



PRABHA ENERGY LIMITED

BUSINESS RESPONSIBILITY POLICY



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1. PREAMBLE

Prabha Energy Limited (PEL) (“the Company”) is a Limited Company whose Equity shares are listed on BSE Limited and National Stock Exchange of India Limited and as such the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 are applicable and binding on it. PEL has, over time, put in place various policies, procedures and system to guide its employees within and outside the organization. Most of these have been formalized in the form of policy documents.

PEL aims to develop itself as a long term sustainable business entity that delivers value for all its Stakeholders including its shareholders, employees, clients, suppliers, business partners. PEL has formulated processes to integrate social, environmental, ethical and human rights concerns into its business operations. PEL aims to be recognized as an organization that is financially stable, transparent and ethical in all its dealings.

In the light of the foregoing and keeping with the overall approach of the Company to follow principles of Corporate Governance and to implement best practices in all areas, it is considered necessary that a “Business Responsibility Policy” (“BR Policy”) be formulated, publicized appropriately and implemented by the Company. PEL is fully committed to the introduction of the BR Policy and intends that business responsibility initiatives should become embedded into its policies and practices.

2. SCOPE AND PURPOSE

This Policy on Business Responsibility has been framed in line with the requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is intended to ensure that the Company contributes towards sustainable development and fulfills its social, environmental and economic responsibilities.

The objective of this policy is to ensure a unified and common approach to the aspects of Business Responsibility across PEL.

A yearly report on the status of the adoption / implementation of this Policy shall be included in the Annual Report of the Company.

3. APPLICABILITY

This policy applies to all the directors and employees of the Company across all its functions.



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4. IMPLEMENTATION

The Chief Financial Officer of the Company shall act as the BR Officer and shall be responsible for implementing the Business Responsibility initiatives and assisted by an internal and external team having multi-disciplinary background. He shall also be responsible for, providing clarifications on the Policy, guiding the staff in implementation, reviewing the results and making suitable changes in the Policy from time to time.

Managing Director shall have the authority to ensure implementation of this Policy through various projects / activities / initiatives undertaken for this purpose.

5. KEY PRINCIPLES

The company shall adhere to the following 9 principles as a part of its BRSR reporting:

5.1 PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

To conduct and govern Business with Ethics, Transparency and Accountability:

- The Company shall develop governance structures, procedures and practices that ensure ethical conduct at all levels across its value chain.
- The Company shall communicate transparently and assure access to information about its decisions that impact relevant stakeholders
- The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
- The Company shall truthfully discharge its responsibility on making financial and other mandatory disclosures timely
- The company shall empower employees coupled with accountability at all the levels to ensure better performance and effective corporate governance.
- National interest, Public interest and Company's interest shall be above employee's interest while discharging the duties by him.
- Every employee of the Company shall abide by the values and the commitment to ethical business practices reflected in the Company's Code of Conduct.
- The Company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.



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- The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.
- The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

5.2 PRINCIPLE 2: PRODUCT LIFECYCLE SUSTAINABILITY (Safety & Sustainability of Goods & Services)

To provide goods and services that assures safety and contributes to sustainability throughout their life cycle:

- The Company shall work towards ensuring that all goods and services are procured, manufactured and delivered embedding the principles of labor practices, human rights, ethics, occupational health, safety and environment.
- The Company shall also ensure incorporation of social and environmental concerns, risks and/or opportunities in the technology procured.
- The company shall ensure compliance to applicable legal requirements and other requirements related to environmental aspects.
- The Company shall ensure optimal use of resources 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.
- The Company shall recognize that over-consumption results in unsustainable exploitation of our planet's resources, and therefore promote sustainable consumption, including recycling of resources in a controlled manner.
- The company shall promote environmental and safety awareness among all the employees, vendors and contractors.

5.3 PRINCIPLE 3: EMPLOYEE WELL BEING

To promote the wellbeing of all employees:

- The Company shall give its employees ample opportunities to perform as employee well-being is imperative to achieve a profitable growth.
- The Company shall ensure diversity, preventing discrimination, safety and health.



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- 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.
- The Company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.
- The Company shall ensure that there is no deployment of child labor, forced labor or any form of involuntary labor, paid or unpaid.
- The Company shall ensure that no employee is made to work against his / her will or to work as bonded/forced labor, or subjected to corporal punishment or coercion of any kind, related to work.
- The Company shall provide a work environment that is free from any form of discrimination, including but not limited to sexual harassment.
- The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.
- 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.
- The Company shall take cognizance of the work-life balance of its employees, especially that of women.
- The Company shall provide facilities for the wellbeing of its employees including those with special needs.
- The Company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
- 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.
- The Company shall ensure continuous skill and competence upgradation of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.
- The Company shall promote employee morale and career development through enlightened human resource interventions



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5.4 PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

To respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

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

5.5 PRINCIPLE 5: HUMAN RIGHTS

To respect and promote human rights:

- The Company shall understand the human rights principles embedded in the Constitution of India, national laws and policies.
- The Company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensure all individuals impacted by the business have access to grievance mechanisms.
- 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.
- The Company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.
- The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.
- The Company shall not be complicit with human rights abuses by a third party.
- The Company shall have complaints resolution system to expeditiously resolve the complaints of all stakeholders.



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5.6 PRINCIPLE 6: PRESERVATION OF ENVIRONMENT

To respect, protect, and make efforts to restore the environment:

- 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 to address the global environment issues such as climate change, global warming.
- The Company shall take measures to check and prevent pollution.
- 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.
- 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.
- 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.
- 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.
- The Company shall proactively persuade and support its value chain to adopt these principles.
- The Company shall promote implementation of clean technology, energy efficient and renewable energy schemes.

5.7 PRINCIPLE 7: RESPONSIBLE ADVOCACY

To behave responsibly when involved in influencing public and regulatory policy:

- The Company shall ensure that while pursuing policy advocacy, its advocacy positions are consistent with these Policies and Sub policies.
- The Company shall utilize to the extent possible, trade and industry chambers and associations and other such collective platforms to undertake policy advocacy.



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

5.8 PRINCIPLE 8: INCLUSIVE GROWTH & EQUITABLE DEVELOPMENT

To support inclusive growth and equitable development:

- The Company shall understand the impact of inclusive growth and equitable development on social and economic development, and respond through appropriate action to minimize the negative impacts.
- The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.
- The Company shall also prefer procurement of goods and services from local and small producers (MSEs) including communities surrounding the plants/offices.
- 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 their business operations.
- The Company shall be sensitive to local concerns while operating in regions that are underdeveloped.
- In the event the Company becomes subject to CSR obligations under the Companies Act, 2013, it shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013, and as per the CSR Policy of the Company and the recommendations of the CSR Committee, if and when constituted.”

5.9 PRINCIPLE 9: CUSTOMER VALUE

To engage with and provide value to our customers and consumers in a responsible manner:

- The Company, while serving the needs of its customers, shall take into account the overall well-being of the customers and that of society.
- The Company shall ensure that it does not restrict the freedom of choice and free competition in any manner while promoting and selling its products.



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- The Company shall disclose all information truthfully and factually as per applicable laws, through labeling and other means, including the risks to the individual and to the society from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner.
- The company shall ensure compliance of specifications of the finished products as per Government standard.
- The Company shall educate its customers on the safe and responsible use of its products and services.
- The Company shall promote and advertise its products in ways that do not mislead or confuse the consumers.
- 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.
- The Company shall provide an adequate consumer feedback mechanism to address customer concerns and feedback.
- The Company shall conduct customer satisfaction survey/study.

6. REVIEW:

As and when required, the Company shall assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.
