



Divi's Laboratories Limited

Date: August 03, 2023

To
The Secretary
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East)
MUMBAI – 400 051

To
The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI – 400 001

Stock Code: DIVISLAB

Stock Code: 532488

Dear Sir/ Madam,

Sub: Business Responsibility and Sustainability Report for the Financial Year ended March 31, 2023

In terms of the requirements of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2022-23. The BRSR also forms the part of the Annual Report for the Financial Year 2022-23, submitted to the exchanges vide letter dated August 02, 2023.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Divi's Laboratories Limited**

M. Satish Choudhury
Company Secretary & Compliance Officer

Business Responsibility & Sustainability Report (BRSR)

Section A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L24110TG1990PLC011854
2.	Name of the Listed Entity	Divi's Laboratories Limited
3.	Year of incorporation	1990
4.	Registered office address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
5.	Corporate address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
6.	E-mail	mail@divislabs.com
7.	Telephone	+91 40-66966300
8.	Website	www.divislabs.com
9.	Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE), and BSE Limited (BSE)
11.	Paid-up Capital	₹ 53,09,37,160/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	M. Satish Choudhury Company Secretary cs@divislabs.com 040-66966352
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosure under this BRSR is on standalone basis unless otherwise stated.

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 entity
1.	Manufacture of Active pharma ingredients, intermediates and nutraceuticals	Manufacture of Active pharma ingredients, intermediates and nutraceuticals	100%

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

S.No	Product/ Service	NIC Code	% of total Turnover contributed
1.	Manufacture of Active pharma ingredients, intermediates, custom pharmaceutical services and nutraceuticals	21009	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3*	1	4
International	0	2	2

*The plants include the Company's manufacturing locations and R&D centres.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	86



- b. What is the contribution of exports as a percentage of the total turnover of the entity?
88%
- c. A brief on types of customers
Our customers include various pharmaceutical and nutraceutical companies across the globe.

IV. Employees

18. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	8,375	7,223	86.24	1,152	13.76
2.	Other than Permanent (E)	2,290	1,767	77.16	523	22.84
3.	Total employees (D + E)	10,665	8,990	84.29	1,675	15.71
Workers						
4.	Permanent (F)	58	58	100.00	0	0.00
5.	Other than Permanent (G)	6,188	6,183	99.92	5	0.08
6.	Total workers (F + G)	6,246	6,241	99.92	5	0.08

- b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	19	18	94.74	1	5.26
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	19	18	94.74	1	5.26
Differently abled workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	12	12	100	0	0
6.	Total differently abled workers (F + G)	12	12	100	0	0

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	12	2	17%
Key Management Personnel*	7	1	14%

* Including Executive Directors

20. Turnover rate for permanent employees and workers:

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.69%	23.70%	18.52%	15.72%	27.90%	17.39%	12.60%	17.69%	13.26%
Permanent Workers	1.72%	0	1.72%	0	0	0	0	0	0

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	Divis Laboratories (USA) Inc., New Jersey, USA.	Subsidiary	100%	No
2	Divi's Laboratories Europe AG, Basel, Switzerland	Subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in ₹): ₹7,97,431 lakhs
- (iii) Net worth (in ₹): ₹12,70,542 lakhs

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 redress policy)	FY 2022-23			FY 2021-22		
		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*	0	0	-	0	0	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes*	59	0	-	22	0	-
Employees and workers	Yes*	0	0	-	0	0	-
Customers	Yes*	37	5	#	37	6	Resolved subsequently
Value Chain Partners	Yes*	0	0	-	0	0	-
Other (please specify)	Yes*	-	-	-	-	-	-

* Various policies of the Company for redressing the grievances of its stakeholders are available at <https://www.divislabs.com/investor-relations/>. In addition there are internal policies placed on intranet of the Company.

One complaint has been resolved and investigations are in progress for 4 complaints.

24. Overview of the entity'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 your 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 opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety	R	In pharmaceutical manufacturing, health and safety management systems have to be inherent for uninterrupted safe operations.	Health and Safety management systems and procedures are in place in line with the applicable laws enacted in India like Factories Act, Explosives Act, etc., as well as applicable international standards like ISO. These systems/procedures are reviewed and audited periodically. Processes are in place for incident reviews leading to corrective and preventive action.	Occupational health & safety incidents can have negative financial implications.
2	Environment Management	R	The Company's operations may result in risk to environment.	Environmental risks and impacts are managed through established environment management practices. The practices include conducting risk assessments, periodic review mechanisms and continuous strengthening practices and mitigation plans, using reviews and corrective and preventive actions.	Environmental risks may result in negative financial implications.



