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BANCO PRODUCTS (INDIA) LIMITED

BUSINESS RESPONSIBILITY POLICY

Effective from- 10th February, 2021



BUSINESS RESPONSIBILITY POLICY

1. INTRODUCTION

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations, 2015”) which are applicable to all listed entities with effect from 1st December, 2015.

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/27 dated 22nd December, 2015 amended the Listing Regulations, 2015 w.e.f. 1st April, 2016 mandated the inclusion of Business Responsibility Report (BRR) as a part of the Annual Report for top 500 listed entities (calculated as on March 31 of every financial year) based on market capitalization subsequently vide its notification no. No. SEBI/LAD-NRO/GN/2019/45 dated 26th December, 2019 it is made applicable to top 1000 Companies by market Capitalization.

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.

2. OBJECTIVE

The objective of this document is to prescribe Policies for the various principles on Business Responsibility mentioned in the format prescribed by SEBI for Business Responsibility Reporting.

3. APPLICABILITY

Based on the list of top 1000 listed entities based on market capitalization as on March 31, 2020, Banco Products (India) Limited (“BANCO” or “Company”) is covered under the same and hence, the Company is required to formulate policy on business responsibility reporting, which shall be implemented during the F.Y. 2019-20.

These policies shall be applicable to the Company with effect from F.Y.2019-20

The Authorised KMPs may further decide to apply the policies or principles thereof to such internal and external stakeholders as may be determined from time to time.

4. IMPLEMENTATION

The subsidiary companies will participate in the Business Responsibility Initiatives of the Company to the extent required under the laws of the country in which they operate. The Company will endeavour to take its sustainability policies and initiatives beyond the boundaries of its manufacturing facilities and spread awareness amongst the relevant stakeholders.

The Authorised KMP’s (Shri Rajendra J Anadpara, Managing Director, Mrs. Himali Patel Whole Time Director and CFO, Mr. Dinesh Kavthekar, Company Secretary), and other Officials Viz. Shri Shailesh A Thakker – President – Commercial and Shri Kiran Kumar Shetty – President – Operations are jointly and severally responsible for implementing the Business Responsibility Policies. The Chairman of the Company shall be head for Business Responsibility and will oversee the implementation of the policies.



5. BOARD APPROVAL

All the Business Responsibility Policies have been formulated by the management of the Company in consultation with the relevant stakeholders and are approved by the Board of Directors of the Company at its meeting.

6. POLICY AMENDMENTS

The Authorised KMP's may amend or modify the Business Responsibility Policies in whole or in part, at any time.

PRINCIPLE – 1 ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Banco Products (India) Limited has in place a Code of Conduct (“Code”) to ensure compliance with legal requirements and business ethos and values. The Code requires that the Directors, Senior Management Personnel and Employees at all levels abide by the said Code of Conduct. The Company expects confirmation of compliance from its employees on periodic basis. The Code has been disseminated across the organization and is also made available on the Company’s website as well as on the local intranet. The Code also ensures good governance, ethical practices, transparency and accountability in conducting affairs of the Company and dealing with stakeholders across the value chain.

Policy

The Company’s conduct in all its spheres of activities while dealing with the internal and external stakeholders will endeavor adherence to the following:

- 1) The Company will endeavor to promote its values as well as demonstrate its commitment to upholding its ethics principles wherever it operates in conjunction with business partners.
- 2) The Company will endeavor neither to do nor give or receive, directly or indirectly for business or financial gain, any financial inducement or improper advantage, or engage in any form of unethical conduct or exercise undue influence over any third party. The Company expects its employees not to indulge in giving extravagant, lavish or uncustomary gifts to the third parties, which may obligate or appear to obligate or inappropriately influence the recipient.
- 3) The Company expects its employees not to engage in or promote practices which are abusive, corrupt and anti-competitive. The Company is committed to competing fairly and complying with appropriate competition laws.
- 4) The Company will provide equal opportunities to all its candidates/ employees and all qualified applicants for employment, without regard to their race, caste, religion, color, ancestry, marital status, sex, age and nationality.
- 5) The Company shall make all reasonable efforts to vouch for completeness, validity and accuracy of the records, financial or otherwise and the validity of all information. It will make all reasonable efforts to ensure that all its public announcements are accurate, complete, fair, timely and understandable and comply with all applicable laws and regulations.
- 6) The Company will endeavor that all the requisite information is communicated in a transparent manner to all those who are concerned and are required to be informed about the same. The Company will also endeavor ease of access to information across the entire value chain which includes its external stakeholders.
- 7) The Company will to the best of its ability comply with all the laws and regulations as applicable to its operations and will encourage everyone involved in its value chain to do the same.



- 8) The Company will take its contractual obligations seriously and will make reasonable efforts to pay its suppliers, employees and others entitled to receive money from it, according to agreed contracts.
- 9) The Company will encourage all internal and external parties dealing with it to comply with the above mentioned principles and will try to avoid complicity with anyone that violates above principles.

