

SUSTAINABILITY REPORT 2022-23



SHIVA PHARMACHEM

Shiva Bonds Beyond Boundaries
Innovative : Indigenous : Integrated

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AN OVERVIEW

Environmental Highlights

Total water consumption

Water Consumption (ML)	190.1
Water Recycled	7.57 %

Total emission and its intensity

Total GHG Emission (MT CO ₂ e)	70063
Average GHG Emission Intensity (MT CO ₂ e / MT)	1.38

Total waste generated

Total Waste Generated (MT)	29536.5
Total Hazardous waste recycled	84.49%

Renewable Energy

Total Bio Coal usage (% of total fuel use)	72.37 %
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Certifications



Social Highlights

Medical Coverage

Total medical coverage	100%
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Training For Employees

Total no. of trainings provided for employees	462
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Corporate Social Responsibility (CSR)

CSR fund spent (INR)	91.27 lakhs
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Employment

Total Workers	1422
*Men	1384
*Women	38
*New Hires	210
Total no. of Employees	855
Total no. of Non - Employees	563
Total no. of Specially abled Employees	4

*These employees are included into total number of employees

Salary Hike

Average salary hike for Employees	11%
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Workplace Incidents - Safety

Total no of incidents reported	6
Corrective and preventive actions taken	100%

Governance Highlights

Revenue and Profit (FY 2022-23)

Total revenue generated in INR	1,079.46 cr.
Total profit earned in INR	116.64 cr.

Infrastructure Investment (FY 2022-23)

Total amount spent on infrastructure development in INR	346.17 cr.
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Board of Directors

Women representation in board members	12.5 %
Independent Directors	50 %

INTRODUCTION

About the Report

Shiva Pharmachem is a company that strives to make progress and drive actions to be a sustainable and environmentally responsible organization in every aspect of the business. This is the first report on sustainability by Shiva Pharmachem and it covers the period from April 2022 to March 2023. It is our goal to demonstrate our dedication to being leaders in global sustainable practices. The company prioritizes sustainability and innovation while conforming to GRI criteria and the Sustainable Development Goals.

Stakeholders are extremely important to us since they are actively working to improve communication for inclusion and effectiveness. When it comes to governance, strategy, decision making, and performance, Shiva Pharmachem values all perspectives. Feedback on the report is not only welcome, but also encouraged¹. The data in this report is derived from documents reviewed by the management which complies with certified management systems.

Reporting Scope, Boundary and Entities Involved (GRI 2-2)

This report² outlines the approach, performance, and accomplishments on the three sustainability fronts namely: social, environmental, and economic. The report includes the key operational activity and environmental initiatives of Shiva Pharmachem Limited in its three sites namely Luna (Vadodara, Gujarat, India), Dahej (Bharuch, Gujarat, India) and Sajóbáony (Hungary). This report excludes the Head office which is the administrative building and overseas storage hubs in Europe and America³.

¹ **Contact Details:** Dr. Devendra Raghuvanshi, Shiva Pharmachem, Luna, Vadodara, Gujarat
Email: devendra.raghuvanshi@shivapharmachem.com

² This is our first sustainability report and we do not have any restatement of information.

³ Since, HO of Shiva Pharmachem is located in large building with many offices, keeping in view complexities involved in accurate accounting it has been excluded. Also the storage hub in America (Shiva Pharmachem AG) and Europe (Shiva Pharmachem INC) are excluded from this report as these are controlled by other agencies.

Message from the Chairman (GRI 2-22)



This sustainability report is a testament to our commitment towards fostering a sustainable future. As Chairman, I am deeply proud of the strides we have made in integrating sustainability into our business practices and operations.

Dear stakeholders,

I am pleased to present our maiden Sustainability Report for the fiscal year 2022-2023. This report underscores our dedication to fostering sustainable environmental, social and governance practices, as well as conducting our business ethically. By prioritizing sustainability, we aim to reduce our carbon footprint, minimize environmental impacts and contribute to business growth, fostering continuous improvement and enhancing our sustainability strategies.

Engaging in Global Initiative reporting aids us in navigating global markets, mitigating risks, seizing growth opportunities and positively contributing to society, thus paving the way for a more sustainable future for all.

I extend my sincere gratitude to our stakeholders, employees and customers for their unwavering support of our sustainability endeavours. Integrating sustainability into our business strategy creates long-term value for stakeholders and adopting environmentally friendly practices, such as waste reduction and energy conservation, underscores our commitment to responsible corporate citizenship. Ultimately, incorporating sustainability into our strategy is key to long-term success in the marketplace.

Prioritizing integrity, transparency, and fairness in all our operations builds trust with stakeholders and cultivates a positive work environment for our employees. This strategic approach has the potential to impact financial results positively and contribute to a more sustainable future for all involved stakeholders.

We have been recognized with several certifications and awards for our sustainable and environmentally friendly practices, including ISO 14001:2015, ISO 45001:2018 and the Responsible Care logo, affirming our commitment to providing a safe and healthy work environment. Additionally, ISO 9001:2015

certification attest to our quality management systems. Furthermore, our sites have secured scores under the *Together for Sustainability* initiative, with sites at Luna and Dahej achieving commendable results. Moreover, our efforts have been acknowledged by Ecovadis with Bronze and Silver medals for Luna & Dahej and Sajababony, respectively.

We have undertaken various initiatives to reduce our environmental footprint, including replacing incandescent lights with LED bulbs, transitioning transportation vehicles from diesel to CNG and implementing water-saving measures. Additionally, we are actively recycling water and increasing our use of renewable energy sources.

Looking further on the bright side, we are recycling water to reduce the total water consumption. There is a noticeable increase in usage of renewable energy sources, 72.37% of Bio coal is used as an alternative to fossil fuels. Which are beneficial for the environment by reducing carbon emission and to meet our sustainability goals.

We have implemented a range of CSR activities for supporting villages and strengthening local

communities through financial contributions for Samuha Lagna (Samuhik Vivah), Construction of village roads. And local community development activities such as education and employment training for women empowerment, children, and elders. We have actively carried out Tree plantation activities in our sites.


Stakeholder engagement plays a pivotal role in our sustainability strategy, as it provides valuable insights and fosters trust and transparency. By involving all stakeholders, including management, employees, customers, and suppliers, we gain valuable feedback for guiding sustainability initiatives and identifying areas for improvement.

We have set ourselves ambitious targets to achieve a goal of 2% reduction in Scope 1 & Scope 3 emissions each and 1% reduction in Scope 2 and 2% reduction in energy intensity by March 2026, further reducing water consumption by 5 % by FY 2025-26.




Shiva Pharmachem Ltd is committed to ensuring the health, safety and environment of its employees,

customers, and stakeholders. We have implemented a robust safety management system with a strong focus on process safety management. We have also invested in efficient effluent treatment plants, recycling systems, and scrubbing systems to minimize our environmental



Shiva Pharmachem Ltd is a company that strives to achieve excellence in its products, processes and practices. It is driven by its vision to be a preferred partner for its customers and a responsible corporate citizen for its society.



impact and optimize resource utilization. We conduct regular training, medical checkups and hygiene surveys to promote the well-being of its workforce.

Looking ahead, we are committed to furthering our sustainability efforts, setting ambitious goals and continuously improving our performance. We understand that the journey towards sustainability is ongoing and requires collective action and we are grateful for the support and collaboration of our stakeholders.

In closing, I express my heartfelt gratitude to our employees, customers, suppliers, shareholders and other stakeholders for their unwavering support and commitment to sustainability. Together, we can create a more sustainable and resilient future for generations to come.

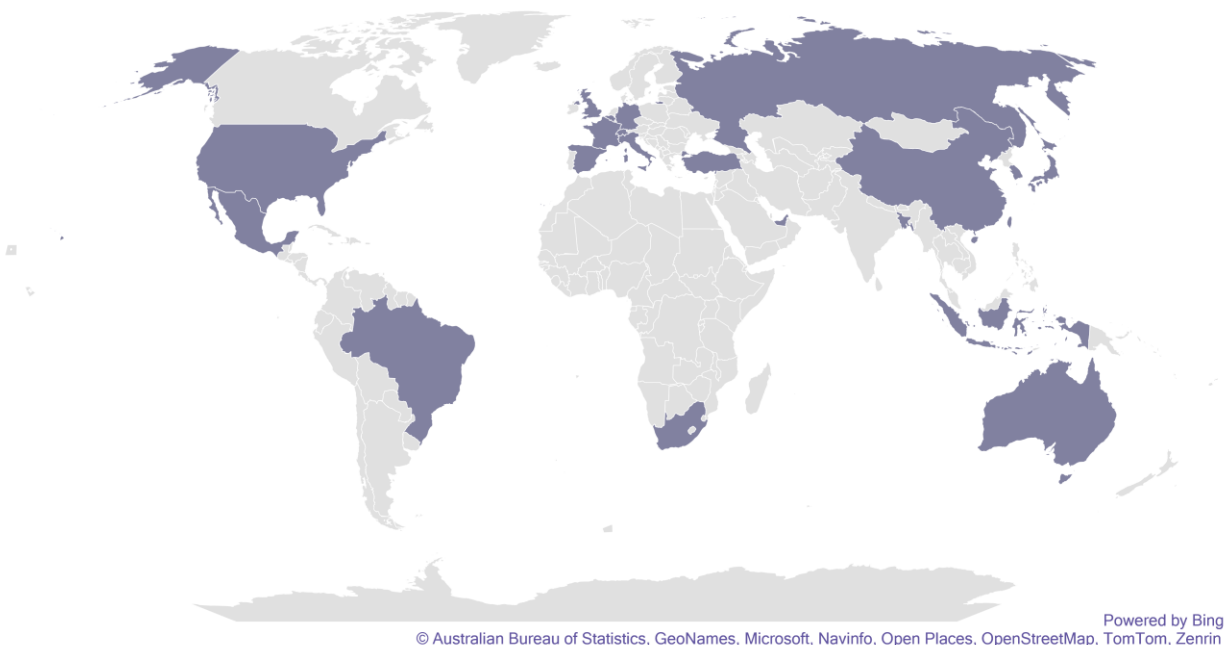
Mr. Rakesh S Agrawal,
Chairman

Organization’s Profile (GRI 2-1)

We, at Shiva Pharmachem Limited are the leading manufacturer of acid and alkyl chlorides, headquartered in Vadodara, Gujarat, India. The company manufactures products in seven major groups such as Acid Chloride, Alkyl Chlorides, Pharma Intermediates, APIs and intermediates, Fine and Specialty Chemicals, Agrochemicals, and Nitriles which have applications in the various sectors such as Agrochemicals, Pharmaceuticals, Polymers, Personal Care, Chemical Synthesis, Performance Chemicals etc,

The company was founded in the year 1999 at Luna, Gujarat, India, with an objective of forging out a presence in the international and Indian chemical industries through innovative approaches to Chemistry, Technology, and Systems that would lead to long-term sustainable growth. As a result of our collective commitment and efforts, we are one of the India's leading and one of the fastest growing specialty chemical firms with a market presence in several countries spanning across 6 continents., We currently have 3 operational units at Luna (Vadodara, Gujarat, India), Dahej (Bharuch, Gujarat, India) and Sajóbábony (Hungary, Europe). None of our sites are located in or adjacent to protected areas or areas of high biodiversity.

Major Market Presence



Vision

To be the leading global manufacturer of multifunctional intermediates with a focus on Sustainability (Environmental, Social and Governance), Total Quality Management and Total Customer Satisfaction.

Mission

To achieve following, keeping Sustainability at the core of the organization -

- Expand our existing product portfolio
- Expand our markets and increase wallet share with existing customers
- Expand our existing manufacturing capacities
- Further strengthen our R&D capabilities
- Continue to focus on the reduction of our operating expenses through asset churning.

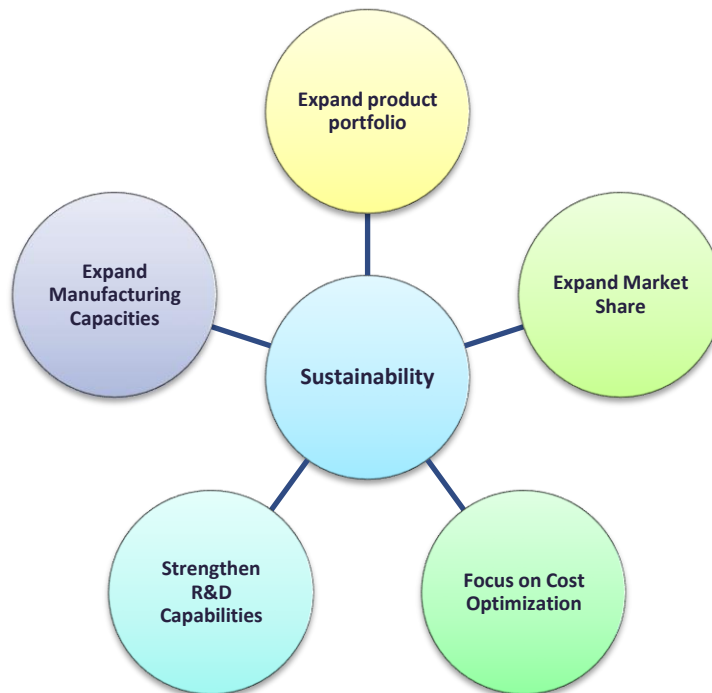
Core Values

- Environment, Safety and Health
- Integrity
- Innovation
- Commitment

Purpose of Sustainability report

The purpose of this sustainability report is to communicate our commitment to sustainable practices and efforts to minimize environmental impact while maximizing social and economic benefits in a transparent manner. This report is a detailed record of the company's sustainability initiatives, accomplishments and challenges. This report not only gives stakeholders like

customers, investors, employees and regulatory authorities a clear picture of the company's sustainability performance, but it also builds trust and accountability.



Data Collection

During this complete reporting, the mentioned data is collected from respective functions of respective sites which is based on their logbook record, purchase orders, government portal submissions, Analysis reports etc.

Our all-internal stakeholders are sufficiently empowered to present respective data and spell out difficulties during this reporting period.

Ownership

The equity share held by following four shareholders Mr. Rakesh Agrawal, Mrs. Uma R Agrawal, Mr. Vishal R Agrawal, and Mr. Rahul R Agrawal in India is 95.78%, remaining shares are held by others.

External Initiatives

We have taken a significant step toward holistic development by actively participating with industry groups for policy improvements and community well-being.

The company's ISO 14001:2015, ISO 45001:2018, ISO 9001:2015, Responsible Care Logo certifications and higher Scores in Together for Sustainability (TFS) Audits demonstrate its

steadfast dedication to Environmental responsibility, Occupational Health & Safety and Excellence in quality.



The organization displays its commitment to proactive environmental management by minimizing its ecological imprint and promoting sustainability by obtaining ISO 14001:2015, Responsible care logo certification.

ISO 45001:2018 and Responsible care logo certification emphasizes the company's priority of providing a safe and healthy work environment for its employees, demonstrating a consistent dedication to their well-being.



The ISO 9001:2015 and cGMP & cGLP accreditation attest to the company's stringent quality management system, which ensures that its products and services continually fulfil consumer expectations.

Memberships of Associations (GRI 2-28)

Sl. No	Agency / Portal	Member ID
1	ECOVADIS	YR909059
2	Supplier Ethical Data Exchange (SEDEX)	ZC402648682
3	Chemical Weapon Convention (CWC)	SHV 001 VAD & SHI
4	Quality Circle Forum of India (QCFI)	001 DAH
5	Indian Chemical Council (ICC)	70702122882

Apart from these, the Hungarian unit at Sajóbábony has subscribed to the membership such as MAVESZ (Association of Hungarian Chemical Manufacturers), Hungarian Chamber of Industry and Hungarian Chamber of Engineers.

