

## SHILPA PHARMA LIFESCIENCES LIMITED

# Business Responsibility & Sustainability Report (BRSR, FY 2023-24)

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the entity:

1. Corporate Identity Number (CIN): U24100KA2020PLC134081
2. Name of the Listed Entity: SHILPA PHARMA LIFESCIENCES LIMITED
3. Year of incorporation: 2020
4. Registered Office Address: #12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur 584135, Karnataka, India
5. Corporate Office Address: #12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur 584135, Karnataka, India
6. E-mail: info@vbsilpa.com
7. Telephone: +91-8532-238704
8. Website: <https://www.vbsilpa.com/>
9. Financial year for which reporting is being done: 2023-24
10. Name of the Stock Exchange(s) where shares are listed: Not Applicable
11. Paid-up Capital: ₹ 10,00,00,000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Ms. Ritu Tiwary, Company Secretary, Email: cs@vbsilpa.com  
Contact Number: +91-8532-238704
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	Manufacturing	Manufacturing of Active Pharmaceutical Ingredient (API)	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	Active Pharmaceutical Ingredients	21001	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	2	2	4
International	0	0	0

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### 17. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	19
International (No. of Countries)	31

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

33%

#### **A brief on types of customers**

The company supplies its drug products to the manufacturers of Finished Pharmaceutical Formulations.

## 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)
<u>EMPLOYEES</u>						
1.	Permanent (D)	1092	1090	99.82%	2	0.18%
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	1092	1090	99.82%	2	0.18%
<u>WORKERS</u>						
4.	Permanent (F)	428	428	100%	0	0.00%
5.	Other than Permanent (G)	181	181	100%	0	0.00%
6.	<b>Total workers (F + G)</b>	609	609	100%	0	0.00%

#### 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)	3	3	100.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total employees (D + E)	3	3	100.00%	0	0.00%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	2	2	100.00%	0	0.00%



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S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C / A)
5.	Other than Permanent (G)	0	0	0.00%	0	0.00%
6.	<b>Total workers (F + G)</b>	2	2	100.00%	0	0.00%

### 19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	5	1	20%
Key Management Personnel	2	1	50%

### 20. Turnover rate for permanent employees and workers

Particulars	FY 23-24 (Turnover rate in current FY)			FY 22-23 (Turnover rate in current FY)			FY 21-22 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.73%	0	18.73%	14.73%	0	14.73%	13.62%	0	13.62%
Permanent Workers	4.89%	0	4.89%	1.60%	0	1.60%	1.50%	0	1.50%

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

### 21. 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 the entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the entity? (Yes/No)
1	Shilpa Medicare Limited	Holding company	100%	No
2	Shilpa Lifesciences Private Limited	Subsidiary Company	100%	No

## VI. CSR Details:

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

(ii) Turnover (in ₹) 853.93 Cr

(iii) Net worth (in ₹) 122.82 Cr

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### 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 23-24 Current Financial Year			FY 22-23 Previous Financial Year		
		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)	Yes	0	0		0	0	
Shareholders	Yes	0	00		0	0	
Employees and workers	Yes	1	0		3	0	
Customers	Yes	16	0	Resolution in progress	14	0	
Value Chain Partners	Yes	0	0		0	0	
Other (please specify)	-	-	-	-	-	-	-

Web link of the policy on grievance handling:

<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf>

### 24. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format.

## SHILPA PHARMA LIFESCIENCES LIMITED

S No	Material Topics Identified	Indicate Whether Risk or Opportunity	Rational for Identifying The Risk or Opportunity	In Case of Risk, Approach to Adapt or Mitigate	Financial (Positive or Negative) Implication of Risk or Opportunity
1	Water & Waste Management	Risk	Potential risks of inadequate water and waste management may lead to deterioration in water and soil quality affecting ecosystem and health. Water is a critical input into the manufacturing of pharmaceutical products, used in the production, processing of pharmaceutical products, in the preparation of reagents, and for cleaning (e.g. washing and rinsing) and domestic use.	Water and waste related risks are assessed as part of an established risk management framework periodically. We conduct thorough water risk evaluation studies in all of our watersheds to identify alternative rich water resources. Our water management strategy involves key focus areas including water efficiency and optimization, identifying alternate water sources for water security, and creating freshwater potential beyond the fence. We have implemented waste management systems at all our facilities.	Negative
2	Research & Development	Opportunity	R&D investment has a positive impact on green innovation and ESG performance of an enterprise. Therefore, strategically Investing in R&D and disclosing publicly on its investments allows internal and external stakeholders to understand the approach and scale	A key area of focus is 'Green Chemistry' and we have implemented several initiatives for the same. These include transitioning from solvent-based reactions to water based reactions, using harmless, greener solvents instead of hazardous solvents, enhancing our solvent recovery capabilities	Positive

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S No	Material Topics Identified	Indicate Whether Risk or Opportunity	Rational for Identifying The Risk or Opportunity	In Case of Risk, Approach to Adapt or Mitigate	Financial (Positive or Negative) Implication of Risk or Opportunity
			taken by an organization.	and overall, improving our processes to maximize the incorporation of all materials used. We have initiated Life Cycle Assessments (LCA) study for few of our products to identify and further reduce the adverse environmental footprint of our products.	
3	Community Engagement	Opportunity	It is crucial to engage with the communities we operate in to increase trust and foster harmony.	Shilpa Foundation is the principal channel for the corporate philanthropy undertaken by the Company. The aim is to build resilient solutions that enable underserved communities to improve their livelihood continually. The core areas of intervention are Primary Healthcare, Environmental Sustainability, Rural Development and Education.	Positive

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4	Business Ethics / Anti-Bribery & Anti-Corruption / Ethical Governance	Risk	For ensuring smooth functioning of the company, we have implemented Business Code of Conduct and Supplier Code of Conduct and defined roles and responsibilities of concerned personnel related to ethics and integrity (e.g. anti-bribery, anti-corruption, anti-money laundering, whistle blowing, etc.). Our commitment to good corporate governance is integral to our business and it helps us create long-term value for all our stakeholders.	Our Business Code of Conduct applies to all Directors and employees of our Company, its subsidiaries, and affiliates. It lays down the principles that guide our conduct and strengthens our decision-making, promotes stakeholder trust and works as a moat around our business. We conduct our business as per our Anti-Corruption policies, and all applicable laws. While contracts with our suppliers, contractors, and business partners include adherence to our principles concerning ethics, there is a separate Supplier Code of Conduct required to be followed by our suppliers and service providers. The principles of integrity, transparency, accountability, and ethics resonate throughout the organization.	Negative

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5	Occupational Health & Safety, Safe & Empowering Workplace	Risk	We recognize that employees form the foundation of our operations, and it is incumbent upon us to prioritize their health, safety, and well-being by furnishing a nurturing and secure work environment.	<ul style="list-style-type: none"> <li>• We have developed and integrated a Safety, Health and Environment (EHS) policy that governs our employees and applies to all our research, production operations, and business facilities</li> <li>• All our employees, including permanent workers and contractors are trained on occupational health and safety, specific work-related hazards, hazardous activities and situations.</li> <li>• Implemented “Occupational Health &amp; Safety Management System” and “Process Safety Management System” at all our plants.</li> <li>• Periodic safety assessments against international standards are conducted to evaluate the effectiveness of current systems and appropriate measures are taken to further improve our safety posture performance continually.</li> </ul>	Negative

