



EXPANDING HORIZONS

SUVEN PHARMACEUTICALS LIMITED
BUSINESS RESPONSIBILITY REPORT 2019-20
[Under Regulation 34(2) (f)]

ABOUT THIS REPORT

The reporting framework used in this report is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011, which contains 9 Principles and Core Elements for each of the Nine Principles.

This is Suven's first Business Responsibility Report. This report is intended to transparently disclose our performance based on the principles provided in the NVGs and is meant for all our stakeholders.

We welcome your thoughts, comments and feedback as this will allow us to improve on our reporting and disclosure standards.

If you would like to send us feedback about this report, please email to: info@suvenpharma.com

DISCLOSURES ON THE **NINE PRINCIPLES** AS CHARTED BY THE MINISTRY OF CORPORATE AFFAIRS IN THE '**NATIONAL VOLUNTARY GUIDELINES (NVG) ON SOCIAL, ENVIRONMENTAL AND ECONOMIC RESPONSIBILITIES OF BUSINESS**'.



Principle 1

ETHICS TRANSPARENCY & ACCOUNTABILITY

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2

PRODUCT LIFE CYCLE SUSTAINABILITY

Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle. Ethics transparency & accountability Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 3

EMPLOYEE WELL-BEING

Businesses should promote the well-being of all employees.

Principle 4

STAKEHOLDER ENGAGEMENT

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Principle 5

HUMAN RIGHTS

Businesses should respect and promote human rights.

Principle 6

ENVIRONMENT

Businesses should respect, protect and make efforts to restore the environment.

Principle 7

POLICY ADVOCACY

Businesses, when engaged in influencing public regulatory policy, should do so in a responsible manner.

Principle 8

INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Businesses should support inclusive growth and equitable development.

Principle 9

CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

SUVEN PHARMA IS A FULL-FLEDGED BIOPHARMACEUTICAL SOLUTIONS PROVIDER FOR GLOBAL PHARMACOS.



Suven Pharmaceuticals Limited, a company incorporated in November 2018, is a wholly-owned subsidiary of Suven Life Sciences Limited. The Company is into NCE-based Contract Development and Manufacturing operations supporting the needs of the global life science industry and fine chemical majors.

With Mr Venkat Jasti at the helm, the Company's experienced and energetic team manages business operations at its manufacturing facilities and its research center.



WE REMAIN **FOCUSED** ON EXPANDING OUR PERSPECTIVE, VERTICALLY AND Laterally, WITH THE OBJECTIVE OF MAKING SUVEN **A FULL-FLEDGED PHARMACEUTICAL SOLUTIONS PROVIDER**



Dear friends,

THE pharmaceutical world is about the search for the new. A new ailment, a new virus, a new product, a new process...

The list is endless.

In such a scenario, proactive innovation is the only mantra for survival, success and sustainability. The world is focused on innovation. But, the cost of innovation has become prohibitive as the failure rate of prospective molecules has climbed northwards. As such, there is a greater need today, than ever before, for responsible innovation.

At Suven Pharma, our vision is to support innovation, responsibly. **One**, we optimise the cost of research for global innovators by partnering with them in their innovation endeavours.

Two, we deliver our projects as per the articulated and agreed commitment, and on time.

Three, we have created a huge pool of resources - knowledge capital and skill capital - which allows us to cater to every customer requirement.

Four, we utilise our resources (materials & utilities) very judiciously to reduce our burden on the environment.

Five, we continue to remain true to our commitment to our stakeholders:

To our team members: We provide one of the most invigorating and learning environment

To our bankers: We continue to repay our loans on time, every time

To our shareholders: We continue to report business performance honestly and share business profits

To our fraternity: We continue to support their zeal in every way possible - which is one of the primary reasons why we are moving up the pharmaceutical value chain

We remain focused on expanding our perspective, vertically and laterally, with the objective of making Suven Pharmaceuticals a responsible, full-fledged pharmaceutical solutions provider.

Regards
Venkateswarlu Jasti
Chairman & Managing Director



SECTION A

GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	CIN:L24299TG2018PLC128171
2	Name of the Company	SUVEN PHARMACEUTICALS LIMITED
3	Registered address	8-2-334 SDE Serene Chambers 6th Floor, Road No.5, Avenue 7, Banjara Hills, Hyderabad - 500 034 Telangana, India
4	Website	www.suvenpharm.com
5	E-mail id	info@suvenpharm.com
6	Financial Year reported	April 2019 to March 2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceuticals
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	Methyl-2-(2-chloromethylphenyl)-3-methoxy-2-acrylate (qcc-64), (2-chloro-5-iodophenyl) (4-fluorophenyl) methanone and 5-chlorothiophene-2-carboxylic acid
9	Total number of locations where business activity is undertaken by the Company	Our marketing and sales operations span around many 28 countries in North America, Europe, Middle East and Asia
(a)	Number of International Locations (Provide details of major 5)	1 marketing and project management center in USA
(b)	Number of National Locations	3 manufacturing units and 1 R&D centers
10	Markets served by the Company - Local / State / National / International	Refer to segment report, page 96 of the Annual Report 2019-20

