

# Business Responsibility & Sustainability Report (BRSR)

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L24110TG1990PLC011854
2.	Name of the Listed Entity	Divi's Laboratories Limited
3.	Year of incorporation	1990
4.	Registered office address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
5.	Corporate address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
6.	E-mail	<a href="mailto:mail@divislabs.com">mail@divislabs.com</a>
7.	Telephone	+91 40-66966300
8.	Website	<a href="http://www.divislabs.com">www.divislabs.com</a>
9.	Financial year for which reporting is being done	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE), and BSE Limited (BSE)
11.	Paid-up Capital	₹53,09,37,160/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	M. Satish Choudhury Company Secretary & Compliance Officer <a href="mailto:cs@divislabs.com">cs@divislabs.com</a> +91 40-66966352
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosure under this BRSR is on standalone basis unless otherwise stated.
14.	Name of assurance provider	Bureau Veritas (India) Private Limited
15.	Type of assurance obtained	Reasonable Assurance (for BRSR core indicators).

### II. Products/services

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

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture of Active Pharma Ingredients, Intermediates and Nutraceuticals.	Manufacture of Active Pharma Ingredients, Intermediates and Nutraceuticals.	100%

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

S. No	Description of Business Activity	NIC Code	% of Turnover of the entity
1.	Manufacture of Active Pharma Ingredients, Intermediates and Nutraceuticals.	21009	100%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	4*	1	5
International	0	2	2

\*The number of plants include the Company's manufacturing facility including Unit 3 under construction and R&D centre.



## 19. Markets served by the entity:

## a. Number of locations

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	80

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

87%

## c. A brief on types of customers

Our customers include various Pharmaceutical and Nutraceutical companies across the globe.

## IV. Employees

## 20. 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)
<b>Employees</b>						
1.	Permanent (D)	9,683	8,239	85.09	1,444	14.91
2.	Other than Permanent (E)	1,424	1,158	81.32	266	18.68
3.	<b>Total employees (D + E)</b>	<b>11,107</b>	<b>9,397</b>	<b>84.60</b>	<b>1,710</b>	<b>15.40</b>
<b>Workers</b>						
4.	Permanent (F)	58	58	100	0	0
5.	Other than Permanent (G)	6,359	6,353	99.91	6	0.09
6.	<b>Total workers (F + G)</b>	<b>6,417</b>	<b>6,411</b>	<b>99.91</b>	<b>6</b>	<b>0.09</b>

## b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently abled Employees</b>						
1.	Permanent (D)	17	15	88.23	2	11.77
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>17</b>	<b>15</b>	<b>88.23</b>	<b>2</b>	<b>11.77</b>
<b>Differently abled Workers</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	11	11	100	0	0
6.	<b>Total differently abled workers (F + G)</b>	<b>11</b>	<b>11</b>	<b>100</b>	<b>0</b>	<b>0</b>

## 21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	12	2	16.67
Key Management Personnel*	7	1	14.29

\* Including Executive Directors



22. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.11%	14.64%	9.05%	17.69%	23.70%	18.52%	15.72%	27.90%	17.39%
Permanent Workers	0	0	0	1.72%	0	1.72%	0	0	0

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

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

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Divis Laboratories (USA) Inc., New Jersey, USA.	Subsidiary	100%	No
2	Divi's Laboratories Europe AG, Basel, Switzerland	Subsidiary	100%	No

#### VI. CSR Details

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

(ii) Turnover (in ₹ crores): ₹8,002

(iii) Net worth (in ₹ crores): ₹13,484

#### VII. Transparency and Disclosures Compliances

25. 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 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year <sup>#</sup>	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year <sup>#</sup>	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes*	23	0	-	59	0	-
Employees and workers	Yes*	0	0	-	0	0	-
Customers	Yes*	42	07	-	37	05	-
Value Chain Partners	Yes*	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

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

# Pending complaints at the end of relevant period are redressed as per the standard operating procedure and are/will be closed in due course.



26. Overview of the entity's material responsible business conduct issues:

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety	R	In pharmaceutical manufacturing, health and safety management systems must ensure uninterrupted and safe operations.	Health and Safety management systems and procedures are in place in line with the applicable laws enacted in India like Factories Act, Explosives Act, etc., as well as applicable international standards like ISO. These systems/procedures are reviewed and audited periodically. Processes are in place for incident reviews leading to corrective and preventive action.	Occupational health & safety incidents can have negative financial implications.
2	Environment Management	R	The Company's operations if not managed properly may result in risk to environment.	Environmental risks and impacts are managed through established environment management practices. The practices include conducting risk assessments, periodic review mechanisms and continuous strengthening practices and mitigation plans, using reviews and corrective and preventive actions. We are certified for ISO 14001 Environment Management System.	Environmental risks may result in negative financial implications.
3	Water Management	R	Water management is crucial for the Company's operations from the perspective of protection and conservation of the natural resource and cost effectiveness.	We are managing risks associated with water management through implementation and strengthening of water recycle and reuse programmes, installation of RO plants to treat water to reuse, water conservation programmes (rainwater harvesting, collecting steam condensate, etc), and by installation of desalination plants to utilise seawater for selected operations.	Water management risks may result in negative financial implications apart from scarcity of this resource.
4	Community Care	O	The Company believes in sustainable development and serves the vulnerable population around its manufacturing operations through its CSR activities.	-	Positive: The Company helps the communities with CSR activities in the area of health, education, drinking water, women empowerment, green initiatives, support to differently abled, rural development, Skill development, etc. This gives the Company a positive response in the communities it operates.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk opportunity (Indicate positive or negative implications)
5	Waste Management	R	Manufacturing of products requires abundant quantities of raw materials and proper management of waste generated.	We are managing risks associated with Waste management through implementation and strengthening of recycle and reuse programmes. Effective recovery of solvents from solvent recovery system and reuse in the process. Implementation of green chemistry in the process to reduce the waste generation. All solid waste generated are handled as per the applicable regulations of Ministry of Environment, Forest & Climate Change of India and Pollution Control Board's (PCB) conditions.	Waste management risks may result in negative financial implications.
6	Climate Change	R	Increased levels of Green House Gas emissions may pose harmful effects to environment, human health and associated risks.	We are mitigating climate change risks by reducing the dependency on fossil fuel sources and focusing on renewable sources for power and heat energy. We have taken various initiatives to reduce GHG emissions from our operations. We have also committed to SBTi for both near term and net zero targets. Inline with our commitment, we are working on developing targets. Our GHG footprint is being verified by external agency as per ISO 14064-1 on annual basis.	Climate change risks may result in negative financial implications



