



**Aarti Drugs Limited**

**Manufacturers of : Bulk Drugs & Chemicals**

**Corporate Office :** Mahendra Industrial Estate,  
Ground Floor, Plot No. 109-D, Road No. 29,  
Sion (East), Mumbai - 400 022. (India)  
Tel. : 022-2407 2249 / 2401 9025 (30 Lines)  
Fax. : 022-2407 3462 / 2407 0144  
Email: admin@aartidrugs.com  
website: www.aartidrugs.com  
CIN No.:L37060MH1984PLC055433

**Ref: ADL/SE/2023-24/64**  
**September 2, 2023**

To,  
Listing/ Compliance Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**BSE CODE: 524348**

To,  
Listing/ Compliance Department  
**National Stock Exchange of India Limited,**  
“Exchange Plaza”, Plot No. C/1,  
G Block Bandra - Kurla Complex,  
Bandra (East), Mumbai – 400051  
**NSE SYMBOL: AARTIDRUGS**

Dear Sir/Madam,

**Sub: Business Responsibility and Sustainability Report of the  
Company for financial Year 2022-23**

**Ref: Regulation 34(2)(f) of SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015**

Please find enclosed the Business Responsibility and Sustainability Report for the Financial Year 2022-23, which forms part of the Annual Report for the Financial Year 2022-23, submitted to the Exchanges on September 2, 2023.

The said Report is also available on the website of the Company at [www.aartidrugs.co.in](http://www.aartidrugs.co.in) along with the Annual Report and Notice of 38th Annual General Meeting of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**FOR AARTI DRUGS LIMITED**

**RUSHIKESH DEOLE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
ICSI M. No.: A54527



# **BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

## SECTION A: GENERAL DISCLOSURES

## I. Details of the listed entity

1.	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L37060MH1984PLC055433
2.	<b>Name of the Listed Entity</b>	Aarti Drugs Limited
3.	<b>Year of incorporation</b>	1984
4.	<b>Registered office address</b>	Plot No. N-198, M.I.D.C. Tarapur, Village – Pamtembhi, Taluka & Dist. Palghar – 401506 Maharashtra, India
5.	<b>Corporate address</b>	Ground Floor, Mahendra Industrial Estate, Road No 29, Plot No 109-D, Sion (East), Mumbai – 400022. (INDIA), Maharashtra
6.	<b>E-mail</b>	investorrelations@aartidrugs.com
7.	<b>Telephone</b>	9122-24019025
8.	<b>Website</b>	www.aartidrugs.co.in
9.	<b>Financial year for which reporting is being done</b>	April 01, 2022 to March 31, 2023
10.	<b>Name of the Stock Exchange(s) where shares are listed -</b>	a. National Stock Exchange of India Limited b. BSE Limited
11.	<b>Paid-up Capital</b>	As on March 31, 2023 total paid up capital of the Company stood at 92.60 Crores consisting of 9,26,00,000 Equity shares of ₹ 10/- each
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	a. Name - Rushikesh Deole b. Designation –Company Secretary c. Telephone Number - (022) 2401 9025 d. E-mail ID - investorrelations@aartidrugs.com
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b>	Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.

## II. Products/services

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

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Pharmaceuticals	Manufacturing and marketing of pharmaceutical products	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	Total Sales (₹ In Crores)
1	API	21001	91%	2,278.93
2	Speciality Chemicals	21001	6%	139.19
3	Intermediates & Others	21001	3%	79.84

## III. Operations

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

Location	Number of plants	Number of offices	Total
National	11	1	12
International	-	-	-

### 17. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	28 states and 8 union territories
International (No. of Countries)	Over 100 countries served across the six continents - Asia, North America, Europe, Africa, Latin America

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

The Company is presently serving the market requirements in over 100 countries spanning across the six continents, viz. Asia, North America, Europe, Africa, Latin America. The Company has been undertaking several initiatives to fulfill market needs across the globe and continue to grow exports. At present 37.77% of total turnover is contributed by the exports of products.

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

We serve a wide range of customers such as Pharmaceutical formulation companies, Specialty Chemical manufacturers, dyes pigments manufacturers across the globe.

**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)
<b>EMPLOYEES</b>						
1.	Permanent (D)	731	634	86.73%	97	13.27%
2.	Other than Permanent (E)	668	578	86.53%	90	13.47%
3.	<b>Total employees (D+E)</b>	1,399	1,212	86.63%	187	13.37%
<b>WORKERS</b>						
4.	Permanent (F)	272	271	99.63%	1	0.37%
5.	Other than Permanent (G)	919	884	96.19%	35	3.81%
6.	<b>Total workers (F+G)</b>	1,191	1,155	96.98%	36	3.02%

**b. Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	3	2	66.67%	1	33.33%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	<b>Total differently abled employees (D+E)</b>	3	2	66.67%	1	33.33%
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0.00%	0	0.00%
5.	Other than Permanent (G)	1	1	100.00%	0	0.00%
6.	<b>Total differently abled workers (F+G)</b>	1	1	100.00%	0	0.00%



### 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	12	2	16.67
Key Management Personnel	2	0	-

### 20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.92	7.14	7.82	13.52	8.12	12.84	19.09	12.24	18.26
Permanent Workers	1.55	0.00	1.55	1.21	0.00	1.21	1.59	0.00	1.59

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

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






Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Name of the holding / subsidiary / associate companies / joint ventures (A)
Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.	Subsidiary	100%	Pinnacle Life Science Private Limited
	Subsidiary	100%	Aarti Speciality Chemicals Limited
	Subsidiary	95%	Pinnacle Chile SpA



## VI. CSR Details



## 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 Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current Financial Year FY 2022-23			Previous Financial Year FY 2021-22		
		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	<a href="https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf">https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf</a>	0	0		0	0	
 Investors (other than shareholders)	NA	0	0		0	0	
 Shareholders	No, the Company complies with all the circulars issued by SEBI to handle shareholders complaints. So, there is no separate policy for handling shareholders grievances.	15	0		1	0	
 Employees and workers	<a href="https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf">https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf</a> <a href="https://www.aartidrugs.co.in/wp-content/uploads/2020/11/Whistle-Blower-Policy.pdf">aartidrugs.co.in/wp-content/uploads/2020/11/Whistle-Blower-Policy.pdf</a>	0	0		0	0	
 Customers	<a href="https://www.aartidrugs.co.in/contact-us/">https://www.aartidrugs.co.in/contact-us/</a> <a href="https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf">https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf</a>	6	3		5	0	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes ,then provide web-link for grievance redress policy)	Current Financial Year FY 2022-23			Previous Financial Year FY 2021-22		
		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
 Value Chain Partners	<a href="https://www.aartidrugs.co.in/contact-us/">https://www.aartidrugs.co.in/contact-us/</a> <a href="https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf">https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf</a>	0	0		0	0	
 Government and Regulators	<a href="https://www.aartidrugs.co.in/contact-us/">https://www.aartidrugs.co.in/contact-us/</a> <a href="https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf">https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf</a>	0	0		0	0	











