

GRAVITA INDIA LIMITED

**Business Responsibility Policy
(Approved on 25th June, 2020)**

Business Responsibility Policy

Introduction:

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which are applicable to all listed entities.

SEBI as per the Regulation 34(2) (f) of the Listing Regulations, annual report of listed entity (top 1000 listed entities based on market capitalization calculated as on March 31 of every year) shall contain, Business Responsibility Report (BRR) describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the Board.

SEBI vide Circular No. CIR/CFD/CMD/10/2015, dated 04.11.2015 prescribed a format for BRR. The business responsibility reporting requirement is in line with "National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business" notified by Ministry of Corporate Affairs, Government of India.

The key principles identified in the NVGs which are required to be reported by the entities include the areas such as environment, social, governance, stakeholder's relationships, etc.

Objective:

The objective of this document is to enunciate a policy on Business Responsibility to fulfill SEBI requirement for Business Responsibility Reporting.

Applicability:

As per the list of top 1000 listed entities based on market capitalization as on March 31, 2020, Gravita India Limited ("the Company or GIL") is covered under the same and hence, the Company is required to prepare policy on business responsibility reporting and the same shall be reported in the Board Report every year.

Principle 1: Ethics Transparency & Accountability

Gravita India Limited ("the Company or GIL") believes in conducting its affairs in a fair, transparent and Professional manner and maintaining the good ethical standards, transparency and accountability in its dealings with all its constituents.

Policy:

- a) The Company shall develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of its principle across its value chain.
- b) The Company shall communicate transparently and assure access to information about its decisions that impact relevant stakeholders.

- c) The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
- d) The company shall truthfully discharge its responsibility on financial and other mandatory disclosures timely.
- e) Company shall avoid complicity with the actions of any third party that violates any of the contained in these Guidelines.
- f) The Company shall report on the status of adoption of these Guidelines, as necessary.

Principle 2: Business Lifecycle Sustainability

GIL has intertwined the principles of safety and sustainability into its processes and products throughout its lifecycle which covers various stages beginning from procurement of raw material, product design and manufacturing till its delivery to the customers.

Policy:

- a) The company shall assure safety and optimal use of resources over the business lifecycle and ensure that everyone connected with it are aware of their responsibilities.
- b) The Company shall on a regular basis review and improve upon the process of new technology development, deployment and commercialization, incorporating various external and internal considerations.
- c) The Company shall raise the customer's awareness of their rights through education, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage.
- d) In designing the product, company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable and continuously improve the balance between social, economic and environmental impacts and works.
- e) The Company shall ensure that while procuring, manufacturing and delivering goods and services it will follow the Quality policy.
- f) The company shall Recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore, promote sustainable consumption, including recycling of resources.
- g) The Company shall continue to recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property, wherever relevant.

Principle 3: Employee Well Being

GIL is committed to professional development and growth of employees through selecting the right candidate for right job, monitoring performance for optimum utilization of their potential, providing growth opportunities growth and inculcating the culture of mutual faith and accountability. GIL is also committed to the holistic growth of employees by motivating them to perform at the peak of their potential by imparting necessary guidance and training at all levels and providing them with opportunities for enhancing their knowledge and honing their skills.

The policies, procedures and practices in the Company are aligned to meet employees' well-being, diversity, non-discrimination, safety and health so as to have a healthy, cordial and harmonious relationships and value enhancement at all levels.

Policy:

- a) 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, disability or sexual orientation.
- b) The Company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.
- c) The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- d) The Company shall provide a work environment that is free from any form of discrimination, exploitation and harassment including but not limited to sexual harassment.
- e) The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.
- f) The Company shall strive to instill a sense of duty in every employee including those of service providers at the Company's premises, towards their personal safety, as well as that of their co-workers.
- g) The Company shall strive to take cognizance of the work-life balance of its employees, especially that of women.
- h) The Company shall strive to provide facilities for the well-being of its employees including those with special needs.
- i) The Company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
- j) The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.

- k) The Company shall ensure continuous skill and competence upgrading of all employee by providing access to necessary learning opportunities, on an equal and nondiscriminatory basis.

Principle 4: Stakeholder engagement

GIL gives utmost importance to the healthy engagement with its various stakeholders like employees, suppliers, stockists, dealers, customers, shareholders / investors, communities surrounding the operations and government / regulatory authorities. The Company continues its engagement with them through various mechanisms such as supplier/vendor meets, customer/employee satisfaction surveys, investor forums, consultations with local communities etc.

