



Divi's Laboratories Limited



Leading with **Purpose.**

Expanding Frontiers.

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For more details, visit
<https://www.divislab.com>

Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Leading with Purpose. Expanding Frontiers.

At Divi's, we are driven by a deep sense of purpose – to contribute to global health through our customers and partners, driving sustainable positive impact. Over the years, we have embraced purpose-driven leadership principles to create long-term value beyond financial performance, establishing ourselves as a significant entity in the pharmaceutical industry.

We are on a journey towards leadership in sustainable chemistry, and at every turn, we are expanding frontiers. With our solid financial standing and commitment to value investing, we prioritise long-term impact. Throughout the year, we have diligently identified and capitalised on new avenues for expansion, leveraging our expertise to stay ahead of the curve. From exploring and focusing on our six-point growth areas to forging strategic partnerships, we have proactively embraced change, turning challenges into opportunities

for advancement. Our integrated business model, rooted in sustainability, has enhanced our agility, efficiency, and customer-centric solutions.

With a focus on environmental sustainability, reducing our carbon footprint, and promoting resource efficiency across our value chain, we continue to lead with purpose in all dimensions of our operations. As we reflect on the past year and look to the future, Divi's remains committed to forging sustainable growth pathways, cultivating lasting relationships, and contributing to the advancement of healthcare worldwide, through our customers. With each milestone achieved, we are poised to continue charting new territories and expanding our horizon in the pursuit of growth, opportunity, and innovation.

Vision

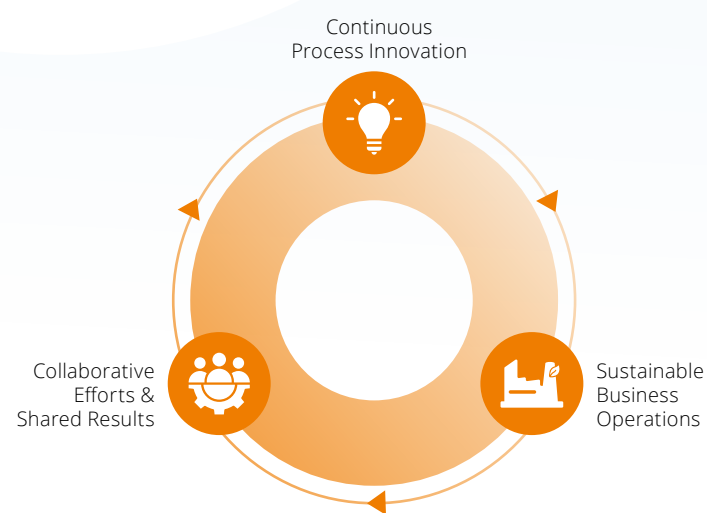
We envision creating value for all stakeholders by manufacturing high quality Generic APIs, Custom synthesis of APIs & Intermediates along with Nutraceutical Ingredients for the Global Pharmaceutical & Nutraceutical industry through sustainable leadership in chemistry.

Mission

We at Divi's aim to be a responsible business, adding value through our core competency in the area of chemistry while adhering to our core values and serving the immediate community and at large through our diverse social initiatives that would establish a strong foundation for a better tomorrow for all stakeholders.

Core Values

Divi's has always believed that success hinges on a commitment to continuous process innovation, sustainable operations, and collaborative efforts. Continuous process innovation ensures that our business remains agile and competitive. Sustainable business operations are essential for long-term viability and responsible growth. Collaborative efforts and shared results cultivate a culture of teamwork and collective achievement for diverse perspectives and shared goals.



Corporate Information

Manufacturing Facilities

Unit 1: Hyderabad

Choutuppal Unit: Lingojigudem Village, Choutuppal Mandal, Yadadri Bhuvanagiri Dist. (TG) Pin - 508252

DC SEZ Unit: Lingojigudem Village, Choutuppal Mandal, Yadadri Bhuvanagiri Dist. (TG) Pin - 508252

Unit 2: Visakhapatnam

Export Oriented Unit: Chippada Village, Bheemunipatnam Mandal, Visakhapatnam Dist. (AP) Pin - 531163

Divi's Pharma SEZ: Chippada Village, Bheemunipatnam Mandal, Visakhapatnam Dist. (AP) Pin - 531163

DSN SEZ Unit: Chippada Village, Bheemunipatnam Mandal, Visakhapatnam Dist. (AP) Pin - 531163

DCV SEZ Unit: Chippada Village, Bheemunipatnam Mandal, Visakhapatnam Dist. (AP) Pin - 531163

Unit 3: Kakinada (Under Construction)

Ontimamidi Village (Kona), Thondangi Post, Thondangi Mandal, Kakinada Dist. (AP) Pin - 533408

R&D Centres

B-34, Industrial Estate Sanathnagar, Hyderabad. (TG) Pin - 500018.

Lingojigudem Village, Choutuppal Mandal, Yadadri Bhuvanagiri Dist (TG) Pin - 508252

Chippada Village, Bheemunipatnam Mandal, Visakhapatnam Dist. (AP) Pin - 531163

Subsidiaries

Divis Laboratories (USA) Inc; New Jersey, USA

Divi's Laboratories Europe AG, Basel, Switzerland

Registered Office

Divi Towers, 1-72/23(P)/DIVIS/303 Cyber Hills, Gachibowli, Hyderabad - 500032
CIN: L24110TG1990PLC011854
Phone: +91 40 66966300
Fax: +91 40 66966460
E-mail: mail@divislabs.com
Website: www.divislabs.com

Statutory Auditors

Price Waterhouse Chartered Accountants LLP
Chartered Accountants, Unit-2B 8th Floor, Octave Block Block E1, Parcel-4 Salarpuria Sattva Knowledge City Raidurg, Hyderabad - 500081

Cost Auditors

EVS & Associates
Cost Accountants, 205 Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001

Secretarial Auditors

V. Bhaskara Rao & Co.
Company Secretaries, 6-2-1085/B Flat No.-105, Badam Sohana Apts Raj Bhavan Road, Somajiguda, Hyderabad - 500082

Bankers

State Bank of India
CCG Branch, Door No. 8-2-684/2/A I Floor, NSL Icon Building Anand Banjara Colony Road No. 12, Banjara Hills; Hyderabad - 500034

HDFC Bank Ltd.
Bank House, Wholesale Banking Operations, H.No.6-3-246 & 244 Road No. 1, Banjara Hills; Hyderabad - 500034

Registrar & Share Transfer Agent

Kfin Technologies Limited
Selenium Tower B, Plot No. 31-32 Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032
CIN: U72400TG2017PTC117649
Phone No.: 040-67161526,
Fax: 040-23001153
Toll Free No.: 1800 4258 998
E-mail: einward.ris@kfintech.com

Date, Time & Mode of AGM

Monday, August 12, 2024 at 10.00 AM IST
Through Video Conferencing (VC) Other Audio Visual Means (OAVM)

Corporate Overview

About Us

We are one of the leading pharmaceutical companies in the world, manufacturing and supplying Active Pharmaceutical Ingredients (APIs), Intermediates, and Nutraceuticals. We have established ourselves as a reliable partner to global innovator companies and have been consistently recognised for our excellence in quality, innovative processes, research and development, and sustainable chemistry.

34 years

Sectoral expertise

2+1
(Unit III Greenfield)

Manufacturing locations

~₹80 billion

Revenue in FY 2024

Key Highlights of FY 2024

Financial

Total Income	Profit Before Tax	Profit After Tax	Earnings Per Share
₹8,002 cr	₹2,132 cr	₹1,576 cr	₹59.37

Environment

Energy conserved	Water conserved
~1,64,900 GJ	~1,30,300 KL

Waste reduced	GHG emissions reduced
~40MT of plastic waste	~19,000 tCO ₂ e

Social

Female employees	EHS training programmes	Safe man-hours achieved	CSR commitment
~10%	~1,39,200	~35 mn	₹57.97 cr

Governance

Women Directors	Independent Directors on the Board	Average Board meeting attendance	Shareholder grievances resolved
2/11 <small>(as of May 25, 2024)</small>	55% <small>(as of May 25, 2024)</small>	97%	100%

Who We Are

Driving Progress with Sustainable Chemistry

Established in 1990, we are recognised as one of the top 3 API manufacturers in the world.



Among the **top 3** API manufacturers in the world!

Business Portfolios

Our strategic focus revolves around three core business portfolios: Generic APIs, Custom Synthesis, and Nutraceuticals. These three portfolios enable us to address the distinct demands of our customers across various markets. Through meticulous research and constant refinement, we ensure that each portfolio remains agile and responsive to evolving market needs.



Generic APIs

At Divi's, we take pride in being recognised as one of the world's largest API manufacturers, offering a selective list of 30 Generic APIs, manufactured in 10's to 100's/1000's of metric tonnes each year. Our commitment to achieving global leadership in the molecules we have selected is evident in our position as the world's largest API manufacturer for 10 of the generic APIs we manufacture.

Our competent and qualified R&D team comprising over 600 scientists specialises in developing innovative processes and optimising them to maintain a competitive leadership position.



Custom Synthesis

Our Custom Synthesis portfolio offers contract manufacturing services of APIs and Intermediates for global innovator companies across a vast portfolio of products in diverse therapeutic areas. We are a global partner trusted by leading pharmaceutical companies, including 12 out of the top 20 Big Pharma.

Our manufacturing facilities have undergone numerous audits by regulatory authorities, global environmental, health and safety teams, and Big Pharma/ multinational companies.



Nutraceuticals

At Divi's, our Unit II manufacturing location houses a specialised Nutraceutical Facility - an integrated facility dedicated to the production of active ingredients and finished forms of carotenoids. We are the major supplier of carotenoids to all the leading food, dietary supplement, and feed manufacturers worldwide. Our product portfolio encompasses a complete range of essential carotenoids, such as Beta Carotene, Astaxanthin, Lycopene, and Canthaxanthin, alongside other finished forms including Lutein and Vitamins (A, D3, D2, E Acetate, and A Palmitate).