**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 along-with its financial implications, as per the following format



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Innovation, R&D		Continuous innovation in our operations helps us to improve the efficiency and quality of product	N.A.	
2	Product Quality and Safety, and Data integrity		Product Quality and Safety, and Data Integrity issues might impact our ability to fulfill the demand of our customers and create value for our stakeholders.	Company is focusing in its QA and QC and IT function	
3	Community Engagement		Community expectations are higher	N.A.	
4	Environmental Sustainability		Various consequences of climate change has potential to pose a threat to business continuity and human safety.	to develop the sustainable manufacturing processes	
5	Employee Health and Safety		Employees are backbone of our business operations and it is our responsibility to provide them a healthy and safe environment. Additionally, Employee Health and Safety incidents pose regulatory, reputational, and business continuity risks. Risk of failure / non-compliance can impact our business operations and patient needs.	Company follows adequate safety standards	
6	Governance		Adhering to good governance standards will help to create brand value	N.A.	
7	Governance		Non-compliance with the regulatory and statutory requirements can impact our operations, ability to raise funds in future and valuation of the Company.	Company periodically review the processes to improve the governance standards	

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board?(Yes/No)	All Statutory Policies and Codes are adopted considering prevailing Legal requirements and approvals of respective body [Board of Directors, its Committees and Company Management].								
c. Web Link of the Policies, if available	Mandatory policies are uploaded on the website of the Company www.aartidrugs.co.in								
2. Whether the entity has translated the policy into procedures. (Yes /No)	Yes								
3. Do the enlisted policies extend to your value chain partners?(Yes/No)	Code of Conduct extend to our value chain partners and other policies are applicable to our value chain partners considering the prevailing legal requirements								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustea) standards(e.g. SA8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	 Certificates such as ANVISA, KFDA, COFEPRIS , WC Certificate, TGA, WHO-GMP and TFDA are obtained to facilitate business operations in countries including Brazil, South Korea, Mexico, European nations, Australia , Africa, Middle East, Southeast ASIA and Taiwan  ISO 9001: 2015: Quality Management System  ISO 14001:2015 – Environment Management System  ISO 45001:2018 – Occupational Health & Safety Management System  Good Manufacturing Practice (GMP) compliance across facilities as per various Global Standards for GMP like ICH , EU-GMPPIC/S, WHO-TRS, etc.  WHO-GMP accreditations received for several plants								
5. Specific commitments, goals and targets Set by the entity with defined timelines, if any.	Yes								
6. Performance of the entity against the specific commitments, goals and targets along - with reasons in case the same are Not met.	Mostly met								
<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 "Chairman's message" and "Management Discussion & Analysis report" in the Annual Report									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	DIN: 00005618 Shri Prakash M. Patil Chairman, Managing Director & CEO Ph:-022-2401 9025 Email:- mgnt@aartidrugs.com								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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<b>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.</b>	Stakeholders Relationship Committee, Corporate Social Responsibility and Risk Management Committee periodically reviews the sustainability initiatives of the Company. Composition of these Committees is mentioned in Corporate Governance Report.								
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#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									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
<b>Performance against above policies and follow up action</b>	The policies of the Company are reviewed periodically/ on a need basis by the department heads/ Director/ Board/ its Committees and any other committees wherever applicable																	
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	Status of compliance with all applicable statutory requirements is reviewed by the Board and its committees (as applicable) on a quarterly basis																	

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
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No. The policies of the Company are subject to audit by Internal Auditors of the Company. The working of the policies is also ensured by the various Department Heads/ Directors/ Committees of the Board/ Other Committees, wherever applicable.

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

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.

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	1	The Company conducts familiarisation programmes for its Board of Directors at regular intervals which covers topics such as ESG parameters, corporate governance practices, employee well-being, innovation and R&D and various other regulatory updates.	100%
Employees other than BoD and KMPs Workers	94	The employees / workers undergo various trainings / awareness sessions such as induction training at the time of joining, Training on Code of Conduct, technical and compliance training during the course of employment, safety training etc.	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):

NIL

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

Not applicable

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

Code of Conduct of the Company covers the provisions related to anti-corruption and anti-bribery. Weblink for the same is <https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.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:

Nil



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

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.**

Not applicable

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

Company is in process to design awareness programme for its value chain partners for their inclusion in the sustainability initiatives of the Company

**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, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding.

In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested.

Yes, the code of conduct of the Company has provision for avoiding conflict of interest



Link is <https://www.aartidrugs.co.in/wp-content/uploads/2021/05/Code-of-Conduct.pdf>



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

**Essential Indicators**

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

	FY 2022-23	FY 2021-22	Details of Improvements in environmental and social impacts
 <b>R&amp;D</b>	10.10%	NIL	Note 1
 <b>Capex</b>	16.15%		Note 2

**Note 1:**

The Company's investments in Research and Development (R&D) have yielded significant environmental benefits, showcasing its commitment to sustainable innovation and environmentally responsible practices:

**1. Vacuum Oven (121 ltr):**

**Energy Efficiency:** The adoption of vacuum ovens in R&D processes reduces energy consumption, leading to lower greenhouse gas emissions and a smaller carbon footprint.

**Waste Reduction:** Operating at low temperatures mitigates material degradation during processing, resulting in reduced waste generation and resource conservation.

**2. Refrigerator/Freight (400 ltr):**

**Greenhouse Gas Reduction:** Efficient refrigeration systems minimise energy consumption, thereby reducing greenhouse gas emissions and promoting energy conservation.

**VOC Emission Control:** By safely storing volatile chemicals, the Company minimises the release of volatile organic compounds (VOCs) into the environment, contributing to air quality improvement.

**3. Fume Hood (3900mmW x 11000mm D x 1580 mm H):**

**Air Quality Improvement:** Fume hoods play a crucial role in controlling hazardous emissions in laboratories, preventing harmful fumes, vapors, and dust from entering the atmosphere.

**Regulatory Compliance:** By using fume hoods, the Company ensures compliance with environmental regulations, protecting both the environment and the health of employees.

**4. Ultrasonic Cleaning Bath:**

**Water Conservation:** The implementation of ultrasonic cleaning baths reduces water consumption compared to conventional methods, conserving precious water resources.

**Chemical Footprint Reduction:** The use of fewer harsh chemicals in ultrasonic cleaning contributes to a decreased chemical footprint and supports environmentally friendly practices.

Through these R&D investments, the Company fosters a culture of sustainable innovation, emphasizing environmental stewardship in its operations. By striving for energy efficiency, waste reduction, and pollution control, the Company actively contributes to a greener future while maintaining a competitive edge in its industry.





