

# Annexure H to Directors' Report

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT SECTION A: GENERAL DISCLOSURES

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

### SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

- P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable.
- P2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 Businesses should respect the interests of and be responsive towards all their stakeholders.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect, protect, and make efforts to restore the environment.
- P7 Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 Businesses should promote inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their consumers in a responsible manner.

### SECTION A: GENERAL DISCLOSURES

#### I. Details of listed entity

1	Corporate Identity Number (CIN) of the Company	L99999MH1962PLC012451
2	Name of the listed entity	Unichem Laboratories Limited
3	Year of Incorporation	22nd August, 1962
4	Registered office address	Unichem Bhavan, Prabhat Estate, Off S.V. Road, Jogeshwari (West), Mumbai 400 102
5	Corporate office address	Unichem Bhavan, Prabhat Estate, Off S.V. Road, Jogeshwari (West), Mumbai 400 102
6	E-mail ID	<a href="mailto:shares@unichemlabs.com">shares@unichemlabs.com</a>
7	Telephone	(022) 6688 8333
8	Website	<a href="http://www.unichemlabs.com">www.unichemlabs.com</a>
9	Financial year for which reporting is being done	1st April 2022- 31st March, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up capital	₹ 1,408.12 Lakhs
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Pradeep Bhandari Head-Legal & Company Secretary Telephone (022- 66888404) <a href="mailto:shares@unichemlabs.com">shares@unichemlabs.com</a>
13	Reporting boundary	Disclosures under this report are made on a standalone basis

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of turnover)

Sr. No.	Description of main activity	Description of business activity	% of turnover
a	Manufacture and Sale of pharmaceutical products	Drugs and Pharmaceuticals	100%

##### 15. Products/services sold by the entity (accounting for 90% of the entity's turnover)

Sr. No.	Product/Service	NIC Code	% of total turnover contributed
a	Manufacture of Allopathic Medicines	Class 2100/Sub class 21002	100%

#### III. Operations

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

Location	Number of Plants	Number of R&D Centers	Number of Offices	Total
National	6	1	2	9
International	1	0	8	9

**17. Markets served by the entity****a. Number of locations**

Locations	Number
National (No. of states)*	0
International (No. of countries)	74

\* Our significant sales constitutes export of finished formulations.

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

Our contribution to export is 96.90% of our total turnover during the Financial Year 2022-23. (Standalone)

**c. A brief on types of customers**

Unichem manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in several markets across the world. Unichem products are mainly sold to its wholly owned subsidiaries based out of India. Our ultimate customers are the patients who use our product. Stockists, Distributors, Suppliers, health care professionals, and investors all form part of our key stakeholders.

**IV. Employees****18. Details as at the end of Financial Year****a. Employees and workers (including differently abled)**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	<b>Employees</b>					
a	Permanent (D)	2,007	1,732	86.30	275	13.70
b	Other than permanent (E)	178	146	82.02	32	17.98
<b>c</b>	<b>Total employees (D + E)</b>	<b>2,185</b>	<b>1,878</b>	<b>85.95</b>	<b>307</b>	<b>14.05</b>
	<b>Workers</b>					
a	Permanent (F)	887	881	99.32	6	0.68
b	Other than permanent (G)	51	51	100.00	0	0
<b>c</b>	<b>Total Workers (F+G)</b>	<b>938</b>	<b>932</b>	<b>99.36</b>	<b>6</b>	<b>0.64</b>

**b. Differently abled employees and workers**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	<b>Differently abled employees</b>					
a	Permanent (D)	0	0	0	0	0
b	Other than permanent (E)	0	0	0	0	0
<b>c</b>	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Differently abled workers</b>					
a	Permanent (F)	0	0	0	0	0
b	Other than permanent (G)	0	0	0	0	0
<b>c</b>	<b>Total differently abled workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Company presently does not have any differently-abled employees on the payroll. Being a diverse and inclusive organization, all efforts are made to ensure we can attract the best talent based on merits with an effort to minimize biases.

**19. Participation/inclusion/representation of women**

Particulars	Total (A)	No. & Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	16.67
Key Management Personnel*	2	-	-

\* Key Management Personal (KMP) mentioned here consists of Company Secretary and Deputy CFO. Whole-time directors are considered in Board of Directors and not in KMP.

**20. Turnover rate for permanent employees (Disclose trends for the past 3 years)**

Sr. No.	Particulars	FY 2023 (%)			FY 2022 (%)			FY 2021 (%)		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
a	Permanent Employees	26.95	20.88	26.12	28.00	24.01	27.44	22.99	17.48	22.19
b	Permanent Workers	18.38	16.67	18.36	15.62	15.38	15.61	12.88	0.00	12.77

**V. Holding, subsidiary and associate companies (including joint ventures)****21. (a) Names of holding/subsidiary/associate companies/joint ventures**

Sr. No.	Name	Relationship	Shareholding	Participation in BR initiatives of Unichem
a	Unichem Pharmaceuticals (USA) Inc	Subsidiary	100%	Yes, the company encourages its subsidiaries and associate to participate in its business responsibility activities wherever applicable and relevant.
b	Niche Generics Limited UK			
c	Unichem Laboratories Limited, Ireland			
d	Unichem Farmaceutica Do Brasil Lta			
e	Unichem S.A. Proprietary Limited, South Africa			
f	Unichem (China) Pvt Limited			
g	Synchron Research Services Private Limited	Associate	32.11%	

**VI. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: In terms of Section 135(1) of the Companies Act, 2013 (Act), CSR is applicable to the Company. However, in terms of Section 135(5) of the Act, there was no mandatory requirement for the Company to spend on CSR activities for the financial year 2022-23 due to losses. The Company has made a voluntary contribution of ₹ 28.00 Lakhs for CSR activities.
- (ii) Turnover (in ₹): ₹ 107,243.22 Lakhs
- (iii) Net worth (in ₹): ₹ 238,427.06 Lakhs

**VII. Transparency and Disclosure Compliances****23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place & web-link	FY 2023			FY 2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Customers*	Yes	150	17@	All pending complaints are being investigated and will be resolved in due course	183	10	Pending complaints at the end of FY 2021-22 are resolved, except one complaint which is pending and is under investigation
Shareholders and investors	Yes	1	0	-	1	0	-
Employees and workers	Yes	3	0	-	1	0	-
Value Chain Partners	Yes	0	0	-	1	0	-
Communities	Yes	3	0	-	4	0	-
Others	Yes	0	1	Detailed in Principle no. 6 , point no. 12	0	1	Detailed in Principle no. 6 , point no. 12

@ Includes one complaint of last FY which is pending and is under investigation.