PRINCIPLE – 2 PRODUCT LIFECYCLE SUSTAINABILITY

Being in the Auto Component Industry, the Company is committed to provide products and services that offer uncompromised quality. The Company continuously endeavours to use sustainably sourced ingredients in products and manufacture products based on internationally accepted standards of manufacturing.

The Company through this policy endeavors to provide sustainable products that will result into economic, social and environmental benefits while protecting public health and environment over the product life cycle, from the extraction of raw materials until the final disposal.

Policy

- 1) To make all reasonable efforts to ensure that its products and services comply with all applicable statutes and regulations;
- 2) To work towards safe and optimal resource use over the life-cycle of its products and services, including recycling of resources wherever possible;
- 3) To work towards ensuring that all goods and services are procured, manufactured and delivered through a system embedding its policies in terms of labour practices, human rights, ethics, occupational health, safety and environment;
- 4) To sensitize all the value chain partners, namely the third party manufacturers (TPMs), service providers including transporters and suppliers of significant raw materials to fulfill their roles and responsibilities towards sustainability; and
- 5) To continue to progressively factor in environmental considerations during the process of development of products / services.

PRINCIPLE – 3 EMPLOYEES' WELL-BEING

Objectives

1. To ensure employees are in good state of mental and physical health.
2. To promote health awareness amongst employees of the Company .
3. To ensure safety of all employees.

Scope

This policy is applicable to the employees of Banco Products (India) Limited.

Policy

- 1) All employees of the Company across all work levels will treat employees fairly and would promote mutual respect.
- 2) The Company and its employees will promote the chosen values of integrity, recognition, openness, ownership, collaboration and creativity.
- 3) The Company will try to foster a work environment that is free from all types of harassment or stress.
- 4) The Company will treat all employees fairly and all decisions of hiring, promotions, rewards and compensation will be impartial and done with established procedures.
- 5) Employees will discuss concern areas immediately with their managers / Human Resources Personnel on work issues that cause them stress or negatively impact their wellness.



- 6) The Company will respect the right to freedom of expression, participation and provide access to appropriate grievance redressal mechanisms.
- 7) The Company will not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- 8) The Company will endeavor to provide facilities for the wellbeing of its employees including those with special needs.
- 9) The Company will ensure timely payment of fair living wages to meet basic needs and economic security of its employees.
- 10) The Company will ensure continuous skill and competence upgrading of all employees by providing necessary learning opportunities, on an equal and nondiscriminatory basis.
- 11) The Company will promote employee morale and career development through appropriate performance management and development interventions.
- 12) The Company will cover its employees through its group medical insurance policy.
- 13) The Company shall endeavor to provide hygienic environment to its employees and it shall periodically take measures to make employees aware of health concerns through expert talks and programs that benefit employees.
- 14) The Company will ensure that safety processes and procedures are made known adequately to all employees, right from date of joining.
- 15) Safety of each employee and fellow co-workers will be regarded as a collective responsibility and all employees will follow safety measures laid down by the Company.
- 16) The Company, through its laid down policy and procedures, will continuously promote and work towards improving environmental performance and conservation of energy.

PRINCIPLE – 4 STAKEHOLDERS ENGAGEMENT

The Company believes that an effective stakeholder engagement process is necessary for achieving its goal of sustainable, scalable and inclusive growth. It is our intent to ensure appropriate and meaningful consultation throughout all components of our business.

The Company is committed to:

1. Being open and transparent with stakeholders;
2. Providing accurate and timely information to stakeholders;
3. Listening to and responding to stakeholders views and concerns.

Policy

The Company has accordingly placed its stakeholder engagement on the principles of:

- 1) Identifying stakeholders as well as their interests, level of expertise and level of influence is crucial for successful stakeholder engagement and for allocating Company resources as efficiently as possible.
- 2) While identifying the stakeholders, consideration to the economic, environmental and social impacts will be observed and accordingly objectives and parameters of engagement are set and identification and prioritization of stakeholders with whom to engage is made.
- 3) While identification and engagement with stakeholders is a continuous process, the Company has identified its key stakeholders and they inter alia include employees, shareholders, vendors, doctors, healthcare practitioners, patients, government, regulators and the communities in which the Company operates.
- 4) Communicate information to stakeholders early in the decision making process and in which that are meaningful and accessible.
- 5) Establish accessible and responsive means for stakeholders to raise concerns and grievances and to work towards addressing these concerns in an equitable and transparent manner.
- 6) The process of reporting to stakeholders on their concerns will be done coherently and speedily in a just and fair manner by way of communicating frequently and effectively



through several means including public notices / announcements, letters and other correspondences, website, annual reports, general meetings and updates.

PRINCIPLE – 5 HUMAN RIGHTS

Objectives

The Company appreciates that the human rights are inherent, universal, indivisible and interdependent in nature and thus to ensure employees' basic human rights are protected. The Company has laid down policy on human rights of its employees'.

Scope

This policy is applicable to the employees of Banco Products (India) Limited.