**Note 2:****Summary of Environmental and Social Benefits from Capex Investments:**

The capex investments made by the Company in various assets have resulted in significant environmental and social benefits. Through these investments, the Company has demonstrated its commitment to sustainability and responsible business practices. Here are some of the key benefits:

- 1. Improved Energy Efficiency and Emission Reduction:** Investments in boiler smoke tube replacement and condenser equipment have enhanced the overall efficiency of operations, reducing fuel consumption and associated greenhouse gas emissions. This contributes to mitigating climate change and supports global efforts towards a low-carbon future.
- 2. Solvent Recovery and Waste Management:** The implementation of solvent recovery units and solid waste sheds has resulted in reduced emissions of volatile organic compounds and hazardous waste. This environmentally responsible approach conserves natural resources, minimises pollution, and promotes a healthier and more sustainable environment.
- 3. Fire Hydrant and Stack Monitoring Systems:** By ensuring reliable fire hydrant systems and stack monitoring, the Company effectively safeguards against potential environmental damages and harmful pollutant emissions. These measures aid in compliance with environmental regulations, maintaining air quality control, and improving public health.
- 4. Closed System Operations and Ultrasonic Cleaning:** Adoption of closed SCADA systems and ultrasonic cleaning baths reduces the emission of volatile organic compounds and conserves water resources. These eco-friendly practices align with environmental standards and foster sustainable water usage.
- 5. Efficient Co-Generation Boiler and Chimney Design:** Co-generation boilers allow simultaneous heat and electricity production, utilising waste heat to increase overall efficiency. Chimneys designed for higher altitude emission disperse harmful gases, reducing their immediate impact on the local environment and human health.
- 6. Reverse Osmosis for Water Conservation:** Implementation of reverse osmosis systems not only reduces water consumption but also minimises chemical usage, protecting water resources and promoting responsible water management.
- 7. Air Preheaters and Scrubbers for Cleaner Air:** Air preheaters recover waste heat from flue gases, leading to reduced fuel consumption. Scrubbers effectively absorb pollutants, improving air quality, mitigating global warming, and promoting better health for workers and the community.
- 8. Social Benefits:** The Company's investments in occupational health centres and safety equipment, such as SCBA sets, demonstrate a commitment to employee well-being. This contributes to improved worker health, reduced healthcare costs, and fosters a more productive and socially responsible work environment.

In conclusion, the Company's capex investments have yielded a wide array of environmental and social benefits. By implementing sustainable practices and advanced technologies, the Company is making positive contributions to environmental protection, resource conservation, and social well-being. These initiatives not only align with ESG principles but also position the Company as a responsible corporate citizen, gaining the trust and support of stakeholders and investors.





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


The Company is in process of creating a procedure for sustainable sourcing. Currently, there is no check for the same


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.**

Aarti Drugs is committed to going beyond compliance in its waste management practices. We have taken numerous steps to minimise waste generation and to ensure that our waste is managed in an environmentally responsible manner. Our waste management practices are based on the following principles:


 **Minimisation:** We strive to minimise waste generation at the source through the use of efficient processes and technologies.


 **Recovery:** We recover and recycle as much waste as possible.


 **Treatment:** We treat waste that cannot be recovered or recycled in a manner that minimises its environmental impact.

 **Disposal:** We dispose of waste in a secure manner that protects human health and the environment.

We are continuously reviewing and improving our waste management practices. We believe that these practices are essential to our commitment to sustainability and to our responsibility to the environment. Here are some specific examples of our waste management practices:

 We have installed a solvent recovery unit at our manufacturing facility. This unit recovers spent solvent, which is then recycled.

 We send process residues that have high calorific values to a cement plant for energy recovery.

 We send waste that cannot be recovered or recycled to a Common Hazardous Waste Disposal Facility for secure landfilling.

We believe that our waste management practices are a model for other companies. We are committed to continuing to improve our practices and to leading the way in sustainable waste management.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Company is in process of application to get EPR License from CPCB. The Company also assures that they will develop a comprehensive EPR plan that outline waste management goals and strategies for reducing waste, reusing materials, and recycling.

### 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?**

Name of Product / Service	% of total Turnover contribute	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Metronidazole (Sar-2902)	8.36%	Gate to Gate	Yes	No



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
Metronidazole	Global warming potential is due to the use of fuel i.e. Coal & Electricity.	Given that we currently utilise natural gas as fuel for one of the boilers on our premises and will persist with this approach, it becomes impractical to transition the entire system to a more environmentally friendly fuel source due to elevated costs and the limited accessibility of natural gas. Furthermore, we have integrated pollution abatement equipment at strategic points to effectively mitigate the impact of potential pollution sources.

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	FY 2021-22

In our production process, we prioritise sustainability by recycling solvents and selected raw materials. We recycle around 43-45% solvents and selected raw material.

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:

FY 2022-23				FY 2021-22		
Re-Used	Recycled	Safely Disposed		Re-Used	Recycled	Safely Disposed
-	214.78	-	 Plastics(including packaging)	-	234.313	-
-	-	-	 E-waste	-	-	-
0	0	30,364.33	 Hazardous waste	0	0	21,931.56
-	4,354.68	-	 Other waste (Fly ash generated from coal)	-	4,752.42	-

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

Since the Company is engaged in pharmaceutical sector, we do not reclaim products for reusing, recycling and disposing them at the end of their life.



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

Benefits	FY 2022-23						FY 2021-22					
	No. of employees covered as a % of total employees		No. of employees 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 employees covered as a % of total workers		Deducted and deposited with the authority (Y/N/N.A.)	
PF	731	100%	272	100%	Y		753	100%	245	100%	Y	
Gratuity	731	100%	272	100%	Y		753	100%	245	100%	Y	
ESI	0	0	35	12.87%	Y		0	0	8	3.27%	Y	
Others - Please Specify	-	-	-	-	-	-	-	-	-	-	-	-

### 3. Accessibility of workplaces

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

As per the nature of ADL's business, differently abled employees cannot be recruited in the manufacturing plant operations activities. However, the Company gives opportunities to differently abled persons in office premises. The office areas have lifts making it accessible with people with mobility impairment.

### 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.

Company has internal guidelines for equal opportunity. The Company provides equal opportunities to all its employees and to all eligible applicants for employment in the Company.

The Company has "Discrimination Policy" as well as "Human Rights and labor policy" to safeguard employees from any discrimination on basis of disabilities

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

♂ Male ♀ Female ⊕ Total

Permanent Employees		Gender	Permanent Workers	
Return to work rate	Retention rate		Return to work rate	Retention rate
N.A.	N.A.	♂	N.A.	N.A.
100%	100%	♀	100%	100%
100%	100%	⊕	100%	100%

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

The Company has a whistle blower policy for redressal of grievances of employees. The same can be found at <https://www.aartidrugs.co.in/policies-and-related-documents/>. However, there is no specific mechanisms w.r.t the below mentioned categories

A short summary of procedure to be followed to resolve routine complaints is given below.