Awards and Certificates



The Indian Chemical Council (ICC) awarded Shiva Pharmachem Ltd. a Responsible Care mark (RC logo) for our sustainability objectives.

We have implemented 07 codes of Responsible care. By the virtue of which we have been audited by Indian Chemical Council (ICC) and certified us to use responsible care logo in our documentation and communications.

In Process safety code implementation, we have implemented 14 elements of process safety management system.



Shiva Pharmachem Ltd. was awarded a Bronze medal (Luna and Dahej Site) and Silver Medal (Sajobabony by Ecovadis in November 2022. Ecovadis offers a business sustainability rating as well as intelligence solutions that are recognized globally.



Food and Drug Control Administration of Gujarat State awarded a certificate for State Good Manufacturing Practices (GMP) and Good Laboratory Practices (GLP).



Together for Sustainability (TFS) is a sector initiative created by chemical companies to assess, audit, and improve sustainability practices within their global supply chains. Shiva Pharmachem has consistently improved the score with every assessment. TFS score for Luna site has increased from 76 (2021) to 84 (2023), for Dahej from 80 (2021) to 90 (2023).

These certifications collectively confirm the company's commitment to globally recognized standards, reinforcing stakeholder trust and exemplifying the company's unwavering pursuit of operational excellence, environmental sustainability and employee welfare.

Governance Structure and Composition (GRI 2-9)

Within its corporate governance framework, Shiva Pharmachem lays a high emphasis on teamwork, collaboration and ethical standards. The Board of Directors has the highest authority and is committed to ensuring transparency and independence in decision-making process that takes stakeholder concerns, sustainability and collective growth into account. This dedication extends to fostering an ethical and responsible culture throughout the firm, influencing everything from strategic decision-making to risk management and compliance.

We have a long-term goal of establishing standards that promote sustainability in the economic, environmental and social domains, highlighting our dedication to accountability and integrity in operations. We hold our employees to high standards at all levels, establishing a culture of creativity and cooperation based on ethical behavior, accountability and openness.

This approach to corporate governance is consistent with Shiva Pharmachem's fundamental values serve as the foundation for the company's mission and long-term strategic goals. Shiva Pharmachem wants to instill confidence in stakeholders by adhering to best practices focusing on fairness, transparency and accountability.

The Governance structure of the company consists as follows: Chairman as Head of the organization followed by Managing Director (MD), Executive Director, Chief Operating Officer (COO), Vice President (VP), Senior General Manager (Sr. GM), Senior Manager, General Manager and Dy. General Manager (GM).

Sl. No.	Name	Designation	Tenure
1	Mr. Rakesh. S. Agrawal	Chairman and Non-Executive Director	Director since date of incorporation of the company
2	Mr. Vishal. R. Agrawal	Managing Director	Director since date of incorporation of the company
3	Mr. Rahul. R. Agrawal	Non-Executive Director	Director since date of incorporation of the company
4	Mr. Jagmohan. M. Zalani	Executive whole time Director	01/04/2015 to 30/09/2024
5	Mr. Sivaraman Narayanswami	Independent Directors	01/05/2019 to 30/04/2024
6	Mr. Premkumar Taneja	Independent Directors	30/03/2022 to 29/03/2027
7	Mr. Dukhbandhu Rath	Independent Directors	01/10/2022 to 30/09/2027
8	Mrs. Rati Desai	Independent Directors	01/03/2023 to 29/02/2028

Shri. Rakesh. S. Agrawal is the Chairman, the highest governance body of the organization. Table containing Details of Board of Directors is given above. **There are 8 directors, out of**

which 4 are independent directors including a women director. The appointment of independent directors is made as per section 149 of the companies Act, 2013⁴.

Age-wise segregation - Age-wise segregation of highest governance structure is showed in table below -

Age of Employee	Total No. of Employee
< 30 Yrs.	00
30 Yrs. - 50 Yrs.	02
> 50 Yrs.	06
Total	08

Apart from board of directors, which is the highest governing body of the Shiva Pharmachem, various committees such as Audit committee, CSR committee, Stakeholder Relationship committee, Risk Management committee comprising of board members have been formed to look after various important activities of the company. Following are the various committees and their composition.

Audit committee		
Name Of Director	Designation	Status in Committee
Mr. Sivaraman Narayanswami	Independent Director	Chairman
Mr. Rakesh. S. Agrawal	Chairman	Member
Mr. Premkumar Taneja	Independent Director	Member
Mr. Dukhbandhu Rath	Independent Director	Member

Corporate Social Responsibility Committee		
Name Of Director	Designation	Status in Committee
Mr. Rakesh. S. Agrawal	Chairman	Chairman
Mr. Vishal. R. Agrawal	Managing Director	Member
Mr. Sivaraman Narayanswami	Independent Director	Member

Stakeholder Relationship Committee		
Name Of Director	Designation	Status in Committee
Mr. Premkumar Taneja	Independent Director	Chairman
Mr. Rakesh. S. Agrawal	Chairman	Member
Mr. Sivaraman Narayanswami	Independent Director	Member

⁴ Read with schedule IV of section 149 of the companies act, 2013 and rules thereunder.

Risk Management Committee		
Name Of Director	Designation	Status in Committee
Mr. Rakesh. S. Agrawal	Chairman and Director	Chairman
Mr. Vishal. R. Agrawal	Managing Director	Member
Mrs. Rati Desai	Independent Director	Member

Nomination Of Highest Governance Body (GRI 2-10)

The Nomination and Remuneration and Human Resources Committee at Shiva Pharmachem is responsible for providing policy framework for remuneration paid to the members of the Board of Directors, Key Managerial Personnel (KMP) and the Senior Management Personnel (SMP) of the company.

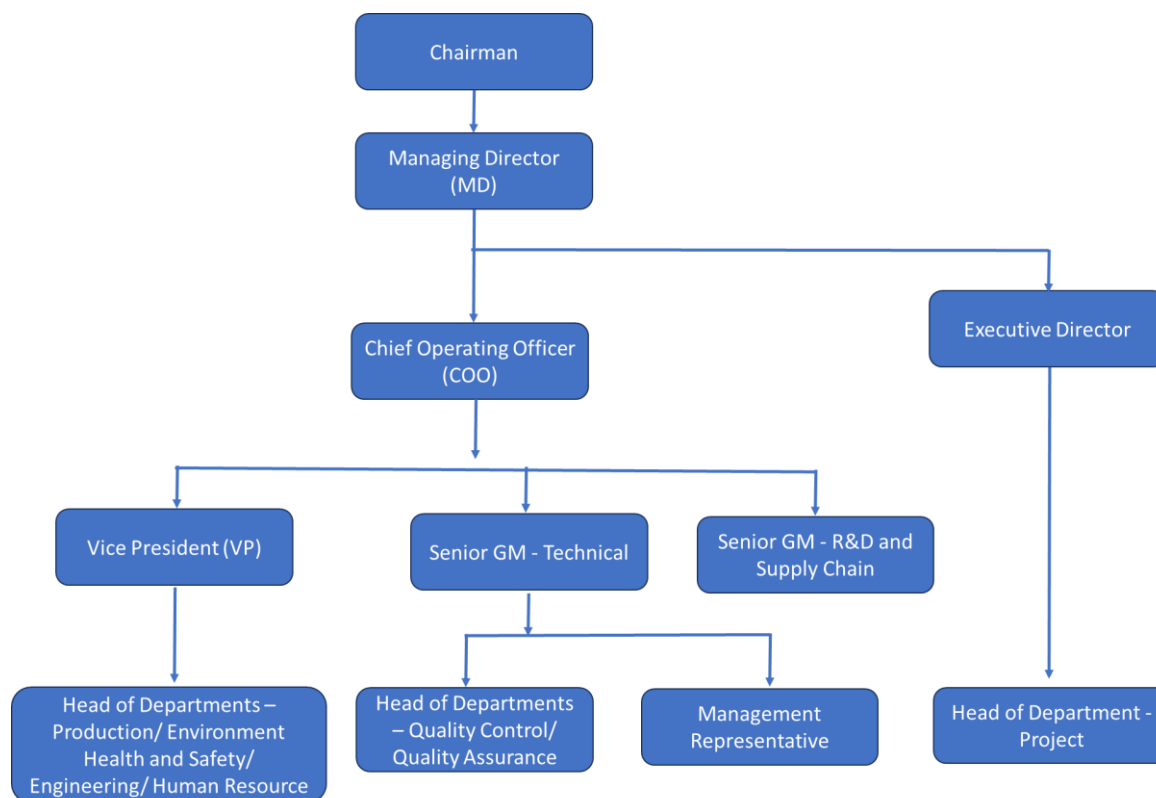
The main objectives of this policy framework are to motivate the members of board of directors, KMP and SMP by fixing reasonable composition and level of remuneration and to meet appropriate performance benchmarks reflecting short- and long-term performances to achieve the goals of the company.

Following table provides composition of members in the Nomination and Remuneration and Human Resources Committee at Shiva Pharmachem. Composition of The Nomination and Remuneration and Human Resources Committee is as under:

Name Of Director	Designation	Status in Committee
Mr. Sivaraman Narayanswami	Independent Director	Chairman
Mr. Rakesh. S. Agrawal	Chairman	Member
Mr. Premkumar Taneja	Independent Director	Member
Mr. Dukhbandhu Rath	Independent Director	Member
Mrs. Rati Desai	Independent Director	Member

Furthermore, the committee works with the Human Resources Department to supervise the appointment, appraisal, and remuneration of Directors, Key Management Personnel (KMPs), and staff. This procedure is carried out on an annual basis, showcasing the company's commitment to fair and transparent governance and human resource policies.

Organizational structure:



Roles and Responsibilities (GRI 2-12)

Sl. No.	Designation	Roles and Responsibilities
1	Managing Director (MD)	<ul style="list-style-type: none"> Responsible for Entire activities of manufacturing facilities and corporate functions. Defining policies, strategic directions and long-term vision. Providing adequate resources for continual improvement in all aspects for organization sustenance. Appointing Management representative and extend support for implementing QHSE management system. Ensure all legal and other requirements are complied as per the legal register.
2	Chief Operating Officer (COO)	<ul style="list-style-type: none"> Responsible for Entire activities of manufacturing facilities and Supply chain. Setting Organizational QHSE objectives, targets and reviewing management system at appropriate intervals and continuous improvement and effectiveness. Providing adequate resources for QHSE performance and procurement of raw materials and engineering good as per specifications. To extend support for implementing QHSE management system and providing resources to all Vice presidents and supply chain leaders. Ensure all legal and other requirements are complied as per the legal register.

2	Vice President (VP)	<ul style="list-style-type: none"> Responsible for manufacturing activities at Luna and Dahej sites. Defines roles, responsibilities and accountabilities through departmental procedures. Reviewing QHSE management system to ensure suitability and effectiveness through management reviews at defined intervals. Select and appoint required Manpower and take decision on alterations in QHSE management system. Authorized to select and appoint required manpower for effective implementation of QHSE management system.
3	Management Representative	<ul style="list-style-type: none"> Responsible for maintaining quality and HSE policy with help from respective leaders. And implementing commitments of the organization recorded in foreword. Schedule and conduct internal audit and management review meetings. Report status on Integrated Management System to the Chief Operating Officer and initiating management review meetings periodically. To develop team internal auditors by providing training. Authorized to appoint/ reconstitute steering group for management review. Keep custody of original document related to Integrated management system. Issue approved revisions of relevant sections of apex manual.
4	HOD (Production)	<ul style="list-style-type: none"> Production planning and reviewing. Ensure compliance to in process and finished product quality. To manufacture targeted quantity of acid chloride, Alkyl chloride and personal care products as per monthly sales and operation plan. To review in process analytical results and if there is deviations consult with R&D, Quality control, Quality assurance depart. Implementing QMS, EMS, OHS and process safety management system requirements by coordinating with ISO system leader. Authorized to to maintain production, safe work environment and corrective action for customer complaints. To decide disposition of non-confirming product in consultation with head, manufacturing head and quality assurance.
5	HOD (Marketing)	<ul style="list-style-type: none"> Responsible for issuing sales plant to Head Manufacturing Overall monitoring of marketing and sale strategy, export consignment dispatches. Authorized to sale of non-confirming product under concession. And contract review with customers in consultation with Head Manufacturing.
6	HOD (Supply Chain)	<ul style="list-style-type: none"> Responsible for approving suppliers in consultation with Quality assurance/Engineering /Production. Purchase , store functions and logistics Product identification and traceability, test status for incoming materials and issuing of materials. Authorized to issue of purchase order within is limit and negotiate commercial terms with supplier.
7	HOD (Engineering and Maintenance)	<ul style="list-style-type: none"> Responsible for planning and controlling utilities and maintenance activities of Mechanical, Electrical instrumentation and civil functions to achieve scheduled targets. Calibration of measuring instruments used in plants, safety, and warehouse. Approve quality plan, Specifications and test criteria and inspection related to incoming spares, capital items, Engineering items and consumables. Authorized to issue job orders as per job contract. Propose capital expenditure plans along with Head manufacturing. Define the specifications of engineering good and spares.

8	HOD (HR)	<ul style="list-style-type: none"> • Responsible for recruiting qualified manpower. • Identification of training needs, publish annual training calendar and arrange training programmes. • Authorized to sign the statutory documents related to labour and administration.
9	HOD (HSE)	<ul style="list-style-type: none"> • Responsible for defining HSE policy and to seek approval from top management. • Renewal of all licenses, monitoring compliance with specified requirements. • Control of parameter of solid/liquid and air discharge with consent letter. • Safety training and mock drills and ensuring all sirens in working conditions. And arranging medical checkups for all employees at regular intervals. • Certify process of the equipment modification from safety point of view. • Authorized to inspect and issue of safety permit before starting repair and maintenance in specified area.
10	HOD (QC)	<ul style="list-style-type: none"> • Responsible for developing and maintaining quality plans, inspection, sampling, test methods and specifications for raw materials, in process and finished products. • Retaining controlled samples and analytical reports of raw material and finished product. • Identify and arrange for third party analytical services if needed. • Providing analytical services to contract manufacturers as agreed. • Authorized to issue certificate of analysis for finished product.

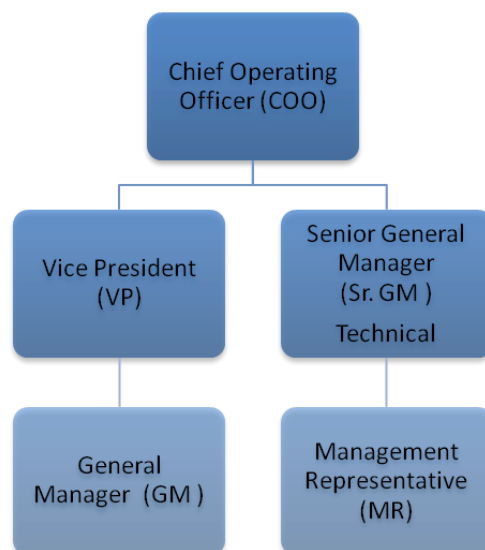
Approach to Sustainability

Shiva Pharmachem is committed to sustainability and has aligned their processes with the Global Reporting Initiative (GRI) standards. It prioritizes reducing its environmental impact by employing stringent waste management rules and using state of the art manufacturing practices.

The company aspires to produce chemical products that not only fulfil high quality requirements but also prioritize environmental conservation. Furthermore, it actively participates in community outreach and development activities, so contributing to the social well-being of the communities in which it operates. Supporting healthcare access and education, as well as displaying a holistic commitment to sustainable business operations, are examples of this.

Commitment to Reporting

The company's commitment to transparency and accountability in all activities is steadfast. It intends to provide stakeholders with clear insights into company performance, sustainability activities, and progress towards long-term goals through regular and detailed reporting. Below is the structure of the Sustainability reporting body.