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 opportunity (Indicate positive or negative implications)
3	Water management	R	Water management is crucial for the Company's operations.	We are managing risks associated with water management through implementation and strengthening of water recycle and reuse programs, installation of RO plants to treat water to reuse, water conservation programs (rainwater harvesting, collecting steam condensate, etc), and by installation of desalination plants to utilise seawater for selected operations.	Water management risks may result in negative financial implications.
4	Community care	O	The Company believes in sustainable development and serves the vulnerable population around its manufacturing operations through its CSR activities.		Positive: The Company helps the communities with CSR activities in the area of health, education, drinking water, women empowerment, green initiatives, support to differently abled, rural development, Skill development, etc. This gives the Company a positive outlook in the communities it operates.
5	Waste management	R	Manufacturing of products requires abundant quantities of raw materials and proper management of waste.	We are managing risks associated with Waste management through implementation and strengthening of recycle and reuse programs. Effective recovery of solvents from solvent recovery system and reuse in the process. Implementation of green chemistry in the process to reduce the waste generation. All solid waste generated are handled as per the applicable regulations of Ministry of Environment, Forest & Climate Change of India and Pollution Control Board's (PCB) conditions.	Waste management risks may result in negative financial implications.

Section B: Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1 to P9 as given below:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

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)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	The Policies are approved by the Board or respective Executive Director as authorised by the Board.								
c. Web Link of the Policies, if available	(Click on policy for web access if available on the Company's website i.e. www.divislabs.com) P1 to P9 (excluding P7) - <u>Code of Ethics and Business Conduct</u> P1 - <u>Whistle Blower Policy</u> P2 - <u>Supplier Code of Conduct, Sustainable procurement policy</u> P3 to P5 - <u>Labour and Human Rights Policy</u> P4 - <u>Corporate Social Responsibility Policy</u> P6 – <u>Environmental, Health and Safety Policy, Environmental Sustainability Policy</u> P7 – NA P9 - Information Security Policies (available on our intranet)								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes						NA	Yes	
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	No	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO 45001,	ISO 45001			ISO 14001,		As per the CSR Rules prescribed under the Companies Act, 2013	
		ISO 9001	OHSAS 18001			ISO 14064, CGMP			
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set specific ESG objectives which lays down the key aspects of the sustainability including timelines for the same. We have set the following sustainability targets for 2030:								
	Carbon Footprint - Reduce absolute based GHG (Scope-1 & Scope emission by 5%. - Reduce intensity based GHG (Scope-1 & Scope-2) emission by 25%.					Water Conservation - Reduce ground water & surface water intake by 30%. - Reduce water consumption by 25%. - Reduce intensity-based water consumption by 25%.			
	Energy Conservation - Decrease intensity-based energy consumption by 25%. - Rely on renewable energy sources to the extent possible, where applicable.					Waste Management - Reduce intensity-based waste disposal by 25%. - Reduce plastic waste using for packing.			
6. Performance of entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance against specific commitments, goals achieved during the year is as follows:								
	Carbon Footprint ~15,500 TCO₂e emissions were reduced with the initiatives taken during the reporting period.					Water Conservation ~39,000 M³ of water was conserved with the initiatives taken during the reporting period.			
	Energy Conservation ~1,58,71,000 KWH or 57,135 GJ of energy was conserved with the initiatives taken during the reporting period .					Waste Management Reduced ~85 MT of waste.			
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): Please refer Managing Director’s perspective at page no. 10 of this annual report.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Murali K. Divi Managing Director DIN: 00005040 Email: cs@divislabs.com Tel: 040-66966352								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, Mr. Madhusudhana Rao Divi, Whole-time Director (Projects) is the head of business responsibility and leads the sustainability/ESG strategies in the Company. He reports and updates the Board on sustainability issues as part of the business performance review.								
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 and Frequency								
Performance against above policies and follow up action	The Policies of the Company are reviewed periodically or on need basis by respective Department heads/Executive Directors/Board Committees/Board of Directors, as applicable.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable laws.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	Yes, Bureau Veritas India	No	No	No	Yes, Bureau Veritas India	NA	No	No
12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:									
With respect to Principle 7, the answer is “Not Applicable” (NA) as the Company does not have a separate policy on public advocacy.									