Policy

- 1) The Company will observe and ensure that basic human rights of each employee are respected, valued and protected and all policies, practices, procedures and rules of the Company will be accordingly formed.
- 2) The Company and all its employees will live the chosen values of integrity, recognition, openness, ownership, collaboration and creativity.
- 3) All hiring decisions and benefit policies will ensure impartiality with the inherent ethos that all employees are equal irrespective of gender, caste, religion, region, etc.
- 4) Penal actions against employees will follow the principles of natural justice and all such actions will be in accordance with relevant laws.
- 5) The Company will ensure that each employee is made aware of their basic rights and redressal mechanisms.
- 6) The Company will continuously review practices, policies, programs to ensure that human rights of each of its employee remain protected and grievances in this respect are promptly addressed.
- 7) The Company will 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.
- 8) The Company will, within its sphere of influence, promote the awareness and realization of human rights across its value chain.
- 9) The Company will not knowingly complicit with human rights abuses by a third party.

PRINCIPLE – 6 ENVIRONMENT PROTECTION

The Company is a responsible and caring Company that is keenly aware of its duty to environment, health and safety. The Company considers the protection of the environment and insists on complying with all applicable environmental regulations.

A clean & green environment is an absolute necessity and we endeavour this by using state of the art technology to sustain all our business operation. We are therefore committed to reducing our environmental impact and continually improving our environmental performance as an integral and fundamental part of our business strategy and operating methods. It is our priority to encourage our customers, suppliers and all business associates to do the same. Not only is this sound commercial sense for all; it is also a matter of delivering on our duty of care towards future generations.

Policy

Our core principles for protection of environment are:

- 1) As an environmentally responsible Company, we commit our self to take all reasonable initiatives towards utilization of natural and manmade resources in an optimal and responsible manner.



- 2) The Company has in place the mechanism to reduce, reuse and recycle and manage waste in its operation / processes for resource sustainability.
- 3) The Company shall endeavor to take measures to check and prevent pollution.
- 4) The Company will to the best of its ability, comply with all legal/regulatory requirements related to environment protection, management and sustainable development.
- 5) The Company will try to assess the environmental impact of any new processes or products we intend to introduce in advance.
- 6) The Company will try to identify hazardous process, asses its risk and determine appropriate control measures to minimize the impact on Environment.
- 7) The Company endeavors that the benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
- 8) The Company will try to adopt cleaner production methods, promote use of energy efficient, environment friendly technologies and use of renewable energy.
- 9) The Company will make reasonable efforts to ensure that all the requisite information on environmental performance, including assessment of potential environmental risks associated with the Company's operations is communicated to all the stakeholders in a fair and transparent manner.
- 10) The Company encourages all internal and external stakeholders to comply with the above mentioned principles and avoid complicity with anyone that violates above principles.

PRINCIPLE – 7 RESPONSIBLE ADVOCACY

The Company believes that it is necessary to represent to and engage with authorities and industry bodies on various matters concerning the sector in which it operates. The Company's engagement with the relevant persons is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

Policy

Our core principles for policy advocacy are:

- 1) 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.
- 2) 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.
- 3) The Company expects from its employees that policy advocacy is conducted ethically and is carried out in the best interest of diverse stakeholders.

PRINCIPLE – 8 COMMUNITY DEVELOPMENT

The Company has in place a Policy on Corporate Social Responsibility and is carrying out various CSR Activities from time to time.

Policy

Our core principles for community development are:

- 1) 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.
- 2) Innovation and investment in products, technologies and processes on continuous basis for the overall wellbeing of the society.
- 3) The Company endeavors to undertake various community development activities throughout in India and inter alia assure development of communities living in the



vicinity of its operations. The Company also endeavors that there is no disturbance to the communities living in the vicinity of its operations and has a mechanism to try for appropriate resettlement and rehabilitation of communities who may have been displaced, if at all any.

- 4) The Company will try to give priority to the needs and requirements of communities or area in the vicinity of the manufacturing facilities of the Company.

PRINCIPLE – 9 CUSTOMER VALUE

Customers are one of the most important stakeholders for any business. It is our constant endeavor to deliver quality healthcare and lifestyle products at affordable prices to all our customers.

Policy

Our core principles for enhancing customer value are:

- 1) While providing healthcare products to our customers, the Company will ensure that we take into account their overall well-being as well as act responsibly towards the society in general.
- 2) The Company will provide unrestricted freedom of choice to its customers and will try to ensure that patients are not restricted to products manufactured by us or under our brands.
- 3) The Company will try to ensure freedom of competition while designing, promoting and selling its products.
- 4) The Company will try to ensure that we disclose all information truthfully and factually, through labeling and other means, including the risks to the customer, 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. The Company also endeavors to educate its customers on the safe and responsible usage of their products and services.
- 5) The Company will try to ensure that it will promote and advertise its products in ways that would not mislead or confuse the consumers or violate any of the principles in these Guidelines.
- 6) The Company believes that conservation of natural resources is the key to future sustainability of our plant. The Company will try to exercise due care and caution while providing products that would result into usage of natural resources.
- 7) The Company will make reasonable efforts to have a robust mechanism to handle and redress customer grievance. The Company also welcomes customer concerns and feedback and will try to address them promptly.

For Banco Products (India) Limited

**Sd/-
Director**