

Clear
Strategy
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Performance





**Business Responsibility &
Sustainability Report**

2021-22

SECTION A:

GENERAL DISCLOSURES

I. DETAILS OF LISTED ENTITY 		
1.	CORPORATE IDENTITY NUMBER (CIN) OF THE COMPANY	L24230MH1979PLC022059
2.	NAME OF THE LISTED ENTITY	Ajanta Pharma Limited
3.	YEAR OF INCORPORATION	31/12/1979
4.	REGISTERED OFFICE ADDRESS	Ajanta House, Charkop, Kandivali (West), Mumbai - 400 067
5.	CORPORATE OFFICE ADDRESS	Ajanta House, Charkop, Kandivali (West), Mumbai - 400 067
6.	E-MAIL ID	info@ajantapharma.com
7.	TELEPHONE	022 66061000
8.	WEBSITE	www.ajantapharma.com
9.	FINANCIAL YEAR FOR WHICH REPORTING IS BEING DONE	1st April 2021 – 31st March 2022
10.	NAME OF THE STOCK EXCHANGE(S) WHERE SHARES ARE LISTED	BSE Limited and National Stock Exchange of India Limited
11.	PAID-UP CAPITAL	₹ 17.08 cr.
12.	NAME AND CONTACT DETAILS OF THE PERSON WHO MAY BE CONTACTED IN CASE OF ANY QUERIES ON THE BRSR REPORT	Arvind K. Agrawal, CFO 022 66061000 arvind.agrawal@ajantapharma.com
13.	REPORTING BOUNDARY	Standalone basis

II. PRODUCTS / SERVICES 			
14. DETAILS OF BUSINESS ACTIVITIES (ACCOUNTING FOR 90% OF TURNOVER)			
S.No.	Description of main activity	Description of business activity	% of turnover
1	Manufacture & sale of allopathic pharmaceutical preparations	21002	100%
15. PRODUCTS / SERVICES SOLD BY THE ENTITY (ACCOUNTING FOR 90% OF THE ENTITY'S TURNOVER)			
S.No.	Product / Service	NIC Code	% of total turnover contributed
1	Pharmaceutical products	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 Warehouses	Number of Corporate Offices	Total
National	7	3	4	2	16
International	NA	NA	NA	29	29

17. MARKETS SERVED BY THE ENTITY

a. Number of locations

Locations	Number
National (No. of states)	All
International (No. of countries)	30+

*Note: Internationally we serve in US, Africa, Middle East, Southeast Asia

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

70%

c. A brief on types of customers

Our ultimate customers are patients who use our medicines. Healthcare Professionals are our secondary customers who prescribe Ajanta products to the patients. Stockists and Distributors are our primary customers who reach our products to pharmacies from where patients buy the medicines.

IV. EMPLOYEES



18. DETAILS AS AT THE END OF FINANCIAL YEAR:

a. Employees and workers (including differently abled)

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	7120	6577	92%	543	8%
2.	Other than permanent (E)	201	193	96%	8	4%
3.	Total employees (D + E)	7321	6770	92%	551	8%
WORKERS						
1.	Permanent (F)	114	114	100%	0	0%
2.	Other than permanent (G)	2147	2028	94%	119	6%
3.	Total Workers (F+G)	2261	2142	95%	119	5%

*Note: Female ratio excluding field staff is 14%.

b. Differently abled employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	3	100%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	3	3	100%	0	0%
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	1	1	100%	0	0%
2.	Other than permanent (G)	0	0	0%	0	0%
3.	Total differently abled workers (F+G)	1	1	100%	0	0%

19. PARTICIPATION / INCLUSION / REPRESENTATION OF WOMEN

	Total (A)	No. and percentage of females	
		No. (B)	% (B / A)
Board of Directors	8	1	12%
Key Management Personnel	4	-	-

20. TURNOVER RATE FOR PERMANENT EMPLOYEES (DISCLOSE TRENDS FOR THE PAST 3 YEARS)

	FY 2022			FY 2021			FY 2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22%	20%	22%	37%	33%	37%	35%	26%	35%
Permanent Workers	5%	0%	5%	8%	0%	8%	2%	0%	2%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**21. (A) NAMES OF HOLDING / SUBSIDIARY / ASSOCIATE COMPANIES / JOINT VENTURES**

S.No.	Name	Relationship	Shareholding	Participation in BR initiatives of Ajanta
1	Ajanta Pharma USA Inc	Subsidiary	100%	Yes
2	Ajanta Pharma Philippines Inc	Subsidiary		
3	Ajanta Pharma Mauritius Limited	Subsidiary		
4	Ajanta Pharma Mauritius (Intl.) Ltd.	Step down subsidiary		
5	Ajanta Pharma Nigeria Limited	Subsidiary		

VI. CSR DETAILS

- 22.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
(ii) Turnover (in ₹): ₹ **3,140.64 cr**
(iii) Net worth (in ₹): ₹ **3,169.18 cr**

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES



23. COMPLAINTS / GRIEVANCES ON ANY OF THE PRINCIPLES (PRINCIPLES 1 TO 9) UNDER THE NATIONAL GUIDELINES ON RESPONSIBLE BUSINESS CONDUCT

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place & web-link	FY 2022			FY 2021		
		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 www.ajanta-pharma.com / Enquiry.aspx	176	6	Recently received	99	Nil	
Shareholders & Investors	Yes	Nil	Nil	-	Nil	Nil	-
Employees & workers	Yes	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-
Communities	Yes	Nil	Nil	-	Nil	Nil	-

For customer grievances, we have a robust system in place to attend to the complaint / feedback received from customers and address the same at the earliest to their satisfaction. Complaints can be registered through the enquiry form provided on the website or by mailing to info@ajantapharma.com. The Corporate Quality Assurance (CQA) team takes cognizance of grievances specific to product quality.

There is a strong grievance redressal mechanism for shareholders & investors. The complaints are attended promptly by the R & T agents and secretarial team. Stakeholder Relationship Committee of the Board oversees and looks into grievances not resolved in the specified time frame.

HR has laid down system to address grievances of employees and workers. Their complaints can be submitted to the HR head and plant head through emails or suggestion boxes. Company has also put in place Whistle Blower Policy and mechanism to enable the employees to raise their concerns, wrongdoing and other irregularities noticed in the Company without any fear of reprisal or reprimand.

For value chain partners and communities, the complaint can be registered through the enquiry form provided on the website or by mailing to info@ajantapharma.com. The same is attended promptly by the concerned functional head or location head to resolve the same. If any complaints remain unresolved within reasonable time, the same is referred to the top management for resolution.