Section C: Principle Wise Performance Disclosure

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD) Key Managerial Personnel	4	Familiarisation programs for the Board of Directors/ KMPs of the Company are done periodically. The topics of the programmes includes business and industry updates, risk management, important regulatory changes and compliances of various statutory requirements, updating on various Codes/Policies of the Company, environmental, social and governance parameters, legal cases, etc.	100%
Employees other than BoD and KMPs Workers	1251	In addition to on-the-job training programs, all the employees including workers underwent trainings which include topics covering principles P1-6, P8, P9.	100%

- Details of fines/penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

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			Nil		
Settlement					
Compounding fee					
Non-Monetary					

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			Nil		
Punishment					

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.

Not Applicable

4. Does the entity 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 Anti-Corruption Policy, which not only covers the company but also extend to our stakeholders, vis., suppliers, customers, employees, etc.

Weblink: <https://www.divislab.com/wp-content/uploads/2022/02/Anti-Corruption-Policy.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	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provide 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

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ Principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil



2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has in place "Code of Ethics and Business Conduct" and a 'Policy on Related Party Transactions', which are applicable to the members of the Board of Directors. Transactions with Directors or any entity in which such Directors are concerned or interested, are required to be approved by the Audit Committee and the Board of Directors. In such cases, the interested Directors abstain themselves from the discussions at the meeting. Related Party Transactions, if any, with the Company shall be at arm's length basis only. The weblink of the abovementioned policies are mentioned below:

Code of Ethics and Business Conduct: <https://www.divislabs.com/wp-content/uploads/2022/02/Code-of-Ethics-and-Business-Conduct-of-Divis-Laboratories-Limited.pdf>

Policy on Related Party Transactions: <https://www.divislabs.com/wp-content/uploads/2022/04/RPT-policy.pdf>

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 entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	During the year 2022-23, the total investment in R&D and capital expenditure was about ₹6,934 lakhs. This includes R&D and capex investments in specific technologies to improve the environmental and social impacts of products and processes	During the year 2021-22, the total investment in R&D and capital expenditure was about ₹5,905 lakhs. This includes R&D and capex investments in specific technologies to improve the environmental and social impacts of products and processes	With the improvements taken during the year 2022-23, ~15,500 TCO ₂ e emissions were reduced, ~39,000 M ³ of water was conserved and ~1,58,71,000 KWH of energy was conserved.
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No): Yes
b. If yes, what percentage of inputs were sourced sustainably?

Yes, at Divis, we are striving for sustainability across all functions of our organisation including sourcing and procurement. Through our Sustainable Procurement policy, we are committed to ensuring the goods and services we purchase are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner. It is also intended to encourage our suppliers to adopt practices that minimise their environmental impact and deliver community benefits, in relation to their own operations, and throughout the supply chains in which they operate.

About 80% volume of our purchases are sourced from vendors who embraced our sustainable procurement policy

- c. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have adopted a waste management procedure under which plastic wastes management is taken care right from receipts to disposal. The plastic waste (packaging and other type) generated from our operations is collected, segregated at point of generation, and sent to authorised recyclers by following all applicable local regulations. E-waste generated from our operations is collected and transferred to authorised recyclers/dismantling agencies by following all applicable local regulations. Hazardous & Other Waste: Adopting the benchmarking practices on hazardous waste management, most of the waste is co-processed as alternative fuel instead of incineration which shall cutdown the incinerated ash sent for Landfill. Organic/distillation bottom residues which possess calorific value are sent to cement industries as alternate fuel in the kilns. Inorganic solid wastes are disposed to TSDF (An authorised Govt. secure land fill) and or to authorised re-processor.

- d. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. Actions are implemented to minimise the amount of plastic waste generated and ensure that the waste is recycled/ reused or disposed off to environment in friendly manner. For the purpose of implementation, we have engaged engaged with authorised Recyclers. Our waste collection plan is in line with the EPR plan submitted to PCB.



Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent workers											
Male	6,183	6,183	100	6,183	100	NA	NA	NA	NA	6,183	100
Female	5	5	100	5	100	5	100	NA	NA	5	100
Total	6,188	6,188	100	6,188	100	5	100	-	-	6,188	100

2. Details of retirement benefits, for Current FY 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	N.A.	100	100	N.A.
ESI	53%	83.4%	Y	52%	82.4%	Y
Others –please specify	-	-	-	-	-	-

3. Accessibility of workplaces: Are the premises/offices of the entity 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 entity in this regard.

Yes.