\* For Customer complaints we have only enlisted product technical complaints in the table given above. The Quality Assurance (QA) team takes cognizance of the complaints received from customers which are related to product quality. The QA has Standard Operating Procedures (SOPs) for receiving, investigating, and responding to customer complaints on product quality. Complaints can be raised by the customers to the QA or business team at the e-mail IDs provided by the respective teams. In addition, dedicated toll-free numbers are made available depending on the regional requirements of the customers which are handled by external Pharmacovigilance service agencies. There is also a dedicated e-mail ID wherein urgent safety issues or medical emergencies can be contacted to report adverse events. Customers can also reach the Company at <https://www.unichemlabs.com/contact-us.php>

As a principle, the Company strives to resolve the grievances with its stakeholders in a fair and equitable manner. The HR Grievance mechanisms are detailed in the Grievance handling policy. The Company has in place a Code of Business Conduct and Ethics, Whistle Blower Policy and a Policy for the Prevention of Sexual Harassment at the Workplace. Policies which are required by the Law is available on the website of the Company namely [www.unichemlabs.com](http://www.unichemlabs.com) and the policies which are internal to the Company are available on the intranet of the Company. Complaints can be marked at [whistle.blower@unichemlabs.com](mailto:whistle.blower@unichemlabs.com)

Company's Registrar & Transfer Agent, M/s. Link Intime India Pvt. Ltd., and the Secretarial team of the Company looks after all the grievances pertaining to the shareholders. The Company has a dedicated e-mail ID [shares@unichemlabs.com](mailto:shares@unichemlabs.com) wherein the shareholders can reach out to the Company with any queries or complaints. The website also has details of the person who can be contacted for queries.

Value Chain Partners can raise their grievances by writing to the concerned functional head, or location head. The same is attended promptly by the concerned head.

Communities can raise their grievances through the concerned Company's HR, plant heads, or through Implementing Agencies. The same if unresolved can be escalated to the CSR Committee as well.

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, and an approach to adapt or mitigate the risk:

##### 1. Product quality and safety and data integrity

Sr. No.	Indicate whether risk or opportunity	Both risk and opportunity
a	The rationale for Identifying Risk/ Opportunity	Product quality and safety are the topmost priorities for the Company to retain and grow its customer base. Any failure to comply with the laid down regulations and policies can lead to sub-optimal product quality and pose a significant health hazard to our patients and can hamper the operations due to regulatory sanctions. Accurate and reliable data to ensure the safety, efficacy, and quality of products. Mismanagement of data could lead to modification, duplication, deletion, and falsification of electronic and other data.
b	In the case of Risk, the approach to adapt or mitigate	Implementing and consistently following the highest standards of product safety and quality at all levels of our operations so that our products are safe for usage by our customers. For safeguarding data integrity periodic checks are put in place to monitor the efficacy of implemented security measures by corresponding key performance indicators and key risk indicators. A dedicated team is in place to assess the data integrity risks from time to time.
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	Following strict product quality and safety will aid in increasing customer base orders thus enhancing sales and profits. Sub-standard products and breaches of data integrity may manifest in the form of lawsuits, fines, penalties, settlements leading to huge costs and reputational damage.

##### 2. Regulatory Compliance

Sr. No.	Indicate whether risk or opportunity	Both risk and opportunity
a	The rationale for Identifying Risk/ Opportunity	The Pharma Industry is a highly regulated industry across the globe. The Regulatory compliance is constantly evolving due to technological advancement and emerging product/process knowledge. Consistent compliance with the regulatory expectations provides continuity in business without business interruptions. In this industry, any unaccounted non-compliance may lead to loss of business and reputation.
b	In the case of Risk, the approach to adapt or mitigate	To mitigate the risk the Company has to: <ul style="list-style-type: none"> <li>• Strictly adhere to laid down Standard Operating Practices.</li> <li>• Maintain the international accreditations from leading global regulators.</li> <li>• Maintain the highest standard of quality and adherence to the applicable regulatory requirements so as to avoid adverse findings by the Regulators.</li> <li>• Carry out independent audits and seek consultations from experts wherever required.</li> </ul>
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	A highly regulatory-compliant company always has a competitive advantage and helps in increasing its volumes and profits on a consistent basis. Non-compliance is viewed very strictly in this industry which may even result in the issue of warning letters by the regulators, closure of manufacturing plants, or imposing penalties resulting in loss of revenue and profits.

## 3. Research and Development

Sr No.	Indicate whether risk or opportunity	Risk and opportunity
a	The rationale for Identifying Risk/ Opportunity	R&D is the core that will power Unichem's future growth through a dual strategy of the development of patent non-infringing processes for APIs and the development of Novel Drug Delivery Systems (NDDS). Investment in R&D will expand our patient outreach, health outcomes and explore new areas for long-time sustainable growth. New product launches are subject to significant investments, regulatory roadblocks, stiff competition, patent litigations, etc, which may delay the launch of new critical products.
b	In the case of Risk, the approach to adapt or mitigate	The Centre of Excellence (CoE) in Goa, fuelled by over 300 scientists including over 30 PhDs, is the place where the potential of Unichem is brought to life. The R&D Centre boasts a strong synthesis and analytical team with the latest facilities at their disposal. The Formulations R&D has State-of-the-Art facilities to undertake formulation development of tablets, capsules, and liquid orals and a separate facility for injectable and Pre-formulation laboratories to carry out drug-excipient compatibility studies and physical characterization of API. Deliberations are done at various levels on the identification of new products for development.
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	Positive impact on growth, revenue and profits. Delays in launch will lead to rising costs and price erosion on critical products especially in developed nations like the USA.

## 4. Environment Health and Safety

Sr. No.	Indicate whether risk or opportunity	Risk
a	The rationale for Identifying Risk/ Opportunity	A cleaner and renewable source of energy is the need of the day since climate change poses a threat to business continuity, human safety, and long-term sustainability. A Hazardous and unsafe environment can cause physical and mental harm to the employees impacting their productivity and efficiency directly impacting the costs of the Company in terms of medical expenses, damages and productivity as well.
b	In the case of Risk, the approach to adapt or mitigate	The Company is committed to providing a safe and conducive environment to all its employees. All our policies and practices promote this commitment. We conduct audits at regular intervals to identify areas of high risks and taking proactive steps to minimize them. The Company has conducted external audits as per ISO14001 and ISO45001 at its plants. Mock drills and other training sessions are conducted for employees to create individual awareness of the health and safety process. We ensure compliance with local regulations and best-in-class industry safety standards across our locations.
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	Lack of a healthy and safe working environment will lead to employees missing work due to illness and injuries which will directly impact the company's productivity and costs in terms of increased medical expenses. Increased accidents due to unsafe working environments may result in higher costs of repairs and damages. Non-compliance with environmental regulations leads to scrutiny by regulators leading to fines and penalties and may also in severe situations lead to closure notices of the manufacturing units.

## 5. Sustainable Supply Chain management

Sr. No.	Indicate whether risk or opportunity	Risk and opportunity
a	The rationale for Identifying Risk/ Opportunity	A supply chain is generally characterized by the timely availability of APIs and Intermediates, rising raw material prices, transportation costs, and dependence on a few vendors. Disruptions are inevitable in situations like a pandemic or war.
b	In the case of Risk, the approach to adapt or mitigate	<ul style="list-style-type: none"> <li>• Efforts to maintain sufficient inventory for strategic molecules.</li> <li>• Development of alternate vendors for critical APIs, packing materials, and excipients.</li> <li>• Efficiently managing the logistics functions by entering competitive rate contracts.</li> <li>• Prioritizing supply strategies to prevent stock-outs of APIs and intermediates.</li> </ul>
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	A sustainable supply chain ensures financial growth for the Company in terms of increased revenues due to uninterrupted supply. Cost remains under control due to systematic supply chain management.