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6	Statutory & Regulatory Compliances	Risk	Regulatory guidelines and requirements heavily regulate the manufacturing of our products, including manufacturing quality standards. Periodic inspections are conducted on our manufacturing sites, and if the regulatory and quality standards and systems are not found adequate, it could result in observations. This might impact our ability to meet patient demand and generate value for our stakeholders	<ul style="list-style-type: none"> <li>• We are fully dedicated to quality and have robust quality processes and systems in place at our developmental and manufacturing facilities to ensure that every product is safe and of high quality</li> <li>• We have integrated “Quality by Design” to build quality into all processes and use quality tools to minimize process risks.</li> <li>• We continue to spend significant time, money and effort in the areas of production and quality testing to help ensure full compliance with cGMP regulations.</li> <li>• We leverage information technology to digitize and enhance our quality assurance and quality control processes.</li> <li>• We are continuously focused on improving our quality culture across the organization.</li> </ul>	Negative

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7	Diversity, Equity & Inclusion	Opportunity	We fully appreciate the significance of diversity to our organization, as it fosters the introduction of new perspectives, diverse experiences, novel concepts, and inventive approaches that can provide sustainable value creation for our stakeholders over the long term. This aspect addresses a company's ability to ensure that its culture, hiring and promotion practices embrace representation from a diverse and inclusive workforce across all levels of the organization (board, senior, mid and junior levels).	We are also working to increase the representation of women across roles and teams, exploring new entry level routes such as apprentice hiring and actively recruiting women. Numerous steps have been undertaken to build a gender-inclusive workplace. Implemented "Social Accountability Management System". The Company has an 'Equal Pay for Equal Work' practice in place, where employees are compensated based on their merit, irrespective of the gender they identify with. We promote non-discrimination and no harassment through established policies and procedures.	Positive
8	Talent Attraction & Retentions	Risk	Ability to attract and retain the right technical talent with differing skill sets is a difficult challenge to address. The industry is highly knowledge-driven and technology based, and heavily reliant on specialist	We use people analytics to measure employee performance, identify current skill gaps, and flight risks to improve retention. We actively address and resolve structural talent gaps by providing long-term reskilling and	Negative



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			individuals well versed with state-of-the-art technology.	upskilling opportunities to our workforce, including digital learning initiatives. We embed strategic workforce planning into our operations strategy. The benefits of this initiative are multifaceted e.g., fostering internal mobility for well-suited roles, enhancing people productivity and containing staff costs.	
9	Risk Management & Business Continuity	Opportunity	We operate in a complex geopolitical and regulatory environment and entails potential challenges and uncertainties arising from geopolitical factors and intricate regulatory frameworks. This includes geopolitical instability, changes in government policies, trade disputes, sanctions, and intricate compliance requirements. These factors can pose risks to operations, supply chains, market access, and overall business performance, requiring proactive	<ul style="list-style-type: none"> <li>• We are focused on identification of key business, operational, strategic, and business continuity risks, which are reviewed periodically by the Risk Management Committee at the Board level.</li> <li>• We prioritise a sustainable supply chain for the timely availability of our medicines, and to ensure business continuity in the face of disruptions.</li> <li>• We continuously strive to improve our resiliency posture focusing on the ability to provide and maintain an acceptable level of</li> </ul>	Positive

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			monitoring and strategic adaptation to mitigate potential adverse impacts.	service in the face of any interruption and proactively plan for being prepared to respond to an uncertain situation.	
10	Industry Risk	Risk	Sectoral and market downturns could have potential and immediate impact on company performance.	Analysing industry and pharma sectoral trends and periodic horizon scanning. Ongoing plans to implement a business continuity plan to minimise risk.	Negative
11	Sustainable EHS Work Practices (EHS)	Opportunity	Company has adopted and made the sustainable practices as its culture. All personnel participate in the sustainable practices with focus on energy conservation, emission control, waste minimisation, resource reduction, preventive maintenance, hazard identification & risk assessment, safe operating procedures, hazard & operability studies. 24 Hrs monitoring by the Safety Coordinators,	Improving focus on sustainable energy. Strengthening and promoting awareness across the company.	Positive

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			GMP Coordinators, Night Shift Officers and Duty Managers for each production block. The wastewater is treated at Zero Discharge Facility and the treated water is Recycled.		
12	Access & Affordability of Medicines	Opportunity	A significant proportion of patients in numerous low and middle-income countries encounter financial limitations when attempting to obtain affordable medicines. Our purpose “Innovating for Affordable Healthcare” drives us to improve access of affordable life-saving medicines for such patients worldwide. We prioritize making life-saving medicines accessible, available, and affordable for patients.	We aim to achieve health equity and believe that everyone, across the globe, has the right to access affordable and quality medicines. Through our pharmaceutical products, we consistently work towards enhancing our value proposition and deliver best-in-class solutions to our patients.	Positive
13	Supply Chain Sustainability	Risk	Our sustainable supply chain addresses the relevant environmental and social aspects of business, which are critical for the timely availability of our supplies and deliveries of our medicines to	Implemented a process titled “Environmental & Social Assessments” of Suppliers to ensure uninterrupted availability of supplies which support our customers, and healthcare systems globally.	Negative

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			patients worldwide. Initiatives are undertaken to anticipate, prevent and mitigate any concerns related to EHS, labour & human rights, ethics and quality that may cause supply disruptions.	We enforces a mandatory minimum level of adherence towards environmental and social compliance for our key suppliers through periodic assessments. A Supplier Code of Conduct to guide the value chain partners on applicable laws, regulations, policies and procedures, as well as the behavioural and ethical standards has been communicated to all key suppliers.	
14	Energy & GHG Emissions Management	Opportunity	Our environmental sustainability initiatives in the areas of energy conservation, energy efficiency, use of renewable energy, use of renewable fuels, water conservation, waste minimisation and green chemistry has positioned us to convert these environmental aspects to business opportunity. Reduce GHGs by using the renewable fuels, Project Registered with UNFCCC for GHS gasses reduction &	We have reduced GHG emissions significantly from our manufacturing operations and we have announced our commitment to lead the energy transition with a goal to be 100% powered by renewable sources by 2030 and are committed to be a net-zero carbon company by 2050. Our key levers to reducing GHG emissions include energy productivity improvements, use of renewable fuel and electricity.	Positive

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			<p>earning the CER's. The Company Earns Carbon Credits from the UNFCCC (Tradable) from its Biomass fuel based Steam generation project.</p> <p>Energy costs reduction by energy (Electrical and Thermal) conservation measures.</p> <p>The Energy conservation measures are taken up continuously.</p> <p>Resource usage reduction, water recycling.</p>		
15	Corporate Governance	Risk	<p>Business growth with strong focus on ESG compliance requirements from regulators, customers, investors and other relevant stakeholders. Sustainable operations resulting in sustainable growth.</p> <p>ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and SA 8000:2014 Certifications for continual improvement in EHS and Social performance.</p>	Periodic risk assessments, internal audits and management reviews are conducted to ensure effective implementation of relevant management systems as part of good corporate governance.	Negative

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### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	<a href="https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, the company has translated the Code of Conduct & Ethics and Policies into Procedures. <a href="https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf</a> Refer page no 1-12								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, through implementation of the Supplier Code of Conduct. The Purchase Order specifies that the vendor requires to comply with the Suppliers Code of Conduct. <a href="https://www.vbshilpa.com/pdf/SPL-Suppliers%20Code%20of%20Conduct12.pdf">https://www.vbshilpa.com/pdf/SPL-Suppliers%20Code%20of%20Conduct12.pdf</a>								
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, ISO 45001, BIS) adopted by your entity and mapped to each principle.	ISO 14001:2015-Environmental Management systems certificate <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2014001%20-%202015.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2014001%20-%202015.pdf</a> ISO 45001:2018–Occupational Health & Safety Management Systems <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018.pdf</a> SA 8000: 2014 – Social Accountability Management Systems <a href="https://www.vbshilpa.com/pdf/SPL%20-%20SA%208000-2014.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20SA%208000-2014.pdf</a> Refer to the last page of this report for SDGs Mapping Against NGRBC.								