**Yes/No (If Yes, then give details of the mechanism in brief)**

Permanent Workers	Reporting to the field supervisor and then field supervisor taking it up with Factory Manager
Other than Permanent Workers	Reporting to the field supervisor and then field supervisor taking it up with Factory Manager
Permanent Employees	Reporting to reporting manager for redressal of the grievances
Other than Permanent Employees	Reporting to reporting manager for redressal of the grievances

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

Benefits	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/ A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>	731	0	NA	753	0	NA
- Male	634	0	NA	654	0	NA
- Female	97	0	NA	99	0	NA
<b>Total Permanent Workers</b>	272	90	33.09%	245	91	37.14%
- Male	271	90	33.21%	244	91	37.30%
- Female	1	0	0	1	0	0



**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	
		Number (B)	% (B/A)	No. (C)	% (C/A)		Number (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1,212	1,212	100	1,212	100	1,239	1,239	100	1,239	100
Female	187	187	100	187	100	158	158	100	158	100
Total	1,399	1,399	100	1,399	100	1,397	1,397	100	1,397	100
<b>Workers</b>										
Male	1,155	900	77.9	900	77.9	1,128	880	78	880	78.0
Female	36	29	80.0	29	80.0	36	28	79	28	79.0
Total	1,191	929	78.0	929	78.0	1,164	908	78.0	908	78.0

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	Number (B)	% (B/A)	Total (A)	Number (B)	% (B/A)
<b>Employees</b>						
Male	1,212	1,212	100	1,239	1,239	100
Female	187	187	100	158	158	100
Total	1,399	1,399	100	1,397	1,397	100
<b>Workers</b>						
Male	1,155	1,155	100	1,128	1,128	100
Female	36	36	100	36	36	100
Total	1,191	1,191	100	1,164	1,164	100

## 8. Health and safety management system:

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

Aarti Drugs Limited (ADL) is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs), Pharma Intermediates, Specialty Chemicals and also produces Formulations with its wholly-owned subsidiary – Pinnacle Life Science Private Limited. With the vision to adopt processes supported by proven technologies, which are cost effective and safe. We are committed to develop and continually improve our safety systems and culture.

We have a comprehensive Health, Safety and Environment Policy to demonstrate our commitment to maintain the world-class standards of health and safety in line with our core values of 'Care', 'Integrity' and 'Excellence'. We have an implemented occupational health and safety management system across all our sites. We strive to make our workplace injury and incident free by inculcating safety culture at all levels of the organisation. We also organise various safety trainings, safety initiatives, mock drills and campaigns in the Company. At ADL, we are highly committed to creating a safe & healthy workplace and focusing on the continual improvement of the safety & health standards of employees and contractors.

ADL has implemented programmes on safety & occupational health which incorporates best-in-class practices related to occupational health. At ADL, various leading and lagging indicators are implemented and regularly monitored through the top management including safety studies, safety training, audits, and Incident investigations. We are certified with Integrated Management System of ISO 9001, ISO 14001 and ISO 45001. Safe and reliable operation is assured by the inherent safe design of plants.

Our infrastructure and trained man-power is equipped to handle any on-site and off-site emergency. We have mutual aid signed with neighbouring industries and provide support to other industries and communities in case of emergency situations.

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

We have engaged experienced and competent people for plant operation, and to perform safety studies and assessments such as HAZOP, HIRA and other risk studies as required for process validation. We have effectively implemented safety programmes like management of changes, process management, pre-startup safety review, General plant conditions, Job safety analysis, work permit system, cross site safety audits, safety rounds by key plant personnel etc.

We have ensured safety trainings and vigilance throughout our operations and validate the effectiveness of the safety programmes through internal and external safety audits

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

At ADL, we have implemented safety programmes to identify the unsafe acts and unsafe conditions through Behavior Based Safety (BBS), General Plant Conditioning (GPC), Near Miss Reporting (NMR), Incident Managements and global CAPA compliance.

All workers have access to report hazards and contributing towards enhancement of safety culture.

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

Our organisation has secured a Medclaim Insurance Policy to provide personal health and accidental treatment benefits for all employees. Additionally, a specialised Employees State Insurance Corporation (ESIC) Medclaim policy has been acquired for contract employees to cover their hospital treatments. Amid the Covid-19 pandemic, we initiated bus transportation services for employees commuting between home and work. Furthermore, we distributed masks and hand sanitizers to nearby hospitals and government offices, and proudly donated an Oxygen Plant to Rajawadi Hospital in Chembur, Mumbai.

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

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	00	00
	Workers	00	0.3999
Total recordable work-related injuries	Employees	00	0
	Workers	00	01 Nos.
No. of fatalities	Employees	00	00
	Workers	00	00
High consequence work-related injury or ill-health (excluding fatalities)	Employees	00	00
	Workers	00	00

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

- i. The Company is using Hazard operability (HAZOP) for process related hazards, Hazard Identification and Risk assessment (HIRA) for routine and non-routine activities and Health Risk Assessment (HRA) for identifying exposure related activities.
- ii. Regular site review, inspections and audits to assess safety preparedness
- iii. Regular training on occupational health & safety training

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

Category	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	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**14. Assessments for the year:****Health and safety practices****100%**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)

**Working Conditions****100%**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)

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

There were no major and reportable safety related incidents occurred in past financial year. Though, there were first-aid related incidents during the year which have been investigated and closed with necessary corrective and preventive actions.

**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).**

Yes

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

We are ensuring that vendors in our value chain are deducting and submitting the required statutory dues on time especially GST. Also, we are approving the vendors based on the statutory dues paid by their firm on periodic basis.

Also, the entity ensures adherence to statutory compliances related to workers such as timely wage payment and Provident fund.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

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

Retiring employees are given option to continue employment even after their retirement age has been crossed.

## PRINCIPLE

4

Businesses should respect the interests of and be responsive to all its stakeholders







## Essential Indicators

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

Our company has a process for identifying key stakeholder groups that is based on the following steps:

- a. We define the Company's business and its operations. This helps us to identify the groups of people who are most directly affected by the Company's activities.
- b. We identify the groups of people who have a vested interest in the Company's success. These groups of people are likely to be the most important stakeholders, as they have the potential to impact the Company's performance.
- c. We assess the influence and impact of each stakeholder group. This helps us to prioritise our stakeholder engagement efforts.
- d. We develop a stakeholder engagement strategy. This strategy helps us to build relationships with our stakeholders and to ensure that we are meeting their needs.


