industry infrastructure presented by India Brand Equity Foundation (IBEF), that India will be the third largest construction market by the year 2022. More buildings than ever are being constructed using sustainable certification standards and we see increasing action towards zero-carbon building materials and processes. Moreover, investments towards creating decarbonization, energy efficiency and circular economy has gained traction making sustainability in the sector an attractive proposition.

While the global pandemic brings many challenges, it also marks the need for a paradigm shift. Governments can play an important role in unlocking this opportunity by systematically introducing decarbonization strategies, resource efficiency, increasing renovation rates and channeling investment into zero-carbon buildings.

The global construction industry has been severely impacted by COVID-19 with construction activities estimated to have dropped by 10-25% in CY 2020 compared to CY 2019. Apart from this, we also face growing competition from companies making alternative materials to support transition to sustainable practices in the industry. Thus, innovative product offerings, with a lower carbon-footprint, and enabling frameworks are essential to close material loops and reduce usage of virgin materials for the environment. Circular economy offers plethora of opportunities to innovate resource efficiency and I am glad to inform you that our R&D team is actively engaged in offering efficient and environmentally friendly alternatives.

As a responsible organization, we remain committed to our core values of trust and accountability during these tough times. We at Prism Johnson Limited (PJI) have tried our best to relieve our stakeholders from the shards of the pandemic. We managed to implement Work-From-home (WFH) for our employees wherever possible, and ensured COVID protocols for all our employees. We have also extended our support to our communities through various CSR initiatives. While we ensure the best standards of health and safety at our workplaces, and offer health benefits for all employees, at times we do falter in preventing sorrowful incidents. With extreme grief, we would like to share that we have lost 3 members from the PJI family in the Cement division due to Covid-19 during 2020-2021.

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A total of 22.5 MW solar power generation capacity has been commissioned till 2020-21. Both Prism Cement and H&R Johnson used 18% (excluding gypsum) and 7% alternate raw materials respectively that have lower carbon footprint. Water being a key component in our operations; our water optimizing strategy is a mix of rainwater harvesting structures, water recycling measures and groundwater recharge pits rendering 1.44 lakh cubic meter groundwater recharge. Furthermore, our cement plant at Satna has inaugurated Waste Heat Recovery System (WHRS) with 22.4 MW of energy production capacity to concretize our energy conservation initiatives.

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The theme of our sustainability report, Concrete Steps to a Sustainable Future, speaks of our approach towards sustainability, and a vision about where we see ourselves in future. We aim to accelerate our dependence on renewable energy and were successful in establishing additional solar power plants during the reporting period. Adopting circular economy through Waste Heat Recovery System (WHRS) and material efficiency is an important component of our sustainability strategy going forward.

We have believed in transparency in all our disclosures, as that encourages us in improving our sustainability performance every year. And as a step towards enhancing transparency in our sustainability disclosures, I'm happy to inform you, that the report this year has been externally assured, besides being internally checked by us as always. This brings in an added confidence to the transparency, accuracy and reliability of the sustainability report.

I would like to thank you all for being crucial participants in PJI's growth journey towards a sustainable future. I reaffirm my words that PJI will continue riding the concrete steps, to achieve a sustainable future. I welcome you to go through this sustainability report, and share your views about the same.

Regards,
Shobhan M. Thakore



Message from the MD



Dear Stakeholders,

I am pleased to report that 2020-21 proved to be a year of significant progress in the face of adversity, showcasing collective strength and commitment towards a sustainable future. I am proud to present the second edition of our Sustainability Report: Concrete Steps to a Sustainable Future. We communicate our efforts towards an inclusive, sustainable and resilient future through this report.

The pandemic has not only emphasized global economic and health vulnerability and inequities but also brought with it an opportunity to cooperate and co-create a safer environment for our stakeholders. At Prism Johnson Limited, we adopted a considerate and agile approach to uphold our commitment to all our stakeholders by following several safety protocols at our offices and manufacturing facilities or work spaces. We set-up a rapid antigen testing facility at the Satna plant, hosted many vaccination drives across our facilities for our staff and their family members and arranged oxygen concentrators for the benefit of our employees and channel partners during the time of need.

Rapid spread of COVID-19 and stringent lockdown measures had an impact on the building materials sector as demand suffered. However, business outlook by the third quarter started to show promising trend. We generated a total revenue of INR 50,351.79 million and cost rationalization initiatives led to strong EBITDA performance across divisions.

Prism Johnson covering its business product portfolio of cement, ready-mixed concrete, tiles and bath-fittings is conscious of the environmental and social impact it creates and is keen on augmenting sustainable value creation. During the reporting period, Prism Cement installed 22.4 MW of Waste Heat recovery System (WHRS) and 10.0 MW of solar power at its Satna plant as part of its sustainability initiatives. Both Prism Cement and H&R Johnson used around 18% (excluding Gypsum) and 7% alternate raw materials respectively that have lower carbon footprint. We ensure judicious use of water through rainwater harvesting, water recycling measures and groundwater recharge systems. It is also encouraging to note that our R&D team is constantly working to develop innovative products; our tile division has launched some of the most innovative offerings and has been granted four patents for its innovative product offerings.

We also remained committed to social responsibility and introduced initiatives in our thematic pillars of infrastructure development, health and hygiene, environmental conservation and education. We incurred a total of INR 34.75 million expenditure towards CSR initiatives. Rural infrastructure development such as WBM (Water Bound Macadam), road construction and bus shelters benefitted over 7,000 people. We have planned various other initiatives to promote environmental conservation, livelihood development, education and health despite the pandemic. We are proud to share that we received the 7th CSR India Award 2020 in environmental sustainability and healthcare category.

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The pandemic has not only emphasized global economic and health vulnerability and inequities but also brought with it an opportunity to cooperate and co-create a safer environment for our stakeholders. At Prism Johnson, we adopted a considerate and agile approach to uphold our commitment to all our stakeholders through rapid antigen testing facility at the plant, vaccination of all our staff and their family members and arrangement of 65 oxygen concentrators for the benefit of our employees, channel partners and NGO partners.

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Above all, robust corporate governance measures make it possible for us to enhance our financial and non-financial performance in an ethical and accountable manner. PJJ's corporate policies and guidelines form the foundation of good governance and corporate citizenship.

This report embarks PJJ's journey into an ever-evolving and dynamic environment that commands responsible behaviour towards environmental protection and social equity. I would like to voice my gratitude to each and every member of our team for their relentless contribution to navigate through these turbulent times.

I welcome your feedback and suggestions to strengthen our sustainability initiatives and support us on this uphill but exciting journey.

Regards,
Vijay Aggarwal

Year in review

Creating Stakeholder Value

 Total revenue generated
INR 50,351.79 million

 CSR Expenditure
INR 34.75 million

 Contribution to ex-chequer
INR 850.53 million

 **8.61%** of company's revenue invested back in employee's wages and benefits

Doing Business Responsibly

 Prism Cement used
18% alternate raw material*

 H&R Johnson used
7% alternate raw material

 Prism RMC used
4% alternate raw material

 **1.44 lakh** cubic meter ground water recharge at Prism Cement

 **100%** of Cement; 66 out of 96 RMC plants; and 6 out of 7 HRJ plants have maintained 100% Zero Liquid Discharge (ZLD) status

 **100%** wastewater is recycled in the residential colony of Satna cement plant and is used for gardening purposes

 **12.2%** of Prism Cement's total energy consumption is sourced from WHRS and other renewable sources (solar and biomass)

Empowering people around us

 **21.2%** of our workforce is less than 30 years old

 **35%** of the new joiners in the reporting year were female

 Average training hour per employee for Prism Johnson is
7.9 hours p.a.

 Zero fatalities maintained at Prism RMC

 Lost Time Incidents Rate (LTIR) is less than 1 for
all 3 divisions

Community Engagement

 **Over 1,800** people benefitted from road construction

 **Over 5,000** people benefitted from bus shelter construction

 **Over 12,500** patients benefitted from free medical consultation and ambulance service

 **40 toilets** constructed

 **Around 1,000** people benefitted from installation hand pumps with bore well

 Study desks and smart class set-ups provided to schools

 **53,000** saplings planted by the Company, in collaboration with the social forestry department

 **130** solar street lamps installed

 **Nearly 300** beneficiaries were given vocational training support

 RT-PCR COVID-19 testing machine donated to Gandhi Memorial Hospital in Bhopal

 We surpassed our pond desilting target by **283%**

*Note: Excluding Gypsum (Please refer to the chapter Doing Business Responsibly for further details)

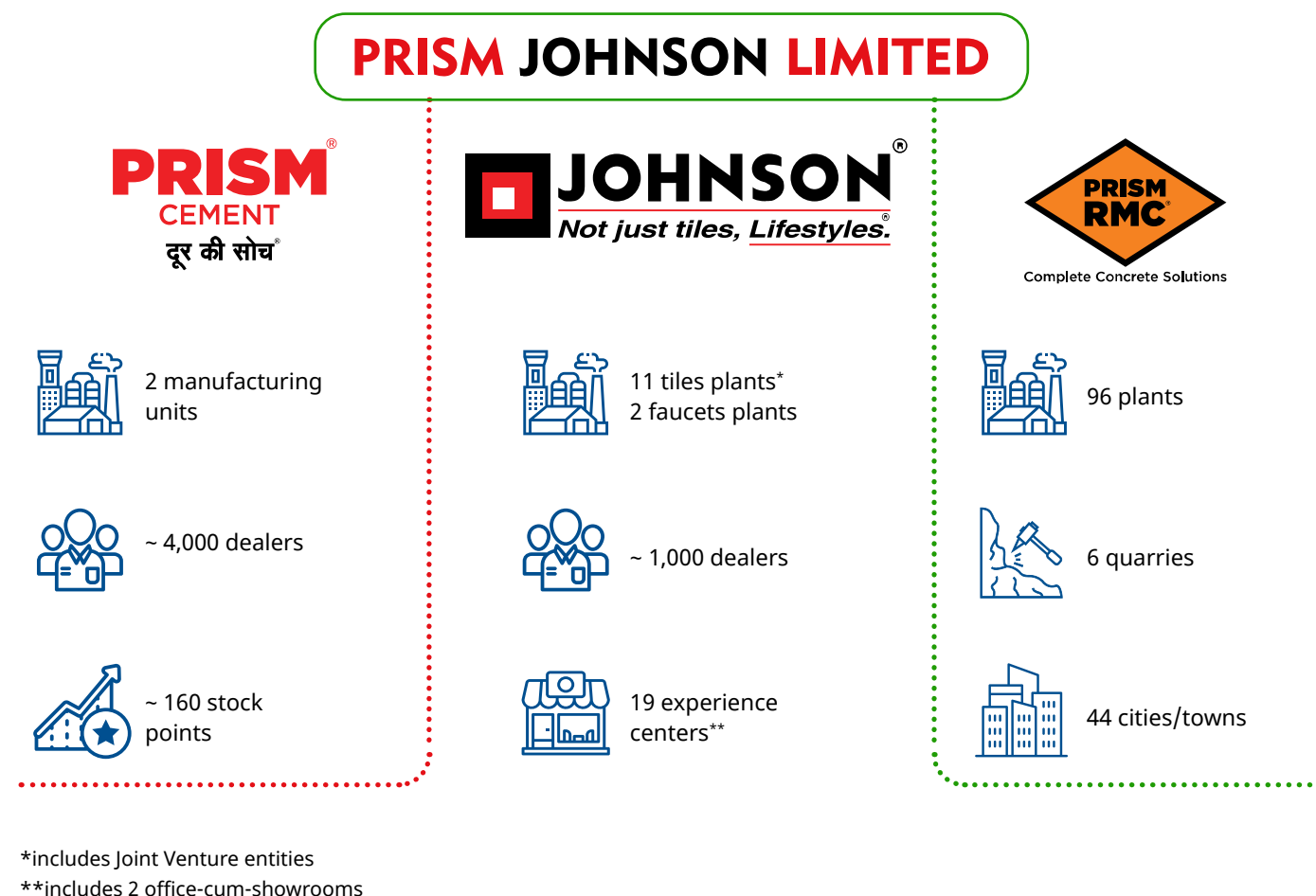
Prism Johnson- a growth journey

Organizational profile

Prism Johnson is one of India's leading integrated building materials companies, with diverse products ranging from cement, ready-mixed concrete, tiles and bathroom fittings, to engineered marble and quartz. The Company has three Divisions - Prism Cement, H&R Johnson (HRJ), and Prism

RMC. Prism Cement and H&R Johnson are Integrated Management System (IMS) Certified (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, SA 8000:2014, and, ISO 50001:2018), while Prism RMC follows internal quality standards.

Figure 1: PJL at a glance



Prism Cement Division

Prism Cement commenced its journey from its first unit at Satna, Madhya Pradesh in August 1997. The division further scaled up its capacity with another unit at the same location in December 2010. Its major markets are eastern Uttar Pradesh, Madhya Pradesh, and Bihar, with an average lead distance of 384 km for cement from its plant at Satna, Madhya Pradesh. It has a wide distribution network with around 4,000 dealers, serviced from nearly 160 stock points. Prism Cement has high quality

standards due to efficient plant operations with modern state of the art automated controls. The division has a well-established quality control testing lab accredited from National Accreditation Board for Calibration and Testing Laboratories (NABL), for chemical and mechanical cement testing. The labs are equipped with ultra-modern equipment such as Computerized Mine Block development that use three-dimensional imaging for optimum blending of raw material to ensure quality of the products.

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Vivek Agnihotri
Executive Director & Chief
Executive Officer
(Prism Cement Division)

We take cognizance of the adverse impact that cement manufacturing can have on the environment and the community as a whole. Hence, it is imperative that we have systems in place to ensure continued sustainability of our business. During 2020-21, we took multiple concrete steps to increase the ratio of renewable energy in our overall energy consumption through captive solar power production capacity and installation of a Waste Heat Recovery System (WHRS). This will help us get around 35% of our power and fuel requirements for Prism Cement to be met from WHRS and renewable sources in future. We continue to strive towards further reduction in carbon footprint from the cement manufacturing process by using alternate materials such as fly ash and have adopted a dry manufacturing process.

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H&R Johnson (India) Division

H&R Johnson (HRJ) is the pioneer of ceramic tiles in India. Since its inception in 1958, HRJ has continuously broadened its product offerings, to offer complete tiles solutions to its customers. With nearly 1,000 dealers and 19 large-format experience centers across India, HRJ takes pride in being an end-to-end solutions provider, offering a wide range of products, namely tiles, sanitaryware, bath fittings, and engineered marble and quartz. The overall manufacturing footprint of HRJ includes 11 tile manufacturing plants (including its Joint Venture entities) and 2 faucets plants, spanning across the country, having one of the largest manufacturing capacities in India.