Reporting Period (GRI 2-3)

This is Shiva Pharmachem’s first sustainability report and it covers the period from April 2022 to March 2023. From now on, every year Sustainability report will be published.

External Assurance (GRI 2-5)

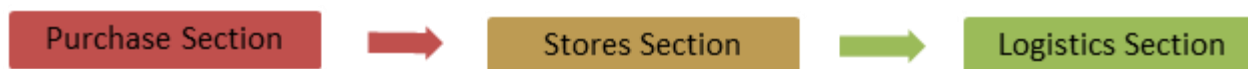
This report has been externally assured by LRQA Group Limited, an independent third party. The assurance process was conducted in accordance with the requirements of *ISAE 3000 and ISAE 3410 assurance standard for ‘Limited level of Assurance’*.

Policies and Manuals (GRI 2-23)

The company has formulated various policies and clearly laid out procedures on Procurement, Quality, Health, Safety and Environment, Security, Service Rules, Policy against Sexual Harassment, Anti-Bribery and Anti-Corruption, CSR Policy, Grievance Redressal etc, are in place. A few important policies are briefly described below.

Policy on Procurement (GRI 204-1)

Purchase section carries out the procurement of raw material based on the monthly forecast of orders and procurement is done by the supply chain. As per business sustainability perspectives we develop multiple vendors for each raw material. Vendor qualification is based on certification and questionnaire and sample of material is tested as “Use Test” in our R & D department, based on the results, agreement with only approved vendor is done. We import materials from over 5 countries mainly from Japan, Malaysia, China and others are locally sourced.



We have raw material stores, engineering stores, and finished goods stores in both Luna and Dahej sites with dedicated storage tanks for storing regular raw materials and products.

In the logistics section, only after quality approval, stores issue label as per Material Safety Data Sheet (MSDS) or customer specification as per their local regulatory requirements. Pasted labels are verified through Quality assurance as well as logistics team. Prior to the shipments, photographs of each shipment are kept and shipment are tracked through GPS. We mostly have corrosive liquid chemicals which are dispatched through dedicated lined ISO tanks majority of which are owned by us, and periodical fitness test are carried out.

Policy on Quality

The company is committed to develop, manufacture and deliver top-quality products, and aim for the highest customer satisfaction. Embracing a holistic approach, the company actively identifies and addresses external and internal factors, including environmental, social, technical, and legal considerations.

Health, Safety and Environment Policy

The organization places high emphasis on creating a safe and healthy work environment, with the goal of preventing workplace injuries and prioritizing the well-being of its employees. This commitment extends to environmental protection by actively working to prevent pollution and adhering to specific environmental obligations.

Our HSE vision is **“To be one of the best, safest and environmentally responsible global chemical manufacturing companies in the world, caring for its employees to assist them to lead a healthy life. We want to achieve best in class in Health, safety, and Environment by making safety and Environment a way of life”**. Furthermore, all external parties, including contractors, subcontractors, and transporters, are held accountable for their duties in Health, Safety, and Environment (HSE) while on the premises.

Furthermore, the company is dedicated to resource optimization, focusing on efficient consumption of water and power. This process is seamlessly integrated to not only benefit HSE efforts but also to promote sustainability. This holistic approach demonstrates the company's unwavering commitment to HSE principles, embedding them into every facet of its operations and employee development.

Policy Against Sexual Harassment



The company respects the dignity of everyone involved in the workplace whether they are employees, suppliers, or customers. The company believe that all employee have a work environment that does not tolerate sexual harassment. This policy takes complete cognizance of latest legislation by Government of India “The Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act 2013. This act provides protection against Sexual Harassment of women at workplace.

Anti-Bribery and Anti-Corruption Policy (GRI

205)

The company upholds a strict Anti-Bribery and Anti-Corruption Policy, demonstrating a zero-tolerance stance towards fraudulent and corrupt practices. We are dedicated to conducting business with fairness, transparency, and the highest ethical standards, and prohibit any form of solicitation, receipt, offer, promise, or provision of financial or other advantages in dealings with other businesses or government officials.

Grievance Redressal Policy (GRI 2-26)

Handling of grievances is responsibility of GM -HR/IR and grievance cell at manufacturing site. Composition of grievance Redressal committee consists of 5 members each from Vice President - operations, SCM section, Engineering section, R&D and operations section. Senior most member of the committee i.e., VP - operations shall be the chairman of the committee.

Scope and functions of this policy includes: Meeting at least once in three months, Cases of alleged injustice and other grievance of individual nature submitted to the committee, Investigate the matter it to be inquired with a view to remove any injustice allegedly suffered by such individual whose cases are referred to the committee, take conclusive decision and submit its recommendations to the deciding authority.

Corporate Social Responsibility (CSR) Policy

Healthcare promotions and Sanitation programs contributing to good health safety & hygiene of people of surrounding villages. Surveying village requirements making available safe drinking water to the residents. And Education and employment enhancement programs for

children, women, and elders. Contribution of Study materials, uniforms school and technology incubators located within academic institution. Protection of national heritage, art and culture by setting up libraries.

Promotion of Women empowerment, contribution to old age homes and facilities for reducing inequalities of socially & economically backward groups. Ensuring environmental sustainability & monitoring quality of soil.

The list of all the relevant Policies at Shiva Pharmachem along with the links to web access are given below:

Embedded Policy Commitments (GRI 2-24)

SL.No	Policy	Link
1	Vigilance Policy	https://www.shivapharmachem.com/pdf/vigil%20mechanism%20Policy.pdf
2	CSR Policy	https://www.shivapharmachem.com/pdf/Corporate-Social-Responsibility-Policy-of-Shiva-Pharmachem-Limited.pdf
3	Nomination and Remuneration Policy	https://www.shivapharmachem.com/pdf/Nomination%20and%20remuneration%20policy.pdf
4	Canteen Policy	https://www.shivapharmachem.com/about.aspx#policies
5	HR & Labour Policy	https://www.shivapharmachem.com/about.aspx#policies
6	IT Policy	https://www.shivapharmachem.com/pdf/it-policy.pdf
7	Product Stewardship Policy	https://www.shivapharmachem.com/about.aspx#policies
8	EHS Policy	https://www.shivapharmachem.com/pdf/ehs-policy.pdf
9	Security Policy	https://www.shivapharmachem.com/about.aspx#policies
10	Service Rules	
11	Sexual Harassment Policy	https://www.shivapharmachem.com/about.aspx#policies
12	Anti Bribery and Anti-	https://www.shivapharmachem.com/about.aspx#policies

	Corruption Policy	
13	Sustainable Procurement Policy	https://www.shivapharmachem.com/pdf/sustainable-procurement-Policy.pdf
14	Whistle Blower Policy	https://www.shivapharmachem.com/about.aspx#policies
15	Quality Policy	https://www.shivapharmachem.com/pdf/quality-policy.pdf
16	Grievance Redressal Policy	https://www.shivapharmachem.com/pdf/grievance-redrsslal-policy.pdf

ECONOMIC PERFORMANCE (GRI 201)

Economic growth serves as the impetus of comprehensive progress, creating a ripple effect of prosperity across various sectors. At our core, we navigate this growth trajectory by meticulously aligning our business strategies with the ever-evolving market dynamics and tailoring our offerings to meet the diverse needs of our customers. This strategic approach has emerged as a pivotal factor propelling our expansion.

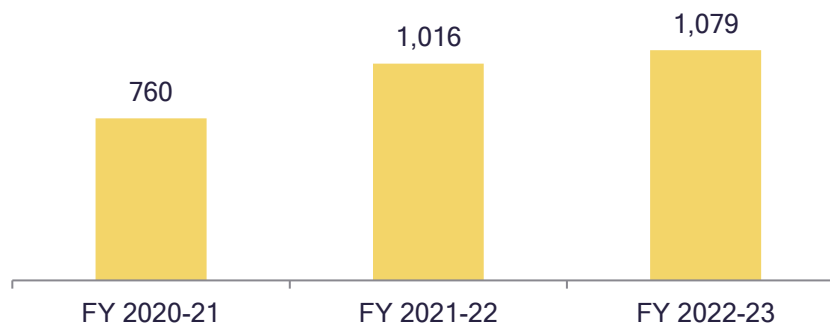
We place an unwavering emphasis on customer-centricity, ensuring that our offerings meet customer expectations. Additionally, we emphasize fostering transparent and mutually beneficial relationships with partners, suppliers, employees, and the communities we serve. Through these concerted efforts, we aim not only to sustain our growth but also to contribute meaningfully to the larger economic landscape.

Direct Economic Value generated and distributed (GRI 201-1).

For the reporting period FY 2022-23, Shiva Pharmachem has reported ₹ 1079.46 Crores as the direct economic value generated and ₹ 962.82 Crores as economic value distributed with a profit of ₹ 116.64 Crores.

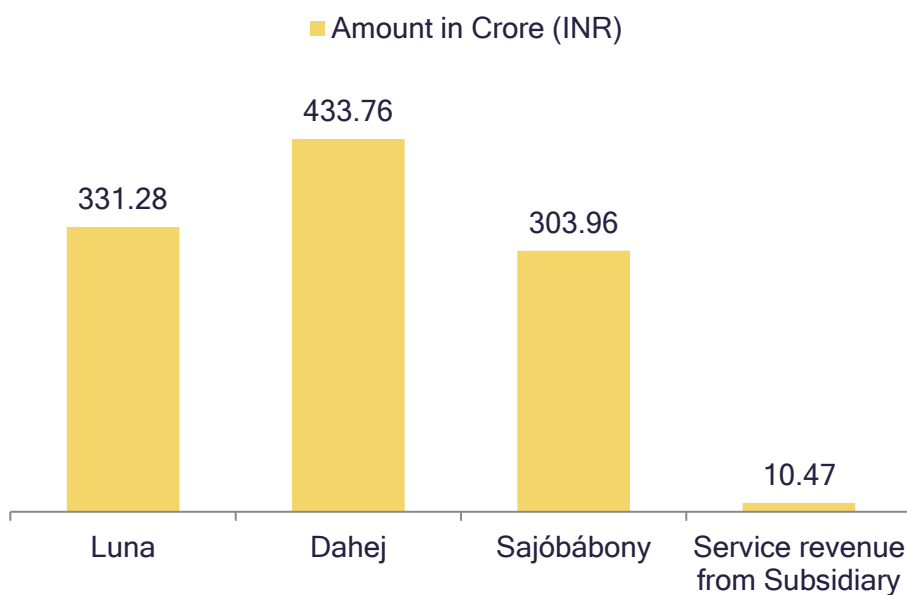
	FY 2022-23 (in Crores)
Direct Economic Value Generated	₹ 1079.46
Economic Value Distributed	₹ 962.82
Economic Value Retained (Profit After Tax)	₹ 116.64

The revenue generated by the company for the FY 2020-21, 2021-22 and 2022-23 are compared in the below chart.



Total revenue of Shiva Pharmachem is witnessing a constant increasing trend as evident from the figure above. Shiva Pharmachem is performed excellently even during global pandemic and recession. This clearly demonstrates that Shiva Pharmachem has a potential to overcome ever evolving market challenges and come up with innovative solutions and products to perform to its highest potential.

The total revenue generated by Shiva Pharmachem Private Limited for the reporting period of FY 2022-23 has been reported as Rs.1079.47 crores, net profit the organization after paying tax is about in INR 116.65 crore.



The above graph provides details of site-wise revenue distribution for the FY 2022-23. While Sajóbábony contributes around 28%, Luna 31%, Dahej site contributes 40% of the revenue. For the fiscal year 2022-23, the expenses for employment benefit schemes such as salary, wages, provident fund, family pension, and gratuity are 96.81 crores in INR. Shiva Pharmachem has paid the total tax amount of ₹ 27.85 crores and ₹ 0.86 crores to Indian and Hungarian governments respectively.

Strategic Focus: Key Impacts, Risks and Opportunities (GRI 201-2)

Anticipating and efficiently managing business risks is critical for a company's long-term competitiveness and financial stability, especially in today's complex and interlinked global business landscape. These risks are inherent in our operations and cover strategic, performance, legal compliance and environmental, social, and governance (ESG) problems. Proactive management is key to ensure long-term success in the context of a changing scenario.

In the business world, risks and opportunities are two sides of the same coin. Effective risk identification and management allows for the reduction of any negative consequences, ensuring the organization's stability and growth. Recognizing opportunity, on the other hand, allows firms to capitalize on advantageous situations, promoting innovation, expansion, and competitive advantage. Balancing risk management and opportunity pursuit is critical to attaining long-term success in today's volatile global landscape. Shiva Pharmachem has conducted detailed research and identified 2 major categories of risks:

- Internal Risks
- External Risks including Risks related to Climate Change

Internal business risk factors encompass a wide range of elements that can potentially impact operations. These include challenges related to project execution, manufacturing slowdowns or shutdowns, increased wage demands, compliance with contracts, skill development of employees, attrition of employees, insurance coverage, operational efficiency, and more.

Factors like contingent liabilities, and hurdles in resource optimization further contribute to potential risks. Additionally, issues such as pricing pressure on finished products, quality assurance, environmental management, and regulatory compliance add a degree of complexity. Addressing these risks involves managing aspects like R&D, cash flows, legal proceedings, security concerns, new product investments, and technology implementation costs.

It also requires overcoming challenges in market penetration, data security, material costs, demand forecasts, IT and automation system reliability, inventory and working capital management, human resources, corporate culture, and adherence to environmental and labour laws.

External risks include various factors that are beyond the organization's control. These include economic downturns, political instability, local interference, terrorism, wars, loss of investor confidence, currency exchange rate fluctuations, evolving Indian regulations, export slowdowns due to tariffs, levy of taxes, natural disasters, health crises such as pandemics and epidemics, inflation, and the reliability of infrastructure. These elements can significantly impact business operations and necessitate proactive strategies for resilience and adaptation.

Similarly, Climate change poses multifaceted risks across various sectors and industries. Rising global temperatures, extreme weather events, and shifting precipitation patterns can lead to physical risks such as infrastructure damage, supply chain disruptions, and agricultural losses.

Moreover, regulatory and policy changes aimed at mitigating climate change introduce transition risks, impacting industries dependent on fossil fuels or energy-intensive processes. Reputational risks also arise, as stakeholders increasingly scrutinize businesses' environmental impact. Shiva Pharmachem evaluated the risks and challenges through the audit committee for the reporting period 2022-23 and chalked out necessary plans to mitigate.

STAKEHOLDER ENGAGEMENT (GRI 2-29)

At the heart of our business philosophy lies a stakeholder-inclusive approach, wherein we believe that the success of our endeavors should extend beyond mere profitability. We aim to translate the outcomes of our business activities into shared value creation, benefiting not only our organization but also the communities and stakeholders we serve. This collaborative approach is essential to our business model, as it not only strengthens our progress but also aligns with our overarching goals and targets.

By actively engaging with a diverse range of stakeholders, including customers, employees, partners, and local communities, we harness various perspectives and insights. This not only leads to innovative solutions but also ensures that our business operations remain attuned to the evolving needs and expectations of society. Moreover, engaging with our stakeholders provides a crucial feedback loop that helps us adapt to changing regulatory, environmental, and social requirements. This inclusive approach not only strengthens our business resilience but also amplifies the positive impact we can have on society and the environment.

Selection and Identification of Stakeholders

Stakeholders are integral participants Shiva Pharmachem’s ecosystem, encompassing individuals, groups, or entities with a vested interest in our activities and outcomes. They can include our customers, employees, shareholders, suppliers, regulatory bodies, etc.



Methods used for Dialogue and Feedback

Throughout the year, we actively interact with a diverse array of stakeholders (such as employees, suppliers, govt regulatory bodies, shareholders and customers) through a mix of formal and informal engagement approaches. This multifaceted approach ensures that we gather a broad range of perspectives, allowing us to better understand and respond to the needs and expectations of our stakeholders.