## 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 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	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The Policies are approved by the Board or by the respective Executive Director as authorised by the Board.								
c. Web Link of the Policies, if available	(Click on policy for web access if available on the Company website i.e. <a href="http://www.divisilabs.com">www.divisilabs.com</a> ) P1 to P9 (excluding P7) - <a href="#">Code of Ethics and Business Conduct</a> P1 - <a href="#">Whistle Blower Policy</a> P2 - <a href="#">Supplier Code of Conduct</a> , <a href="#">Sustainable procurement policy</a> P3 to P5 - <a href="#">Labour and Human Rights Policy</a> P4 - <a href="#">Corporate Social Responsibility Policy</a> P6 - <a href="#">Environmental, Health and Safety Policy</a> , <a href="#">Environmental Sustainability Policy</a> P7 - NA P9 - Information Security Policies (available on our intranet)								
2. Whether the entity has translated the policy into procedures. (Yes/No)				Yes			NA	Yes	
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	No	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO 45001,	ISO 45001			ISO 14001, - ISO 14064, G.M.P & G.L.P certification		As per the CSR Rules prescribed under the Companies Act, 2013	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set specific Sustainability targets, which lays down the key aspects of the sustainability including timelines for the same and yearly EHS (Environment, Health and Safety) targets as detailed below:								
<b>Sustainability targets for 2030:</b>									
<b>Carbon Footprint</b>					<b>Water Conservation</b>				
<ul style="list-style-type: none"> <li>Reduce absolute based GHG (Scope-1 &amp; Scope-2) emission by 5%.</li> <li>Reduce intensity based GHG (Scope-1 &amp; Scope-2) emission by 25%.</li> </ul>					<ul style="list-style-type: none"> <li>Reduce ground water &amp; surface water intake by 30%.</li> <li>Reduce water consumption by 25%.</li> <li>Reduce intensity-based water consumption by 25%.</li> </ul>				
<b>Energy Conservation</b>					<b>Waste Management</b>				
<ul style="list-style-type: none"> <li>Decrease intensity-based energy consumption by 25%.</li> <li>Rely on renewable energy sources to the extent possible, where applicable.</li> </ul>					<ul style="list-style-type: none"> <li>Reduce intensity-based waste disposal by 25%.</li> <li>Reduce plastic waste using for packing.</li> </ul>				
<b>EHS targets for 2023-24</b>									
<ul style="list-style-type: none"> <li>No major fire, explosion, toxic gas leak; No fatality &amp; reportable injury</li> <li>Lost time injury severity (LTIs) rate of not more than 0.3</li> <li>Minimum 15 EHS training hours per employee per year.</li> </ul>									
We are committed to Science Based Targets initiative (SBTi) for both Near term and Net-Zero targets. Inline to our commitment, we are working on developing targets.									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9																														
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>The performance against specific commitments, goals achieved during the year is as follows:</p> <table border="1"> <tr> <td> <p><b>Carbon Footprint</b></p> <ul style="list-style-type: none"> <li>~19,000 TCO<sub>2</sub>e emissions were reduced with the initiatives taken during the reporting period.</li> </ul> </td> <td> <p><b>Water Conservation</b></p> <ul style="list-style-type: none"> <li>~ 1,30,300 KL of water was conserved and ~3,030 KL of water was harvested with the initiatives taken during the reporting period.</li> </ul> </td> </tr> <tr> <td> <p><b>Energy Conservation</b></p> <ul style="list-style-type: none"> <li>~1,64,900 GJ of energy was conserved with the initiatives taken during the reporting period.</li> </ul> </td> <td> <p><b>Waste Management</b></p> <ul style="list-style-type: none"> <li>~ 40 MT of plastic waste was reduced.</li> </ul> </td> </tr> <tr> <td colspan="2"> <p><b>Achievement of EHS targets in 2023-24</b></p> <ul style="list-style-type: none"> <li>No major fire, explosion, toxic gas leak, fatality and reportable injuries have occurred during 2023-24.</li> <li>Lost time injury severity (LTIs) rate for 2023-24 is 0.03 that is well below the target of 0.3.</li> <li>Average training hours per employee for 2023-24 is ~21 hours.</li> </ul> </td> </tr> </table>									<p><b>Carbon Footprint</b></p> <ul style="list-style-type: none"> <li>~19,000 TCO<sub>2</sub>e emissions were reduced with the initiatives taken during the reporting period.</li> </ul>	<p><b>Water Conservation</b></p> <ul style="list-style-type: none"> <li>~ 1,30,300 KL of water was conserved and ~3,030 KL of water was harvested with the initiatives taken during the reporting period.</li> </ul>	<p><b>Energy Conservation</b></p> <ul style="list-style-type: none"> <li>~1,64,900 GJ of energy was conserved with the initiatives taken during the reporting period.</li> </ul>	<p><b>Waste Management</b></p> <ul style="list-style-type: none"> <li>~ 40 MT of plastic waste was reduced.</li> </ul>	<p><b>Achievement of EHS targets in 2023-24</b></p> <ul style="list-style-type: none"> <li>No major fire, explosion, toxic gas leak, fatality and reportable injuries have occurred during 2023-24.</li> <li>Lost time injury severity (LTIs) rate for 2023-24 is 0.03 that is well below the target of 0.3.</li> <li>Average training hours per employee for 2023-24 is ~21 hours.</li> </ul>																									
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<b>Governance, leadership and oversight</b>																																							
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): At Divi's, Sustainability is fundamental to our business operations. In line with our commitment, we have set sustainability targets for 2030 and signed the Science Based Targets initiative (SBTi) for both Near term and Net-Zero targets. Dr. S. Devendra Rao Whole-time Director (Manufacturing)	<p>The performance against specific commitments, goals achieved during the year is as follows:</p>																																						
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Dr. S. Devendra Rao Whole-time Director (Manufacturing) DIN: 10481393 Email: <a href="mailto:cs@divislab.com">cs@divislab.com</a>; Tel: +91 40-66966352</p>																																						
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.	<p>Yes, the Risk Management Committee oversees the Environment, Social and Governance related topics.</p>																																						
10. Details of Review of NGRBCs by the Company:	<table border="1"> <thead> <tr> <th>Subject for Review</th> <th colspan="9">Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee and Frequency</th> </tr> </thead> <tbody> <tr> <td>Performance against above policies and follow up action</td> <td colspan="9">The Policies of the Company are reviewed periodically or on need basis by respective Department heads/Executive Directors/Board Committees/Board of Directors, as applicable.</td> </tr> <tr> <td>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</td> <td colspan="9">The Company is in compliance with all applicable laws.</td> </tr> </tbody> </table>									Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee and Frequency									Performance against above policies and follow up action	The Policies of the Company are reviewed periodically or on need basis by respective Department heads/Executive Directors/Board Committees/Board of Directors, as applicable.									Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable laws.								
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Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable laws.																																						
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9																														
	No	Yes, Bureau Veritas (India) Private Limited	Yes, Bureau Veritas (India) Private Limited	No	No	Yes, Bureau Veritas (India) Private Limited	NA	No	No																														
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:  With respect to Principle 7, the answer is "Not Applicable" (NA) as the Company does not have a separate policy on public advocacy.																																							



## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

#### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD) Key Managerial Personnel (KMP)	5	Familiarisation programmes for the Board of Directors/KMPs of the Company are done periodically. The topics of the programmes includes business and industry updates, risk management, important regulatory changes and compliances of various statutory requirements, updating on various Codes/Policies of the Company, environmental, social and governance parameters, legal cases, etc.	100%
Employees other than BoD and KMPs Workers	2,275	In addition to on-the-job training programmes, all the employees including workers underwent trainings which include topics covering principles P1-6, P8, P9.	100%

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

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

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine					
Settlement			Nil		
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment			Nil		

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

Not Applicable.

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

Yes. The Company has Anti-Corruption Policy, which not only covers the company but also extends to its stakeholders, viz., suppliers, customers, employees, etc. Weblink: <https://www.divislab.com/wp-content/uploads/2022/02/Anti-Corruption-Policy.pdf>



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

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2023-24		FY 2022-23	
	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. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. Not Applicable
8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	92	88

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	21.91 %	25.15%
	b. Number of trading houses where purchases are made from	728	733
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	44.15 %	51.77%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	4.42%	4.26%
	b. Number of dealers/distributors to whom sales are made	2	2
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	100%	100%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/Total Sales)	4.42%	4.26%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties/Total Investments made)	8.22%	8.72%



## Leadership Indicators

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

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

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

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

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

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

## PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

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

	March 31, 2024	March 31, 2023	Details of improvements in environmental and social impacts
R&D	100%	100%	The expenditure towards R&D is aimed at improving environmental and social impacts, such as reduction in emission and waste generation, conservation of energy and water.
Capex	24.6%	9.95%	With the investments in specific technologies to improve the environmental and social impacts of product and processes during the year, the Company was able to reduce ~19,000 TCO <sub>2</sub> e emissions, conserve ~1,30,300 KL of water, harvest 3,030 KL of water and ~ 1,64,900 GJ of energy

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

Yes, At Divis, we are striving for sustainability across all functions of our organisation including sourcing and procurement. Through our Sustainable Procurement policy, we are committed to ensuring the goods and services we purchase are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner. It is also intended to encourage our suppliers to adopt practices that minimise their environmental impact and deliver community benefits, in relation to their own operations, and throughout the supply chains in which they operate. About 59% value of our purchases are sourced from vendors who embraced our sustainable procurement policy.

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) (b) E-waste (c) Hazardous waste and (d) other waste.

We have a well-established waste management system in place to collect the waste generated from our operations. Certain types of waste are being sent to authorised recyclers/vendors for recovery and disposal. Plastic waste generated from our operations is either recycled or reused. E-waste is sent to authorised recyclers. Majority of Hazardous waste is sent for co-processing at Cement industries for value recovery.

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

### Leadership Indicators

- 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?

We have conducted Life Cycle Assessments (LCA) internally for Climate Change category for the below products.

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	Naproxen Sodium	7.31%	Cradle to Gate	No	No
210	Valsartan	5.43%	Cradle to Gate	No	No

- 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.

There were no significant social or environmental concerns identified in LCA.

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

We have established systems for recovering and recycle/reuse for most of our input materials.

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Toluene	~95%	~95%
Nitrobenzene	~93%	~93%

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

Not applicable. Considering the line of business/operations, we have not reclaimed any products and packaging at the end of life of products.

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

Not applicable. We have not reclaimed any products and their packaging materials.



### PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Essential Indicators

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

Category	Total (A)	% of employees covered by									
		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)
<b>Permanent Employees</b>											
Male	8,239	8,239	100	8,239	100	NA	NA	NA	NA	8,239	100
Female	1,444	1,444	100	1,444	100	1,444	100	NA	NA	1,444	100
<b>Total</b>	<b>9,683</b>	<b>9,683</b>	<b>100</b>	<b>9,683</b>	<b>100</b>	<b>1,444</b>	<b>14.91</b>	-	-	<b>9,683</b>	<b>100</b>
<b>Other than Permanent Employees</b>											
Male	1,158	1,158	100	1,158	100	NA	NA	NA	NA	1,158	100
Female	266	266	100	266	100	266	100	NA	NA	266	100
<b>Total</b>	<b>1,424</b>	<b>1,424</b>	<b>100</b>	<b>1,424</b>	<b>100</b>	<b>266</b>	<b>18.68</b>	-	-	<b>1,424</b>	<b>100</b>

NA: Not Applicable

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

Category	Total (A)	% of workers covered by									
		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)
<b>Permanent Workers</b>											
Male	58	58	100	58	100	NA	NA	NA	NA	58	100
Female	0	0	0	0	0	0	0	NA	NA	0	0
<b>Total</b>	<b>58</b>	<b>58</b>	<b>100</b>	<b>58</b>	<b>100</b>	<b>0</b>	<b>0</b>	-	-	<b>58</b>	<b>100</b>
<b>Other than Permanent Workers</b>											
Male	6,353	6,353	100	6,353	100	NA	NA	NA	NA	6,353	100
Female	6	6	100	6	100	6	100	NA	NA	6	100
<b>Total</b>	<b>6,359</b>	<b>6,359</b>	<b>100</b>	<b>6,359</b>	<b>100</b>	<b>6</b>	<b>100</b>	-	-	<b>6,359</b>	<b>100</b>

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.13%	0.09%

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

Benefits	FY 2023-24			FY 2022-23		
	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	Y	100	100	Y
Gratuity	100	100	N.A.	100	100	N.A.
ESI	34.9	81.9	Y	53	83.4	Y
Others -please specify	-	-	-	-	-	-

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

Yes.

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

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

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	95.45 %	93.18 %	NA	NA
<b>Total</b>	95.45 %	93.18 %	NA	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.

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Yes, a Grievance Redressal Mechanism has been constituted to hear and redress individual grievances.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	The Company has formulated Whistle Blower Policy for redressing grievances related to unethical behavior, actual or suspected fraud or a violation of a Company's Code of Conduct. As per this Policy, the concerns can be sent to the Vigilance Officer or directly to the Chairman of the Audit Committee. The policy can be accessed at <a href="https://www.divislabs.com/wp-content/uploads/2020/06/WhistleBlowerPolicy.pdf">https://www.divislabs.com/wp-content/uploads/2020/06/WhistleBlowerPolicy.pdf</a>
Other than Permanent Employees	Yes	

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

Category	FY 2023-24			FY 2022-23		
	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>	<b>9,683</b>	<b>Nil</b>	<b>0</b>	<b>8,375</b>	<b>Nil</b>	<b>0</b>
Male	8,239	Nil	0	7,223	Nil	0
Female	1,444	Nil	0	1,152	Nil	0
<b>Total Permanent Workers</b>	<b>58</b>	<b>Nil</b>	<b>0</b>	<b>58</b>	<b>Nil</b>	<b>0</b>
Male	58	Nil	0	58	Nil	0
Female	0	Nil	0	0	Nil	0



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

Category	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
Male	9,397	9,397	100	9,397	100	8,990	8,990	100	8,990	100
Female	1,710	1,710	100	1,710	100	1,675	1,675	100	1,675	100
<b>Total</b>	<b>11,107</b>	<b>11,107</b>	<b>100</b>	<b>11,107</b>	<b>100</b>	<b>10,665</b>	<b>10,665</b>	<b>100</b>	<b>10,665</b>	<b>100</b>
<b>Workers</b>										
Male	6,411	6,411	100	6,411	100	6,241	6,241	100	6,241	100
Female	6	6	100	6	100	5	5	100	5	100
<b>Total</b>	<b>6,417</b>	<b>6,417</b>	<b>100</b>	<b>6,417</b>	<b>100</b>	<b>6,246</b>	<b>6,246</b>	<b>100</b>	<b>6,246</b>	<b>100</b>

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

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (C/D)
<b>Employees</b>						
Male	8,239	8,239	100	7,223	7,223	100
Female	1,444	1,444	100	1,152	1,152	100
<b>Total</b>	<b>9,683</b>	<b>9,683</b>	<b>100</b>	<b>8,375</b>	<b>8,375</b>	<b>100</b>
<b>Workers</b>						
Male	58	58	100	58	58	100
Female	0	0	100	0	0	100
<b>Total</b>	<b>58</b>	<b>58</b>	<b>100</b>	<b>58</b>	<b>58</b>	<b>100</b>

## 10. Health and safety management system:

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

Yes, occupational health and safety management system has been implemented at all our manufacturing sites and supporting centers as per the requirements of ISO 45001, and the same has been certified with 100% coverage of our operations.

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

Divi's has well established procedures in place to identify work-related hazards and assess risks on a routine and non-routine basis. Robust management of change is implemented in the organisation, which ensures the compliance of all the required assessments prior start-up of work. These assessments include various hazard & risk identification strategies like Hazard Identification and Risk Assessment (HIRA), Hazard and Operability Study (HAZOP), Chemical workplace risk assessments, Layers of Protection Analysis (LOPA), Process safety risk assessments, Process safety testing for materials chaired by a team of experts with remarkable industrial experience. The identified hazards are re-examined, to establish the level of risk reduction, after implementation of safeguards. It covers routine and non-routine works with an executed action plan that minimises risks to acceptable levels.



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

Yes. Procedures that enables the workers to report work related hazards are in place. As a regular practice, worker is nominated as one of the team members for all Hazard Identifications and Risk Assessments where he can share his expertise for effective risk reduction. In addition, a well-established procedure for employee /worker suggestions on all work-related improvements is in place.