We have identified the following key stakeholder groups:

-  **Employees:** Employees are the lifeblood of our company, and they play a critical role in our success. Employees are also the most directly affected by the Company's activities, so they are likely to be one of the most important stakeholder groups.
-  **Customers:** Customers are the people who buy our products or services. Customers are also the ones who are most affected by the quality of our products or services. Therefore, customers are another important stakeholder group that we need to consider.
-  **Suppliers:** Suppliers provide us with the raw materials and other inputs that we need to produce our products or services. Suppliers are also affected by the Company's activities, as they may be impacted by the Company's demand for their products or services.
-  **Investors and shareholders:** Investors and shareholders are the people who own the Company. They are interested in the Company's performance, as they want to see their investment grow in value. Therefore, investors and shareholders are another important stakeholder group that we need to consider.
-  **Communities:** The communities in which we operate are also important stakeholders. These communities are affected by the Company's activities, as they may be impacted by the Company's pollution or its impact on the local economy.
-  **Government and regulatory bodies:** Government and regulatory bodies are also important stakeholders, as they have the power to regulate the Company's activities. We need to work with government and regulatory bodies to ensure that we are in compliance with the law.



We believe that these stakeholder groups are the most important to our company's success. We will continue to engage with these groups in order to build strong relationships and to ensure that we are meeting their needs.



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

 Ongoing

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	<ol style="list-style-type: none"> <li>1. Emails and Meetings</li> <li>2. Employee Satisfaction Surveys</li> <li>3. Training Programmes</li> <li>4. Performance appraisal reviews</li> <li>5. Grievance Redressal Mechanisms</li> </ol>		<ol style="list-style-type: none"> <li>1. Fair wages and Rewards</li> <li>2. Work life Balance</li> <li>3. Training &amp; Skill development</li> <li>4. Career Growth</li> <li>5. Occupational Health and Safety</li> <li>6. Job Security</li> <li>7. Transparent Communication</li> </ol>
 Customers	No	<ol style="list-style-type: none"> <li>1. Customer feedback</li> <li>2. Customer satisfaction survey</li> <li>3. Phone calls, emails and Meetings</li> <li>4. Signed contracts</li> <li>5. Exhibitions, Events</li> <li>6. Customer visits &amp; audits</li> <li>7. Websites</li> </ol>		<ol style="list-style-type: none"> <li>1. Timely Delivery</li> <li>2. Quality</li> <li>3. Pricing</li> <li>4. Post-sales Support</li> <li>5. Product related certifications</li> <li>6. EHS Management Systems</li> </ol>
 Suppliers	No	<ol style="list-style-type: none"> <li>1. Emails and Meetings</li> <li>2. Vendor Assessment &amp; Review</li> <li>3. Signed Contracts</li> </ol>		<ol style="list-style-type: none"> <li>1. Timely Payment</li> <li>2. Continuity of orders</li> <li>3. Capacity Building</li> <li>4. Transparency</li> </ol>
 Investors & Shareholders	No	<ol style="list-style-type: none"> <li>1. Shareholders Meetings</li> <li>2. Publishing requisite notices/ press releases/ other communications through Newspaper Advertisements/ e-mails/ websites</li> <li>3. Annual Reports</li> <li>4. Company's Website/ dissemination of requisite information on website of stock exchanges and depositories</li> <li>5. Investor meet</li> </ol>		<ol style="list-style-type: none"> <li>1. Sustainable Growth &amp; Returns</li> <li>2. Risk Management</li> <li>3. Corporate Governance</li> <li>4. Market Share</li> <li>5. Operational Performance</li> </ol>
 Communities	No	<ol style="list-style-type: none"> <li>1. Training &amp; Workshops</li> <li>2. Regular Meetings</li> <li>3. Need Assessment &amp; Satisfaction Surveys</li> <li>4. CSR Reports</li> </ol>		<ol style="list-style-type: none"> <li>1. Local Employment</li> <li>2. Environmental pollution control</li> <li>3. Infrastructure development</li> <li>4. Training &amp; Livelihood programmes</li> <li>5. Participation in social services</li> </ol>

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
 Government and Regulatory bodies	No	<ol style="list-style-type: none"> <li>Annual Reports</li> <li>Statutory filings</li> <li>Communication with regulatory bodies</li> <li>Formal Dialogues</li> </ol>		<ol style="list-style-type: none"> <li>Tax</li> <li>Compliance with laws, rules &amp; regulations</li> <li>Employment</li> <li>Pollution Prevention</li> <li>Local Economy Growth</li> </ol>

### 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.**

Respective business / functional heads engage with the stakeholders on various ESG topics and the relevant feedback from such consultation is provided to the Board, wherever applicable

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

Yes. We have framed our ESG agenda on material topics from stakeholder consultations. Material topics were shortlisted and prioritised based on their impact on our stakeholders and our business.

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

The Company through its Corporate Social Responsibility (CSR) initiatives focus the local areas for the upliftment of the weaker section of the society.



**PRINCIPLE**

**5**

Businesses should respect and promote human rights

**Essential Indicators**

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

The Company is currently preparing policies for conducting and providing trainings on many human rights to each of its employees and workers at the time of joining and a yearly training on all such topics. For the year FY 2022-23 and FY 2021-22, no such training was conducted

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

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>Employees</b>										
<b>Permanent</b>	<b>647</b>					<b>665</b>				
Male	581	104	18%	477	82%	598	156	26%	442	74%
Female	66	28	42%	38	58%	67	36	54%	31	46%
<b>Other than Permanent</b>	<b>662</b>					<b>639</b>				
Male	576	576	100%	0	0%	583	583	100%	0	0%
Female	86	86	100%	0	0%	56	56	100%	0	0%
<b>Workers</b>										
<b>Permanent</b>	<b>272</b>					<b>245</b>				
Male	271	32	12%	239	88%	244	0	0%	244	100%
Female	1	0	0%	1	100%	1	0	0%	1	100%
<b>Other than Permanent</b>	<b>919</b>					<b>919</b>				
Male	884	720	81%	164	19%	884	685	77%	199	23%
Female	35	35	100%	0	0%	35	35	100%	0	0%



**3. Details of remuneration/salary/wages, in the following format:**

Male			Female	
Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)		Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
5	70.40	Board of Directors (BoD)*	-	-
2	33.66	Key Managerial Personnel	-	-
632	4.16	Employees other than BoD and KMP	97	3.33
271	4.90	Workers	1	5.15

\* includes the remuneration of Executive Directors only.

**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. Company has a whistle Blower policy in place and it can be found of company website here <https://www.aartidrugs.co.in/policies-and-related-documents/>

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

Grievances related to human rights can be submitted to Ethics Officer or Human resource department. Also Whistle Blower Mechanism is available to address major issues. A detailed process has been laid down in the whistle blower policy of the Company available on the website <https://www.aartidrugs.co.in/policies-and-related-documents/>

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

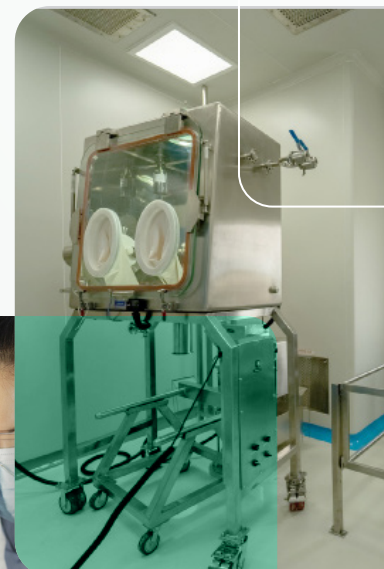
No Complaints were received for Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/ Involuntary Labour, Wages or any other human rights related issues during the year and in the previous year.

