



GLOBAL COMPACT COMPLIANCE STATEMENT

Year: 2006

COMMUNICATION ON PROGRESS

Octaga Green is proud to be a pioneer in our industry by setting international standards of corporate, social and environmental responsibility in our business practices from inception. To this end we support and uphold United Nations Global Compact (UNGC) goals. As a member of the Global Compact, we believe that our business policies and practices incorporate and are constantly evolving to reflect our commitment to the tenets of human rights, labour standards, environment and corruption standards. Our board fully supports our actions in working towards sustainability goals in particular those contained in the UN Global Compact. We welcome the recognition of the positive contributions businesses must make to work together towards a sustainable prosperous global economy and society. Here we summarised the progress we have made against these principles and we will continue to communicate our progress in following them up in future.

Basab B Paul,
Managing Director

31/12/2006

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
1: Businesses should support and respect the protection of internationally proclaimed human rights;	Our human rights policy, based on internationally-accepted standards, applies to all aspects of our business.
2: And make sure that they are not complicit in human rights abuses.	We have strategically hired a diverse senior Managerial team to oversee and implement compliance with these policies.
3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	As an upcoming venture in the food, drink and agriculture industry we have upheld the highest standards of Corporate responsibility and to this end have included all aspects of human rights safeguards in our employment practices. The competitiveness of our business is maintained through transparency, fairness and commitment to excellence. We employee both directly from the national/international labour markets based on our needs and contract labour through regional sugar co-operative bodies which also have set0 standards of employment and collective bargaining.
4: The elimination of all forms of forced and compulsory labour;	We have a zero-tolerance policy towards forced labour and this is included in our guidelines to all internationally certified major contractors and in turn their sub contractors as parameters for operation on our site(s).
5: The effective abolition of child labour;	We make no use of child labour and pride ourselves on setting excellent employment standards even in the interior agricultural regions of India.
6: And the elimination of discrimination in respect of employment and occupation.	Our human resource policies and practices are designed to ensure that individuals are hired and treated solely on the basis of their abilities to meet the requirements and standards of their role. We are equal-opportunity employers who do not discriminate on the basis of sex, age, caste, creed, religion. Furthermore, we have grievance procedures established to provide a channel for employees to raise concerns where they may believe they have been unfairly treated, discriminated against or harassed.
7: Businesses should support a precautionary approach to environmental challenges;	Our entire project orientation and design is environment centric with the highest levels of investments in human and physical capital to set up the first of its kind Zero Pollution Plant in India. To prevent pollution in our activities associated with the manufacture and supply of Sugar, Power and Alcohol (Absolute

	<p>Alcohol (AA)). We have identified, assessed and taken the necessary measures in responding to all environmental impact aspects of this project. Capital expenditure or project redesigns cannot be implemented without the approval of the Environment Site coordinator (ministry of Environment, Govt of India). OGPSCSCL proposes to take steps for environmental protection and resource conservation through these steps:</p> <p>Water pollution control- through a fully fledged biological treatment plant and to further more use the same treated water for gardening and green belt drives.</p> <p>Air Pollution Control- good selection of raw material, appropriate stack heights. Extensive monitoring of fugitive emission pollutants.</p> <p>Solid Waste control- careful storage, sales & disposal. Treatment of by products also a first of its kind.</p>
8: Undertake initiatives to promote greater environmental responsibility;	<p>As the first zero pollution plant in the region we have invested in a state-of-the art effluent treatment plant. By processing distillation waste product, spent wash and deriving value-added products from non-value products, we are taking great measures to protect the environment. The residue (spent wash in liquid and powder form) will be treated in three ways: 1. The residue will be burned and the solid potash procured will be utilized as compost/manure in the harvesting of the sugar cane plantations themselves. 2. Reduction of use of woodchips in burning process as residue can be blended in this mix due to high chlorific value of 3800. 3. Residue of burning bagasse and woodchips will further be collected and used in manufacturing of fire bricks for which local employment shall also be created for minority labourers.</p>
9: Encourage the development and diffusion of environmentally friendly technologies.	<p>Various environmental initiatives involve the development and adaptation of technologies. Phase I of the project will implement the effluent treatment plant in addition to it 1 MW captive green power plant. As we grow into Phase II we will also be generating enough green power to not only be fully self sufficient but to distribute to the Karnataka grid an additional 15000KW of power. Training and involving employees for development of clean and green environment- the very basis on which OGPSCSCL stands.</p>

10:Businesses should work against all forms of corruption, including extortion and bribery.	We have a complete appraisal system internally to evaluate our management integrity. We also work through the press and media to highlight cases of extortion and corruption and are identifying further measures to battle this challenge as a growing business in India.
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