

Hatsun Agro Product Limited

CIN: L15499TN1986PLC012747

Registered Office:

No.41 (49), Janakiram Colony Main Road, Janakiram Colony,
Arumbakkam, Chennai - 600 106, Tamil Nadu.

E: info@hap.in | www.hap.in | P: +91 44 4365 9999 | F: +91 44 4365 9998

Corporate Office:

Plot No 14, TNHB, TN Housing Board 'A' Road,
Sholinganallur, Chennai - 600 119, Tamil Nadu.

E: info@hap.in | www.hap.in | P: +91 44 2450 1622 | F: +91 44 2450 1422

HAPL\SEC\38\2023-24

August 8, 2023

**BSE Limited
Corporate Relationship Department
2nd Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001**

**National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra(E), Mumbai – 400 051**

**Stock Code: BSE: 531531
NSE: HATSUN**

Dear Sir / Madam,

**Subject: Business Responsibility and Sustainability Report for the Financial Year
2022-2023 – Reg**

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we enclose the Business Responsibility and Sustainability Report ('BRSR') for the financial year 2022-23, which forms part of the Annual Report for the Financial Year 2022-2023.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Hatsun Agro Product Limited

**G. Somasundaram
Company Secretary & Compliance Officer**

Hatsun Agro Product Limited



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) 2023

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L15499TN1986PLC012747
2.	Name of the Company	HATSUN AGRO PRODUCT LIMITED
3.	Year of Incorporation	1986
4.	Registered Office Address	No 41 (49), Janaki Ram Colony Main Road, Janaki Ram Colony, Arumbakkam, Chennai - 600106
5.	Corporate Office Address	Plot No 14, Tamil Nadu Housing Board "A" Road Sholinganallur, Chennai - 600119
6.	E-mail id	info@hap.in
7.	Telephone	91-44-24501622
8.	Website	www.hap.in
9.	Financial year for which reporting is being done	FY2023 (i.e., for the FY ended 31.03.2023)
10.	Name of the Stock Exchange(s) where shares are listed	Equity shares are listed on BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs.22.27 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)	Mr. Shashikant Singh Email: shasikant.s@hap.in Ph + 91-44-24501622
13.	Reporting boundary	Disclosures made in this report are on a standalone basis

II. PRODUCTS/SERVICES

14. Details of business activities (accounting for 90 % of the turnover):

S. No.	Description of main activity	Description of Business activity	% Of turnover of the Company
1.	Milk & Milk Products	Manufacturing, Distribution, Sales & Marketing	100 %

15. Products/Services sold by the Company (accounting for 90 % of the Company's turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Milk & Milk Products and Cattle Feed	1050 and 1080	100

III. OPERATIONS

16. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
India	20	2	22

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States) & Union Territories	34
International (No. of Countries)	4

b. What is the contribution of exports as a percentage of the total turnover of the Company?
0.1 %

c. A brief on types of customers

The Company serves Milk and Milk Products to customers both directly as well as through distributors

IV. EMPLOYEES

18. Details as at the end of Financial Year: March 31, 2023.

a. Employees (including differently abled):

S.No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
EMPLOYEES (Other than workers)						
1.	Permanent (D)	1924	1861	96.7	63	3.3
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D+E)	1924	1861	96.7	63	3.3
Workers						
4.	Permanent (F)	3386	3282	96.93	104	3.07
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total Employees (F+G)	3386	3282	96.93	104	3.07

b. Differently abled employees:

S.No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	7	7	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D+E)	7	7	100	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total Employees (F+G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	10	1	10
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees/workers: (Past 3 Years)

	FY 2022 - 23			FY 2021- 22			FY 2020 - 21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees/Workers	32.92 %	1.1 %	34.02 %	23.14 %	0.75 %	23.90 %	18.24 %	0.68 %	18.92 %

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S.No	Name of the holding /Subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	NIL / N.A	NIL / N.A	NIL / N.A	NIL / N.A

VI. CSR DETAILS

22. (i) Whether Corporate Social Responsibility (CSR) is applicable as per section 135 of The Companies Act, 2013: Yes

