

Welcome from India Sub- Team

Bharat Shevkar

PSCI India Sub-Team Co-Lead,

Sr. Manager EH&S External Supply, Johnson & Johnson

ANTI-TRUST STATEMENT

“While some activities among competitors are both legal and beneficial to the industry, group activities of competitors are inherently suspect under the antitrust/anti-competition laws of the US, UK and other countries in which our companies do business. Agreements between or among competitors need not be formal to raise questions under antitrust laws, but may include any kind of understanding, formal or informal, secretive or public, under which each of the participants can reasonably expect that another will follow a particular course of action or conduct. Each of the participants in this meeting is responsible for seeing that topics which may give an appearance of an agreement that would violate the antitrust laws are not discussed. It is the responsibility of each participant in the first instance to avoid raising improper subjects for discussion, such as those identified below.

It is the sole purpose of this meeting to provide a forum for expression of various points of view on topics described in the agenda and participants should adhere to that agenda. Under no circumstances shall this meeting be used as a means for competing companies to reach any understanding, expressed or implied, which tends to restrict competition, or in any way to impair the ability of members to exercise independent business judgment regarding matters affecting competition.

Topics of discussion that should be specifically avoided are:

- i. price fixing;
- ii. product discounts, rebates, pricing policies, levels of production or sales and marketing terms customer and territorial allocation;
- iii. standards setting (when its purpose is to limit the availability and selection of products, limit competition, restrict entry into an industry, inhibit innovation or inhibit the ability of competitors to compete);
- iv. codes of ethics administered in a way that could inhibit or restrict competition;
- v. group boycotts;
- vi. validity of patents;
- vii. on-going litigation;
- viii. specific R&D, sales or marketing activities or plans, or confidential product, product development, production or testing strategies or other proprietary knowledge or information.”

AGENDA

India Sub-Team overview

PSCI Partner in India

The Link for Suppliers

Objectives and activities



SPEAKER BIO

- Name: Bharat Shevkar
 - Job Title: Sr. Manager EH&S External Supply
 - Organization: Johnson & Johnson
 - Organization Profile (optional)
 - Contact: bshevkar@its.jnj.com
-
- 21 years in field of EH&S
 - Responsible for APAC External Supply Chain EH&S at Johnson & Johnson
 - Post Graduate in Environmental Science from Pune University
 - Advance Diploma in Industrial Safety from Maharashtra State Board for Technical Education



Welcome By - PSCI India Sub Team

India Sub Team, warmly welcome you to Virtual India Conference.
Hope conference will immensely benefit to strengthen sustainability in operations.

LEADS



BHARAT SHEVKAR

Johnson & Johnson



MANJIT SINGH

Centrient Pharmaceuticals



ALEXANDRA KUNDE

Secretariat

MEMBERS [17]

Name	Organisation
Aditya Shirodkar	Abbott
Alexandra Kunde	
★ Bharat Shevkar	Johnson & Johnson
Dinesh Subhedar	Novartis
Hari Prasad	Sai Life Sciences
Kaushik Samanta	Viartis
Kiran M Patil	Boehringer Ingelheim
Kolli Yathish	Sanofi
★ Manjit Singh	Centrient Pharmaceuticals

Name	Organisation
Mohit Dhamija	GSK
Naveen Mittal	Centrient Pharmaceuticals
Ranjana Ganguly	Pfizer
Samson Ponselvan JK	Teva
Sidhartha Das	Sai Life Sciences
Sudhir Bhagwat	Novartis
Vijaya Sarathy	West Pharmaceutical Services Inc.
Vinay Sharma	Centrient Pharmaceuticals

PSCI India Sub-Team Member Companies

Constituted in Nov 2019, 12 member companies, and 17 people are part of India Sub team.



PSCI India Sub Team - Objective



- Working with Indian suppliers, Industry associations, media and professional bodies to evaluate the sustainability related needs and work together to build a sustainable supply chain.
- Support to develop the contents for long term training, capacity building workshops, audit committee and communication.