## 6. Community Engagement

Sr. No.	Indicate whether risk or opportunity	Risk and opportunity
a	The rationale for Identifying Risk/ Opportunity	Our manufacturing facilities are located in pan India. Our involvement with local communities in these areas is imperative for ensuring uninterrupted supply of materials, sharing of resources and availability of labour for the smooth functioning of our activities.
b	In the case of Risk, the approach to adapt or mitigate	Our Company believes in the philosophy of giving back to society. Being in the Pharmaceutical Industry the Company's focus has primarily been on health. Also, the Company focuses on various activities such as education, health, and sanitation. Detailed CSR activities are mentioned in Annexure D of the annual report.
c	Financial implications of the risk or opportunity (indicative Positive/Negative Implications)	Poor company engagement may lead to huge disruptions in terms of resources. Continuous engagement with the communities in which we operate will ensure smooth operations of our plants and redressal of any grievances.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

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

- P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable.
- P2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 Businesses should respect the interests of and be responsive towards all their stakeholders.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect, protect, and make efforts to restore the environment.
- P7 Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 Businesses should promote inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their consumers in a responsible manner.

**Table-1. Principle-wise (as per NVGs) BR policy/policies**

Sr. No.	Questions	Ethics and Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Restoring Environment	Public Policy Advocacy	Inclusive Growth	Customer Engagement
		P1	P2	P3	P4	P5	P6	P7	P8	P9
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	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes. The Policies are approved by the Board of Directors.								
	c. Web link of the policies, if available	<a href="https://www.unichemlabs.com/business-responsibility-policies.php">https://www.unichemlabs.com/business-responsibility-policies.php</a>								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes, the Company has translated the policies into procedures wherever applicable and to the extent possible.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes. The Code of Business Conduct and Ethics and the Whistle Blower policy is applicable to all stakeholders.								
4.	Name the national and international codes/ certifications/ labels/ standards	All our manufacturing facilities are adhering to cGMP (Current Good Manufacturing Practice) guidelines. Unichem has been successfully maintaining high-quality standards as per the CGMP guidelines issued by the USFDA, EU, WHO, and other global regulators. Three of our sites namely Roha, Kolhapur, and Pithampur are certified for ISO 14001 (Environment Management System) and ISO 45001 (Occupational Health and Safety Management System).								
5.	Specific commitments, goals, and targets set by the entity with defined timelines, if any	As provided on page 57								
6.	Performance of the entity against the specific commitments, goals, and targets, along with reasons in case the same are not met	As provided on page 57								

Sr. No.	Principles	5. Specific commitments, goals, and targets set by the entity	6. Performance of the entity against specific commitments, goals and targets
P1	Ethics	To implement across all our stakeholders zero-tolerance approach towards any unethical practices.	The said code is placed on the website and intranet of the Company for employees and other stakeholders. The Board of Directors and Senior Management Employees on an annual basis sign off on the compliance of the Code of Business Conduct and Ethics. Complaints received under these are investigated by the internal audit team and final reports are submitted to the Audit Committee wherever applicable.
P2	Product Sustainability	The Company is committed to ensuring resource efficient and low-carbon processes and technologies deployment to minimize adverse environmental and social impacts during the process of designing, producing, and making products available to customers.	Product Sustainability which emphasis on activities like R&D, product development, raw and packing material sourcing, product manufacture, product shelf-life enhancement, upkeep of plant and machinery to ensuring sustainable products.
P3	Employee well-being	<ol style="list-style-type: none"> <li>Learning Management System (LMS) - To ensure the launch of LMS over a period of two years (ie. FY 21-22 and FY 22-23) at all the sites and move from offline recording of essential training details to online recording. Build an efficient and structured training system to increase the efficiency of the delivered training.</li> <li>Ensure all employees are covered under the employee welfare policy.</li> </ol>	<ol style="list-style-type: none"> <li>Successfully launched LMS by FY 22-23 at all the sites and achieved recording training details online. An effective and structured training system was delivered resulting in increased efficiency of the training.</li> <li>As part of our commitment, all employees were covered under the employee welfare policy.</li> </ol>
P4	Stakeholder Engagement	The Company is committed to enhancing shareholders' trust, confidence and value which is an ongoing and continuous effort.	The Secretarial and the Registrar and Transfer Agent (RTA) team continuously engages with the investors to redress their grievances. Meetings with investors are also undertaken when required. These activities are regularly monitored by the Stakeholders' Relationship Committee.
P5	Human Rights	The Company recognizes and respects human rights and the dignity of people. We are committed to promoting the human rights of our workforce and communities with whom we conduct our operations to help create a safe and discriminate free environment.	There were no human rights violations, or any complaints related to a child, forced and involuntary labour and discriminatory employment. The Company has set up an Internal Complaints Committee (ICC) to address complaints related to Sexual Harassment. The Company had received one complaint on sexual harassment for the year under review which has been resolved by the ICC as per the applicable guidelines. The Whistle Blower Policy also is a platform wherein any stakeholder can address their grievances for redressals. Policies concerning Human Rights, Prevention of Sexual Harassment at Workplace, and Whistle Blower are readily made available on the website of the Company and the intranet. The audit committee and the ICC oversees the functioning of the respective policies and take cognizance of the complaints and timely redressal if any.
P6	Environment Management	<ol style="list-style-type: none"> <li>85% of the total treated effluent is to be recycled and reused by 2025.</li> <li>60% of total waste generated in operations is to be disposed off by co-processing/reuse/recycle by 2025.</li> <li>10% Scope 1 and 2 emission reduction by 2030.</li> <li>10% year on year reduction in Accident frequency rate and Incident frequency rate.</li> </ol>	<ol style="list-style-type: none"> <li>80% of the treated effluent is recycled.</li> <li>53% of generated waste is disposed off by co-processing/reuse/recycle.</li> <li>7.5% Reduction in scope 1 and 2 emissions is achieved.</li> <li>Accident frequency rate is reduced by 20% and Incident frequency rate is reduced by 42%.</li> </ol>
P7	Public Advocacy Policy	To represent and engage with the concerned authorities and organisations on matters which concern the industry in which it operates. This engagement will bring about transparency, address critical operational issues and balance the needs and expectations of key stakeholders.	The Company is a member of various trade bodies and associations through which it has been advocating from time to time about measures to be taken by the Government to address issues related to the pharmaceutical industry. Membership of local associations at the manufacturing locations helps in the redressal of local operational issues.
P8	Equitable Development	Unichem from the past five decades has responsibly contributed towards corporate social responsibility activities, we are committed to bringing sustainable changes and adding value to the society in which we operate.	There was no mandatory requirement to spend towards CSR activities for the year under review. However the Company has voluntarily spent ₹ 28.00 Lakhs towards health and educational activities. Details on the CSR activities undertaken by the Company is available at Annexure D of the annual report. The CSR activities are monitored by the CSR committee from time to time.
P9	Customer Service	To provide consistent high-quality products and having a robust mechanism to redress customer complaints.	The Company regularly follows and adopts stringent quality assurance checks and controls to deliver world-class quality products. There were no major observations by the regulators on the operations at all our plants thus certifying our quality standards and practices. All customer complaints were handled as per the laid down protocols.