24. OVERVIEW OF THE ENTITY'S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

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

i. Product quality and safety

Indicate whether risk or opportunity	Both risk & opportunity
Rationale for identifying the risk / opportunity	<p>Risk rationale</p> <p>Product quality and safety is most important for retaining customers. Any gap with respect to customer expectations impacts revenue.</p> <p>Opportunity rationale</p> <p>Enhancing product quality and safety and meeting the customer expectations will get more customers and revenue.</p>
In case of risk, approach to adapt or mitigate	<p>We have stringent quality control and quality assurance processes which ensures that every single product manufactured by the Company meets highest quality standards set by itself and regulators.</p>
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	<p>Positive: Enhancing product quality and safety will lead to an increased customer base and earnings.</p>

ii. Occupational Health and Safety

Indicate whether risk or opportunity	Both risk & opportunity
Rationale for identifying the risk / opportunity	<p>Risk rationale</p> <ul style="list-style-type: none"> • Unhealthy, unsafe and hazardous work conditions can cause physical and mental harm to workers' health and reduced productivity. • Any gap in meeting Health & Safety (HS) regulatory standards can lead to penal actions which can be negative for business. <p>Opportunity rationale</p> <ul style="list-style-type: none"> • Besides reducing costs, effective safety and health management promotes efficiency. • Fewer HS issues result in higher productivity and better-quality products.
In case of risk, approach to adapt or mitigate	<p>Committed to providing effective HS management system by:</p> <ul style="list-style-type: none"> • providing safe and healthy working conditions for the prevention of work-related injury and ill health • meeting the regulatory standards & requirements and taking steps for continued improvement. • conducting periodic audits to identify HS risks and taking proactive steps to minimize and mitigate it.
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	<p>Positive: Continuous improvement of HS standards leads to high production efficiency & better profitability as also higher employee morale and better brand image of the Company amongst regulators and investors.</p> <p>Negative: Lack of HS at the workplace will result in higher medical costs & increased cost of repair, damages etc.</p>

iii. Regulatory Compliance

Indicate whether risk or opportunity	Both risk & opportunity
Rationale for identifying the risk / opportunity	<p>Risk rationale</p> <p>Pharmaceutical industry is a highly regulated industry globally. Even a minor non-compliance may result in loss of reputation & business.</p> <p>Opportunity rationale</p> <p>Strict and proactive regulatory compliance provide competitive advantage.</p>
In case of risk, approach to adapt or mitigate	<p>Regulatory compliance is managed through:</p> <ul style="list-style-type: none"> • Tracking and managing all the compliances at different level, with maker & checker concept. • Standard Operating Practices (SOPs) and protocols laid down for every compliance requirement. • Review by quality assurance team along with cross functional team every four months. • Expert consultants for internal audits.
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	<p>Positive: Competitive advantage helps in augmenting sales & profits on sustainable basis.</p> <p>Negative: Loss of sales and profits, impacts growth in long term.</p>

iv. Product innovation

Indicate whether risk or opportunity	Opportunity
Rationale for identifying the risk / opportunity	Helps us stay relevant in our market, stay ahead of the competition and continue growing over time. It is essential for our long-term viability.
In case of risk, approach to adapt or mitigate	We have state-of-the-art R & D facilities that continuously work on product innovation while assuring best product quality and safety. Company is in forefront in launching several first-to-market products and in developing novel drug delivery systems.
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	Positive: This has direct financial implications on growth, revenue and profits.

v. Sustainable Supply Chain Management

Indicate whether risk or opportunity	Both risk & opportunity
Rationale for identifying the risk / opportunity	<p>Risk rationale</p> <ul style="list-style-type: none"> • Sustainable supply chain management involves integrating environmentally and financially viable practices into the complete supply chain lifecycle; from product design and development to material selection, (including raw material extraction), manufacturing (energy intensive production), packaging, transportation, warehousing, distribution, consumption, return and disposal. • Complexity of myriad supplier relationships and border crossings makes supply chain sustainability challenging. • Supply chain not offering dignified, safe work that respects and advances human rights across their value chain, can adversely impact our brand image globally and consequential impact on revenue and growth. <p>Opportunity rationale</p> <ul style="list-style-type: none"> • Sustainable supply chain management assists us in not only reducing our total carbon footprint, but also in optimizing our end-to-end operations to achieve greater cost savings and profitability. • It can give significant saving in expenses over the long term.

Indicate whether risk or opportunity	Both risk & opportunity
In case of risk, approach to adapt or mitigate	<p>We abide by the Charter of the United Nations and the Universal Declaration of Human Rights, the International Labor Organisation (ILO) convention and other regulatory frameworks to establish and enforce human rights.</p> <p>We engage with internal and external stakeholders to ensure there is no violation of human rights. We also discourage discrimination of any type in the workforce and promote engaging more women in the workforce.</p>
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	Positive: A sustainable supply chain enhances our commitment to protection of human rights and integrating ESG parameters across the value chain ensuring financial growth for us.

vi. Risk Management

Indicate whether risk or opportunity	Risk
Rationale for identifying the risk / opportunity	<p>Risk rationale</p> <ul style="list-style-type: none"> Managing risk is an interactive process and assists us in setting strategy, achieving objectives, and making informed decisions. It is also part of governance and leadership and how our business is managed at all levels. It is therefore a management system, a tool that is used to assess all types of risks associated with the business and putting in place robust risk management system. Being in the pharmaceutical business, regulatory compliance risks are very high followed by other risks such as supply-chain risks, quality risks, geopolitical exposures risk, cyber threats, data breaches, etc.
In case of risk, approach to adapt or mitigate	<p>The company's well-established risk management system includes identification of various risks, analysis & assessment of risks identified, formulation of risk management & mitigation strategies and implementation of the same to minimize the impact of such risks on the operations, if materialised.</p> <p>The process ensures that new risks, which might arise, or the impact of existing risks which might have increased, are identified and strategy is put in place for mitigating such risks.</p> <p>Major risks identified by the management are regulatory, competition, supply chain disruption, cyber & data security along with economic and political risks. Risk management policy is reviewed annually by the Risk Management Committee, Audit Committee and the Board of Directors.</p>
Financial implications of the risk or opportunity (Indicate Positive / Negative Implications)	Positive: Robust Risk management empowers us to proactively assess various risks and take timely actions / measures to minimize the risk materialization and its impact, if materialized.