Continuing on our motto of 'Improving Lifestyle of customers by providing innovative products & services', our performance testifies to our grit and abidance to our mission to serve our stakeholders in the best way we can. We offer a wide-range of germ-free products in tiles, based on our patented nano-based technology. And owing to the COVID-19 pandemic, which is raging across the globe right now, where sanitizing all the surfaces we come in contact with in order to stay safe from catching the disease is the global mantra, our germ-free tiles have received renewed appreciation from all consumers.



Sarat Chandak
Executive Director &
Chief Executive Officer -
(H&R Johnson (India)
Division)

Prism RMC Division

Established in 1996, Prism RMC Division is one of India's leading ready-mixed concrete manufacturers. It has been the trailblazer in terms of setting high standards for plant and machinery, production and quality systems, and product services in India's ready-mixed concrete sector. Prism RMC currently operates 96 ready-mixed concrete plants across 44 cities and towns across the nation. The division has secured new positions in its existing markets, which will aid in its continued flourishing growth. Prism RMC has also ventured into the aggregates business and operates large quarries and crushers. At present, the RMC division has 6 quarries across the country.



Ready-mixed concrete has revolutionized the concrete sector, by involving a high degree of quality control mechanization and automation. At Prism RMC, every RMC plant implements resource optimization without compromising on our commitment to top-notch quality of products & services to our consumers, owing to our touch of innovation in every business operation. We will continue to drive product excellence through our sustainable manufacturing practices and innovative and climate-smart products (based on concrete's potential to absorb CO₂)



Atul Desai
Executive Director &
Chief Executive Officer -
(Prism RMC Division)

Geographical presence

Figure 2: PJL's geographical footprints



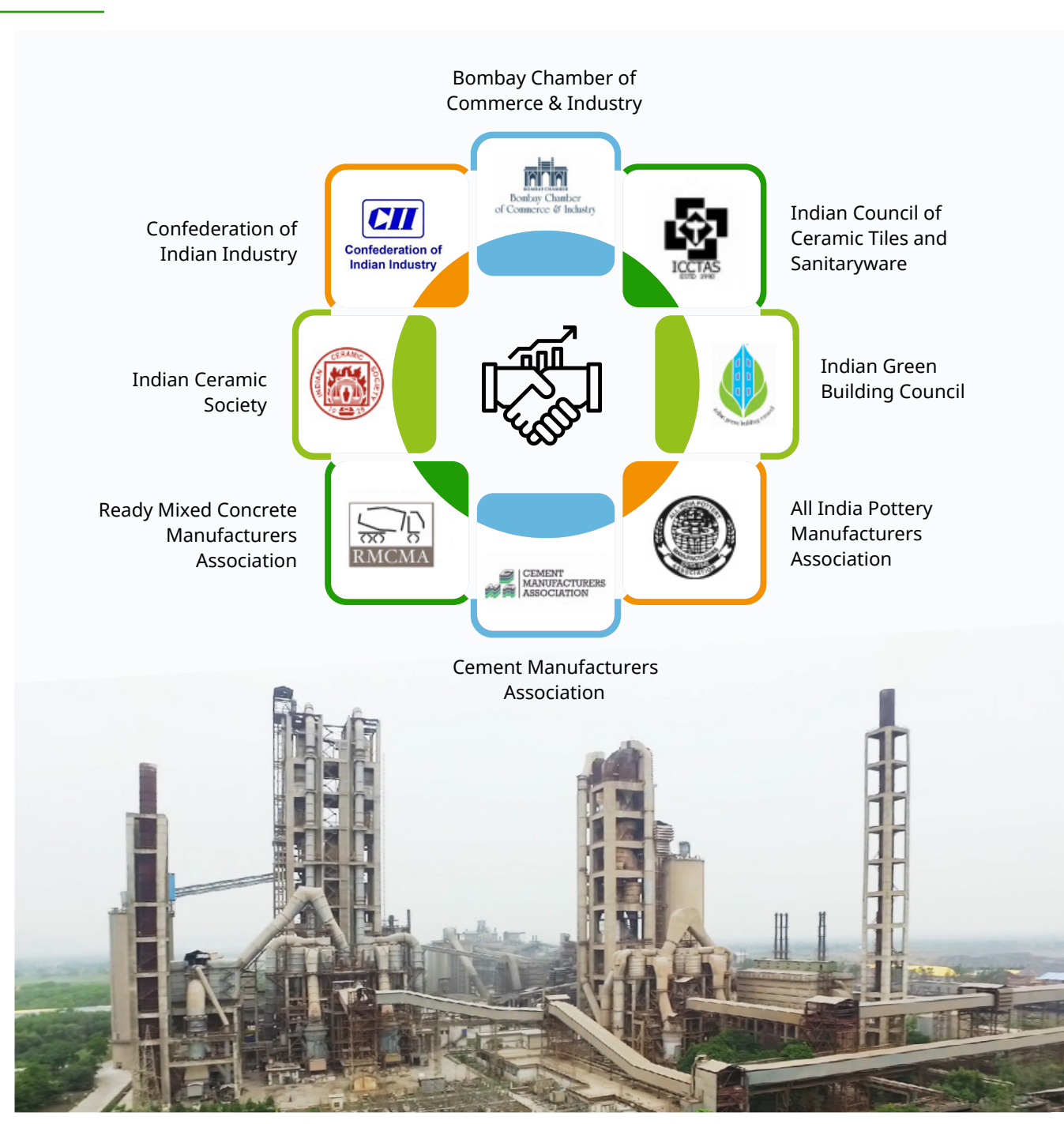
This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/ states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

Industry associations

Prism Johnson is an active member of key industry associations and sectoral platforms in our line of business. Being a member of these associations provides us with unique perspectives and opportunities that help us keep abreast of the latest industry news and developments and

help grow our business. Our participation on these forums aids in the implementation of sectoral best practises. It also strengthens our business's alignment with applicable professional standards. We are currently part of following industry associations:

Figure 3: Our industry associations



Awards and recognition

We at Prism Johnson Limited, keep striving to achieve the best of our operations in the most sustainable way possible. We feel humbled and honoured that our efforts

are recognized across different coveted platforms, and are elated to share our awards and recognitions received in 2020-21:



H&R Johnson recognised as the Iconic Brands of India 2020 by Economic Times



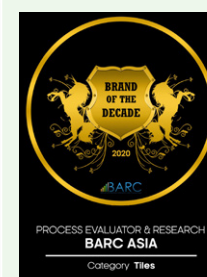
Recognised by Golden Peacock Awards Environment Management Award 2020



Awarded 7th CSR India Award 2020 in Ensuring Environmental Sustainability Category



Awarded 20th Annual Greentech Environment Award 2020 in the Environment Protection category



H&R Johnson recognised as the Brand of the Decade 2020 by BARC



Prism Cement has been awarded the 20th Greentech Award for Outstanding Achievement in Safety Excellence, by the Greentech Foundation



Prism Cement has won the Apex India Safety Award 2020



Prism RMC awarded Brand of the Year for Ready-Mixed Concrete category



Awarded 7th CSR India Award 2020 in Promotion of Health and Healthcare Category



H & R Johnson won Golden Peacock Awards 2020 for its Innovative GermFree Products

Concrete steps to a sustainable future

At Prism Johnson Limited, we believe that the Triple Bottom Line, which speaks of economic, social and environmental sustainability, should be the guiding light for the growth path of all businesses. And we walk the same path ourselves too, by taking concrete steps to a sustainable future. Sustainability is ingrained within our existence since the commencement of our journey. We practice inclusive growth, where we make sure that our progress is not just reflected in our financial performance, but also on the welfare of our stakeholders both internal and external, and the environment we rely upon for all natural resources.

Prism Cement: During the reporting period, Prism Cement division sourced 12.2% of the total power requirement for production from WHRS and renewable energy sources. At our cement plant at Satna, we installed 10 MW solar power during 2020-21, taking the total installed solar power capacity to 22.5 MW. Further, a new 22.4 MW WHRS based power generation system was commissioned at our Satna plant in a phased manner during 2020-21. It reduced demand side generation by equivalent MW and resulted in carbon foot print reduction & power cost optimisation. We have increased the ground water table in and around the cement plant by nearly 2 meters through water harvesting structures.

HRJ: Further, HRJ launched Touch Lite Taps during the Covid-19 pandemic for safety of the users as they help avoid direct touching of taps. These taps also help save water due to their instant on/off feature. These taps are made from material that is recyclable after completing its life. These faucets can use green field aerator to further save water by around 25-30% as compared to a normal faucet.

Prism RMC: To ensure that fresh water resources are less stressed, Prism RMC uses recycled water in the plant operations. We deploy a close monitoring of the power factor to optimise power consumption, and have

installed water meters at plants to monitor and control water consumption. Please refer to the chapter **Doing Business Responsibly** to read more on PJJ's environmental protection initiatives.

We believe that PJJ is made by its people- its internal and external stakeholders. To ensure development of local community, we strive to procure products and services from local producers, small scale vendors and communities surrounding our operations. We are committed to ensure equal work opportunities for all, irrespective of gender, age, disabilities and do not practice any other form of discrimination. Please refer to the chapter **Empowering People Around Us** to read more on PJJ's social sustainability initiatives.

A robust corporate governance, which believes in ethical and accountable business practices, makes sure that the organization never ceases to flourish. And we at PJJ have a balanced mix of executive and non-executive directors, with a wide range of skills and experience, to continuously guide PJJ on the path of its sustainable growth journey. PJJ's corporate policies and guidelines, which are reviewed regularly in order to ensure they stay compliant with all regulatory requirements and business paradigms at all times, form the guiding framework for our Board to make strategic decisions. Please refer to the chapters **Strengthening Business Ethics and Compliance** and **Our Approach to Sustainability** to read more on PJJ's social sustainability initiatives.

Our sustainability report is another concrete step towards attaining a sustainable future. We have committed ourselves to disclose our sustainability performance every year for everyone to view, and participate in our sustainable growth journey. At PJJ, we believe that the sustainable future we have envisioned, can be achieved only if we have everyone together in this journey.





Adapting to the new normal: our response to Covid-19

The Covid-19 pandemic made India and the world deal with unprecedented challenges in 2020-2021 thereby creating a need to adapt with change. PJJ too faced the unfortunate brunt of the widespread pandemic. However, despite all odds, we at PJJ have adopted a humane and agile approach to fulfil our commitments to all our stakeholders. The entire PJJ family has played a commendable role during these testing times, thus upholding our persistent commitment to serve all our stakeholders at all times.

We have taken various measures to counter the pandemic, both in terms of helping our community cope with the pandemic, and also staying resilient in our operations as an organization. We offer a range of germ-free tiles and germ guard sanitizer, that focuses on the health and well-being of our valued customers.

Each PJJ division has played a crucial role in highlighting the humane face of PJJ.

Following are some noteworthy initiatives taken by Prism Cement in this regard:



As a CSR initiative, Prism Cement donated an advanced testing machine to the Madhya Pradesh government to help them conduct tests of Covid-19 samples in the state.



Reduced the daily industrial oxygen consumption, and conducted bare minimum activities to sustain plant operations, so that hospitals can cope with the perilous oxygen shortage that ravaged the nation during the peak times of the second wave of the pandemic shock.



Factory canteens were working continuously to provide food for the frontline workers.



Arranged for 65 oxygen concentrators for the benefit of our employees and channel partners. We have made these devices available at our plant, marketing offices and select channel partners. We also assisted our NGO partners in procuring these devices.



Registered the cement division's medical centre as a COVID-19 vaccination centre to ensure the vaccination of all our staff and their family members, and people from nearby villages.



Setting up of Touch-Free Automatic Hand Sanitizer Dispensers, and the provision for a rapid antigen testing facility at the plant, which runs 24 hours dedicated for COVID-19 testing. Trained medical staff and doctors are also available to take care of the infected people.



Our approach to sustainability

Sustainability at PJJ

At Prism Johnson Limited, we embrace sustainability as a business approach to create a sustained value by taking into consideration how economic, social, and environmental dimensions impact our business. This approach helps us to enhance our processes, pursue sustainable growth and add value to our Company and stakeholders, going beyond profit maximization. Ever since our inception, we have been exploring avenues for social development and promoting sustainability among our local communities, as in our business activities. We are therefore excited, with our second sustainability report, to further strengthen our commitment to respond to the call of United Nations' Sustainable Development

Goals and contribute to realization of the SDGs. As a leading building materials manufacturer, we understand that the overall footprint of our businesses along with sustainable manufacturing processes and practices will create opportunities to enhance resource efficiency, minimize negative environmental impacts and strengthen our engagement with local communities. In planning and execution of our responsible business strategy, we strongly believe our engagement with our valued internal and external stakeholders will highlight our priorities and material aspects for a sustainable business strategy.

As part of the cement sector, we are cognizant of the fact that the cement sector is the third-largest industrial energy consumer in the world, and the second largest industrial CO₂ emitter – contributing to over 7% of global CO₂ emissions (International Energy Agency, 2018). Given our products are related to the wider building and infrastructure sector, our businesses can have significant potential impact on the wider socio-economic dimensions. To such end, we are actively aligning our businesses, operations and activities to responsible business performance.

Stakeholder engagement

At Prism Johnson, we have always maintained our stakeholders as central to our business model and strategy. Our potential for growth is based on building strong relationships with our stakeholders, and strongly believe that our active engagement with our stakeholders would help us align our corporate action with societal needs and as well as commitment to enhance overall environmental quality.

Figure 4: Internal and external stakeholders of Prism Johnson Limited

Our stakeholders

-  Government/Local Regulatory Authorities
-  Management/Board
-  Local Communities/NGOs
-  Customers/Dealers/Retailers
-  Employees/Contract workers
-  Media
-  Suppliers/Service providers/Contractors
-  Investors/Financial Institutions/Shareholders
-  Industry associations

Based on interactions and feedback from our customers and external stakeholders, we have successfully been innovating with our product portfolio across our business divisions – to promote sustainable development, not only

limited to our immediate value chain but also extending to local communities that may not be directly impacted by the Company’s business. Examples of how Prism Johnson engages with its stakeholders is presented in Table 1.