Our Nutraceutical Facility undergoes regular audits by regulatory and statutory authorities, including the USFDA (CFR 110) and Halal/Kosher.

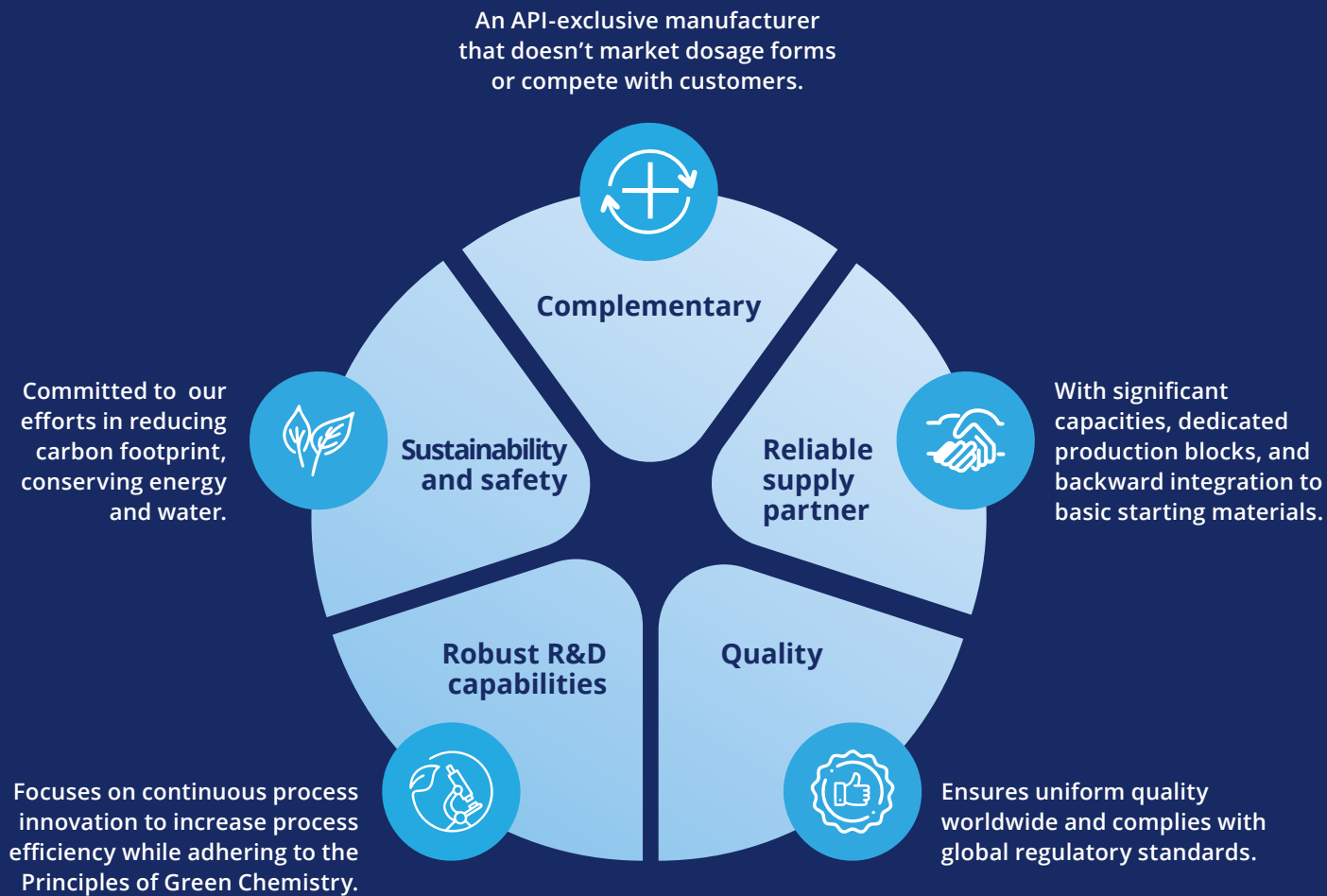


Who We Are

Why Divi's?

Divi's has established a prominent position within the pharmaceutical sector by adopting an API-centric business model. We prioritise reliability, maintain adherence to global quality standards, drive continuous process innovation, and uphold a commitment to sustainability and safety.

Unique Attributes of Divi's



Fundamental Strengths

Large-scale and Reliable Production Facilities

Our state-of-the-art manufacturing facilities and extensive research capabilities have positioned us as a respected entity in the global pharmaceutical market. Operating with two manufacturing units and a third one currently in the setup phase, we proudly stand as one of the world's largest API manufacturers. Continuously refining our processes and methodologies, we strive for sustainable chemistry, while also ensuring the safety of individuals and the conservation of the environment.

2

World-class manufacturing units with a combined capacity of over **~14,600 M³**

API-centric Portfolio

Our portfolio of ~160 products covers diverse therapeutic areas, making us a leading manufacturer and supplier of high-quality Generics, Custom Synthesis of APIs and Intermediates, and Nutraceutical ingredients.

Largest

API manufacturer in the world for 10 of the Generic APIs manufactured

Established R&D Capabilities

Divi's has established three R&D centres with competent and qualified teams that focus on continuous process improvement, constant technological upgradation, and strict implementation of the Principles of Green Chemistry.

As a testament to our innovation, we have been granted several process patents, further validating our technological prowess.

~600

Scientists working in three R&D centres across functions

Capable Workforce

With a highly skilled and diverse team of professionals across departments, Divi's is committed to deliver world class products to customers. Our reliable delivery of products makes us a trusted partner for companies across the globe.

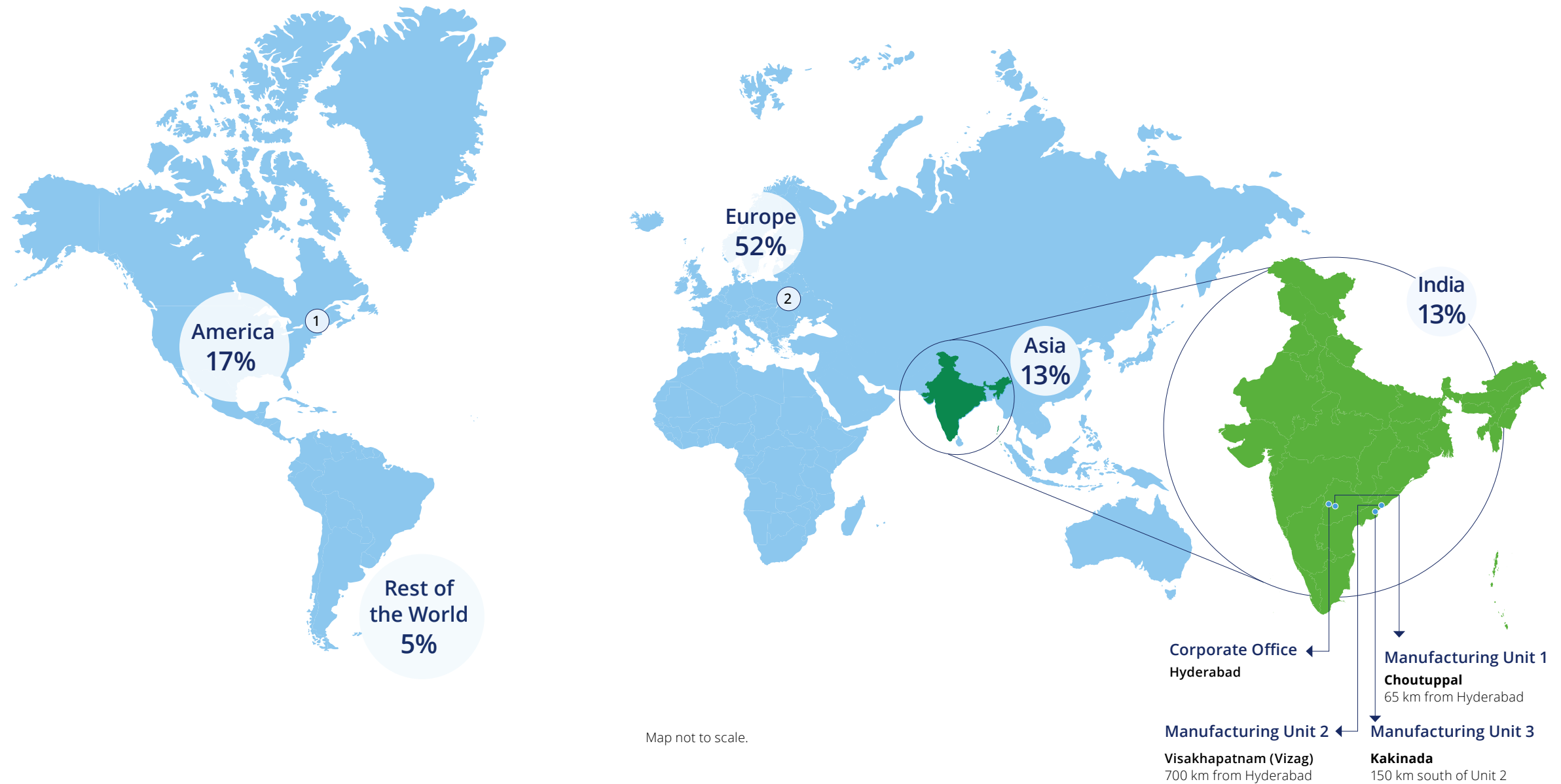
~17,500

Employees across 3 countries

Our Presence

Expanding Our Global Footprint

Spanning across Hyderabad, Visakhapatnam, and Kakinada, our state-of-the-art manufacturing facilities signify scale, innovation, and technological excellence.



Map not to scale.