PSCI India Sub Team - Activities



- Meets monthly, concluded brainstorming session identified **14 topics and projects**. Developed roadmap till 2022.
- Developed **partnership with KDPMA** and in discussion with other industry association for partnership.
- Supporting conference, leverage and share Indian experience through local speakers.
- Submitted the response on Indian draft standards.
- Support to **Musi River Revitalization** initiative.
- Webinar on new India labour code completed on 5-Nov-20.
- Position paper on labour rights in view of proposed labour law changes in India.
- Webinar on India labour law regulations completed on 22-Jul-21.
- Webinar on India EHS regulatory compliance planned in Q4, 2021.

PSCI Partner in India



Karnataka Drugs And Pharmaceuticals Manufacturer's Association

Activities:

- Currently in phase of relationship building via leadership meetings
- Exchange of PSCI promotional material








Supplier Self-Initiated Audits

You asked, we delivered:

- Suppliers can now initiate PSCI Audits
- Ensure audit quality by using the PSCI Audit process and PSCI approved audit firms
- Reduce your audit burden by report sharing with customers on secure PSCI platform
- Conduct at your convenience and choose your scope – EHS/Mgmt Systems and/or Ethics/Labor
- Be proactive - Identify risks and improvement opportunities
- Improve your performance against PSCI principles

THE LINK: JOIN THE COMMUNITY

Our online platform for members and suppliers

-  Hear and comment on the **latest industry news**
-  View **shared supplier audits**
-  Access **tools, training** and other **resources**
-  **Engage with peers** through polls, surveys and sharing ideas
-  Register for **events and activities**
-  Sign up for the **peer to peer mentoring** programme
-  Check out the work of our **Committees and Sub-Teams**

BUILDING A SUPPLIER COMMUNITY

The Link isn't just for members. The Link for Suppliers provides the following benefits to our supplier community:

- Gain greater visibility and control over **shared supplier audits**
- Be the first to hear about PSCI developments and updates to audit tools
- Access **PSCI tools, trainings and resources**, improving their capabilities and knowledge of responsible supply chains

