

## **The Andhra Sugars Limited**

### **Business Responsibility Policy**

#### 1. BACKGROUND, SCOPE , PURPOSE

The Securities Exchange Board of India (SEBI) on 2nd September, 2015 has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) effective from 1st December, 2015.

SEBI amended Regulation 34 of the Listing Regulations, thereby requiring top One Thousand listed companies (based on market capitalization of every financial year) to include Business Responsibility Report as a part of its Annual Report.

This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company.

The Key Objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility across The Andhra Sugars Ltd. and act as a strategic driver that will help The Andhra Sugars Ltd. respond to the complexities and challenges that keep emerging and be abreast with changes in regulations from time to time.

The Policy is applicable to all Directors and Employees of the Company.

#### 2. DEFINITIONS

2.1 "Board" shall mean Board of Directors of the Company.

2.2 "Companies Act" shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended. 2.3 "Listed Entity / Company" shall mean The Andhra Sugars Limited.

2.4 "Policy" means Business Responsibility Policy.

2.5 "Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The SEBI, as amended, from time to time.

2.6 "Stock Exchange" shall mean a recognized Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (regulation) Act, 1956.

### 3. POLICY

Company believes that the business excellence can be achieved only by doing business on sound sustainability principles that address the dimension of good governance as well as environmental and social responsibility. Company's Business practices would therefore be governed by the following guiding principles.

#### **Principle 1: Ethics, Transparency and Accountability**

Company is committed to achieve high standards of governance and high levels of transparency, accountability and equity in all facets of its operations and all the interactions with its stakeholders including shareholders, employees, lenders and Governments.

The Company shall –

- develop governance structures, procedures and practices that ensure ethical conduct at all levels across its value chain
- ensure access to information about decisions that impact relevant stakeholders
- not engage in practices that are abusive, corrupt, or anti-competition
- truthfully discharge its responsibility on financial and other mandatory disclosures timely
- ensure that every employee abide by the values and the commitment to ethical business practices reflected in the Company's Code of Conduct
- ensure that genuine concerns of misconduct / unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism
- avoid complicity with the actions of any third party that violates any Policies of the Company

#### **Principle 2: Product Life Cycle Sustainability**

Company is committed to set the principles of sustainability as far as practicable into the various stages of product or service lifecycle including procurement of raw material / service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers to improve the quality of lives of people.

## **Policy:**

The Company shall –

- ensure that its products and services comply with all applicable statutes and regulations
- work towards sourcing significant raw materials in a manner so as to continuously improve the balance between social, economic and environmental impacts
- continue to progressively factor in relevant social and environmental considerations during the process of manufacturing or providing services
- continue to recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property wherever relevant
- ensure that the manufacturing processes and technologies required for producing goods or services are efficient and sustainable
- work towards safe and optimal resource use over the lifecycle of its products and services, including recycling of resources wherever possible.

## **Principle 3: Employee well-being**

Company always ensures excellent work environment that provides well-being of all its employees. The safety and health of employees are extremely important to the Company.

## **Policy:**

The Company shall –

- provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion etc.,
- respect the right to freedom of association, participation, collective bargaining and provide access to appropriate Grievance Redressal Mechanisms
- not use child labour, forced labour or any form of involuntary labour, paid or unpaid
- create systems and practices to ensure a harassment-free workplace where employees feel safe and secure in discharging their responsibilities
- provide facilities for the well-being of its employees including those with special needs
- ensure timely payment of fair living wages to meet basic needs and economic security of the employees

- provide a workplace environment that is safe, hygienic, humane and which upholds the dignity of the employees
- ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis
- promote employee morale and career development through enlightened human resource interventions.

#### **Principle 4: Protection of Stakeholders' Interest**

Company always recognizes the interests of all stakeholders, viz., employees, business associates, bankers, customers, shareholders / investors and communities surrounding its operations. The Company continues its engagement with them through various mechanisms such as consultations with suppliers of raw materials, bankers, vendors, local bodies etc.

##### **Policy:**

The Company shall –

- understand the concerns of its stakeholders, define its purpose and scope of engagement, and commit to engaging with them
- acknowledge, assume responsibility and be transparent about the impact of its Policies, Decisions, Products & Services and associated operations on the stakeholders
- strive to give special attention to stakeholders in areas that are underdeveloped
- resolve differences with stakeholders in a just, fair and equitable manner.

#### **Principle 5: Human Rights**

Company respects the rights and dignity of all individuals and upholds the principles of human rights. The Company's commitment to human rights and fair treatment is set out in its Code of Conduct. The Policy provides conduct of operations with honesty, integrity and openness with respect for human rights and interests of employees.

The Company shall –

- integrate respect for human rights in Management Systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the Company's business have access to grievance mechanisms
- recognize and respect the human rights of all relevant stakeholders, including that of communities, consumers and vulnerable and marginalized groups

- within its sphere of influence, promote the awareness and realization of human rights across its value chain.

## **Principle 6: Protecting And Restoring The Environment**

Company places highest priority in ensuring and adhering to best procedures relating to environment protection. Company sets high standards in the area of environmental responsibility - striving for performance that does not merely comply with Regulations but reduces environmental impacts.

### **Policy:**

The Company shall –

- utilize natural and manmade resources in an optimal and responsible manner and ensure sustainability of resources by reducing, reusing, recycling and managing waste
- take measures to check and prevent pollution. The Company shall assess environmental damage and bear the cost of pollution abatement with due regard to public interest
- ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably
- continuously seek to improve environmental performance by adopting cleaner Production methods, promoting use of energy-efficient and environment-friendly technologies and use of renewable energy
- develop Environment Management Systems (EMS) and Contingency Plans and Processes that shall help it in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its Operations
- strive to report its environmental performance, including the assessment of potential environmental risks associated with the Operations, to the stakeholders in a fair and transparent manner
- proactively persuade and support its value chain to adopt these Principles.

## **Principle 7: Responsibility towards Public and Regulatory Policy**

Company always committed to operate its businesses within the legislative frame work and policies prescribed by the Government.

**Policy:**

The Company shall –

- work with industry organizations that are engaged in policy advocacy in a responsible manner
- ensure that policy advocacy is conducted ethically.

**Principle 8: Inclusive Growth And Equitable Development**

Company acknowledges and recognizes the challenges of social and economic development faced by country. In compliance with Section 135 of the Companies Act, 2013 ('Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted a CSR Policy through which it undertakes the projects in accordance with Schedule VII of the Act.

**Policy:**

The Company shall –

- be sensitive to local concerns while operating in regions that are underdeveloped
- undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 as per the recommendation of the CSR Committee and as per the CSR Policy of the Company.

**Principle 9: Engaging and Enriching Consumer Value**

Company's endeavour is to provide superior quality end products to the customers / consumers.

**Policy:**

The Company shall –

- while serving the needs of its customers, take into account the overall well-being of the customers as well as society
- promote and advertise its Products and Services in ways that do not mislead or confuse the consumers.

This Policy is approved by the Board of Directors at its Meeting held on 30.06.2021 and be effective from 1.7.2021. Managing Director is authorised to effect any changes in this Policy as may be stipulated by SEBI or MCA or any other Statutory Authority from time to time.

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