**GOVERNANCE, LEADERSHIP AND OVERSIGHT****7. Director's Statement**

**Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).**

- Unichem is committed to providing high quality products by strengthening its R&D capabilities with minimal wastage of resources. Our vision is to make our business sustainable and socially responsible. We are exploring alternative sources of energy and developing efficient waste management systems. These energy conservation measures are aimed to make optimal use of our resources.
- On the environment front please refer to the section Environment Management for specific commitments, goals, and targets as detailed herein above on the ESG related challenges, targets and achievements.
- Our strength lies in our efficient workforce. Maintaining the well-being of our employees have always been our focus. We endeavor for the health, safety, and well-being of all the employees with zero fatality.
- As regards Governance, we are committed to upholding governance with the objective of maximising stakeholder value. We aim to promptly engage with our stakeholders to address their material issues.
- Community development is an ongoing exercise at the Company. We have contributed to various CSR activities in the fields of Health and Sanitation, Education, Women Empowerment, infrastructure etc. Supporting local and underprivileged communities through various CSR activities is an ongoing exercise. These activities are undertaken directly or through implementing agencies.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility (BR) Policy**

Mr. Pabitrakumar Kalipada Bhattacharyya, Managing Director

**9. Does the entity have a specified committee of the board/director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details**

Yes. The Board of Directors is responsible for decision making on sustainability .

**10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC)**

Sr. No.	Subject for Review	Indicate whether review was undertaken by directors/committee of the board/any other committee									Frequency (annually/half yearly/quarterly/any other-please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
a	Performance against the above policies and follow up action	Yes. The Company's business responsibility performance and its policies are reviewed by the board on an annual basis.																	
b	Compliance with statutory requirements of relevance to the principles and rectifications of any non-compliances	The Company follows the requirements of the relevance principles to the extent applicable.																	

**11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

No. Assessment/evaluation of the working of the BRSR policies has been done by the Board.

**12. If the answer to the question is "No" i.e., not all principles are covered by a policy. Reason to be stated: Not Applicable.****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 categorized 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**

Sr. No.	Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
a	Board of Directors and KMP	The Directors and KMP spent approximately six hours as a part of familiarization programmes	Programmes consisted as under: <ul style="list-style-type: none"> <li>Business plans and projects</li> <li>Research and Development</li> <li>Review of the BRSR policies and its working</li> <li>Stakeholders' engagement activities</li> <li>Review of CSR projects undertaken</li> <li>Updates and review under the Whistle blower policy, Prevention of Sexual Harassment at Workplace, critical matters if any pertaining to the environment and the Insider Trading controls.</li> </ul> Principles covered under the above Topics 1, 2, 3, 4, and 8	100%



Sr. No.	Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
b	Employees/ Workers other than the Board of Directors and KMPs	On average the employees and workers spent fourteen hours on various training programmes	The employees undergo various essential training/ awareness sessions as part of the induction covering Environmental Health and Safety (EHS), Pharmacovigilance, technical and compliance training, cyber security, Prevention of Insider Trading etc. These trainings help in ensuring all the employees are aligned to the requirements of the organization. The induction program also covers training under the Code of Business Conduct and Ethics, Whistle Blower Policy and Prevention of Sexual Harassment at Workplace. Principles covered under the above Topics 1, 2, 3, 5, 6 and 9.	100%

- Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings with regulators/ law enforcement agencies/judicial institutions in FY 2022-23 (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.: Nil**
- Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.** Not Applicable
- Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy.:** The Company has in place Code on Business Conduct and Ethics which is available on the Company's web site at <https://www.unichemlabs.com/code-of-business-conduct-ethics.php> and on its intranet. The Company has also adopted an anti-bribery policy which is available on the intranet of the Company.  
Both the above policies advocate a zero tolerance approach towards any unethical practices. The Company ensures that its employees do not indulge in any act of corruption and bribery. The HR and the internal audit team monitor compliance of such unethical practices and any violation is investigated, and its findings are reported to the audit committee for its review and action. As a part of training these policies are made available on the website and intranet of the Company.
- Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:** No complaints of conflict of interest of Directors and KMP were received during the financial year 2021-22 and financial year 2022-23.
- Details of complaints with regard to conflict of interest:** The Company has a policy on Related Party Transactions (RPTs). The RPTs are approved by the audit committee and the Board of Directors wherever applicable. No complaints with regard to conflict of interest were received in the financial years 2021-22 and 2022-23.
- 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

## PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

### Essential Indicators

- 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**

Sr. No.	Particular	FY 2023 (%)	Details of improvement in environment and social impacts
a	Capex	4.96	Environment projects-Modification and improvement of the effluent treatment system, air and water pollution control equipments and energy-saving technologies.
b	R&D	10.97	Installation of capital-intensive machines to detect nitrosamine impurities to reduce and mitigate nitrosamine impurities risk in Active Pharmaceutical Ingredients (APIs) and drug safety and quality of the drug supply.

Note: The data is made available from the financial year 2022-23.

- Does the entity have procedures in place for sustainable sourcing?**

Quality, safety, and reliable supply of our products is our prime objective. The Company has laid out procedures for choosing its suppliers from sourcing raw materials to the manufacturing and marketing of products. These procedures must be strictly complied with by our partners. Our supply chain strategy emphasizes sustainable procurement, and the Company makes efforts to encourage local sourcing of material. The Company has Standard Operating Procedures (SOPs) for appointing vendors.

Materials are sourced from approved vendors both locally and internationally. The Suppliers have to provide data on their accreditations, certifications, inspections, SOPs, warehouse maintenance, approaches to quality control and quality assurance etc, before they are taken on board. The frequency depends on the key materials procured and their value. The process includes sample approvals and performance trials. The Company has developed a long-standing business relationship with these vendors. Annual freight contracts for the movement of materials are executed with local and national transporters of repute and good credit standing. Compliance with GMP enables us to ensure that our products are consistently produced and controlled to the highest quality standards.

**b. If Yes, what percentage of inputs were sourced sustainability?**

We will assess a mechanism to track and monitor the percentage of input materials that are sourced sustainably.

**2. 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**

The Company has got necessary approvals under hazardous waste management and handling rules. Each waste generated is disposed off as per the defined disposal path in the said rule. Disposal is done through the respective Pollution Control Board authorized agencies. Co-processing of hazardous waste is done to utilize energy from the waste. Reuse, recycle path of disposal has always been our first preference.