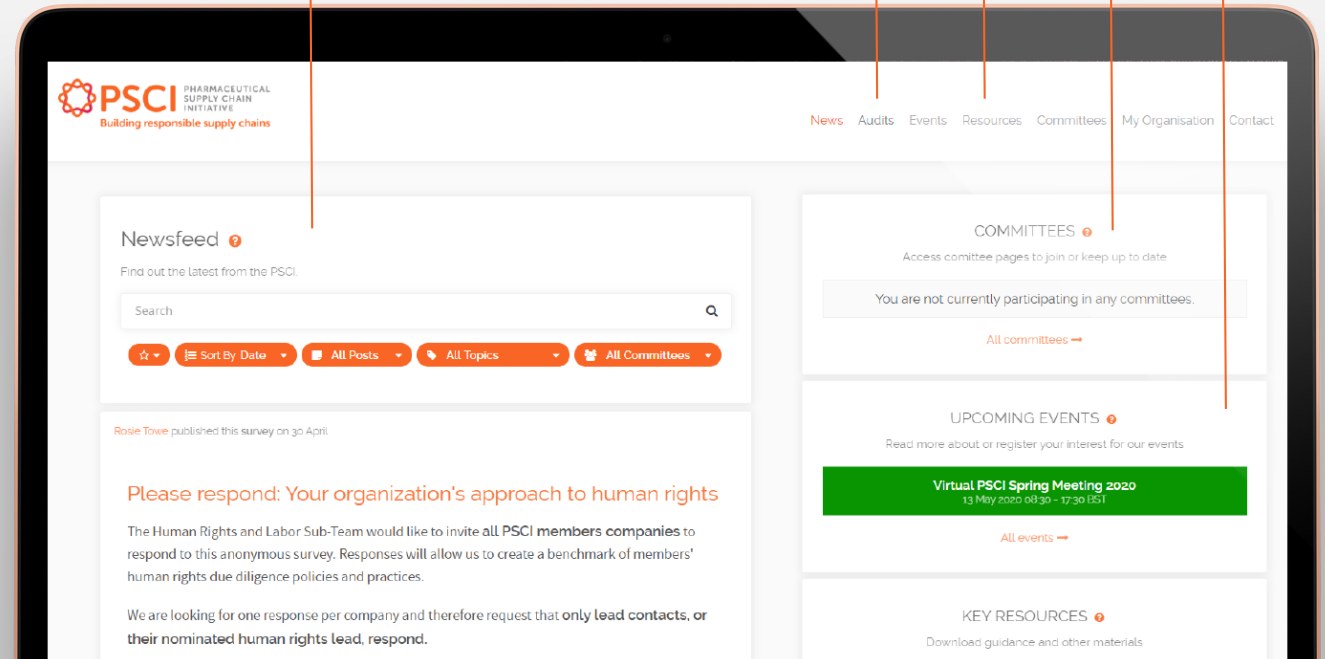
VIEW AND
SHARE
THE
LATEST
NEWS

FIND
TRAINING
AND
TOOLS

REGISTER
FOR PSCI
EVENTS AND
WEBINARS

ACCESS
SUPPLIER
AUDITS FROM
PEER
COMPANIES

JOIN AND
READ ABOUT
WORKING
COMMITTEES



pscinitiative.org/login

Having trouble logging in? Ask your company lead to sign you up or email us at info@PSCIinitiative.org

Thank
you!

CONTACT



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[PSCI](https://www.linkedin.com/company/psci)



[@PSCInitiative](https://twitter.com/PSCInitiative)

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About the Secretariat

Carnstone Partners Ltd is an independent management consultancy, specialising in corporate responsibility and sustainability, with a long track record in running industry groups.