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

The Company has implemented Whistle Blower Mechanism where any discrimination and harassment cases can be directly brought to the notice of Board of Directors. Similarly, in sexual harassment cases, there are Internal Complaints Committees (ICCs) and relevant policies to ensure that complainant(s) shall not be met with adverse consequences.

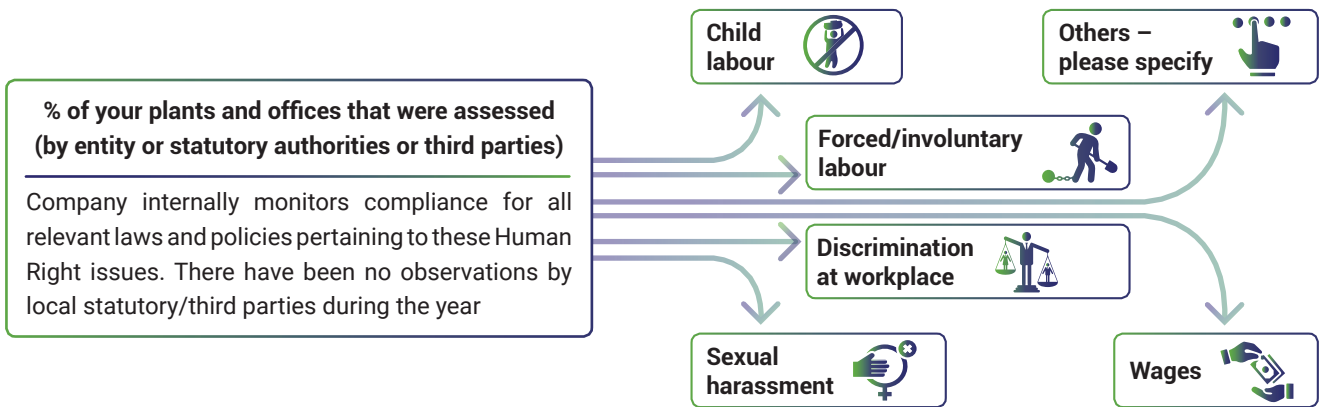
**8. Do human rights requirements form part of your business agreements and contracts? (YES/ NO)**

There are no agreements entered by the Company and hence this question does not apply





**9. Assessments for the year.**



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

There were no significant risks / concerns arising from the assessments at question 9 above

**Leadership Indicators**

- Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**  
Not applicable
- Details of the scope and coverage of any Human rights due-diligence conducted.**  
No such due diligence was conducted. Company is in process to design the Human rights due-diligence
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**  
Yes
- Details on assessment of value chain partners:**  
The Company is in process for formation of a procedure for assessing value chain partners for Child Labor, Forced/involuntary labour, Sexual harassment, Discrimination at workplace, Wages, etc.
- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**  
NIL

**PRINCIPLE 6** Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 (In Giga Joules)	FY2021-22 (In Giga Joules)
Total electricity consumption(A)	2,84,565.02	2,97,509.59
Total fuel consumption(B)	10,25,913.79	11,11,682.17
Energy consumption through Other sources (C)	0	0
Total energy consumption (A+B+C)	13,10,478.81	14,09,191.75
Energy intensity per rupee of turnover (Total energy consumption/Turnover in rupees)	$13,10,478.81/2,50,020.24 =$ 5.2415 Gigajoules per 100000 Rupees of Turnover	$14,09,191.75/2,25,594.63 =$ 6.2466 Gigajoules per 100000 Rupees of Turnover
Energy 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 is done

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

No, we do not have any site 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	FY2022-23	FY2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	4,45,146	4,35,079
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>4,45,146</b>	<b>4,35,079</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>4,45,146</b>	<b>4,35,079</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	4,45,146/2,50,020.24 = 1.7804 Kilolitres per 1,00,000 Rupees of Sales	4,35,079/2,25,594.63 = 1.9286 Kilolitres per 1,00,000 Rupees of Sales
Water 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

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

Yes, we have implemented a mechanism for Zero Liquid Discharge (ZLD). Currently, we are operating our 08 API manufacturing facilities out of 10 on a Zero Liquid Discharge (ZLD) basis and of remaining 02 facilities are connected to Common Effluent Treatment Plant (CETP) for further treatment.

Company's major manufacturing plants have Zero-Liquid Discharge (ZLD) wherein the waste water is treated and reused. The quality of effluent discharge where applicable is ensured as per regulatory requirements at all applicable locations. Aarti Drugs Limited has installed Multiple Effect Evaporator (MEE), Mechanical Vapour Re-compression (MVR) , Effluent Treatment Plant (ETP) for the effluent treatment and on-site distillation setup to achieve Zero Liquid Discharge.

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

Parameter	Please specify unit	FY2022-23	FY2021-22
NOx	Tonnes	8.31	9.073
SOx	Tonnes	22.169	24.194
Particulate matter (PM)	Tonnes	24.94	27.218
Persistent organic Pollutants (POP)	NA	NA	NA
Volatile organic Compounds (VOC)			
Hazardous air Pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

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

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
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	75,908	84,380
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	1,31,625	1,04,966
Total Scope 1 and Scope 2 emissions per rupee of turnover		$(75,908+1,31,625) / 2,50,020.24 =$ 0.83 tonnes per 1,00,000 Rupees of turnover	$(84,380+1,04,966) / 2,25,594.63 =$ 0.8393 tonnes per 1,00,000 Rupees of Turnover
Total Scope 1 and Scope 2 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

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

Aarti Drugs Limited is committed to climate action and to create a positive impact for the community and environment in which it operates. In line with the aspirations, Aarti Drugs Limited has committed to provide the pathway to develop integrated solutions for becoming carbon neutral. This includes phasing out coal-based boilers and ramping up renewable's and other forms of clean energy, investments in improvement measures and operational efficiency technology etc.