Policy:

- a) The Company shall understand the concerns of its stakeholders, define its purpose and scope of engagement, and commit to engaging with them.
- b) The Company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
- c) The Company shall strive to give special attention to stakeholders in areas that are underdeveloped.
- d) The Company shall resolve differences with stakeholders in a just, fair and equitable manner.

Principle 5: Human Rights

GIL believes that human rights are fundamental, inherent, universal, indivisible and interdependent in nature and hence, continuously strive to ensures that employees' basic human rights are protected.

Policy:

- a) The Company will observe that basic human rights of the employees are respected, valued and protected keeping in mind the Constitution of India, Laws, Policies and the International Bill of Human Rights and accordingly, formulate all policies, practices, procedures and rules of the Company.
- b) 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 business have access to grievance mechanisms.
- c) The Company recognizes and respects the human rights of all relevant stakeholders and groups, including that of communities, consumers and vulnerable and marginalized groups.
- d) The Company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.

- e) The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 6: Environment Protection

GIL is committed to safety and preservation of environment and has formulated “Quality, Health, Safety and Environment Policy”. GIL also believes in conservation of natural resources and minimizing hazardous impact on the ecological environment.

Policy:

- a) The Company shall utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
- b) The Company shall take measures to check and prevent pollution. The Company shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
- c) The Company shall ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
- d) The Company shall continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
- e) The Company shall develop Environment Management Systems 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.
- f) The Company shall strive to report its environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
- g) The Company shall proactively persuade and support its value chain to adopt these principles.

Principle 7: Responsible Advocacy

GIL believes that to protect overall interest of its business and the diverse stakeholders, the Company have to express its fair views, opinions, representations, concerns etc on the policies framed by the competent authorities. The Company may either itself or through various associations/forums/chambers make such representations etc. before the competent authorities. The Company’s engagement with the relevant association/forums/chambers etc. is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders

Policy:

- a) The Company will make reasonable efforts to ensure that its advocacy positions are consistent with the principles and core elements enhancing business responsibility and transparency.
- b) The Company may, in the best interest of all stakeholders, provide inputs in policy making decisions to various governmental authorities and agencies which concern the business and as well as the society in general, either directly or through the trade and industry chambers and such other collective platforms.

Principle 8: Inclusive growth and equitable

GIL's philosophy for delineating its responsibility as a corporate citizen is covered through its CSR policy which encompasses guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.

The Company has in place a Corporate Social Responsibility Policy framed as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 and is carrying out various CSR Activities in accordance with the Schedule VII to the Companies Act, 2013.

Policy:

- a) Identification of the impact of the Company's operations on social and economic development and to minimize the negative impacts, if any on the same.
- b) Innovation and investment in products, technologies and processes on continuous basis for the overall wellbeing of the society.
- c) The Company endeavors to undertake various community development activities at local and national level and to ensure that appropriate mechanism for resettlement and rehabilitation of communities who have been displaced due to business operations are in place.
- d) The Company will endeavor to give priority to the regions that are underdeveloped near the business operations of the Company.

Principle 9: Customer Value

Customers are one of the most important stakeholders. The foundation of the Company is based on the trust, satisfaction and loyalty of our consumers across the world. The Company's products are industrial products and hence, it continuously strive to make available its products that are safe and competitively priced for the benefits of its customers / end users.

Policy:

- a) The Company, while serving the needs of their customers, will take into account the overall well-being of the customers and that of society.

- b) The Company will ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
- c) The Company will disclose all information truthfully and factually, through labeling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, the Company shall also educate their customers on the safe and responsible usage of their products and services.
- d) The Company will promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
- e) The Company will exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- f) The Company will provide adequate grievance handling mechanisms to address customer concerns and feedback.

Implementation:

- a) The policy shall be appropriately communicated within the Company across all level and shall be displayed on the Company's intranet.
- b) The Managing Director, through the Functional Heads of the Departments/ Unit Heads of the Company shall be responsible for ensuring that the policy is implemented throughout the Company.
- c) Compliance with the Policy shall be monitored and evaluated by the Company Secretary on a regular basis.
- d) Any grievances/ complaints with respect to violation of the policy shall be reported to the Head Internal Audit or the Company Secretary.