SECTION B:

MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-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 its 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

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Restoring Environment	Public Policy Advocacy	Inclusive Growth	Customer Engagement

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	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes / No)	Yes, policies related to all the principles have been approved by the Board.								
c. Web link of the policies, if available	http://www.ajantapharma.com/PolicyCodes.aspx								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Company has translated the policies into procedures and practices wherever applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	Policies are extended to value chain partners to the extent required.								
4. Name the national and international codes / certifications / labels / standards	All our manufacturing sites are adhering to cGMP standards, apart from accreditations by Central Drugs Standard Control Organisation (CDSCO: India), ISO 9001:2015 and international regulatory authorities such as USFDA, WHO, etc.								

	Principles	5. Specific commitments, goals, targets set by the entity	6. Performance of the entity against specific commitments, goals and targets
P1	Ethics	Creating awareness amongst all the employees about Company's Code of Conduct for Ethical practices to be followed.	Code of Conduct is placed on the intranet of the company and employees are given training at the time of induction and on different occasions through mails, intranet articles and presentations.
P2	Product Sustainability	The Company is committed to ensure resource-efficient and low-carbon processes and technologies deployment to minimize adverse environmental and social impacts during the process of designing, production and making goods available to customers.	Company already has established a Policy for Product Sustainability which emphasis on activities like R&D, product development, raw & packing material sourcing, product manufacture, product shelf-life enhancement, upkeep of plant and machinery for ensuring sustainable products. Company is in the process of setting specific goals and targets in respect of these parameters.
P3	Employee well-being	The Company is committed to ensure diversity and inclusion, humane workplace free from harassment, health and safety of employees and workers; provide work environment that will attract and retain right talent and help them attain their full potential as also provide necessary training and learning programs thereby enhancing personal growth & development, skill enhancement, increase in productivity, foster team spirit and overall employee satisfaction.	<ol style="list-style-type: none"> 1. <u>Health and safety</u> <ul style="list-style-type: none"> • Achieved zero fatality. • Conducted Health and Safety audits. 2. <u>Covid-19</u> <ul style="list-style-type: none"> • Conducted vaccination camps for all the employees (permanent & contractual). • Provided infrastructure to employees to ensure remote working environment. 3. <u>Skill Development</u> <ul style="list-style-type: none"> • Continuous training provided to employees for skill upgradation. 4. <u>Mental Health & well-being</u> <ul style="list-style-type: none"> • Provided access of mental health therapists to employees. • Conducted Hobby Development sessions.
P4	Stakeholder Engagement	The Company has a stakeholder centric approach and is committed towards enhancing its trust, confidence and value.	<p>The Company has stakeholder engagement programmes such as a grievance redressal mechanism, periodic meetings & dialogue and training programmes.</p> <p>The Company conducted a materiality assessment programme to gain inputs from the stakeholders in identifying key material topics for business sustainability.</p>
P5	Human Rights	The Company is committed to zero tolerance to child labour, forced labour, sexual harassment, human trafficking and discrimination based on gender, caste, creed, religion, marital status, sexual orientation, among other factors.	<p>The Company is compliant and adheres to internationally recognized Human Rights charter/ declarations.</p> <p>There were no human rights violations / complaints relating either to child, forced and involuntary labour or discriminatory employment or any sexual harassment.</p> <p>The Company has set-up Internal Complaint Committee at all locations to address complaints of sexual harassment.</p> <p>There is another committee called Business Integrity Committee for attending to grievances or violations pertaining to human rights.</p>

	Principles	5. Specific commitments, goals, targets set by the entity	6. Performance of the entity against specific commitments, goals and targets
P6	Environment Management	<p>Recycling 100% plastic waste under the Extended Producer Responsibility initiative of the Central Pollution Control Board.</p> <p>To enhance Renewable Energy (RE) consumption to 50% by 2026.</p> <p>To achieve Zero Liquid Discharge at all our manufacturing plants.</p>	<p>The Company has engaged a waste management agency for ensuring recycling of 100% recyclable plastic waste.</p> <p>The Company has installed solar plants at all its manufacturing locations which produce about 8% of its total energy requirements and have resulted in reducing 40399 Tonnes of CO2 emissions to date. It is in the process to increase the solar energy production to achieve the set target.</p> <p>The Company continuously monitors the energy consumption and takes measures to reduce consumption in R&D and other operations. The Company is upgrading its systems to maximize recycling and reuse of wastewater as a continuous improvement process.</p>
P7	Public Advocacy Policy	<p>The Company's public advocacy is aimed to ensure that issues taken up have the right balance between the interest of company and of that of the society at large.</p>	<p>The Company addresses and takes up all such issues through industry forums and associations.</p>
P8	Equitable Development	<p>The Company is committed to fostering sustainable development and adding value to the local community in which it operates.</p> <p>It works primarily in the areas of education, healthcare, and rural development for the benefit and upliftment of marginalized and vulnerable groups.</p>	<p>The Company conducted vaccination drives in the rural areas, distributed Covid-19 relief material, arranged cataract surgery & family welfare camps, and aided various educational initiatives at schools & colleges for women empowerment, skill & vocational development.</p> <p>The number of beneficiaries through our CSR efforts in the reporting year is as follows:</p> <ul style="list-style-type: none"> • Cataract & Other camps: 41,000+ • Vaccination: 1,00,000+ • Family Planning: 6,600+ • Malnutrition: 48,000+ • Education: 5,000+
P9	Customer Service	<p>The Company is committed to providing the highest quality products, attending to every customer complaint and resolving it promptly.</p>	<p>The Company has established stringent quality assurance checks and controls which enabled it to deliver best- in- class products.</p> <p>There were very few complaints during the year and same were resolved promptly and there are no pending complaints.</p>

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

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

With the growing impact of climate change on the world which is becoming more and more evident by the day through floods, melting of glaciers, frequent and intense drought, storms, heat waves, wildfires, rising sea levels and so on. It is inevitable to take urgent action and set targets in accordance with the needs. Considering the grave impacts of climate change, we understand our duty towards building a safe and sustainable environment in the pharma industry. This has elevated our commitment to improve ESG performance.

We are strengthening our ESG processes and systems across the operations. We have incorporated ESG strategy which reflects how we are putting our commitment into action.

We are setting goals and targets to measure our progress on each of the parameters under the ESG umbrella. We are committed to initiatives like Renewable Energy, Plastic Waste Management, protection of Human Rights, community upliftment, and so on. For example, we are targeting to improve energy efficiency across operational locations and enhance the proportion of renewable energy sources to 50% of our total energy consumption, by 2026.