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Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9							
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Refer link: KPI's & performance: <a href="https://vbshilpa.com/pdf/SPL%20-%20Key%20Performance%20Indicators23-24.pdf">https://vbshilpa.com/pdf/SPL%20-%20Key%20Performance%20Indicators23-24.pdf</a>																
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Refer Link: KPI's & performance: <a href="https://vbshilpa.com/pdf/SPL%20-%20Key%20Performance%20Indicators23-24.pdf">https://vbshilpa.com/pdf/SPL%20-%20Key%20Performance%20Indicators23-24.pdf</a>																
Governance, leadership and oversight																	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements ( <i>entity has flexibility regarding the placement of this disclosure</i> ) Statement by Managing Director Shilpa Pharma Lifesciences Limited (SPL), established in 1987, is an integrated pharma organization with diverse R&D and Manufacturing capabilities. SPL provides high-quality, affordable APIs trusted by customers worldwide. SPL is committed to integrate NGRBC, UNGC, SDGs & SBTi in the business processes within the context of its Vision “Innovating for Affordable Healthcare” by formulating ESG related policies and implementing them adopting relevant management systems through Leadership Commitment, Compliance, Proactive Impact Assessment, GHG Reduction & Climate Change Mitigation, Resource Conservation, Communication, Consultation & Participation, Training, Setting Objectives & Monitoring Performance to inculcate an interdependent Work Culture. We engage and work with our supply chain partners to understand each other’s expectations on sustainability & ESG and adopt safer and greener practices, as feasible.																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vishnukant C Bhutada, Managing Director																
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. Vishnukant C Bhutada, Managing Director																
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

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Performance against Above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	As a practice, performance against the policies is reviewed periodically on need basis by the Department heads, business heads and the Directors of the company.
Compliance with statutory requirements of relevance to the principles, and, rectification of any Non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Half Yearly
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.										<p>ISO Audit report.  <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018%20Report.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018%20Report.pdf</a>  Environmental Management Systems–ISO 14001:2015  <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2014001%20-%202015%20Report1.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2014001%20-%202015%20Report1.pdf</a>  Energy Management Systems–ISO 50001:2018  <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%20-%2050001-2018%20Report%20Unit%20II.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%20-%2050001-2018%20Report%20Unit%20II.pdf</a>  Occupational Health &amp; Safety Management Systems-ISO 45001:2018  <a href="https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018%20Report.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20ISO%2045001%20-%202018%20Report.pdf</a>  by AQC Middle East LLC, an Independent Certification Body Accredited by IAS (International accreditation services)</p>



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	<p>Social Accountability Management Systems: SA 8000:2014</p> <p><a href="https://www.vbshilpa.com/pdf/SPL%20-%20SA%20-%208000%20Report.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20SA%20-%208000%20Report.pdf</a></p> <p>by UK Certification &amp; Inspection Limited, an Independent Certification Body.</p>
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12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable

### 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:

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

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	12	Familiarization/ awareness program for the Board of Directors/ KMPs of the Company	100
Key Managerial Personnel	77	is done periodically as part of Board process covering various areas pertaining to the business, strategy, risks, operations, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/ KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100
Employees other than BOD and KMPs	173	Engineering, EHS, Social Accountability code of conducts, Ethics and governance	100

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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
Workers	135	Material Handling, EHS & ESG social accountability, Code of Conducts, Ethics, Governance	100

2. 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.

### A. Monetary

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been Preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					

### B. Non-Monetary

Particulars	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.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

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 an anti-bribery and corruption policy which is part of "Code of Business Conduct & Ethics and Supplier Code of Conduct. The policy is in the below weblink:

<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf>

<https://www.vbshilpa.com/pdf/SPL-Suppliers%20Code%20of%20Conduct12.pdf>

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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 23-24	FY 22-23
Directors	NIL	NIL
KMPs		
Employees		
Workers		

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

	FY 23-24		FY 22-23	
	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. 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 programs conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
1	<ul style="list-style-type: none"> <li>Honest &amp; ethical conduct &amp; fair dealing</li> <li>Compliance with the law rules &amp; regulations</li> <li>Confidential information</li> <li>Insider trading</li> <li>Employment practices &amp; non-discrimination</li> <li>Treatment of employee</li> <li>Sexual harassment</li> <li>Health &amp; safety</li> <li>Supply Chan management</li> </ul>	62% Value Chain partners were covered.

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Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
	<ul style="list-style-type: none"> <li>• Production quality compliance</li> <li>• Sales &amp; marketing practices</li> <li>• Advertising sales &amp; packing</li> <li>• Gifts, Gratitude's, Bribes &amp; Kickbacks &amp; anti money laundering</li> <li>• Conflict of interest</li> <li>• Related party transactions</li> <li>• Accurate retention of business records</li> <li>• Whistle blower policy &amp; procedure</li> <li>• Dealing with media</li> <li>• Responding to government requests</li> <li>• Prohibition against company political contributions</li> <li>• Copyrighted works</li> <li>• Responsibility to ask questions</li> <li>• Procedure for reporting possible violations.</li> </ul>	

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, as per the procedure laid down in the company's act.

### 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.

Category	FY 23-24	FY 22-23	Details of improvements in environmental and social impacts
Capex	18%	20%	Investments in Steam generation plant combustion automation to improve upon emissions, invested in advanced technologies to reduce water usage. Process & technologies improved to reduce the thermal energy requirements, renewable energy, efficient technologies, energy conservation measures like EC motors, process efficiency equipment to reduce the environmental footprint.

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Category	FY 23-24	FY 22-23	Details of improvements in environmental and social impacts
R&D	6.0%	7.5%	R&D Investments are focused on process efficiencies, sustainable technologies and involving continuous processes for reduction of resource consumptions and wastes.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Refer web link

<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf>

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

Yes, about 60% of the materials are sourced sustainably.

3. 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)

The company is registered with Extended Producers Responsibility with Central Pollution Control Board to recycle the plastic waste. Registration No.: 2023102006544845979

The company products are used by the customers for manufacturing, the packaging materials disposal of the used / received in the customers premises is disposed as per their hazardous waste authorization.

Any materials rejected are brought back to the factory premises and the plastic is disposed as per the hazardous waste Authorization through State Pollution Control Board (SPCB) authorized recyclers. The plastic waste disposed to the authorized vendor.