Table 1: Overview of stakeholder engagement by Prism Johnson Limited

Key Stakeholders	Modes of engagement	Topics discussed
Customers	- Customer satisfaction surveys - Customer care programs - Grievance redressal forums	- Product quality and safety - Adequate information on products - Fair and competitive pricing - Customer trust and satisfaction - Timely and efficient redressal of complaints
Employees	- Employee satisfaction survey - Grievance redressal and self-service portals - Periodical e-bulletins and mails - Bulletins and newsletters - Workshops, events, and, seminars - Various trainings held throughout the year	- Nurturing work environment - Career growth prospects - Personal development - Diversity and equal opportunity - Health and well-being
Shareholders, Investors and Financial Institutions	- Annual General Meeting (AGM) - Corporate websites 1x1 investor interactions - Annual report and sustainability report - Social media channels	- Sustainable growth of business - Timely financial disclosures - Timely receipts of dividends and shares - Competition and market positioning - Sound corporate governance mechanisms
Government and local authorities	- Annual report and disclosures - Policy advocacy forums - Compliance reports - Notices and circulars	- Product quality and standard - Product safety - Employee health and safety - Regulatory requirements - Related policy changes
Industry associations	- Conferences - Technology expos - Meetings, events, and seminars - Forums and workshops	- Policy advocacy and collaboration - Continuous innovation and latest industry trend - Maintenance of product and service standards - Cooperation between businesses to ensure overall industry development
Suppliers and Dealers	- Dealer and distributor conventions - Meetings with contractors/ vendors - Seminars and workshops	- Inclusion of local suppliers - Timely payment - Regular capacity building - Fair and accountable supply chain practices - Supplier financial health, reputation, and service quality
Local communities and NGOs	- Awareness programs - Social media channels - Sponsorships - CSR activities	- Need assessment of local community - Local employment opportunities - CSR activities partnership

Key Stakeholders	Modes of engagement	Topics discussed
Media	- Press briefs - Social media channels - Annual report and disclosures	- Transparent and accurate disclosures - Product launch - Advertisements and market competition
Management/ Board	- Board / ERM / Audit Committee meetings - Annual General Meeting (AGM) - Annual Report and disclosures	- Sustainable growth of business - Sound corporate governance mechanisms - Strategic planning and investor relation

Material analysis

Prism Johnson understands that the foundation of business decisions is hinged to the expectations of our stakeholders. Over the years, it has become increasingly evident that the stakeholders are placing an emphasis on the environmental, social and governance parameters (non-financial) alongside the financial performance of the company. We have used materiality assessment as a systematic approach to identify and prioritize material issues, risks or opportunities that are of prime concern to stakeholders, and could impact the ability to execute our future-looking business strategy and developing a long-term plan on sustainability and for non-financial reporting.

As the first step in its sustainability journey, Prism Johnson Limited conducted a detailed materiality assessment in 2019-20 to identify primary areas of focus for the company. The assessment covered topics that had potential impact on business as well as influence on stakeholders. For this report, we organized the feedback of internal stakeholders including representatives from the three divisions (Prism Cement, H&R Johnson and Prism RMC), in addition to the senior management of the Company. Since we have not witnessed any significant changes in our business practices and priorities in the reporting year, the same topics as last year continue to remain material to us this year as well.



Figure 5: Materiality mapping at Prism Johnson Limited

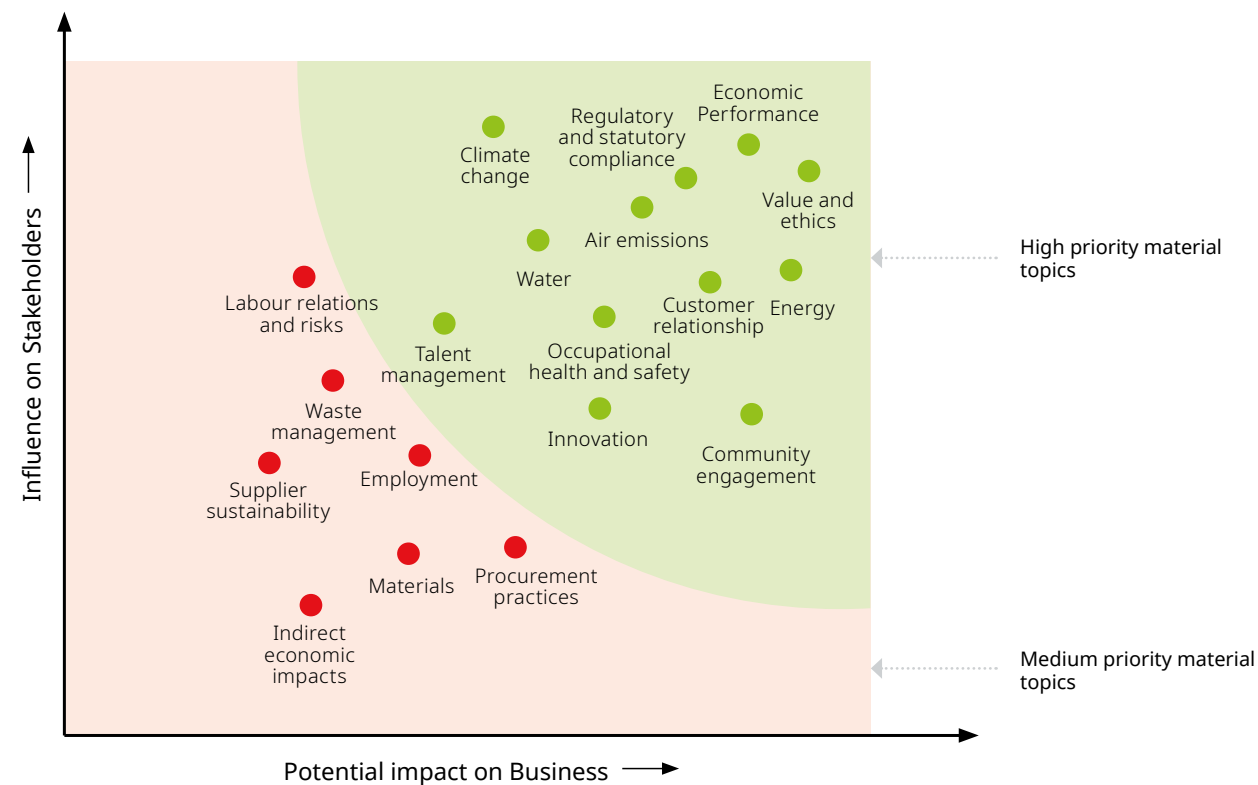


Figure 6: Division specific materiality mapping

DIVISION-SPECIFIC MAPPING OF MATERIAL TOPICS

Legend for the below table:
● High priority ● Medium priority

	Material topic	Overall	Prism Cement	H&R Johnson	Prism RMC
Economic	Economic Performance	●	●	●	●
	Indirect economic impacts	●	●	●	●
	Procurement practices	●	●	●	●
	Innovation	●	●	●	●
Environment	Materials	●	●	●	●
	Energy	●	●	●	●
	Climate change	●	●	●	●
	Air emissions	●	●	●	●
	Water	●	●	●	●
	Waste management	●	●	●	●
	Supplier Sustainability	●	●	●	●
Social	Employment	●	●	●	●
	Labour relations & rights	●	●	●	●
	Occupational Health & Safety	●	●	●	●
	Talent Management	●	●	●	●
	Comunity Engagement	●	●	●	●
	Customer Relationship	●	●	●	●
Governance	Value & Ethics	●	●	●	●
	Regulatory and Statutory compliance	●	●	●	●

The following table summarizes the material topics along with the relevant GRI indicators, impact boundary of these material topics for PJJ and relevant SDGs associated with these topics.

Table 2: Impact and SDG mapping to material topics

Material topic	Why is it material?	Associated GRI Indicator	Impact boundary	Relevant SDGs
Economic				
Economic performance	Prism Johnson is a leading building materials company in India that generated a turnover of INR 50,351.79 million during 2020-21. It is essential for us to maintain and further improve our market standing to be able to continue contributing to the nation's prosperity.	201: Economic performance	Within PJJ	8 DECENT WORK AND ECONOMIC GROWTH
Indirect economic impacts	As an indirect outcome of our business activities, we generate employment and livelihood opportunities for local communities. We want to monitor such impacts to be able to make conscious contributions to the same.	203: Indirect economic impact	Outside PJJ	1 NO POVERTY
Procurement practices	As a building material company, our raw material consumption affects the environment and hence adopting sustainable procurement practices is non-negotiable for us.	204: Procurement practices	Outside PJJ	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Innovation	We are aware that building materials, especially cement, is one of the high carbon footprint industries and hence it is very important for us to innovate low carbon products and process alternatives.	Non-GRI	Within PJJ	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Environmental				
Materials	Being a manufacturing industry, material consumption is key not only from cost perspective but also from the environment front and hence we are continuously seeking low carbon raw material alternatives.	301: Materials	Within and outside PJJ	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Energy	Our manufacturing operations demand high-energy consumption, and hence increasing energy efficiency and adopting renewable and clean energy to the extent possible is a high priority for us.	302: Energy	Within and outside PJJ	7 AFFORDABLE AND CLEAN ENERGY

Material topic	Why is it material?	Associated GRI Indicator	Impact boundary	Relevant SDGs
Climate change	We are extremely conscious of our contribution to Greenhouse Gas (GHG) emissions and resulting climate change. We have taken multiple initiatives to reduce our emission footprint and sequester carbon from the atmosphere.	305: Emissions 303: Water and effluents	Outside PJL	
Air emissions	Our manufacturing processes come with associated emissions of polluting gases and particulate matter. We take all necessary precautions to filter the stacks and keep it down within permissible limits.	305: Emissions	Outside PJL	 
Water	As cement manufacturing is a water intensive process, it is important for us to track our water consumption, and reduce it to the extent possible. We recycle the waste water generated and use it back in the facilities. Our facilities are compliant to zero liquid discharge (ZLD).	303: Water and effluents	Within and outside PJL	
Waste management	We continuously strive to recycle and reuse the industrial waste generated from our facilities and ensure proper disposal of hazardous waste.	306: Waste	Within and outside PJL	
Supplier sustainability	To maintain an uninterrupted supply of raw material to our facilities dispersed across many states, it is important to engage with suppliers that are conscious of the environment and socially responsible.	308: Supplier environmental assessment 414: Supplier social assessment	Outside PJL	 
Social				
Employment	Employees are the greatest assets of our business. Our human resource policy creates active engagement with employees, monitors their satisfaction and ensures appropriate actions for diversity and inclusion.	102-8: Information on employees and other workers 401: Employment 405: Diversity and equal opportunity 406: Non discrimination	Within and outside PJL	

Material topic	Why is it material?	Associated GRI Indicator	Impact boundary	Relevant SDGs
Labour relation and rights	Due to the nature of our operations, we rely heavily on our third-party/ temporary workforce. It is essential to protect labour rights and ensure human rights misconduct does not occur at workplaces and across the value chain.	402: Labour/ management relations 407: Freedom of association and collective bargaining	Within and outside PJL	
Occupational health and safety	Safety and well-being of our employees is of utmost priority for PJL, they are the most critical component in our business operation and maintaining a safe workplace for them is our prime responsibility.	403: Occupational health and safety	Within PJL	
Talent management	The investment in our workforce with respect to training, skill development and relevant capacity building is essential for the growth and productivity of the company.	404: Training and education	Within PJL	
Community engagement	Creating societal value for all our stakeholders is of prime importance. PJL constantly strives to minimize the negative impacts and maximize the positive impacts of the business on the surrounding communities.	413: Local communities	Outside PJL	 
Customer relationship	Customers are a key stakeholder in our business and maintaining dialogue with them is important for our brand enhancement and product innovation	417-1: Marketing Communication	Within and outside PJL	 

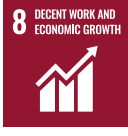
Material topic	Why is it material?	Associated GRI Indicator	Impact boundary	Relevant SDGs
Corporate governance				
Values and ethics	Robust corporate governance practices help in creating a foundation for ethical and responsible business practices. It also aids in building trust between company and stakeholders.	205: Anti-corruption 206: Anti-competitive behaviors 102-15: Key impacts, risks, and opportunities	Within and outside PJL	
Regulatory and statutory compliance	Following socio-economic regulatory compliance as per the national regulations and corporate governance structure as per the norms is integral to our business processes.	307: Environmental compliance 419: Socio-economic compliance	Within PJL	 

SDG mapping

The United Nations Sustainable Development Goals (UN SDGs) are the guiding principle for the world to achieve inclusive and sustainable development for all. The 17 goals and 169 associated targets are laid out, collectively by countries, governments, and businesses, to be achieved by 2030. The alignment of business operations to the SDGs is as important for PJL as it is for the rest of the world.

We are proud that our work contributes to the advancement of SDGs and touches all 17 Goals directly or indirectly through our day-to-day operations, community development, and initiatives to protect the environment. We have mapped our material topics with relevant SDGs as shown in Table 2 in the previous section of this chapter and a detailed account of our contribution to 10 priority SDGs, where we create maximum impact, can be found below in Table 3.

Priority SDG	PJL's activities aligned to the realization of relevant SDGs
	We are committed to the good health and wellbeing of our employees, their family members and the communities around us. We have adopted best industry practices to ensure occupational health and safety for our workforce and have taken multiple initiatives to arrest the spread of Covid-19 pandemic.
	We are constantly trying to reduce our freshwater consumption; we recycle all waste water generated within our facilities and maintain the Zero Liquid Discharge (ZLD) status at most of our plants. Our manufacturing plants are equipped with rain water harvesting (RWH) systems that have conserved more than 1.44 lakh m ³ rain water.

Priority SDG	PJL's activities aligned to the realization of relevant SDGs
	We have gradually increased the use of renewable and clean energy across the divisions. Our cement plant has commissioned a new 10 MW of in-house solar production capacity and 22.4 MW of WHRS (Waste Heat Recovery System) plant in the reporting year, whereas HRJ supports around 4.5 MW of solar capacity. Furthermore, HRJ plants use a variety of biofuels like cashew shells and soya husk; biodiesel; and CNG to reduce the consumption of carbon intensive fuels like diesel and coal. We also use a mix of bio-fuel in our transport (freight) requirement in Prism Cement and Prism RMC.
	We encourage innovation and technological advancement and maintain competence to remain competitive in the market. We ensure a safe, inclusive and equitable work culture for all our employees and supply chain partners. Through our country wide operations and network, we generate a large number of employment opportunities for the skilled and semi-skilled workforce.
	We place a heavy thrust on research and development. We are constantly improving our manufacturing processes by integrating automation and innovating new product variants. For example, our tiles division has five patents including an anti-static tile. Prism RMC division has developed a rain water harvesting concrete that supports groundwater percolation among others.
	We produce Tactiles, a unique non-slip tiles that assist visually impaired people to walk and navigate independently. We are committed to being an equal opportunity employer and do not discriminate based on race, nationality, religion, sexual orientation, or disability.
	As a building materials company, we are proud to produce sustainable materials that lead to construction of sustainable cities and communities. We are using our technical expertise and industry experience to develop variants of cement, ready-mixed concrete and tiles that are environment friendly. We also undertake a number of social welfare and community development programs near our plant operations across the country.
	We undertake major efforts in order to reduce the impact of our production on the environment. Prism Cement, used 18% alternative raw material (excluding gypsum) in the reporting year. HRJ and RMC has used 7% and 4% alternative raw materials respectively. We disposed our industrial waste as per the regulatory norms through authorized vendors. We have implemented multiple energy conservation projects in all our manufacturing plants across the divisions.
	We calculate our Scope 1 and Scope 2 GHG emissions as per the GHG protocol and disclose the same through our annual sustainability reports. We strived to reduce our GHG emissions by increasing the use of renewable energy and by adopting various process changes during 2020-21. In the reporting year, we have planted over 1.4 lakh trees that sequester carbon from the atmosphere.
	To maximize the impact of our actions, we work in partnership with NGOs, academic institutions, industry associations and with multiple business partners across the supply chain. We engage in capacity building of suppliers and vendors and take implementation support from local NGOs for our CSR activities.