SECTION B

FINANCIAL DETAILS ABOUT THE COMPANY

1	Paid up Capital (INR)	₹ 1272.82 lakhs (as on 31st March, 2020)
2	Total Turnover (INR) (standalone)	₹ 83,378.98 lakhs (as on 31st March 2020)
3	Total profit after taxes (INR) (standalone)	₹ 27,008.02 lakhs (as on 31st March 2020)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5	List of activities in which expenditure in 4 above has been incurred	Refer to the Annexure - D to Board's Report in our Annual Report, page 39

SECTION C

OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D

BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1	DIN Number	00278028
2	Name	Venkateswarlu Jasti
3	Designation	Chairman & MD

(b) Details of the BR head

Particulars	Details	
1	DIN Number (if applicable)	
2	Name	Sunder Venkatraman
3	Designation	Vice President, Corporate Affairs
4	Telephone number	040 2354 1142
5	e-mail id	vsunder@suven.com

The details of members of Corporate Social Responsibility Committee and their roles and responsibilities are elaborated in CSR Annual Report.

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P1	P2	P3	P4	P5	P6	P7	P8
1	Do you have a policy/ policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	#	#	#	#	#	#	#	#	#
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the Company have in-house structure to implement the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Details of information and links provided below.

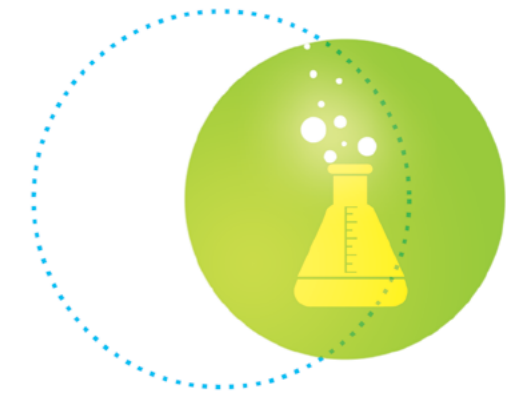
P1: Refer to Whistle Blower Policy and Code of Conduct and Ethics P2: Available on our intranet P3: Available on our intranet P4: Refer to the CSR Policy (available on www.suven.com) and Sustainability Policy available on intranet P5: Available on our intranet P6: Available on our intranet P7: Available on our intranet P8: Refer to the CSR committee charter, CSR Policy (available on www.suvenpharma.com) and Sustainability Policy available on intranet P9: Available on our intranet

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P1	P2	P3	P4	P5	P6	P7	P8
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	Not applicable								
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	We have constituted a Corporate Social Responsibility (CSR) committee of the Board which oversees our CSR activities. The Committee meets once in year to assess the BR performance and align strategies in line with external realities
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes a BR and a Sustainability Report annually. Our Sustainability Report can be viewed at www.suvenpharma.com



SECTION E

PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers / Contractors/NGOs / Others?

Our policies on ethics, bribery and corruption cover the Company, its subsidiaries and branches and our suppliers and contractors. Transparency and Accountability.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Suven's stakeholders include investors, employees, customers, suppliers, contractors, bankers and financial institutions, government agencies and the local community. For details of Shareholders complaints, please refer to the Investors section in our Annual Report 2020.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) Contract Development and Manufacturing Operations (CDMO)

(b) Contract Technical Services

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

For Suven, contract research is the business vertical which generates more than 90% of its revenue. Under contract research, the materials (primarily chemicals and additives) required vary widely between projects. Since these are research projects, there is no defined standard for material procurement or quantum of usage. Hence, measuring reduction during sourcing does not seem to be an appropriate efficiency benchmark for the Company.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Suven's primary business is one of contract research where it develops intermediates for global innovators through non-infringing routes. Hence there is no specific standard for consumption of utilities namely energy, water etc. As a result, measuring the quantum of reduction in utilities is not relevant for the Company. Despite this reality, the Company continues to

endeavour to minimise wastages by disciplined operations and real time monitoring of every process in its labs.

For its contract manufacturing operations, the Company needs to adhere to systems and processes that are approved by globally respected and reputed regulatory authorities - this ensures that the consumption of utilities is optimised.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes. At Suven, we have defined processes for addressing all sustainable sourcing of all key elements required in our business operations.

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

We continuously strive to maintain the best practices for sustainable sourcing (number of partners: 200). To ensure the seamless availability of all critical resources, we continue to identify alternate sources which ensures business continuity.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes.
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company strives to improve the business of its vendors. It provides technical inputs to small vendors for improving product quality and operational efficiency. The company periodically informs small vendors of its expansion and

growth plans to enable them expand their operating capacity to align their growth with the Company's aspirations.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

As an environment respecting corporate, Suven has invested in sophisticated pollution control and waste recycling equipment which facilitates in generating wealth from waste. Moreover, the Company continuously strives to reduce effluent and waste generation through process improvements. During the year, the Company achieved a recycling efficiency of more than 10%.

As a quality-focused organisation, the Company does not reprocess products which have failed the quality test. However, incidents of quality failure of products are rare and insignificant.

Principle 3

1	Please indicate the Total number of employees	We have 1,016 employees as on March 31, 2020
2	Please indicate the Total number of employees hired on temporary / contractual / casual basis	We have 1,407 employees on contract as on March 31, 2020
3	Please indicate the Number of permanent women employees	We have 55 women employees as on March 31, 2020
4	Please indicate the Number of permanent employees with disabilities	NIL
5	Do you have an employee association that is recognised by management	The Company does not have an employee association
6	What percentage of your permanent employees is members of this recognised employee association?	NA
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	NIL

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
	(a) Permanent Employees	Being a research-based organisation, Suven continuously focuses on enhancing the intellectual capital of its people by providing training on various technical aspects and on behavioral skills for all round development of its team. In addition, the Company also works on enhancing the awareness of its team on people-critical issues such as safety and health
	(b) Permanent Women Employees	
	(c) Casual/Temporary/Contractual Employees	
	(d) Employees with Disabilities	

Principle 4

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes, we have mapped our internal and external stakeholders
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders	Yes, we have identified disadvantaged, vulnerable & marginalised stakeholders
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so	No, during the year the Company did not have any opportunity of dealing with disadvantaged, vulnerable and marginalised stakeholders

Principle 5

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	At present, our policy is extended to the group, our suppliers, contractors and NGOs
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	We did not receive any complaints in the last financial year

Principle 6

1	Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others	The policy at present covers the Company, its subsidiary and branches
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	The Company firmly believes that every organisation must endeavour to reduce its load on the Earth to make the world a better place. In keeping with this philosophy, the Company continues to invest in energy-efficient equipment and alter processes to optimise consumption of utilities (air, water and energy) and minimise noise pollution - thereby minimising its carbon footprint
3	Does the Company identify and assess potential environmental risks? Y/N	Yes
4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	At present, the Company does not have any project related to Clean Development Mechanism
5	Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	No
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes
7	Number of show cause / legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	None

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

a. (a) Pharmaceutical Export Promotion Council
b. (b) Bulk Drugs Manufacturers Association

c. (c) Telangana Government Pharmaceutical Task Force

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. The Company's Chairman represented Pharmaceutical companies to the Government of India and central policy making bodies in suggesting reforms and development policies for innovative research programs and providing encouragement and incentives for innovation and improvement.

Principle 8

1. Does the Company have specified programmes/ initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

Social responsibility is integral to the business matrix at Suven. The company believes in pursuing its duties towards the people who live around its facilities and the society it thrives in. Our commitment to the people and the society is reflected in the finances it allocates every year for serving its corporate social responsibilities. The money is spent on uplifting the society and improving the lives of the people.

2. Are the programmes / projects undertaken through in-house team/own foundation / external NGO / government structures / any other organisation?

The programs are undertaken by its own foundation.

3. Have you done any impact assessment of your initiative?

The impact assessment of the work done by the foundation is periodically undertaken to check whether the programs were implemented as envisaged and achieved their desired results. This assessment is undertaken once in a year.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The company invested INR 105.04 lacs towards such programs.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company has created teams for implementing its programs aimed at societal development. Post implementation of the projects, the teams reach out to obtain feedback from families and communities touched under the projects to obtain a feedback on the benefits accrued to the society and identify further gaps and needs that need to be addressed. This information forms the foundation for the team to reorient their programs in line with societal needs.

The Company has also constituted a high-level committee to oversee the execution of the programs and the performance of the teams.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

Nil.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No /N.A. / Remarks (additional information)

Yes.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anticompetitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No. Investor complaints as and when received are addressed immediately and the status of such complaints is provided as part of the Annual Report.

4. Did your company carry out any consumer survey / consumer satisfaction trends?

No. As the Company's products are not intended for direct consumption by consumers.



SUVEN PHARMACEUTICALS LIMITED

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