**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)	MT	214.78	234.3
E-waste (B)	-	-	-
Bio-medical waste (C)	-	-	-
Construction and demolition waste (D)	-	-	-
Battery waste (E)	-	-	-
Radioactive waste (F)	-	-	-
<b>Other Hazardous waste. Please specify, if any. (G)</b>			
Spent carbon	MT	1,828.82	724.245
Spent organic solvents	MT	3,491.81	1,850.916
Chemical sludge from ETP	MT	671.697	88.983
Conc& evaporation residue	MT	1,614.358	483.6
Off specification products	MT	1.23	0.275



Parameter		FY 2022-23	FY 2021-22
Date expired products	MT	0.524	0
Distillation residue	MT	144.22	264.77
Process residue & waste	MT	9,865.258	4,450.346
Organic liquid residue	MT	971.72	2,825.23
Sodium sulphate (By-product)	MT	698.76	124.21
Glycol to sale (By-product)	MT	1,408.17	1,368.32
Oil & grease	MT	0.403	0.487
Spent sulphuric acid	MT	5,103.06	4,946.3
Spent hydrochloric acid	MT	4,564.3	4,803.88
<b>Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</b>	-	-	-
Fly ash generated from coal	MT	4,354.68	4,752.42
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>MT</b>	<b>34,933.79</b>	<b>26,918.282</b>
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	MT	214.78	234.3
(ii) Re-used	MT	4,354.68	4,752.42
(iii) Other recovery operations	MT	0	0
<b>Total</b>	<b>MT</b>	<b>4,569.46</b>	<b>4,986.72</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	MT	5,801.048	3,181.19
(ii) Landfilling	MT	3,711.533	3,856.853
(iii) Other disposal operations	MT	20,851.749	14,893.24
<b>Total</b>	<b>MT</b>	<b>30,364.852</b>	<b>21,931.283</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





9. 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.

Aarti Drugs Limited has robust waste management practices and aims to reduce the waste to landfill. Following are the methods and techniques used to manage and dispose of waste material generated at site for preventing pollution, conserving natural resources, protecting human health environment.

**Reduction at source** - This is the hazardous waste reduction technique in which hazardous waste is reduced at the source by implementing recycling the reactants up to the greater extent, developing the process by research, use of reusable products, and reducing packing material.

**Hazardous waste management** - This involves specialised practices such as,

1. Assigned dedicated facilities according to categories of wastes
2. Safe handling procedures, labeling of HW bags and drums.
3. Following manifest system as per MPCB.

**Waste - to - energy** - Various hazardous waste generated at our factory is having high calorific value are segregated at site and sent to cement industry for energy recovery through incineration.

**Landfilling** - The HW having low calorific value and other parameters within the limit of landfilling criteria are sent for CHWTSDF facility & then safely dispose of material by burying in to land and covered by soil usually.

**Recycling** - The waste which are having the potential reusable content that can be recovered and reused

**Incineration** - Some of the hazardous waste that require incineration in a controlled condition are sent to the CHWTSDF facility where they dispose the hazardous waste through 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:

Not Applicable

**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
M/s. Aarti Drugs Limited Plot no. DP-94/95/96 GIDC, Sayakha.	EIA Notification 2006	October 22, 2021	Yes	Yes	-

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

No fine/ penalty was levied

**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:**

Parameter	FY2022-23	FY2021-22
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Nil	Nil
From non-renewable sources		
Total electricity consumption (D)	2,84,565.02	2,97,509.59
Total fuel consumption (E)	10,25,913.79	11,11,682.17
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	13,10,478.81	14,09,191.75

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





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

Parameter	FY2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
<b>(i) To Surface water</b>		
- No treatment	Nil	Nil
- With treatment—please specify level of treatment	Nil	Nil
<b>(ii) To Ground water</b>		
- No treatment	Nil	Nil
- With treatment—please specify level of treatment	Nil	Nil
<b>(iii) To Seawater</b>		
- No treatment	Nil	Nil
- With treatment—please specify level of Treatment	Nil	Nil
<b>(iv) Sent to third-parties</b>		
- No treatment	Nil	Nil
- With treatment—please specify level of treatment	Nil	Nil
<b>(v) Others</b>		
- No treatment		
- With treatment—please specify level of treatment	19,260 m <sup>3</sup>	18,360 m <sup>3</sup>
<b>Total water discharged (in kilolitres)</b>	<b>19,260 m<sup>3</sup></b>	<b>18,360 m<sup>3</sup></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

## 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
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Not Applicable

## 4. Please provide details of total Scope 3 emissions &amp; its intensity, in the following format:

The Company is not tracking scope 3 emissions currently

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

Not Applicable





**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 outcome of such initiatives, as per the following format**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Segregation of hazardous waste generated according to their Calorific value.	<p>Hazardous waste generated are segregated on the basis of calorific value.</p> <p>Low CV material is disposed off through landfilling.</p> <p>High CV material is disposed off through co-processing / pre-processing in cement kilns.</p>	<p>High calorific Value material is used in cement kilns as a fuel.</p> <p>Utilisation of hazardous waste by co-processing in cement Kiln is considered as an effective and sustainable option. There is dual benefit in co-processing of wastes in cement kilns, in terms of utilising the waste as a supplementary fuel as well as an alternative raw material.</p> <p>Wastes contain, materials that have the potential for use as an alternative raw material or as a supplementary fuel for energy recovery.</p>
2	MEE	We have installed Three & two stage multiple effect evaporators in our units for effluent treatment to achieve zero liquid discharge. It has around 60% lower energy requirement than conventional evaporation set up.	MEE has much higher steam economy than conventional evaporators.
3	Boiler	We have converted external furnace coal fired to semi fluidised boiler to improve steam to coal ratio.	Improved steam to fuel ratio as well as minimise fuel consumption. Also minimise immission
4	Boiler & Thermopack	Tuning of boilers / thermopacs for optimum Air-Fuel ratio to increase efficiency	Improved boiler efficiency
5	Condensate recovery	Condensate recovery improved to reduce fuel consumption.	Improved steam to fuel ratio as well as minimise fuel consumption.
6	Solvent recovery & yield	We have conducted pilot trials on ATFD to remove residual solvent from feed and improve the yield of product. This has improved solvent recovery and product quality.	Improved yield and solvent recovery
7	Efficient motors	We are using Energy efficient motors (high power factor motors) which saves around 3-5% energy.	Power saving
8	Membrane filter press	Use of membrane type filter press for corrosive products instead of ANF and centrifuge. Product coming from it has less moisture content and use of nitrogen is also reduced. Energy required for operation is also less.	Power saving
9	Chilling plant evaporator	We have modified design of evaporator of a chilling plant. Due to this 100% evaporator tubes are now submerged in refrigerant. It has improved efficiency of a chilling plant.	Chilling plant operated efficiently.
10	Chilling plant compressor	We have installed Freon based chilling plant operating on screw & scroll compressors in order to achieve better energy efficiency.	Improved energy efficiency.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
11	IE3 motors	We have started the use of IE-3 motors, these motors have more efficiency than IE-2 motors.	Power saving
12	Boiler	Interchanged position of air pre-heater and mechanical dust collector in briquette fired boiler. APH fouling issue is now reduced and due to clean flue gas to APH overall heat transfer coefficient has improved, results in lesser fuel consumption	Heat recovery from flue gas, so increased boiler efficiency Also fuel saving
13	Co-generation boiler	We have started back pressure turbine for 10 TPH co-generation boiler	We get around 0.16 MW of power which can be effective towards cost savings amid, now we are utilise for in-house consumption.
14	Co-generation boiler	Installation of high pressure co-generation boiler is under process. From this we will get around 1.6 MW of power which can be effective towards cost savings amid, we can utilise for in-house consumption.	We will get around 1.6 MW of power which can be effective towards cost savings amid, we can utilise for in-house consumption.
15	MVR	We have completed the erection activities of MVR & commissioning activities are under progress to achieve zero liquid discharge. MVR has much higher steam economy than conventional evaporators	MVR has much higher steam economy than conventional evaporators.