Continued engagement and collaboration with our stakeholders is key to our progress and achieving our vision of protecting people and environment. To have a strong foundation of our ESG strategy, we conducted stakeholder engagement to understand material issues for the Company and are addressing the same.

We aim to make this report more comprehensive in the coming years by adding more parameters.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility (BR) Policy	Mr. Yogesh M. Agrawal, Managing Director Mr. Arvind K. Agrawal, Chief Financial Officer
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 company has authorized Managing Director to take decisions for sustainability related issues. He is assisted by members of the senior management viz. Chief Financial Officer, President – Technology and Operations, R & D head, Functional Heads and Company Secretary to address these issues. The above-mentioned team oversees and monitors various aspects of social, environmental, governance and economic responsibilities of the company on a continuous basis and takes appropriate decisions after consulting management. The company's business responsibility performance is reviewed by the Board of Directors on an annual basis.

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

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								
Performance against above policies and follow up action	Yes, the policies and the performance against them are reviewed by the senior management team on a continual basis and follow up actions are taken where required. The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis and policies are reviewed as and when required.																			
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the regulations as applicable.																			

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.

We haven't carried out an independent assessment/ evaluation of the working of our policies by an external agency. However, an internal assessment of working of the BRSR policies has been done.

12. If answer to 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

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	% of persons in respective category covered by the awareness programmes
Board of Directors & KMP	The Independent Directors and KMP spent approximately 7 hours on various familiarization programmes.	The programmes comprised of: <ul style="list-style-type: none"> • Analysis of annual Budget & CAPEX • Overview of BRSR & green energy • Export & domestic business • R & D activities • Industry updates and development • Business initiatives and plans/projects • Products launched/market standing • Segment wise performance • CSR activities undertaken Programmes covered principles 2, 3, 6 & 8	100%
Employees other than Board of Directors and KMPs	On an average, each employee spent 4 hours on various trainings. Owing to the pandemic, most trainings happened through blended learning which entailed virtual classroom initiatives, along with e-learning modules.	The trainings covered upskilling and reskilling of employees on the following: <ul style="list-style-type: none"> • ESG aspects • Occupational Health and Safety • Prevention of Sexual Harassment • Human Rights • Consumer Safety • Cyber Security • Regulatory compliance • Code of Conduct • Leadership & Soft skills • Specific to department / business function Trainings covered principles 1, 2, 3, 5, 6 & 9	100%
Workers	On an average each employee spent 3 hours on various trainings	Training programmes covered: <ul style="list-style-type: none"> • Health and Safety Trainings • Code of Conduct • Prevention of Sexual Harassment • Human Rights Trainings covered Principles 1, 2, 3, 5 & 6	100%

- **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings with regulators / law enforcement agencies / judicial institutions in FY22 :** Nil
- **Of the instances disclosed above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed :** Not Applicable
- **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy :** Yes, the company has a Code of Conduct for Directors and Senior Management that entails ethical conduct. The Company also has laid down an Ethics policy to ensure ethical conduct by employees, supply chain & business partners.
Web links of these policies are as under:
<http://www.ajantapharma.com/AdminData/PolicyCodes/2018CodeofConductforDirectorsandSeniorManagement.pdf>
Link of Ethics policy: <http://www.ajantapharma.com/PolicyCodes.aspx>
- **Number of Directors / KMPs / employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption :** Nil
- **Details of complaints with regard to conflict of interest :** Nil
- **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 :** No fines / penalties / actions are taken against the company or its employees by any regulators on corruption and conflict of interest.

LEADERSHIP INDICATORS

- **Awareness programmes conducted for value chain partners on any of the principles during the financial year :** We are in the process of formulating ESG related awareness programmes for them in the coming years.
- **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 Code of Conduct (the "Code") sets forth legal and ethical standards of conduct for Directors and employees constituting senior management (comprising all members of core management team one level below the Executive Directors and all functional heads). Code is designed to deter wrongdoing and to promote:
 - Honest, fair and ethical conduct, including ethical handling of conflicts of interest between personal and professional relationships.
 - Protection and proper use of corporate assets & confidential information.
 - Compliance with applicable laws, rules and regulations.
 - Prompt internal reporting of violations of the Code.

The processes to avoid / manage conflict of interest involving members of the board are detailed in point 2 of the code of conduct.

Link of the policy:

<http://www.ajantapharma.com/AdminData/PolicyCodes/2018CodeofConductforDirectorsandSeniorManagement.pdf>

Yearly declarations are received from directors and senior management that they have abided by the Code of Conduct.

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.

	FY 2022	FY 2021	Details of improvement in environment and social impacts
R & D	31.77%	-	-
Capex	68.23%	-	<ol style="list-style-type: none"> 1. Installed Spot Extractor System (exhaust system) which ventilates contaminated air resulting in a safe working environment for personnel. 2. We have installed various machines to detect nitrosamine impurities that are carcinogenic, which avoids health & safety impacts on personnel 3. We have upgraded Fire Safety System (smoke detector systems and fire extinguishers) 4. Enhanced renewable energy utilisation by installing solar plants at all manufacturing sites 5. Installation of new energy-efficient pumps for chiller and condenser water 6. Replacement of existing air blower for aeration in ETP with energy efficient blower

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

Yes. From a sustainable sourcing standpoint, we collect data of suppliers on parameters like ISO / WHO certifications / inspections, SOPs and sanitation of premises and facilities, warehouse maintenance, production and packing standards and approaches, quality control, quality assurance, environmental monitoring, HVAC and water system, before we onboard them. Secondly, our sourcing is 90% local (local pertaining to India).

Going forward, we will start screening suppliers based on their ESG performance.

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

90%

- 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 is adhering to the requirements of Plastic Waste Management Rules laid down by the Central Pollution Control Board. We have established an EPR (Extended Producers Responsibility) project under the Plastic Waste Management (PWM) Rules 2016 under which we are collecting and recycling 80 MT of plastic waste. We commissioned the project in 2018 and registered it in 2019. Currently, we are recycling 100% of the packaging foils with the help of our implementation partners.

We also have process in place for disposing recyclable waste like e-waste, hazardous waste and other wastes to State Pollution Control Board (SPCB) and authorized agencies.

- 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 EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable & we are a registered brand owner with CPCB. We are fulfilling the requirements as mentioned under PWM Rules 2016 and carrying out the EPR activity through engagement with a Waste Management Agency (WMA).