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

Yes. The Company's Code of Ethics and Business Conduct provides for equal opportunities for all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, age, nationality, ethnic origin or disability (to the extent it does not affect the performance of the expected functions), subject to applicable laws and regulations. Weblink to access the Code of Ethics and Business Conduct is <https://www.divislab.com/wp-content/uploads/2022/02/Code-of-Ethics-and-Business-Conduct-of-Divis-Laboratories-Limited.pdf>

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	81.8%	NA	NA
Total	100%	81.8%		

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	Yes (A Grievance Redressal Mechanism has been constituted to hear and redress individual grievances).
Other than Permanent Workers	Yes	
Permanent Employees	Yes	The Company has formulated Whistle Blower Policy for redressing grievances related to unethical behavior, actual or suspected fraud or a violation of a Company's Code of Conduct. As per this Policy, the concerns can be sent to the Vigilance Officer or directly to the Chairman of the Audit Committee. The policy can be accessed at https://www.divislab.com/wp-content/uploads/2020/06/WhistleBlowerPolicy.pdf
Other than Permanent Employees	Yes	

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

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	8,375	Nil	0	8,778	Nil	0
Male	7,223	Nil	0	7,553	Nil	0
Female	1,152	Nil	0	1,225	Nil	0
Total Permanent Workers	58	Nil	0	59	Nil	0
Male	58	Nil	0	59	Nil	0
Female	0	Nil	0	0	Nil	0

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	8,990	8,990	100	8,990	100	8,997	8,997	100	8,997	100
Female	1,675	1,675	100	1,675	100	1,519	1,519	100	1,519	100
Total	10,665	10,665	100	10,665	100	10,529	10,516	100	10,516	100
Workers										
Male	6,241	6,241	100	6,241	100	6,021	6,021	100	6,021	100
Female	5	5	100	5	100	6	6	100	6	100
Total	6,246	6,246	100	6,246	100	6,027	6,027	100	6,027	100

Note: Training programmes offered under health and safety and skill upgradation are mandatory for all employees and workers. All of them attended the training programmes as per schedule.

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	7,223	7,223	100	7,540	7,540	100
Female	1,152	1,152	100	1,225	1,225	100
Total	8,375	8,375	100	8,765	8,765	100
Workers						
Male	58	58	100	59	59	100
Female	0	0	100	0	0	100
Total	58	58	100	59	59	100

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, occupational health and safety management system has been implemented. All our manufacturing sites, Divi's Research Centre (DRC) & Corporate Office (HO) are ISO 45001 certified. Coverage of the system is 100% of our operations.



- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Well established SOPs (Guidance Document) are in place for Hazard Identification and Risk Assessment (HIRA). As part of continual improvement, we take significant steps to improve health and safety practices within the organisation and strive to sustain benchmarking levels. Risk Analysis procedures following at Divi's includes, Process Safety Risk Analysis, HIRA, HAZOP Study, Chemical Workplace risk assessment and LOPA. After identifying Hazards, the possibility and the consequences of each Hazard are examined by following quantitative 5x5 Risk Assessment Matrix (RAM) to establish the level of risk both before and after implementation of safeguards.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. The procedures that enables the workers to report work related hazards are in place. As a regular practice, worker is nominated as one of the team members for all Hazard Identifications and Risk Assessments. In addition, a well-established procedure on employee (worker) suggestions on all work-related improvements is in place.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Employees/ worker of the entity have access to non-occupational medical and healthcare services.

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	0.26	0.42
	Workers	0.64	1.16
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Adherence to our Health & Safety (EHS) policy is at the core of our operations. We have a well-established procedure for Hazard Identification and Risk Analysis (HIRA), which helps limit safety hazards. It covers routine and non-routine works with an executed action plan that minimises risks to acceptable levels. All routine, non-routine activities, emergency activities are assessed to identify health & safety risks related to product manufacturing, services, operations considering changes (including planned or new developments, modified activities. All our manufacturing sites, Research Centre (DRC) & Corporate Office (HO) are ISO 45001 certified. We have established Committees (Safety, Health) at different levels in the organisation, to guide employees on EHS matters As part of our commitment to consciously promote safe and healthy workplace practices, we encourage our employees, supervisors and managers to take direct ownership of their safety, and the safety of their colleagues.

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	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

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 & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, for Employees and Workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company periodically communicates with the value chain partners and pursues compliances. This activity is also reviewed by internal auditor/consultants. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been/are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Assessment of value chain partners has commenced and ~80% of our supply chain partners by volume have responded to participate in our assessment.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During the reporting period, no corrective action plan was necessitated.