(ii) Turnover: Rs.7246.97 Crores

(iii) Net worth: Rs.1440.67 Crores

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2022 - 2023			FY 2021 - 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community and address their concerns Web link: www.hap.in	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)		NIL	NIL	-	NIL	NIL	-
Shareholders		7	NIL	All the Complaints duly Resolved	3	NIL	All the Complaints duly Resolved
Employees and workers		NIL	NIL	-	12	NIL	All the Complaints duly Resolved
Customers		244	5	-	Comparable data not available	Comparable data not available	All the Complaints duly Resolved
Value Chain Partners		NIL	NIL	-	3	NIL	All the Complaints duly Resolved

24. Overview of the Company's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to Company's business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	With an increase in the manufacturing capacity – to keep up with the production demand, the GHG emissions will go up.	Using new technology for efficient system to reduce GHG Emissions	Negative – The Company may be required to set up improved and efficient systems and processes to reduce the GHG Emissions which will require a new or additional setting up of required facilities resulting in additional capital/revenue expenditure.
2	Waste Management	Opportunity	HAP has a robust collection and recycling process for plastic. We also convert ETP scum to compost which is used in irrigation land	Better usage of our waste segregation and collection processes to improve the efficiency of the process	Positive – The waste generated (scum) is used back in our land. Plastic recycling reduces further costs on plastic.
3	Waste Management	Risk	Water being a finite resource will pose a risk to the operations of our business.	HAP has a community led water management and conservation projects Rainwater harvesting is being practiced in our manufacturing locations Reduction in raw water usage in manufacturing facilities implemented	Positive – We are taking efforts to ensure efficient water management to avoid it becoming an unsolvable issue
4	Energy Management	Opportunity	Processes and Systems are in place to ensure maximum energy efficiency and this will be continuously improved	HAP through Solar panels, Wind mills, LEDs and natural lighting manage energy consumption efficiently.	Positive – Any cost incurred for improving the energy management system will fetch positive outcomes and reduced cost in the long run
5	Employee Health and Safety	Risk	This can lead to decreased productivity	Many efforts and initiatives have been put in place to ensure employee health and safety.	Neutral – Immediate incurring of expenditure on this count will result in financial outgo. But, Any cost incurred towards employee health and safety will yield positive results in the long term

SECTION B

MANAGEMENT AND PROCESS DISCLOSURES

This Section is aimed at helping businesses demonstrate the Structures, Policies and Processes put in place towards adapting the NGRBC Principles and Core elements.

(a) Details of compliance (Reply in Y/N)

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.hap.in/pdf/policies/brsr-policies.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes /certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>As a proof of Commitment to consistent quality assurance, Hatsun has the necessary policy/ ies that conform/s to the National Standards vis.,</p> <p>ISO 22000</p> <p>FSSC 22000</p> <p>ISO 9001 (for Feed plant)</p> <p>Export Import certification (EIC)</p>								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>1. The company committed to and achieve the goal of utilising Biogas to the extent of about 1000 units per day of gas generation replacing the present utilisation of electricity</p> <p>2. The company targets to plant 2500 trees in all its plants</p>								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>1. The company achieved about 750 units per day by utilisation of gas generated. The shortfall was due to the delay in receipt of necessary input materials from our vendors.</p> <p>2. The company planted about 2000 trees in its plants. The shortfall was due to delay in land levelling and fencing work by our contractors</p>								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed Company has flexibility regarding the placement of this disclosure).

Doing business in a responsible and sustainable manner is one of the key goals for us. The Company is committed to integrating environmental, social and governance (ESG) principles into its businesses. We instituted practices like monitoring consumption of resources and taking targets towards reduction in consumption of electricity, fuel, water, and various other practices. The Company has also established policy for Environment, Health, and Safety.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy

Managing Director (DIN: 00012439) under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No) - Yes.

If yes, provide details.

Risk Management Committee as the Board Committee is responsible for sustainability related issues.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board /Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually.								
Compliance With statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually.								

11. Has the Company carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No. However all policies and processes are subject to audits/reviews done internally in the Company from time to time.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:
All the principles are covered by the policies.