**3. 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, we are following the legal requirements as per EPR. We work in compliance with Plastic Waste Management Rules, 2016 and the EPR guidelines. Our waste collection plan is in line with the EPR plan submitted to the Pollution Control Board. Also, the EPR plan is executed through tie-ups with waste management agencies.

**PRINCIPLE 3: BUSINESS SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES INCLUDING THOSE IN THEIR VALUE CHAIN**

**Essential Indicators**

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

Sr. No.	Category	% employees covered by										
		Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
<b>Permanent Employees</b>												
a	Male	1,732	1,732	100	1,732	100	-	-	-	-	-	-
b	Female	275	275	100	275	100	275	100	-	-	196	71.27
c	<b>Total</b>	<b>2,007</b>	<b>2,007</b>	<b>100</b>	<b>2,007</b>	<b>100</b>	<b>275</b>	<b>13.70</b>	-	-	<b>196</b>	<b>9.77</b>
<b>Other than Permanent Employees</b>												
a	Male	146	146	100	146	100	-	-	-	-	-	-
b	Female	32	32	100	32	100	32	100	-	-	7	21.88
c	<b>Total</b>	<b>178</b>	<b>178</b>	<b>100</b>	<b>178</b>	<b>100</b>	<b>32</b>	<b>17.98</b>	-	-	<b>7</b>	<b>3.93</b>

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

Sr. No.	Category	% employees covered by										
		Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
<b>Permanent Workers</b>												
a	Male	881	881	100	881	100	-	-	-	-	-	-
b	Female	6	6	100	6	100	6	100	-	-	6	100
c	<b>Total</b>	<b>887</b>	<b>887</b>	<b>100</b>	<b>887</b>	<b>100</b>	<b>6</b>	<b>0.68</b>	-	-	<b>6</b>	<b>0.68</b>
<b>Other than Permanent Workers</b>												
a	Male	51	51	100	51	100	-	-	-	-	-	-
b	Female	-	-	-	-	-	-	-	-	-	-	-
c	<b>Total</b>	<b>51</b>	<b>51</b>	<b>100</b>	<b>51</b>	<b>100</b>	-	-	-	-	-	-

## 2. Details of retirement benefits for the current and previous financial year

Sr. No.	Particulars	FY 2023			FY 2022		
		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.)
a	PF	100	100	Y	100	100	Y
b	Gratuity*	92.54	93.92	Y	90.81	97.68	Y
c	Employee State Insurance (ESI) for eligible employees	20.05	51.28	Y	22.66	64.94	Y

\* Trainees are not eligible for gratuity.

## 3. Accessibility of workplaces

**Are the premises/offices accessible to differently-abled employees 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**

The Company presently does not have employees who are differently abled. The Company is committed to making the concerned locations comfortably accessible to such employees as and when they come on board.

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

The Company believes in equal opportunity for all its workforce and is committed to fostering a culture of diversity. We believe in providing a working environment free from any discrimination. Our various HR policies cover the aspects of the Rights of Persons with Disabilities Act, 2016.

## 5. Return to work and retention rates of permanent employees and workers who took parental leave

Sr. No.	Gender	Permanent employees		Permanent workers	
		Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
a	Male	NA	NA	NA	NA
b	Female	100	82.35	NA	NA
c	<b>Total</b>	<b>100</b>	<b>82.35</b>	<b>NA</b>	<b>NA</b>

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief

Sr. No.	Particular	Yes/No
a	Permanent Employees	Yes
b	Other than Permanent Employees	Yes
c	Permanent Workers	Yes
d	Other than permanent Workers	Yes

We have the following redressal systems to receive and address grievances of employees:

- The aggrieved employees can address their complaints as per the Grievance Handling Policy which is posted on the intranet of the Company.
- The Company has in place an Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment at Workplace which addresses matters pertaining to Sexual Harassment. The Sexual Harassment policy has in detail laid down the procedure to receive and address the concerns received under sexual harassment. The employees are made aware of this policy and its procedures.
- Any employee can also voice his/her concerns under the Whistle Blower Policy against any unethical behaviour. This policy has laid down the mechanism to receive and redress the grievances. Complaints received under this policy is reported to the Audit Committee of the Board.
- HR encourages employees to make suggestions or raise concerns with respect to working conditions, health and safety measures.
- With regards to non-permanent employees and workers, any grievances are handled directly by the contractors who employ them; however the Company co-operates and provide necessary support, information and documentation to the extent applicable for smooth redressal of the grievances.

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

Sr. No.	Particulars	FY 2023			FY 2022		
		Total Employees/workers in the respective category (A)	No. of employees/workers in the respective category, who are part of the association(s) or union (B)	(%B/A)	Total Employees/workers in the respective category (C)	No. of employees/workers in the respective category, who are part of the association(s) or union (D)	(%D/C)
	<b>Total Permanent Employees</b>	<b>2,007</b>	<b>120</b>	<b>5.98</b>	<b>1,975</b>	<b>124</b>	<b>6.28</b>
a	Male	1,732	120	6.93	1,704	124	7.28
b	Female	275	0	0	271	0	0
	<b>Total Permanent Workers</b>	<b>887</b>	<b>135</b>	<b>15.22</b>	<b>910</b>	<b>138</b>	<b>15.16</b>
a	Male	881	135	15.32	904	138	15.27
b	Female	6	0	0	6	0	0

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

Sr. No.	Category	FY 2023						FY 2022					
		Total (A)	On health and safety		On skill upgradation		Total (D)	On health and safety		On skill upgradation			
			No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)		
<b>Employees</b>													
a	Male	1,878	1,878	100	1,776	94.57	1,911	1,911	100	1,801	94.24		
b	Female	307	307	100	252	82.08	309	309	100	254	82.20		
c	<b>Total</b>	<b>2,185</b>	<b>2,185</b>	<b>100</b>	<b>2,028</b>	<b>92.81</b>	<b>2,220</b>	<b>2,220</b>	<b>100</b>	<b>2,055</b>	<b>92.57</b>		
<b>Workers</b>													
a	Male	932	932	100	930	99.79	940	940	100	937	99.68		
b	Female	6	6	100	6	100.00	7	7	100	7	100		
c	<b>Total</b>	<b>938</b>	<b>938</b>	<b>100</b>	<b>936</b>	<b>99.79</b>	<b>947</b>	<b>947</b>	<b>100</b>	<b>944</b>	<b>99.68</b>		

## 9. Details of performance and career development reviews of employees and workers

Sr. No.	Category	FY 2023			FY 2022		
		Total (A)	No. (B)	(%B/A)	Total (C)	No. (D)	(%D/C)
<b>Employees</b>							
a	Male	1,878	1,492	79.45	1,911	1,356	70.96
b	Female	307	254	82.74	309	237	76.70
c	<b>Total</b>	<b>2,185</b>	<b>1,746</b>	<b>79.91</b>	<b>2,220</b>	<b>1,593</b>	<b>71.76</b>
<b>Workers</b>							
a	Male	932	727	78	940	740	78.72
b	Female	6	6	100	7	6	85.71
c	<b>Total</b>	<b>938</b>	<b>733</b>	<b>78.14</b>	<b>947</b>	<b>746</b>	<b>78.78</b>

## 10. Health and safety management system

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

The Company has implemented well-defined Occupational Health and Safety Management system which takes care of all aspects such as men, machine and material safety. Three of our manufacturing locations namely Roha, Kolhapur and Pithampur are certified for ISO 14001 (Environment Management System) and ISO 45001 (Occupational health and safety management system). We are committed to providing a safe and healthy work environment for those working on, visiting, or living near our operations. Management at all levels is responsible and accountable for the occupational safety and health performance of the employees and workers.