AMERICA				
2020-21	2021-22	2022-23	2023-24	
1,587	3,833	2,196	1,310	
23.3%	43.1%	28.9%	17.1%	

INDIA				
2020-21	2021-22	2022-23	2023-24	
912	1,038	957	971	
13.4%	11.7%	12.6%	12.7%	

REST OF THE WORLD				
2020-21	2021-22	2022-23	2023-24	
299	346	349	351	
4.4%	3.9%	4.6%	4.6%	

EUROPE				
2020-21	2021-22	2022-23	2023-24	
3,174	2,865	3,063	4,003	
46.6%	32.2%	40.2%	52.3%	

ASIA				
2020-21	2021-22	2022-23	2023-24	
827	798	1,041	1,017	
12.2%	9.0%	13.7%	13.3%	

SALES (₹ in crores)
% Share

Manufacturing Units

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Subsidiaries

- ① New Jersey, USA
- ② Basel, Switzerland

Managing Director's Message

Driving Purposeful Growth

Dear shareholders,

I am pleased to introduce our 34th Annual Report, which showcases our journey towards leadership in sustainable chemistry, and our commitment to responsible growth, prioritising long-term impact.

In the dynamic landscape of the pharmaceutical industry, marked by significant transformations and evolving challenges, Divi's stands firm, leading with purpose, proactively managing risks, and expanding frontiers. As we reflect on FY 2024, full to the brim with volatile market conditions, and numerous geopolitical crises - particularly in the Red Sea, it is worth noting that Divi's remained steadfast in its role as an ideal global partner, meeting customer requirements through strategic supply chain management and operational proficiency.

With shifting trends such as the increasing demand for affordable products, evolving healthcare and security policies, technological advancements, and the emergence of newer innovative therapies, we continue to see great opportunities.

Divi's - The Consistent Achiever

Against an overall neutral year characterised by both challenges and expanding market opportunities, Divi's proactively demonstrated resilience and adaptability, navigating through adversities with agility and foresight. Amidst these circumstances,



our commitment to excellence was recognised by the USFDA Commissioner and his team during their visit, applauding the magnitude of our Company's operations and quality systems. We have consistently adhered to Good Manufacturing Practices (cGMP) for the past 25 years, evident in several global regulatory inspections.

Maintaining the Leadership Position

Building upon the leadership position in our core products, Divi's is focused on unlocking higher growth potential by strategically expanding on emerging opportunities across various portfolios.

Generics Portfolio

Our generics portfolio maintained stability throughout the year, leveraging sustained demand for established products while actively pursuing opportunities in newer generics. While the impact of pricing pressure continues across generic markets, the broader trajectory remains vibrant with numerous opportunities, particularly the loss of exclusivity (LOE) for patent-expiry products that are expected to fuel our growth beyond FY 2025.

Custom Synthesis Portfolio

The custom synthesis portfolio witnessed significant progress, specifically with contributions from the two major Big Pharma Projects that have entered full-scale production and are poised to contribute significantly in subsequent years. With expanded production capacity for both large and small-volume products and several molecules at various regulatory stages, the custom synthesis portfolio will continue to fuel our growth.

Contrast Media Opportunity

We made significant strides in the contrast media portfolio, leveraging our expertise and presence in

Iodine-based contrast media. We successfully scaled up high-value contrast media projects and made advancements in Gadolinium compounds for MRI contrast media. Our strength lies in our cost-effective capacity, and Iodine recovery resulting in sustainable production.

Peptide Opportunity

We are actively involved in the manufacturing of peptide building blocks with a strategic focus on developing this portfolio and capitalising on the promising opportunity in this space. I would also like to emphasise that along with manufacturing PAAs, we are forward integrating into the fragments required for various GLP-1 drugs.

Investing and Expanding Responsibly

In Unit III's Greenfield project, an investment of ₹1,500 crores have led to notable advancements and infrastructural development. The upcoming production activity in this 200-acre Phase I project is expected to commence gradually during FY 2025. This strategic move aims to increase capacity, freeing the two established Units (I and II) for new opportunities in custom synthesis and generic products. Moreover, with 300 acres of additional available land for future development, substantial potential exists for further investment and expansion.

Caring for our People and Planet!

In addition to our "People First" culture, we are committed to providing a safe and healthy environment for our employees to flourish. We are grateful for their consistent efforts in delivering the best results over the years.



Divi's stands firm, leading with purpose, proactively managing risks, and expanding frontiers".

Divi's remains committed to responsible business practices and making meaningful contributions to the communities we operate in. Throughout the year, Divi's has actively undertaken several initiatives aimed at empowering the lives of rural communities with long-lasting impacts.

In conclusion, I express my sincere appreciation to all our stakeholders for their unwavering trust and support. Your confidence in Divi's has played a vital role in our achievements, and it is your trust in us that strengthens our commitment to excellence.

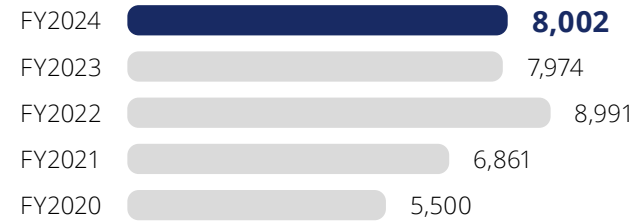
Warm regards,

Dr. Murali K. Divi
Managing Director

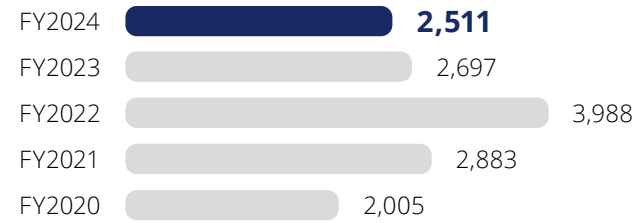
Key Performance Indicators

Measuring Progress Diligently

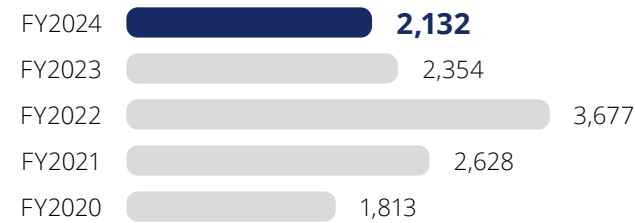
Total Income (₹ in crores)



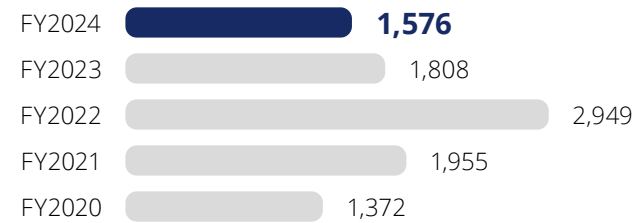
EBITDA (₹ in crores)



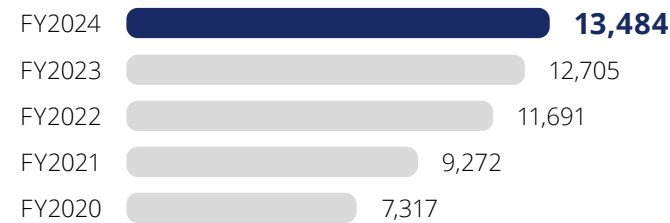
PBT (₹ in crores)



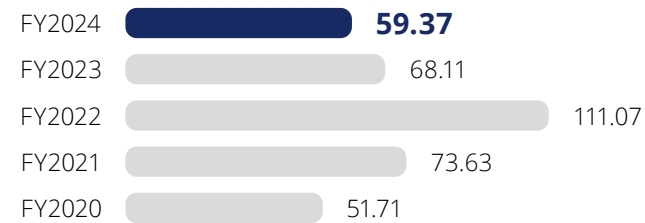
PAT (₹ in crores)



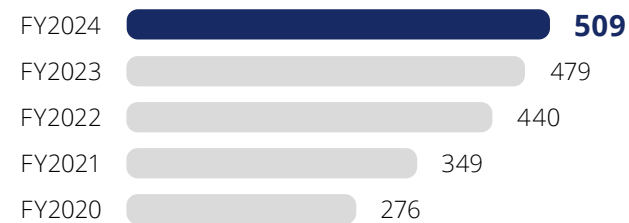
Net Worth (₹ in crores)



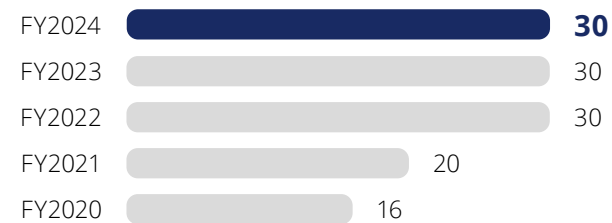
Earnings Per Share (₹)



Book Value Per Share (₹)



Dividend (₹)