SECTION C

PRINCIPLE WISE PERFORMANCE DISCLOSURES

PRINCIPLE 1. BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE:

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:
During the year, the Board of Directors of the Company (including its committees) has invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters.

Segment	Total number of training and awareness programs held	Topics/Principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programs
Board of Directors	4	All the Policies and Business updates	100
Key Managerial Personnel	4	1. Anti-Bribery & Anti-Corruption (ABAC) Policy 2. HAP Code of Conduct 3. Prevention of Sexual Harassment (POSH)*	100
Employees other than BOD and KMPs	4	1. ABAC is for all Senior management and those discharging specific roles 2.HAP Code of Conduct 3.Prevention of Sexual Harassment (POSH)*	60
Workers	4	1.HAP Code of Conduct 2.Prevention of Sexual Harassment (POSH)*	60

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the Company or by 2 directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year (Note: The Entity shall make disclosures on the basis of Materiality as specified in Regulation 30 of SEBI (LODR) Regulations, 2015 as amended)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine Settlement Compounding Fee	NIL. There were no such instances in the FY 2023				
Non – Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institution		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment	NIL There were no such instances in the FY 2023				

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Nil.

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an anti-corruption and anti-bribery policy which is available on the website of the Company.
weblink: <https://www.hap.in/pdf/policies/Anti%20Corruption%20Anti%20Bribery%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2022 - 23	FY 2021 - 22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints regarding conflict of interest:

	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors		Nil		
Number of complaints received in relation to issues of Conflict of Interest of the KMPs		Nil		

7. Details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest

Not applicable.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE:

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the Company, respectively

	FY 2022 - 23	FY 2021 - 22	Details of improvements in environmental and social impacts
R&D	0	0	In all the investments, company focusses at sustainable technologies, human health, and well-being
Capex	5.77	2.52	Projects for Pollution Control, Safety for Employees, Solar energy into electricity etc.

2. a. Does the Company have procedures in place for sustainable sourcing?

No. However HAP plans to introduce sustainable sourcing in the coming years.

b. If yes, what percentage of inputs were sourced sustainably?

Not applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life.

a) Plastics (including packaging)

We collect plastic waste through waste management agencies and dispose through Pollution Control Board authorised recyclers.

b) E-waste

This is not applicable as the company not reclaiming any E-waste. Our E-waste (generated within premises) broadly includes computers, servers, scanners, PSs, batteries, air conditioners etc. All such E-wastes are being disposed of through registered E-waste vendors from Pollution Control Board

(d) Other waste

2. Details of retirement benefits, for current and previous Financial Year:

Benefits	FY 2022 - 23			FY 2021 - 22		
	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N. A)	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N. A)
PF	100 %	100 %	Y	100 %	100 %	Y
Gratuity	100 %	100 %	Y	100 %	100 %	Y
ESI	44 %	13 %	Y	45.69 %	12 %	Y

3. Accessibility of workplaces: Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Yes. All our plant premises and head office are accessible to differently abled employees.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Equal opportunity is covered as part of our HAP Code of Conduct. web-link: www.hap.in

The Company provides equal opportunities to all its employees and to all eligible applicants for employment in the Company. It does not unfairly discriminate on any ground including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other category protected by applicable law. The Company also has a Diversity Policy addressing the persons with disability.

The Company has zero tolerance for harassment and discrimination of employees at the workplace. We promote a culture wherein employees can freely raise and discuss issues concerning themselves with their Superiors, or Regional HR Managers.

We have a robust policy on Prevention of Sexual Harassment at workplace (POSH) and a formal process for dealing with harassment or discrimination complaints. Further regular communication and awareness campaigns are conducted by the Company for employees at regular intervals.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work	Retention rate	Return to work	Retention rate
Male	100 %	100 %	100 %	100 %
Female	100 %	100 %	100 %	100 %
Total	100 %	100 %	100 %	100 %

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (if yes, then give details of the mechanism in brief)
Permanent workers	Yes, The Company has a culture where employees can freely raise and discuss issues concerning themselves with their Superiors, Business Leaders, or Human Resource (HR) Managers. The Company has created several channels through which employees can discuss, have an engagement, and seek clarification on their issues. The employees can provide their feedback or complaints to their respective HR managers.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed Company.