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

The Company has set procedures for the identification of work-related hazards and risks. Hazard Identification and Risk Assessment (HIRA) and Environmental Impact Assessment (EIA) are done for all routine and non-routine functions. All risk assessments are reviewed during any change, modification, upgradation as well as on a periodic basis.

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

Yes, there is a process for reporting work-related hazards and time-bound actions are taken to remove such risks. Periodic training is given to workers, and they are encouraged to report such hazards.

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

Yes, the Company has an Occupational Health Centre at all locations with trained medical staff. A doctor on call facility is also made available if required. Medical checkup is conducted at regular intervals at the locations. All our employees and workers undergo pre-employment health assessment to ensure a healthy life. The Company has an employee Group Medical Policy and Personal Accident Policy. Employees and workers can avail of cashless medical services from a chain of hospitals across the country through the insurance coverage extended by the organisation. The Mediclaim policy of the Company also provides maternity benefits to its female employees. In the wake of COVID-19, the Company also introduced an Out Patient Department (OPD) facility wherein the scope of medical support was increased to cover OPD consultations inclusive of investigation reports. The Company also supports the employees in negotiating a group parental cover for their dependent parents.

**11. Details of safety-related incidents**

Sr. No.	Safety Incident / Number	Category	FY 2023	FY 2022
a	Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0.30	0
		Workers	0.71	0
b	Total recordable work-related injuries	Employees	2	8
		Workers	4	9
c	No. of fatalities	Employees	Nil	
		Workers		
d	High consequence work-related injury or ill-health (excluding fatalities)	Employees		
		Workers		

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

The Company has implemented a defined Environment Health and Safety (EHS) system at all its sites. Dedicated EHS Team is available at all sites. A safety committee is formed at each site which comprise involvement from workers. Safety promotional activities such as celebration of safety and fire service week is undertaken to improve awareness and motivate workers. An audit mechanism is in place to verify compliance with internal standards as well statutory requirements. Medical checkup is periodically undertaken. Health awareness camps are also organized from time to time.

**13. Number of complaints on the following made by employees**

Sr. No.	Particulars	FY 2023			FY 2022		
		Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
a	Working conditions	Nil					
b	Health and safety						

**14. Assessments for the year**

Sr. No.	Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
a	Health and safety practices	100
b	Working conditions	100

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

There are no pending actions for safety related incidents. The company has set procedures for investigation of safety related incidents if any and implement corrective and preventive actions in a time bound manner. Risk assessment is performed for all activities and control measures are defined and implemented. Closure of all gaps identified during internal and external audits/assessments in a timely manner is an ongoing process.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity**

An individual, group of individuals or an organisation that impact our business or are impacted by our business form the key stakeholders of our Company. Our core stakeholders are our end users namely the patients and include our customers, dealers, distributors, regulators, suppliers, shareholders, employees and the local communities.

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

Sr. No.	Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
a	Patients	Yes	Pharmacovigilance/drug safety helpline, E-mails, Website	Continuous	To address queries related to any of our products. Reporting on adverse reactions and complaints from the end users.
b	Employees	No	Open houses, notice boards, appraisals, rewards and recognitions programs, grievance mechanisms, workshops, intranet, e-mails and employee engagement activities	Need based	To understand the needs of the employees regarding learning, performance career development, grievances, and building a safe equality-driven working environment.
c	Customers, Dealers and Distributors	No	E-mails and customer meets	Need based	Intimating them on our products, building stronger customer relationships. Enhancing business, Knowing the latest development in the market and its challenges.
d	Regulators	No	E-mails, facility audits and visits, one-on-one meetings, conferences, seminars	Periodic	Keeping abreast of the regulations and amendments. Seeking regulatory approvals to sell quality and safe goods to customers and tapping new jurisdictions.
e	Suppliers	No	E-mails, meetings, facility audits and grievance mechanism	Continuous	To ensure a continuous supply of goods without any interruptions. To identify and close gaps at supplier facilities related to cGMP practices. Addressing queries or feedback concerning products. Identifying right partners. Developing alternate suppliers for critical raw materials.
f	Investors/ Shareholders	No	Annual General Meetings, annual reports, newspaper and stock exchange communications, website, e-mail, grievance Mechanism.	Annual, Quarterly and if required need based	Communicating the business outlook and financial performance. Addressing their grievances on securities and others.
g	Communities	Yes	Directly or through CSR implementation agencies	Need based	Understanding the need of local communities and provide them with medicines and aid for education. To develop a sustainable ecosystem for our communities where we operate.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS****Essential Indicator****1. Employees who have been provided training on human rights issues and policy(ies)**

It is our endeavour to impart knowledge and skills to employees and workers through various training programmes. The principles of human rights are guided by the Company's policies such as the Code of Business Conduct and Ethics, Prevention of Sexual Harassment at Workplace, Whistle Blower Policy and Policy on Human Rights. These policies are available on the website and intranet of the Company and employees are self-trained on the same. These policies are available to all employees 24/7 as a ready reference. Presently the Company does not track the training provided on human rights to its employees but is planning to implement the same shortly.

**2. Details of minimum wages paid to employees and workers**

Sr. No.	Category	FY 2023					FY 2022				
		Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
			No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>											
	<b>Permanent</b>	<b>2,007</b>	<b>15</b>	<b>0.75</b>	<b>1,992</b>	<b>99.25</b>	<b>1,975</b>	<b>0</b>	<b>0</b>	<b>1,964</b>	<b>99.44</b>
a	Male	1,732	15	0.87	1,717	99.13	1,704	0	0	1,694	99.41
b	Female	275	0	0	275	100	271	0	0	270	99.63
	<b>Other than Permanent</b>	<b>178</b>	<b>85</b>	<b>47.75</b>	<b>93</b>	<b>52.25</b>	<b>245</b>	<b>0</b>	<b>0</b>	<b>222</b>	<b>90.61</b>
a	Male	146	85	58.22	61	41.78	207	0	0	185	89.37
b	Female	32	0	0	32	100	38	0	0	37	97.37
<b>Workers</b>											
	<b>Permanent</b>	<b>887</b>	<b>4</b>	<b>0.45</b>	<b>883</b>	<b>99.55</b>	<b>910</b>	<b>0</b>	<b>0</b>	<b>909</b>	<b>99.89</b>
a	Male	881	4	0.45	877	99.55	904	0	0	903	99.89
b	Female	6	0	0	6	100	6	0	0	6	100
	<b>Other than Permanent</b>	<b>51</b>	<b>18</b>	<b>35.29</b>	<b>33</b>	<b>64.71</b>	<b>37</b>	<b>3</b>	<b>8.11</b>	<b>24</b>	<b>64.86</b>
a	Male	51	18	35.29	33	64.71	36	3	8.33	23	63.89
b	Female	0	0	0	0	0	1	0	0	1	100