Strengthening business ethics

A strong corporate governance, ensures a resilient organization, which can take concrete steps towards the future. At PJJ, we wish to stay true to this belief and hence have a robust and transparent corporate governance system, which ensures that all our business operations stay ethical and compliant with applicable laws and regulations. Collectively, our business practices generate value for our stakeholders who play a central role in our business outlook and approach.

Corporate governance

The pinnacle of our corporate governance framework is our Board of Directors. The Board demonstrates a

balanced mix of Executive, Non-Executive and Independent Directors. Our Directors demonstrate a vast range of expertise and knowledge, relevant for the building materials sector. They also bring in diverse expertise from the fields of economics, law and finance. With such diverse backgrounds and skills, our Board spearheads the organization with precision and a well-defined direction. They make sure that PJJ walks the right path to the sustainable future we envision. As of 2020-21, PJJ's Board of Directors comprises 8 members of whom 12.5% comprise women. We have 4 Executive Directors and 4 Non-Executive Directors, of which 3 are Independent Directors. The Chairperson of the Board is a Non-Executive Independent Director.

The Board functions through different committees. As of 2020-21, PJJ had the following Board Committees:

Table 4: Our governance committees

Name of the Committee	Composition	Name of the Directors
 Audit Committee	3 Non-Executive Independent Directors	Chairperson - Ms. Ameeta Parpia Members - Mr. Shobhan M. Thakore - Dr. Raveendra Chittoor
 Nomination and Remuneration Committee	2 Non-Executive Independent Directors; 1 Non-Executive Non-Independent Director	Chairperson - Ms. Ameeta Parpia Members - Mr. Rajan Raheja - Dr. Raveendra Chittoor
 Stakeholder Relationship Committee	2 Non-Executive Independent Directors, 1 Executive – Non-Independent Director	Chairperson - Ms. Ameeta Parpia Members - Mr. Vijay Aggarwal - Dr. Raveendra Chittoor

Name of the Committee	Composition	Name of the Directors
 Corporate Social Responsibility Committee	4 Executive – Non-Independent Directors, 1 Non-Executive Independent Director	Chairperson • Mr. Vijay Aggarwal Members • Mr. Vivek K. Agnihotri • Mr. Atul R. Desai • Mr. Sarat Chandak • Ms. Ameeta Parpia
 Risk Management Committee	4 Executive – Non-Independent Directors, 1 Non-Executive Independent, 2 Members	Chairperson • Mr. Vijay Aggarwal Members • Ms. Ameeta Parpia • Mr. Vivek K. Agnihotri • Mr. Atul R. Desai • Mr. Sarat Chandak • Mr. Manish Bhatia • Ms. Aneeta S.Kulkarni
 Securities Allotment and Transfer Committee	4 Executive – Non-Independent Directors	Chairperson • Mr. Vijay Aggarwal Members • Mr. Vivek K. Agnihotri • Mr. Atul R. Desai • Mr. Sarat Chandak

For more information about our board committees, please visit our 2020-21 Annual Report at <https://www.prismjohnson.in/data/pdf/Annual-Report-2020-21.pdf>

Business ethics and values



Business integrity and reputation are of paramount importance to us. At PJJ, we believe that all business operations should be carried out ethically and in compliance with all laws and regulations applicable to our business. There is no other alternative to ethical business practices in order to achieve a bright and sustainable future. To ensure this, we have the following codes of conduct applicable to all employees across PJJ:

- Code of Conduct for Directors
- Code of Conduct for Senior Management and Employees

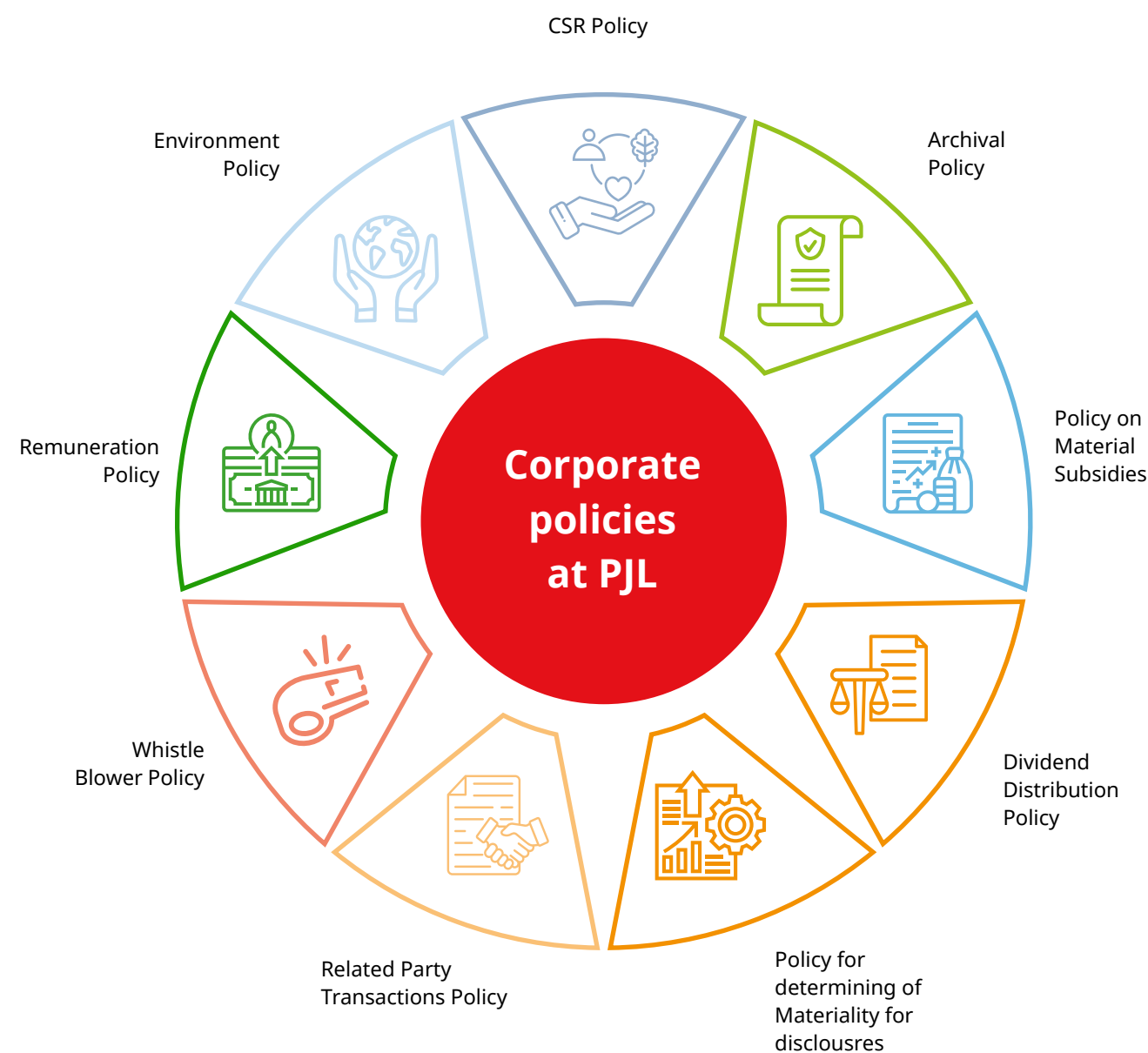
All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. Please visit www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies to visit the policies as hosted on the Company website, and our Annual Report 20-21 to view the declaration of compliance with the code of conduct signed by our Managing Director.



We have a well-defined set of corporate guidelines that act as our policy framework, which help us drive PJJ to a bright future, in an ethical way. To make sure we stay abreast of all emerging trends in global corporate policies

and business paradigms, all the policies are reviewed on a regular basis. Our corporate policies are shown in the figure below.

Figure 7: Corporate policies at PJJ



Risk Management

Prism Johnson Limited oversees the identification and mitigation of business risks, through implementation of internal controls, as guided by our corporate policies as shown in figure 7. We review our risk management system continually to ensure that it is well implemented.

We have pursued certifications of management systems across our business facilities – to facilitate implementation of various safety and quality control measures by the in-house teams at all its premises. Our risk mitigation procedure includes carrying out periodic audits by external auditors, followed by the findings, which are provided to the senior management, who take appropriate corrective actions if the findings show any discrepancies and deficiencies. We also have a risk-based program of internal audits that provides assurance to the Audit Committee regarding the adequacy and effectiveness of internal

controls. PJJ has laid down properly documented policies, guidelines and procedures for this purpose.

The key business risks identified include risks related to economic environment; market leadership; cost of production; legal and compliance with local laws; financial and accounting controls and reporting; environment and sustainability; information technology and talent management. Needless to mention that with the challenges presented by the COVID-19 outbreak, pandemic and epidemic-related business risks have also been identified and acted upon. The risk horizon considered includes single events, short-to-medium term risks as well as long-term strategic risks. The risks are analysed considering likelihood and impact as a basis to determine their monitoring and mitigation plan *.

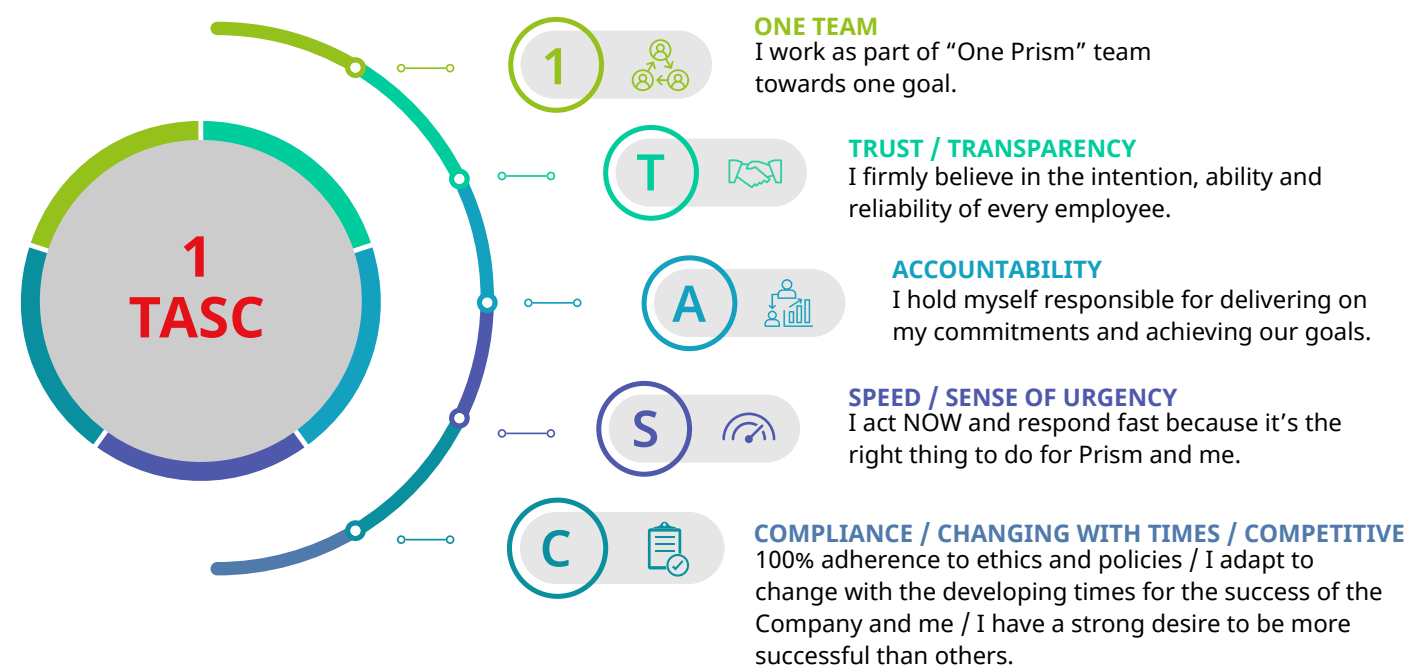
*For more details, please refer to our Annual Report 2020-21

Regulatory and statutory compliance



Prism Johnson Limited follows a principle of 1TASC. This forms a strong foundation of our daily operations and helps us stay agile, responsible and compliant at all times.

Figure 8: Our values



Consistent with our 1TASC values, our business activities adhere to 100% achievement of regulatory and statutory compliance, which are applicable to us, at all times. As of 2020-21, there are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years. The Board of Directors has established a vigil mechanism by adopting a Whistle Blower Policy for the Company, which is available on the Company's website. No personnel has been denied access to the Audit Committee.

During the reporting period, Prism Johnson did not report any incidences of environmental or social non-compliance as defined by the local regulatory authorities.

Two cases pertaining to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, had been lodged in 2020-21, with one case resolved during the financial year and the other one resolved during 2021-22. The Company has complied with the disclosures of corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the SEBI LODR, besides all mandatory requirements of the SEBI LODR. To know more about our disclosures pertaining to compliance, please visit our 2020-21 Annual Report.





Creating stakeholder value

66



Manish Bhatia
Chief Financial Officer,
Prism Johnson Limited

The basis of any business strategy should be a balance between financial impact and the Triple Bottom Line. It is like an unwritten social contract between a corporate and the society-we take only what is required and give back to the society in every way we can. We see a positive correlation between all cost-saving initiatives and sustainability, for instance our renewable sources initiatives like WHRS and solar energy. Sustainability disclosures are the first step in analysing both our sustainability and financial performances and to formulate an ESG strategy.