LEADERSHIP INDICATORS

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022	FY 2021
Plastic Waste (Capsule Packaging Foil)	100%	100%

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	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)

PERMANENT EMPLOYEES

Male	6577	5360	81.50	6577	100	-	-	-	-	-	-
Female	543	484	89.13	543	100	543	100	-	-	-	-
Total	7120	5844	82.08	7120	100	543	7.63	-	-	-	-

OTHER THAN PERMANENT EMPLOYEES

Male	193	104	53.89	188	97.41	-	-	-	-	-	-
Female	8	-	-	8	100	8	100	-	-	-	-
Total	201	104	51.74	196	97.51	8	3.98	-	-	-	-

- B. Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)

PERMANENT EMPLOYEES

Male	114	109	95.61	114	100	-	-	-	-	-	-
Female	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	114	109	95.61	114	100	-	-	-	-	-	-

OTHER THAN PERMANENT EMPLOYEES

Male	2028	-	-	-	-	-	-	-	-	-	-
Female	119	-	-	-	-	119	100	-	-	-	-
Total	2147	-	-	-	-	119	5.54	-	-	-	-

- Details of retirement benefits for the current and previous financial year**

Benefits	FY 2022			FY 2021		
	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	100
Gratuity	100	100	Y	100	100	100
Employee State Insurance (ESI) - for eligible employees	100	100	Y	100	100	100

- **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.

Various offices of the company, including the registered and corporate offices have ramps for easy movement of differently abled people and are making all the offices to be friendly for differently abled employees and workers.

- **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.**

The Company believes in equal opportunity for all its employees and is committed to providing an inclusive work culture and an environment free from any discrimination.

Ajanta's policies cover the aspects of Rights of Persons with Disabilities Act, 2016 and the rules and regulations committed towards the empowerment of persons with disabilities.

- **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	-	-	-	-
Female	76.47	100	-	-
Total	76.47	100	-	-

*Note: Under permanent workers there are no female employees

- **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.**

Particulars	Yes / No
Permanent Employees	Yes
Other than Permanent Employees	Yes
Permanent Workers	Yes
Other than permanent Workers	Yes

Yes. We have established a three-way approach to receive and redress grievances of employees:

- **Open door policy:** The employees may specify their grievance to their line manager, or they also have the option of raising a grievance directly to the HR manager.
- **Committees for issues related to Human Rights:** We have Internal Complaints Committee (ICC) and Business Integrity Committee. The ICC has been formed to address Sexual Harassment grievances, whereas the Business Integrity Committee caters to grievances or violations pertaining to Human Rights.
- **Suggestion Box:** We have a kept suggestion box at each plant/site. Employees are encouraged to provide suggestions, raise concerns with respect to health and safety practices or any other concerns.

We ensure that every complaint is treated seriously and dealt with consistently, in an impartial, confidential and transparent manner.

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

Company recognises the right to freedom of association and have recognised unions at two plants.

Category	FY 2022			FY 2021		
	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 (B)	%(D / C)
Total Permanent Employees	7120	-	-	6892	-	-
- Male	6577	-	-	6379	-	-
- Female	543	-	-	513	-	-
Total Permanent Workers	114	105	92.11	120	110	91.67
- Male	114	105	92.11	120	110	91.67
- Female	-	-	-	-	-	-

- **Details of training given to employees and workers:**

Category	FY 2022					FY 2021				
	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)
EMPLOYEES										
Male	6577	4493	68.31	42	0.64	6379	3281	51.43	765	11.99
Female	543	92	16.94	14	2.58	513	30	5.85	495	96.49
Total	7120	4585	64.40	56	0.79	6892	3311	48.04	1260	18.28
WORKERS										
Male	114	114	100	-	-	120	120	100	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	114	114	100	-	-	120	120	100	-	-

- **Details of performance and career development reviews of employees and workers:**

Category	FY 2022			FY 2021		
	Total (A)	No. (B)	%(B / A)	Total (C)	No. (D)	%(D / C)
EMPLOYEES						
Male	6577	6049	91.97	6379	5900	92.49
Female	543	508	93.55	513	469	91.42
Total	7120	6557	92.09	6892	6369	92.41
WORKERS						
Male	114	9	7.89	120	10	8.33
Female	-	-	-	-	-	-
Total	114	9	7.89	120	10	8.33

- **Health and safety management system**

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

Yes, company places utmost emphasis on Occupational Health and Safety (OH&S) management. Following are the objective and commitments:

- Provide safe and healthy working conditions for the prevention of work-related injury and ill health.
- Eliminate hazards and reduce OH&S risks.
- Continual improvement of the EHS management system.
- Fulfil legal and other obligations.

All work-related risks & their causes in the work environment are identified. To mitigate the same, personal protective equipment is provided & awareness training related to SOPs and best practices is provided to the employees and workers. Each site is supervised by the EHS team and the site management who conduct workplace inspections & hazard identifications which are then notified to the EHS head. Safety & Environmental audits are also conducted through external agencies to identify the gaps and to establish compliances. Central Safety Committee and emergency response team are also formed who periodically conduct workplace & work zone monitoring at the sites. As a safety measure, signages including general safety instructions, (also in vernacular languages), Life Safety Rules etc. are placed in all the factories. Process Safety Risk Assessment & Material Safety Data Sheet (MSDS) are also kept at all sites.

Health insurance & compensation, Occupational health center, first aid at points, firefighting systems (smoke detectors, fire alarm systems, fire extinguishers), SOPs to operate plant activities in emergencies, ambulance, Government approved on site Emergency plan are provided at all the sites. Further, Safety Risk Assessment & Safety Audit is done by regulatory bodies.

In order to ensure that the suppliers are in compliance with EHS regulations, the Company assesses their data on various Health and Safety parameters and certifications of their sites.

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

We believe that risk assessments are an integral part of ensuring health, safety and wellbeing of everyone within the workplace. Risk assessment is carried out through Hazard Identification and Risk Assessment (HIRA) method which comprises of:

1. Spot the Hazard (Hazard Identification).
2. Assess the Risk (Risk Assessment).
3. Make the Changes (Risk Control).

Periodic internal audits, leadership rounds are conducted to identify unsafe acts / conditions which further helps to improve and to optimize risk levels. Corrective Actions and Preventive Actions (CAPA) is implemented based on the incident and the cause. Furthermore, follow up on implementation of CAPA is done to reassess the process if necessary.

- **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes / No)**

Yes, systems are in place to report work related hazards. Safety suggestion boxes are provided at each site where employees and workers can drop their concerns with details of hazard identified. Based on the concerns raised hazard risk level is evaluated and CAPA is implemented to either eliminate or to minimise hazard levels.

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

Yes, there is a Group Mediclaim policy for employees and workers.

