

## ANNEXURE – ‘C’

### BUSINESS RESPONSIBILITY REPORT

#### SECTION – A

##### GENERAL INFORMATION ABOUT THE COMPANY:

1	Corporate Identity Number (CIN)	:	L23209AP1984PLC004635
2	Name of the Company	:	The Andhra Petrochemicals Limited
3	Registered Office Address	:	Venkatarayapuram, TANUKU – 534215 West Godavari District, Andhra Pradesh
4	Website	:	<a href="http://www.theandhrapetrochemicals.com">www.theandhrapetrochemicals.com</a>
5	E-mail ID	:	<a href="mailto:investors@theandhrapetrochemicals.com">investors@theandhrapetrochemicals.com</a>
6	Financial Year reported	:	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	20116
8	List three key products / services that the Company manufactures / provides (as in Balance Sheet)	:	2 Ethyl Hexanol Normal Butanol Iso Butanol
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	:	-- 1
10	Markets served by the Company – Local / State / National / International	:	Local, State and National

#### SECTION – B

##### FINANCIAL DETAILS OF THE COMPANY

1	Paid-up Capital (Rs. in lakhs)	Rs.8497.16
2	Total Turnover (Rs. in lakhs)	Rs.56606.74
3	Total Profit After Taxes (Rs. in lakhs)	Rs.7647.37
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	2%
5	List of activities in which expenditure in 4 above has been incurred	
	a) Amount donated to Disaster Management, State Govt. of Andhra Pradesh towards combating and providing relief to Covid-19 Pandemic	Rs.50,00,000/-
	b) Door to Door Eye Screening by Sankar Foundation, Visakhapatnam	Rs.30,00,000/-
	c) Providing furniture to schools situated in Mindi Area, Visakhapatnam	Rs.7,16,211/-

## **SECTION – C**

### **OTHER DETAILS**

#### **Subsidiary Companies**

The Company has no subsidiary.

## **SECTION – D**

Details of Directors Responsible for BR

(a) Sri P Narendranath Chowdary, DIN 00015764, Managing Director

#### **(b) BUSINESS RESPONSIBILITY HEAD:**

SI No	Particulars	Details
1	DIN Number	00015764
2	Name	Sri P Narendranath Chowdary
3	Designation	Managing Director
4	Telephone Number	08819-220975
5	e-mail ID	<a href="mailto:investors@theandhrapetrochemicals.com">investors@theandhrapetrochemicals.com</a>

## **SECTION – E**

### **PRINCIPLE-WISE PERFORMANCE:**

The following are the updates for the Company on each of the Principles stated in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs (MCA).

#### **PRINCIPLE -1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

The Andhra Petrochemicals Limited was incorporated in the year 1984. Since inception, Company's emphasis has been on pursuing high standards of Ethics in its Business Process. The Company strictly believes in maintaining high standards of Corporate Governance, Transparency in disclosures, regulatory compliance, good operational practices, strong internal controls, integrity with all its Stakeholders namely Shareholders, Customers, Suppliers, Employees, Farmers, Regulatory Authorities and Public at large. Company is of the view that as a responsible corporate citizen, all regulatory disclosures are made in a transparent manner.

Company's Board of Directors is headed by Chairman. Board comprises 6 (six) Independent Directors who provide guidance and support to the Management in laying down the Policies to be followed in pursuit of its goals.

The Board has constituted the following Committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Grievance / Relationship Committee
- iv) Corporate Social Responsibility Committee

The above Committees perform as per the well defined Scope & Terms of reference and recommend to the Board the matters considered by them. The Company has also Whistle Blower Policy and Mechanism in its place. This Policy envisages the right of any employee, irrespective of position in the Organisation hierarchy, to report to the Management or Chairman of the Audit Committee any unethical practice, wrongdoings prevailing in the Company. This Policy provides adequate safeguard against victimization against the person who is whistle Blower.

Shareholders and other Stakeholders grievances are also addressed with utmost earnestness to resolve the grievance, if any, to their satisfaction.

It is uppermost endeavour of the Company to encourage all the Stakeholders to maintain high ethical standards in dealing with the Company.

**PRINCIPLE -2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

The Company is in the manufacturing of Oxo-Alcohols which goes into the production of paints, rubber etc., products. In this context, the Company's focus has always been to provide Quality Products to end-users. Company effectively monitors the Production Process to bring about improvement in Production Quality by adopting new Technology emerging from time to time. Company highly values environmental sustainability. In spite of being in the manufacturing of Hazardous Chemicals, it ensures that the Plant is highly energy sustainable with lower emission of gases. Pollution Control Board Norms are strictly adhered to in discharge of effluents. Company strives to adopt latest technology to ensure the sustainability of environment.

Company started its advent with the manufacture of Oxo-Alcohols at its Plant at Visakhapatnam, Andhra Pradesh. Payments are made within the statutory due dates. Interactions with the Customers are made with personal touch.

**PRINCIPLE – 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES**

Management firmly believes and considers Employees of the Company as Human Assets. Dr. Mullanpudi Harischandra Prasad, former Managing Director of the Company and founder of our Company's Promoter (The Andhra Sugars Ltd.,) always used to address Employees as "Family Members". Employee relationship has always been amicable. We report with pride that since incorporation in the year 1984, there has been no instances of any strike or lockout. This is testimony to the fact about the fruitful bondage between the Employer and Employee. Constant and concerted efforts are made to create an atmosphere of Employee Development from time

to time taking into account the age and experience of an Employee. In case a need arises, outside Consultants are called to impart in-house training to the Employees to enable them to acquaint themselves with latest developments concerning their area of operations. In certain cases, Employees are sponsored to attend Seminars and get Outside Training with a view to help to develop their skill and be better equipped to meet their organizational commitments. Equally important for the Company are Health and Safety of the Employees. Staff and Workers have regular health check-up. Monitoring of health of all employees including contract labour and canteen workers is done on a regular basis. In respect of Safety of Employees, utmost care is taken to ensure that all required safety gadgets are provided to Workers at Plant. Safety trainings are conducted periodically to emphasise the importance of safety awareness at work place. As one of the important aspects of HR Policy, the Company does not discriminate against any Employee on the basis of Caste, Creed, Colour or Gender etc. For Company, Merit and Contribution are the only criteria to judge the upgradation of an Employee. Management of the Company would like to place on record the sincere efforts and unstinted support of Employees at all levels for their valuable efforts put in which have been instrumental in making Company scale greater heights.