Key highlights



Total revenue generated
INR 50,351.79 million



CSR Expenditure
INR 34.75 million



Contribution to ex-chequer
INR 850.53 million



8.61%
of company's revenue invested back in employee's wages and benefits



EBITDA Margin
12.24%



Return on Net Worth
17.55%



Return on Capital Employed (ROCE)
19.32%



Net Debt to EBITDA
1.69

Economic performance

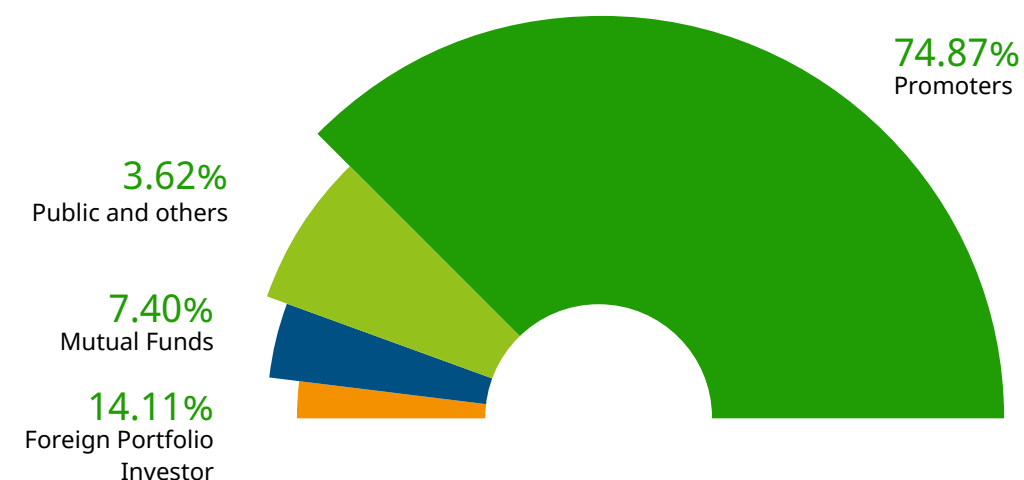


Prism Johnson Limited, is a Public Limited Company domiciled in India, incorporated under the Companies Act, 1956, principally operates in three business segments: Cement; Tile and Bath (HRJ) and Ready Mixed Concrete (RMC). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange (India) Limited. To achieve the corporate purpose of Prism Johnson Limited, it is vital for us to be financially healthy and responsible for business sustainability, thereby making a meaningful impact on society and communities. Since our foundation, we have thrived to build great value for our esteemed customers and stakeholders by focusing on innovation and R&D in our product portfolio. We uphold the brand value and trust in every product we manufacture across the Company. Our business sustenance depends

upon economic value generation, social legitimacy, market acceptance and innovation. A robust economic performance helps in expansion of assets, distribution of value among stakeholders, and achievement of sustained competitive advantage.

At Prism Johnson, we are committed to achieve financial robustness and economic resilience through our responsible conduct of business, strengthened by our good corporate governance structure. Our finance team headed by Chief Financial Officer (CFO) is responsible for accurate recording and reporting of all economic indicators. Our shareholding pattern for the reporting year is represented below in figure 9.

Figure 9: Shareholding pattern as on 31st March 2021



During 2020-21, gross revenue from operations for Prism Johnson Limited was INR 50,351.79 million. Our revenue declined by 9.6% during 2020-21 as compared to 2019-20 due to the economic slowdown caused by Covid-19 pandemic. About 8.61% of gross revenue (INR 4,337.06 million) is shared with employees in form of wages and other benefits whereas, INR 850.53 million was paid to government in form of taxes. Prism Johnson has spent

INR 34.75 million on CSR activities during the reporting period. Overall, this year INR 2,024.29 million as economic value was retained by Prism Johnson Limited.

The Company recorded a Return on Net Worth (RNW) of 17.55% in the financial year, and a ROCE of 19.32%. Our EBITDA margin stands at 12.24%, and our Net Debt to EBITDA ratio is 1.69.

Table 5: Economic performance in the reporting year

Particulars (INR Million)	Amount (INR million)
Economic value generated (A)	
Gross revenue from operations	50,351.79
Economic value generated from investments and other sources	362.07
Total (A)	50,713.86
Economic value distributed (B)	
a. Operating costs (includes cost of raw materials, purchase cost, power cost, freight expenses and other expenses)	39,026.60
b. Employee wages and benefits	4,337.06
c. Depreciation and amortizations	2,525.77
d. Interest payment to providers of credit *	1,911.86
e. Payment to government (taxes) *	850.53
f. Community investments *	34.75
Total (B)	48,689.57
Economic value retained (A-B)	2,024.29

*Note: Other adjustments not considered above include deferred tax provision (INR 24.80 million) and other comprehensive income/loss (INR 25.63 million).

At Prism Johnson, we focus on fostering sustainable growth with responsibility by providing several employee benefits such as health insurance, personal accident insurance, life insurance, dependent insurance, maternity leave and defined contribution plans such as

superannuation, Employees' State Insurance Corporation, Provident Fund, gratuity and subscribes to the National Pension Scheme (NPS). The details of contribution to employee benefit plans are provided in table 6.

Table 6: Contribution to employee benefit in the reporting year

Particulars (INR Million)	Prism Cement	H&R Johnson	Prism RMC	Total
Contribution to Provident Fund	81.24	59.01	26.82	167.07
Contribution to Superannuation Fund	3.85	0.91	0.57	5.33
Contribution to National Pension Scheme	2.56	-	3.01	5.57
Contribution to Gratuity Fund	20.00	23.73	5.95	49.68
Other defined scheme*	0.52	3.17	20.92	24.61

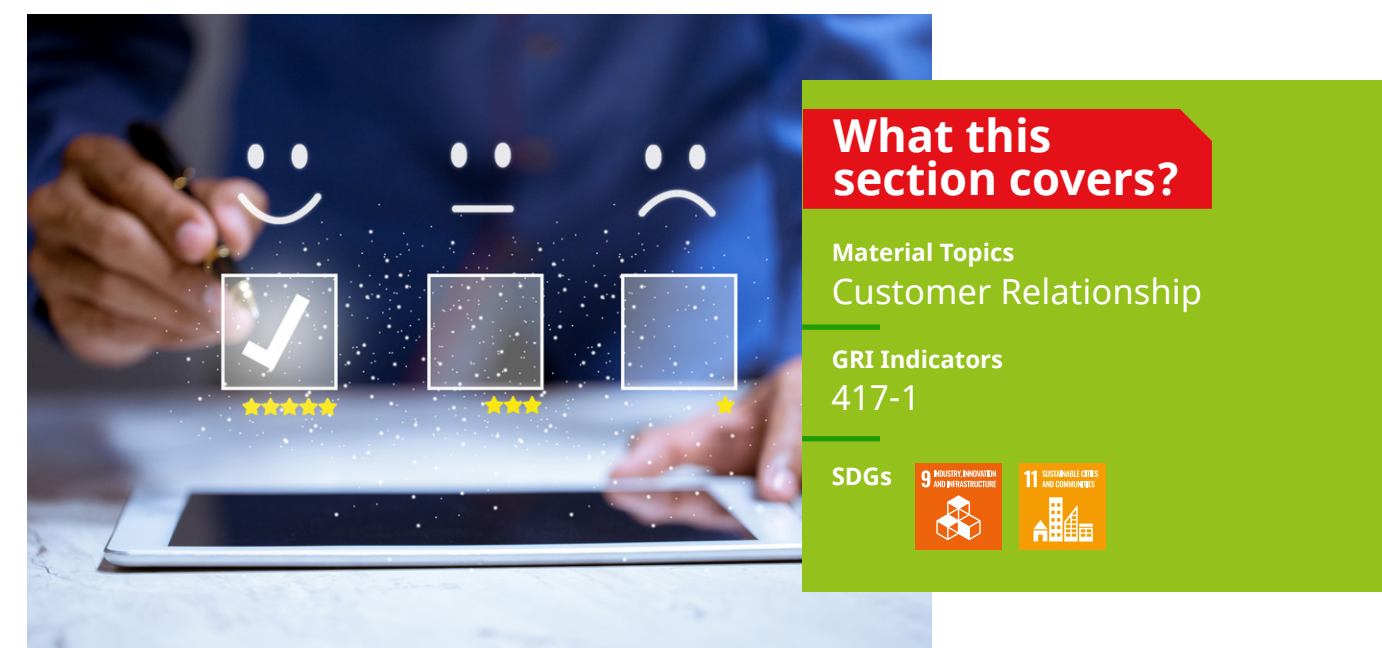
*Note: Other defined schemes include Employees' State Insurance Corporation (ESIC), Pension Fund, Labour Welfare Fund, and Deposit Linked Incentive Plan (DLIP)

As per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax, the Company is entitled for 58 % of CGST and 29% IGST paid through debit in cash ledger account maintained by the Entity. During the year, the Company has recognized the GST Rebate and credited to "Other Income" of INR 7.8 million.

Under the same support scheme under Goods and Service Tax, the Company is entitled to claim 2% of the taxable

turnover with respect to interstate supplies made by the Industrial unit under Integrated Goods and Services Tax Act, 2017 provided that the maximum amount of annual reimbursement shall be limited to 2% of the interstate sales turnover reflected by the dealer in his returns for the accounting year 2016-17. The Company has recognized the Interstate Sale Rebate of INR 0.1 million in the Statement of Profit and Loss.

Customer satisfaction



Ensuring customer satisfaction is our top priority and drives our business. To assess customer satisfaction, we follow a structured process that involves post-marketing audit, customer satisfaction surveys, and regular interaction with customers by our teams working on ground, depending on the marketing cycle. Through these measures, we try to understand customer expectations better, understand customer behavior, and measure customer loyalty. It also helps us refine our products in today's dynamic world of fast changing customer needs. We also reach out to our customers on site through mobile labs for promoting better construction practices.

We also develop extensive marketing collaterals, launch events and outdoor campaigns to increase the visibility of our brand and educate customers about key features of our products. HRJ continues to invest in marketing and distribution activities through our 19 Experience Centres spread across India. These centres provide a more personalized experience to the customers and give us an edge in the market.

For Prism RMC division, we have created 13 innovation galleries at Mumbai, Thane, Goa, Pune, Indore, Kolkata, Bangalore, Hyderabad, Chennai, Cochin, Ahmedabad,

Noida and Thiruvananthapuram wherein customers can get a close look at our product offerings, technologies and get clarifications to any questions they may have from our trained and knowledgeable executives.

The Company displays all mandatory information on the product labels and packaging as per applicable laws. Wherever applicable, specific certification requirements of regulatory authorities and some marks such as ISI, BIS etc., are provided on the product label and packages. Our toll-free number is prominently displayed in all our marketing communication in order to increase ease of access for our customers. All our campaigns adhere to the code of conduct defined by the Advertising Standards Council of India. Regulatory and mandatory requirements pertaining to labelling, brand promotions, sponsorships and advertising are well adhered to, to ensure that we provide accurate and relevant information to our consumers.

We do have a customer complaint redressal system in place, and 223 cases of customer complaints were pending with the company and 39 consumer cases were pending before different Forums/Commissions/Court, as of 31st March 2021.

Supplier sustainability



As a building materials manufacturing company, procurement of raw material and overall supply chain management is very important to us. We are always conscious of choosing our supply chain partners including vendors, dealers and distributors, and prefer to enter into business with like-minded partners who value sustainability in their operations. We always ensure that our vendors follow the statutory regulations on environmental and social compliances as violation will result into sanctions from local authorities and will in turn impact our supply continuity. However, we have not observed any violation to the regulatory norms from our suppliers and have not faced any dis-continuity in our supply chain on this account.

On the other hand, the Covid-19 imposed lockdown did amplify the significance of local procurement practices and, we at Prism Johnson resonate with this thought. In

the reporting period, Prism RMC purchased 59% of their total procurement locally for their significant locations of operation. The division define locally procured as – ‘anything procured within the state or within the radius of 500 km’ and define significant locations of operation as – ‘location with production of more than 3500 cubic meter’. Prism Cement defines local suppliers as those ‘whose registered address is within Madhya Pradesh’ – the state where the division’s manufacturing unit is located. In the reporting period, the division has spent 28.3% product procurement value, and 87.6% services procurement value, on local suppliers. HRJ defines locally procured as whatever has been ‘procured within 500km radius of plant location’. With respect to this definition, the following are the percentages of local procurement for each of the 7 plants of HRJ – Dewas: 63.9%, Kunigal: 94.3%, Karaikal: 79.8%, Samba: 72.3%, Baddi: 86%, Pen: 1.7%.





Doing business responsibly

Key highlights



Prism
Cement used
18%
alternate raw
material *



H&R
Johnson used
7%
alternate raw
material



Prism
RMC used
4%
alternate raw
material



1.44 lakh
cubic meter
ground water
recharge



100%
of Cement; 66 out of
96 RMC plants; and
6 out of 7 HRJ plants
have maintained
100% ZLD status



100%
wastewater is recycled
in the residential
colony of Satna cement
plant and is used for
gardening purposes



12.2%
of Prism Cement's total
energy consumption is
sourced from WHRS and
other renewable sources
(solar and biomass)

Resource efficiency

What this section covers?

Material Topics
Materials; Waste; and Water

GRI Indicators
301-1; 301-2; 303-1; 303-2; 303-3; 303-4; 303-5; 306-2

SDGs

Materials

For achieving business sustainability, it is of utmost importance for responsible consumption and efficient use of input raw materials. The accelerating global population and scarce resource availability are the driving imperatives of eco-efficiency. Therefore, it is essential to manage the resources in an effective and responsible manner, thereby reducing environmental impact of materials. Being a

responsible organization, we are focused and committed to use the raw materials efficiently and minimize our produced waste. Our R&D is focused on process and design engineering to achieve higher levels of material efficiency with a prime emphasis on catering to customer satisfaction. The major conventional raw materials used in our operations across the three divisions are:

Limestone
.....
Laterite
.....
Bauxite
.....
Gypsum
.....
Coal

Clay
.....
Mineral
.....
Additives
.....
Frits
.....
Stain colors

Cement
.....
Coarse aggregates
.....
Sand
.....
Boulder

At Prism Johnson, we are committed to increase the use of alternative raw material that has lower carbon footprint and is more sustainable as compared to their conventional counterparts. Our cement and RMC divisions commonly use fly ash, granulated blast furnace slag (GGBS), copper slag, micro fine, granite dust slurry powder, in-house feldspar as alternative raw materials. During 2020-21, Prism cement division used 18% (excluding Gypsum), RMC

used 4% and HRJ used 7% alternative raw material.