If any such risks/concerns are noticed, the value chain partner will be asked to comply with requisite measures in a timebound manner. If not complied within the given time, procurement will be deferred till the value chain partners improve the safety practices and working conditions to address the risk/concern.

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 entity.

We recognise key stakeholder as an individual or group of individuals or institutions that impact our business or are impacted by our business. Our key stakeholders include employees, customers, investors, suppliers, the community and government authorities.



2. List stakeholder groups identified as key for your entity 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
Employees	No	Emails, notice boards, website, management interactions	Continuous and as per requirement	For employee wellbeing, to provide a safe and inclusive workplace, provide required infrastructure and training for professional and personal growth. Also to redress grievances and work on feedbacks and consultation.
Customers	No	Emails, brochures, website and meetings (physical and virtual).	Based on business needs	To keep the customers informed about our products and services and to understand the business needs.
Value chain partners	No	Emails, website and meetings (physical and virtual).	Based on business needs	To ensure timely supply of goods and services in order to maintain business continuity sustainably.
Shareholders	No	Notices, advertisements, email, annual reports, stock exchange intimations, earnings conference calls and through updates on Company's website.	Quarterly/half-yearly/annual	Disclosure of financial information and business updates beside applicable statutory disclosures.
Community	Yes	CSR Initiatives, In-person Meetings	Need basis	With a commitment to make meaningful change a reality, we continue to undertake varied initiatives aimed at improving lives of vulnerable/ marginalised groups in the community.
Government/ Government Agencies	No	Various submissions and disclosures, meetings, emails, etc	As per statutory requirement and need based	To ensure and report various compliances to discharge statutory responsibilities and to keep the policy makers informed about industry requirements.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Consultation with relevant stakeholders on the economic, environmental, and social topics is done by the respective functional heads and the feedback is shared with the Management/Committee/Board, as required.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. For instance, CSR activities are identified, prioritised, and implemented in consultation with relevant stakeholders.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The departmental heads are empowered to engage and address the concerns of vulnerable/ marginalised stakeholder groups as needed.

Our CSR initiatives are implemented with the objective to reach out to vulnerable and marginalised stakeholder groups. Based on the engagement with stakeholder groups, needs are identified, and efforts are put in to address the concerns.

Some of the areas in which the organisation is working are:

- Promoting Education by strengthening infrastructure through science labs, sports facilities, libraries and an initiative to eradicate malnutrition by providing Horlicks sachets to all the schools surrounding the manufacturing facilities.
- Providing pure drinking water to people residing in the surrounding communities through which approx. 3,00,000 people are benefitted.

- Empowering women by providing required support women right by encouraging them to get educated to earning a livelihood.
- Plantation around the company's manufacturing facilities and organising clean and green programme.
- To empower the youth with right skills for their future employment and self-employment needs livelihood training programs like Tailoring, Beautician course, Hospitality, basic computer skills etc. in Divi's Skill Development Centre.
- Other key initiatives include, animal welfare, preventive healthcare, swachh bharat, rural development, support to differently abled, etc.

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 entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	8,375	8,375	100	8,765	8,765	100
Other than Permanent	2,290	2,290	100	1,751	1,751	100
Total Employees	10,665	10,665	100	10,516	10,516	100
Workers						
Permanent	58	58	100	59	59	100
Other than Permanent	6,188	6,188	100	5,968	5,968	100
Total Workers	6,246	6,246	100	6,027	6,027	100

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	8,375	0	0	8,375	100	8,765	0	0	8,765	100
Male	7,223	0	0	7,223	100	7,540	0	0	7,540	100
Female	1,152	0	0	1,152	100	1,225	0	0	1,225	100
Other than Permanent	2,290	0	0	2,290	100	1,751	0	0	1,751	100
Male	1,767	0	0	1,767	100	1,457	0	0	1,457	100
Female	523	0	0	523	100	294	0	0	294	100
Workers										
Permanent	58	0	0	58		59	0	0	59	100
Male	58	0	0	58	100	59	0	0	59	100
Female	0	0	0	0	100	0	0	0	0	-
Other than Permanent	6,188	0	0	6,188		5,968	0	0	5,968	100
Male	6,183	0	0	6,183	100	5,962	0	0	5,962	100
Female	5	0	0	5	100	6	0	0	6	100



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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In ₹ lakhs)	Number	Median remuneration/ salary/ wages of respective category (In ₹ lakhs)
Executive Directors	4	3054.99	1	2462.74
Independent Directors*	6	31.00	1	25.00
Key Managerial Personnel#	2	179.97	-	-
Employees other than Board of Directors (BoD) and KMP	7,217	4.81	1,151	3.89
Workers	58	8.54	-	-

Note: *Independent directors are paid by way of sitting fees and annual remuneration equal to male and female categories.