Employees	<ul style="list-style-type: none"> • Employee benefits • Working Environment health and safety
Suppliers	<ul style="list-style-type: none"> • Assessment of supply chain management • Emissions and Energy management
Govt Regulatory Bodies	<ul style="list-style-type: none"> • Product safety and compliance • Environmental impacts
Shareholders	<ul style="list-style-type: none"> • Sustainable business growth and economic performance • Product Innovation
Customers	<ul style="list-style-type: none"> • Customer health and safety • Customer satisfaction

Shiva Pharmachem has a 3 member Stakeholder Relationship committee (Composition is provided in the below Table) to interact with various stakeholders through both formal and informal ways.

Stakeholder Relationship Committee		
Name Of Director	Designation	Status in Committee
Mr. Premkumar Taneja	Independent Director	Chairman
Mr. Rakesh. S. Agrawal	Chairman	Member
Mr. Sivaraman Narayanswami	Independent Director	Member

MATERIALITY ASSESSMENT

Methodology of Assessment (GRI 3-1)

Determination of materiality topics is continual process, wherein the organization determines material topics based on the identification (through engagement with relevant stakeholders and experts, peer benchmarking and industry trends) and assessment of impacts (both short term and long term) based on significance, followed by prioritizing the material topics with experts and information users. Further, these material topics are tested against industry/sector standards.

For the reporting period of FY 2022-23, and this report being the first sustainability report, the materiality assessment was carried out primarily through peer benchmarking, discussion with senior management and industry trends that are relevant to our operations.

During the initial stage, a questionnaire was prepared to determine the materiality topics by discussing with various stakeholders. In this regard, survey was conducted on various materiality topics such as Climate change and GHG Emissions, Water resource management, Pollution and waste management, Energy efficiency, biodiversity, product safety and compliance with regulations, quality assurance and control, business ethics and integrity, supply chain ethics, human rights, anti corruption, tax transparency, innovation for sustainable products and solutions, safety and ethics in research practices, engagement with customer and clients, engagement with employees and work force, engagement with local communities, employment benefits, occupational health and safety, employee training and upskilling, diversity and equal opportunity, financial performance and economic value generated, transparency in reporting and communication and procurement practices etc..

Determination of Topics:

For FY 2022-23, we conducted materiality assessment across all operational sites. The selected critical topics were in alignment with Reporting Principles and GRI Standards. We are in the process of gathering insights from stakeholders in the form of a structured questionnaire. The process culminated in the emergence of 10 key material topics, considering current business needs and market dynamics.

In this report, topics with high importance to the stakeholders were discussed by the senior management by conducting brainstorming sessions. These materiality topics were classified as high and medium importance. For the reporting period FY 2022-23, 6 materiality topics were determined to be of high importance. Totally, 10 materiality topics that align with our sustainability goals, and impact on our business were identified. These materiality topics in the areas of Environmental, Social and Governance are highly relevant to our business.

List of Materiality Topics (GRI 3-2)

This is our first sustainability report and choice of materiality topics were based the procedure as described in the above section. Further none of the materiality topics selected for the reporting period have negative impact on human rights.

















High Importance	Medium Importance
<ul style="list-style-type: none"> • Materials • Energy • Water Pollution • GHG Emissions • Waste • Occupational health and safety 	<ul style="list-style-type: none"> • Economic Performance • Diversity and equal opportunity • Employee Engament • Anti corruption





Management of Material Topics (GRI 3-3)

For each materiality topic of determined to be high and medium importance for the organization, potential positive and negative impacts on economy, environment, people and human rights were deliberated in detail. Policies were articulated.

Shiva Pharmachem is highly committed to address any negative impact arising due to these topics. We have set targets to mitigate the impacts. Furthermore, the actions taken to mitigate any adverse impact are discussed in the relevant material topics in the relevant subsequent chapters. During each FY, senior management regularly meets and contemplates on these set targets, to measure the actual progress against each of the set targets and to decide additional corrective steps if needed.

Shiva Pharmachem is not involved with any direct negative impacts through its activities because of business relationships. Further, Shiva Pharmachem has strict policies towards employing child labor at all its sites. We also have anti-bribery and anti-corruption policy in place. Various committees have been formed at the highest level as described in the section “Governance structure and composition”. Regular meetings are held by each of these committees to effectively tackle the issues, suggest mitigation measures and set the necessary goals, targets and to make necessary changes in the policies and procedures. Table below represents the material topics and their alignment with United Nation Sustainable Development Goals.

Sl.No	Materiality Topic	Alignment with UNSDGs
1	Materials	 
2	Energy Efficiency	 
3	Water Usage and Management	
4	Climate Change and GHG Emissions	
5	Waste Management	       
6	Occupational health safety	 

Sl.No	Materiality Topic	Alignment with UNSDGs
7	Economic Performance	
8	Diversity and Equal Opportunity	
9	Employee Engagement	
10	Anti-corruption	

MATERIALS (GRI 301)

Management of Materials

The adoption of sustainability practices is essential to every business and GRI 301: Materials provides a structured framework for companies to transparently communicate their material resource management strategies. This chapter sheds light on facilities and the comprehensive disclosure of information related to the life cycle of materials, from sourcing to disposal, showcasing our commitment to responsible resource management.

Management Approach

We believe that deliberations on actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights for each material topic. For Shiva Pharmachem efficient and sustainable material use involves responsible sourcing, recycling, and reducing waste. This approach can lead to cost savings, resource conservation, and the development of circular economy practices, fostering long-term economic stability. On the other hand, Irresponsible material extraction and usage can deplete natural resources, harm ecosystems, and contribute to environmental degradation. This, in turn, may lead to economic instability due to the depletion of essential resources.

Currently, Shiva Pharmachem uses about 61549 tonnes of total input material for the production of Pharmachem products. We have been recycling the SO₂ for internally recycling. We have set the target of 5% increase in recycled input materials by increasing the percentage of recycled SO₂ used for producing the Thionyl Chloride per month from the existing 26% to 31%.

Our commitments are evident from Product Stewardship Policy and Sustainable Procurement policy.

Total Weight of the Raw Materials Used (GRI 301-1)

The below table lists the Total Site-wise Weight of materials used for the production.

Sr. No.	Site	Total Raw Material Consumed (in tonnes)	Total Raw Materials from Natural Resources (in tonnes)	Total of Sourced Internally Input Materials consumed (in tonnes)	Associated Process Materials (Catalysts) (in tonnes)
1	Luna	16999	0	8124	84
2	Dahej	35653	0	7828	205
3	Sajobabony	8897	187	0	1.8
	Total	61549	187	15952	290.80

As evident from the above table listing all the raw materials, used for the production in Shiva Pharmachem, there is no significant input which comes from natural sources (only about 0.38% of Total raw materials) and all are synthetically manufactured. In fact, raw materials from natural resources is only in Sajobabony site (2.2% of the total raw material used at Sajobabony site). Similarly, about 47.79% and 21.95% of the total raw material is sourced internally at Luna and Dahej sites respectively.

Recycled Input Materials Used (GRI 301-2)

The following information details the proportion of recycled input materials incorporated in the production of the organization's core products and services. This is calculated using the following formulas as given the GRI 301-2.

$$\begin{aligned} \% \text{ of Recycled Input Material Used} &= \frac{\text{Total Recycled Input Material used}}{\text{Total Input Material used}} \times 100 \\ &= \frac{15952}{61598} \times 100 = 25.91\% \end{aligned}$$

From the above calculation, about 26% of input raw material (which is thionyl chloride which is captively produced from recycled Sulphur dioxide.) is recycled as input material.

Reclaimed Products and Their Packaging Material (GRI 301-3)

Sr. No.	Site	Total Product Dispatched (in tonnes)	Approx Quantity per ISO tank (tonnes)	Number of ISO tank (Packaging Material) Dispatched	Quantity of Product Dispatched in non-reclaimable packaging materials - Non-ISO tank dispatched (in tonnes)	Number of ISO tank (Packaging Material) Reclaimed	% of Packaging material Reclaimed	% of Product dispatched through reclaimed packaging material (ISO tanks)	Total weight of packing Reclaimed Material (tonnes)	Quantity of Product Dispatched in reclaimable packaging materials - ISO tank dispatched (in tonnes)	%Product and their packing materials reclaimed for each product category
1	Luna	11763	20	113	763	113	1.02	93.51	406.8	11000	500.31
2	Dahej	30677	20	281	256	281	0.92	99.16	1011.6	30421	1110.76
3	Sajobabony	8212	19.6	62	3133	62	1.22	61.84	223.2	5079	285.04
	Total	50642			4152						

There are about 300 ISO tanks under the possession of Shiva Pharmachem which are used for the dispatch of finished goods. In the reporting year FY 2022-23, all the ISO tanks were reclaimed. From the above table it is evident that total percentage of products dispatched through reclaimed packaging material is 93.51% in Luna, 99.16% in Dahej and 61.84% in Sajobabony site respectively. Further, about 4152 Tonnes of products were dispatched through non-reclaimable packaging materials.

ENERGY (GRI 302)

Management of Energy

Shiva Pharmachem utilizes energy in various forms for its day to day activities. At Shiva Pharmachem highest priority is given to the optimum use of energy for its manufacturing without compromising with standards and quality. Wherever feasible, biogenic sources of energy are used in line with our commitment to reduce the usage of fossil fuels . An accurate record of the use of all the energy usage (by weight or meter reading as the case may be) is kept the record logbook.

Management Approach

We believe that deliberations on actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights for each material topic. For us, Energy is a very important and common material topic for industries will be having positive and negative impacts on environmental, social and economy of an organization. Efficient use of renewable energy by replacing existing non - renewable energy reduces environmental impacts and mitigates climate change. Increase in use of non - renewable energy increases the stress in those energy resources which impact on people through its non-affordable cost, so leaning towards renewable energy and cost-effective energy resources will reduce the impact on people and contributes to economic sustainability of organization.

Shiva Pharmachem has set the target of 2% reduction in energy intensity by March 2026

Energy Consumption within the Organization (GRI 302-1)

Shiva Pharmachem being a chemical manufacturer, realizes the importance of responsible and sustainable use of energy in the various forms. The following sections describe energy consumption.

a) Total fuel consumption within the organization from non-renewable sources.

Although the majority of our energy are met by renewable fuels, non-renewable fuels are used mainly for meeting emergency power, day to day processing and manufacturing activities.

Total fuel (non -renewable sources) consumed by Shiva Pharmachem in the reporting period FY 2022-23 is tabulated below in the Table.

Sl.no.	Site	Non-renewable fuel consumed	Total fuel Consumption (kg)	Calorific value (MJ/kg)	Total Non - Renewable Energy Consumption (MJ)
1	Luna	HSD	27,543	43 ⁵	11,84,339.3
2	Dahej	HSD	16,345		7,02,827.9
3	Sajóbábony	Propane gas	17,494	46.4 ⁶	8,11,721.6

26,98,888.8 MJ

Non-renewable fuels mainly in the form of HSD and propane gas are used in Shiva Pharmachem. It should be noted that, about 2.69 TJ of energy was used by Shiva Pharmachem through non-renewable energy sources such as HSD and Propane gas. However, Sajóbábony site used propane gas used for only 3 months in the reporting period.

b) Total fuel consumption within the organisation from renewable sources.

Total fuel consumption (renewable sources) by Shiva Pharmachem for the reporting period FY 2022-23 is tabulated for all three sites in the below Table.

Sl.no.	Site	Renewable fuel consumed	Total fuel Consumption (kg)	Calorific value (MJ/kg)	Total Renewable Energy Consumption (MJ)
1	Luna	Biocoal	1,02,70,309.0	11.6 ⁷	11,91,35,584.4
2	Dahej	Biocoal	1,61,02,258.0		18,67,86,192.8
3	Sajóbábony	-	-	-	-
					30,59,21,777.2 MJ

As mentioned in the earlier section, Shiva Pharmachem uses majority of renewable energy sources to meet its energy demand. About 72.37% of total fuel consumption at Shiva Pharmachem comprises of biocoal which is a renewable source. Total renewable energy

⁵ GHG Protocol, Table-1: CO₂ emission factors by fuel- Oil Products

https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx

⁶ UK Government GHG Emission Factor for company reporting (Fuel properties).

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1166237/ghg-conversion-factors-2023-full-file-update.xlsx

⁷ GHG Protocol, Table-1: CO₂ emission factors by fuel-Biomass

https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx

consumption at our organization stands at 305.9 TJ. The non-renewable energy consumption is 2.69 TJ.

c) Total Electricity consumption within the organisation.

At, Shiva Pharmachem electricity is purchased from the government and a significant amount of energy is used at all of our sites. The Table below lists the electricity consumption across all three sites of Shiva Pharmachem for the reporting period FY 2022-23. The electricity usage varies across our sites as production.

Sl.No	Site	Electricity (kWH)	Electricity ⁸ (MJ)
1	Luna	65,93,805	2,37,37,698
2	Dahej	1,62,85,030	5,86,26,108
3	Sajóbábony	88,20,552	3,17,53,988
	Total	3,16,99,387	11,41,17,794

d) Total energy consumption within the organization

Total energy consumption for the organization for the reporting period FY 2022-23 has been presented in the below Table.

Sl.no.	Site	Non-renewable fuel consumed (MJ)	Renewable fuel consumed (MJ)	Electricity (MJ)	Total Energy Consumption within the organization in (MJ)
1	Luna	11,84,339	11,91,35,584	2,37,37,698	14,40,57,622
2	Dahej	7,02,828	18,67,86,193	5,86,26,108	24,61,15,129
3	Sajóbábony	8,11,722	-	3,17,53,988	3,25,65,709

42,27,38,460 MJ

For the reporting period FY 2022-23, the total energy consumption at Shiva Pharmachem stands at 422.73 TJ. This includes energy from renewable, non-renewable sources and electricity. Furthermore, in the below table, we have tabulated the energy by their source and their corresponding consumption. As evident from the below table only a miniscule percentage of 0.64% of energy is sourced from non-renewable sources and a major part of energy demand is met by the use of renewable sources and electricity, which constitutes about 99.36% of our total energy consumption.

⁸ kWh to MJ Conversion: 1kWh = 3.6 MJ

Sl.no	Source	Total Energy Consumption (MJ)	Total Energy Consumption (% contribution)
1	Non Renewable Energy	26,98,889	0.64
2	Renewable Energy	30,59,21,777	72.37
3	Electricity	11,41,17,794	26.99

All the values presented here in this section are sourced from the actual consumption recorded in the logbook. Further, Shiva Pharmachem does not sell any energy outside. It is noteworthy to mention here that, 72.55% of total energy consumed by Shiva Pharmachem is from renewable energy sources.

All the sources of conversion and emission factors for fuels are provided as footnotes along with their web link.

Energy Consumption outside of the organization (GRI 302-2)

Shiva Pharmachem does not outsource any of its production outside in any external facility. All the products are produced within our own facilities. Hence, there is no energy consumption outside of the organization.

Energy Intensity (GRI 302-3)

Energy intensity within our organisation pertains to the amount of energy consumed for each metric ton of product output. It serves as a pivotal measure for evaluating the industry's energy efficiency and sustainability efforts. Reducing energy intensity stands as a fundamental objective for Shiva Pharmachem Limited striving to diminish their environmental footprint and optimize operational productivity. This endeavor involves the adoption of energy-efficient technologies and streamlining production processes. Prioritizing energy efficiency not only yields cost savings but also fosters a more sustainable and environmentally conscious industry. Energy intensity values have been calculated using the following formula.

$$\text{Energy intensity (MJ/MT)} = \frac{\text{Energy Consumption (in MJ)}}{\text{Total Production (in MT)}}$$

Using the above formula, for the whole organization, total energy intensity (non-renewable energy sources) has been calculated as 40.7 MJ/MT, total energy intensity (renewable energy sources) as 6039.7 MJ/MT, total energy intensity (electricity) as 623.6 MJ/MT respectively.