Some of the other associated process material used in concrete manufacturing are admixture, EPS beads and fiber. The detailed break-up of different raw materials, used in the cement and concrete manufacturing process can found in Table 7.

*Note: Please refer to the Materials section of this chapter.

Table 7: Types and volume of materials used for Cement and RMC manufacturing*

Raw materials used in Prism Cement	Quantity (in MT)	Raw materials used in Prism RMC	Quantity (in MT)
Limestone	55,15,983	Manufactured sand	12,39,935.59
Fly ash	13,88,465	Sand	6,62,932.74
Coal	2,29,329	Cement	6,39,744.20
Pet coke	2,16,063	Boulder	4,98,528.46
Gypsum	1,82,040	Fly ash	1,36,272.82
Laterite	1,70,029	GGBS	59,552.57
Bauxite	13,087	Micro Fine	1,471.28
Total	77,14,996	Total	32,38,437.66

*For complete details of the raw material consumption at PJL for 20-21, please refer to Table 8.

Our tiles division, HRJ, has used a total of 0.23 million metric ton of raw material in the reporting period, out of which, 7% was alternate raw material. Furthermore, During April 2021, NCLT approved the Composite Scheme of Arrangement and Amalgamation among the Company and some of its wholly-owned subsidiaries. As a result, one tile manufacturing plant and two faucet plants that were earlier under these wholly-owned subsidiaries have now become a part of the standalone entity. This has led to increase in total raw material consumption in HRJ compared to last financial year.

All our divisions are very conscious of the usage of packaging material as well and constantly monitor the consumption. The details of overall material consumption by all three divisions can be found in Table 8. The purchase and consumption of our materials is recorded and monitored through SAP ERP System.

Table 8: Material consumption for the reporting year

Particulars (all figures are in MT)	Prism Cement	H&R Johnson	Prism RMC
Conventional raw material	63,84,987.00	2,13,920.00	53,78,266.31
Alternate raw material	13,89,309.00	16,615.00	1,97,296.68
Associated process material	2,615.10	432.00	7,989.79
Packaging material	7,669.00	1,833.00	3.00

Water

Water forms a crucial part of our operations and sustenance, and is used for both industrial and domestic purposes. For industrial purposes, H&R Johnson and Prism RMC fulfill their water requirement using a mix of ground water and third-party water sources such as local municipal water supply, private tankers, or third party provided water (example Narmada river water in case of Dewas tiles manufacturing plant). Prism Cement stores rainwater in mine pits as surface water, and uses it for industrial purposes.

Other than the industrial processes, water is used for housekeeping and gardening end-use in and around the manufacturing plants. While H&R Johnson and Prism RMC use groundwater and third-party water sources for industrial purposes, Prism Cement uses only groundwater for domestic purposes, and for the consumption of its residential colony near its plant at Satna.

Wastewater generated from industrial activities undergoes treatment in Effluent Treatment Plant (ETP) and is reused in industrial processes. HRJ's tile manufacturing plant in Vijayawada even sells 51% of the sludge generated from the ETP as fertilizer, adding to the circularity of resources.

The wastewater generated from washrooms and cleaning activities undergoes treatment in Sewage Treatment Plant (STP) and is reused for gardening purposes. Further, Prism Cement recycles 100% wastewater generated from its residential colony for gardening purposes.

We are committed to optimize the use of water across all manufacturing plants, sites and quarries. Prism Cement, and 66 out of all the 96 Prism RMC plants, have maintained (Zero liquid discharge) ZLD status. All HRJ plants, except

the Baddi plant, are ZLD-compliant. The industrial wastewater from Baddi plant is connected to a Common Effluent Treatment Plant (CEPT) in the area and the wastewater from toilets is discharged to Himachal Pradesh Housing and Urban Development Authority (HIMUDA) sewer network. Overall, PJI also has a total of 9 roof-top rainwater harvesting structures; 4 abandoned bore wells; and 3 groundwater recharge pits; and by using these mechanisms, with the help of which, PJI has successfully contributed over 1.44 lakh cubic meter (1,44,065.43) water to ground water recharge.

Furthermore, PJI has appointed a Cross Functional Team (CFT) for water management across divisions. The team is responsible for monitoring the water consumption related parameters, such as total wastewater generation, reduction in water consumption, rate of recycling, etc., and developing action plans for further improvements. The water quality of ETP and STP effluent is also monitored and controlled as per specifications by the State Pollution Control Board (SPCB). All key parameters are examined by an external laboratory and the results are reported to the local SPCB office on a monthly basis. Any form of water wastage through leaks, unintended use, etc. is also monitored closely and reported to SPCB.



Sources:
Groundwater
and surface
water from
mine pits



Sources:
Groundwater,
municipal supply,
and third-party
provided water
(Dewas)



Sources:
Groundwater
and private
tankers

Table 9: Water withdrawal and consumption for the reporting year

Particulars (all figures are in kl)	Prism Cement	H&R Johnson*	Prism RMC	PJI Total
Ground water withdrawal	3,49,067.01	3,28,887.00	2,33,621.10	9,11,575.11
Third party water withdrawal**	-	46,038.00	3,01,112.35	3,47,150.35
Surface water withdrawal	5,79,577.01	-	-	5,79,577.01
Total water withdrawal	9,28,644.01	3,74,924.00	5,34,734.34	18,38,302.35
Water discharge	-	220.00	-	220.00
Water consumption	9,28,644.01	3,61,030.00	5,34,734.34	18,24,408.01

Note: *The water parameters does not include Samba plant because of data unavailability and for Baddi plant the data is available only from Dec 2020 to Mar 2021.

**Third party water withdrawal include water supply from local municipal authorities as well as purchase from private tankers.



Waste

Improper waste disposal is one of the primary causes of environmental degradation, and we at Prism Johnson, are very cautious of the amount of waste generated. The operations of our industry are such that it results into generation of hazardous waste, as categorized by Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2015. We comply with all current legal regulations for the disposal of waste produced at our plants. We have a long-term plan in place to reduce such wastage to the extent possible.

During 2020-21, the Company manufactured 81.5% of its cement as blended cements. They were made with fly ash, which is a waste material from other industries.

The hazardous waste generated across the divisions is sent to local vendors authorized by the relevant SPCB for the appropriate disposal. The non-hazardous waste is stored on-site in the scrap yards and is eventually sold to private vendors for further recycling or disposal, as applicable. This includes plastic and metal scrap, aggregate dump, carton, broken tiles, wooden pallets, etc. Prism Cement disposed of 95 metric ton used oil, whereas, RMC division disposed of 4.16 metric ton of waste oil. Table 10 gives a detailed account of different kinds of non-hazardous waste generated in all three divisions.

Table 10: Waste generated during the reporting year

Particulars (in MT)	Prism Cement	H&R Johnson	Prism RMC	PJL total
Aggregate dump	-	-	51,593.06	51,593.06
ETP Sludge	-	6,893.54	-	6,893.54
Metal scrap	1,018.00	351.00	6,516.89	7,885.89
Broken tiles	-	2,756.00	-	2,756.00
Coal ash	-	1,546.00	-	1,546.00
Bags	61.00	-	252.00	313.00
Plastic/Plastic scrap	80.00	140.06	20.00	240.06
Used plastic drums (in nos.)	-	823.00	-	823.00
Carton	-	55.696	-	55.696
Rubber scrap	153.00	-	15.00	168.00
Wooden pallets	6.00	12.6	-	18.96
Others	1,272.00	10.00	-	1,282.00

Note: The waste generation data for Baddi plant is included for Sept 2020 to Mar 2021 and for Samba plant from Oct 2020 to Mar 2021.

For our residential colony at Satna cement plant, we have a natural STP (Sewage Treatment Plant) that provides an atmosphere for the growth of micro-organisms that are responsible for pollutant removal in a Phytorid bed.

Combating climate change



What this section covers?

Material Topics
Energy; Climate Change; and Air Emission

GRI Indicators
302-1; 302-3; 302-4; 305-1; 305-2; 305-4; 305-5; 305-7

SDGs

7

Renewable and Clean Energy

13

Climate Action

Energy

Sustainability of the environment is paramount to us, as natural resources empower our lives. At Prism Johnson, we have a robust system to ensure regulatory environmental compliances. During the reporting period, we have meticulously complied with applicable rules and regulations and no significant monetary or non-monetary sanctions were imposed on the company. Energy management is a continuous area of improvement for our industry. This helps us to strive and consciously improve on enhancing our energy productivity.

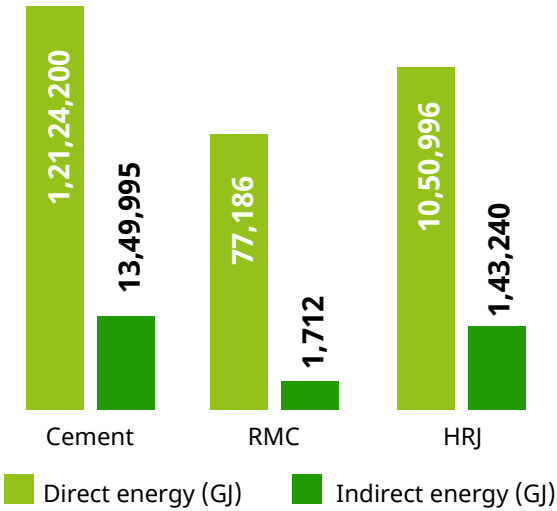
We have taken concrete steps in moving towards an energy-efficient future. We are using a mix of alternate and renewable fuels in our direct energy consumption, in order to reduce our dependence on fossil fuels. For example, we use a mix of bio-diesel based transportation in all our divisions. We use de-oiled cashew shells (waste from cashew oil plants) and soya husk from nearby farmers as fuel at Kunigal plant and bio briquettes at Dewas, Karaikal, and Vijaywada plants. At some of our Prism RMC sites, we also use CNG-fueled transit mixers.

In an attempt to greening our indirect energy consumption from conventional grid electricity procurement, Prism Cement has now installed a total of 22.5 MW of solar power capacity at Satna, out of which 10 MW was added by Prism Cement during the reporting year. Furthermore, during the year, Prism Cement commissioned a Waste Heat Recovery System (WHRS) with 22.4 MW of energy production capacity. In 2020-21, 12.2% of Prism Cement’s total energy consumption is sourced from WHRS and other renewable sources (solar and biomass). Further, Prism Cement is also experimenting with other biomass-based energy sources like bagasse composting.

12.2% of Prism Cement’s total energy consumption is sourced from WHRS and other renewable sources (solar and biomass)

The detailed account of our direct and indirect energy consumption can be found in the graphs below.

Figure 10: Direct and Indirect Energy consumption at PJJ



Direct energy is the energy produced and consumed by the organization within its own operations, projects and facilities.

Indirect energy is the energy produced outside the organization's boundaries by the electricity suppliers, and consumed on the organization's site.



solar energy generation plant

WHRS at Satna Cement Plant

WHRS (Waste Heat Recovery System) is a power generation technique for waste flue gases. A scope was identified for this innovative and sustainable energy production method in our cement plant. It was commissioned in the reporting period in a phased manner over multiple phases and was completed in March 2021. Currently the plant is generating an average of 22.4 MW energy as compared to expected output of 17.7 MW. The WHRS has been a success story of energy efficiency and self-reliance for the cement division.



WHRS Plant (ACC, STG, WTP)



WHRS Steam Turbine Generator



WHRS AQC-1 Boiler U-1



WHRS Preheater Boilers U1

Emissions

At our manufacturing locations, Greenhouse gas (GHG) emissions are mainly from the usage of fossil fuels and consumption of grid electricity. Our direct GHG emissions comprise emissions from burning of coal, diesel, pet coke, biodiesel, biomass and natural gas and account for Scope 1 emissions. On the other hand, indirect emissions comprise emissions from consumption of purchased electricity, which accounts for Scope 2 emissions.

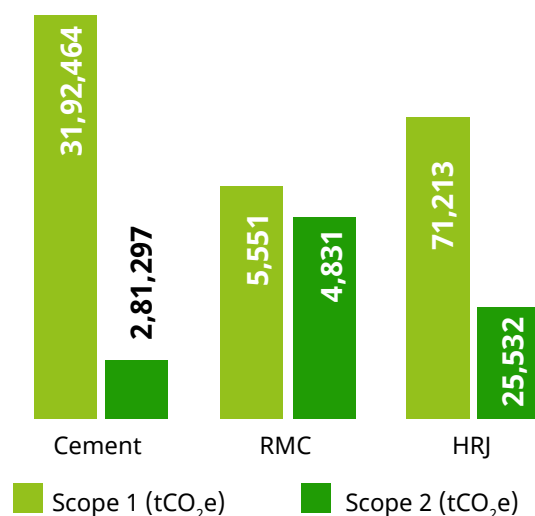
All emissions factors for direct energy have been used as per the IPCC Guidelines for GHG Inventories (2006), while the emission factor for indirect energy (purchased electricity) is taken from the Indian Central Electricity Authority (CEA) June 2018 Baseline Carbon Dioxide Emission Database version 14. Our GHG emission intensity for the reporting period is 71.12 tCO₂e per million INR revenue generated for Prism Johnson Limited. The detailed Scope 1 and Scope 2 emissions for all three divisions can be found in the graph below.

GHG Protocol is the world's most widely used greenhouse gas accounting standards, according to which:

SCOPE 1 - Direct emissions from sources owned or controlled by the Company

SCOPE 2 - Indirect emissions from purchased electricity

Figure 11: Scope 1 and Scope 2 emissions at PJJ



We at Prism Johnson, have consistently been putting efforts to reduce our carbon footprint by investing in energy efficient process changes and by adopting cleaner fuel alternatives. One of our other initiatives for reducing the GHG emissions from the atmosphere is to capture the existing carbon by means of tree plantation. During the reporting period, we have planted over 1.44 lakhs trees in the area surrounding our Satna cement plant, its residential colony, and even the mines area to help absorb carbon emissions.

Product responsibility



We manufacture and market products that cater to the varied needs of our customers, including rural customers, individual home builders, companies in the construction and real estate sectors. To ensure a successful business, we must maintain highest standards of quality, safety and product integrity for our customers. In order to provide our customers with a seamless experience, we endeavor to provide them with exceptional products, services and knowledge.

Our efforts also include addressing environmental and social issues across the life cycle of our products. This includes ensuring innovative and sustainable design during research and development, efficient manufacturing, responsible marketing communication, advertising and promotion. We are one of India's most trusted brands and as such hold the responsibility of imbibing the brand value and trust in every product we manufacture.

