

# **Fermenta Biotech Limited** (formerly known as DIL Limited)

CIN : L99999MH1951PLC008485

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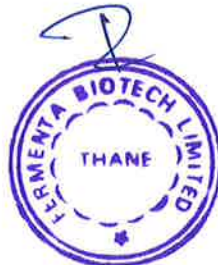
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## **Business Responsibility Policy**

**Fermenta Biotech Limited**

**(Adopted as on June 29, 2020)**



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**A. Introduction and background:**

Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the annual report of the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year), shall contain Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspective.

Ministry of Corporate Affairs has issued National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business in 2011 for providing framework for responsible business actions ('Guidelines').

SEBI has issued a circular CIR/CFD/CMD/10/2015 for Format for Business Responsibility Report (BRR) dated November 04, 2015.

As per the Market Capitalisation as on March 31, 2020 in BSE Limited, the Company ranked at 636 position.

This **Policy on Business Responsibility** of the Company ('**BR Policy**' or '**Policy**') is intended to ensure that the Company contributes towards sustainable development and fulfils its social, environmental and economical responsibilities, and endorses the Company's commitment to follow principles laid down in Guidelines.

In view of the above, the Board of Directors of the Company (Board) was pleased to approve this Policy at its meeting held on June 29, 2020.

The Policy is applicable to all Directors and Employees of the Company including its those of its group companies. Policy principles relating to human rights, environmental sustainability, ethics, bribery and corruption shall also extend to Company's business associates including its suppliers, contractors to the extent applicable. Foreign subsidiaries of the Company shall participate in the Policy to the extent required under the laws of the Country of their operation.

**B. Implementation of the Policy and audit**

The Managing Director of the Company shall be responsible for the implementation of the Policy. The Managing Director may take support of the Chief Executive Officer and such functional heads, as he may deem fit, for the effective implementation of the Policy.

Any grievance regarding implementation of the Policy may be communicated at the Company's registered office address for the attention of the Chief Executive Officer.

During each financial year for the previous financial year, the Company shall carry out an independent audit/ evaluation of the working of this Policy by an internal or external agency as it may deem fit.

**C. Policy principles**

The Company lays a strong emphasis on ethical corporate citizenship and believes that true business excellence can be achieved only by doing business following sound sustainability principles that are based on good corporate governance as well as social, environmental and economical Responsibilities. Company's Business practices would therefore be governed by the following guiding principles.



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

1. The Company shall develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain. The Company shall communicate transparently and assure access to information about its decisions that impact relevant stakeholders.
2. The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
3. The Company shall truthfully discharge its responsibility on financial and other mandatory disclosures.
4. The Company shall report on the status of its adoption of these Guidelines as suggested in the reporting framework in this document.
5. The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in the Guidelines.
6. The Company shall have a zero tolerance for bribery and corruption in its business dealings. No director or employee of the Company shall engage in practices that are abusive and corrupt.
7. The Company has adopted Code of Conduct and various other policies from time to time. All directors and employees must strictly adhere to those as applicable.

**Principle 2: Product Life Cycle Sustainability**

1. The Company shall assure safety and optimal resource use over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it- designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
2. The Company shall raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of its products and services.
3. In designing the product, the Company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
4. The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
5. The Company shall recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
6. The Company shall recognize that over-consumption results in unsustainable exploitation of our planet's resources, and shall therefore promote sustainable consumption, including recycling of resources.

**Principle 3: Wellbeing of all employees**

1. The Company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
2. 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.
3. The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.



4. The Company shall take cognizance of the work-life balance of its employees, especially that of women.
5. The Company shall provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
6. The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. The Company shall communicate this provision to its employees and train them on a regular basis.
7. The Company shall ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.
8. The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

**Principle 4: Protection of stakeholders' interest**

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

**Principle 5: Respecting and promoting human rights**

1. The Company shall understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. 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.
3. The Company shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. The Company shall, within its sphere of influence, promote the awareness and realization of human rights across its value chain.
5. The Company shall not be complicit with human rights abuses by a third party.



**Principle 6: Respecting, protecting, and making efforts to restore the environment**

1. 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.
2. The Company shall take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. 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.
4. The Company shall continuously seek to improve its environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
5. The Company shall develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations or that of a member of its value chain.
6. The Company shall report its environmental performance, including the assessment of potential environmental risks associated with its operations, to the stakeholders in a fair and transparent manner.
7. The Company shall proactively persuade and support its value chain to adopt this principle.

**Principle 7: Responsibility Towards Public And Regulatory Policy**

1. The Company, while pursuing policy advocacy, must ensure that its advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.
2. To the extent possible, the Company shall utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

**Principle 8: Inclusive growth and equitable development**

1. The Company shall understand its impact on social and economic development, and respond through appropriate action to minimise the negative impacts.
2. The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. The Company shall make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to its business operations.
4. The Company when operating in regions that are underdeveloped should be especially sensitive to local concerns.

**Principle 9: Engaging And Enriching Customer / Consumer Value**

1. The Company, while serving the needs of its customers, should take into account the overall well-being of the customers and that of society.



2. The Company shall ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling its products.
3. The Company shall disclose all information truthfully and factually, through labelling 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 its customers on the safe and responsible usage of its products and services.
4. The Company shall promote and advertise its products in ways that do not mislead or confuse the consumers or violate any of the principles in the Guidelines.
5. The Company shall exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. The Company shall provide adequate grievance handling mechanisms to address customer concerns and feedback.

**D. Disclosures**

The Company shall publish / disseminate compliance status and/or report based on this Policy as may be statutorily applicable and required from time to time. The Policy and such reports, as required, shall be made available at the Company's website [www.fermentabiotech.com](http://www.fermentabiotech.com)

**E. Policy review and amendments**

This Policy would be subject to modification in accordance with the Guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authorities. The Board may modify, add, delete or amend any of the provisions of this Policy as it may deem fit. In case of any inconsistency between provisions of this Policy and of statutory provisions, statutory provisions shall prevail and apply.

**For Fermenta Biotech Limited (Formerly known as DIL Limited)**



**Prashant Nagre**  
Chief Executive Officer



**June 29, 2020**