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

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

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.18	0.26
	Workers	0.66	0.64
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Divi's established a strong and self-sustaining culture of health and safety in the organisation. This is monitored and implemented through well-established ISO 45001 certified management system to oversee all the health and safety activities that are required to ensure a safe and healthy workplace according to the Plan-Do-Check-Act (PDCA) cycle. Divi's has Committees (Safety, Health) in place at different levels in the organisation, to guide employees on EHS aspects and to monitor the implementation of health and safety practices. As part of our commitment to consciously promote safe and healthy workplace practices, we encourage our employees, supervisors and managers to take direct ownership of their safety, and the safety of their colleagues.

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

Category	FY 2023-24			FY 2022-23		
	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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

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

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

There were no safety-related incidents during the year and no significant corrective actions were required. As part of improving the safe working environment, the hazards associated with routine and non-routine activities were identified and effective control measures are in place.

**Leadership Indicators**

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

(A) Employees: Yes

(B) Workers: Yes

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

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

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

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

Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Assessment of value chain partners has commenced and ~59% of our supply chain partners by value have responded to participate in our assessment.
Working Conditions	

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

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

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



## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

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

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

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, others)	Frequency of engagement (Annually/Half yearly/Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Emails, notice boards, website, management interactions	Continuous and as per requirement	For employee wellbeing, to provide a safe and inclusive workplace, provide required infrastructure and training for professional and personal growth. Also to redress grievances and work on feedbacks and consultation.
Customers	No	Emails, brochures, website and meetings (physical and virtual).	Based on business needs	To keep the customers informed about our products and services and to understand the business needs.
Value chain partners	No	Emails, website and meetings (physical and virtual).	Based on business needs	To ensure timely supply of goods and services in order to maintain business continuity sustainably.
Shareholders	No	Notices, advertisements, email, annual reports, stock exchange intimations, earnings conference calls and through updates on Company's website.	Quarterly/half-yearly/annual	Disclosure of financial information and business updates beside applicable statutory disclosures.
Community	Yes	CSR Initiatives, In-person Meetings	Need basis	With a commitment to make meaningful change a reality, we continue to undertake varied initiatives aimed at improving lives of vulnerable/ Marginalised groups in the community.
Government/ Government Agencies	No	Various submissions and disclosures, meetings, emails, etc	As per statutory requirement and need based	To ensure and report various compliances to discharge statutory responsibilities and to keep the policy makers informed about industry requirements.

### Leadership Indicators

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

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

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

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

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



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

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

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

- Promoting Education by strengthening infrastructure through science labs, digital class rooms, sports facilities, libraries and an initiative to eradicate malnutrition by providing Horlicks sachets to all the schools surrounding the manufacturing facilities.
- Providing pure drinking water to people residing in the surrounding communities through which approx. 3,00,000 people are benefitted.
- Empowering women by providing required support by encouraging them to get educated to earning a livelihood.
- Plantation around the company's manufacturing facilities and organising clean and green programme.
- To empower the youth with right skills for their future employment and self-employment needs livelihood training programmes like Tailoring, Beautician course, Hospitality, basic computer skills etc. in Divi's Skill Development Centre.
- Other key initiatives include, animal welfare, preventive healthcare, Swachh Bharat, rural development, support to differently abled, etc.

## PRINCIPLE 5: Businesses should respect and promote human rights

### Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	9,683	9,683	100	8,375	8,375	100
Other than Permanent	1,424	1,424	100	2,290	2,290	100
<b>Total Employees</b>	<b>11,107</b>	<b>11,107</b>	<b>100</b>	<b>10,665</b>	<b>10,665</b>	<b>100</b>
<b>Workers</b>						
Permanent	58	58	58	58	58	100
Other than Permanent	6,359	6,359	6,359	6,188	6,188	100
<b>Total Workers</b>	<b>6,417</b>	<b>6,417</b>	<b>6,417</b>	<b>6,246</b>	<b>6,246</b>	<b>100</b>

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>9,683</b>	<b>0</b>	<b>0</b>	<b>9,683</b>	<b>100</b>	<b>8,375</b>	<b>0</b>	<b>0</b>	<b>8,375</b>	<b>100</b>
Male	8,239	0	0	8,239	100	7,223	0	0	7,223	100
Female	1,444	0	0	1,444	100	1,152	0	0	1,152	100
<b>Other than Permanent</b>	<b>1,424</b>	<b>0</b>	<b>0</b>	<b>1,424</b>	<b>100</b>	<b>2,290</b>	<b>0</b>	<b>0</b>	<b>2,290</b>	<b>100</b>
Male	1,158	0	0	1,158	100	1,767	0	0	1,767	100
Female	266	0	0	266	100	523	0	0	523	100
<b>Workers</b>										
<b>Permanent</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>100</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>100</b>
Male	58	0	0	58	100	58	0	0	58	100
Female	0	0	0	0	100	0	0	0	0	100
<b>Other than Permanent</b>	<b>6,359</b>	<b>0</b>	<b>0</b>	<b>6,359</b>	<b>100</b>	<b>6,188</b>	<b>0</b>	<b>0</b>	<b>6,188</b>	<b>100</b>
Male	6,353	0	0	6,353	100	6,183	0	0	6,183	100
Female	6	0	0	6	100	5	0	0	5	100

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (In ₹ lakhs)	Number	Median remuneration/salary/wages of respective category (In ₹ lakhs)
Executive Directors	4	2794.25	1	2274.47
Independent Directors*	6	33.00	1	28.00
Key Managerial Personnel#	2	197.96	0	0
Employees other than BoD and KMP	8,239	4.97	1,444	3.89
Workers	58	9.39	0	NA

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

#Other than Executive Directors

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	8.90 %	8.49 %

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

Yes

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

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



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

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

Category	FY 2023-24			FY 2022-23		
	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	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0
Complaints on POSH upheld	0	0

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

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

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

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

Yes

10. Assessments for the year:

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

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

Not applicable

### Leadership Indicators

- Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.  
Not applicable
- Details of the scope and coverage of any Human rights due-diligence conducted.  
The Company in the reporting period did not undertake any Human Rights due diligence.
- 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.
- Details on assessment of value chain partners:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	Assessment of value chain partners has commenced and ~59% of our supply chain partners by value have responded to participate in our assessment.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

- Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.  
Not applicable.

### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment:

#### Essential Indicators

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	7,441 GJ	11,196 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>7,441 GJ</b>	<b>11,196 GJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	16,31,524 GJ	14,92,563 GJ
Total fuel consumption (E)	34,49,936 GJ	36,94,336 GJ
Energy consumption through other sources (F)	2,397 GJ	1,939 GJ
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>50,83,857 GJ*</b>	<b>51,88,838 GJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>50,91,298 GJ</b>	<b>52,00,034 GJ</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/Revenue from operations)	0.0000664	0.0000682
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)#	0.0014880	0.0015117
<b>Energy intensity in terms of physical output</b>	77.58 GJ/MT	85.76 GJ/MT

\* Considered data with respect to Divi's Research Center (DRC).

# The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF- for India. For the years ended March 31, 2024 and March 31, 2023, it is 22.401 and 22.167, respectively.

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

Yes, Bureau Veritas (India) Private Limited.



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 2023-24	FY 2022-23
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	10,97,058	10,66,027
(ii) Groundwater	7,65,261*	8,17,105
(iii) Third party water	28,299*	24,577
(iv) Seawater/desalinated water	9,18,955	9,31,001
(v) Others	0	0
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>28,09,573</b>	<b>28,38,710</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>35,50,556</b>	<b>36,18,258</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption/Revenue from operations)	0.0000463	0.0000475
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP) #	0.0010377	0.0010518
<b>Water intensity in terms of physical output</b>	54.10 KI/MT	59.67 KI/MT

\*Considered data with respect to Head office and DRC.

# The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF- for India. For the years ended March 31, 2024 and March 31, 2023, it is 22.401 and 22.167, respectively.

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

Yes, Bureau Veritas (India) Private Limited.

4. Provide the following details related to water discharged:

	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	4,24,705	4,20,702
- No treatment	0	0
- With treatment – Secondary treatment	4,24,705	4,20,702
(iv) Sent to third-parties	120	0
- No treatment	120*	0
- With treatment – please specify level of treatment	0	0
(v) Others	4,447	0
- No treatment	0	0
- With treatment – Primary Treatment	4,447*	0
<b>Total water discharged (in kiloliters)</b>	<b>4,29,272</b>	<b>4,20,702</b>

\*Considered data with respect to Head office and DRC.

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

Yes, Bureau Veritas (India) Private Limited.

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

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

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Metric tonnes	92.88	86.94*
SOx	Metric tonnes	71.16	64.86*
Particulate matter (PM)	µg/m <sup>3</sup> (average)	36.44	31.09
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	µg/m <sup>3</sup>	3.85	5.12
Hazardous air pollutants (HAP)	-	-	-
Others – please specify -Ammonia	µg/m <sup>3</sup>	16.46	17.08

\*Updated w.r.t unit conversion factors.

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

Yes, ambient air quality analysis has been carried out by Re Sustainability Solutions Private Limited and SV Enviro labs and consultants.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
<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 tonnes of CO <sub>2</sub> equivalent	3,63,246*	3,80,676
<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 tonnes of CO <sub>2</sub> equivalent	3,25,972*	3,73,141
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	MT CO <sub>2</sub> e/Rupees	0.0000090	0.0000099
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) #</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MT CO <sub>2</sub> e/per rupee adjusted for PPP	0.0002014	0.0002191
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	MTCO <sub>2</sub> e/MT	10.50	12.43

\* Considered data with respect to Divi's Research Centre (DRC).

# The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF- for India. For the years ended March 31, 2024 and March 31, 2023, it is 22.401 and 22.167, respectively.

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

Yes, Bureau Veritas (India) Private Limited.



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

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

Key initiatives taken to reduce GHG emissions are:

- Steam to fuel ratio improved due to changes in the coal mix composition.
- Replacing screw type air compressors with centrifugal type air compressors and purge type ADU with HOC (Heat of Compression) type ADU (Air Dryer Unit)
- Recovering and reusing of steam condensate for boiler operations
- Recovering and re-using of heat energy from flash steam letting out to atmospheres.
- Installed dry-claw vacuum pump system in place of regular ejector system
- Process optimisation and advancements in sampling techniques
- Arranging O<sub>2</sub> analysers for process vessels, benefited us in reducing the nitrogen demand for equipment energisation.

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

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	655.26	496.53
E-waste (B)	3.25	2.81
Bio-medical waste (C)	0.477	0.35
Construction and demolition waste (D)	3,547.35	4,469.36
Battery waste (E)	24.45	33.21
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	88,471.01*	94,412.67
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	22,144.29*	20,071.60
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>1,14,846.08</b>	<b>1,19,486.53</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations)	0.0000015	0.0000016
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)#</b> (Total waste generated/Revenue from operations adjusted for PPP)	0.0000336	0.0000347
<b>Waste intensity in terms of physical output</b>	1.75 MT/MT	1.97 MT/MT
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	31,166.74	28,505.94
(ii) Re-used	33,536.31	26,227.17
(iii) Other recovery operations	31,830.38	49,834.84
<b>Total</b>	<b>96,533.42</b>	<b>1,04,567.95</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	36.03	13.34
(ii) Landfilling	17,909.68	14,405.58
(iii) Other disposal operations	0	0
<b>Total</b>	<b>17,945.71</b>	<b>14,418.92</b>

\*Considered data with respect to Head office and DRC.