- (b) E-waste

The company is not involved in the sale of electronic goods, the small quantity of E-waste generated is disposed of by Recyclers Authorized by Karnataka State Pollution Control Board.

- (c) Hazardous waste

The products manufactured & sold by our company are used by customers for the manufacture of finished formulations, which are used by patients as per Doctor's advice. The plastic materials quantity dispatched in the market are compensated through the Plastic Recyclers by purchasing credits under Extended producers Responsibility

The Hazardous waste generated as part of manufacturing is safely disposed as per the Hazardous Waste Authorization given by KSPCB to the authorized personnel.

- (d) Other waste.

Other Non-Hazardous waste generated in house from Boiler like Boiler ash is safely disposed to the Brick manufacturers.

We have established relevant Policies and Procedures for safe storage and disposal of products at the end of life and environmentally sound waste recycling through authorized third parties as under:

- a) In FY2223, 79.8% of total waste is recycled/reused through co-processing/ authorized agencies and 20.1% of total waste is disposed to secured landfill.

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- b) In FY2324, 80.68% of total waste is recycled/reused through co-processing/ authorized agencies and 19.32% of total waste is disposed to secured landfill.
- c) Boiler ash is disposed to brick manufacturers for usage in Construction industry & is Recycled 100% waste.

4. 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, registered with the Central Pollution Control Board. Registration No: 2023102006544845979.

The plastic waste collection is done through a registered recycler.

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
210	Active Pharmaceuticals Ingredients	100%	Gate to Gate	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Active Pharmaceutical Ingredients	Effluent from the Manufacturing Process is environmental Concern if Untreated	The effluent is Treated in The Zero Liquid Discharge system & the treated water is Recycled in Cooling Towers.
	Fire Hazard	The Company has Installed Full-fledged firefighting system comprising of Fire Hydrant, Foam, Fire extinguishers, Fire alarms, The Risk assessment is done & the suggested control Measures are in Place.
	Toxic Release	HIRA for all the activities & Hazop for all the products Manufacturing Process have been carried out & Necessary control Measures like scrubbers, Air

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Name of Product / Service	Description of the risk / concern	Action Taken
		Pollution Control measures are Installed.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 23-24	FY 22-23
Solvents	77%	74%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 23-24			FY 22-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	85.32 MT	NA	0	20 MT	NA
E-waste	0	0.91 MT (E-Waste+ Batteries)	Sold to Manufacturer on buy back	0	4.4 MT (Batteries)	Sold to Manufacturer on buy back
Hazardous waste	0	0	2323.87 MT	0	0	1553.39 MT
Other waste	2485.75 MT boiler ash reused in construction bricks manufacturing	0	NA	2744.76 MT boiler ash reused in construction bricks manufacturing	0	NA

As our Company is engaged in the manufacturing of pharmaceutical products for human consumption, we do not reclaim products and packaging for reusing and recycling at the end of their life.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
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Active Pharmaceutical Ingredients	The Rejected Materials taken back to the factory, is investigated & reprocessed. The packaging materials are disposed to the Authorized Recyclers by Karnataka State Pollution Control Board. The packaging materials reclaiming is handled under extended producers' responsibility through registered & authorized recyclers. The % of such product rejection is negligible (~0.0001%)
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### PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

#### 1. a. Details of measures for the well-being of employees:

Category	% of employees 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)
Permanent employees											
Male	1090	447	41.01%	395	36%	NIL	NIL	NIL	NIL	NIL	NIL
Female	2	2	100.00%	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	1092	449	41.12%	395	36%	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent employees											
Male	Not applicable										
Female											
Total											

#### b. Details of measures for the well-being of workers:

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)
Permanent workers											
Male	238	144	60.50%	78	33%	NIL	NIL	NIL	NIL	NIL	NIL
Female	0	0	0	0	0	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total</b>	238	144	60.50%	78	33%	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent workers											
Male	587	225	38.33%	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	0	0	0	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	587	225	38.33%	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL



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### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 23-24			FY 22-23		
	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%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
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, all the Buildings / Facilities in the premises are accessible to the differently abled employees except the manufacturing Areas where there is Requirement of quick evacuation during the emergencies and the differently abled personnel are not allowed to work in the manufacturing areas for safety reasons.

### 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, covered in Code of Conduct. Refer Link

<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.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	0	NA	0	NA
Female	0	NA	0	NA
<b>Total</b>	0	NA	0	NA

### 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.

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	Yes/No (If Yes, then give details of the mechanism in brief)-
Permanent Workers	Yes, the Grievance Redressal procedure implemented and the link for same is given below. This procedure provides avenues to report concerns directly to the compliance team. Code of Business Conduct and Ethics link: <a href="https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf</a> Refer Page No 80-85
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 23-24			FY 22-23		
	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)
<b>Total Permanent Employees</b>						
Male	1090	114	10.46%	1009	85	8.42%
Female	2	0	0.00%	2	0	0.00%
<b>Total Permanent Workers</b>						
Male	428	22	5.14%	207	200	94.33%
Female	0	0	0.00%	0	0	0.00%

### 8. Details of training given to employees and workers:

Category	FY23-24					FY-22-23				
	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	1130	1130	100%	1130	100%	1009	1009	100%	1009	100%
Female	2	2	100%	2	100%	2	2	100%	2	100%
Total	1132	1132	100%	1132	100%	1011	1011	100%	1011	100%

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Workers										
Male	477	477	100%	477	100%	207	207	100%	207	100%
Female	NA									
<b>Total</b>	477	477	100%	477	100%	207	207	100%	207	100%

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

Category	FY23-24			FY 22-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1090	933	85.60%	1009	950	94.15%
Female	2	2	100.00%	2	2	100%
<b>Total</b>	1092	935	85.63%	1011	952	94.16%
<b>Workers</b>						
Male	428	395	92.29%	207	207	100%
Female	0	0	0.00%	0	0	0
<b>Total</b>	428	395	92.29%	207	207	100%

\*The company evaluates the performance of the employees every year, out of 1092 Employees 157 people have not completed one year of service so for these employees PE is due in next financial year.

### 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, All the units have implemented the Occupational Health & Safety Management Systems.

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

This is covered under the SOP No: SOP/U-2/EHS/GEN/023/01 Hazard identification and risk assessment & Environment aspects (HIRA ) & refer link

<https://www.vbshilpa.com/pdf/SPL%20-%20Aspects-Hazards%20Identification%20And%20Evaluation.pdf>

HIRA – AO Block: <https://www.vbshilpa.com/pdf/SPL%20-%20HIRA%20AO%20BLOCK.pdf>

HIRA- EIA – Plant Summary:

<https://www.vbshilpa.com/pdf/SPL%20-%20HIRA%20&%20EIA%20Summary%20of%20plant.pdf>

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

This is covered under at safe behavior SOP No: SOP/U-2/EHS/GEN/015/06

<https://www.vbshilpa.com/pdf/SPL%20-%20SOP-U2-EHS-GEN-015-05.pdf>

Yes, this is covered under at safe behavior SOP No: Unsafe acts & unsafe condition & Near Misses are daily reported & and the major incidents are investigated and root cause analysis done and CAPA implemented.