Sustainable Procurement

How to establish a successful programme

Eleni Pasdeki-Clewer

Senior Sustainability Manager, Roche

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AGENDA

Introduction

Defining Sustainable Procurement

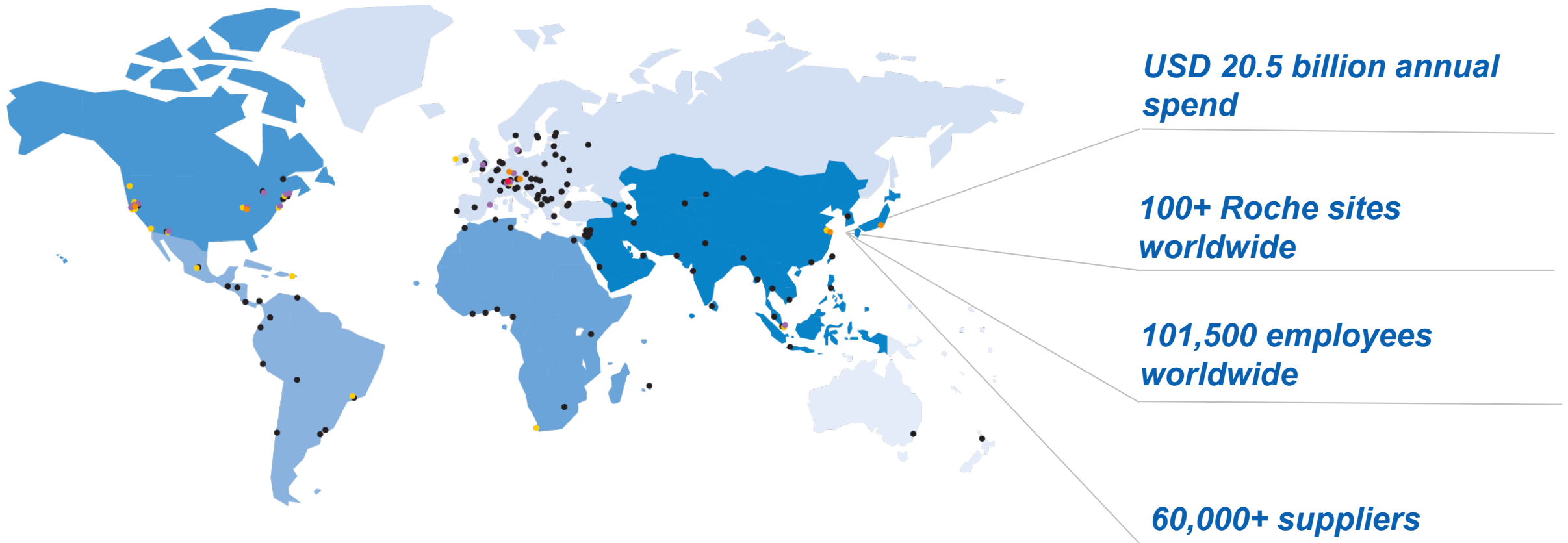
An example – Roche's programme

Tips for a successful implementation

Q & A



Roche – a snapshot



1 pharmaceutical product = 126 components + 9+ tier supply chain

Global Procurement Sustainability and Risk

Risk Management



Develop and deliver methodologies, frameworks, and tools for Category, Sourcing, and Supplier Managers to easily identify and treat **supplier risk** that are **tailored to the category** with the objective to enable business decisions, reduce vulnerability, and **ensure confidence** in supplier base.

Compliance



Develop and deliver **simple supplier frameworks and guidelines** with the objective to enable, educate, **empower**, and **measure** supplier and Roche **compliance** with internal and external rules and regulations.

Sustainability



Identify, **develop and deliver opportunities** creating **positive** environmental, economic and / or social impact through our **supply base** with the objective to enable strategic initiatives to help Roche **achieve sustainability goals**.

What is sustainable procurement?

What is Sustainable Procurement?

Sustainable procurement is the act of adopting social, economic and environmental factors alongside the typical price and quality considerations into the organisations handling of procurement processes and procedures.

Typical sustainable procurement practises include compliance with environmental laws and targets, the removal of hazardous materials and waste in the supply chain and the thorough vetting of suppliers for fair labour practises.

Sustainable procurement and sourcing should genuinely improve the organisations business and future-proof it's long term objectives.

CIPS

Sustainable procurement means making sure that the products and services we buy are as sustainable as possible, with the lowest environmental impact and most positive social results.

Sustainable Public Procurement

Sustainable Public Procurement (SPP) is a process by which public authorities seek to achieve the appropriate balance between the three pillars of sustainable development - economic, social and environmental - when procuring goods, services or works at all stages of the project.

EU

UNDP

Why buy sustainably?