Nil.

8. Details of training given to employees and workers:

Category	FY 2022 - 23					FY 2021 - 22				
	Total Employees (A)	On Health & safety measures		On Skill upgradation		Total Employees (D)	On Health & safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Male	533	530	99.44	532	99.81	581	530	91.22	540	92.94
Female	113	112	99.11	110	97.34	116	110	94.82	110	94.82
Total	646	642	99.38	642	99.38	697	640	91.82	650	93.25

Only plant employees considered

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022 - 23			FY 2021 - 22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
	Employees					
Male	1861	1861	100 %	1787	1787	100 %
Female	63	63	100 %	56	56	100 %
Total	1924	1924	100 %	1843	1843	100 %
Workers						
Male	3282	3282	100 %	3663	3663	100 %
Female	104	104	100 %	113	113	100 %
Total	3386	3386	100 %	3776	3776	100 %

10. Health and safety management system:

a. Implementation of occupational health and safety management system by the Company along with extent of coverage.

Yes, The Safety & Health Management system covers activities across all manufacturing locations, offices, research laboratories and supply chain partners and ensuring the protection of environment and health & safety of its employees, contractors, visitors, and relevant stakeholders.

b. Processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Company.

- Work Permit System
- Internal & External Audit
- Near Miss and Incident Reporting system
- Safety Observation system
- Noise Assessment
- Hazard Identification and Risk Analysis

c. Processes for identification and reporting of occupational hazards by workers and action to be taken.

Yes, we encourage our employees to report near-miss incidents identified which is analysed and corrective action taken. All sites have specific procedure for reporting of work-related hazard, injuries, unsafe condition, and unsafe act.

d. Do the employees/workers of the Company have access to non-occupational medical and healthcare services?

Yes, first aid kits are always maintained and are available on the premises. All employees are covered under health insurance scheme/ESI scheme

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022 - 23	FY 2021 - 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.22
	Workers	0.24	0
Total recordable work-related injuries	Employees	0	1
	Workers	2	0
No. of fatalities	Employees	0	0
	Workers	2	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	2	0

12. Measures taken by the Company to ensure a safe and healthy workplace:

- Medical examination done yearly once
- Quarterly fire drills are carried out at all locations
- Fire alarm systems and smoke detectors are installed at all premises
- Fire extinguishers are kept filled to ensure effective use during fire
- Emergency Contact details such as Police, Hospitals and Fire Brigade are also displayed on the display board

13. Number of Complaints on the following made by employees and workers:

	FY 2022 - 23			FY 2021 - 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 %
Working Conditions	100 %

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.

All critical factors involved in an incident are determined through root cause analysis & investigation and corrective/preventive actions are identified to prevent recurrence.

The detailed investigation and root causes identified by internal cross-functional team are reviewed by the Senior Management. Learning from incident is further discussed in the morning safety meeting, toolbox talk, safety committee meet, contractor communication meet, etc. to bring awareness and prevent recurrence of incidents. The closure of investigation action points is reviewed in safety reviews on a periodic basis.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS:
ESSENTIAL INDICATORS:

1. Describe the processes for identifying key stakeholder groups of the Company.

The key stakeholders are identified through impact assessment process. The stakeholders who are having immediate impact on the functioning of the Company will be identified as the key stakeholders. At present, the key stakeholders are Shareholders, Employees, Vendors, Customers, Regulators, Suppliers and Farmers.