Refer link

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### Incident Investigation Report

[https://www.vbshilpa.com/pdf/SPL%20-%20Incident%20Accident%20Summary\\_Report.pdf](https://www.vbshilpa.com/pdf/SPL%20-%20Incident%20Accident%20Summary_Report.pdf)

### Daily Safety Dashboard:

<https://www.vbshilpa.com/pdf/SPL%20-%20Daily%20Safety%20Dashboard%20Report%2026-03-24.pdf>

- d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)** Yes, all our sites are having occupational Health Centre, which provides healthcare services for both occupational and non-occupational medical needs.

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

Safety Incident/Number	Category	FY 23-24	FY 22-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.323
	Workers	0	0.0
	Combined	0	0.249
Total recordable work-related injuries	Employees	7	14
	Workers	11	16
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	0	0

### 12. Describe the measures taken by the company to ensure a safe and healthy workplace.

The company has an industrial hygiene procedure & assesses the work place monitoring for VOC, LEL, API in Effluent, Environment, Dust & Indoor air quality testing for particulate matter at the dust generation areas like solid charging, milling sieving & packing operations. The company has SOPs refer SOP List in web link for ensuring the safe and healthy workplace & the data is monitored and reviewed and CAPA implemented.

EHS SOP List: <https://www.vbshilpa.com/pdf/SPL%20-%20SOP%20List.pdf>

### Industrial Hygiene Program report:

<https://www.vbshilpa.com/pdf/SPL-Industrial%20Hygiene%20Program%20Recomemdatons%20Review%20Report.pdf>

### Protocol for VOC & LEL:

<https://vbshilpa.com/pdf/SPL%20-%20Protocol%20for%20VOC%20&%20LEL%20Monitoring%20.pdf>

Report VOC & LEL: <https://www.vbshilpa.com/pdf/SPL%20-%20Report%20VOC%20&%20LEL.pdf>

### Suppliers Environment & Social Assessment Report:

<https://www.vbshilpa.com/pdf/SPL-SUP-SAQ-OFI-CAPA.pdf>

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

	FY23-24			FY22-23		
	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	0	0	--	0	0	--
Health & Safety	32	0	--	38	0	--

Refer the minutes of the safety committee meeting at the link: Safety Committee Minutes & Compliance for 23-24

Safety committee meeting

<https://www.vbshilpa.com/pdf/SPL%20-%20Safety%20Committee%20Meeting%2019-03-2024.pdf>

### 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.

Safety related incidents are reported and investigated by trained employees following root cause analysis (RCA) method to find out the root /most probable cause(s) for such incidents. CAPAs are proposed based RCA findings, which are monitored for implementation. Refer Link for near miss & incident investigation reports & their CAPA implementation. - Link the investigation reports & CAPA of near miss.

<https://www.vbshilpa.com/pdf/SPL%20-%20Incident%20Investigation%20Report.pdf>

### Leadership Indicators:

- 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 & Workers are covered with personal accident policy.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**  
The company verifies the supplier's payments of statutory dues to the Govt. authorities in respect of Employee Provident Fund, Employee state Insurance every month and the PO clearly states that non compliances will lead to the termination of orders/contract
- 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 rehabilitated and placed in suitable employment or whose family members have been placed in**

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suitable employment:

Particulars	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 23-24	FY 22-23	FY 23-24	FY 22-23
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)**

No

5. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	50%
Working Conditions	50%

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**

Yes, CAPA compliance communicated and attached refer link.- CAPA Report & Communication

Suppliers Environment & Social Assessment Report:

<https://www.vbshilpa.com/pdf/SPL-SUP-SAQ-OFI-CAPA.pdf>

**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.**

Our purpose of 'Innovating for affordable healthcare' encompasses all our stakeholders, because we consider our stakeholders as important partners in our journey to achieve our purpose. We have established relevant policy and procedure for stakeholder engagement, which helps us enhance our strategy development and decision-making. We engage on issues that are important to us as a business as well as to the stakeholders, with the objective of addressing their needs and expectations and identifying new opportunities to create value.

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Our process of identification and classification of the stakeholders is defined by their interest, impact and participation in operations of the Company and engagement on various environmental, social and governance matters. Delivering on stakeholder needs expectations are integral part of our business. We listen to our stakeholders and have established various channel of communication, consultation and participation.

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

S No	Stakeholder Group	Whether Identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of Engagement	Purpose & Scope of Engagement, Including Key Topics & Concerns Raised During Such Engagement
1	Employees	No	Formal induction at the time of joining, Town hall meetings, Communication from Senior Management, Communication through Emails, Safety committee meetings, Canteen committee meetings, Feedback, Suggestion Box, Toolbox meetings, Celebrations of Independence Day, Republic Day, Safety Week, World Environment Day, Review meetings, Notice Boards, Reward & Recognition programs, Spot award programs, Cultural	Frequent and need based	Employee engagement, operational efficiencies, improvement opportunities, long-term strategy plans, training and awareness on safety/ behavioural safety, motivation, personality development, on job & classroom trainings; innovations, sharing of knowledge, learning, performance, training and career development reviews, seeking feedback on work culture, building a safe, diverse and inclusive work environment, providing employees with adequate training and development for career progression, ensuring employees are aligned with organizational values and code of conduct, addressing employee grievances, instilling health and safety practices in the organization.

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			programs, Sports meet, Trainings, Get-togethers, Appreciation meetings, Daily, Monthly review meetings, Exit suggestions in sealed covers, Risk assessment activities, HIRA, EAIA, Hazop, HAC, etc.		
2	Contract Workforce	No	Through trainings, Toolbox talks and Participation in celebrations like environment day, safety day, fire safety day, etc.	Frequent	To create awareness on health, safety and environment related policies and practices. To engage them in consultation.
3	Suppliers & Partners	No	Suppliers ESG assessments, Trade fairs, Exhibitions, Plant visits, Seminars, Professional networks, Vendor audits, Supply chain initiatives.	Annual and need based	Making a holistic impact on the health of patients worldwide requires us to work with suppliers and partners across the healthcare value chain. We emphasize fair, transparent, and ethical practices and seek partners who share the same commitment towards compliance with laws, regulations, published standards and environmental practices. Ensuring business ethics and alignment with organizational values. Integration of ESG aspects into supplier operations while ensuring quality of material is met.



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4	Customers	No	Trade Fairs (National & International), Customer Meetings, Customer Site Visits, Customer Audits for ESG, BD Team Interactions with Customers, VCs with Customers, Calls, e-Mails, Website, Customer feedback forms.	Frequent	Ensuring customer satisfaction and needs are met. Resolving customer grievances. Ensure regular supply of products, keep them informed about new products, participate in the bids/ tenders and maximize the outreach of our products. Confirmation on compliance with customer audit CAPAs. Understand customer's expectations on ESG and sustainable procurement. Address any customer feedback/query on ESG and sustainable procurement. Response to customer needs, Customer audits & compliance of Audit points, Climate change disclosures, ESG compliance, Life cycle assessment.
5	Local Community	No	Engagement includes physical visits, digital channels, CSR activities.	Frequent and need based	Our corporate social responsibility and employee volunteering programmes target the areas of education, skilling and livelihood, health and environmental sustainability through partners and local NGOs. Understanding the social /developmental challenges of the communities. Developing sustainable ecosystems for our communities. Ensuring community growth and development with regards to employment, education, healthcare, etc.
6	Academia	No	Meetings, campus events and on-site visits.	Need based	Transfer of knowledge through engagement with students and universities. Recruitment and hiring of freshers.