Company's Performance Highlights for last 5 years

	2019-20	2020-21	2021-22	2022-23	2023-24
(₹ in crores)					
Income and Profit					
Revenue	5,310	6,799	8,880	7,625	7,665
Revenue Growth %	8.81%	28.04%	30.61%	(14.13%)	0.52%
Other Income	190	62	111	349	337
Total Income	5,500	6,861	8,991	7,974	8,002
Total Income Growth %	9.21%	24.75%	31.05%	(11.31%)	0.35%
Profit Before Interest, Depreciation and Tax (EBITDA)	2,005	2,883	3,988	2,697	2,511
EBITDA to Revenue	36.45%	42.02%	44.36%	33.82%	31.38%
EBITDA Growth %	(0.05%)	43.79%	38.33%	(32.37%)	(6.90%)
Interest	6	1	1	1	3
Depreciation	186	255	311	342	376
Profit Before Tax (PBT)	1,813	2,628	3,677	2,354	2,132
PBT Growth %	(1.09%)	44.95%	39.92%	(35.98%)	-9.43%
Tax Expense	441	673	728	546	556
Profit After Tax (PAT)	1,372	1,955	2,949	1,808	1,576
PAT Growth %	2.93%	42.49%	50.84%	(38.69%)	-12.83%
Dividend, Share Capital and Capital Employed					
Dividend Per Share %	800%	1,000%	1,500%	1,500%	1,500%
Dividend Payout	512	531	796	796	796
Dividend Payout to PAT (%)	37.32%	27.16%	26.99%	44.03%	50.51%
Equity Share Capital	53	53	53	53	53
Other Equity	7,264	9,218	11,638	12,652	13,431
Net Worth	7,317	9,272	11,691	12,705	13,484
Net Worth Growth %	4.93%	26.72%	26.09%	8.67%	6.13%
Gross Fixed Assets	4,109	5,151	6,101	6,832	7,234
Net Fixed Assets	2,776	3,699	4,321	4,719	4,737
Total Assets (balance sheet total)	8,514	10,724	13,308	14,352	15,362
Key Financial Indicators					
Earnings Per Share (₹2/- each)	51.71	73.63	111.07	68.11	59.37
Cash Earnings Per Share (₹2/- each)	58.71	83.23	122.77	81.00	73.53
Gross Turnover Per share (₹2/- each)	207	258	339	300	302
Book Value Per Share (₹2/- each)	276	349	440	479	509
Total Debt to Equity	0	0	0	0	0
EBITDA/Total Income %	36.45%	42.02%	44.36%	33.82%	31.38%
Net Profit Margin % (PAT/Total Income)	24.95%	28.49%	32.80%	22.67%	19.70%
RoNW % (PAT/Net Worth)	18.75%	21.08%	25.22%	14.23%	11.69%

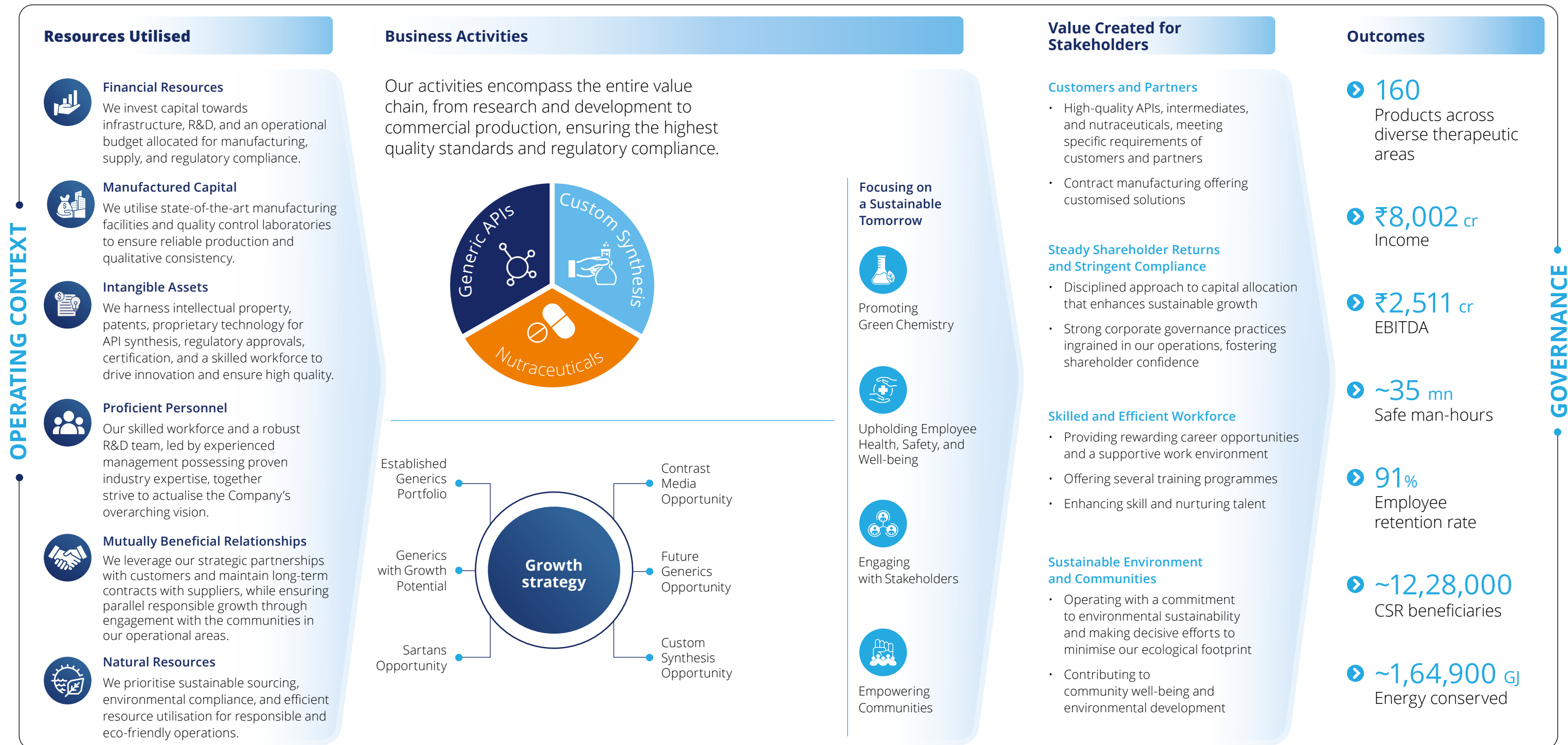
Value Creation Approach

Our business model revolves around creating lasting value for every stakeholder, driving responsible growth, and prioritising social and environmental stewardship – a holistic approach aimed at ensuring sustained success in a constantly evolving world.



Business Model

Ensuring Sustainable Returns for Stakeholders



Sustainability at Divi's

At Divi's, sustainability is fundamental to our mission, operations, and mindset. In FY 2024, we reinforced our commitment to environmental stewardship and social responsibility.



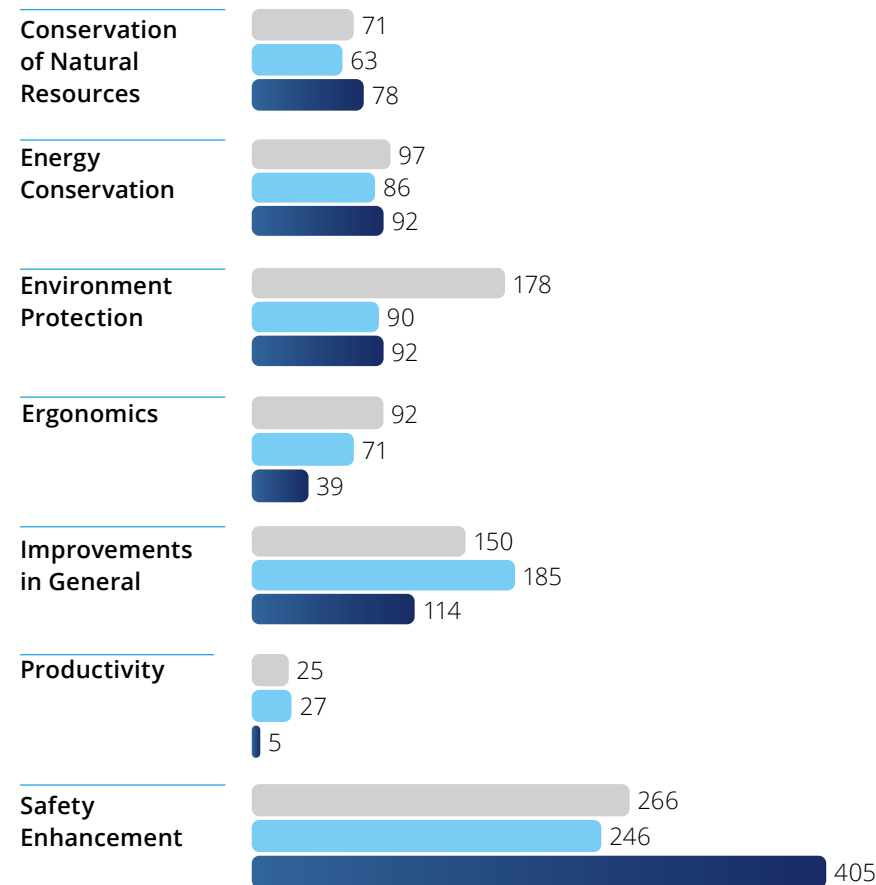
Environment

Building a Greener Tomorrow

Divi's is focused on improving access to medicines, minimising our carbon footprint, and enhancing people's lives through efficient water, energy conservation and waste management.



Categorisation of Completed Initiatives



SDGs Impacted



Our Sustainability Goals 2030*

- Carbon Footprint**
 - Reduce absolute GHG (Scope 1 and Scope 2) emissions by 5%
 - Reduce intensity-based GHG (Scope 1 and Scope 2) emissions by 25%
- Water Conservation**
 - Reduce groundwater and surface water intake by 30%
 - Reduce water consumption by 25%
 - Reduce intensity-based water consumption by 25%
- Energy Conservation**
 - Decrease intensity-based energy consumption by 25%
 - Rely on renewable energy sources to the extent possible, where applicable
- Waste Management**
 - Reduce intensity-based waste disposal by 25%
 - Reduce plastic waste usage for packaging

FY 2024 Updates

- ~19,000 tCO₂e emissions were reduced with the initiatives taken during the reporting period
- ~1,30,300 KL of water was conserved with the initiatives taken during the reporting period
- ~1,64,900 GJ of energy was conserved with the initiatives taken during the reporting period
- ~40 MT of plastic waste was reduced during the reporting period

*Considering 2019-20 as base year | Status

Environment



Developing Green Belt

Our initiative for green belt development focuses on promoting afforestation and enhancing self-sustainable green coverage in and around our facilities by implementing the Miyawaki and Avenue plantation techniques. This endeavour aims to establish dense, native forests in a short period, resembling natural growth patterns and creating ecosystems beneficial for the environment, as well as providing numerous social and ecological benefits.