#Other than Executive Directors

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) Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

For employees, a grievance redressal committee is constituted for the resolution of disputes arising out of individual grievances. The committee has equal representation from management and workers. Individual workers can raise grievances to the committee. The grievance redressal committee would enquire and resolve the grievance within defined time limits.

Also, the Company has a Whistle Blower Policy with defined procedures to report instances of unethical behavior, actual or suspected fraud, or violation of the Code of Ethics and Business Conduct to the Vigilance Officer/Chairman of the Audit Committee. The Policy is available on the Company's website.

6. 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
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

A mechanism is in place to handle the complaints related to discrimination and harassment which also includes prevention of adverse consequences to the complainant. Any retaliation or threats against those who make harassment complaints or assist in the investigation shall be subject to disciplinary measures.

Also, the Company has Whistle Blower Policy with a set mechanism to file complaints, which will be appropriately dealt with by the Chairman of the Audit Committee.

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

Yes.

9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

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

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not applicable

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company undertook due diligence of human rights through internal protocols as per policies and procedures.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Assessment of value chain partners has commenced and ~80% of our supply chain partners by volume have responded to participate in our assessment.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 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, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	15,03,759 GJ	14,92,264 GJ
Total fuel consumption (B)	36,94,336 GJ	36,85,695 GJ
Energy consumption through other sources (C)	1,939 GJ	1,964 GJ
Total energy consumption (A+B+C)	52,00,034 GJ	51,79,923 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	6.52 GJ/₹ (in lakhs)	5.76 GJ/₹ (in lakhs)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.



2. Does the entity 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.

No.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	10,66,027	8,87,845
(ii) Groundwater	8,17,105	8,27,415
(iii) Third party water	24,577	23,836
(iv) Seawater/desalinated water	9,31,001	8,64,840
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	28,38,710	26,03,936
Total volume of water consumption (in kiloliters)	36,18,258	33,19,431
Water intensity per rupee of turnover (Water consumed/turnover)	4.54 KI/ Rupees (in lakhs)	3.69 KI/ Rupees (in lakhs)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

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

Yes, Divi's laboratories Limited has installed Zero Liquid Discharge (ZLD) for effluent treatment at Unit-I operating in Telangana state. All kind of effluents are managed under ZLD system installed with various kinds of advance technologies and adequate standby systems. The RO permeates collected from final treatment of effluents are re-used/recycled within the industry. The domestic wastewater is treated in STP and the treated water is re-used for toilet flushing and gardening. Complete ETP of ZLD system is monitored through online monitoring system. The real time data of online monitoring system is connected to official websites of PCB.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Tons	75.51	126.53
SOx	Tons	57.12	90.88
Particulate matter (PM)	µg/m ³ (average)	31.09	41.4
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	µg/m ³	5.12	4.65
Hazardous air pollutants (HAP)	-	-	-
Others – please specify -Ammonia	µg/m ³	17.08	14.30

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, ambient air quality analysis has been carried out by Re Sustainability Solutions Private Limited.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & 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 tonnes of CO ₂ equivalent	3,80,676	3,82,670*
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 tonnes of CO ₂ equivalent	3,73,141	3,70,742
Total Scope 1 and Scope 2 emissions per rupee of turnover	MT CO ₂ e/ Rupees (in lakhs)	0.94	0.84

*For FY 2021-22 total scope 1 emissions has been recalculated in line with general industrial practices with reference to IPCC guidelines.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas India

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

Yes, various initiatives are implemented to reduce the Green House Gas emissions (GHG).

Few key initiatives taken to reduce GHG emissions are:

- Recovering and re-using of heat energy from flash steam letting out to atmospheres
- Installing Oxygen (O₂) analysers for process vessels to monitor and maintaining inert atmospheres in critical process operations
- Radiator type heat exchanger of process air pre-cooler is replaced with plate-heat exchanger
- Replacing centrifuge and FBDs with ANFs
- Installing dry-claw vacuum pump system in place of regular ejector system
- Implementing Green Chemistry Principles
- Arranging table top pH meter at process areas.