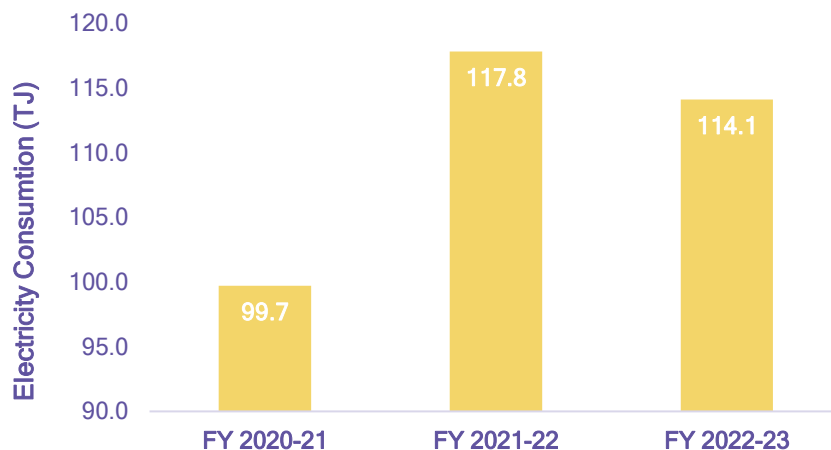
Similarly, the total energy intensity (for all sources: non-renewable, renewable and electricity) has been calculated as 8325 MJ/MT. These values presented here are for the energy consumption within Shiva Pharmachem. The table below summarises the site wise energy intensity values for the Shiva Pharmachem.

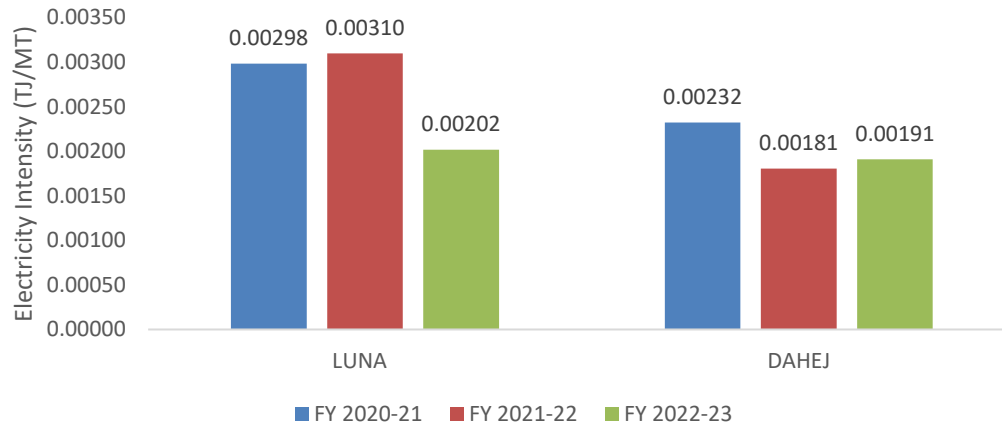
S.no	Site	Total Energy Consumption within the organization (MJ)	Production (MT)	Total Energy Intensity (MJ/MT)
1	Luna	14,40,57,622	11,763	12247
2	Dahej	24,61,15,129	30,678	8023
3	Sajóbábony	3,25,65,709	8,212	3966
Organisation		42,27,38,460	50,652	8346

The energy intensity of Dahej is lower than Luna due to large production volume. and Sajóbábony figure of intensity based on 03 months fuel consumption data only. Furthermore, Pharmachem products produced, the technology and age of equipment vary across the sites. Hence there is variation in the total energy intensity.

Reduction of Energy consumption and Reductions in energy requirements of products and services (GRI 302-4 & 302-5)

At Shiva Pharmachem, we are committed to responsible use of energy and to take all the necessary measures to reduce our energy consumption. As depicted in the below figure, our overall energy consumption has reduced significantly from 117.8 TJ in FY 2021-22 to 114.1 TJ in FY 2022-23, which is about 3.14% less than the previous financial year.





Shiva Pharmachem conducts energy audit every three years. Audit recommendations are closed within the defined timelines. Based on the recommendations of energy audit conducted to minimize the energy usage, installation of new air compressor, replacement of chilling/brine plant and blower have been carried out. In addition, 70% and 100% of the electrical bulbs in Luna and Dahej have been replaced with LED respectively. Furthermore, in order to create awareness to save electricity among the employees and management training cum awareness programs are held along with pasting of instructions at major corner to save energy.

WATER AND EFFLUENT (GRI 303)

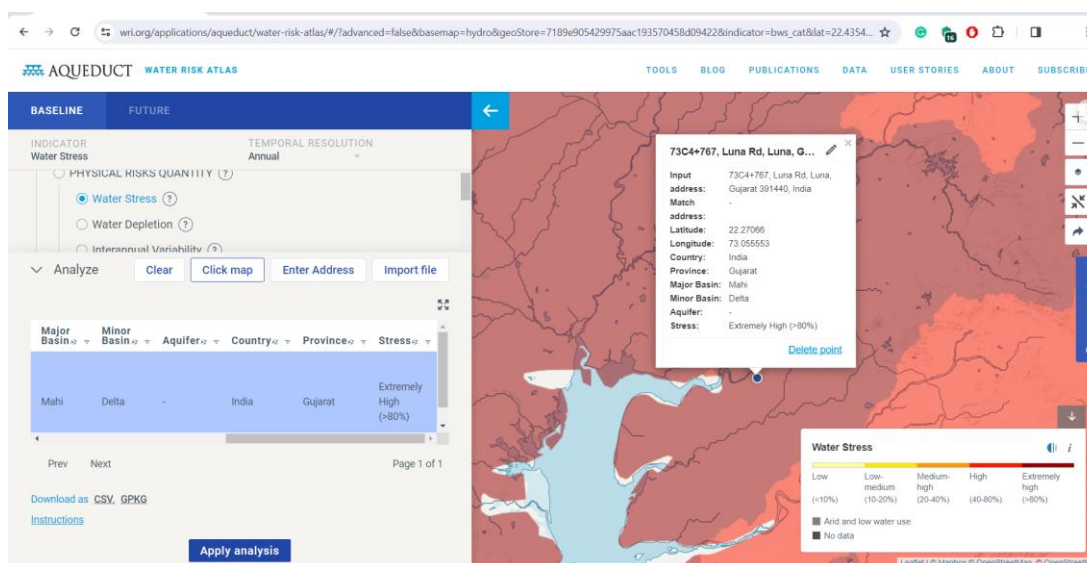
Interaction with water as Shared Resource (GRI 303-1)

Shiva Pharmachem completely understands the importance of use of water resources for its operations and always strives for responsible consumption of water resources within all its facilities. The greatest emphasis is placed on the judicious use of water usage by not only optimising the use in all our facilities by employing the necessary water saving measures but also by educating all the employees regularly about sensible use of water.

Two Indian sites (Luna and Dahej) are located in high water stressed area and the third site is located at Sajóbábony and is located in medium-high stressed area. The water demand for the Dahej site is met by the water supplied by the Gujarat Industrial Development Corporation (GIDC). For Luna site groundwater is withdrawn within permissible limit (141 m³/per day) and for Sajóbábony site, water is sourced from third party. The effluents are discharged only after tertiary treatment to common effluent treatment plant (CETP) set up by the GIDC. No untreated effluent is discharged from any of our sites.

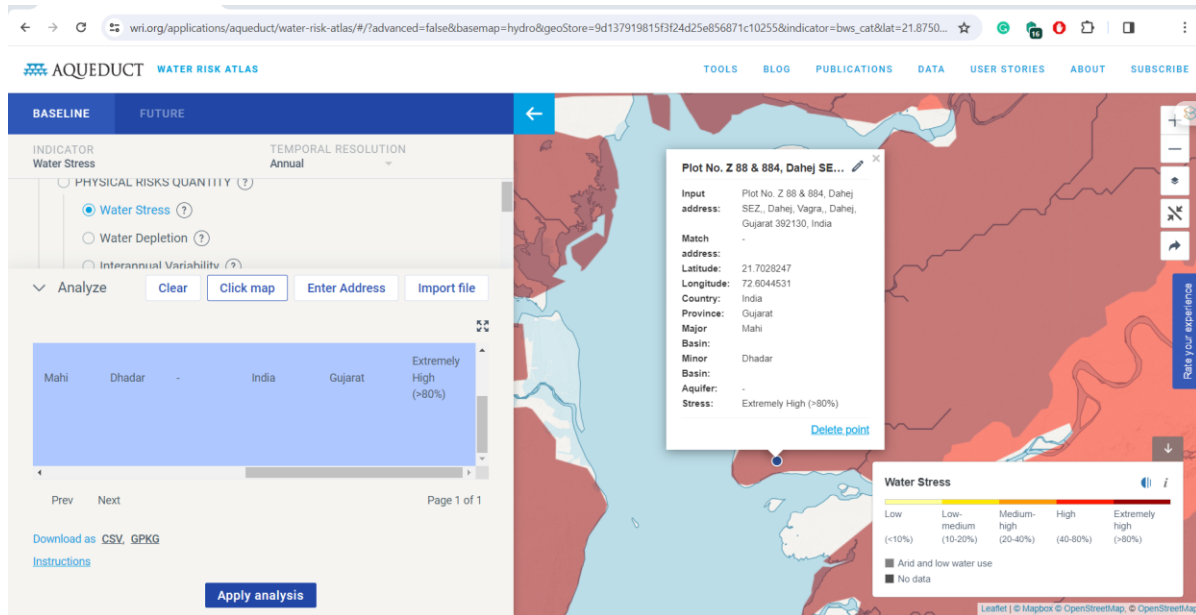
To optimize the water stress of site located areas; we have used Aqueduct website tool⁹ link is as follows-

Luna, Gujarat, India (Extremely High >80%)

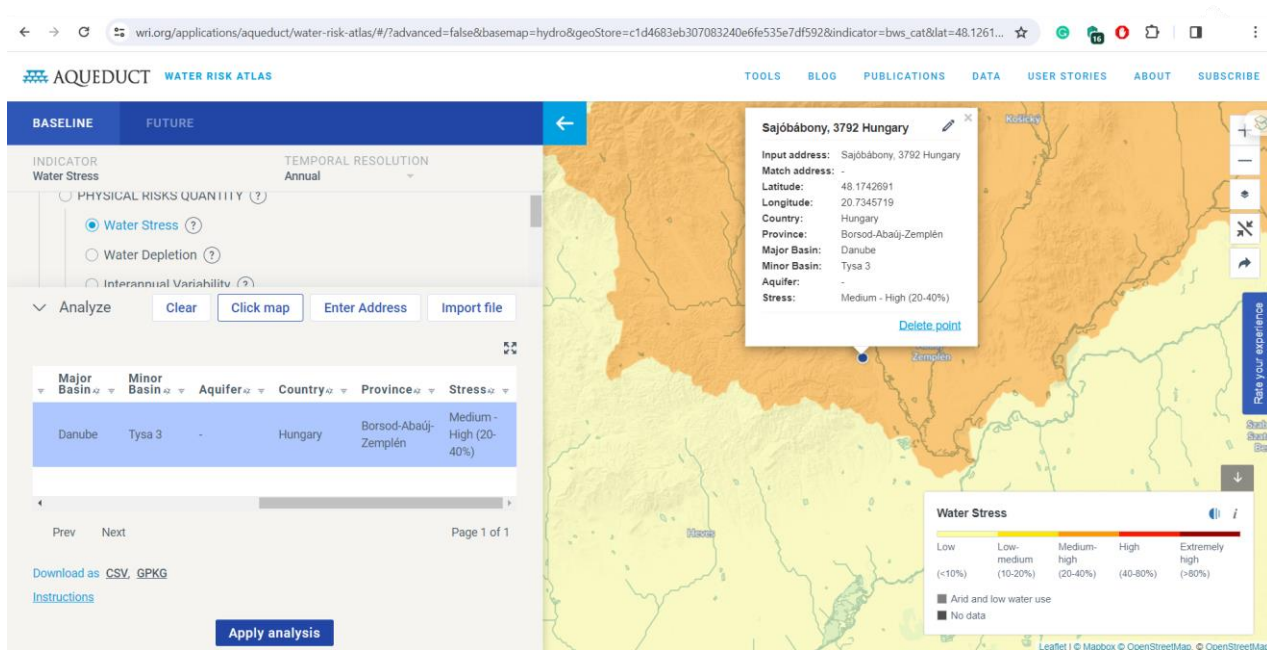


⁹ WRI Tool to assess the Water stress level: https://www.wri.org/applications/aqueduct/water-risk-atlas/#/?advanced=false&basemap=hydro&indicator=bws_cat&lat=19.87005983797396&lng=79.18945312500001&mapMode=view&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&timeScale=annual&year=baseline&zoom=5

Dahej, Gujarat, India (Extremely High >80%)



Sajóbábony, Hungary (Medium-High (20-40%))



The water usage and effluent discharge data are recorded in a logbook on all three sites through the calibrated meter readings. We have effective strategies in place for saving the water and to recycle the water. The various water conservation initiative that are undertaken in the Shiva Pharmachem are explained in detail in the section “Water conservation initiatives” in this chapter.

Management of Water Related Impacts (GRI 303-2)

Effluent generated at the sites is treated in the effluent treatment plant located within for both Luna and Dahej sites upto Tertiary degree.

The Luna site is located in private land whereas Dahej site is located in government industrial park/ SEZ.

For Luna and Dahej, the standards as given below are chemical industry specific discharge standards. The minimum standard set for quality of effluent discharge by the local pollution control board for various units are as below :

Luna Site: COD - 2000 ppm, TDS - No limit. The common effluent treatment plant (EICL) treats this water and discharges it into the estuary.

Dahej Site : COD - 250 ppm, TDS - No limit. The common GIDC effluent collection well and discharges in deep sea.

Sajobabony Site : attached water sourcing data, we have only third-party water consumption. We do not treat or recover/recycling technological waters. We only have a certain amount of wastewater pretreatment. We comply with the water quality limits required by the receiving wastewater treatment plant.

Management Approach

We believe that deliberations on actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights for each material topic. For Shiva Pharmachem Water resources are protected by implementing effective measures to control pollution. Which safeguards and protects ecosystem and provides healthy environment and leads to positive impact on economy. It also impacts positively on people living in surrounding areas, by responsible and sustainable usage of water. Also, it is a basic human right to get access to fresh water, which can be achieved by sustainable management of water resources which ultimately have positive impact on environment and it ensures fresh and safe water is available to people.

Shiva Pharmachem has set a goal to reduce consumption of water by 5% compared to current baseline overall water consumption by FY 2025- 2026 by efficient recycling of water used at site through RO, MVR etc. Further, to reduce the water consumption by 30 kL, by replacing the 10 steam ejectors with vacuum boosters year on year has been planned.

Our commitments are evident from our Environment Health and Safety Policy.

Water Withdrawal (303-3)

The responsible use of water resources within our company campus is a top priority for us. We understand the critical importance of water conservation for both environmental sustainability and community well-being. To this end, we have implemented a range of measures to optimize water resource consumption. This includes regular maintenance and upkeep of our water infrastructure to prevent leaks and wastage.

a) Total water withdrawal from all areas

Total quantity of Water Withdrawn by organization by all three sites is **393.1 ML (Mega Litres)**. Of which about 32% is surface water, 12.7% is groundwater and about 51% is sourced from third party suppliers.