- **Details of safety related incidents:**

Safety Incident / Number	Category	FY 2022	FY 2021
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.18	0.27
Total recordable work-related injuries	Employees	0	0
	Workers	1	3
No. of fatalities	Employees	0	0
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

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

The company is committed to produce highest quality goods without sacrificing on safety and environmental needs. All work-related risks & their causes in the work environment are identified. Personal protective equipment & awareness trainings are provided to employees and workers. Workplace inspection & hazard identifications are conducted by EHS & Site management. Safety & Environmental audits of plants are done by competent persons/authorities under the Factories Act to ensure compliance. Central Safety Committee and Emergency Response Team like First Aider & Fire Fighter teams are also formed to ensure safety processes and for risk assessment.

- **Number of complaints on the following made by employees**

Category	FY 2022			FY 2021		
	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	-	-	-	-	-	-
Health and safety	-	-	-	5	-	All complaints were resolved satisfactorily

Safety Suggestion Box is maintained at all our plant locations wherein employees and workers can report their observations / suggestions, which require attention from a safety point of view. These suggestions are evaluated internally and considered for corrective actions.

- **Assessments for the year**

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

- **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.**

A few case studies have been added to ascertain details of corrective actions taken to address safety-related incidents and on significant risks / concerns arising from assessments of health as also safety practices and working conditions undertaken by the company:

Automatic Solvent Transfer System

At API Waluj Plant, SCADA (Supervisory Control and Data Acquisition) based Automatic solvent transfer system has been installed which has benefited in reducing several risks viz:

- Reduced the physical hazard like superficial cuts, leg injuries etc., while carrying solvent drums with trolley are minimized.
- Optimized respiratory hazard while charging different types of solvents into the reactor through AOD pump. These solvents are hazardous in nature & create a direct impact on the respiratory system.
- Reduced the chemical hazard; because while charging the solvent, splashes of solvent would fall on the body parts of the personnel which results in skin irritation, skin burning etc.
- Fire risk has been reduced as the solvent is automatically transferred into the reactor under the nitrogen blanketing system.

Automatic Water Jet System for Tank Cleaning

Automatic Water Jet system with the dosing of Sodium Hypochlorite has been installed in all our formulation units for tank cleaning. In manual cleaning of tank, workers need to enter the tank where oxygen parameters need to be continuously monitored or artificial oxygen needs to be provided. This has eliminated entry of personnel in a confined space.

LEADERSHIP INDICATORS

- **Does the entity extend any life insurance or any compensatory package in the event of death of Employees (Y / N) (B) Workers (Yes / No).**

Yes, we have death coverage under the EDLI and Gratuity Policies. Benefits like provident fund, pension as applicable, are settled on a priority basis.

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

We obtain monthly statutory payment challans for verification from vendors / contractors before processing their invoices. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

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

Nil

- **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)**

Skilling upgradation of all employees remains a continuous activity in the Company.

- **Details on assessment of value chain partners**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% of the value chain partners are assessed and continuously monitored through audits / inspections on working conditions and H&S practices like ISO / WHO certifications, Quality Checks, Sanitary practices, fire safety and so on.
Working conditions	

- **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.**

Corrective actions are taken wherever necessitated on the above-mentioned parameters.

We ensure undertakings from our value chain partners that they will adhere to highest standards of Health & Safety practices. In the coming years, we are aiming to initiate engagements / awareness programmes with our value chain partners on ESG parameters.

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.**

Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes Customers, Employees, Suppliers & Vendors, Regulators, Business Partners, Local communities and Investors / Shareholders.

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

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
Employees	No	Direct & other communication mechanisms	Daily	Company follows an open-door policy.
Customers (Healthcare professionals, Dealers & Distributors)	No	Meetings	Frequent and need based	To stay abreast of developments in pharmaceutical sector and informing them about products of the company.

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
Regulators	No	Meetings and other communication mechanisms.	Need based	To stay abreast of the developments in policies and for compliances, approvals, permissions, etc.
Suppliers and Vendors	No	Emails, meetings	Frequent and need based	Co-ordinate for supply of materials and ensure compliances
Business Partners (third party manufacturers)	No	Emails, meetings	Need based	Address any issues concerning manufacturing operations and supplies
Local communities	Yes	Directly or through CSR implementation partners	Frequent and need based	Support through socially high impact projects
Investors / Shareholders	No	Email, newspaper advertisement, website, Annual General Meetings, disclosures to stock exchanges and investor meetings / calls / conferences	Need based and Quarterly calls	To update them about important developments in the Company and address their grievances

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.**

The process of consultation with stakeholders is delegated to the Managing Director, Joint Managing Director and Senior Management Team of the Company, who in turn hold consultation with different stakeholders on economic, environmental and social topics on a need basis. Board is then appraised on a quarterly basis during the Board Meetings.

- **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. Ajanta Pharma believes in engaging with stakeholders to incorporate ESG parameters which are key to building a robust Sustainability / ESG strategy. We have conducted materiality assessment with our stakeholders to understand their concerns and feedback in terms of material topics pertaining to ESG parameters for the company. We have also incorporated these aspects in our policies.

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

Ajanta supports the government's endeavour toward the CSR Rules and implements various initiatives for the upliftment and betterment of disadvantaged, vulnerable and marginalised segments of society. We believe in providing accessible and affordable healthcare/education through various CSR initiatives. We engage with implementation partners like Samta Foundation to address the concerns of vulnerable/marginalised stakeholder groups. They work with schools to set up computer labs and other vocational infrastructure. In healthcare, Samta Foundation conducts cataract operations, eye and skin camps thereby bringing quality and reliable healthcare to rural and tribal regions of India. And as a community Service, Samta Foundation creates sanitation awareness and provide meals and shelter to patients from rural areas visiting hospitals in cities.

PRINCIPLE 5:



BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

- Employees who have been provided training on human rights issues and policy(ies)

Category	FY 2022			FY 2021		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
EMPLOYEES						
Permanent	7120	7120	100	6892	6892	100
Other than permanent	201	201	100	179	179	100
Total Employees	7321	7321	100	7071	7071	100
WORKERS						
Permanent	114	114	100	120	120	100
Other than permanent	2147	-	-	1878	-	-
Total Workers	2261	114	5.04	1998	120	6.01

Note: The training pertains to the Code of Conduct and the Human Rights Statement of the company

- Details of minimum wages paid to employees and workers:

Category	FY 2022					FY 2021				
	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)
EMPLOYEES										
Perma- nent	7120	-	-	7120	100	6892	-	-	6892	100
Male	6577	-	-	6577	100	6379	-	-	6379	100
Female	543	-	-	543	100	513	-	-	513	100
Other than Per- manent	201	-	-	201	100	179	-	-	179	100
Male	193	-	-	193	100	172	-	-	172	100
Female	8	-	-	8	100	7	-	-	7	100
WORKERS										
Perma- nent	114	-	-	114	100	120	-	-	120	100
Male	114	-	-	114	100	120	-	-	120	100
Female	0	-	-	-	-	0	-	-	-	-
Other than Per- manent	2147	2147	100	-	-	1878	1878	100	-	100
Male	2028	2028	100	-	-	1774	1774	100	-	100
Female	119	119	100	-	-	104	104	100	-	100

- Details of remuneration / salary / wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category (₹ In lakhs)	Number	Median remuneration / salary / wages of respective category (₹ In lakhs)
Board of Directors (BoD)#	7	3642.30	1	6.21
Key Managerial Personnel (other than BoD)#	2	218.77	-	NA
Employees other than BoD and KMP	6689	4.11	543	5.03
Workers	114	6.98	-	NA

- **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. We have established Internal Complaints Committee (ICC) and Business Integrity Committee across the Company. The ICC has been formed to address Sexual Harassment related grievances, whereas the Business Integrity Committee caters to grievances or violations pertaining to Human Rights.

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

The Company considers human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed.

The Company has established Business Integrity Committee to address grievances related to Human Rights. Also, we have established ICC to address complaints / grievances specific to sexual harassment.

We are committed to maintain a safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, sexual orientation, race, caste, gender, religion, disability, nature of work, designation and such other parameters. Ajanta Pharma believes that every workplace should be free from violence, harassment, intimidation and / or any other unsafe or disruptive conditions, either due to external or internal threats.

Ajanta also has zero-tolerance toward and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse. As a matter of policy, Ajanta does not hire any employee or engage with any agent or vendor against their free will.

- **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:**

Nil

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

The company has established ICC at all locations to address complaints with respect to sexual harassment. The sexual harassment policy of the company provides and assures that use of complaint procedure will not lead to reprisals, retaliation, or coercion as a result of filing the complaint.

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

Yes, in certain business agreements and contracts where relevant.

- **Assessments for the year**

Particulars	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plants were assessed by statutory authorities. The state regulatory and statutory bodies inspect our plants on periodic basis.
Forced / involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

In the past year we haven't received any corrective action directives, as we are compliant to the laws as applicable.

LEADERSHIP INDICATORS

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

We haven't received any human rights grievances / complaints in the reporting year. However, the Company is of the belief that it upholds the basic principles of human rights in all its dealings. The Company sensitizes its employees on the Code of Conduct through various training programmes.

PRINCIPLE 6:



BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

Reporting Boundary: For our environmental performance, the scope is limited to Corporate Offices, 1 R&D center, 2 Warehouses and all Plants. The data metrics will be made comprehensive and entailing all locations gradually in the years to come.

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

Parameter	FY 2022	FY 2021
Total electricity consumption (A)	226239.70	202119.13
Total fuel consumption (B)	62229.75	49397.60
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	288469.46	251516.73
Energy intensity per rupee of turnover (in kJ / rupee) (Total energy consumption / turnover in rupees)	9.89	8.63

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

We haven't carried out assessment / evaluation / assurance by any external agency.

- **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? (Yes / No) 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

- **Provide details of the following disclosures related to water.**

Parameter	FY 2022	FY 2021
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	112830	106080
(iii) Third party water	169299	162061
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	282129	268141
Total volume of water consumption (in kilolitres)	282129	268141
Water intensity per rupee of turnover (Water consumed in Litres / turnover in rupee)	0.008	0.008

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

We haven't carried out assessment / evaluation / assurance by any external agency.

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

As a part of continual improvement in our environmental performance and to reduce our consumption of natural resources, we have upgraded our ETP system by making it Zero Liquid Discharge facility by introducing advanced technologies for wastewater treatment like Reverse Osmosis Plant (RO) & Evaporator. This implementation has saved almost 20% freshwater use, as all ETP treated water is being utilized for utility make-up.

- **Please provide details of air emissions (other than GHG emissions) by the entity.**

We are in the process of collating data for air emissions (other than GHG emissions), it will be added in the report going forward.

- **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	Unit	FY 2022	FY 2021
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	4611.22	3660.36
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	46633.15	41756.30
Total Scope 1 and Scope 2 emissions per rupee of turnover	kg CO ₂ per rupee of turnover	0.0017	0.0015

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

We haven't carried out assessment / evaluation / assurance by any external agency.

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

Yes, we have undertaken various initiatives to reduce Green House Gas emissions. Two major programmes are:-

A) Transition to Renewable Energy B) Energy Efficiency initiatives

Details of the projects have been added below:

Solar Energy: To improve energy efficiency across operational locations and enhance the proportion of renewable energy sources, Ajanta Pharma has committed to transitioning to 50% of its total consumption through Renewable Energy by 2026. It helps in mitigating the consumption of non-renewable energy and improves public health and environment quality for the surrounding ecosystem and enhances economic, environmental and societal capital. Our transition to solar energy has resulted in 40,399 Tonnes of CO2 emissions reductions so far.

Energy Efficiency

- Installation of energy efficient air blower for ETP aeration tank at API for reduction in electricity consumption.
- Close Monitoring of HVAC operation at Paithan: Noncritical area HVAC switched off when there is no activity for reduction in electricity consumption.
- Cleaning of QC condenser coil with a special chemical at Dahej for temperature optimization and for reduction in electricity consumption.
- Timer Installation of canteen DX outdoor unit and set on / off time as per schedule at Dahej to reduce electricity consumption.
- QA & Admin Area air conditioning temperature optimization at Dahej for reduction in electricity consumption.
- Ensured best possible automation to reduce electricity wastage viz. interlocking of dust collectors with HVAC; occupancy sensors for low man movement area; Proximity sensors for Air curtains; Potable water pump operated from feedback and VSD; seasonal set point optimization of chillers: Auto Water Level Sensors Fix to ETP, STP Drinking Water RO Plant & Underground & overhead Water Tanks etc.
- Enhanced renewable energy utilisation by installing solar plants at all manufacturing sites.
- All new purchases of energy related equipment, VSD incorporated during procurement stage only.
- Installation of energy monitoring system at all manufacturing sites.
- Installation of new energy efficient pumps for chiller and condenser water.
- Precise control in room temperature achieved through retrofitting of existing conventional electrical heating system with thyristor based electrical heating system for HVAC.
- Installation of LED and / or energy star monitors across all Ajanta sites.
- Replacement of existing air blower for aeration in ETP with energy efficient blower.
- Installation of STATCOM for power factor and power quality improvement.
- Close monitoring of HVAC operation across all sites.
- ETP aeration blower also utilised for STP aeration thus stopped additional blower at STP.
- Implemented a well-structured utility leakages management program across all Ajanta sites for zero leakage

Impact of the above measures:

- Reduction in energy consumption and cost.
- Reduction in Carbon footprint & CO2 emissions.
- Reduction in per unit production cost.
- Reduction in leakage and wastage of energy.

• **Provide details related to waste management by the entity**

Parameter	FY 2022	FY 2021
Total Waste generated (in metric tonnes)		
Plastic waste (A)	80	74
E-waste (B)	0.2	0
Bio-medical waste (C)	12.05	14.01
Construction and demolition waste (D)	0	0
Battery waste (E)	6.68	4.09
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	458.70	461.62
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A + B + C + D + E + F + G + H)	557.63	553.72

Parameter	FY 2022	FY 2021
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	80	74
(ii) Re-used	0	0
(iii) Other recovery operations	84.17	98.37
Total	164.17	172.37
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	339.14	353.59
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	339.14	353.59

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

We haven't carried out assessment / evaluation / assurance by any external agency.

- **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.**

We maintain high-standard pollution management systems to mitigate concerns and to optimize risk levels with consideration of the worst-case scenarios. For production & other waste disposals we have tied up with the nearest Common Hazardous Waste Treatment, Storage & Disposal Facilities (CHWTSDF) where safe & scientific disposal of waste is being carried out.

- **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.**

Not Applicable.

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

No assessment has been done in the current financial year.

- **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 (Yes / No). If not, provide details of all such non-compliances.**

Yes, the company is compliant with the applicable environmental law / regulations / guidelines in India.

LEADERSHIP INDICATORS

- **Provide break-up of the total energy consumed from renewable and non-renewable sources (Giga Joules).**

Parameter	FY 2022	FY 2021
From renewable sources		
Total electricity consumption (A)	13734.21	11837.26
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A + B + C)	13734.21	11837.26
From non-renewable sources		
Total electricity consumption (D)	212505.50	190281.87
Total fuel consumption (E)	62229.75	49397.60
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D + E + F)	274735.25	239679.47

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

No, we haven't carried out assessment / evaluation / assurance by any external agency.

PRINCIPLE 7:

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS**a. Number of affiliations with trade and industry chambers / associations.**

The company is a member of 6 trade and industry chambers / associations.

a. 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.	Indian Pharmaceutical Alliance (IPA)	National
2.	Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)	National
3.	Federation of Indian Exporters Organisation (FIEO)	National
4.	Indian Drug Manufacturers' Association (IDMA)	National
5.	Bombay Chamber of Commerce & Industry	City
6.	Federation of Indian Chambers of Commerce and Industry	National

• 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.

There were no adverse order from regulatory authorities.

PRINCIPLE 8:

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. Details of CSR initiatives taken by the Company and agencies and impact assessment thereof are provided in the Annexure B to the Directors' Report.

• Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Not applicable.

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

The company has mechanisms to receive and redress grievances of various stakeholders. Grievances of the community are directly handled by our CSR implementation partners (NGOs).

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

Parameter	FY 2022	FY 2021
Directly sourced from MSMEs / small producers	19%	12%
Some directly from within the district and neighboring districts	14%	9%

LEADERSHIP INDICATORS

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

S. No.	State	Aspirational Districts	Amount spent (₹ in lakhs)
1	Madhya Pradesh	Barwani	10.00
2	Maharashtra	Washim	406.50
3	Maharashtra	Nandurbar	20.50
4	Maharashtra	Osmanabad	0.70
5	Maharashtra	Gadchiroli	19.50

- Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR projects
Health		
1.	Cataract & Other camps	41,000+
2.	Vaccination	1,00,000+
3.	Family Planning	6,600+
4.	Malnutrition	48,000+
Education		
1.	Different Educational Institutions	5,000+
Total		2,00,000+

Beyond the beneficiaries listed above, we have worked on programs related to education and sports.

PRINCIPLE 9:



BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

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

The company has standard procedures for handling and investigating product quality complaints that are received from various sources such as customers, regulatory agencies, doctors, distributors, suppliers. All the complaints are investigated within 30 days and relevant actions are taken to avoid recurrence. Upon investigation of the complainant, QA sends a 'Complaint Reply Form' and waits for fifteen (15) working days for any comment (feedback) from the complainant and then proceeds for the closing of the complaint.

Additionally, Ajanta's website (www.ajantapharma.com) is having a tab 'Contact Us' followed by 'Enquiry' tab wherein an individual can register the relevant details including 'product complaint/feedback'. The Company has also provided dedicated e-mail ID "info@ajantapharma.com" to enable consumers and others to send their grievances and feedback.

- Turnover of products and / services as a percentage of turnover from all products / service that carry information

Parameter	As a Percentage of Total turnover
Environment and social parameters relevant to the product	-
Safe and responsible usage	100%
Recycling and / or safe disposal	-

- **Number of consumer complaints in respect of the following:**

Category	FY 2022		Remarks	FY 2021		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Not Applicable	-	Nil	Not Applicable	-
Advertising	Nil	Not Applicable	-	Nil	Not Applicable	-
Cyber-security	Nil	Not Applicable	-	Nil	Not Applicable	-
Restrictive Trade Practices	Nil	Not Applicable	-	Nil	Not Applicable	-
Unfair Trade Practices	Nil	Not Applicable	-	Nil	Not Applicable	-
Others: clarification on technology used	01	0	Resolved	Nil	Not Applicable	-
Others: Product related	28	0	Resolved	80	Not Applicable	Resolved

- **Details of instances of product recalls on account of safety issues**

Parameters	Number	Reasons for recall
Voluntary recalls	01	Market complaint - OOS results for microbiological test (Bile tolerant gram-negative bacteria). Batch was at customer's warehouse and not distributed into the market. Complaint batch destroyed.
Forced Recalls	Nil	-

- **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. 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.

- **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 penalties / regulatory actions have been levied or taken on the above-mentioned parameters.

LEADERSHIP INDICATORS

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

Information relating to products provided by the company are available on the product leaflets. In addition, the company actively uses various social media and digital platforms to disseminate information about its products.

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

The Terms and Conditions sections provides extensive information and ensures transparency of the products.