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

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	496.53	429.81
E-waste (B)	2.81	4.91
Bio-medical waste (C)	0.35	0.193
Construction and demolition waste (D)	4,469.36	2,586
Battery waste (E)	33.21	12.59
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	94,412.67	1,19,985.44
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	20,071.60	27,345.12
Total (A+B + C + D + E + F + G+ H)	1,19,486.53	1,50,364.06
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	28,505.94	49,160.41
(ii) Re-used	26,227.17	29,914.99
(iii) Other recovery operations	49,834.84	56,730.78
Total	1,04,567.95	1,35,806.18
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	13.34	10.81
(ii) Landfilling	14,405.58	13,792.75
(iii) Other disposal operations	0	0
Total	14,418.92	13,803.56

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the 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.



The plastic waste (packaging and other type) generated from our operations is collected, segregated at source and sent to authorised recyclers by following all applicable local regulations. E-waste generated from our operations is collected and transferred to authorised recyclers/dismantling agencies by following all applicable local regulations. Hazardous & Other Waste, most of the waste is Co-processed as alternative fuel instead of incineration which shall cutdown the incinerated ash sent for Landfill. Organic/distillation bottom residues which possess calorific value are sent to cement industries as alternate fuel in the kilns. Inorganic solid wastes are disposed to TSDF (An authorised Govt. secure land fill) and or to authorised re-processor.

~85% of our hazardous waste is sent to cement industries and recyclers for co-processing and recycling. The remaining ~15% of hazardous waste is sent to landfilling and incineration. Other non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to recyclers, cement industries for co-processing or to brick manufacturers.

We treat all our waste as a value stream and 3R's strategy is effectively implementing to reduce its impact on Environment. We reduce waste through technological interventions and by implementing green chemistry principles. Ongoing initiatives increasing usage time cycles, segregation of waste at point of generation, process optimisation, packaging optimisation/ changes in packaging types, multistage scrubbers etc. We have shifted to jumbo bags from small size packaging, getting RMs in bulk tankers instead of in plastic drums.

10. If the entity 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:

The Company does not have any of its manufacturing facilities in ecologically sensitive areas.

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

In the current financial year, no environmental impact assessments studies were undertaken.

12. Is the entity 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 non-compliances, in the following format:

Yes, we are compliant with the applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	11,196 GJ	25,592 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	11,196 GJ	25,592 GJ
From non-renewable sources		
Total electricity consumption (D)	14,92,563 GJ	14,66,672 GJ
Total fuel consumption (E)	36,94,336 GJ	36,85,695 GJ
Energy consumption through other sources(F)	1,939 GJ	1,964 GJ
Total energy consumed from non-renewable sources (D+E+F)	51,88,838 GJ	51,54,331 GJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	4,20,702	3,75,580
- No treatment	0	0
- With treatment – please specify level of treatment	Treated to meet the PCB discharge standards	Treated to meet the PCB discharge standards
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	4,20,702	3,75,580

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable. Our facilities are not located in areas of water stress.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Considering the non-availability of auditable GHG emission data from most of our supply-chain related to purchased goods, purchased capital goods and external waste disposal, Scope 3 emissions are not included in this year's BRSR report.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:



Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
01	Reducing Carbon Footprint	Few key initiatives, - Recovering and re-using of heat energy from flash steam letting out to atmospheres. - Installing Oxygen (O₂) analysers for process vessels to have continuous monitor and to maintain inert atmospheres in critical process operations. - Radiator type heat exchanger of process air pre-cooler is replaced with plate-heat exchanger	~15,500 TCO ₂ e emissions were reduced with the initiatives taken during the reporting period.
02	Water Management	Few key initiatives, - Purifying and utilising equipment final wash water for cooling towers. - Replacing wet ice used for reaction mass quenching with brine cooled chilled water. - Reusing of final wash/rinse water for initial wash/rinse in process steps - Rainwater is harvested by facilitating rainwater harvesting pits around our non-process facilities.	~39,000 M ³ of water was conserved with the initiatives taken during the reporting period
03	Energy Management	Few key initiatives, - Energy is conserved by recovering and re-using of steam released to atmosphere. - Arranging pH meter at processing area, resulted in reducing the process time cycles. - Arranging O₂ analysers for process vessels, benefited us in reducing the nitrogen demand for equipment energisation.	~1,58,71,000 KWH or 57,135 GJ of energy was conserved with the initiatives taken during the reporting period
04	Waste Management	Few key initiatives, - Implementing process improvements through Green Chemistry Principles aided in improving recovery & reuse potential. - Recycling of plastic containers, liners, metal containers and metal scrap. - Established solvent recovery stations to recover and reuse solvents. - Process solid residue sent by Divi's is reused as fuel (Co-Incineration) in cement industries	~ 85 MT of waste is reduced.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has developed business continuity and disaster management plan. The plans are developed keeping in view of various risks which could be mitigated/minimised. However, despite the plans and comprehensive standard operating procedures (SOPs) for various situations, unforeseen events/risks may cause interruption to the Company's operations. The plans are aimed at continuing Company's operations with the least possible interruptions.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact to the environment were reported from the value chain of the entity.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Assessment of value chain partners has commenced and ~80% of our supply chain partners by volume have responded to participate in our assessment.