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7	Civil Society Institutions	Not all stakeholder groups are considered vulnerable. The company works with the lower socio-economic section of society.	Pamphlets / Community Meetings.	Need based	Engagement in the areas of: a) Building awareness towards health services. b) Sensitization workshops on preventive health. c) Capacity Building on relevant topics in health / education.
8	Shareholders & Investors	No	Calls/In Person Meetings (one on one/group), Annual General Meeting, Press Releases, Website, Annual Report, Investor Presentations. Shareholder meets, BRSR Report, Communication of financial results through emails, media and news, stock exchange intimations, investor presentations and annual reports. We also provide various updates on our website and other places of engagement.	Frequent and need based	To discuss about business performance and outlook, details of the announced events and to discuss about concerns/issues (if any). Ensure transparency and accountability. The key areas of engagement include an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks, our ESG goals/actions, and material events which may have a positive or negative impact on the performance of the Company.

### Leadership Indicators:

- 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.**

Respective business heads engage with the stakeholders on various ESG topics and the relevant feedback from such consultation is provided to the Board, wherever applicable.

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### 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, our material issues are identified based on our stakeholder engagement process. Our Sustainability Goals (KPI's) are aligned to the operating context and its impact on various environmental and social aspects. – Refer Link

KPI Performance:

<https://vbshilpa.com/pdf/SPL%20-%20Key%20Performance%20Indicators23-24.pdf>

We have set our aspirations for sustainable growth by setting the sustainability goals as under:

- Ensuring Well-being of our Employees and Visitors including customers, contractors, sub-contractors.
- Working towards Carbon Neutrality.
- Working towards Water Neutrality.
- Working to achieve Zero Waste to Landfill.
- Promoting Green Chemistry & Green Engineering.

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

We engage with various stakeholders who may be classified as vulnerable/marginalized stakeholder groups. There are no reportable concerns of vulnerable / marginalized groups. However, the Company undertakes various CSR activities in nearby localities where our operational sites are located that serve the concerns of the vulnerable / marginalized stakeholder groups.

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators:

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY23-24			FY 22-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1132	847	74.82%	1011	1011	100.00%
Other than permanent	0	0	0	0	0	
<b>Total Employees</b>	<b>1132</b>	<b>847</b>	<b>74.82%</b>	<b>1011</b>	<b>1011</b>	<b>100.00%</b>

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Category	FY23-24			FY 22-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Workers</b>						
Permanent	183	149	81.42%	207	207	100.00%
Other than permanent	0	0	0	419	310	73.98%
<b>Total Workers</b>	183	149	81.42%	626	517	82.58%

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

Category	FY 23-24					FY 22-23				
	Total (A)	Equal minimum wage	to	More than Minimum Wage		Total (D)	Equal Minimum Wage	to	More than Minimum Wage	
		No. (B)	% (B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1090	0	0	1090	100%	1009	0	0	1009	100%
Female	2	0	0	2	100%	2	0	0	2	100%
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	428	78	18%	428	100%	207	0	0	207	100%
Female	0	0	0	0	0%	0	0	0	0	0
Other than Permanent										
Male	588	588	100%	181	31%	419	419	100%	0	0
Female	0	0	0%	0	0	0	0	0	0	0

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

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	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category, Million ₹	Number	Median remuneration / salary/ wages of respective category, Million ₹
Board of Directors (BoD)	4	₹15.272 Million for the year 23-24 (Paid by Shilpa Medicare)	1	₹ 1.8 Million for the year 23-24 (Paid by Shilpa Medicare)Independent director
Key Managerial Personnel	1	NA	1	NA
Employees other than BoD and KMP	1090	₹ 1100.3 Million for the year 23-24	1	₹ 3.26 Million for the year 23-24

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)**

Social Performance Team formed to address the Human Rights impacts or issues caused or contributed to by Business – Social Performance team Refer Link

<https://www.vbshilpa.com/pdf/SPL-Social%20Performance%20Team.pdf>

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

**Grievance Redressal Procedure available** – Refer Grievances Link

<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf>

Refer Page No : 80-85

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

	FY 23-24			FY 22-23		
	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	NA					

Mechanism of of Complaints Receiving at Mail ID [info@vbshilpa.com](mailto:info@vbshilpa.com) , proof of Communication:

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Refer Link – Mail From Head office

<https://www.vbshilpa.com/pdf/SPL%20-%20Complaints%20Mail%20Copy%20Report.pdf>

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

Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these reports, ensuring that appropriate action is taken.

8. Do human rights requirements form part of your business agreements and contracts?

(Yes/No)

Yes

9. Assessments for the year:

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

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

During the assessment, no significant risks/concerns identified.

### Leadership Indicators:

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
  - Grievance redressal committee formed
  - The summary of the complaints is maintained
  - Ensure the protection of complainant
  - Counselling & training to the complainant & harasser
  - Fair & Fine investigations & timely resolutions.
  - Disciplinary actions if required implemented on the harasser
  - Training to all the employees on grievances & Complainant.
- Details of the scope and coverage of any Human rights due-diligence conducted.  
Human Rights due- diligence not conducted.

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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	60% of the suppliers who has submitted the SAQ duly filled in
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.

Refer the Link: <https://www.vbshilpa.com/pdf/SPL-SUP-SAQ-OFI-CAPA.pdf>

### 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 2032-24 (GJ)	FY 2022-23 (GJ)
Total electricity consumption (A) – GJ	103924.90	103780.30
Total fuel consumption (B) – GJ	215261.04	287706.05
Energy consumption through other sources (C) – GJ	-	-
<b>Total energy consumption (A+B+C) – GJ</b>	<b>319185.94</b>	<b>391486.35</b>
Energy intensity per lakh of rupee of turnover (Total energy consumption/ turnover in lakh rupees)	3.74	4.77
Energy intensity per Kg of Product (optional) – the relevant metric may be selected by the entity	0.9056	1.5795

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

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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 23-24	FY 22-23
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	58071.96	64106.26
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	58071.96	64106.26
<b>Total volume of water consumption (in kiloliters)*</b>	58071.96	64106.26
<b>Water intensity per lakh of rupees turnover (Water consumed / turnover)</b>	0.6801	0.7811
<b>Water intensity per Kg of Product (optional)–the relevant metric may be selected by the entity</b>	0.1648	0.2586

\* Excludes recycled water quantities.

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, the Company has implemented a mechanism for zero liquid discharge (ZLD) at Unit-2 to cater for both Unit 1 & Unit 2 (both API manufacturing sites located at Raichur, Karnataka). These units are in close proximity and are provided with a common ZLD facility, which is located at Unit 2. The unit recycles the whole Qty of treated water in utilities.



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

Parameter	Please specify unit	FY 23-24	FY 22-23
NOx	MT/A	19.28	9.2
SOx	MT/A	22.67	16.86
Particulate matter (PM)	MT/A	16.81	11.79
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	MT/A	BDL	16.78
Hazardous air pollutants (HAP)	NA	-	-
Others please Specify (Acid Mist from Scrubber)	MT/A	6.6	3.89

BDL – Below detectable limit.