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

Aarti Drugs Limited has a robust Business Continuity Plan (BCP). In addition, workforces are continuously trained by carrying out mock drills and disaster management exercises for possible emergency situations.

**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.**

The pharmaceutical industry has significant impact on the environment through the entire value chain, from R&D to production and packaging and disposal. Some of the significant impact are

- a) **Water pollution** - Aarti drugs Limited is operating majority of manufacturing plant on Zero Liquid Discharge (ZLD) and we are strictly following the effluent discharge norms laid down by pollution control board for those unit which connected to CETP for further treatment.
- b) **Air pollution** - Scrubbers are provided for the each stack at strategic locations. Online Continuous Monitoring System implemented at site.
- c) **Land pollution** - Hazardous wastes are disposed through only authorised Waste Management facilities.
- d) **Packaging waste** - Packaging waste is disposed only after decontamination. Infrastructure developed at site for decontamination.

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

The Company is in process of creating a procedure for assessment of value chain partners for environmental impact. Currently, there is no check for the same

**PRINCIPLE**

**7**

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

**Essential Indicators**

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

**State**

Bombay Chamber of Commerce

**National**

Federation of Indian Chambers of commerce and Industry (FICCI)

**National**

Indian Institute of Chemical Engineering (IICChE)

**State**

Tarapur Industrial Manufacturers Association (TIMA), Maharashtra India

**National**

PHARMEXCIL - Pharmaceuticals Export Promotion Council

**National**

CHEMEXCIL – Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council

**National**

Federation of Indian Export Organisation

**National**

Indian Merchants Chamber (IMC)

**State**

Vapi Industrial Association

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable

**Leadership Indicators**

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

Not applicable



## PRINCIPLE

8

Businesses should promote inclusive growth and equitable development

## Essential Indicators

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

Not applicable

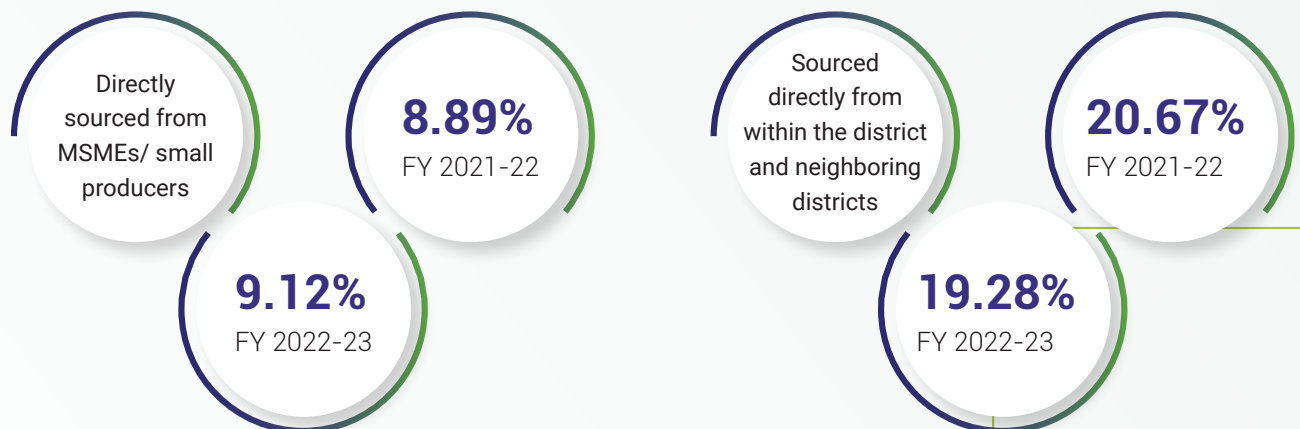
2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not applicable

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

Grievances can be written or verbal and can be expressed in local languages. They can be lodged by email, phone or written letters. Each grievance is acknowledged once received, and the complainant is informed of the next steps. Grievances with high severity levels are escalated to senior management levels. The respective departments investigate the grievance and respond to the complainant informing them about the proposed resolution.

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



**Leadership Indicators**

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

Not applicable

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

NIL

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) - NO

(b) From which marginalised /vulnerable groups do you procure? - N.A.

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

The Company is impartial in its selection and procurement processes of its suppliers which is driven by the Company's procurement policy, supplier code of conduct and supply chain management sustainability policy. The Company does not consider the criteria for marginalised / vulnerable group during selection of its suppliers.

Because the business in which the Company operate, procurement from standard manufacturers is important for ensuring that the end product is suitable for safe consumption.

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:

NIL

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.

Not Applicable

6. Details of beneficiaries of CSR Projects: : Please refer the Annual Report on CSR for FY 2022-23

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
Education and skill development	10000+	100%
Healthcare	10000+	100%
Tribal and Rural Development	10000+	100%
Environment and Water Conservation	5000+	100%
Livelihood Opportunities	5000+	100%





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

**Essential Indicators**

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

We regularly interact with the customers to understand their needs. Meetings are conducted at least once in a year with key customers and regular feedbacks are encouraged by other customers through emails.

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



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

No complaints were received during FY 2022-23 and FY 2021-22 for Data privacy, Advertising, Cyber-security, Delivery of essential services, restrictive trade practices, unfair trade practices or any other complaint from consumer

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

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





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

Yes. The Company shares the framework with its stakeholders on need basis.

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

We have not received any penalty / or no action has been taken by regulatory authorities on safety of products in last financial year.

### Leadership Indicators

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

<https://www.aartidrugs.co.in/api/>

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

The Company adheres to relevant regulatory requirements by disclosing all the necessary information to its stakeholders including safe and responsible usage of products.

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

We have procedures in place which triggers the communication to customers in case of any risk of disruption/ discontinuation of essential services.

The Company engages with its customers on a frequent basis to update them on business continuity and product supply. In case of any potential disruption of supplies the customers and relevant stakeholders are informed well in advance to ensure seamless operation. The communication with customers is conducted via emails in case of any disruptions or shutdown and further mitigation actions are conveyed.

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)**

The Company shows all the information which is mandatory as per regulatory requirements.

We regularly interact with the customers to understand their needs. Meetings are conducted at least once in a year with key customers and regular feedbacks are encouraged by other customers through emails.

5. **Provide the following information relating to data breaches:**

a. **Number of instances of data breaches along-with impact :- Nil**

b. **Percentage of data breaches involving personally identifiable information of customers :- Not Applicable**