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 is associated with 9 trade and industry chambers/ associations.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	National Safety Council	National
2.	Indian chemical council	National
3.	Confederation of Indian industry	National
4.	Pharmaceuticals Export Promotion Council of India	National
5.	Bulk Drug Manufacturers Association	National
6.	National Fire Protection Association	National
7.	Swiss-India Chamber of Commerce	International
8.	American Industrial Hygiene Association (AIHA)	International
9.	Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI)	State

- Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators

- Details of public policy positions advocated by the entity:

Not Applicable

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Not Applicable

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

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

A grievance redressal mechanism is in place consisting of CSR team members to receive and redress grievances of the community.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	20.1 %	14.9 %
Sourced directly from within the district and neighboring districts	8.8 %	8.1 %

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in ₹ lakhs)
1	Andhra Pradesh	Visakhapatnam	1,075
2	Andhra Pradesh	Vizianagaram	225



3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)
No
- b) From which marginalised /vulnerable groups do you procure?
NA
- c) What percentage of total procurement (by value) does it constitute?
NA
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of calculating benefit share
	Not applicable	Not applicable	Not applicable	Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective Action Taken
Not applicable	Not applicable	Not applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Safe Drinking Water	3,08,186	Our CSR initiatives are implemented with an objective to reach out to the vulnerable and marginalised communities, including persons with disabilities, elderly, women and children from the less privileged socio-economic sections of the society.
2	Preventive Healthcare	1,73,834	
3	Village Development	1,02,715	
4	Animal Welfare	95,000	
5	Promoting Education	83,234	
6	Environment Sustainability	60,100	
7	Swachh Bharat	27,600	
8	Promoting Rural Sports	5,001	
9	Empowering Women	945	
10	Support to Differently Abled	241	
11	Livelihood Enhancement Projects	80	

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.

As Divi's manufactures active pharmaceutical ingredients (APIs), API intermediates and supplies them to customers for further manufacturing to make respective finished drug products, we have no direct consumers. Hence, consumer complaints are not applicable to us. However, we have established procedures to receive customer complaints whether received in oral or in writing and respond back to customers within agreed timelines. The customer complaints are concluded and closed upon mutual agreement.

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	The Company complies with all the regulatory requirements in relation to the display of information on product label.
Safe and responsible usage	
Recycling and/ or safe disposal	

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

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not applicable
Forced recalls	Nil	Not applicable

5. Does the entity 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, we are following a set of Information Security Policies which are aligned to ISO 24001.

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 as no product recalls for the above stated reasons and hence no corrective actions taken for above stated reasons on safety of products/services.

Leadership Indicators

- Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).
The information on products and services of the Company can be accessed from website of the Company at <https://www.divislabs.com/>
- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
As Divi's manufactures active pharmaceutical ingredients (APIs), API intermediates and supplies to customers for further manufacturing to make respective finished drug products, we have no direct consumers. However, Storage and handling conditions/measures are displayed on the labels of each material container shipped to our customers.
- Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.



As Divi's manufactures active pharmaceutical ingredients (APIs), API intermediates and supplies to customers for further manufacturing to make respective finished drug products, we have no direct consumers. However, we keep our customers informed of any risk of disruption/discontinuation of supplies in a prompt manner as agreed with them.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, product information displayed on the label of product container like name of product and grade (USP/EP/BP/IP), unique batch number, date of manufacture & retest date, quantity, manufacturing site address and license details, storage and handling conditions/precautions, approved by sign from quality department.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company has a mechanism to survey the customer satisfaction level for all its products/services.

5. Provide the following information relating to data breaches:

- a) Number of instances of data breaches along-with impact: Nil
- b) Percentage of data breaches involving personally identifiable information of customers: 0