**3. Details of remuneration/salary/wages**

Sr. No.	Particulars	Male		Female	
		Number	Median remuneration/salary/wages of respective category (₹ in Lakhs)	Number	Median remuneration/salary/wages of respective category (₹ in Lakhs)
a	Board of Directors (BoD) (Whole-time directors)	2	415.79	0	-
b	Board of Directors (Non Executive and Independent)	3	13.50	1	9.50
c	Key Managerial Personnel (other than BoD)	2	110.06	0	-
d	Employees other than BoD and KMP	1,874	6.00	307	4.50
e	Workers	932	3.10	6	5.27

**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)**

We are committed to ensuring an inclusive environment, where people are treated with dignity and respect, so that employees can bring their best selves to work. We have an Internal Complaints Committee (ICC) which handles grievances of Sexual Harassment in workplace. We have zero tolerance towards any unethical practices. Such complaints can be addressed to the Whistle Blower Committee or under the mechanism given under the Code of Business Conduct and Ethics, which reports into the Audit Committee of the Company. Furthermore, employees can report on any human rights violation to the HR head at the locations or at the registered office.

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

As mentioned in point 4 above.

**6. Number of complaints on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, wages, Other human rights related issues by employees and workers**

Sr. No.	Particulars	FY 2023			FY 2022		
		Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
a	Sexual harassment	1	0	-	1	0	-
b	Discrimination in workplace	0	0	-	0	0	-
c	Child labour	0	0	-	0	0	-
d	Forced labour/involuntary labour	0	0	-	0	0	-
e	Wages	2	0	-	0	0	-
f	Other human rights related issues	0	0	-	0	0	-

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

We believe in protecting the privacy of our employees and all concerns of discrimination and harassment are dealt with confidentially. The Sexual Harassment Policy at workplace, the Code of Business Conduct and Ethics or the Whistle Blower policy ensures that the Complaint procedure will not lead to reprisals, retaliations or coercion as a result of filing the Complaint.

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

Yes, in certain business agreements and contracts where relevant.

**9. Assessments for the year**

Sr. No.	Particulars	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
a	Child labour	100% of our plants are assessed by the statutory authorities and bodies as may be applicable from time to time. The state regulatory and statutory bodies inspect our plants on a periodic basis. Internal audits are also carried out as and when required.
b	Forced/involuntary labour	
c	Sexual harassment	
d	Discrimination at workplace	
e	Wages	
f	Others – please specify	

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

Not applicable as we have not come across any significant concerns from assessments conducted at our plant and offices.

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**Essential Indicators**

**Reporting Boundary: Standalone**

**1. Details of total energy consumption (in Giga Joules) and energy intensity**

Sr. No.	Parameter	FY 2023	FY 2022
a	Total electricity consumption (A)	2,58,100	2,58,761
b	Total fuel consumption (B)	3,12,486	2,31,853
c	Energy consumption through other sources (C)	140	80
d	<b>Total energy consumption (A+B+C)</b>	<b>5,70,726</b>	<b>4,90,694</b>
e	Energy intensity per rupee of turnover (in kJ/rupee) (Total energy consumption/turnover in rupees)	0.000053	0.000052

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, the name of the external agency. No

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**  
Not Applicable



### 3. Provide details of the following disclosures related to water

Sr. No.	Parameter	FY2023	FY2022
<b>Water withdrawal by source (in kiloliters)</b>			
a	Surface water	1,49,314	1,85,267
b	Groundwater	1,44,501	1,28,899
c	Third-party water	1,13,543	66,907
d	Seawater / desalinated water	0	0
e	Others	0	0
<b>Total volume of water withdrawal (in kiloliters) (a + b + c + d + e)</b>		<b>4,07,359</b>	<b>3,81,074</b>
<b>Total volume of water consumption (in kiloliters)</b>		<b>4,07,359</b>	<b>3,81,074</b>
<b>Water intensity per rupee of turnover (Water consumed in Liters / turnover in rupee)</b>		<b>0.038</b>	<b>0.0404</b>

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

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

We aim to maximise recycling and re-use of treated wastewater within the sites, thereby reducing the intake of fresh water. The Company is committed towards resource conservation and follows all possible ways to achieve it. As on 31st March, 2023, four of our factories recycle and reuse their wastewater within the site. Treated water is reused wherever possible as per consent conditions. Such recycled water is used in cooling towers, toilet flushing, gardening etc. Zero liquid discharge is implemented at its manufacturing plants located at Roha, Pithampur, Kolhapur.

### 5. Please provide details of air emissions (other than GHG emissions) by the entity

Sr. No.	Parameter	Please Specify Unit	FY 2023	FY 2022
a	NOx	mg/Nm3	35.63	36.20
b	Sox	mg/Nm3	104.48	112.07
c	Particulate Matter	mg/Nm3	40.96	43.84
d	Persistent Organic Pollutants (POP)			Not applicable
e	Volatile Organic Compounds (VOC)			
f	Hazardous Air Pollutants (HAP)			
g	Others please specify			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency- No

### 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity

Sr. No.	Parameter	Unit	FY 2023	FY 2022
a	Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> Equivalent	16,125	22,444
b	Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> Equivalent	66,760	66,589
c	Total Scope 1 and Scope 2 emissions per rupee of turnover	kg CO <sub>2</sub> per rupee of turnover	0.000007729	0.000009442

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

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

Yes, the company is concerned about environmental pollution and taking measures to reduce the impact of greenhouse gas emission. Natural gas is being used as fuel at manufacturing locations wherever it is available. Energy conservation measures are implemented to reduce the consumption and greenhouse gas emissions, a few examples are:

- Replacement of mercury/Sodium vapour/Compact Fluorescent Lamps (CFL) with Light Emitting Diode (LED)
- Installation of Variable Frequency Drives (VFDs)
- Temperature controller for cooling tower fans operation
- Steam condensate recovery

## 8. Provide details related to waste management by the entity

Sr. No.	Parameter	FY 2023	FY 2022
<b>Total Waste generated (in metric tonnes)</b>			
(i)	Plastic waste (A)	107.00	113.70
(ii)	E-waste (B)	2.10	1.90
(iii)	Bio-medical waste (C)	10.30	11.40
(iv)	Construction and demolition waste (D)	0.00	0.00
(v)	Battery waste (E)	0.70	0.00
(vi)	Radioactive waste (F)	0.00	0.00
(vii)	Other Hazardous waste. Please specify, if any. (G)	4,664.30	4,388.50
(vii)	Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	529.40	600.10
<b>Total (A+B + C + D + E + F + G+ H)</b>		<b>5,313.70</b>	<b>5,115.60</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>			
<b>Category of waste</b>			
(i)	Recycled	2,557.80	2,109.80
(ii)	Re-used	5.20	6.40
(iii)	Other recovery operations	27.20	14.80
<b>Total</b>		<b>2,590.20</b>	<b>2,131.00</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</b>			
<b>Category of waste</b>			
(i)	Incineration	296.30	596.70
(ii)	Landfilling	2,227.10	2,240.10
(iii)	Other disposal operations	200.10	148.00
<b>Total</b>		<b>2,723.50</b>	<b>2,984.70</b>