# The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF- for India. For the years ended March 31, 2024 and March 31, 2023, it is 22.401 and 22.167, respectively.

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

Yes, Bureau Veritas (India) Private Limited.



10. 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.

Hazardous & Other Waste, most of the waste is Co-processed as alternative fuel instead of incineration which shall cutdown the incinerated ash sent for Landfill. Organic/distillation bottom residues which possess calorific value are sent to cement industries as alternate fuel in the kilns. Inorganic solid wastes are disposed to TSDF (An authorised Govt. secure land fill) and or to authorised re-processor.

~80% of our hazardous waste is sent to cement industries and recyclers for co-processing and recycling. The remaining ~20% of hazardous waste is sent to landfilling and incineration. Other non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to recyclers, cement industries for co-processing or to brick manufacturers.

The plastic waste (packaging and other type) generated from our operations is collected, segregated at source and sent to authorised recyclers by following all applicable local regulations. E-waste generated from our operations is collected and transferred to authorised recyclers/dismantling agencies by following all applicable local regulations.

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

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

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

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

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

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

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

### Leadership Indicators

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

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

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

Considering the non-availability of auditable GHG emission data from most of our supply-chain related to purchased goods, purchased capital goods and external waste disposal, information related to Scope 3 emissions is not included in this report. Accounting of Scope 3 emissions is under progress as per ISO 14064.

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. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable.



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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
01	Reducing Carbon Footprint	Key initiatives: <ul style="list-style-type: none"> <li>• Steam to fuel ratio improved due to changes in the coal mix composition.</li> <li>• Replacing screw type air compressors with centrifugal type air compressors and purge type ADU with HOC (Heat of Compression) type ADU (Air Dryer Unit).</li> <li>• Recovering and reusing of steam condensate for boiler operations.</li> <li>• Recovering and re-using of heat energy from flash steam letting out to atmospheres.</li> <li>• Implementing green chemistry principles in process operations.</li> </ul>	~19,000 TCO <sub>2</sub> e emissions were reduced with the initiatives taken during the reporting period.
02	Water Management	Key initiatives: <ul style="list-style-type: none"> <li>• Reuse of steam condensate water for boiler operations.</li> <li>• Utilising AHU condensate water as makeup water for cooling tower.</li> <li>• Water recycled through STP (sewage treatment plant) is using for fly ash conditioner in boiler.</li> <li>• Facilitating rainwater harvesting pits around non-process facilities.</li> </ul>	~ 1,30,300 KL of water was conserved and ~3,030 KL of water was harvested with the initiatives taken during the reporting period.
03	Energy Management	Key initiatives: <ul style="list-style-type: none"> <li>• Steam to fuel ratio improved due to changes in the coal mix composition.</li> <li>• Installed dry-claw vacuum pump system in place of regular ejector system.</li> <li>• Interconnecting the chillers lines of HVAC systems.</li> <li>• Process optimisation and advancements in sampling techniques.</li> <li>• Arranging O<sub>2</sub> analysers for process vessels, benefited us in reducing the nitrogen demand for equipment energisation.</li> </ul>	~1,64,900 GJ of energy was conserved with the initiatives taken during the reporting period
04	Waste Management	Key initiatives: <ul style="list-style-type: none"> <li>• Implementing process improvements through Green Chemistry Principles aided in improving recovery &amp; reuse potential.</li> <li>• Recycling of plastic containers, liners, metal containers and metal scrap.</li> <li>• Established solvent recovery stations to recover and reuse solvents.</li> <li>• Process solid residue sent by Divi's is reused as fuel (Co-Incineration) in cement industries</li> </ul>	~ 40 MT of plastic waste was reduced.



5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.  
Yes, the Company has developed business continuity and disaster management plan. The plans are developed keeping in view of various risks which could be mitigated/minimised. However, despite the plans and comprehensive standard operating procedures (SOPs) for various situations, unforeseen events/risks may cause interruption to the Company's operations. The plans are aimed at continuing Company's operations with the least possible interruptions.
6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.  
No significant adverse impact to the environment were reported from the value chain of the entity.
7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.  
Assessment of value chain partners has commenced and ~59% of our supply chain partners by value have responded to participate in our assessment.

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

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/associations.  
The Company is associated with 9 trade and industry chambers/associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

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

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.  
Not Applicable

**Leadership Indicators**

1. Details of public policy positions advocated by the entity:  
Not Applicable



## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

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

Not Applicable.

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

Not Applicable.

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

A grievance redressal mechanism is in place consisting of CSR team members to receive and redress grievances of the community and also an effective whistle blower policy at corporate level.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	18.36 %	20.10%
Sourced directly from within India	64.37 %	60.98%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	71.72%	70.87%
Semi-urban	21.55%	21.81%
Urban	6.73%	7.31%
Metropolitan	-	-

(Place to be categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan)

### 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): Not applicable.

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

S. No.	State	Aspirational District	Amount Spent (in ₹ crores)
1	Andhra Pradesh	Visakhapatnam	4.89
2	Andhra Pradesh	Vizianagaram	0.58

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising Marginalised /vulnerable groups?

No

- b) From which Marginalised /vulnerable groups do you procure?