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, the emission monitoring has been conducted by the MoEF&CC approved laboratory having accreditation from the National Accreditation Board for Testing and Calibration Laboratories. Refer Link MSV lab Reports:

<https://www.vbshilpa.com/pdf/SPL%20-%20MSV%20Report.pdf>

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

Parameter	Unit	FY 23-24	FY 22-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)*	Metric tons of CO <sub>2</sub> equivalent	2655.68	3652.72
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> equivalent	23671.78	23638.84
<b>Total Scope 1 and Scope 2 emissions per lakh rupee of Turnover</b>	TCO <sub>2</sub> e/ lakh	0.3083	0.3325
<b>Total Scope 1 and Scope 2 emission intensity</b> per Kg of Product (optional) – the relevant metric may be selected by the entity	TCO <sub>2</sub> e/GJ	0.0747	1.1011

Excludes avoided GHG emissions from biomass fuel use.

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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

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

Yes. In line with our goal of becoming 'Net Zero by 2050', we work towards improving the energy conservation, energy efficiency, use of renewable energy and use of biofuels across operational locations by implementing several projects to enhance the proportion of renewable energy resources (electricity and biofuels) in our total energy mix and reduction of greenhouse gases (GHGs). The Entity has Registered its Biomass Based Steam Generation project with UNFCCC Project No-3926 under the Kyoto Protocol and GHG Reduction by using Biomass fired steam generation with Coal as Base line. Refer Link : Biomass Based Steam Generation project – UNFCCC

<https://www.vbshilpa.com/pdf/CDM%20Biomass-based%20Steam%20generation%20project%20at%20SPL.pdf>

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

Parameter	FY 23-24	FY 22-23
<b>Total Waste generated (in metric tons)</b>		
Plastic waste <b>(A)</b>	85.32	16
E-waste <b>(B)</b>	0.26	-
Bio-medical waste <b>(C)</b>	1.23	-
Construction and demolition waste <b>(D)</b>	-	-
Battery waste <b>(E)</b>	0.65	4.4
Radioactive waste <b>(F)</b>	-	-
Other Hazardous waste. Please specify, if any. <b>(G)</b>	2323.87	1635.36
Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2507.25	2769.85
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>4918.57</b>	<b>4429.61</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>		
<b>Category of waste</b>		
(i) Recycled	1392.15	695.84
(ii) Re-used	2576.15	2755.38
(iii) Other recovery operations	-	-
<b>Total</b>	<b>3968.31</b>	<b>3451.22</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</b>		
<b>Category of waste</b>		
(i) Incineration	1.65	-

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Parameter	FY 23-24	FY 22-23
(ii) Landfilling	948.62	876.35
(iii) Other disposal operations	-	-
<b>Total</b>	950.26	876.35

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, Karnataka State Pollution Control Board inspects the site & Monthly returns filing the data of hazardous wastes disposed & Is Reviewed by the Pollution Control Board.

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.**

Shilpa has consistently scaled up its waste management practices by reducing waste quantities & Reducing the resources & minimizing the Hazards by adopting the green Chemistry & green technologies like Flow & Continuous flow technologies , the company has invested in advanced technologies to develop & adopt the flow technology to reduce the hazards & Risks The Company adopts environmentally sound disposal of Combustible waste to Co- Processing & Other wastes for reuse & recycling & a small portion of the waste is only sent to authorized Treatment, Storage and Disposal Facilities (TSDF). We are increasing the share of recycling and co-processing to bring down the quantity of waste disposed to landfills.

We have dedicated storage area for different type of waste (hazardous, biomedical, e-waste, and non-hazardous) and waste segregation is done at source.

All types of wastes are labelled, stored and disposed of as per applicable rules and consent to operate.

The Non-Hazardous boiler ash waste is disposed to Brick Manufacturing industries & is 100% Reused.

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:**

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.
Not applicable			

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

Not applicable

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,

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Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes.

S. No.	Specify the law / regulation/ guidelines which were not complied with	Provide Details of The non-compliance	Any fines/ penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

### 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 23-24	FY 22-23
<b>From renewable sources</b>		
Total electricity consumption (A)- GJ	93718.80	72648.00
Total fuel consumption (B) – GJ	188207.04	255765.02
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>281925.84</b>	<b>328413.02</b>
<b>From non-renewable sources</b>		
Total electricity consumption(D)	10206.09	31132.3
Total fuel consumption (E)	27054.01	31941.02
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>37260.1</b>	<b>63073.32</b>

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

GESCOM (Gulbarga Electricity Supply Company- a Karnataka State Owned Electricity supply Company) verifies every month & issues the office memorandum for wheeling of units Generated by the parent company – Shilpa Medicare Ltd & Wind power purchased from Atria.

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2. Provide the following details related to water discharged:

Parameter	FY 23-24	FY 22-23
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	ZLD treated water recycled in cooling towers	ZLD treated water recycled in cooling towers
- No treatment	-	-
- With treatment – please specify level of treatment	Up to Tertiary Treatment & Reduce the COD less than - 250 ppm	Up to Tertiary Treatment & Reduce the COD less than - 250 ppm
<b>Total water discharged (in kiloliters)</b>	42148 KL	44089KL

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 kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Deosugur/Chicksugur, Raichur
- Nature of operations: Manufacturing
- Water withdrawal, consumption and discharge in the following format:

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Parameter	FY 23-24	FY 22-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	58071.96	64106.26
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	58071.96	64106.26
Total volume of water consumption (in kiloliters)	58071.96	64106.26
Water intensity per lakh of rupee of turnover ( <i>Water consumed / turnover</i> )	0.6801	0.7811
Water intensity per Kg of Product ( <i>optional</i> ) – the relevant metric may be selected by the entity	0.1648	0.2586
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	ZLD treated water recycled in cooling towers	ZLD treated water recycled in cooling towers
- No treatment	-	-
- With treatment – please specify level of treatment	Up to Tertiary Treatment & Reduce the COD less than - 250 ppm	Up to Tertiary Treatment & Reduce the COD less than - 250 ppm
<b>Total water discharged (in kiloliters)</b>	<b>42148 KL</b>	<b>44089 KL</b>

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

Parameter	Unit	FY 23-24	FY 22-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) *	tCO <sub>2</sub> e	961.27	710.41
<b>Total Scope 3 emissions per lakh rupee of turnover</b>	tCO <sub>2</sub> e / Lakh ₹	0.0112	0.0087
<b>Total Scope 3 emission intensity</b> per Kg of Product	tCO <sub>2</sub> e/ Kg of product	0.0027	0.0029

Limited for Categories 4, 6, 7 and 9 only.

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.

The Company is located at the Govt. Notified Industrial Area & Hence no impact on Biodiversity.

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:

The following Water consumption reduction programs is implemented.