2. List stakeholder groups identified as key for your Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, E Mail, Quarterly Media Presentations, Company website	Ongoing	Overall performance of the Company, Dividend, Profitability, Growth Prospects, Financial indicators such as Earnings Before Interest and Tax, Profit After Tax etc.,
Employees	No	E Mail, HAP HUB Portal, Review Meetings	Ongoing	Employee engagement and performance
Vendors	No	E Mail, Vendor Meetings	Ongoing	Vendor engagement
Customers	No	Newspaper Advertisements, Television Commercial Advertisements in Public Places, Pamphlets, Company website	Ongoing	Production, Product quality, Product availability, Marketing
Regulators	No	Newspaper Advertisements, Company Website, E Mail, Periodic Statutory Filings	Ongoing	Compliance of Statutory Provisions within the stipulated time
Suppliers	No	E Mail, periodic Meetings	Ongoing	Supplier engagement, Quality, Timely delivery and payments
Farmers	No	On site Meetings	Ongoing	Timely payment for milk procurement

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS:

ESSENTIAL INDICATORS:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the Company:

Category	FY 2022 - 23			FY 2021 - 22		
	Total (A)	No. of employee's workers covered (B)	% (B/A)	Total (C)	No. of employee's workers covered (D)	% (D/C)
	Employees					
Permanent	Nil. Our Company is in the process of instituting appropriate system to provide training on human rights issues and policy(ies) of the Company to all employees/ and workers					
Other than permanent						
Total Employees						
	Workers					
Permanent	Nil. Our Company is in the process of instituting appropriate system to provide training on human rights issues and policy(ies) of the Company to all employees/ and workers					
Other than permanent						
Total Employees						

2. Details of minimum wages paid to employees and workers:

[illegible]

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	1	Rs.94,20,367	Nil	Nil
Key Managerial Personnel	2	Rs.60,88,154	Nil	Nil
Employees other than BoD and KMP Workers	5140	Rs.2,35,452	167	Rs.2,75,988

• Board of Directors (BoD) represents data for the Managing Director only since the rest are Non-Executive Directors. Sitting fees paid to Non-Executive Directors not included.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No).

The Head of Human Resources is responsible for the human resources function and Chief Operating Officer shall jointly oversee and address any issue arising from any human rights impact or issues caused or contributed to by the business.

5. Internal mechanisms in place to redress grievances related to Human Rights issues.

The mechanism to redress grievances under human rights is same as for other grievances. On receipt of any concern by through email, letter, oral, etc., Human resources department will investigate and appropriate action will be taken within the stipulated time.

6. Number of Complaints on the following made by employees and workers:

	FY 22 - 23			FY 21 - 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. HAP encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of the aspects of sexual harassment and of the redressal mechanism.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes. Human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

9. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	All the Offices and Plants of the Company were assessed by the Company's internal Audit Team and Compliance ensured.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	Nil

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not applicable.

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

ESSENTIAL INDICATORS:

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2022 - 23	FY 2021 - 22
Total electricity consumption (A) (in GJ)	208573	201668
Total internally generated power and steam consumption (B) (in GJ)	1398688	1164338
Total energy consumption (A+B)	1607259	1366006
Energy intensity per rupee of turnover (Total energy consumption in GJ/turnover in rupees)	221 GJ/Crore	214 GJ/Crore

*Electricity & fuel considered for plant only

Note: - Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

No.

2. Does the Company have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable.

3. Details of disclosures related to water.

Parameter	FY 2022 - 23	FY 2021 - 22
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	749104	646547
(iii) Third party water	1819905	1740675
(iv) Seawater/desalinated water	0	0
(v) Others (Milk condensate)	148213	157694
(vi) Others (rain water)	10236	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv)	2569009	2387222
Total volume of water consumption (in kiloliters)	2727458	2544916
Water intensity per rupee of turnover (Water consumed/turnover)	376 KL/Crore	399 KL/Crore

Note: - Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?
No

4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Details of air emissions (other than GHG emissions) by the Company.

Parameter	Unit	FY 2022 - 23	FY 2021 - 22
NOx	mg/Nm ³	10	12
SOx	mg/Nm ³	32	40
Particulate matter (PM)	mg/Nm ³	57	65
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others - please specify	NA	NA	NA

Note: - Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

No.

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2022 - 23	FY 2021 - 22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	xx	xx
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	xx	xx
Total Scope 1 and Scope 2 emissions per rupee of turnover		xx	xx

Note: - Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

No.