Type of Source	All Areas	Areas with Water Stress
Water Withdrawal by Source in ML		
Surface Water (Total) in ML	127.2	127.2
Fresh Water in ML	127.2	127.2
Others in ML	-	0
Ground Water in ML	50.0	50.0
Fresh Water in ML	50.0	50.0
Others in ML	-	0
Produced Water in ML	0	0
Fresh Water in ML	0	0
Others in ML	0	0
Total Third- Party Water Withdrawal by source		
Third-Party water (Purchased Industrial water) in ML	201.4	201.4
Total Water Withdrawal in ML	393.1	393.1

ML: Mega Litres

b) Total Water withdrawal in water stressed area

The data presented in the above table represents total water withdrawal from all the sources. Further breakdown of consumption in water stressed area is given in the following Table.

Type of Source	Areas with Water Stress
Water Withdrawal by Source in ML	
Surface Water (Total) in ML	127.2
Fresh Water in ML	127.2
Others in ML	0
Ground Water in ML	50.0

Fresh Water in ML	50.0
Others in ML	0
Produced Water in ML	0
Fresh Water in ML	14.4
Others in ML	0
Total Third- Party Water Withdrawal by source	201.1
Third-Party water (Purchased Industrial water) in ML	201.1
Total Water Withdrawal in ML	393.1

It should be noted that although the Sajobabony site is in medium high water stress area, Luna and Dahej site are located extremely high water stressed area, no ground water is withdrawn from the Dahej site and demand for the water is met by the Narmada River water supplied by GIDC. About 50 ML of groundwater is withdrawn at Shiva Phamachem and we are committed to reducing it further by improving the water usage efficiency and by increasing the recycling water through employment of modern wastewater treatment technologies in due course.

Water Discharge (GRI 303-4)

Total quantity of Wastewater discharged by Shiva Pharmachem including all three sites is 203.0 ML as shown in Table below.

a) Total water discharge to all areas

Water Discharge by Destination in ML	All Areas	Areas with Water Stress
Sea Water	27.1	27.1
Third Party Water (Sent to Treatment Plant)	175.9	175.9
Total Water Discharged in ML	203.0	203.0

The wastewater and sewage generated in the Luna site is treated up to tertiary level before being sent to the common effluent treatment plant (CETP)¹⁰ which further treats the wastewater prior to disposing off it into the estuary. Shiva Pharmachem does not generate any priority pollutants in its operations.

The wastewater and sewage generated in the Dahej site is treated up to tertiary level before being sent to the common GIDC effluent collection well, from where it gets disposed off it into the deep ocean. Shiva Pharmachem does not generate any priority pollutants in its operations.

¹⁰ In case of Sajóbábony site, the wastewater is collected and treated by third parties.

The wastewater and sewage generated in the Sajobabony site is pre-treated and being sent to the local common effluent treatment plant. Shiva Pharmachem does not generate any priority pollutants in its operations.

b) Total water discharge to all areas by category

Not Applicable

Water Consumption (303-5)

Water withdrawn data monitored through calibrated meters at all three site and recorded in logbooks for further calculations.

While water withdrawal and water discharged are based on actual measurements as recorded in the logbook, Water consumption of our organization is calculated as below:

$$Water\ Consumption = Total\ Water\ Withdrawal - Total\ Water\ Discharged$$

Water Consumption	All Areas (ML)	Areas with Water Stress (ML)
Total Water Consumption	190.1	190.1

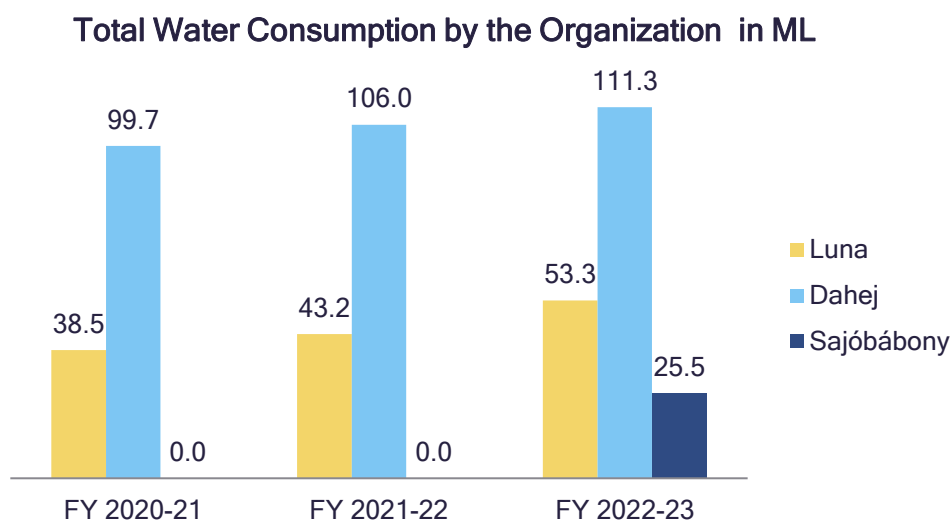
Water Conservation Initiatives

Optimizing water consumption is a critical emphasis area for our organization. We have installed innovative water recycling and treatment technologies such as Reverse Osmosis with Mechanical Vapor Recompressor (MVR) to improve the quality of recycled water in terms of parameters like Total Dissolved Solids (TDS) and also to meet revised government norms and ensure that water is used wisely, judiciously and efficiently. For the reporting period of FY 2022-23, a total quantity of 14.4 ML of water (about 7.57%) has been recycled and used for various purposes.

Water balance diagram have been prepared for each site and Water audits are conducted every year by third parties at all our sites. The recommendations made in water audits are implemented based on feasibility on a priority basis. In the year FY 2022-23, two stages of 3 out of 11 water ejectors (each booster has 4 stages) have been replaced with the high efficient vacuum boosters to save steam and hence, water. Other water ejectors are also in the process

of replacement with dry vacuum pumps which would lead to a reduction¹¹ in the steam consumption and hence water.

Furthermore, we promote a culture of awareness and accountability among our employees, encouraging them to be mindful of their water usage and report any inefficiencies promptly. By actively managing and conserving our water resources, we aim to contribute to a more sustainable future while ensuring that our operations have a minimal impact on local water sources and ecosystems. The following figure shows the total water consumption by Shiva Pharmachem in the last three financial years.



Additionally, tight monitoring mechanisms are in place to measure water usage at various stages of production, allowing us to uncover additional reduction potential. We contribute to resource conservation and strengthen our commitment to sustainable and ecologically responsible practices in the business by continually working to lower our water consumption.

This not only reflects our dedication to mitigate any environmental adverse impact, but also highlights our proactive efforts to minimize our ecological footprint. These figures showcase our industry-leading practices in responsible resource management.

¹¹ Water intensity for Luna site has dropped from 0.0051 ML/Ton in FY 2020-21 to 0.0045 ML/Ton in FY 2022-23. Similarly, for Dahej Site, water intensity has reduced from 0.005 ML/Ton in FY 2020-21 to 0.004 ML/Ton in FY 2022-23.

Therefore, it is important for us to monitor and reduce our water consumption, as water is a vital resource for our operations and a potential source of environmental and social impacts.

EMISSIONS (GRI-305)

Management of Emissions

Greenhouse gas emissions from Shiva Pharmachem Limited's operations are a critical facet of environmental impact. These emissions, primarily carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), result from various stages of production and energy consumption within the industry. Efforts to minimize greenhouse gas emissions not only align with environmental regulations but also contribute to broader climate goals, emphasizing our commitment to responsible and eco-conscious practices.

Shiva Pharmachem is reporting first time on emission as GRI standard norms this report will serve as base line report for all reports in subsequent years. In this section the calculations of Scope-1, Scope-2 and Scope-3 have been presented. For calculating the emissions, country specific emission factors (India and Hungary) have been used. The source of emission factors are given as the footnotes as well for the ready reference.

Management Approach

We believe that Deliberations on actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights for each material topic. For Shiva Pharmachem, excessive GHG emissions contribute to climate change which further leads to environmental damage. It could also lead to economic losses due to extreme weather events and negative health impacts on the communities and people. Which further impacts both the environment and economy. Hence, reducing GHG emissions helps us to mitigate the climate change and contribute to preservation of environment. This also promotes sustainable practices. This positively impacts the economy by fostering the resilience to climate change related risks and promoting environmental friendly technologies.

Shiva Pharmachem has set a goal of 2% reduction in GHG emissions from March 2023 to March 2026 by achieving sub goals such as 5% increasing the quantity of recycled input raw materials, and by decreasing the water consumption (0 KL to 30 KL) by replacing 10 steam ejectors with vacuum boosters year on year. Shiva Pharmachem also keen to achieve the target of 2% reduction in Scope 1 GHG emissions, 1% reduction in Scope 2 GHG Emissions, 2% reduction in Scope 3 GHG Emissions by March 2026 respectively through replacing 4 number of diesel operated fork trucks by battery operated fork trucks, motivating and training 100% of employees in energy conservation via turning off lights when not require and by replacing 200 number of incandescent lightbulbs with LED bulbs and other as a energy efficiency measure.

We will also motivate 2 number of suppliers to start towards reducing their own GHG emission and by replacing the 2 employee’s transportation vehicle from diesel powered to CNG operated. Our commitments are evident from our Environment Health and Safety Policy.

Direct (Scope 1) GHG emissions (305-1)

a) Gross Direct (Scope-1) GHG emissions (305-1a)

Gross scope-1 emissions due to the sources such as stationery combustion^{12,13}, mobile combustion¹⁴ and fugitive sources¹⁵ have been calculated using country specific values and tabulated below.

Site	Scope 1 (MT CO2e)
Luna - India	13299
Dahej - India	20508
Sajóbáony - Hungary	61
Total for the Organisation	33868

b) Gases included in the calculation.

For calculating the Gross direct (Scope-1) emissions, gases such as carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) have been considered.

c) Biogenic CO₂ Emissions¹⁶.

As discussed in the Energy section of this report, Shiva Pharmachem uses about 72.37% of renewable sources as fuel to meet the energy demand and the use of non-renewable sources is very limited, to reduce the emissions from fossil fuels.

¹² GHG Protocol (Stationary Combustion - HSD)

https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx

¹³ UK Government GHG Emission Factor for company reporting (Fuel Sheet)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1166237/ghg-conversion-factors-2023-full-file-update.xlsx

¹⁴ GHG Protocol (Transport Fuel use)

https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx

¹⁵ UK Government GHG Emission Factor for company reporting

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1166237/ghg-conversion-factors-2023-full-file-update.xlsx

¹⁶ GHG Protocol (Stationary Combustion - other Solid Biomass Fuel)

https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx

The direct emission in terms of MT CO₂-e from the combustion of biomass (Biogenic) are as follows. It should be noted that, biocoal is used only at Luna and Dahej sites, while the use of biocoal at the Sajóábony site is nil.

Site	Scope 1 (MT CO ₂ e)
Luna (Biocoal)	13041
Dahej (Biocoal)	20446
Sajóábony	0
Total for the Organisation	33486

For calculating the gross emissions in MT of CO₂ e, 100 year Global warming potential (GWP) values¹⁷ as provided by the 5th AR of IPCC are used. The total Scope-1 emissions of 33486 MT of CO₂ e, forms about 47% of total emissions from the Shiva Pharmachem. The Dahej site has higher production compared to Luna site, hence more usage of biocoal and subsequent resultant emissions are also higher.

Energy indirect (Scope 2) GHG emissions (305-2)

a) Gross energy indirect (Scope 2) GHG emissions.

Site	Scope 2 (MT CO ₂ e)
Luna	5374
Dahej	13272
Sajóábony	2553
Total for the organisation	21199

Apart from renewable and non-renewable energy sources, we also consume a significant portion of energy in the form of electricity at all our sites.

For calculating the indirect GHG emissions (Scope-2), two different emission factors for sites in India¹⁸ and Hungary¹⁹ have been used as given in the footnotes.

¹⁷ IPCC 5th Assessment Report (GWP values) https://ghgprotocol.org/sites/default/files/ghgp/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_1.pdf

¹⁸ CO₂ baseline database for the Indian power sector: User Guide | December 2022

https://cea.nic.in/wp-content/uploads/baseline/2023/01/Approved_report_emission_2021_22.pdf

¹⁹ "Appendix to "European Residual Mixes: Results of the calculation of Residual Mixes for the calendar year 2022" (Association of Issuing Bodies)"

https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2022/Residual_mixes_2022_comparison_to_previous_years_FORMATTED_VERSION.pdf

Scope-2 emissions constitute about 30% of total emissions. As mentioned above, the variation in scope-2 emissions across the sites can mainly be attributed to the variation in the production, technology and the source.

Other indirect (Scope 3) GHG emissions (305-3)

e) Gross other indirect (Scope 3) GHG emissions.

In order to calculate the other indirect GHG emissions, sources such as transportation²⁰, ²¹ and waste treatment²³ are considered.

Site	Scope 3 (MT CO2e)
Luna	1727
Dahej	10198
Sajóbábony	3071
Total for the Organisation	14996

Apart from Scope-1 and Scope-2 emissions, we have calculated Scope-3 emissions due to activities such as domestic travel, import/export and waste treatment at all three sites. The Scope-3 emissions from Shiva Pharmachem accounts for about 23% of total emissions. For calculating the gross emissions in MT of CO2 e, 100 year Global warming potential (GWP) values as provided by the 5th AR of IPCC are used. Separate emission factors have been considered for both India and Hungary, as given in the footnotes.

GHG Emissions Intensity (305-4)

Emission intensity in any industry refers to the amount of greenhouse gas emissions produced per ton of product manufactured. It is a crucial metric for assessing the environmental impact of production processes. Making all practically possible efforts to lower the emission intensity is one of the key objectives for Shiva Pharmachem to reduce our carbon footprint and mitigate climate change effects. GHG emission intensity ratio is calculated using the following formula:

²⁰ India GHG programme: Road Technical Paper

<https://indiaghgp.org/sites/default/files/Road%20Transport%20Technical%20Paper.pdf>

²¹ UK Government GHG Emission Factor for company reporting

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1166237/ghg-conversion-factors-2023-full-file-update.xlsx

²² Transportation of raw materials and finished goods to/from nearest port is considered. Emissions beyond/prior to port are not considered.

²³ Emission Factors for Greenhouse Gas Inventories 2023 U.S. Environmental Protection Agency,

https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf

$$GHG\ Emission\ Intensity\ ratio\ \left(MT\ \frac{CO_2e}{MT} \right) = \frac{Gross\ GHG\ Emission\ including\ Scope\ -\ 1,2\ \&3}{Gross\ production}$$

Site	Total Emission (MT CO ₂ e)	Emission intensity (MT CO ₂ e/MT)
Luna	20400	1.73
Dahej	43978	1.43
Sajóbábony	5685	0.69
Total for the Organisation	70063	1.38 (Average for the organisation)

The total emission by Luna, Dahej and Sajóbábony, sites are 29,991 MT CO₂e, 36,270 MT CO₂e & 5685 MT CO₂e respectively. Dahej site is relatively new site equipped with relatively newer machinery compared to Luna, with higher production capacity and it accounts for about 60.57% of total production of all three sites. Hence even though Dahej has higher total emissions, it has low emission intensity compared to other two sites. Furthermore, the emissions for Sajóbábony site are less due to the use of Propane gas which is used for only 3 months in the reporting period of FY 2022-23.

Reduction of GHG Emissions (305-5)

Following initiatives, the company has initiated to contribute towards GHG emissions.

1. SO₂ generated as byproduct in acid and alkyl chlorides is recycled back as one of the raw material for producing thionyl chloride which in turn is one of the raw material for producing acid and alkyl chlorides.
2. Hazardous waste generated from our process/ plants which was sent for incineration a part of which is being now diverted for pre-processing/ co-processing.
3. 32 Electric fixtures replaced like incandescent lightbulbs with LED bulbs and other as an energy efficiency measure.