NA

- c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

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

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

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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and Marginalised groups
1	Safe Drinking Water	5,56,436	Our CSR initiatives are implemented with an objective to reach out to the vulnerable and Marginalised communities, including persons with disabilities, elderly, women and children from the less privileged socio-economic sections of the society.
2	Preventive Healthcare	1,89,390	
3	Village Development	2,50,650	
4	Animal Welfare	21,289	
5	Promoting Education	1,00,372	
6	Environment Sustainability	68,230	
7	Swachh Bharat	19,954	
8	Promoting Rural Sports	20,013	
9	Empowering Women	413	
10	Support to Differently Abled	1,062	
11	Livelihood Enhancement Projects	411	

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

### Essential Indicators

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

Divi's manufactures Active Pharmaceutical Ingredients (APIs), API Intermediates, Nutraceuticals, and supplies them to customers for further manufacturing to make respective finished dosage products. Being a Business-to-business (B2B) company, we deal with relatively small number of large customers. We have established procedures to receive customer complaints whether received in oral or in writing and respond back to customers within agreed timelines. The customer complaints are concluded and closed upon mutual agreement.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The Company complies with all the regulatory requirements in relation to the display of information on product label.
Safe and responsible usage	
Recycling and/or safe disposal	

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

Category	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-



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

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

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

Yes, we are following a set of Information Security Policies which are aligned to ISO 24001.

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

No corrective actions were warranted during the year, as no issues or instances as stated above have occurred during the year under review.

7. Provide the following information relating to data breaches: Nil

- Number of instances of data breaches along-with impact:
- Percentage of data breaches involving personally identifiable information of customers:
- Impact, if any, of the data breaches:

### Leadership Indicators

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

The information on products and services of the Company can be accessed from website of the Company at <https://www.divislabs.com/>

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

As Divi's manufactures active pharmaceutical ingredients (APIs), API intermediates and supplies to customers for further manufacturing to make respective finished drug products, we have no direct consumers. However, Storage and handling conditions/measures are displayed on the labels of each material container shipped to our customers.

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

Divi's manufactures Active Pharmaceutical Ingredients (APIs), API Intermediates, Nutraceuticals and supplies to customers for further manufacturing to make respective finished dosage products. Being a Business-to-business (B2B) company, we deal with relatively small number of large customers. We keep our customers informed of any risk of disruption/discontinuation of supplies in a prompt manner as agreed with them.

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

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

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

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

# Independent Practitioner's Reasonable Assurance Report

To  
The Board of Directors of  
**Divi's Laboratories Limited**

## Introduction and objectives of work

The Board of Directors of Divi's Laboratories Limited (the 'Company') have engaged us for providing Assurance Report on identified sustainability information in the Business Responsibility & Sustainability Report (BRSR) of the Company for the year ended March 31, 2024 including relevant information of the previous year disclosed in the BRSR.

Our scope of work consists of Reasonable Assurance on identified sustainability information i.e. BRSR Core indicators as described in the Securities and Exchange Board of India's (SEBI) circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 and clarifications thereto, read with applicable SEBI Regulations and prescribed format, as amended.

## Opinion

We have performed a reasonable assurance engagement on whether the Company's identified sustainability information i.e. BRSR Core indicators disclosed in the BRSR report for the period from April 01, 2023 to March 31, 2024 including relevant information of the previous year disclosed in the BRSR, has been prepared in accordance with the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, guidance notes for BRSR format issued by SEBI.

In our opinion, the Company's BRSR Core indicators disclosed in the BRSR report for the period from April 01, 2023 to March 31, 2024 including relevant information of the previous year disclosed in the BRSR subject to reasonable assurance is prepared in all material respects, in accordance with the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and basis of preparation as set out in Section A General Disclosures 13 of the BRSR Report for the year ended March 31, 2024.

The Company has established appropriate systems for the collection, aggregation, and analysis of quantitative data on all BRSR Core indicators.

Our opinion is not modified in respect of this matter.

## Basis for opinion and summary of our work

We have performed the Reasonable Assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and in line with the

requirements of Bureau Veritas's Internal Standards and Requirements for assurance of Sustainability Reports.

As part of its independent reasonable assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported. In this process, we undertook the following activities:

- Assessment was conducted by means of physical site visits at Head Office (HO), Unit 1, Unit 2 & Divi's Research Centre (DRC). Bureau Veritas interviewed personnel of Divi's including Environment, Health & Safety (EHS) team, Environment compliance Department (ECD), Engineering, Personal & Administration, Purchase, Accounts & Corporate Secretarial and other relevant departments.
- The assurance process involved carrying out an Assessment by experienced assessors from Bureau Veritas.
- The Company had submitted performance data on reported BRSR topics. The data pertaining to each location visited was assessed by Bureau Veritas through the process above described.
- Data on various BRSR topics was assessed for the locations that were visited. Later, it was confirmed that the same assessed the data went into preparation of the final data within the BRSR Report 2023-24.
- Review of Company's data and information systems for collection, aggregation, analysis and review.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

## Management Responsibility

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the BRSR report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of BRSR Report. Our sole responsibility was to provide independent reasonable assurance on BRSR Core indicators stated in the BRSR report for the year ended March 31, 2024.

## Our responsibility

We are responsible for performing reasonable assurance on the BRSR Core indicators disclosed in the BRSR report for the period from April 01, 2023 to March 31, 2024 including relevant information of the previous year disclosed in the



BRSR report, are free from material misstatements, whether due to fraud or error, in accordance with the reporting requirements stated above. Our responsibility includes forming an independent opinion, based on the procedures performed by us and the evidence we have obtained, and reporting our reasonable assurance opinion to the Directors of Divi's Laboratories Limited.

### Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by Divi's Laboratories Limited and statements of future commitment.
- Competitive claims in the report claiming, "first company in India", "first time in India", "first of its kind", etc.

Our assurance does not extend to the activities and operations of Divi's Laboratories Limited outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

### Statement of Independence, Integrity, and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 195 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

#### M Rama Mohan Rao

Lead Assuror

**Bureau Veritas (India) Private Limited**

Place: Hyderabad

Date: May 25, 2024

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Divi's Laboratories Limited.

### Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

### Restriction on use of Our Report

Our Reasonable assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

#### Rupam Baruah

Technical Reviewer

**Bureau Veritas (India) Private Limited**