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Controlling API in Effluent	<b>API Content in effluent procedure:</b> <a href="https://www.vbshilpa.com/pdf/SPL%20-%20API%20Content%20in%20Effluent%20Procedure.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20API%20Content%20in%20Effluent%20Procedure.pdf</a> <b>API Content in effluent Report:</b> <a href="https://www.vbshilpa.com/pdf/SPL%20-%20API%20Content%20in%20Effluent%20Report.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20API%20Content%20in%20Effluent%20Report.pdf</a>	The treated water does not contain any API and the treated water is free from contamination.
1	Water Reduction	In the Purified water generation system the Rejects from Electrodialyser, Reverse osmosis Reject & Pretreatment & Ultrafiltration Back flush/ Fast Flush are Recycled to Reduce the water consumption	42148 KL of water is recycled from the ZLD.
2	Steam Economy	Process optimization by eliminating the Isomerisation and Ion Exchange stages to minimize	A thermal Energy of 5395 Million

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	Improvement- Thermal Energy Conservation	steam consumption. Installed and commissioned Under Bed Firing system for the boiler, resulting in thermal energy savings.	Kcal is Conserved in this Operation
3	Reduction of Rejects from Reverse Osmosis	The company has installed a Reverse osmosis system to Treat the RO Rejects, there by reducing the Ro Reject volume to 50% to be evaporated & Condensed	2645 Million Kcal Thermal energy is Conserved

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

YES – Refer Web Link for Business Continuity plan.

<https://www.vbshilpa.com/pdf/SPL%20-%20BCP%20Procedure.pdf>

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 on the environment from Value Chain activity of the company. Hence, mitigation measures are Not applicable

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

50% of the Supplier assessment questionnaire duly filled & Received back from the vendor.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

### Essential Indicators:

- a. Number of affiliations with 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.	Raichur chamber of Commerce & Industry	State- Karnataka
2.	Pharmexcil- Hyderabad	National- India
3.	Raichur Chemical Manufacturers Association	State- Karnataka
4.	Export Promotion Council for EOU/SEZ	National – India

2. 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.

No Issue on anti competitive practices by the company, Hence no adverse actions by the regulatory

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA



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### Leadership Indicators:

S. No.	Public policy Advocated	Method resorted for such advocacy	Whether information available in public Domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly /Others Please specify)	Web Link, If available
1	The formulated policies in line with the Regulatory Requirements & UNGC are available for Public on the company website	Company web site for Policies and Management systems PO – suppliers Code of Conduct BRSR – Available on web site	YES available on Companies web site	Annually	Refer – Link <a href="https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf">https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf</a>

### 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.  
No Significant Projects / Expansion done by the entity in the last two years.
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:  
No
- Describe the mechanisms to receive and redress grievances of the community.  
Most of the activities are carried out in discussion and agreement with the community members. In case of any grievances, the community leaders can reach out to the Company's point of contact (POC) at each of the units. The POC is directly and easily accessible to the community to address any concerns that may arise. Depending on the nature of complaint, relevant stakeholders are engaged to resolve any issue.  
Refer the link Grievance redressal Procedure :  
<https://www.vbshilpa.com/pdf/SPL%20-%20Corporate%20Social%20Responsibility2.pdf>  
Refer the Page No: 80- 85

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

	FY 23-24	FY 22-23
Directly sourced from MSMEs/ small producers	82%	79%
Sourced directly from within the district and neighboring districts	4%	3%

### Leadership Indicators:

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

No Significant Negative impacts due to the Project, However the land looser have been provided with the employment

Details of negative social impact identified	Corrective action taken
Loss of employment by the land looser to the Govt. Notified Industrial area	The land looser pertaining to the land allotted to us have been provided with the employment

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Currently not applicable.
3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)  
YES, The Supply chain Management system has a provision for procurement from Marginalized & Vulnerable groups in the diversity section  
(b) From which marginalized /vulnerable groups do you procure?  
The Rice Husk which is used as a renewable fuel for steam Generation is Collected from the rice mills by the aged Dalit persons & Shilpa Collects Through the Raw Impex Get them Delivered  
(c) What percentage of total procurement (by value) does it constitute?  
3% of the total Value of the procurement is done
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:  
Not Applicable. The company is into Active Pharmaceutical Ingredients Manufacturing, Traditional Knowledge is not use.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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.

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Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects: Currently not applicable.

### PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

#### Essential Indicators:

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
We have Standard Operating Procedure (SOP) in Place to handle the consumer complaints and feedback. The complaints are received by email and reply after due investigation. Each complaint is logged in and evaluated and investigated from either a (i) Quality or a (ii) Safety or (iii) both perspectives. Complaint is closed after investigation and appropriate regulatory action has been taken.

Refer Link For SOP Handling of customer complaint Procedure:

<https://www.vbshilpa.com/pdf/Handling%20of%20Customer%20complaint.pdf>

- 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	100%

- Number of consumer complaints in respect of the following:

	FY 23-24		Remarks	FY22-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NA	NA	NIL	NA	NA
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						

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	FY 23-24		Remarks	FY22-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Other						

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

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

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, Company has a privacy policy for all its legal entities and business. This can be accessed on our website.

IT Policy Data privacy is covered IT policy Information Technology Policy:

<https://www.vbshilpa.com/pdf/SPL%20-%20IT%20Usage%20Policy.pdf>

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.

NIL ; No issues on advertising, Cyber security , Data privacy instances of Product recalls , penalty & Hence No cation by Regulatory authorities on safety of products.

### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

**Refer web link.-** For Products & Services

<https://www.vbshilpa.com/api-products.php>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Certificate of Analysis & SDS issued along with the Consignment to the customers (Formulation Manufacturers).

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Information to the customer of any risk of disruption/discontinuation of the supplies covered as a part of the Drug master file as Commitment & also a part of the quality & supply agreement with the customer.

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SHILPA follow a procedure to notify the customers regarding of any risk of disruption/discontinuation of essential services. SHILPA address any change in notification and share the same to customers through E-mail.

SHILPA shall not make any changes that have an impact on regulatory submissions without written notification from customer that Regulatory Authority approval has been granted when necessary.

If any changes in existing, will notify Customers through in writing prior to any critical or major changes to materials, Components, facilities, testing, utilities, equipment, and processes that may impact the Product safety, integrity, identity, strength, purity, quality, and /or regulatory filing - prior to implementation of the changes.

Change notification shall be sent through email, as indicated in this document

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)

Not Applicable

If yes, provide details in brief. – NA

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity?

The Customer satisfaction is obtained from the Customers by way of Customer audits & on satisfaction of the manufacturing systems & quality systems compliance the customer gives the report that the business can be continued for period specified in the report

Significant locations of operation of the entity or the entity as a whole? (Yes/No)

YES

Customer feedback report: Refer audit conclusions


















<https://www.vbshilpa.com/pdf/SPL%20-%20Customer%20Feedback%C2%A0Report.pdf>

5. Provide the following information relating to data breaches:
  - a. Number of instances of data breaches along-with impact: No Data Breaches
  - b. Percentage of data breaches involving personally identifiable information of customers: Not applicable.

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### SDGs Mapping Against NGRBC

The chart demonstrates the alignment between the SDGs and relevant Principles of the NGRBC. It may be noted that this is indicative.

	P3, P4, P8		P2, P6, P7		P2, P6, P7, P8
	P2, P6, P7 P8, P9		P2, P3, P5, P8		P2, P6, P7 P8, P9
	P3, P6, P8		P3, P4, P8		P2, P6, P7, P8, P9
	P3, P8, P9		P2, P6, P7		P1, P3, P4, P5, P8
	P3, P4, P5, P8		P3, P4, P7, P8		P1, P7, P8
	P2, P6, P8		P2, P6, P9		★

Ref: [https://www.mca.gov.in/Ministry/pdf/NationalGuideline\\_15032019.pdf](https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf)