



Communication Address:

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August 22, 2023

**The BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

**The National Stock Exchange of India Limited**  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

Scrip Code: 541540

Scrip Code: SOLARA

Dear Sir/Madam,

**Subject: Business Responsibility and Sustainability Report for the FY 2022-23**  
**Ref: Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements)**

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With reference to SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, We submit herewith the Business Responsibility and Sustainability Report for the FY 2022-23.

The report is also being filed online in XBRL format for the FY 2022-23.

The said report shall also be available on Company's website at <https://solara.co.in/investor-relations/general-meeting>

This is for your information and records.

Thanking You,

Yours Faithfully,  
**For Solara Active Pharma Sciences Limited**

**S. Murali Krishna**  
**Company Secretary**

Encl. As above

# Business Responsibility and Sustainability Report

## OUR COMMITMENT TO SUSTAINABILITY

Company has laid highest priority to sustainability with core belief that Sustainable performance would be a strong business enabler and bring competitive advantage going forward. This maiden BRSR report is a testimony of our commitment to Sustainability in areas of Environment, Social, Governance (ESG). ESG has been core to our Business ever since Solara has formed as a separate Pure Play API company from our group company in year 2018. In this year, company has taken advance steps by setting strategic direction and establishing 2025 medium term goals. In this year of reporting, we have maintained good performance across all ESG levers especially GHG emissions. We have undertaken important projects and improved substantially renewable source of energy especially electricity from Solar, Wind across all sites. We continue to invest on the renewable source of energy and partner with companies undertaking group captive solar power projects. With respect to absolute values of electricity, water we envisage some increase going forward due to Vizag site ramping up production and capacity utilization. However, we are confident and committed to reducing / compensating GHG emissions with renewable sources or other means of fuels and undertaking ZLD projects.

Company also undertaken cost improvement programs especially increasing product yields, solvent recovery, which helped in doing more of output with less inputs and thus helping sustainability.

We have significantly improved in our Diversity & Inclusion agenda. We have increased gender diversity by improving woman employees share by 50% over 2021-22 baseline.

Besides sustainable performance within our sites, we have started to look beyond our sites, that is supply chain performance. We have engaged our supply chain partners for sustainability and take their commitment covering environmental, social and governance.

We have been assessing our company sustainability performance with world renowned sustainability rating agency Eco Vadis from past 4 years. We continue show improvement in sustainability performance with significant score rise in Labour, human rights and maintaining good position in Environment and supply chain. I am happy to share company stood at 67% percentile in Eco Vadis network and top 24% of pharma companies assessed in this year.

## Way forward

As I said previously, we want Sustainability and Sustainable performance of our company as a business enabler, core to way of our work and would supplement our RITE values (Responsibility, Integrity, Transparency and Efficiency). We are committed to taking our company performance to top quartile among all companies on EcoVadis platform and aim for silver medal rating in near term. Finally, we would like to be leading a pure play API company and contributing immensely for sustainability in the interest of future and future generation.

Warmly,

**Jitesh Devendra**  
Managing Director

## Highlights:

### Principle 1 - Ethics

100%

BOARD OF DIRECTORS AND KMPS TRAINING ON THE 9 NGRBC PRINCIPLES

No

MONETARY/NON-MONETARY CHARGES

### Principle 2 - Product Stewardship

PHARMACEUTICAL INDUSTRY PRINCIPLES FOR RESPONSIBLE SUPPLY CHAIN MANAGEMENT POLICY IN PLACE ENCOMPASSING THE VARIOUS ASPECTS OF ETHICS, HUMAN RIGHTS AND ENVIRONMENT. THIS FORMS AS A GUIDING DOCUMENT FOR SUPPLIER ENGAGEMENT

### Principle 3 - Employee Well being

100%

OF EMPLOYEES PROVIDED WITH HEALTH INSURANCE, ACCIDENTAL INSURANCE AND PATERNITY BENEFITS.

100%

OF THE PLANTS AND OFFICES ASSESSED FOR HEALTH AND SAFETY PRACTICES

### Principle 4 - Stakeholder Engagement

## Stakeholder Engagement Policy

ESTABLISHED DURING THE REPORTING PERIOD TO FORM MEANS AND PROCEDURES TO ENGAGE WITH OUR STAKEHOLDERS.

### Principle 5 - Human Rights

No

CHILD LABOUR, FORCED/ INVOLUNTARY LABOUR, SEXUAL HARASSMENT, DISCRIMINATION AT WORKPLACE AND WAGES ISSUE

### Principle 6 - Environment

79

KILO JOULES OF ENERGY UTILISED FOR EVERY RUPEE OF TURNOVER IN FY23

25

MILLI LITRE OF WATER UTILISED FOR EVERY RUPEE OF TURNOVER IN FY23

37

METRIC TONNES OF CO<sub>2</sub> EQUIVALENT FOR EVERY CR. RUPEES OF TURNOVER IN FY23

### Principle 7 - Public Policy Advocacy

Zero

CASE FILED REGARDING UNFAIR TRADE PRACTICES AND ANTI-COMPETITIVE BEHAVIOUR

### Principle 8 - CSR

7%

DIRECTLY SOURCED FROM MSMES/ SMALL PRODUCERS

11%

SOURCED DIRECTLY FROM WITHIN THE DISTRICT AND NEIGHBORING DISTRICTS

### Principle 9 - Customer Relations

Zero

RECALL OF PRODUCT

## BRSR Overview:

**SECTION A** – General disclosures

**SECTION B** – Management and process disclosures

**SECTION C** – Principle-wise performance disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

## SECTION A – GENERAL DISCLOSURES

### Details

1.	Corporate Identity Number (CIN) of the Listed Entity	L24230MH2017PLC291636
2.	Name of the company	SOLARA ACTIVE PHARMA SCIENCES LIMITED
3.	Year of incorporation	2017
4.	Registered office address	201, Devavrata, Sector 17, Vashi, Navi Mumbai Mumbai City MH 400703 IN
5.	Corporate address	2nd Floor, Admin Block, 27 Vandaloor Kelambakkam Rd. Keelakottaiyur Village, Melakottaiyur Post Chennai 600127 TN IN
6.	E-mail	investors@solara.co.in
7.	Telephone	+91 44 47406200
8.	Website	www.solara.co.in
9.	Financial year for which reporting is being done	2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	35,99,62,670 ₹
12.	Name of contact details of the person who may be contacted in case of any queries on the BRSR Report	S Murali Krishna, (Compliance officer), 91 44 47406200, muralikrishna@solara.co.in
13.	Reporting boundary	Standalone (Indian Operations)

### Products and Services

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

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Active Pharmaceutical Ingredients	21001	100%

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

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1	Active Pharmaceutical Ingredients	21001	100%

### Operations

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

Location	Number of Manufacturing Unit(s)	Number of R&D unit(s)	Number of office(s)	Total
National	6	1	3	10
International	0	0	0	0

#### 17. Markets served by the entity:

The company operates in the following markets mentioned below:

##### a. Number of locations

Locations	Number
National (No. of States)	The Company sells its products in all the 28 states and 8 Union territories in the country
International (No. of Countries)	The Company sells its products in over 75 countries globally

##### b. What is the contribution of exports as a percentage of the total turnover of the entity? 51%

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

Generic pharma companies and innovator pharma companies are our customers and our core business is Active Pharma Ingredients (API)

### 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)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,632	1,494	92%	138	8%
2.	Other than Permanent (E)	10	8	80%	2	20%
3.	Total employees (D + E)	1,642	1,502	91%	140	9%
<b>WORKERS</b>						
4.	Permanent (F)	729	728	99.9%	1	0.1%
5.	Other than Permanent (G)	1,093	988	90%	105	10%
6.	Total workers (F + G)	1,822	1,716	94%	106	6%

b. Differently abled Employees and workers:

<b>Differently abled employees</b>						
S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	5	4	80%	1	20%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	5	4	80%	1	20%
<b>Differently abled workers</b>						
4.	Permanent (F)					
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22%
Key Management Personnel	2	0	0%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23%	2%	25%	24%	2%	26%	11%	1%	12%
Permanent Workers	2%	0	2%	2%	0	2%	2%	0	2%

Holding, subsidiary and associate companies (including joint ventures)

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

The company has a total of 4 active subsidiaries.

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Chemsynth Laboratories Private Limited (India)	Subsidiary	49%	
2	Sequent Penems Private Limited (India)	Subsidiary	100%	No
3	Shasun USA Inc (USA)	Subsidiary	100%	
4	Solara Active Pharma Sciences LTDA (Brazil)	Subsidiary	100%	

CSR

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) – 1,465.95 Crores

(iii) Net worth (in ₹) – 1,503.13 Crores

## Transparency and Disclosure Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Overview of the entity's material responsible business conduct issues

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Shareholders and Investors	Yes	0	0	-	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes,	28	10	-	15	2	Closed in April & June 22
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	0	0	0	-	0	0	-

#### Note:

Weblinks:

<https://solara.co.in/investor-relations/company-secretary-and-compliance-officer/>

[https://solara.co.in/wp-content/uploads/2021/03/Solara\\_Whistle%20Blower%20Policy.pdf](https://solara.co.in/wp-content/uploads/2021/03/Solara_Whistle%20Blower%20Policy.pdf)

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

S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	O	Efficient Energy Management measures helps to reduce operational costs in the long run.	We are in the process of setting internal target to improve year on year efficiency.	Positive
2	Water Stewardship	O	Uninterrupted water availability is a critical requirement for any API manufacturing entity. We see it as an opportunity to continuously work towards reducing and optimizing our water consumption	Reduced freshwater usage across all operations by 15% by 2025 from the baseline year FY 2021-22.	Positive
3	Waste Management	O	Waste Management in API manufacturing units is a critical aspect considering the hazardous nature of waste generated. Improper disposal of waste can lead to extensive damage to the ecosystem.	To reduce disposal to landfill by 20% and to reduce incinerable waste by 15% from the baseline year FY 2021-22 and utilise it for coprocessing by 2025.	Positive
4	Health and safety	O	Employees are the biggest asset to the organization and unhealthy, unsafe and hazardous work conditions prove detrimental to the physical and mental well-being of the employees. Robust systems for hazard identification and mitigation promotes efficiency and higher productivity.	We are committed to creating a robust health and safety system by identifying and eliminating the causes of injuries and accidents.	Positive
5	Policy Influence & regulatory compliance	R	Pharmaceutical business is a stringently regulated industry which is constantly evolving. Even a minor non-compliance to regulations can risk loss of reputation and business. It is thus critical to conduct proactive checks which is vital for adherence to regulatory requirements.	We have robust and stringent checks and balances in place to ensure we adhere to all policies and regulatory requirement.	Negative

## SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. At Solara, we have a robust management framework in place which enables us to align with the NGRBC Principles with respect to structure and policies to ensure we continue to deliver our best in an ethical, and responsible way. This encompasses transparent and principled business practices that hold us accountable, as well as protect the interests of our stakeholders, including customers and employees.

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Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Disclosures</b>									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b) Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c) Web Link of the Policies, if available	<a href="https://solara.co.in/investor-relations/policies/">https://solara.co.in/investor-relations/policies/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	N	Y	Y	N	N	N
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	International certifications ISO 45001 and ISO 14001 adopted by our company								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> <li>- Partners in Sustainable Performance. Engages with Tier-1 suppliers in committing to supplier code of conduct and sustainable performance. 100% Tier-1 suppliers engagement in sustainability by 2025.</li> <li>- Zero accident Target</li> <li>- Improve usage % electricity generated from RE sources from 27% to 40%. Up by 50% in 2025 over 2021-22 baseline.</li> <li>- Reduced Fresh Water usage across all operations by 15% in 2025 over 2021-22 baseline.</li> <li>- Reduce waste disposal to Landfill by 20% in 2025 over 2021-22 baseline.</li> <li>- Reduce Incinerable waste by 15% in 2025 over baseline of 2021-22 and put to good use in co-processing..</li> </ul>								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	In the current reporting period, we achieved 38.5% electricity from RE sources and a gender diversity ratio of 5.8% in our permanent employee category. Our performance in waste, water, social initiatives and sustainability in supply chain are aligned to our target set for the year 2025.								
<b>Governance Leadership and Oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Please refer page 76									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 05297969 <ul style="list-style-type: none"> <li>- Name: Mr. S. Hariharan</li> <li>- Designation: Executive Director &amp; CFO</li> </ul>								
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.	No. Note: All sustainability activities are overseen by the ESG committee headed by CEO.								



**Policy and management processes**

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ ESG 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	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	<b>P1</b>		<b>P2</b>		<b>P3</b>		<b>P4</b>		<b>P5</b>		<b>P6</b>		<b>P7</b>		<b>P8</b>		<b>P9</b>	
	N		N		N		N		N		N		N		N		N	

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8
The entity does not consider the Principles material to its business (Yes/No)								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)								
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)								
It is planned to be done in the next financial year (Yes/No)								
Any other reason (please specify)								

Not Applicable

**SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE**
**Principle 1 – Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable**

At Solara, ethical business practices serve as the cornerstone for fostering operational excellence and a sustainable business. As a result, our corporate governance is strong and upholds the values of Responsibility, Integrity, Transparency and Efficiency (R.I.T.E). The Board’s commitment to impactful governance is echoed throughout the organisation, ensuring appropriate culture and procedures to effectively manage risk while upholding the highest standards of ethics, justice, and honesty.

SDG Linkages-


**Essential Indicators**
**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	1	The programmes comprised of: – Overview of BRSR & environmental laws Programme covered all principles	100%
Key managerial personnel	1	The programmes comprised of: – Overview of BRSR & environmental laws Programme covered all principles	100%

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
Employees other than BoD and KMPs	242	Whistle Blower Business Ethics and Practices Conflicts of Interest & Corporate Responsibilities Bribes & Improper payments Political contributions & Activities Equal Employment Opportunities Discrimination & Harassment Sexual Harassment Safety, Health and Environment Legal & Compliance Insider Trading, Fair Dealing Confidential information protection Media, skill upgradation, public and Government Queries handling.	100%
Workers	737	Training provided to permanent workers as per Standing Orders and training concerning safety & skill upgradation has been imparted during the year.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

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

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

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

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

Yes, the anti-corruption and anti-bribery policy serves as a guiding document for our workforce and is available on our website in the following link:

<https://solara.co.in/wp-content/uploads/2023/07/Anti-Bribery-Corruption-Policy.pdf>

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

There have been no complaints against our BOD, KMPs, Employees and Workers.

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

	FY 2022-23	FY 2021-22
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

## 7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

None

### Leadership Indicators

- Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Currently none, we are in the process of assessing our value chain partners. Solara shall conduct training programs to bridge the knowledge gap in the forthcoming years.		

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

Yes. The 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 promote honest, fair and ethical conduct, including ethical handling of conflicts of interest between personal and professional relationships.

### Principle 2 – Businesses should provide goods and services in a manner that is sustainable and safe.

We are focused on manufacturing products that are socially beneficial and ecologically sustainable. We have implemented a robust IT-led system for all our key operations. The product suite, in addition to aggregation of development data for our DMFs, is prepared for regulatory filing, which helps us track the lifecycle of development until the product is launched. With a vision to contribute meaningfully in the healthcare space, we are focused on delivering value to our stakeholders, and community. The Company runs a multi-product business with several manufacturing facilities. It monitors resource consumption during the production stage, and the processes have been optimised to the extent possible. We extend significant importance to adopt the highest standards of environmental, social and governance practices across our manufacturing locations.

SDG Linkages-



### Essential Indicators

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

	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)	Details of improvements in environmental and social impacts
R&D	35%	37%	The R&D projects helped drive down costs of the active pharmaceutical ingredient there by reducing the cost of generic medicines and help enhance the access to health care.
Capex	4%	5%	

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

Yes. Solara promotes sustainable sourcing and continually working towards increasing the value of purchases made from such suppliers. To support sustainable sourcing, we encourage our suppliers and vendors to embrace moral, accountable, and sustainable practices in their operations.

Solara has developed Responsible Supply Chain Management policy that sets out fundamental values and integrity levels of business conduct. Vendors must act with integrity and are expected to demonstrate commitment to legal, ethical, safe and fair business practices. Our Vendor CoC covers various aspects of ESG, such as compliance with all applicable environmental laws and regulations, labour and human rights & anti-bribery, anti-corruption, data protection and data privacy.

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

We are in the process of assessing our value chain partners and tracking the suppliers on the context of sustainability will start from FY24.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste type	Waste management procedure in place
Plastic (including packaging)	The Company is in the process of implementing a mechanism to track the disposal and generation of plastic waste from the following year (FY24)
E-waste	E-Waste Safely disposed by sending to authorized recycler after making an agreement
Hazardous waste	Hazardous waste safely disposed by sending to authorized agency after making an agreement.
Other waste (wastepaper and paper products)	Other wastes are sent to the authorized waste disposal agency.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards?**

As per the Extended producer guideline company falls under PIBO category. However majority Solara sites are Exported Oriented Units and same are exempted from fulfilling EPR obligations. Company is taking up with local authorities on clarifications for registration requirement. Meanwhile we plan to register our DTA sites in EPR portal in FY24.

**Leadership Indicators**

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	If yes, provide the web-link.
No, Solara has not conducted life cycle perspective for any of our manufacturing product in current financial year. In FY 24 we have planned to conduct Life Cycle Perspective (LCA) for at least for 2 large tonnage products.						

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not applicable, as no LCA performed.		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Not applicable, as we are Active Pharmaceutical Ingredient (API) manufacturer.		

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

Waste Details	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	Reused*	Recycled**	Safely disposed***	Reused*	Recycled**	Safely disposed***
Plastics (including packaging)	Not monitored	Not monitored	Not monitored	Not monitored	Not monitored	Not monitored
E-waste	0	1.5	Nil	Nil	1.8	Nil
Hazardous waste	6.03	26,594	6,408	0	23,650	6,745
Other waste	0	531	0	0	579	0

#### Note:

\*Materials are internally reused

\*\* The waste categories under recyclable Hazardous wastes are disposed to authorized Recycler.

\*\*\* The waste categories under "Safely disposed waste" are disposed via landfill, incineration and coprocessing to authorized hazardous waste agency

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not applicable

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

Solara aims to create an environment where each person feels empowered to contribute their utmost. Through targeted training and engagement programmes, we continuously aim to promote the welfare and development of our employees while maintaining a secure and effective workplace. People are key to realising the business vision and their well-being is of utmost priority for us. As a progressive Company, we believe in extending equal opportunities of growth for all our people and promote gender diversity at the workplace.

Solara has zero tolerance for any kind of workplace harassment, bullying, or intimidation, including sexual, physical, verbal, and psychological abuse.

SDG Linkages-



### Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	1,494	1,494	100%	1,494	100%	NA	NA	1,494	100%	0	0%
Female	138	138	100%	138	100%	138	100%	NA	NA	0	0%
Total	1,632	1,632	100%	1,632	100%	138	100%	1,494	100%	0	0%
<b>Other than Permanent employees</b>											
Male	8	0	0%	0	0%	0	0%	0	0%	0	0%
Female	2	0	0%	0	0%	0	0%	0	0%	0	0%
Total	10	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	728	728	100%	728	100%	NA	NA	728	100%	0	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0	0%
Total	729	729	100%	729	100%	1	100%	728	100%	0	0%
<b>Other than Permanent workers</b>											
Male	988	0	0%	988	100%	0	0%	0	0%	0	0%
Female	105	0	0%	105	100%	0	0%	0	0%	0	0%
Total	1,093	0	0%	1,093	100%	0	0%	0	0%	0	0%

**2. Details of retirement benefits.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	14%	7%	Y	16%	12%	Y
Others	-	-	-	-	-	-

Note: The above data is for permanent employees and workers.

**3. Accessibility of workplaces**

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

Yes, Solara's premises are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

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

Yes, Solara has an Equal Opportunity, Diversity and Inclusion Policy that promotes a fair and transparent work environment to ensure diversity and inclusion of all people, including people with disability.

The web link to the policy: <https://solara.co.in/wp-content/uploads/2023/06/DEI-Policy.pdf>

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

Gender	Permanent employees		Permanent workers	
	Return to work rate %	Retention rate %	Return to work rate %	Retention rate %
Male	100%	96%	100%	100%
Female	100%	88%	100%	88%
Total	100%	94%	100%	88%

**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.**

	(If yes, then give details of the mechanism in brief)
Permanent workers	Representation through recognised unions / standing orders/ Whistle Blower / POSH
Other than permanent workers	Whistle Blower / POSH
Permanent employees	All Grievance will be handled 1. line manager, 2, functional head 3. SLC / Whistle Blower / POSH
Other than permanent employees	1. Through Functional Head 2. Whistle Blower/ POSH

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

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in 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>Employees</b>						
Male	1,494	0	0%	1,900	0	0%
Female	138	0	0%	141	0	0%
Total	1,632	0	0%	2,041	0	0%
<b>Workers</b>						
Male	728	728	100%	761	761	100%
Female	1	1	100%	1	1	100%
Total	729	729	100%	762	762	100%

Note: The above data is for permanent employees and workers.

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

Category	FY 2022-23					FY 2021-22				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No.(F)	% (F / D)
<b>Employees</b>										
Male	1,494	394	26%	1,281	86%	1,900	387	20%	1,414	74%
Female	138	28	20%	112	81%	141	20	14%	81	57%
Total	1,632	422	26%	1,393	85%	2,041	407	20%	1,495	73%
<b>Workers</b>										
Male	728	598	82%	692	95%	761	623	82%	711	93%
Female	1	1	100%	0	0	1	0	0%	0	0%
Total	729	599	82%	692	95%	762	623	82%	711	93%

Note: The above data is for permanent employees and workers.

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1,494	1,263	85%	1,900	1,402	74%
Female	138	88	64%	141	122	87%
Total	1,632	1,351	83%	2,041	1,524	75%
<b>Workers</b>						
Male	728	728	100%*	761	761	100%*
Female	1	1	100%*	1	1	100%*
Total	729	729	100%*	762	762	100%*

Note: The above data is for permanent employees and workers.

\*For the workers, Performance is covered under Long term settlement agreement.

## 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, what is the coverage of such a system?

Yes, The Safety & Health Management system covers activities across all manufacturing locations ensuring the protection of environment and health & safety of its employees, contractors, visitors and relevant stakeholders. Our 4 of 7 sites are certified with ISO 45001:2018 & 14001:2015.

### 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 a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity.
- Considering the hazards associated with operations and hazardous chemicals used, sites have deployed structured Hazard Assessment by HAZOP and What-if method and Risk Assessment via ISO 31000. They

are carried out on or before start-up of manufacturing process. What if analysis is done for the products before transfer to manufacturing sites

- On a day-to-day basis unsafe conditions and hazards are also identified by employees dropped in the drop box placed at various location in plant and R&D centre. It is also extended to contractors working on sites to ensure their concerns are captured.
- The closure of same is tracked to ensure risk control at workplace. Storing and handling of toxic chemicals like ammonia, chlorine, flammable materials like fuel, etc. are identified as the critical hazard process hazards at the site for which the Company has carried out Quantitative Risk Assessment; HAZOP study and engineering review by external / internal experts as appropriate.
- Safety training are conducted for employees as per the schedule.
- Hazard identification and risk assessment is in place.
- Contractor Safety management system is in place.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, The Company has well-established Standard Operating Procedures (SOP) for employees to identify and report on work-related hazards and the subsequent steps to mitigate them. In addition, the Company trains all its employees and workers with occupational health and safety modules. The training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. During the safety and emergency evacuation drills, employees are trained in dealing with emergency equipment such as fire hydrant, firefighting system, leak and spill control procedures, safety alarms among others. In addition, the proficiency of employees is periodically tested in dealing with the emergency situations. The practical trainings and online safety modules equip the employees with right procedure of reporting work-related hazards and the steps to remove themselves from such situations. We have drop box at various location in the site, so that employee can immediately report and unsafe act, condition and near miss and drop in the box.

**d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes, the Company provides non-occupational medical and healthcare services to its employees and workers. Further, the Company ensures the provision of medical insurance to all its employees and workers. With the endeavour to promote physical and mental well-being for all the employees, the Company designs comprehensive health programs which promote healthy lifestyle practices. Some of the examples of health programs and services offered to the employees are

1. Wellness session.
2. 1 to 1 help platform
3. Annual Health check up
4. Distribution of health drinks

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

Safety incident/number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees*	0.31	1.12
	Workers	0.56	0.00
Total recordable work-related injuries	Employees	2	7
	Workers	4	2
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	4
	Workers	0	0

**Note:**

- \* Employee =Management employee: \*Worker = Union Employee
- \* Data don't include contract employees.

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

- The Company embeds the guidelines and principles of ISO 45001:2018, OSHA standards, Factory act and other state level regulatory requirements within its Environment Health and Safety (EHS) management system.



- The EHS policy advocates the provision of safe working environment to all the employees, contractors, sub-contractors, visitors and the neighbouring communities. The Company undertakes periodic internal and external audits to assess the safety practices and procedures in alignment with the EHS management system and the ISO 45001:2018 guidelines.
- As part of the auditing procedure, the Company recognises the critical areas requiring immediate corrective action. The safety incidents and hazards are investigated to determine the root cause, subsequently corrective action plans are laid out to prevent the occurrence of similar incidents in the future. Further, as part of the EHS management system, the Company provides safety trainings through modules and safety drill practices to all its employees and workers. The safety training programs enable the development of strong foundation among the workforce, in terms of their ability to identify, mitigate and prevent risks pertaining to Occupational Health and Safety.
- Safety committee meeting is being conducted with management employees and workers to identify the workplace issues and to mitigate the risk of workplace injuries and illnesses.
- Adequate safety signages, caution board, Do's & Don'ts and safety instruction boards were displayed. The Company endeavours to prevent negative health impact on the employees through various health awareness sessions, provision of medical facilities and medical insurance benefits. Additionally, the Company provides voluntary health promotion services such as lifestyle counselling, stress management sessions, nutritional awareness campaigns among others for inculcating healthy lifestyle practices.

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	-	0	0	-
Health & safety	0	0	-	0	0	-

### 14. Assessments for the year

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

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

The following are the corrective actions were taken on significant risks.

- Hazard identification and Risk assessment and Job safety analysis has carried out for all critical activities.
- All sites have identified the significant risk activities, concerns arising from assessment of Health & safety practices are addressed accordingly control measures has been taken by implementing necessary Engineering & Administrative controls.
- Training needs for employees has been identified, annual training calendar prepared, accordingly training is being imparted for employees to make them competent.
- Risk Based Process Safety Management has been implemented and monitored at all the site, to prevent intended release of chemical and other energies.
- Corporate EHS guideline and Procedures established for all activities, also it is being reviewed periodically.
- Periodic audit and inspection is being carried out on all critical equipment, potable tools and equipment.
- Preventive maintenance is being performed for all equipment and testing and calibration is being performed for all safety devices such as pressure/ vacuum gauge, safety relief valve, NRV, control / ON/Off valves, Pressure reducing valves etc.,
- Management of Change process is in-place to assess the hazard associated with the change.
- Leadership rounds is being regularly performed by site Leadership team to identify the unsafe act & condition.
- Identification & Reporting of Near miss by Employees is in place, 100% investigation of all near miss is in practice.

- Investigation of all incidents and 100% implementation of all corrective action. Investigation reports and its learnings are shared across all Solara sites for deployment of corrective action to prevent similar incident. Also, effectiveness is being checked during the safety inspection / audit.
- Personal Protective equipment (PPE) compliance is being monitored through strict supervision.

## Leadership Indicators

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

Employee-Yes

Workers- Yes

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

To ensure that the statutory dues as applicable within its remit, are deducted and deposited by the value chain partners in accordance with relevant regulations through constant monitoring of available tools and the documentary proofs from the value chain partners. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Employees	1	4	0	2
Workers	1	0	0	0

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

Yes, on case to case basis.

### 5. Details on assessment of value chain partner:

Details on assessment of value chain partners:	% of Tier 1 Suppliers (by value of business done with such partners) that were assessed
Health and safety practices	7%
Working Conditions	7%

\*(5 Tier 1 Suppliers were audited out of 68 suppliers).

Note: Top-40 RM procurement contributing to 68 suppliers are considered as Tier-1 / strategic suppliers who will be part of Vendor assessment in Phase-1.

As per the Solara supplier Code of Conduct, the value chain partners are expected to adhere to the principles of Health and safety practices, working conditions as per the extent regulations. However, no independent assessment is carried out.

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

There are no significant risk / concern arising from EHS assessment of value chain partners. However, we encourage our value chain partners to improve EHS and sustainability performance by following points.

1. Certification of ISO 14001 & ISO 45001
2. Implementation of Risk based Process safety management
3. Training on health and safety for all the employees.
4. Periodic inspection /audit to be carried out at fixed intervals

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

Stakeholder participation is a vital component of business processes at Solara. We endeavour to create long-term, sustainable value for all our stakeholders, including our team members, clients, investors, suppliers and communities. To accomplish this, we regularly communicate and work together with our stakeholders to understand their expectations and requirements. Our approach for interacting with stakeholders who are either directly or indirectly connected to our business, is outlined in our stakeholder engagement policy.

SDG Linkages-



### Essential Indicators

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

Any individual or group of individuals or institutions that adds value to the business or is materially affected by entity's decision is identified as a core stakeholder. Solara has recognized both, internal stakeholder (which includes employees and leadership), and external stakeholder (which includes regulators, investors, suppliers, customers and community) as an integral part of our operations.

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

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), 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	<ul style="list-style-type: none"> <li>Intranet Portal</li> <li>Functional and cross-functional committees</li> <li>Leader's talk</li> <li>Regular Employee Communication Forums</li> </ul>	On a regular basis	<ul style="list-style-type: none"> <li>Employee benefits</li> <li>Learning and development</li> <li>Safety and well-being</li> <li>Performance review and career development</li> <li>Business update</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey</li> <li>Customer meets</li> <li>Digital/ telephonic Interactions</li> </ul>	On a regular basis	<ul style="list-style-type: none"> <li>Customer feedback</li> <li>Resolution of their open issues</li> </ul>
Suppliers and Vendors	No	<ul style="list-style-type: none"> <li>Supplier and Vendor meets</li> <li>Face-to-face and electronic correspondence</li> <li>Digital/ telephonic Interactions</li> </ul>	Half yearly	<ul style="list-style-type: none"> <li>Resolving open issues</li> <li>Assessing performance</li> <li>Recognition and engagement activities</li> <li>Undertaking discussion on Sustainability Parameters</li> </ul>
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 (performance, strategy, growth and opportunities) in the Company and address their grievances
Community	No	<ul style="list-style-type: none"> <li>Physical meetings</li> <li>Digital interactions</li> </ul>	Concurrent /need basis	<ul style="list-style-type: none"> <li>Community development through various initiatives of CSR</li> <li>Community grievance redressal</li> </ul>
Regulatory and government bodies	No	<ul style="list-style-type: none"> <li>Physical meetings</li> <li>Digital communications</li> <li>Through submissions</li> </ul>	On a need basis	<ul style="list-style-type: none"> <li>Policy Advocacy with concerned authorities</li> <li>Deliberations and inputs on regulations and policies that have bearing on our operations and businesses</li> <li>For our core business activities of development, manufacturing and sales</li> </ul>

## Leadership Indicators

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

Regular consultation happens with the various stakeholder on a need basis. These consultations happen through our various functional as well as plant heads, wherein feedbacks concerning economic, environmental, and social topics are raised. Critical feedbacks are reported to the board for further assessment and action.

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

Yes, we have a policy concerning stakeholder management. No instances have been recorded in the reporting period.

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

There have been no concerns raised from vulnerable/ marginalised stakeholder groups.

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

Solara is committed to respect and promote human rights of all stakeholders and ensures there is no violation while conducting business. Solara's Code of Conduct, Human Rights Policy, Equal Opportunity, Diversity and Inclusion Policy and Policy on Prevention of Sexual Harassment Policy (POSH), are built on these principles.

Leading international frameworks, such as the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights, serve as our guides in our efforts to foster respect for human rights.

SDG Linkages-



## Essential Indicators

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1,632	1,632	100%*	2,041	2,041	100%
Other than permanent	10	-	0%	2	-	-
Total employees	1,642	1,632	99%*	2,043	2,041	99.90%
<b>Workers</b>						
Permanent	729	729	100%	762	762	100%
Other than permanent	1,093	1,093	100%	1,044	1,044	100%
Total workers	1,822	1,822	100%	1,806	1,806	100%

Note: \*Solara ensures human rights training of all the employees and the employees are aware of the human rights policy which is available on Company website. For FY 23, orientation training is also provided to the new joiners (around 29%). Accordingly, all permanent employees are covered under the training.

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

Category	FY 2022-23					FY 2021-22				
	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>Permanent Employees</b>										
Male	1,494	297	20%	1,197	80%	1,900	455	24%	1,445	76%
Female	138	24	17%	114	83%	141	27	19%	114	81%
Total employees	1,632	321	20%	1,311	80%	2,041	482	24%	1,559	76%
<b>Permanent Workers</b>										
Male	728	138	19%	590	81%	761	58	8%	703	92%
Female	1	-	0%	1	100%	1	-	0%	1	100%
Total workers	729	138	19%	591	81%	762	58	8%	704	92%

Note: The above details are only considering permanent employees and workers.

## 3. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	3,75,00,006	-	-
Key managerial personnel#	2	1,99,66,512	-	-
Employees other than BoD and KMP	1,490	5,83,194	138	5,05,002
Workers	728	7,95,477	1	4,45,499

\* All other board members receive sitting fees.

# KMPs mentioned above exclude BoD.

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

Yes, the CHRO is the designated person for addressing human rights impacts or issues.

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

Yes, the human rights policy has grievances redressal mechanism. The link of the policy is available in our website:

<https://solara.co.in/wp-content/uploads/2023/06/Human-Rights-Policy.pdf>

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	-	-	Nil	-	-
Discrimination at workplace	Nil	-	-	Nil	-	-
Child labour	Nil	-	-	Nil	-	-
Forced labour/Involuntary labour	Nil	-	-	Nil	-	-
Wages	Nil	-	-	Nil	-	-
Other human rights-related issues	Nil	-	-	Nil	-	-

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

Solara strives to maintain a healthy, safe and productive work environment that is free from discrimination or any form of harassment. An Internal Complaints Committee has been constituted for timely and impartial resolution for any complaints that may arise in this regard. Further our code of conduct and POSH ensures that any discrimination and harassments are avoided.

The link to the policy addressing grievance and redressal mechanism: <https://solara.co.in/investor-relations/policies/>

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

Our business agreements and contracts emphasize the importance of compliance with all applicable laws, which includes upholding human rights standards. While specific mention of human rights requirements may not be present, it is explicitly stated that all parties involved in our business dealings are expected to comply with all applicable laws, thereby encompassing human rights obligations.

**9. Assessments of the year**

	<b>% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)</b>
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
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

**Leadership Indicators**

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

No business processes have been modified due to Human Rights Grievances.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

No Due diligence regarding human rights conducted in the current financial year.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, Solara has an Equal Opportunity, Diversity and Inclusion Policy that promotes a fair and transparent work environment based on diversity and inclusion of all people, including people with disability and our premises are also accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act. The offices include disabled friendly lifts, washrooms and ramps, etc. to provide an accessible and comfortable work environment to persons with disabilities.

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

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>		
Sexual Harassment	-	-	-
Discrimination at workplace	-	-	-
Child Labour	-	-	-
Forced Labour/Involuntary Labour	-	-	-
Wages	-	-	-
Others – please specify	-	-	-

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No assessment has been carried out.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**

We believe that as a corporate citizen, it is our responsibility to ensure our business practices are carried out while causing minimal impact on the environment. Our policy on 'Environment, Health & Safety' (EHS) provides us with the necessary guidance and direction towards climate change mitigation and adaptation efforts, alongside natural resource replenishment initiatives. Our policy on Environment, Health & Safety is applicable across all our operational facilities. As part of the policy, Solara commits to educate our stakeholders (employees, contractors, sub-contractors, transporters, visitors) about the EHS policy and emergency procedures. Solara identifies and assesses the potential environmental risks as per the Environmental Management System Standards ISO 14001:2015 and appropriate standard operating procedures (SOPs) is developed to address key environmental risks.

## SDG Linkages-


**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) MJ	32,17,75,709	31,86,25,200
Total fuel consumption (B) MJ	84,17,57,427	75,04,08,227
Energy consumption through other sources (C) MJ	-	-
Total energy consumption (A+B+C) MJ	1,16,35,33,136	1,06,90,33,427
Energy intensity per rupee of turnover MJ/ Rupees (Total energy consumption/ turnover in rupees)	0.079	0.083

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 independent assessment/ evaluation/assurance has been carried out.

**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.

There are no sites/facilities that have been identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	42,771	44,314
(iii) Third-party water (municipal water supplies)	3,17,546	3,22,625
(iv) Seawater / desalinated water	0	0
(v) Others	14,784	34,286
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,75,101	4,01,226
Total volume of water consumption (in kilolitres)	3,71,607	4,00,376
Water intensity per rupee of turnover (water consumed / turnover) Milli Litres/ Rupees	25.35	31.28

**4. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.**

5 units out of 7 units (6 manufacturing and 1 R&D centre) in the Solara active Pharma Sciences Limited are Zero Liquid Discharge (ZLD). The Company implements water conservation through reduce, reuse, recharge and recycle approach within its manufacturing locations. As part of recycle initiative, the Company provides tertiary treatment to its effluent, the treated effluent water is then effectively recycled and reused as make-up water in cooling towers and in-house gardening.

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

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	-	Solara is in the process of measuring emissions and would be reporting in the next financial year (FY24).	
SOx	-		
Particulate matter (PM)	-		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – ozone-depleting substances (HCFC - 22 or R-22)	-		

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

Parameter	Unit	FY 2022-23	FY 2021-22
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 tonnes of CO <sub>2</sub> equivalent	11,168	10,169
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 tonnes of CO <sub>2</sub> equivalent	43,425	50,693
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent/ Cr. Rupees	37.24	47.51

Note: Its excluding Emission from ozone-depleting substances.

**7. Does the entity have any project related to reducing greenhouse gas emission? If Yes, then provide details.**

Solara has initiated process to increase renewable energy from 27 % to 40% by FY 25 (from the base year FY21) to address global environmental issues such as climate change, global warming and thereby reducing the GHG Footprint. Through these initiatives, Solara aims to contribute to the UN Sustainable Development Goal 12-Responsible Consumption and Production and SDG 13- Climate Action.

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

Parameter	FY 2022-23	FY 2021-22
Total waste generated (in metric tonnes)		
Plastic waste (A)	The company is in the process of implementing a mechanism to track the disposal and generation of plastic waste from the financial year 2024.	
E-waste (B)	1.6	1.1
Bio-medical waste (C)	2.4	7.0
Construction and demolition waste (D)	0	0
Battery waste (E)	4.4	3.9
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G) Spent solvent, spent oil, spent catalysts, distillation residues, chemical sludge, process residue, discarded/ off-specification products	32,976	30,393
Other Non-hazardous waste generated (H). Please specify, if any. Glass scrap, metal scrap, wooden scrap, storage drums, corrugated box, paper waste, boiler ash. Overall waste generated qty is shared and not material wise weights are updated	531	579
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>33,515</b>	<b>30,984</b>

Parameter	FY 2022-23	FY 2021-22
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	0	0
(ii) Re-used	6	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>6</b>	<b>0</b>
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	114	239
(ii) Landfilling	3,168	4,538
(iii) Other disposal operations	30,252	26,199
<b>Total</b>	<b>33,534</b>	<b>30,976</b>

**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.**

1. Evaluation of product through literature and select the route with less toxic chemical and least hazardous waste by product.
2. Process development of the manufacturing products to reduce usage of hazardous and toxic.
3. We continuously work on process improvement, yield improvement and improving solvent recoveries, recycle, reducing hazardous waste to landfill and incineration



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

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Solara Active Pharma research centre and corporate office situated at Keelakottaiyur Village, Melakottaiyur (PO) Chennai – 600127, which is 7.00Km from Vandaloor Zoo.	Research & Development and General administration	Yes, site is complying to consent to Operate (CFO/ CTO) conditions

11. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (yes/no)	Relevant Web link
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 there under (Y/N). If not, provide details of all such non-compliances:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
We are compliant with all the applicable environmental law/ regulations/ guidelines.				

## Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

	Unit	FY23	FY22
<b>From renewable sources</b>			
Total electricity consumption (A)	MJ	12,38,89,685	8,76,16,800
Total fuel consumption (B)	MJ	70,82,87,151	62,40,08,669
Energy consumption through other sources (C)	MJ	-	-
Total energy consumed from renewable sources (A+B+C)	MJ	83,21,76,836	71,16,25,469
<b>From non-renewable sources</b>			
Total electricity consumption (D)	MJ	19,78,86,024	23,10,08,400
Total fuel consumption (E)	MJ	13,34,70,276	12,63,99,557
Energy consumption through other sources (F)	MJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	MJ	33,13,56,300	35,74,07,957
<b>Total P+R (MJ)</b>	MJ	<b>1,16,35,33,136</b>	<b>1,06,90,33,427</b>

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

No independent assessment/ evaluation/assurance has been carried out.

**2. Provide the following details related to water discharged:**

	<b>FY23</b>	<b>FY22</b>
Water discharge by destination and level of treatment (in kilolitres)	0	0
(i) To Surface water	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	10,035	14,320
No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	10,035	14,320

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 independent assessment/ evaluation/assurance has been carried out.

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

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

- (i) Name of the area- Puducherry site
- (ii) Nature of operations - Manufacturing of API
- (iii) Water withdrawal, consumption and discharge in the following format:

	<b>FY23</b>	<b>FY22</b>
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	35,803	35,362
(iv) Seawater / desalinated water	0	0
(v) Others		
Total volume of water withdrawal (in kilolitres)	14,784	34,286
Total volume of water consumption (in kilolitres)	50,587	69,648
Water intensity per rupee of turnover (Water consumed in milli litres / turnover ₹)	3.45	5.44
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) Into Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) Into Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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 assessment by external agency has been carried out

#### 4. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 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 tonnes of CO <sub>2</sub> equivalent	<i>To be monitored from the next financial year (FY24)</i>	
Total Scope 3 emissions per rupee of turnover	tCO <sub>2</sub> e/₹		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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 assessment by external agency has been carried out

#### 5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Even though our R&D centre Chennai and Corporate office is situated beyond stipulated minimum 1Km distance with respect to ESZ, an impact assessment was carried out as part of application for Environment Clearance. R&D centre Chennai and Corporate office has no impact on the ecosystem of the Zoo with research activities by R&D centre.

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Reduce carbon emissions	Using energy efficient equipment and energy efficient lighting in our offices	75% less energy consumption than conventional lighting
2.	Measures to conserve water	- Use of sensor-based taps and use of aerators in taps to reduce water flow	Reduction Water consumption
3.	Waste reduction	Installation of paddle dryer	Reduction in moisture content of waste resulted in reduction of waste qty generated hence qty disposed also reduced.

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

Yes, the Company has a business continuity and on-site emergency plan for all its locations. This business continuity plan enables the Company to adapt in situations arising from any natural calamity or an unprecedented event which may disrupt the business operations. The Company continuously enhances its existing plan by incorporating interferences and observations from disruptions faced in the unprecedented situations such as the pandemic. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption and its consequent risks to the business, and by providing the appropriate mitigation action plans.

#### 8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact to the environment, arising from the value chain has been identified.

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

Top-40 RM procurement contributing 68 suppliers are considered as Tier-1 / strategic suppliers who will be part of Vendor assessment as a Phase-1 with respect environment impact. As on date 5 suppliers have been audited and constitute for 7% of value chain partners under Tier-1. Along with this we have done sustainability survey of our suppliers randomly including raw material packing material and consumable and achieved our target 100%.

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

Solara strives to create a positive impact and participate in making sound policy decisions to facilitate change in public policies that are beneficial to the sector. Solara believes that sustainable business growth can be achieved when worked in unison with the regulatory authorities, government and trading bodies. We are also part of industry bodies and associations that responsibly influence public and regulatory bodies.

SDG Linkages-



**Essential Indicators**

1. a. **Number of affiliations with trade and industry chambers/ associations.**  
Solara is affiliated with 4 industry chambers and associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a 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	Pharmaceuticals Export Promotion Council of India	National
2	Federation of Indian Export Organisations	National
3	Southern Indian Chamber of Commerce & Industry	National
4	Export Promotion Council for EOUs & SEZs	International

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.**

Name of authority	Brief of the case	Corrective action taken
No case was filed by any stakeholder against Solara regarding unfair trade practices and anti-competitive behaviour during the financial year.		

**Leadership Indicators**

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
1			Nil		

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

Our objective is to secure the interests of the stakeholders, along with the healthy growth of the Company. Community development programmes are integral to our sustainability strategy. We have a robust CSR arm, and its actions are supported by adequate organisational contributions. We initiated multiple programmes for the marginalized, surrounding our area of operation. The Company’s CSR policy, encompasses our philosophy towards social responsibilities and lays down guidelines and mechanisms to undertake socially beneficial programmes for welfare and sustainable development of the community at large. Our CSR initiatives help address socioeconomic concerns in the realms of health, education, employability and disaster management. We have implemented the CSR programmes through our unit CSR Team, CSR advisory committee and external NGOs, to contribute to different sectors and causes of society. Projects to promote the social welfare has been developed post a comprehensive Community Need Analysis.

SDG Linkages-



## Essential Indicators

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

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-	-	-	-	-	-

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

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY
Not Applicable						

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

- quarterly meeting with the representatives of the community to understand the requirements and the supported needed from our end.
- Third party assessment
- Government notifications

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	7%	7%
Sourced directly from within the district and neighbouring districts	11%	11%

## Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

Sr. No.	State	Aspirational District	Amount spent (In ₹)
-	-	-	-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) -No  
 (b) From which marginalized /vulnerable groups do you procure? - Not Applicable  
 (c) What percentage of total procurement (by value) does it constitute? - Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not Applicable

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

Name of authority	Brief of the Case	Corrective action taken
-	-	-

6. Details of beneficiaries of CSR projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Dispensaries - Puducherry and Cuddalore	14,640	100%
2	Provision of safe drinking water under Health & Hygiene initiatives @ Puducherry & Cuddalore	6,500	100%
3	Initiatives under Education @ Puducherry, Cuddalore, Mysore, Mangalore, Ambernath & Chennai	4,916	100%
4	Other Health Initiatives under Health @ Bangalore, Mangalore & Ambernath	16,100	100%

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

Customer centricity is among our core priorities, and we work to strengthen our purpose of offering consistent value to them, across functions and among our stakeholders. We aim to provide the best in class products and services, ensure data security and enhance customer experience by effective communication and redressal of grievances is critical for sustainable growth.

SDG Linkages-



**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**  
We have QMS in place and the customer complaints are dealt with in accordance with the SOPs in place.

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

	As a % to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	-		Nil	-	
Advertising	Nil	-		Nil	-	
Cyber-security	Nil	-		Nil	-	
Delivery of essential services	Nil	-		Nil	-	
Restrictive trade practices	Nil	-		Nil	-	
Unfair trade practices	Nil	-		Nil	-	
Other: Quality	20	8	--	9	0	--
Other: Packing issue	3	1	--	2	1	Closed in April 2022
Other: Other category	5	1	--	4	1	Closed in June 2022

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

	Number	Reasons for Recall
Voluntary Recalls	0	N/A
Forced Recalls	0	N/A

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.**

Yes, Solara has a robust privacy policy in place which applies to the information Solara collects through its Services, in email, text and other electronic communications sent through, or in connection with its products and services.

Link to Policy:

<https://solara.co.in/wp-content/uploads/2023/07/Information-Technology-Security-Policy.pdf>

**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 the safety of products/services.**

Not applicable

## Leadership Indicators

- 1. Channels/platforms where information on products and services of the entity can be accessed.**  
Solara's services and information can be accessed through the website [www.solara.co.in](http://www.solara.co.in).
- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
Material Safety Data Sheet (MSDS) containing details of handling and usage of the product in a safe and responsible manner.
- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**  
Not applicable
- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**  
No
- 5. Provide the following information relating to data breaches:**
  - a. Number of instances of data breaches along-with impact.**  
Solara reported zero data breaches for FY 21-22 and FY 22-23
  - b. Percentage of data breaches involving personally identifiable information of customers.**  
There were no data breaches during the reporting period.