Emission of Ozone Depleting Substances (305-6)

No site consumes any ODS inventory in Shiva Pharmachem.

Nitrogen Oxides (NOx), Sulfur Oxides (SOx) and Other Significant Air Emissions (305-7)

Both Nitrogen oxides (NOx) and Sulfur Oxides (SOx) are generated within our organization as a result of production of Pharmachem products. The details of the quantity of both emissions are given in the below table.

Site	Nitrogen oxides (NOx) in Kg	Sulfur Oxides (Sox) in Kg
Luna Site	2124	2579
Dahej Site	11223	11092
Sajóbábony	-	-

Apart from these two, Shiva Pharmachem does not emit any Persistent organic pollutants (POP), Volatile organic compounds (VOC), Hazardous air pollutants (HAP) and Particulate matter (PM). These quantities were directly measured and duly entered in the log book.

WASTE (GRI-306)

Management Approach

Shiva Pharmachem believes that Management of waste is a key aspect of sustainability, use of efficient and environmental friendly waste management operations reduce the environmental pollution by reducing GHG gas emissions. Waste dumping may affect the economy of organization negatively and affects health of people leaving in surrounding areas, so waste recycling and other recovery operations need to be implemented to have positive impacts on economy and community of organization. Conservation of resources and may result in the growth of local recycling businesses. Our commitments are evident from our Product Stewardship Policy and Environment Health and Safety Policy.

Waste Generation and Significant Waste -Related Impacts (306-1)

During the production of Pharmachem products, a significant amount of both hazardous and non-hazardous waste is generated. Shiva Pharmachem considers the Waste Management as an important topic since a scientific management of wastes can positively impact the environment and increase the impact on economic front as well.

Waste Composition	Total Waste Generated in (MT)	Waste diverted from Disposal (MT)	Waste Directed to Disposal (MT)
Hazardous Waste	28578.3	25795.8	2782.4
Non-Hazardous Waste	958.2	841.7	116.5
Total	29536.5	26637.6	2898.9

In the reporting year FY 2022-23, our organization demonstrated a strong commitment to waste management. The total waste generated amounted to 29536.5 tons, with a substantial portion of it being hazardous waste, totaling 28,578.3 tons.

This below table further sub classifies the waste generation (both Hazardous and non-hazardous) in each site.

Waste Composition	Luna	Dahej	Sajóbábony	Total Waste Generated in MT
Hazardous Waste	12755.2	14805.8	1017.3	28578.3
Non-Hazardous Waste	70.7	824.7	62.8	958.2
Total	12825.9	15630.5	1080.1	29536.5

Luna site accounts for 44.6% total hazardous waste generated, Dahej site accounts for 51.81% and whereas, Sajóbábony accounts for only about 3.5% of Total hazardous waste. The non-hazardous waste constitutes about 3.2% of total waste generated.

It is matter of immense pride that, 90% of hazardous waste generated at Shiva Pharmachem is diverted²⁴ from the disposal. The detailed table below provides a comprehensive breakdown of waste management operations, for the reporting year FY 2022-23.

Waste diverted from disposal by recovery operation, in metric tons (MT)

	Onsite			Offsite			Total
	Luna	Dahej	Sajóbábony	Luna	Dahej	Sajóbábony	
Hazardous Waste							
Preparation for Reuse	-	-	-	-	179.2	-	179.2
Recycling	-	-	-	12331.3	12625.1	-	24956.3
Other recovery options	-	-	-	32.2	628.1	-	660.3
Total	-	-	-	12363.5	13432.4	-	25795.8
Non-Hazardous Waste							
Preparation for Reuse	-	-	17.0	-	805.1	-	822.1
Recycling	-	-	-	-	0.0	-	0.0
Other recovery options	-	19.6	-	-	0.0	-	19.6
Total	-	19.6	17	0	805.1	0.0	841.7
Waste Prevented							
Waste Prevented							26637.6

This above table, summarizes sitewise generation of both hazardous as well as non-hazardous wastes and their utilization onsite and offsite. It further details the quantity of both hazardous and non-hazardous wastes recycled and recovered at each of the sites.

Shiva Pharmachem fully understands the impact of diverting the wastes from landfills by employing recycling and reusing of materials which leads to conservation of valuable resources and minimize energy consumption apart from other benefits like prevention of potential groundwater pollution in the landfills and promoting sustainable practices. It also contributes to community health by minimizing the emission of odors and harmful air pollutants associated

²⁴ Waste diverted means, waste that is prevented from being sent to landfills or incinerators, by employing processes such as reuse, recycling, composting etc.,

with landfill operations. Overall, waste diversion aligns with promoting long-term environmental health and the preservation of land for future generations.

In the below table waste directed to disposal, various by disposal operations has been listed.

Waste directed to disposal by disposal operation, in metric tons (MT)

	Onsite			Offsite			Total
	Luna	Dahej	Sajóbábony	Luna	Dahej	Sajóbábony	
Hazardous Waste							
Incineration (with energy recovery)		-	-	183.7	-	-	183.7
Incineration (without energy recovery)	-	-	-	-	-	1017.3	1017.3
Landfilling	-	-	-	84.8	1373.4	0.0	1458.2
Other Disposal operations		-	-	123.2	0.0	0.0	123.2
Total	0.0	0.0	0.0	391.7	1373.4	1017.3	2782.4
Non-Hazardous Waste							
Incineration (with energy recovery)	-	-	-	-	-	0	0.0
Incineration (without energy recovery)	-	-	-	-	-	45.8	45.8
Landfilling	-	-	-	70.7	-		70.7
Other Disposal operations	-	-	-		-		
Total	0	0	0	70.7	0	45.8	116.5

On a positive note, our efforts in recycling were noteworthy, with both hazardous and non-hazardous waste being effectively recycled.

All the data presented in the above table was sourced from waste generated log-book record kept in the Shiva Pharmachem Limited.

Management of Significant Waste Related Impacts (GRI 306-2)

At Shiva Pharmachem, we measure all the wastes that are generated through various manufacturing processes and record in a log book, including the wastes which are recovered and recycled.

Hazardous wastes such as HCl (Hydrochloric acid), Sodium Bisulphite (SBS) and dilute Sulphuric acid are 100% recovered and reused Offsite as per GPCB rule (9).

Additionally, the canteen produces approximately 50-60kg of waste per day, which is efficiently composted using a Bio compost machine with a capacity of 150kg in a 24-hour cycle. (Dahej).

SOCIAL PERFORMANCE

The effectiveness and competency of our human resource approach are critical to the achievement of our strategic business goals. Cultivating and empowering value-oriented, high-performing employees with the necessary skills is critical to our success in today's rapidly changing business landscape.

Our Human Resources department actively supports day-to-day operations and maximizes the potential of all team members. Our human resource policies are designed to support the development of individual and organizational skills, knowledge, and capacities, allowing people to attain their full potential. In order to cultivate a healthy pool of talent, we prioritize complete human resource development, which includes talent acquisition, skill-building, performance assessment, career progression, engagement endeavors, and employee welfare schemes.

Diversity and Equal Opportunity (GRI 405)

In today's competitive corporate environment, the incorporation of varied opinions is highly valued for efficiently addressing difficulties and maintaining profitability while responding to ever-changing stakeholder needs.

Our diverse team, which includes people of all ages, regions, and backgrounds, adds a new dimension of creativity and innovation to our operations. We are committed to treating all employees fairly and forbidding any type of gender discrimination in both job assignments and compensation.



The current representation of women in our company stands at 4.4% of the total workforce and we are consistently trying to improve the representation of women. We are committed to providing equal remuneration and opportunities. The ratio of remuneration for men and women is 1:1. The classification of employees based on the age for the whole organization as well at each site is given in the following tables.

Age of Employee	Total No. of Employee
< 30 Yrs.	277
30 Yrs. - 50 Yrs.	463
> 50 Yrs.	115
Total	855

Site	Age of Employee			Total No. of Employee
	< 30 Yrs.	30 Yrs. - 50 Yrs.	> 50 Yrs.	
Luna	67	146	53	266
Dahej	170	206	11	387
Sajóbáony	40	111	51	202
Total	277	463	115	855

There are totally 855 people employed in Shiva Pharmachem in all three sites with a mix of young graduates (About 32.4%), middle aged relatively experienced (54.15%) and highly experienced employees (13.45%).

Out of total 855 employees working at Shiva Pharmachem, there are 817 males and 38 Females.

Type of Employee	Total No. of Employee
Male	817
Female	38
Total	855

A significant number of employees from local state are employed as shown in the subsequent tables for sites located in both India and Hungary.

Location wise distribution of employees for Luna and Dahej Sites

Domicile of Employee	Luna	Dahej	Total No. of Employee
Within Gujarat	258	340	598
Outside Gujarat	8	47	55
Outside India	0	0	0
		Total	653

As evident from the above table, there is well mix of local workers (91.5%) as well as those from outside the state of Gujarat.

Location wise distribution of employees for Sajóbáony site in Hungary

Domicile of Employee	Total No. of Employee
Hungary citizen	199
Foreign citizen	3
Total	202

With our commitment to providing equal opportunities to everyone, 4 Divyangs (Specially abled people) have been employed at Shiva Pharmachem as given in the table below.

Details of Specially abled (Divyangs) Employees

SL.No	Site	Male	Female	Overall
1	Luna	1	0	1
2	Dahej	3	0	3
3	Hungary	0	0	0
Total No. of Specially Abled (Divyang) Employees		4	0	4

Educational Qualifications of the Employees

The company boasts a diverse pool of talent, with a rich educational background. Among our workforce, we have a significant representation of graduates, who bring a strong foundational knowledge to their roles. Additionally, a substantial number of employees hold postgraduate degrees, indicating a deeper level of specialization and expertise in their respective fields. Moreover, our team includes doctorates as well, showcasing a high level of academic achievement and a strong foundation for innovation and advanced problem-solving within the company. This varied educational representation contributes to a dynamic and multifaceted work environment, fostering continuous learning and innovation.

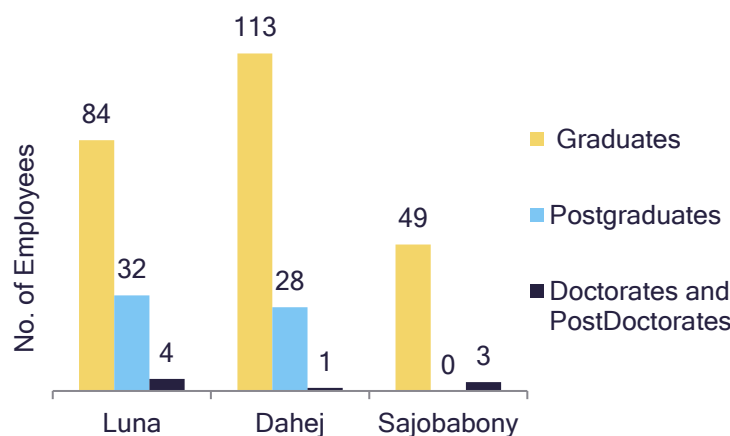


Figure: Employees with their educational qualifications at all three sites

New Hires in FY 2022-23 (GRI 401-1)

Totally about 210 new employees were hired by Shiva Pharmachem Limited during FY 2022-23. The site wise total number of new hired employees is as shown in below table.

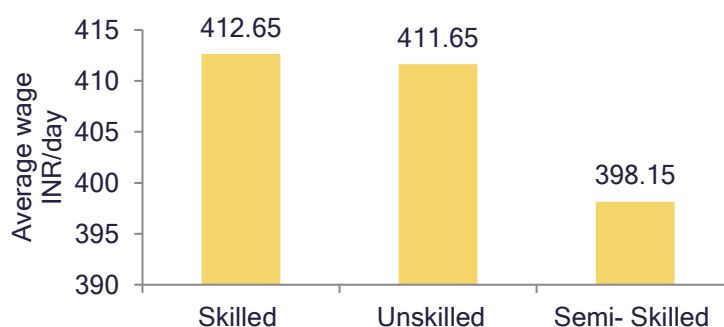
Table: Total no of new hires of each site

SL. No	Site	No. of New Hires
1	Luna	39
2	Dahej	125
3	Sajobabony	46
Total		210

All new employees hired at Luna site were either on account of retirement or replacements.

Average daily wages for Non – Employees (GRI 202-1)

The Non-employees are compensated as per the minimum wages rules based on the categories such as skilled, semi-skilled and unskilled labor. The average daily wages are as given below.:



Significant number of non-employees are engaged for carrying out various operations at both Luna and Dahej sites. However, there are no non-employees engaged at Sajobabony (Hungary) site. Following table charts out the location wise details of non-employees engaged with Shiva Pharmachem.

Location wise non-employees’ details

SL.No	Site	Male	Female	Overall
1	Luna	198	0	198
2	Dahej	365	0	365
3	Sajobabony	0	0	0
Total no. of Non - Employees		563	0	563

Shiva Pharmachem Provides, several benefits to employees and non-employees alike such as:

- Group medical accident policy
- Free transport facility
- PPE’s and uniforms

- PF and EPS benefits for retired employees
- Various thematic engagement activities and celebrations

Employee Engagement

Employee engagement is the cornerstone of our company's success. We prioritize fostering a work environment where every team member feels valued, heard, and motivated. Regular feedback channels, open communication, and recognition programs are in place to ensure that each employee's contributions are acknowledged and appreciated. Additionally, we offer professional development opportunities and encourage a healthy work-life balance. By investing in our employees' well-being and growth, we cultivate a highly engaged workforce that is dedicated to achieving our collective goals. This commitment to employee engagement fuels our innovation and drives our company's continued success. For encouraging employee various activities conducted by the organizations such as Sports, Employee get together etc.



Shiva Bonds Beyond Boundaries. FAMILY GET TOGETHER



Labour Practices

Labor practices in the Shiva Pharmachem Limited are of paramount importance to ensure a safe, ethical, and productive work environment. This includes upholding fair employment standards, such as providing competitive wages and benefits, adhering to regulated working hours, and offering opportunities for skill development and career advancement. Additionally, strict adherence to health and safety regulations is crucial to protect the well-being of employees.

Regular training programs and awareness campaigns are implemented to enhance workplace safety. It is imperative to foster an inclusive and diverse workforce, promoting equal opportunities for all individuals irrespective of their background.

Furthermore, establishing open channels of communication and grievance mechanisms empowers employees to voice concerns and ensures their well-being is our top priority. The minimum notice period for employees as well as higher authorities is 90 days and 30 days in India and Hungary respectively.

Occupational Health and Safety (GRI 403)

Shiva Pharmachem is dedicated to safeguarding human health and ensuring a secure work environment for both employees and contractual workers. This commitment is fortified by a three-pronged approach involving strong safety leadership, the adoption of world-class processes, and an organization structure tailored for effective implementation. This ethos not only ingrains a safety culture but also establishes Shiva Pharmachem as a socially responsible corporate entity, aligning with the UN Sustainable Development Goal of Decent Work and Economic Growth.

Following objectivities have been spelt out in the EHS policy and are implemented:

- Providing a safe and healthy workplace for all employees is the first priority.
- Reducing workplace injuries and illness of employees.
- Following the EHS laws, rules and regulations.
- Application of new techniques to improve EHS performance.

Central to our safety culture is a robust health and safety framework that spans all organizational activities. A structured Health and Safety framework across the organization ensures the genuine application of this framework. This management system is an integral component, enabling Shiva Pharmachem to uphold its strategic commitments to continually

enhance safe working conditions. Each team has formulated its personalized guidelines for personal protective equipment (PPE).