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

All sites have authorization under hazardous waste management and handling rules. Some of the measures followed for waste handling and disposal are:

- At-source segregation of hazardous and non-hazardous waste
- Minimization of waste by controlling leakage/spillage/ handling losses
- Minimization of waste by process optimization
- Storage of waste at dedicated waste storage area, segregation as per different categories of waste
- Co-processing of waste to cement industry resulting in utilization of energy out of waste

The Company has laid down safety procedures for the identification of hazards from the chemicals being used, using its Material Safety Data Sheet (MSDS). Training is imparted to all concerned. Dedicated and segregated storage is done as per the compatibility and storage conditions of the material. Leakage collection and arrest measures are provided in each storage area. An emergency action plan is prepared and training is imparted to all concerned.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details. No, we do not have any operations near ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year. Not Applicable

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

Yes, the Company is following all the applicable environmental laws/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 and compliant on all aspects of it. One case is pending in court and at the Pollution Control Board involving environment-related issues as of the end of the financial year. This pertains to the year 2018. The Company has complied with the respective environmental Laws and Regulations and has timely represented this matter.

**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 a member of five major 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**

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
a	IMC Chamber of Commerce and Industry	National
b	Bombay Chamber of Commerce and Industry	State
c	Indian Pharmaceutical Association	National
d	Indian Drugs Manufacturers' Association	National
e	Confederation of Indian Industry	National

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**

During the year, there were no adverse orders from regulatory authorities relating to anti-competitive conduct. However on 9th July, 2014, the European Commission ("EU") decided to impose an unjustified fine of Euro 13.96 million, jointly and severally on the Company and its subsidiary Niche Generics Limited ("Niche") contending that they had acted in breach of EU competition law as Niche had, in early 2005 (when the Company was only a part owner and financial investor in Niche) had agreed to settle a financially crippling patent litigation with Laboratories Servier. The Company vehemently denies any wrongdoing on the part of either itself or Niche. Both the Company and Niche had submitted appeals in September 2014 to the General Court of the EU seeking appropriate relief in the matter. The General Court of the EU has rejected the appeals vide Order dated 12th December, 2018 and confirmed the fine of Euro 13.96 million. The Company and its subsidiary based on legal advice and merits have filed appeals against the decision of General Court before the Court of Justice of the EU and outcome of the appeals are awaited.

**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**

The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. However, the Company does not undertake any social impact assessment.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.** Not Applicable

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

There was no mandatory requirement to spend towards CSR activities for the year under review. However, the Company has made a voluntary contribution of ₹ 28 Lakhs towards CSR activities. All these CSR activities are handled by the implementing agencies who address any grievance reported therein in line with the applicable laws and the CSR policy of the Company. The company also directly undertakes its CSR activities. The CSR activities are periodically reviewed by the CSR committee. The Company has a dedicated email ID namely [shares@unichemlabs.com](mailto:shares@unichemlabs.com) wherein the grievances of the community can be addressed.

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

Sr. No.	Particular	FY 2023	FY 2022
a	Directly sourced from MSMEs/ small producers	3.22	3.96
b	Some directly from within the district and neighboring districts	The Company does not track inputs materials sourced from MSMEs with district and neighboring districts.	

**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**

The Corporate Quality Assurance (CQA) team takes cognizance of the complaints received from customers which are related to product quality. The CQA has developed Standard Operating Procedures (SOPs) for responding to customer complaints about product quality. Complaints can be raised by the customers to the CQA or business team at the e-mail IDs provided by the respective business teams. In addition, dedicated toll-free numbers are made available to the customers which is handled by external Pharmacovigilance service agencies. There is also a dedicated e-mail ID wherein urgent safety issues or medical emergencies can be contacted to report adverse events.

The Company has provided a dedicated e-mail ID namely [shares@unichemlabs.com](mailto:shares@unichemlabs.com) wherein any stakeholder can send their queries or complaints. The consumers can also raise their complaints/feedback as per the mechanism provided in our code of business conduct and ethics and the whistle-blower policy.

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

Sr. No.	Particulars	As a % of Total turnover
a	Environment and social parameters relevant to the product	Nil There are no specific environmental and social parameters relevant to the product since the products are pharmaceutical products prescribed by medical practitioners.
b	Safe and responsible usage	100% Our products carry information about their responsible and safe usage. We display relevant information on the product labels as per the requirement of national and international regulatory bodies guidelines for the responsible and safe consumption of medicines.
c	Recycling and/or safe disposal	Nil While the products do not specifically mention any such details on its products, they comply with the applicable required statutory requirements of the Pollution Control Boards and applicable regulations for safe disposal of products etc.

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

Sr. No.	Particulars	FY 2023			FY 2022		
		Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
a	Data privacy	Nil	Not Applicable	-	Nil	Not Applicable	-
b	Advertising	Nil	Not Applicable	-	Nil	Not Applicable	-
c	Cyber-security		Not Applicable	-		Not Applicable	-
d	Restrictive Trade Practices (anti-competitive)	Nil	1	Refer to Principle 7 Point No. 2	Nil	1	Refer to Principle 7 Point No. 2
e	Unfair Trade Practices	Nil	0	-	Nil	Not Applicable	-
f	Others: Product related	Please refer to point no. 23 under Customers (Transparency and Disclosure Compliances)					

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

Sr. No.	Particular	Number	Reasons for recall
a	Voluntary recalls	1	The products were recalled ensuring our alignment to the highest standards of quality and the laid down Standard Operating Procedures (SOPs) wherever applicable.
b	Forced Recalls	Nil	-

## 5. Does the entity have a framework/policy on cybersecurity and risks related to data privacy? (Yes/No) If available, provide a weblink of the policy

Yes. The company has in place policies covering aspects of Cyber Security and information security to ensure sufficient safeguards to prevent any cyber-attack. The policy is aligned with GAMP 5: A risk-based approach to compliant GxP computerized systems. We have a data integrity and IT policy in place and the same is available on the intranet of our Company.

## 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

The Company has not received any complaints with regards to advertising and delivery of essential services, cyber security and data privacy of customers.

With regards to voluntary recall cases, based on nature of complaint, defect and a health risk classification, the Corporate Quality Assurance (CQA) Department decides the recall of the products. The recall is carried out under the procedures set by the regulators of the concerned countries and as per the laid down SOPs of the Company. Recall is initiated once a decision is taken to recall the product. Investigation is carried out to find the root cause, investigation is conducted along with product quality risk assessment to determine impact on other associated batches. Based on the finding, corrective and preventive actions are taken. As an immediate corrective action, necessary training is given to the concerned departments and SOPs revisions are done wherever required.