- Total number of plants/trees planted is ~10,40,000
- Oxygen generated is ~56,500 MT

~77,900 MT
Carbon sequestration



Reducing Carbon Footprint

- Improvements made in coal mix composition used for steam generation resulted in reduction of ~10,930 tCO₂e
- Replacing screw type air compressors with centrifugal type air compressors and purge type ADU with HOC (Heat of Compression) type ADU (Air Dryer Unit) aided in reducing ~2,880 tCO₂e
- Recovering and reusing steam condensate for boiler operations aided in reducing ~1,410 tCO₂e
- Implementing Green Chemistry Principles in process operations resulted in reduction of ~450 tCO₂e

~19,000 tCO₂e
GHG emissions



Managing Energy Usage

- Recovering and reusing of steam condensate and coal mix improvement in boiler operations, aided in conservation of ~1,25,179 GJ energy
- Replacing older equipments with higher energy-efficient equipment, aided in conserving ~12,419 GJ energy
- Process optimisation and advancements in sampling techniques aided in conserving ~2,483 GJ energy
- Interconnecting the chillers lines of HVAC systems conserved ~1,650 GJ energy

~1,64,900 GJ
Energy conservation



Minimising Water Usage

- Reuse of steam condensate water for boiler operations aided in reducing ~74,350 KL water demand
- Utilising AHU condensate water as makeup water for cooling tower aided in reducing ~16,460 KL water demand
- Water recycled through STP (sewage treatment plant) is used for fly ash conditioner in boiler, reducing ~1,100 KL of freshwater demand
- ~3,038 KL rainwater was harvested with additional rainwater harvesting pits
- Implementing Principles of Green Chemistry in process operations reduced ~9,200 KL of water usage

~1,30,300 KL
Water conservation



Reducing Waste

- Implementing process improvements through Principles of Green Chemistry enhanced recovery and reuse potential
- Recycling plastic containers, liners, metal containers and metal scrap
- Established solvent recovery stations to recover and reuse solvents
- Process solid residue sent by Divi's is reused as fuel (co-incineration) in cement industries

~40 MT
of plastic waste reduced

Social – People

Creating a Culture of Growth and Recognition

For over three decades, Divi's has recognised and rewarded the contributions of its employees to the Company's success. We have a well-defined career path across functions, designed to support employees both personally and professionally. We empower employees to reach their full potential by investing in the development of our workforce.

Investing in People

We instil a sense of ownership and belonging among employees by involving them in decision-making processes and empowering them to contribute ideas and suggestions for improving the organisation's values and culture. Our Company's leaders and managers exemplify the organisation's values and culture in their actions and decision-making processes. They serve as role models for employees to emulate, fostering a culture of accountability and integrity.



Prioritising Competitive Emoluments

We follow a compensation strategy that leads the market, ensuring that our employees are remunerated well above minimum wage standards. The median remuneration increased significantly in the last financial year alone.

Our compensation and benefits strategy aims to comply with statutory requirements and positively impact employees' commitment, contribution, and continuity within the organisation. We provide regular salary increments that are competitive compared to industry standards and tailored to the markets in which we operate.

Fostering a Purpose-driven Culture

For the past three decades, Divi's has been dedicated to the pursuit of sustainable chemistry. We strive to optimise our processes and practices to protect and enhance human health and the environment. This commitment has built a genuine connection with our employees, who share our passion for making a positive impact.

Organisations with values and missions similar to their employees are becoming increasingly attractive as workforce dynamics evolve. Beyond traditional factors like designations and compensation, employees seek to associate with companies committed to making a meaningful difference. By cultivating a purpose-oriented workplace, we have achieved remarkable retention rates within the industry.

Promoting Diversity, Equality, and Inclusion



~17,500

Total employees

~10%

Female employees

Pay Equality

At Divi's, we are committed to nurturing an inclusive work culture where every employee feels respected and valued and can thrive personally and professionally. We implement a policy of equal salary for specific positions, ensuring fairness and transparency in compensation across the organisation to promote pay equality.

Prioritising Work-Life Balance

We prioritise the well-being of our employees by promoting a healthy work-life balance. To achieve this, we discourage taking work home after office hours. Moreover, we implement efficient workforce planning strategies at the beginning of each year to ensure employees feel energised. We strongly believe that satisfied employees are the best advocates of our Company culture, which is evident through high levels of employee satisfaction and most of our hiring being done through employee referrals.

Learning and Development

Our people-first culture values all potential employees, offering personalised training and development programmes, both in-house and externally supported, to equip them with the necessary skills to reach peak performance levels.

Establishing Clear Policies and Objectives

We have developed policies and objectives that outline their commitment to fostering a diverse and inclusive workplace. These policies encompass recruitment, hiring, promotion, training, and other aspects of employee management.

Promoting Equal Opportunities for Advancement

Our Company ensures that all employees have equal opportunities for advancement and career development, regardless of their background or identity. This approach involves implementing transparent promotion processes, offering training programmes and providing leadership development opportunities for all employees without any bias.

Social – People

Standardised Selection Process

Divi's employs a rigorous and standardised selection process to uphold fairness and eliminate bias in candidate evaluation. This approach ensures that candidates are assessed based on their competencies, skills, and qualifications rather than subjective factors. We prioritise diversity and inclusivity in our recruitment efforts, reaching out to diverse stakeholder groups, including individuals with disabilities and retirees with valuable experience. As a result, our workforce boasts a healthy mix of employees of different ages and experience levels.

30.34

Average age of employees in years



Support for Female Employees

Divi's aspires to create a supportive and inclusive workplace environment for female employees. We understand women's unique needs and challenges, particularly during life transitions such as pregnancy and parental leave. Our departmental heads ensure that their roles are adjusted to minimise physical strain and exposure to potential hazards to support female employees during pregnancy. Additionally, we implement a gradual return-to-work transition plan for new mothers, allowing them to balance their professional responsibilities with their caregiving duties. Our commitment to supporting women in the workplace is reflected in our impressive return-to-work rate of nearly 100% over the past two years and a retention rate exceeding 90%, which surpasses industry averages.



Ensuring a Safe and Healthy Working Environment

Our Company adheres to a well-structured EHS management system certified by ISO 45001 (OHSMS) and ISO 14001 (EMS), which includes a commitment to a safe working environment through our EHS policy.

We ensure this by undertaking hazard identification, hazard analysis, and mitigation of hazards through

techniques such as HIRA, HAZOP, Chemical risk assessments, and LOPA, which are deeply rooted in our Company's functioning. All these are ensured through a strict change management system and timely scheduled internal inspections and audits by various multi-disciplinary teams around the year.



Safety Indicators

~35 mn
safe man-hours
during the
reporting period

0.37
LTI frequency
rate

0.03
LTI severity
rate

Our Safety-first Approach

We provide safe, healthy, and ergonomic workplaces and resources to promote the physical and mental well-being of our employees. We have also laid down environment, health, and safety targets and periodically track the performance of individual teams.

EHS Targets for FY 2024

No major fire, explosion, or toxic gas leak

No fatality and reportable injury

Lost time injury severity (LTIs) rate of <0.3

Minimum 15 EHS training hours per employee per year

~1,39,200

EHS training sessions

~12,69,300

EHS training participants

United by Purpose

Employee-Driven Voluntary Social Engagement

At Divi's, through our dedication to local communities, our exceptional teams engage in voluntary activities and inspire change by contributing to meaningful social welfare.

~2,100

Employees donated blood across our manufacturing facilities

1,200+

Participants to spread awareness on Autism

~700 Its

of blood donated during FY 2024

Our Engagement Over the Years

Plantation Drives

Beach Clean-ups

Blood Donation

Awareness Walks



United by Purpose

Showcasing Our Commitment to a Greener Future

At Divi's, we are dedicated to leading the way in sustainable manufacturing. From energy-efficient technologies to waste reduction programmes and promoting biodiversity, we undertake various eco-friendly initiatives and follow sustainable practices across our manufacturing sites.

Flourishing Biodiversity in Our Beautiful Unit 2 Tal



PURPOSE: Providing and encouraging nature-friendly ecosystem to develop thriving biodiversity in Non-process Facilities at dedicated areas within the factory premises.

~20
Species of birds
in the Tal

~3,030 KL
Rainwater harvested

Real-time Vermicompost



Rainwater Harvesting Pit



Reusing Boiler Ash



Sewage Water Recovery



Biogas Preparation Facility



Social – Communities

Making a Difference to Society

As a conscientious corporate citizen, we believe meaningful growth entails safeguarding the environment and ensuring the well-being of the communities around us.

Divi's is committed to actively contribute to community-building by addressing primary challenges faced by these rural communities and empowering lives through our focused areas of intervention.

~12,28,000

CSR beneficiaries during FY 2024

₹57.97 cr

CSR commitment for FY 2024



Our CSR Thrust Areas



Child Empowerment



Safe Drinking Water



Community Development

- Preventive Healthcare
- Village Development
- Animal Welfare



People Empowerment

- Women Empowerment
- Supporting Differently-abled



Environmental Sustainability



Social – Communities



Child Empowerment



Empowering the Future Stars

We firmly believe that investing in the youth is investing in the future of our nation. It is imperative to empower them with the skills and knowledge to thrive as responsible members of society. Recognising the pivotal role education plays in shaping lives, Divi's is focused in its commitment to supporting educational initiatives that pave the way for holistic growth, nurturing the leaders of tomorrow.

~1,00,500 students across **1,037** schools in Andhra Pradesh and Telangana over the years

Impact

In FY 2024, our endeavours extended to aiding over 1,000 schools across Telangana and Andhra Pradesh by enhancing their educational infrastructure. Our multifaceted initiatives included constructing additional classrooms, providing essential supplies like books, school bags, shoes, and stationery, and ensuring children's access to modern learning tools through the provision of computers, with the goal of fostering a conducive learning environment.

Wholesome development was facilitated through the promotion of sports and extracurricular activities in schools, and our collaborative initiatives such as conducting health camps and ensuring proper nutrition intake aimed at promoting the overall well-being of every student.