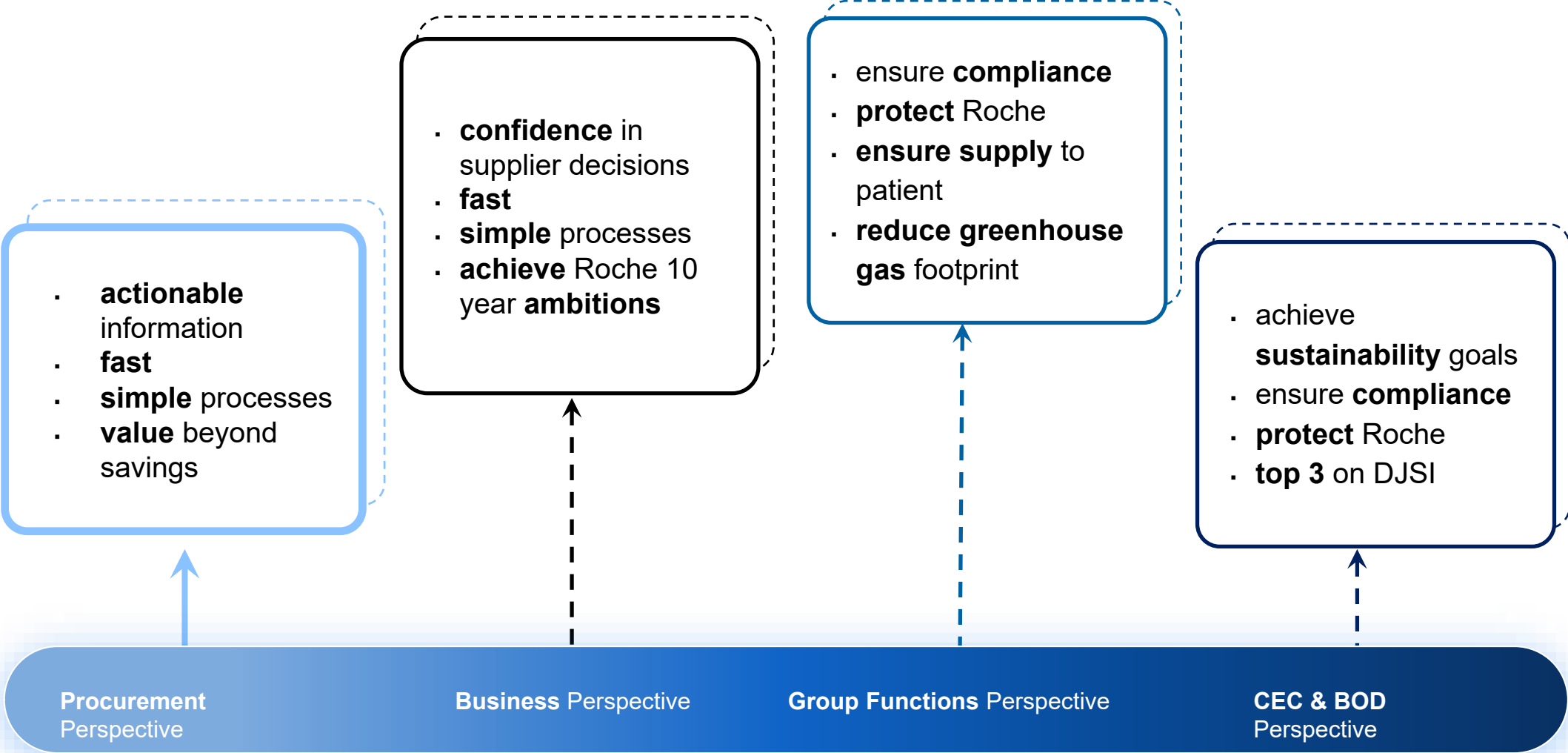


Why buy sustainably?

Pharmaceutical Supply Chain Initiative (PSCI) Self-Assessment Questionnaire and Audit Report for Pharmaceutical Industry Suppliers