Our quality control mechanism is designed to ensure consistent quality across our different service lines, businesses, regions and manufacturing operations. Our production units closely supervise quality control through

regular internal and external audits and benchmark our performance with industry standards in our quest for further improvement. We regularly review our quality management system to identify and correct issues that may affect the quality of our products and services. Customer engagement and feedback constitute an important step of the review process.

Our products undergo regular quality tests. Stringent quality tests are also carried out on raw materials such as clays, minerals, chemicals, and pigments that we procure from our large network of vendors and suppliers, both from India and across the globe. Prism Cement, our cement division, has well established quality control testing lab accredited from NABL, for chemical and mechanical cement testing. RMC also has three technical labs that are certified by National Accreditation Board for Testing and Calibration Laboratories to ensure strict adherence to quality. The highest quality standards are maintained with the help of efficient plant operations with modern state-of-the-art automated controls and Integrated Management System (IMS).

Innovation

Our R&D team is constantly working to develop innovative products and processes which are safer, more environment friendly and responsive to market needs. Our tile division has been at the forefront of launching some of the most innovative offerings in the sector and has been granted five patents among its innovative product offerings. We also have a R&D Centre located at Pen, Maharashtra, which is approved by the Department of Scientific and Industrial Research, Government of India. Our R&D department

keeps a strict eye on every aspect when it comes to delivering quality.

Our dedicated focus on research and emphasis on providing our customers with greener and reliable products is reflected through the decades of bold innovations and a diverse product range. Some of our high impact sustainable product innovations are listed in table below.

Table 11: SDG impact of our innovative products

Product	Description	Impact	Relevant SDG
Endura Tiles	These cool-roof tiles which comes with a high SRI (Solar Reflective Index) and keeps the ambient temperature much lesser than the atmosphere	Reduces the need for artificial air conditioning hence saving energy and avoiding GHG emissions	13 CLIMATE ACTION
Tac Tile	Also known as 'Foot Braille' these are non-slip tactile ground surface indicators and provide cues for visually impaired individuals	Enabling visually impaired people to commute independently, creating ease of physical access and providing equal opportunities	10 REDUCED INEQUALITIES
Germ-free Tile	The tiles are coated with silver nano particles, which in presence of moisture, release silver ions and neutralizes some bacteria and virus on the surface	Help our customers maintain a healthy and germ-free lifestyle, promoting good health and well-being for families and communities	3 GOOD HEALTH AND WELL-BEING
Perviouscrete	Concrete that permits rain water to percolate through rather than runoff through drains, also be termed as 'Rain Water Harvesting Concrete'	This enables replenishment of aquifers improving ground water table and ease the water stress in the local area to some extent	6 CLEAN WATER AND SANITATION
Envirocrete	Made from Pulverised Fuel Ash (PFA), and, Ground Granulated Blast Furnace Slag (GGBS) in place of Ordinary Portland Cement (OPC)	Use of by-product material from other industries in place of virgin raw material reduces the embodied CO ₂ and give concrete a more durable life	12 RESPONSIBLE CONSUMPTION AND PRODUCTION



HOUSE of JOHNSON

EXPERIENCE LIFESTYLES

Empowering people around us

Key highlights



21.2%
of our workforce
is less than 30
years old



35%
of the new
joiners in the
reporting year
were female



Average training
hour per
employee for Prism
Johnson is
7.9 hours p.a



Zero
fatalities
maintained at
RMC



Lost Time
Incidents Rate
(LTIR) is less
than 1 for all
3 divisions

66



Prabir Ray
Chief Human Resource Officer,
Prism Johnson Limited

All SOPs and COVID guidelines regarding social distancing etc. were maintained in good spirit and Work from Home (WFH) was implemented. We ensured that frontline workers were provided appropriate care. We renewed medical claim policies for all our employees that covers COVID, irrespective of whether an employee gets hospitalized. Once vaccines came in, we started "Mission Vaccination" to start getting our employees and their families vaccinated. Now that we are moving towards a post-lockdown phase, we are focusing on complete vaccination of our employees, hybrid mode of work - a healthy mixture of working from office and home, and on embracing digitalization."

61

Employee engagement



Employment

Our committed workforce is the key differentiated factor responsible for the continued growth of the company. We constantly strive to provide a work culture that is most conducive to both the professional and personal growth of our people, while working towards creating a capable

organization. This requires us to motivate our employees, nurture their competencies and skills needed to meet future needs and provide them with a safe, diverse, inclusive and equal opportunity workspace.

Workforce details

As of 31st March 2021, Prism Cement has a total of 3,895 employees (including both permanent and contractual employees), in the reporting year, 168 new employees joined the division, whereas, 109 left the organization. In 2020-21, 3 employees in the cement division availed maternity leave.

Prism RMC has a total of 2,664 employees (including both permanent and contractual employees), as of 31st March 2021. In the reporting year, 162 new employees joined the division, whereas, 42 left.

As of 31st March 2021, HRJ has a total of 2,743 employees (including permanent and contractual employees), in the reporting year, 148 new employees joined the division, whereas, 367 left. During 2020-21, 15 female employees availed maternity leave.

Table 12 shows the consolidated workforce details for PJJ as a whole.

Table 12: Workforce details at Prism Johnson Limited

Employee Category	Age-wise categorization			Gender-wise categorization		PJJ total
	<30 years	30-50 years	>50 years	Male	Female	
Senior management	0	113	74	181	6	187
Middle management	33	669	260	920	42	962
Junior management	771	1207	461	2292	147	2439
Non-management category	44	493	140	676	1	677
Other category	38	573	319	920	10	930
Contractual workers	1082	2688	337	4008	99	4107
Total	1968	5743	1591	8997	305	9302
New Employee Hire						
Senior management	0	4	3	6	1	7
Middle management	1	33	1	31	4	35
Junior management	337	94	1	269	163	432
Non-management category (HRJ Karaikal plant)	1	3	0	4	0	4
Total	339	134	5	310	168	478
Employee Turnover						
Senior management	0	5	5	10	0	10
Middle management	31	88	24	118	25	143
Junior management	169	168	27	334	30	364
Operator (HRJ Karaikal plant)	0	1	0	1	0	1
Total	200	262	56	463	55	518

Note: The workforce numbers of HRJ division includes all 7 manufacturing plants and corporate office

We invest in our employees under multiple initiatives, all our permanent employees and contractual employees are covered under life insurance, health care, GPA (Group Personal Accident), disability and invalidity coverage, and retirement provisions. All our permanent employees across three divisions are covered under annual performance review as well.

We are an equal opportunity employer and diversity is highly valued and encouraged. Our aim is to attract the

best people regardless of their background, beliefs or social culture. We believe diversity is the key to driving innovation. The diversity ratio (by gender) for the reporting period stands at 4%. Our aim is to improve female representation by encouraging more women participation in active workforce. During the reporting period, 35% of the new joiners were women. No incidences on non-discrimination were reported during 2020-21.

Talent Management

We also invest in upskilling and training of our employees that yields better productivity and efficient functioning at our operations. We provide induction training programs to all new employees and also provide on-the-job trainings. There are also cross-cutting up-skilling programs such as safety at workplace; financial planning; health awareness, interpersonal skills, conflict management, stress management, team building, Tool Box, Total Production Management (TPM) and 5S workplace organization system etc.

In view of the COVID-19 induced lockdown for the major part of the reporting year, most of our trainings were conducted online through webinars and virtual classroom sessions. Employees from RMC divisions attended webinars on Concrete Technology, Quality Aspects, Building Customers Centricity and Labour and Compliance. Our key OEM (Original Equipment Manufacturers) of the plant and machinery section visited the production plants across the country to train the workforce on the aspects of operation and maintenance.

The average training hours per employee for Prism Johnson as a company stands at 7.9 hours p.a., and the division wise details of average training hours by gender and pay grade are shown in the respective graphs below.



Figure 12: Average training hours at Prism Cement

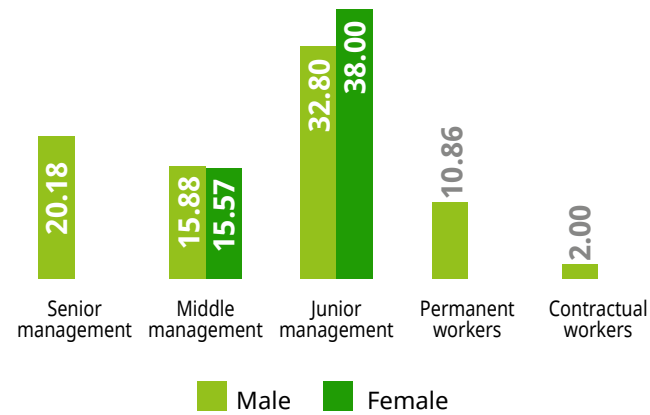


Figure 13: Average training hours at Prism RMC

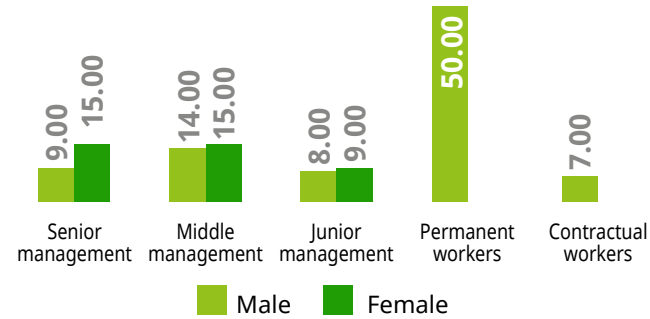
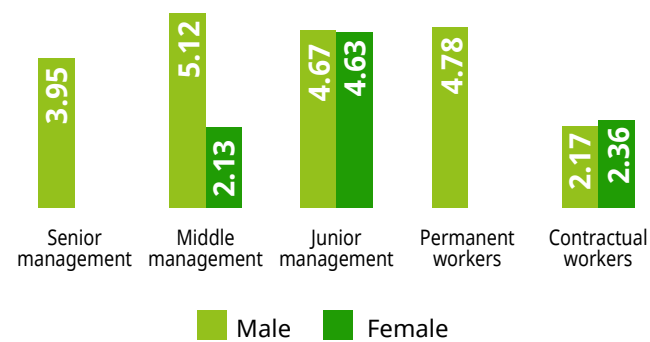


Figure 14: Average training hours at H&R Johnson



Labour relations and rights



What this section covers?

Material Topics
Labour Relation and Rights

GRI Indicators
402-1; 407-1



We are committed to upholding human and workplace rights for our workforce – permanent as well as contractual workers. Our approach is embedded in our human resource principles and aligned with our code of conduct. We comply with all applicable law and employment regulations and do not engage or participate in child labour or forced labour. We encourage our vendors also to practice the same. The minimum age for our employees is 18 years and we have in place stringent screening mechanism to ensure the rule is strictly implemented across our operational locations. All contract workers are required to present their identification card with proof of age upon entering our work locations.

Our on-site labour have complete freedom of association and collective bargaining. Some of our workers have trade unions across several of our manufacturing units and the same are recognized by the Management. Long term settlements have been done with unions regarding wages, benefits, welfare etc. of the workmen working in the organization. We have certified standing orders of the

Company in which service conditions are incorporated. These registered unions have by-laws to govern their functioning. Furthermore, we have nominated workmen to form the Safety committee, Canteen committee, Uniform and Safety shoes committee, Sports committee and other committees formed as and when required. Union representatives always have bargaining rights with Management and arrive at consensus after bilateral/ trilateral discussions in terms of wages, benefits, welfare etc. of the workmen.

In case of any significant changes in working environment, the union representatives like President, General Secretary and the committee members are consulted well in advance and are given sufficient time to respond back. This notice period varies from one month in Prism Cement and Prism RMC divisions to up to two months for HRJ division.

Occupational health and safety



Our primary occupational and health goal is to be an accident-free workplace. To achieve this, everyone is responsible for ensuring workspace safety, including our top management and all our employees. Our contractors and contractual workers also come under the purview of our health and safety endeavors. As mentioned earlier, all our units have a health and safety committee with representation from workers and unions. Following the Covid-19 pandemic, all our employees received awareness trainings on operating within safe distancing norms as well as standard operating procedures to monitor the health and wellbeing of our employees - to ensure continuity of our business operations.

Prism Cement and H&R Johnson are ISO 45001:2018 certified for the Occupation Health & Safety Management (OHSM) standard, while Prism RMC follows internal quality standards. All our employees and workers, permanent and temporary alike, are covered under the safety standard. Under the standard, we are required to comply by all legal and statutory norms and conduct a Hazard Identification and Risk Assessment (HIRA) process for all manufacturing sections in the plant. The implementation of the system is undertaken by the safety committee in each plant in consultation with the workers. We have a trained team of internal auditors who check the compliance on OHSM on periodic basis.

We are taking multiple initiatives to further strengthen and enhance our safety management system. The Safety Committees are established in each plant as per the requirement of Factories Act, 1948. They have monthly meetings that discuss and decide upon the findings of audit and any other prevalent safety issues.

Our workers are provided with safety equipment like PPEs (Personal Protective Equipment), safety shoes, mask, ear-plugs, hand gloves, safety belts, helmet, etc. They also undergo an annual medical examination, and engage in safety events and other welfare measures as applicable to regular employees. The workers are given regular training and safety preparedness and are made aware of the Occupational Health and Safety Policy. The policy is also displayed across plant premises in local language.

We have established Occupational Health Centres (OHC) at certain plants with a full-time trained nurse, a fully-equipped ambulance, first-aid boxes, firefighting team and a trained first-aid team. The plants also undergo an annual inspection of tools and tackles, Stability Certificate for buildings and structures, annual safety internal audit, drinking water testing and pest control in the canteen area. We have provision for sufficient toilets separately for male and female employees and continuous supply of filtered drinking water.

Risk Assessment

We have established a standard HIRA procedure based on the ISO 45001:2018 rules. A review of routine and non-routine activities, past relevant incident, potential emergency situation, peoples and processes is conducted twice in a year by internal section in-charge. A hierarchy control system is defined for ease of reporting and action. Along with this an internal safety audit is also conducted twice in a year whereas an external safety audit is conducted on yearly basis for certification. Competency of employees and workers is also assessed through a competency matrix system and proper guidance and trainings is given, as per the need.

Apart from the monthly safety committee meeting, a management review meeting and a monthly safety gate meeting is also conducted. Workers who identify and report near misses or potential risk area are rewarded in the monthly safety gate meetings. The workers are guided to stop the work in case of an immediate hazard identification that can put them on risk. This system of LO-TO (Lock Out and Tag Out) has been in place in all our plants for a long time. We educate our employees about the situations and root causes of tentative injuries and illness and instruct them to intimate the concerned officer for resolving the issue at the earliest, and even try to take corrective actions for the same.