Company has evolved Safety, Health and Environment Policy.

Given hereunder the Particulars:		
1	Total Number of Employees	290
2	Total Number of Employees hired on temporary / contractual / casual basis	11
3	Number of Permanent Women Employees	2
4	Number of Permanent Employees with disabilities	NIL
5	Employee Association that is recognized by Management	NA
6	Percentage of Permanent Employees is members of this recognized Employee Association	NA

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year

Sl No	Category	No. of complaints filed during the Financial Year	No. of complaints pending as on the end of the Financial Year
1	Child labour / forced labour / involuntary labour	0	NA
2	Sexual Harassment	0	NA
3	Discriminatory employment	0	NA

8. Percentage of our undermentioned employees who were given safety & skill up-gradation training in the last year: Due to Covid only 34% of employees could be given the training.

A	Permanent Employees	277
b	Permanent women Employees	2
c	Casual / Temporary / Contractual Employees	11
d	Employees with Disabilities	NIL

**PRINCIPLE – 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED**

Company values every Stakeholder and there is a reciprocal relationship valuing and respecting each other's sentiments. Company started its Business Venture with Oxo-Alcohols business. In general, the needs and concerns of every Stakeholder, be it Shareholder, Customer, Supplier, Employee and anyone connected with the Company in any manner whatsoever, are viewed in proper perspective to come out with solutions to the mutual satisfaction.

**PRINCIPLE – 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS:**

Company strongly believes that respecting Human Rights is Corporate's sacred duty. It has always been the earnest endeavour of the Company to treat people with dignity in the course of dealings. Company respects and promotes Human Rights and in this context, Company sincerely endeavours to give prime importance to aspects like diversity, anti-discrimination, equal opportunities, compliance with regulatory matters with the highest integrity thus contributing to promotion of Human Rights. Stern disciplinary action is taken against the employee who disregards the Human Rights in course of his / her employment.

**PRINCIPLE – 6: BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT:**

The Policy covers the Company only. The Company has taken up initiatives to address environment issues as outlined below:

Development of 5,000 plants per year in Visakhapatnam Beach Road and another 5,000 plants per year at Visakhapatnam Air Port for a period of 5 years under Green Visakha Plantation Programme commencing from the year 2012-13.

Emission(s) / waste(s) generated by the Company is / are within the permissible limits given by Central Pollution Control Board (CPCB) / AP State Pollution Control Board (APPCB) and there are no Show Cause Notices received from CPCB / SPCB.

Online emission, ambient air and effluent monitoring systems are in place. Data is being transmitted to CPCB and APSCB.

**PRINCIPLE – 7: BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER:**

For any policy advocacy Company recognizes the importance of being extremely responsible and highly ethical while taking matters with relevant Government bodies. As and when it is felt necessary, the Company makes representations to the relevant bodies to seek solutions to the problems faced by various sectors of business thus ensuring that the Business Operations are in right direction.

**PRINCIPLE – 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND  
EQUITABLE DEVELOPMENT:**

Company was incorporated in the Year 1984 with its Plant at Visakhapatnam. Since then, Company strongly believed that benefits of Industrialisation should percolate to the community around.

In this regard, our commitment to society began way back in the year 2014. To this end,

- Company helped to undertake door to door Eye screening in Mindi village to make it blind-free area through Sankar Foundation Eye Hospital
- Company provided furniture such as Tables, Chairs, Almaras and Playground leveling etc., in schools situated in Mindi area, Visakhapatnam, namely, Mandal Praja Parishad School, ZPH School, Mandal Praja Parishad School, Ramnagar.

**PRINCIPLE – 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR  
CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER:**

The Company highly values the Customers' loyalty. To achieve this, Company focus has always been to ensure that the Company is committed to give its Customers best Product, best Price and committed Delivery Schedule. Marketing Personnel work closely with the Customers and closely interact with them to understand their changing needs in respect of various attributes of the Products. R&D is committed to look into and work upon the changes and successfully implement the same. The Products go through tight Quality Control Procedure before entering the Customers' godown. Products are packed in the required Packing containers and bear labels as per the Regulatory Mandate. The Company never indulge in any kind of misleading Advertisements. During the preceding Financial Year 2020-21, no case is filed regarding anti-competitive trade practice by Competition Commission of India.

**Business Responsibility Polices:**

Though the Company does not have Policies other than those mandated by the Statute, it has adopted and follow the best Business Policies with all Stakeholders' interest uppermost in view. Policies mandated by Statute are displayed on Company's website: [www.theandhrapetrochemicals.com](http://www.theandhrapetrochemicals.com)

Reporting of Business Responsibility is applicable to the Company for the first time from the Financial Year 2020-21. The Managing Director and other Directors monitor and review the matters relating to Business Responsibility periodically to ensure that the Business activities are monitored in right direction. Every Business function is reviewed in detail and if required, corrective measures are taken by Statutory Auditors and Cost Auditors so as to ascertain that there are no financial irregularities. Emphasis is placed on following best Corporate Governance.

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