Way Forward

Our firm dedication remains unchanged in our efforts to uphold education and nurture responsible citizenship among children. We are determined to extend our educational initiatives, reaching out to additional schools and enriching the lives of a broader student community. By supplying them with essential resources, we aim to empower them to pursue their dreams and accomplish their aspirations.

Clean Water in Schools

In 2010, we initiated a project to install RO plants in schools, ensuring that students in government schools have access to safe and clean drinking water. This project involved thorough planning, precise execution, and continuous support. Our objective was to tackle the critical issue of inadequate access to clean drinking water in schools, especially those situated near our manufacturing facilities.

Impact

133 schools
RO plants installed during FY 2024
~11,000 students benefitted

Way Forward

We are committed to expanding our efforts in reaching more schools in need by continuously assessing our CSR initiatives' impact, pursuing opportunities, improving the health of countless students and lowering the risk of waterborne illnesses.



Our Commitment to Child Empowerment

New constructions and infrastructural renovations
Students: ~4,000

Clean water in schools since 2010
Students: ~1,03,000
Schools: 1,037

Conducted health camps and enhanced students' nutritional uptake
Students: ~10,000
Schools: 94

Distribution of model papers to SSC students in government schools
Students: ~2,250
Schools: 22

Distribution of school supplies including school bags and sandals in schools across Telangana and Andhra Pradesh
Students: ~8,550
Schools: 72

Social – Communities



Safe Drinking Water



Project Sujalam – Strong Water, Strong Communities!

Project Sujalam stands as our flagship CSR endeavour, with the primary goal of ensuring access to safe drinking water for communities residing near our manufacturing sites. This initiative has proven effective in mitigating severe water scarcity and tackling groundwater pollution in the neighbouring villages.

~5,56,500
beneficiaries across
1,120 locations

Impact

In 1994, upon establishing our first manufacturing unit, our founder recognised the pressing need for safe drinking water within local communities. Driven by a commitment to enact positive change, Divi's embarked on its primary CSR endeavour, Project Sujalam, to address the shortfall in clean water supply. This initiative centres on employing Reverse Osmosis (RO) technology for water purification, effectively eliminating excess fluoride and other contaminants to ensure safe consumption.

Introducing the innovative Any Time Water technology, access to clean drinking water is now available round-the-clock through a prepaid card system, empowering village communities to take charge of water purification systems and witnessing tangible health improvements within a mere two months of installation. With a sustainable upkeep model, this project has made significant strides in providing accessible clean water by installing RO plants in villages, temples, colleges, and schools across Telangana and Andhra Pradesh.



Project Jalaprasadam

~3,72,000
beneficiaries across
16 locations each day

We meticulously installed RO water purification plants at various public centric places including temples, motivated by our commitment to providing safe drinking water. These temples, steeped in ancient traditions and spiritual significance, attracted devotees from far and wide seeking solace, guidance, and a connection to the divine. However, a significant concern loomed over the temple

authorities: the absence of clean drinking water for the weary pilgrims.

Recognising that ensuring access to pure drinking water was not only a necessity but also a duty imbued with compassion and service, Divi's embarked on a journey of compassionate action. We established RO purification plants at temples, ensuring that every visitor could partake in the divine experience with a sense of purity and well-being. Our commitment extended beyond mere installation as we also assumed the responsibility of training temple staff in proper maintenance and monitoring to uphold the operational efficiency of the RO systems.

We believe that our endeavour not only quenched the thirst of the

people but also nurtured a sense of solidarity and shared responsibility within the community to safeguard this invaluable resource. We aspire that our journey serves as a testament to the transformative power of simple acts of kindness, performed with dedication and love, in effecting meaningful change.

Way Forward

Project Sujalam and Jalaprasadam have brought about a noticeable improvement in the lives of people by revolutionising their access to water. Divi's remains committed to this mission and anticipates expanding this project to more communities in the future.

Social – Communities



Community Development

Our community development initiatives revolve around three core focus areas: preventive healthcare, village advancement, and animal welfare. Through these endeavours, we aim to effect positive change in the lives of individuals and animals within the communities we serve. Our initiatives have brought tangible benefits to thousands of people, and we are dedicated to persisting in our efforts to cultivate sustainable and thriving communities.



Preventive Healthcare

Divi's places a high priority on preventive healthcare and raising awareness about diseases and their prevention. Through our healthcare programmes and awareness campaigns, our goal is to create a community free from diseases.

~1,89,500
beneficiaries across
Choutuppal and
Bheemili Mandal

Impact

In FY 2024, we conducted mass health camps including eye examination and facilitated Pulse Polio immunisation programmes, extending assistance to thousands of individuals, while also facilitating infrastructural upgradations in hospitals.

Way Forward

We will continue to prioritise preventive healthcare by organising health checkups, administering vaccinations, and educating the community about various diseases.



Village Development

Divi's recognises the vital role of rural India as the backbone of our nation's economy and culture. Since the nineties, we have been dedicated to creating comprehensive development in rural infrastructure.

~2,52,700
beneficiaries across
44 villages

Impact

To support Holistic Rural Development, Divi's has actively contributed to the upgradation of infrastructure, roads, and sanitation systems in villages surrounding the manufacturing units.

During FY 2024, we engaged in conducting cleanliness drives, building sustainable community assets, developing community areas, and providing necessary amenities such as open gym equipment and high mast lights to gram panchayats.

Way Forward

Our commitment to holistic rural development remains unwavering as we continuously strive to make meaningful contributions to the villages surrounding our manufacturing units by constructing sustainable infrastructure and empowering local communities.

Social – Communities

Animal Welfare & Dairy Development

This project focuses on women, who are the driving force of this programme. Increasing the productivity of animals, providing better healthcare and breeding facilities with proper management of dairy animals can reduce the cost of milk production.

~22,000

beneficiaries across Choutuppal and Bheemili Mandal



Impact

Women engaged in dairy farming have witnessed enhanced income and living standards, alongside improvements in animal health and the quality of service delivery within dairy units. These advancements have contributed to the overall economic upliftment of households, reflected in improved milk consumption patterns and heightened nutritional status among target households. Our endeavours in FY 2024 included the construction of buildings at veterinary hospitals as well as conducting veterinary and animal wellness camps to ensure the well-being of domesticated animals.

Way Forward

Divi's will persist in offering assistance to veterinary dispensaries, establishing dairy development and cattle feed camps, and promoting the involvement of women in advocating the significance of dairy farming as a sustainable economic pursuit.



Livelihood Enhancement

Central to our approach to uplifting communities is our commitment to empowering individuals through skill-building programmes and creating sustainable livelihoods. We established the Skill Development Centre (SDC) in Chippada village, providing youth with tailored training to kickstart their professional endeavours. Throughout the year, our CSR initiatives were geared towards strengthening income streams for rural households, with a special focus on supporting women and fishing communities.

Beneficiaries: ~410

Infrastructural Development

Construction and renovation of community halls, libraries, bridges and bus shelters.

Beneficiaries ~1,29,600

Construction and Maintenance of Canals

In the villages surrounding our manufacturing units in Telangana and Andhra Pradesh, we undertook the construction, renovation, and regular maintenance of canals.

Beneficiaries: ~24,000

Construction and Renovation of Roads

We have undertaken the construction, renovation, and maintenance of several cement-concrete and bitumen roads in villages.

Beneficiaries: ~24,300

Social – Communities



People Empowerment

Nurturing Humanity

At Divi's, we champion the potential of every individual, striving to empower women and support differently-abled members of our community through diverse initiatives. Our efforts in people empowerment are modelled towards fostering an inclusive society, where everyone is granted equal opportunities to thrive and make meaningful contributions to sustainable progress.

Women Empowerment

We firmly believe that empowering women through skill development and self-employment opportunities is instrumental in eradicating poverty and fostering economic growth within our society. Through our Mahila Bhavans and comprehensive training programmes, we equip women with the tools and training needed to excel across diverse fields.

~800
people empowered across **7** villages



Impact

In FY 2024, we empowered women through multiple training programmes aimed at fostering financial independence. These initiatives provided essential skills in areas such as tailoring, bookbinding, embroidery, and beauty-related courses. We facilitated the inauguration of Mahila Mandal Bavan in Annavaram, offered diverse training courses at the Skill Development Centre, and conducted an awareness programme on 'The Importance of Millets'.

Way Forward

We are committed to supporting women's livelihood programmes and providing robust skill development opportunities. Our goal is to empower more women to achieve financial independence and actively contribute to driving our society's economic advancement.

~500
women empowered across **5** villages



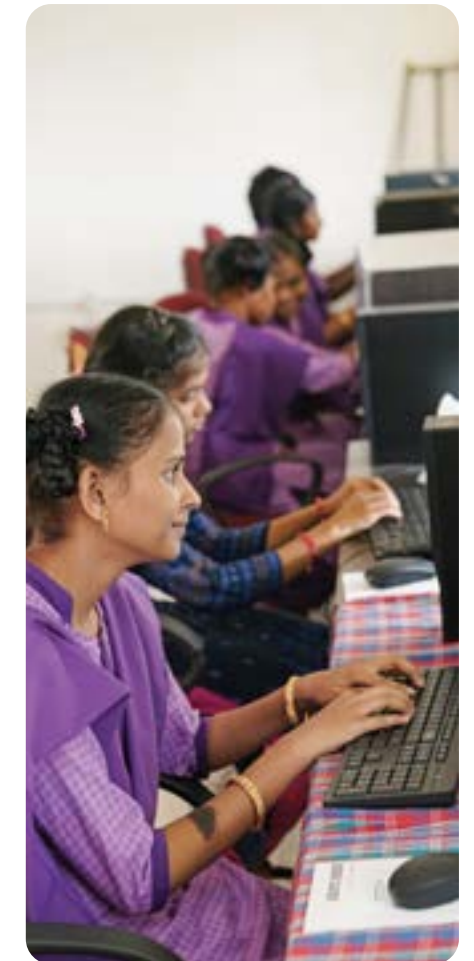
Supporting Differently-abled Individuals

We are dedicated to supporting differently-abled individuals, striving to create an environment where they can live independently and pursue their aspirations. Through tailored facilities and support, we aim to enable them to achieve their goals and realise a better tomorrow.