Safety Training

Various hands-on safety trainings are provided to all permanent and temporary workers. These include Industrial Safety and Road Safety; Lock-Out-Tag-Out (LOTO) safety training; Height Pass training; safety training for drivers; scrap handling training; etc. First, we identify training needs and share the requirement with the HR Manager through the Head of the Department (HOD), who then arrange for an internal or external subject matter expert to conduct the training. These trainings are generally conducted in local languages and the impact is later evaluated by the HOD over a period of three months.

A safety communication meeting is conducted every month for imparting safety awareness and communicate any changes or updates to the workers. New joiners undertake a Safety Induction Training first and then as per assigned job or duties on-the-job training is given by the immediate supervisor. These trainings are a mix of classroom-based and shop floor demonstrations. As per the EHS (Environment, Health and Safety) training calendar, every individual need to take minimum 3 trainings in a year. Structured feedback is sought from workers after every training and an assessment of skill upgradation is also conducted after some time.

Work-related Injury

We follow the applicable statutory rules under Section 88 of Factories Act, 1948 and other state level regulations for recording and reporting safety incidence. A detailed

account of work-related injuries across three divisions is given in Table 13. Furthermore, cement division also recorded 16 First Aid cases and 341 Near Misses cases.

Table 13: Work-related injuries at Prism Johnson

Particulars	Prism Cement	H&R Johnson	Prism RMC
Lost Time Incidents (LTI)	1	1	2
Lost Days	18024	6000.50	9
Lost Time Incidents Rate (LTIR)	0.11	0.22	0.97
Lost Time Incidents Severity Rate (LTISR)	2057.97	1308.67	4.39
Fatalities	3	1	-



Community engagement

Key highlights



Over 1,800
people benefitted
from road
construction



Over 5,000
people
benefitted from
bus shelter
construction



Over 12,500
patients
benefitted from
free medical
consultation and
ambulance service



40
toilets
constructed



1,000
people benefitted
from installation hand
pumps with bore well



60 study desks and
8 smart class set-ups
provided to schools



53,000
saplings planted by the
Company, in collaboration
with the social forestry
department



RT-PCR COVID-19
testing machine
donated to Gandhi
Memorial Hospital in
Bhopal



130
solar street lights
installed



Nearly 300
beneficiaries were
given vocational
training support



We surpassed our pond
desilting target by
283%

CSR initiatives



At Prism Johnson Limited, we realize the importance of a healthy community engagement. The company's Corporate Social Responsibility (CSR) policy, approved by the Board of the Company in 2014-15 and updated in 2020-21, guides our CSR programmes and activities to promote community development. The programmes fall within the purview of Schedule VII of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

A comprehensive demographic survey was undertaken in 2016 to evaluate the socio-economic profile of our stakeholders and understand their development challenges. The review was conducted across ten neighbouring gram panchayats which covers eighteen villages and 30,000 people of Satna district in Madhya Pradesh. The findings were then used to design CSR programmes that would address these developmental challenges and be most beneficial to the community members. These programmes are also aligned to national and international development goals, and are implemented both directly by our own team and through reputed NGOs.

The steps involved in execution of a CSR project are as follows:

- ◆ Identification of projects near operational areas of the organization, prioritisation of the needs of the community as expressed by them, and implementing projects based on them
- ◆ Clear demarcation between social projects and ad-hoc sponsorship, and shift from ad-hoc charity to long-term sustainability approach
- ◆ Shift towards 'project-based' approach
- ◆ Sustainability of projects are considered and evaluated during initial screening and development of projects
- ◆ Development of a Corporate Social Responsibility Action Plan
- ◆ A mix of short, medium and long-term projects are chosen for implementation
- ◆ Each project is developed and implemented after a baseline survey
- ◆ Projects are implemented through specialized agencies, Community Based Organization (CBOs), Panchayats, NGOs, academic institutions, Trusts, and Missions

Despite a difficult year owing to the pandemic, we have made sure that our commitment towards our surrounding communities has remained strong, and we have continued our CSR strategies in accordance with the previous years. We have also modified them to accommodate COVID relief

measures for the communities. In the reporting period, a total of INR 34.75 million were spent for our CSR activities categorized into few thematic pillars. This year, we have included COVID-19 disaster management and relief measures, as a theme as well.

Figure 15: Pillars of CSR



Our key CSR initiatives under each thematic pillar are outlined below. Most of these activities were carried out in and around the Satna district in MP where our cement plant is located.

Infrastructure development:

- ◆ WBM (Water Bound Macadam) road of 1.6 km at Adivasi Basti Chulhi and 3 km at Kulhadi village in Satna were constructed benefitting 1,848 people from both villages
- ◆ Multiple bus shelters were constructed in Majhiyar and Chormari blocks of Satna, benefitting over 5,000 people



Health and hygiene:

- ◆ We have conducted free medical consultation and distributed medicines to 18 nearby villagers benefitting more than 12,500 patients
- ◆ A free 24 hours ambulance facility is also provided to these 18 villages
- ◆ We sponsored cataract surgeries for 20 patients in Rampur block
- ◆ 40 toilets have been constructed in Majhiyar, Malgaon and Narsinghpur villages contributing to ODF (Open Defecation Free) efforts under the Swachh Bharat Abhiyan (Clean India Mission)
- ◆ In association with the Women and Child Development Program of the state government, we provided nutritious food to 133 children of the Rampur and Baghelan block



Availability of drinking water:

- More than 1,000 people from 5 villages - Chormari, Majhiyar, Chulhi, Baghai and Hinauta were benefited from installation 6 hand pumps with bore well
- Construction of 200 drum based Water Harvesting Structures in Mahurachh and Badhaura villages provided drinking water support to 200 households



Education:

- Provided 60 desks for students at the Government College in Rampur
- We have provided Smart Class setup for 8 classrooms in Bamhauri and Sajjanpur Higher Secondary Schools



Environmental Conservation:

- ◆ We have distributed 6,000 saplings to nearby villagers between July to Oct, 2020
- ◆ 53,000 saplings planted under social forestry department at forest land Khamhariya
- ◆ Installation of 130 solar street lights at Baghai, Majhiyar, Hinauti, Mankahari, Sijahata, Malgaon and Hinauta villages at Satna



Vocational Skill and Livelihood Development:

- ◆ Provided driving training and driving licenses to 169 individuals
- ◆ In partnership with Kajal Mahila Bachat and Sakh Samuh, functioning under National Rural Livelihood Mission (NRLM), 125 beneficiaries were given various vocational trainings like stitching, making bags and incense sticks



बीज दर एवं बीजोपचार

बीज दर :
 वर्षाधारित : 40 किग्रा /एकड़
 सिंचित समय से बुवाई : 40 किग्रा /एकड़
 देर से बुवाई : 50 किग्रा /एकड़

बीजोपचार: कार्बोक्सिन (75 डब्ल्यू.पी.) 2.5 ग्राम/किग्रा. बीज के साथ
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Promotion of sports:

- ◆ We supported construction of a stadium gate and covered pavilion at Mankahari playground in Satna



Social and animal welfare:

- ◆ In partnership with Dr. Lalta Prasad Khare Public Charitable Trust, facilities of old age homes was provided at Babupur benefitting 40 senior citizens
- ◆ Distribution of 200 thermo cot innerwear to senior citizens at Satna
- ◆ Fodder for 100 animals was provided in partnership with Laxmi Swa Sahayata Samuh, under animal welfare schemes of the company



Disaster management:

- ◆ RT-PCR COVID-19 testing machine donated to Gandhi Memorial Hospital in Bhopal, MP
- ◆ Hand sanitizers and hand wash liquids were distributed in Satna
- ◆ 200 packets of groceries distributed to beneficiaries at Rampur Baghelan



We have surpassed many of our annual targets for certain CSR projects, for example our pond desilting target exceeded by 283% and solar street light target exceeded by 8.3%. People from the nearby villages and the public authorities admire our efforts towards community development. The Self Help Groups (SHGs) of Rampur Baghelan block, of which are stitching trainees are a part,

got an order to stitch 40,000 school uniforms, from the Government of Madhya Pradesh, under the National Rural Livelihood Mission (NRLM).

We are also humbled to have won the Greentech 7th CSR India Award 2020 for Ensuring Environmental Sustainability and Promotion of Health and Healthcare.

Way forward

We, at Prism Johnson, wish to be the sustainability leaders in our sector, and have taken various steps in that regard, as articulated in the chapters above. We strongly believe that India's ever-rising demand for residential and infrastructure development presents unique opportunities for us to enhance our performance on financial, environmental, social and governance fronts, and in turn, further strengthen our market presence as one of India's leading integrated building material manufacturer. We hope to continue consolidating our portfolio of innovative building materials, with the help of our high notch of design and innovation embedded into our manufacturing processes – ensuring durability, energy efficiency and environmentally-friendly products for our stakeholders.

We already have systems in place that ensure our commitment towards the environment and the society. We have taken energy-efficiency measures including waste heat recovery and solar power, and 6% of PJJ's total indirect energy consumption is drawn from solar. We also focus on alternate raw material consumption at our plants, and this year, cement has used 18% alternate raw materials, followed by HRJ at 7% and RMC at 4%. Keeping cement's potential as a 'carbon carbonation sink' in mind, we are chalking out ways to include low-carbon innovation in Prism RMC's product range. We have been maintaining a robust record of the occupational health and safety data of our workers, and are happy to report that all 3 divisions have recorded an

Lost Time Incidents Frequency Rate (LTIFR) of less than 1. As a responsible corporate citizen, we have also taken concrete mitigation steps towards Covid, to help our community.

As we think ahead of a sustainable future, we plan to further enhance our existing systems as the way forward, and take the following initiatives:

- ◆ Develop a sustainability strategy, that focuses on robust governance, climate change mitigation and worker welfare.
- ◆ Conduct CSR and social impact assessments to quantify the impact we wish to create on our surrounding communities through our community investments.
- ◆ Adapt and apply the latest guidelines pertaining to fuel and raw materials use in our sector.
- ◆ Enhance the adoption of circular economy across our value chain.
- ◆ Considering the uptake of CO₂ in cement infrastructure (carbonization) offsets, on account of concrete acting as a 'cement carbonation sink', we look forward to include low-carbon innovation related to our RMC products.
- ◆ Set targets pertaining to emissions, adaption of circular economy, etc., and report on our progress regarding attaining the same annually.



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INDEPENDENT ASSURANCE STATEMENT

Introduction and objective of engagement

Prism Johnson Limited ('PJL' or the 'Company') has developed its Sustainability Report 2020-21 titled 'Concrete Steps to a Sustainable Future' (the 'Report') in accordance with GRI Standards: Core Option. Thinkthrough Consulting Private Limited (TTC) was engaged by the Company to provide an independent assurance to the Report for the Financial Year 2020-21 covering the Company's sustainability performance during the period 1st April 2020 to 31st March 2021.

Intended Users of this Assurance Statement

This Assurance Statement is intended to be part of PJL's Sustainability Report for the Financial Year 2020-21.

Respective responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

TTC's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope of assurance and methodology' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation .

Assurance criteria

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard v3 (2020). We applied Type 2¹ moderate² level of assurance.

Scope of assurance and methodology

The scope of assurance engagement was limited to review of sustainability data and information in the Report, pertaining to environmental and social performance for the period 1st April 2020 to 31st March 2021. We conducted audit trails, reviews, discussions with officials of the Company, and gathering of evidences on sample basis, at the following sites of the Company alongside the corporate office:

- Satna (Division: Prism Cement);
- Dewas (Division: H&R Johnson);
- Kunigal (Division: H&R Johnson);
- Dhumaspur (Division: Prism RMC).

The sustainability disclosures covered in our sample review included:

- Energy consumption;
- Water withdrawal;
- Waste disposal;
- Greenhouse Gas (GHG) emissions;
- Occupational Health and Safety;
- Training hours for employees;
- Beneficiaries from CSR initiatives.

We conducted review and verification of data collection, collation and calculation methodologies and general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review was limited to:

- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report;
- Review of consistency of data/information within the report as well as between the report and source;

¹Type 2 Assurance: An engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000ASv3 Standard.

² Moderate level of assurance: Implies assurance provided based on the 'limited' evidence which are compiled from internal sources and parties.

- Execution of an audit trail of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription and aggregation;
- Review of sustainability data collection and management procedures.

Limitations and exclusions

We conducted our review to express a moderate assurance conclusion. A moderate level assurance engagement relies on a risk-based chosen sample of the selected information and the associated limitations that this entails. Our review was limited to four sample sites mentioned above.

The assurance scope excludes:

- Data and information outside the defined reporting period, i.e., 1st April 2020 to 31st March 2021;
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

Due to the outbreak of the COVID-19 pandemic, and the resultant travel and meeting restrictions, data assurance was done through remote assessments using appropriate web-enabled tools. We did not conduct any physical verification at locations or offices of the Company. Audit trails and review were conducted through remote discussion with officials of the Company, and gathering of evidences on sample basis.

Our observations and opportunities for improvement

During our review process, we observed that:

- The sustainability disclosures in the Report, as defined under the scope of assurance, are broadly in alignment with GRI Standards, 2016;
- While the sustainability disclosures of the Company defined under the scope of assurance are fairly reliable, the Company has a scope to augment the robustness of its data management system, specifically related to adoption of uniform standard operating procedures, and strengthening the internal validation and authentication protocols, to further enhance the accuracy of reporting.

Our conclusions

Based on the scope of our review, our conclusions are outlined below:

- **Inclusivity:** We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with the key stakeholder groups. The Company has described its stakeholder engagement approach and activities in the Report.
- **Materiality:** Nothing has come to our attention that causes us to believe that any material topic has been excluded from reporting by the Company. The Company has described the process for materiality analysis and key material issues in the Report.
- **Responsiveness:** Nothing has come to our attention that would lead us to conclude that the Company has not applied the principle of responsiveness for communicating with stakeholders on material topics covering its sustainability performance.
- **Impact:** We are not aware of any matter that would lead us to conclude that the Company does not monitor and measure, and is not accountable for how their actions affect their broader ecosystem. We noted that the Company has well-defined procedures to routinely monitor and measure their environmental impact.

Our assurance and independence

TTC is a professional services firm that specialises in accountability on sustainability issues. The assurance was performed by our multi-disciplinary competent team of experts in non-financial assurance, specifically AA1000AS v3, who have extensive experience in conducting independent assurances of environmental, GHG, health, safety, social, economic, and ethical data, systems, and processes. We have implemented measures to ensure that we follow the applicable independence procedures.

For Thinkthrough Consulting Pvt. Ltd.



Dipankar Ghosh, Partner

New Delhi
30th September 2021



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