Management Approach

Our commitments towards Occupational Health and Safety Management is evident from our Environment Health and Safety policy followed by stringent targets for Total recordable Frequency rate (TRFR) <0.4 and Severity Index (SI) < 10 up to 2026 by providing safety trainings and company ensures that all 100% of employees are well trained and aware of safety by March 2026. By Conducting Mock drills on Quarterly basis at regular intervals to achieve 4 Mock Drills By March 2026. The Company ensures that, by March 2026, any non- routine works are allowed and permitted only after proper risk assessment and targeted to achieve 100%.

Shiva Pharmachem is encouraging employee to report near misses and targeted to reach 500 reports of near misses by March 2026.

Occupational health and safety is of prime importance and it creates safe working environments by enhancing employee well-being and productivity. Which promotes a positive corporate culture. This would certainly influence both people and economic performance. On the other hand, if OHS is neglected, it could potentially lead to the workplace accidents, injuries. This negatively influences employee morale, reduces productivity. Finally impacting long term economic sustainability.

Occupational Health & Safety Management System (GRI 403-1)

All three reporting sites are covered under Occupational Health and Safety systems which is evident from our certification for ISO 45001:2018 and Responsible Care Logo Certificate for all sites. These certificates are voluntary. This covers Hazards Identification and Risk Assessment (HIRA) for all the activities performing and prioritization and compliances according to risk ratings. All the activities performed within these three reporting sites are covered under Occupational health and Safety Management Systems.

We have following initiatives for Workers participation and consultation for two way communication on Occupational health and Safety Management Systems -

In Luna and Dahej Site, we have NSW (National Safety Week), Environment Day, Safety committee, canteen committee, Risk Assessment sessions, field & housekeeping rounds, RC (Responsible Care) talk, Mock drills (Site Level & District Level), Incident investigation and Reporting & various training sessions. Besides Sajobabony site has elected 1 safety representative and they operates Parity Safety Committee.

Hazard Identification, Risk Assessment and Incident Investigation (GRI 403-2)

Shiva Pharmachem has taken up exhaustive scrutiny to identify hazards in the reporting year 2022-23 in each of the sites and took preventive and corrective actions to prevent or mitigate the problems that could potentially cause it. Any incident that occurred is immediately investigated and addressed along with communication to all the employees to prevent such incidents in future. Regular awareness programs are also held in this regard. Shiva Pharmachem has zero discrimination tolerance. The following table lists the reported cases and action taken in the reporting period FY 2022-23 at all three sites.

Reported Cases	Luna	Dahej	Sajóbáony	Action Taken
No. discrimination cases reported and addressed	Nil	Nil	Nil	Corrective and preventive actions are taken
No. of chemical spills	Nil	4	3 per week	source identification and elimination, corrective and preventive actions based on investigation
No. of incidents on safety protocol breach	1	Nil	5	corrective and preventive actions based on investigation
No. of Complaints received regarding environmental violations	Nil	Nil	2	corrective and preventive actions based on investigation and official obligation

These safety processes—HIRA, PHA, HAZOP, and PSSR—are integral components of a robust safety management system in Shiva Pharmachem. Hazard Identification and Risk Assessment (HIRA) allow us to systematically identify, evaluate, and mitigate potential risks associated with both routine and non-routine work activities, fostering a proactive approach to safety. Process Hazard Analysis (PHA) provides a thorough examination of all process-related hazards, helping us to prevent accidents and maintain a safe working environment. HAZOP (Hazard and Operability Study) is particularly valuable in the chemical and process industries, systematically identifying deviations from intended processes and improving overall system operability. Pre-Startup Safety Review (PSSR) ensures that safety measures are in place before new or modified processes are initiated, reducing the likelihood of accidents during startup.

Collectively, these processes contribute to the prevention of incidents, protection of personnel and assets, and the overall enhancement of workplace safety and operational efficiency. Apart from these Field Rounds and Audits, Specific task Permit to work Systems, Standard Operating Procedures, Hierarchy of controls are also in place.

Further, the workers are encouraged to report work related hazards and hazardous situations in various forums like - Safety committee, National Safety Week and Environment Day.

Not only that, our EHS Policy of organization empowers workers to remove themselves from work situations that they believe could cause injury or ill health.

The organization has detailed incident investigation and reporting process to identify hazards and assess risk related to incidents, to determine corrective and preventive actions using hierarchy of control (Engineering Control, Administrative Control and PPEs).

Occupational Health Services (GRI 403-3)

A comprehensive Occupational Health and Safety system is in place, defining safety protocols and regulations at the site. This system also provides explicit instructions regarding chemical hazard protocols. This system extends its coverage to employees, suppliers, and various business activities within the value chain, emphasizing a holistic approach to occupational health and safety.

Shiva Pharmachem Limited has an effective OHS management system that includes:

- Received ISO 45001:2018 certification for all our operational sites.
- Conduction of regular safety audits.
- Reporting of workplace injuries and investigating it through procedures.
- Surveillance of OHS performance grades.

Worker Participation, Consultation and Communication on OHS (GRI 403-4)

Workers are encouraged to report work related hazards and hazardous situations in various forums like -

- Safety committee - frequency once in 3 months; Equal participation from management and workers

- National Safety Week - Every year for one week with various participation and consultation activities like Safety Quiz, Hazard Hunt, Fire drills, SCBA drill, Poster and Slogan Competition
- Environment Day - Tree plantation in and around site.

Workers Training on Occupational Health & Safety (GRI 403-5)

We have detailed system to educate workers and employees on occupational health and safety like -

- Induction program covering EHS orientation.
- Refresher safety trainings
- Visitors Induction Program (KIOSK)
- Daily Responsible Care (RC) talk

Promotion of Worker Health (GRI 403-6)

For the promotion of Worker Health, we have started below initiatives like -

- We have doctor consultation program for pre-diabetics, BP patients and other health issues as identified in annual medical check ups.
- Deaddiction counselling by OHC staff to the workers.
- Qualitative Hygiene survey
- We have included pandemic like COVID -19 as scenario in our On-site emergency plan
- During COVID 19 Pandemic, we have taken extensive preventive control measures like sanitization of site and workplaces, Temperature monitoring, SPO2 checking, Distributing immunity booster drinks, Mask and sanitization distribution, arranging vaccination program etc.
- We have full-fledged 24/7 hour OHC center for counseling and consultation of workers, employees for any non-work related health issues. Also company is providing Mediclaim facility to employees. Workmen compensation policy against any loss occurred due to any workplace related injury.
- PLI Scheme - Public Liability Insurance and
- ESIC - are also provided.

Prevention and Mitigation of OHS Impacts Directly Linked by Business

Relationships (GRI 403-7)

- We have closed chemical handling systems.
- Mandatory Annual health check up program.

Workers covered by an occupational health and safety management system (GRI 403-8)

All the company workers and contract workers working at all 03 sites are covered under Occupational health and safety management system (ISO 45001:2018 certification and Responsible Care LOGO Certification). And the system compliance is audited once in six months internally and certifying body as a surveillance audit once in a year.

Work Related Injuries (GRI 403-9)

In reporting year FY 2022-23, there were totally 6 number of workplace incidents (including workplace injuries, near miss accidents and loss of Time accidents) and they have been investigated and measures are taken further to minimize and avoid such incidents. Total Recordable Frequency rate (TRFR), severity index and average man hour lost for the reporting period FY 2022-23 have been tabulated below. This data is calculated on the basis of local government administrative bodies. We calculated below mentioned things covering both Company employees and contractual employees all together as per our internal guidelines.

	Luna	Dahej	Sajóbábony
Total Recordable Frequency Rate	0.40	1.02	0.57
Severity Index	19.08	18.63	10.8
Man Hour Lost	144	40	352000

We have detailed procedure for investigating the incidents like root cause analysis, determining Corrective and preventive actions and reporting to the relevant stakeholders.

List of hazards -

1. Fire
2. Toxic release
3. Confined Space
4. Explosion
5. Slip-Trip
6. Fall from Height

Shiva Pharmachem has extended health coverage to all its employees (100% coverage) and regular health checkups are carried out at all our sites. Below table provides site wise number of health check ups conducted for the reporting period FY 2022-23.

Work related ill Health (GRI 403-10)

Work related ill health scenarios are as follows -

1. Allergic Reactions
2. Respiratory Health Issues
3. Muscular Skelatel disorders
4. Ergonomic Health Issues
5. Burn Injuries - Chemical Burn, Hot Burn, Cold Burn

There were no cases related to corruption or bribery reported in the reporting period FY 2022-23.

Journey Risk Assessment (JRA) for 4 ports in India, namely Nhava Sheva port (JNPT, Mumbai), Hazira port, Anjar port and Vizag Port from both Luna and Dahej sites has been completed by Shiva Pharmachem to identify the risk factors and corresponding mitigating measures on a particular route to ensure safe driving and to optimize the fleet operations by reviewing the appropriateness of a particular route or rescheduling of the trips.

Safety Training

Safety training is of utmost importance in the Shiva Pharmachem, where employees are exposed to potentially hazardous materials and complex processes on a daily basis. The nature of pharmaceutical and chemical manufacturing involves handling substances that may pose risks to both human health and the environment. Proper safety training equips employees with the knowledge and skills necessary to identify, assess, and mitigate potential risks in their work environment. This includes understanding the proper handling of chemicals, utilizing personal protective equipment, and adhering to safety protocols. In this industry where precision and accuracy are critical, well-trained employees contribute to the prevention of accidents, minimizing the likelihood of spills, exposure to harmful substances, and other workplace incidents. Additionally, safety training fosters a culture of awareness and responsibility, promoting a collective commitment to maintaining a secure working environment, ensuring the well-being of employees.

In the financial year 2022-23 Shiva group implemented several safety initiatives that include;

- Hazard communication to all employees through Material Safety Data Sheets (MSDS)
- Trainings and awareness regarding safety and health

- Safety Auditing
- Mock Drills on Emergencies to ensure readiness towards it (1 reported from each site)
- Incident Investigation
- Hygiene Surveys
- Medical Check-ups (100%)



Figure: Fire Safety Training and mock drill at Luna, Dahej and Sajóbábony Sites

Human Rights

The company places a strong emphasis on upholding human rights principles throughout its operations and interactions with stakeholders. All suppliers and contractors are required to enter into formal agreements that mandate compliance with relevant labor laws for their employees.

Fair treatment of labor is a priority, with a recommendation for wage payments through banks and the resolution of grievances in line with legal standards. The company aligns with the United Nations Global Compact on Human Rights and upholds the Fundamental Rights outlined in the Indian Constitution. Notably, there were no recorded cases of human rights violations in the reporting year. Furthermore, suppliers are rigorously screened for compliance with human rights and forced labor criteria, ensuring adherence to national labor laws. In the current reporting period, no instances of human rights violations or forced labor were reported. This steadfast commitment to human rights underlines the company's dedication to ethical and responsible business practices.

Training and Education (GRI-404)

Training, education and development are pivotal in nurturing a skilled and adaptable workforce. Training imparts specific job-related proficiencies, ensuring competence. Education provides broader learning avenues for personal and professional growth, encompassing workshops, seminars, and formal education. Development focuses on future roles, fostering leadership and career progression. Together, they create a culture of continuous learning, enhancing individual capabilities and driving organizational success.

Programs for upgrading employee skills (404-2)

Shiva Pharmachem provided totally 462 number of trainings to the employees consisting of various topics such as; Hazard identification and risk management, Emergency response, MSDS, Safety during chemical handling, Eye protection, PPE, working at height, first-aid, fire protection specialist exam, SOP Training for Preventive maintenance of centrifugal pump, Clean agent-based flooding system, Use of communication technique software for instrument using in QC, ISO tank filling etc.,. The sitewise detailed trainings provided along with number of participants is given in the below Table.

Particulars	Luna	Dahej	Sajóbábony
Number of Trainings	87	369	6
Duration of training (Hrs)	2206	3328	1942
Average Hours of Training (GRI 404-1)	2.15	1.19	4.97
Total No. of Participant	1024	2775	390



Figure: Training sessions at Luna, Dahej and Sajóbábony Sites

Management Approach

The Shiva Pharmachem has targeted to provide 120 numbers of trainings to all employee of Luna and Sajóbábony site and cover more than 2 days for training at the starting of financial year and make sures to strictly follow the prepared plan of training.

Employees Receiving Regular Performance & Career Development Reviews (404-3)

Site	Regular employee performance & career development Reviews (%)
Luna	65
Dahej	65
Sajobabony	90

Marketing and Labeling (GRI 417-1)

Shiva Pharmachem possesses a comprehensive Good Manufacturing Practices (GMP) manual, delineating the review process and safety requirements for our products. Our operations are GMP and Good Laboratory Practices (GLP) certified by Gujarat government, attesting to our adherence to rigorous manufacturing standards. Additionally, we actively educate our employees on the diligent care and handling of our products, ensuring that our innovative strategies yield effective results. We take pride in our impeccable compliance record, with no reported instances of non-compliance related to product information, labeling, or marketing communications during this reporting year. Our product labels provide vital details like Hazardous Information, First Aid Measures, Storage Conditions, Emergency Contact, Manufacturer Address, Product Name, CAS Number, Batch/Lot Number, Bag/Drum Number, Weight Information, and UN Number. This outstanding track record exemplifies our steadfast commitment to upholding the highest standards of quality and safety in all aspects of our products and operations.

Community Engagement (GRI 413-1)

Our CSR activities provide assistance to communities in need. We want to make a difference that goes beyond business margins, from education to environmental conservation. This dedication is more than humanitarian; it reflects our responsibilities as a responsible corporate citizens. We establish a sustainable, harmonious ecosystem that benefits everyone by investing in society. Details of CSR expenditure for the reporting period FY 2022-23 is given below.

Particulars	FY 2022-23 (Amount in Lakhs)
Health (Including COVID -19)	13.64
Education	10.38
Rural Development	7.25
Others	6.00
Total	91.27

The organization had conducted **Corporate Social Responsibility (CSR) activities** by different units of the organization. The following are the CSR activities:

- Child vision and education - promoting education.
- Vatsalya foundation- Promoting health care including preventive health care.
- Direct contribution to books - promoting education.
- Charutar Arogya Mandal - Promoting health care including preventive health care.

- Direct contribution of ration kit (35 kits) for widows of Luna Village. - Eradicating Hunger
- Contribution to Shram Mandir trust - Promoting health care including preventive health.
- United way of Baroda - Education of 7 Students - Promoting education.
- Construction of bus stop at latipura village - Rural development project
- Direct contribution for RCC road work at Jaspur - Rural development project
- Contribution to Uttarayan Art Foundation for “Artist, studios, residencies and construction of Museum” - Project for protection of works of Art and promotion and development of Traditional Art.
- To support Hearing Impaired people the organization has made donations to Dhvani Charitable Trust.
- The organization had contributed to Samuha Lagna (Samuhik Vivah) organized by Bhuthnath Charitable Welfare Trust, Dahej.



• Samuha Lagna in Vagra village



Samuha Lagna at Vagra village organized by Bhuthnath Charitable welfare Trust

- **Tree plantation** drives are regularly conducted at all our sites and surrounding areas.



Figure : Tree Plantation Activities in the Organizations

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	403-9 Work-related injuries ✓	75-76
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee ✓	79
	404-2 Programs for upgrading employee skills and transition assistance programs ✓	78
	404-3 Percentage of employees receiving regular performance and career development reviews ✓	79
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees ✓	17-18, 65-67
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GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken ✓	72
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	

GRI STANDARD	DISCLOSURE	PAGE NO
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs ✓	80-82
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GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	
	414-2 Negative social impacts in the supply chain and actions taken	
GRI 415: Public Policy 2016	415-1 Political contributions	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling ✓	80
	417-2 Incidents of non-compliance concerning product and service information and labeling ✓	80
	417-3 Incidents of non-compliance concerning marketing communications ✓	80
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	