Impact

In FY 2024, we supported the Government School for the Visually Challenged in Yendada, Andhra Pradesh, which is the state's only institution exclusively serving visually impaired female students.

- Infrastructure upgrades
- Improved amenities for students
- Salaries for teaching and non-teaching staff



Other initiative

Construction and renovation at Govt. ITI College for differently-abled boys.

Way Forward

Our dedication to supporting differently-abled individuals remains firm as we strive to develop facilities tailored to their needs. Our overarching goal is to nurture a society that embraces inclusivity, ensuring equal opportunities for all to thrive and experience fulfilling lives.

Social – Communities



Environmental Sustainability



Divi's upholds the significance of advancing human well-being and environmental health. We remain committed to sustainability and have undertaken numerous initiatives to foster ecological balance within and beyond our manufacturing facilities.

~31,000
saplings planted

~68,000
beneficiaries across **7** villages

Impact

We planted roughly 31,000 saplings near Visakhapatnam and Choutuppal to enhance greenery and ecological balance, expecting significant local environmental benefits. This effort aligns with our past initiatives, including plantations around our facilities, universities, and national highways and protecting plantations from animals. We have maintained Yadadri Model Natural Forest Sites with Green Volunteers and organised clean and green programmes and tree plantation drives to foster sustainability and environmental consciousness.

Way Forward

This initiative will create a favourable habitat for wildlife, improve soil quality, and reduce soil erosion. Looking ahead, we are dedicated to implementing initiatives that promote ecological balance and environmental protection, thereby fostering a more sustainable future for all. In line with this commitment, Divi's CSR will actively engage in reversing the effects of our ecological footprint through various sustainability initiatives.



Afforestation Drives

Plantation drive on the National Highways.

Saplings planted: ~4,000

Distribution of Eco-friendly Ganesh Idols

Beneficiaries: 14,000

Maintenance of Miyawaki-Yadadri Natural Forest in Four Villages

Our continuous initiative is to cultivate rapidly growing groves of indigenous plants that simulates the layers of a natural forest.

Beneficiaries: ~6,000
Plantations to date: ~13,860

Cleanliness Programmes 'Swachh Bharat'

We conducted beach and village clean-up drives, facilitated the construction of individual toilets, and distributed cleaning accessories and products in Bheemili Mandal.

Beneficiaries: ~20,000

Governance

Instilling Integrity at the Core

We uphold the standards of corporate governance by building trust and credibility with stakeholders, demonstrating our commitment to responsible business practices. By doing so, we not only achieve our strategic goals but also make a positive impact on society and create long-term value for our stakeholders.

Board Composition during the Year

Our Board is comprised of a diverse mix of Executive and Non-executive Directors, each bringing unique expertise and perspectives to the table. This diversity fosters a culture of innovation and collaboration, enabling the Board to provide effective oversight and guidance to the management team.

5
Executive Directors

7
Non-executive Independent Directors

2
Women Directors

Our Governance Philosophy

Our corporate governance philosophy is founded on the principles of integrity, fairness, transparency, compliance with laws, accountability, responsibility towards stakeholders, and ethical business conduct. We recognise that we have a duty to ensure that our stakeholders' interests are protected while creating value for our business.

Board of Directors

Our Board of Directors is responsible for overseeing our Company's overall functioning, providing strategic guidance, and ensuring effective management monitoring. Our Board regularly reviews information relating to our business, operations, and risks, as well as compliance reports of all applicable laws. This ensures that our Board is fully informed and can make informed decisions in the best interests of our Company and its stakeholders.



Board Competency

Skillsets	No. of Directors with Developed Skillsets
Global Business	9/12
Strategy, Planning, and Marketing	7/12
Governance	12/12
Leadership	12/12
Technology	8/12
Legal, Commercial, and Financial	9/12
Sustainability and Risk Management	12/12

Governance

Board of Directors*

Executive Directors



Dr. Murali K. Divi
Managing Director



N. V. Ramana
Executive Director



Dr. Kiran S. Divi
Whole-time Director &
Chief Executive Officer



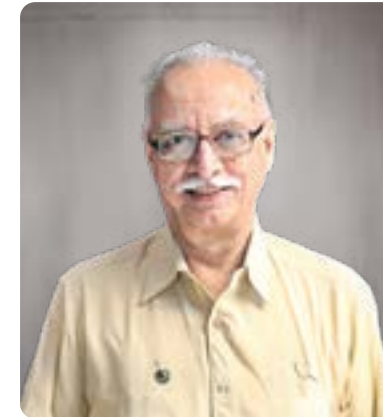
Nilima Prasad Divi
Whole-time Director (Commercial)



Dr. S. Devendra Rao
Whole-time Director (Manufacturing)



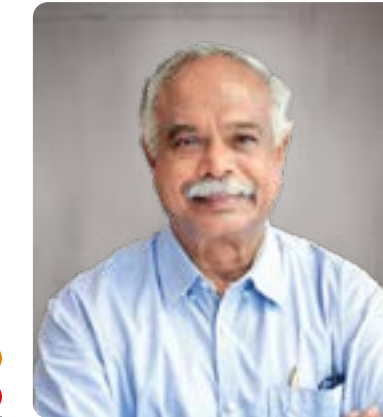
Independent Directors



Dr. Ramesh B. V. Nimmagadda
Non-executive Chairman &
Independent Director



K. V. K. Seshavataram
Independent Director



Dr. S. Ganapathy
Independent Director



K. V. Chowdary
Independent Director



Dr. Rajendra Kumar Premchand
Independent Director



Prof. Sunaina Singh
Independent Director



Committee Details

- Audit Committee
- Stakeholders Relationship Committee
- Risk Management and Sustainability Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- C Chairman
- M Member

*as of May 25, 2024.

Business Responsibility & Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L24110TG1990PLC011854
2.	Name of the Listed Entity	Divi's Laboratories Limited
3.	Year of incorporation	1990
4.	Registered office address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
5.	Corporate address	Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India
6.	E-mail	mail@divislabs.com
7.	Telephone	+91 40-66966300
8.	Website	www.divislabs.com
9.	Financial year for which reporting is being done	April 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 cs@divislabs.com +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)
Employees						
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.	Total employees (D + E)	11,107	9,397	84.60	1,710	15.40
Workers						
4.	Permanent (F)	58	58	100	0	0
5.	Other than Permanent (G)	6,359	6,353	99.91	6	0.09
6.	Total workers (F + G)	6,417	6,411	99.91	6	0.09

b. Differently abled Employees and workers:

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

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	Divis 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 [#]	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year [#]	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes*	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.divislab.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. In line 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
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The Policies are approved by the Board or 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. www.divislabs.com) P1 to P9 (excluding P7) - Code of Ethics and Business Conduct P1 - Whistle Blower Policy P2 - Supplier Code of Conduct, Sustainable procurement policy P3 to P5 - Labour and Human Rights Policy P4 - Corporate Social Responsibility Policy P6 - Environmental, Health and Safety Policy, Environmental Sustainability Policy 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,		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.	ISO 9001				G.M.P & G.L.P certification				
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:									
Sustainability targets for 2030:									
Carbon Footprint					Water Conservation				
<ul style="list-style-type: none"> Reduce absolute based GHG (Scope-1 & Scope-2) emission by 5%. Reduce intensity based GHG (Scope-1 & Scope-2) emission by 25%. 					<ul style="list-style-type: none"> Reduce ground water & surface water intake by 30%. Reduce water consumption by 25%. Reduce intensity-based water consumption by 25%. 				
Energy Conservation					Waste Management				
<ul style="list-style-type: none"> Decrease intensity-based energy consumption by 25%. Rely on renewable energy sources to the extent possible, where applicable. 					<ul style="list-style-type: none"> Reduce intensity-based waste disposal by 25%. Reduce plastic waste using for packing. 				
EHS targets for 2023-24									
<ul style="list-style-type: none"> No major fire, explosion, toxic gas leak; No fatality & reportable injury Lost time injury severity (LTIs) rate of not more than 0.3 Minimum 15 EHS training hours per employee per year. 									
We are committed to Science Based Targets initiative (SBTi) for both Near term and Net-Zero targets. In line 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.	The performance against specific commitments, goals achieved during the year is as follows:								
	Carbon Footprint			Water Conservation					
	• ~19,000 TCO ₂ e emissions were reduced with the initiatives taken during the reporting period.			• ~ 1,30,300 KL of water was conserved and ~3,030 KL of water was harvested with the initiatives taken during the reporting period.					
	Energy Conservation			Waste Management					
	• ~1,64,900 GJ of energy was conserved with the initiatives taken during the reporting period.			• ~ 40 MT of plastic waste was reduced.					
	Achievement of EHS targets in 2023-24								
	<ul style="list-style-type: none"> No major fire, explosion, toxic gas leak, fatality and reportable injuries have occurred during 2023-24. Lost time injury severity (LTIs) rate for 2023-24 is 0.03 that is well below the target of 0.3. Average training hours per employee for 2023-24 is ~21 hours. 								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): 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)	The performance against specific commitments, goals achieved during the year is as follows:								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. S. Devendra Rao Whole-time Director (Manufacturing) DIN: 10481393 Email: cs@divislab.com ; Tel: +91 40-66966352								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, the Risk Management Committee oversees the Environment, Social and Governance related topics.								
10. Details of Review of NGRBCs by the Company:									

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee and Frequency								
Performance against above policies and follow up action	The Policies of the Company are reviewed periodically or on need basis by respective Department heads/Executive Directors/Board Committees/Board of Directors, as applicable.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable laws.								
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	Yes, Bureau Veritas (India) 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