7. Does the Company have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Biogas boiler trial is in progress by which hot water will be generated which will reduce fuel consumption. Also, we are in the process of Installing solar plants.

8. Provide details related to waste management by the Company, in the following format:

Parameter	FY 2022 - 23	FY 2021 - 22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2270.4	1966.40
E-waste (B)	51.48	31.02
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	110.10	147.20
Radioactive waste (F)	Nil	NIL
Hazardous waste. (Spent oil) (G)	38.19	23.26
Other Non-hazardous waste generated (H). (ETP Scum)	2238.00	2110.00
Total (A+B + C + D + E + F + G+ H)	4708.17	4277.88
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2470.17	2167.88
(ii) Re-used	2238.00	2110.00
(iii) Other recovery operations	NIL	NIL
Total	4708.17	4277.88
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	NIL	NIL
Total	NIL	NIL

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We strive to reduce waste and recycle as much as possible. Our waste primarily comprises of plastic waste, ETP scum etc. The Company ensures responsible waste management practices involving 100 % recycling of plastic waste as per EPR PWM. The ETP scum is converted as compost.

10. If the Company has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format.

S. No	Location of Operations /Offices	Type of Operations	Whether the Conditions of environmental approval/clearance are being complied with (Y/N) If no, the reasons thereof and corrective action taken, if any
1.	Uthiyur Village, Kangeyam Taluk, Tirupur District, Tamilnadu	Production/Processing of Milk & Milk Products	Yes. All the conditions of environmental approval/clearance are being complied with.

11. Details of environmental impact assessments of projects undertaken by the Company based on applicable laws, in the current financial year.

Not applicable.

12. Is the Company compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such noncompliance, in the following format.

Yes. The Company is fully compliant with all the applicable laws/regulations/guidelines applicable to it in India and have not received any complaint.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.

The Company was a member of three trade and industry chambers/associations during FY 2022.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ association state/National)
1.	Indian Dairy Association	National
2.	Indian Ice Cream Association	National
3.	Tamil Nadu Chamber of Commerce	State

2. Details of corrective action taken or underway on any issues related to anticompetitive conduct by the Company, based on adverse orders from regulatory authorities.

Not applicable.

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPEMENT:

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.

As per the applicable laws, SIA is Not applicable.

2. Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your Company.
Nil.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has set up a framework of multiple mechanisms to receive and redress grievances, for the community. The stakeholder shares a proposal with the needs required. The Company then follows below steps:

- a. Need Assessment: At the first stage, the proposal is reviewed to assess the need and the proposed outcome and impact. The implementing agency is reviewed for the fulfilment of regulatory criteria and prior experience in working for a similar cause.
- b. Regular interactions with community: This is done by physical visits, virtual meetings, feedbacks review of outcomes, third party reports, photos, etc., redress
- c. In case there is a grievance and can be resolved by the Company, the proposal accounts for this in scope of work and approvals are taken and action is taken. The (abvhe pr)18 e(centagis d nNotcoent in the data, r)18 (ulaking to

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 22 - 23	FY 21 - 22
Directly sourced from MSMEs/small producers	35 %	31 %
Sourced directly from within the district and neighboring district	65 %	69 %

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

ESSENTIAL INDICATORS.

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have given toll free number in all our products through which customer can complain about our products. All the complaints are recorded in the company portal and action taken through the responsible person

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100 %
Safe and responsible usage	100 %
Recycling and/or safe disposal	Not applicable

3. Number of consumer complaints in respect of the following:

	FY 2022 - 23			FY 2021 - 22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary Recalls	NIL	NIL
Forced Recalls	NIL	NIL

5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has framed policies with respect to information technology/cyber security risk which set forth limits, mitigation strategies and internal controls. www.hap.in

Information Security Management Policy and Cyber Security and Cyber Resilience Policy are in place for protecting the organisation's cyberspace against cyber-attacks, threats and vulnerabilities.

The Company has Personal Data Protection Standard to ensure that all the Personal Data is kept secured using appropriate technical and organisational measures including necessary policies, processes and controls. The Company implements and maintains as a minimum the information security standards and frameworks required by applicable laws and regulations.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not applicable.