1. 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%

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

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.
Not Applicable.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.
Yes. The Company has Anti-Corruption Policy, which not only covers the company but also 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.divislab.com/wp-content/uploads/2022/02/Code-of-Ethics-and-Business-Conduct-of-Divi-Laboratories-Limited.pdf>

Policy on Related Party Transactions: <https://www.divislab.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 ₂ 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 Divi's, 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

- 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)
Permanent Employees											
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
Total	9,683	9,683	100	9,683	100	1,444	14.91	-	-	9,683	100
Other than Permanent Employees											
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
Total	1,424	1,424	100	1,424	100	266	18.68	-	-	1,424	100

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)
Permanent Workers											
Male	58	58	100	58	100	NA	NA	NA	NA	58	100
Female	0	0	0	0	0	0	0	NA	NA	0	0
Total	58	58	100	58	100	0	0	-	-	58	100
Other than Permanent Workers											
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
Total	6,359	6,359	100	6,359	100	6	100	-	-	6,359	100

- 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.divislab.com/wp-content/uploads/2022/02/Code-of-Ethics-and-Business-Conduct-of-Divi-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
Total	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 https://www.divislab.com/wp-content/uploads/2020/06/WhistleBlowerPolicy.pdf
Other than Permanent Employees	Yes	

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

Category	FY 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)
Total Permanent Employees	9,683	Nil	0	8,375	Nil	0
Male	8,239	Nil	0	7,223	Nil	0
Female	1,444	Nil	0	1,152	Nil	0
Total Permanent Workers	58	Nil	0	58	Nil	0
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)
Employees										
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
Total	11,107	11,107	100	11,107	100	10,665	10,665	100	10,665	100
Workers										
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
Total	6,417	6,417	100	6,417	100	6,246	6,246	100	6,246	100

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

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

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

10. Health and safety management system:

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

Yes, occupational health and safety management system has been implemented 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

- 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.

- 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

- 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.

- 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.

- 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

- 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)
Employees						
Permanent	9,683	9,683	100	8,375	8,375	100
Other than Permanent	1,424	1,424	100	2,290	2,290	100
Total Employees	11,107	11,107	100	10,665	10,665	100
Workers						
Permanent	58	58	58	58	58	100
Other than Permanent	6,359	6,359	6,359	6,188	6,188	100
Total Workers	6,417	6,417	6,417	6,246	6,246	100

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)
Employees										
Permanent	9,683	0	0	9,683	100	8,375	0	0	8,375	100
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
Other than Permanent	1,424	0	0	1,424	100	2,290	0	0	2,290	100
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
Workers										
Permanent	58	0	0	58	100	58	0	0	58	100
Male	58	0	0	58	100	58	0	0	58	100
Female	0	0	0	0	100	0	0	0	0	100
Other than Permanent	6,359	0	0	6,359	100	6,188	0	0	6,188	100
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
From renewable sources		
Total electricity consumption (A)	7,441 GJ	11,196 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	7,441 GJ	11,196 GJ
From non-renewable sources		
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
Total energy consumed from non-renewable sources (D+E+F)	50,83,857 GJ*	51,88,838 GJ
Total energy consumed (A+B+C+D+E+F)	50,91,298 GJ	52,00,034 GJ
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.0000664	0.0000682
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)#	0.0014880	0.0015117
Energy intensity in terms of physical output	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.

- 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.

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(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
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	28,09,573	28,38,710
Total volume of water consumption (in kiloliters)	35,50,556	36,18,258
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.0000463	0.0000475
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) #	0.0010377	0.0010518
Water intensity in terms of physical output	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.

- Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	4,24,705	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
Total water discharged (in kiloliters)	4,29,272	4,20,702

*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 ³ (average)	36.44	31.09
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	µg/m ³	3.85	5.12
Hazardous air pollutants (HAP)	-	-	-
Others – please specify -Ammonia	µg/m ³	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
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,63,246*	3,80,676
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,25,972*	3,73,141
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	MT CO ₂ e/Rupees	0.0000090	0.0000099
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) # (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MT CO ₂ e/per rupee adjusted for PPP	0.0002014	0.0002191
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MTCO ₂ 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 O₂ 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
Total Waste generated (in metric tonnes)		
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
Total (A+B + C + D + E + F + G+ H)	1,14,846.08	1,19,486.53
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.0000015	0.0000016
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) # (Total waste generated/Revenue from operations adjusted for PPP)	0.0000336	0.0000347
Waste intensity in terms of physical output	1.75 MT/MT	1.97 MT/MT
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	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
Total	96,533.42	1,04,567.95
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	36.03	13.34
(ii) Landfilling	17,909.68	14,405.58
(iii) Other disposal operations	0	0
Total	17,945.71	14,418.92

*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"> • 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. • Implementing green chemistry principles in process operations. 	~19,000 TCO ₂ e emissions were reduced with the initiatives taken during the reporting period.
02	Water Management	Key initiatives: <ul style="list-style-type: none"> • Reuse of steam condensate water for boiler operations. • Utilising AHU condensate water as makeup water for cooling tower. • Water recycled through STP (sewage treatment plant) is using for fly ash conditioner in boiler. • Facilitating rainwater harvesting pits around non-process facilities. 	~ 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"> • Steam to fuel ratio improved due to changes in the coal mix composition. • Installed dry-claw vacuum pump system in place of regular ejector system. • Interconnecting the chillers lines of HVAC systems. • Process optimisation and advancements in sampling techniques. • Arranging O2 analysers for process vessels, benefited us in reducing the nitrogen demand for equipment energisation. 	~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"> • Implementing process improvements through Green Chemistry Principles aided in improving recovery & reuse potential. • Recycling of plastic containers, liners, metal containers and metal scrap. • Established solvent recovery stations to recover and reuse solvents. • Process solid residue sent by Divi's is reused as fuel (Co-Incineration) in cement industries 	~ 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

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

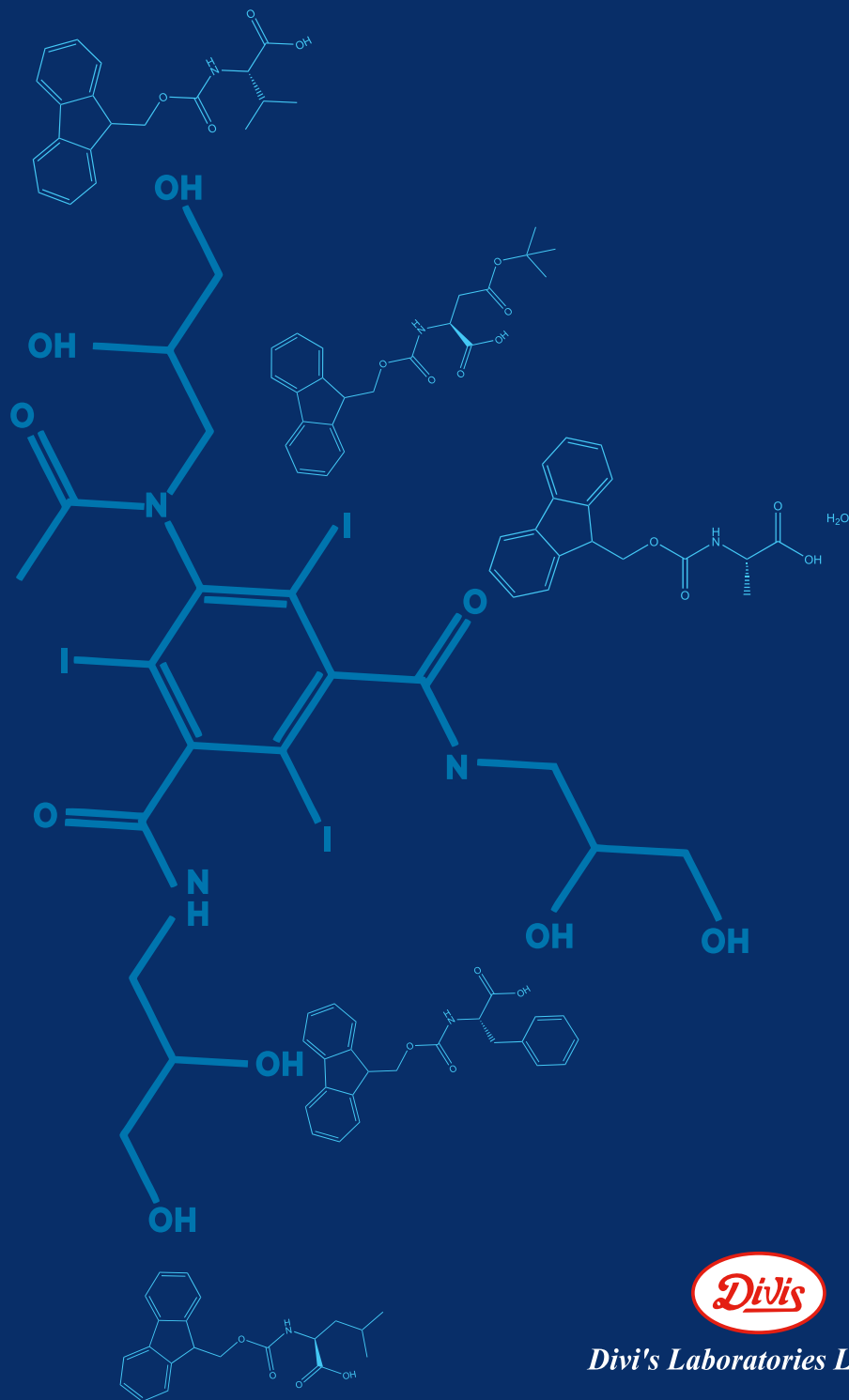
Divi's manufactures Active Pharmaceutical Ingredients (APIs), API Intermediates, Nutraceuticals and supplies to customers for further manufacturing to make respective finished dosage products. Being a Business-to-business (B2B) company, we deal with relatively small number of large customers. We keep 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.



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