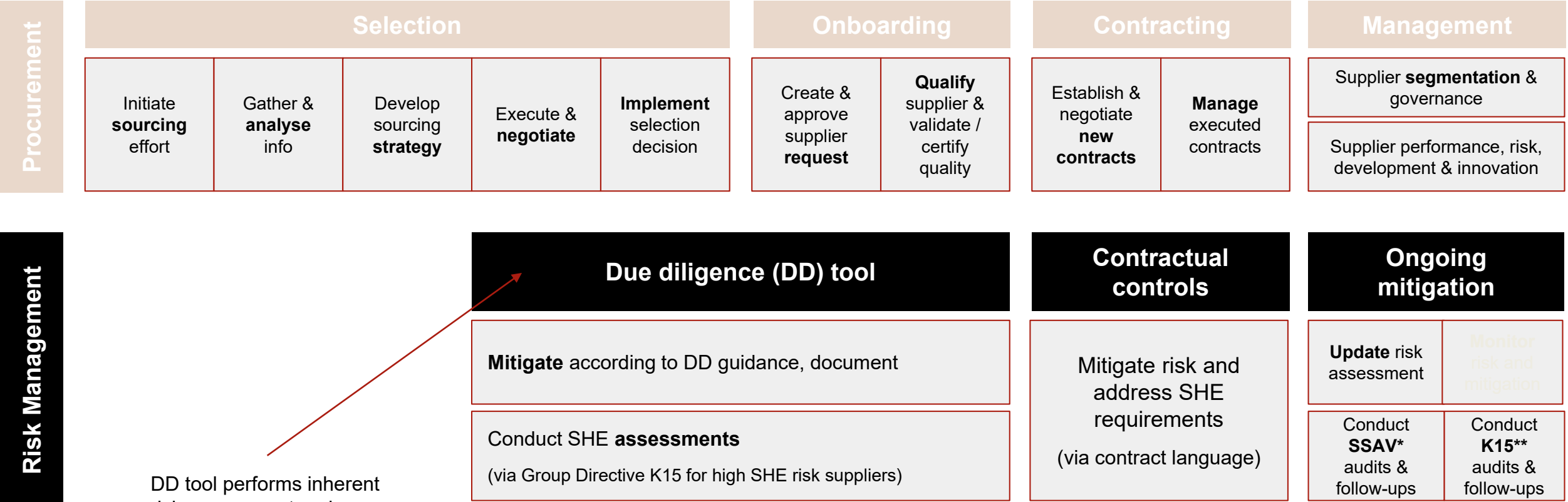
4	Does the facility have processes in place to enforce responsible business practices, aligned with the PSCI Principles, with their suppliers, i.e. Labor, Ethics, Environment, Health & Safety?	Yes <input type="checkbox"/> No <input type="checkbox"/> Does the facility practice sustainable sourcing? Please explain: <input type="text"/>	Yes <input type="checkbox"/> No <input type="checkbox"/> Comments <input type="text"/>
		Does the facility assess suppliers for ethical behavior and reputation risk (include HSE) prior to selection and engagement? Yes <input type="checkbox"/> No <input type="checkbox"/> Are responsible business expectations clearly communicated to the supplier and reinforced on a regular basis? Yes <input type="checkbox"/> No <input type="checkbox"/> Is there a purchasing policy that ensures only approved suppliers are used? Yes <input type="checkbox"/> No <input type="checkbox"/> Are suppliers measured against the responsible business practice expectations? By on-site assessment / audit: Yes <input type="checkbox"/> No <input type="checkbox"/> By desk-top assessment (e.g. questionnaires, supplier self compliance statement): Yes <input type="checkbox"/> No <input type="checkbox"/>	

Sustainability & Risk – stakeholder expectations



A life-cycle approach to risk

Our PSCI-based program sits in a broader risk management framework



DD tool performs inherent risk assessment and provides corresponding DD guidance

*PSCI based audit
 **EHS performance mgmt for high EHS risk suppliers

Supplier Risk Management

Inputs

- ✎ Source (single / sole / multiple)
- ✎ Year founded
- ✎ JCC L3
- ✎ Location
- ✎ Strategic importance
- ✎ GxP relevance
- ✎ Process Roche data
- ✎ Annual spend & volume

Due Diligence Tool Calculation



Data Feeds

Category Risk

- Human Rights
- SHE
- Other...

Country Risk

- Natural disasters
- Anti-corruption
- Other...

Inherent risk & DD Guidance



Our transformation

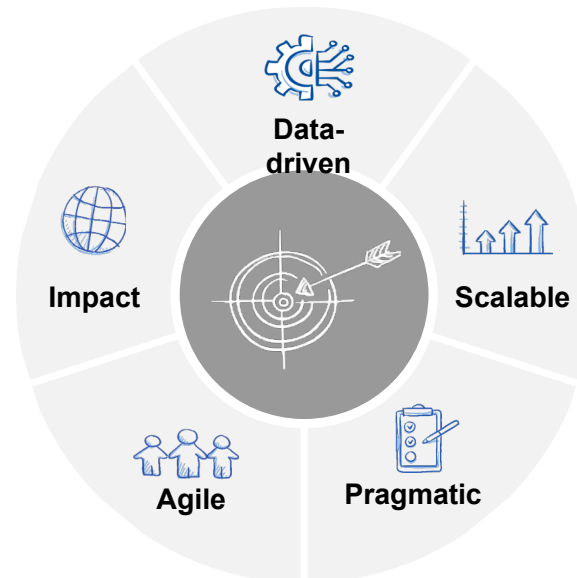
Sustainability as an outcomes-focused procurement service

Objective



Identify, develop and deliver opportunities that **create positive environmental, economic, and/or social impact** through our **supplier base** with the objective to enable strategic initiatives to help Roche **achieve sustainability goals**.

Principles



Operating Model



Lead to Deliver

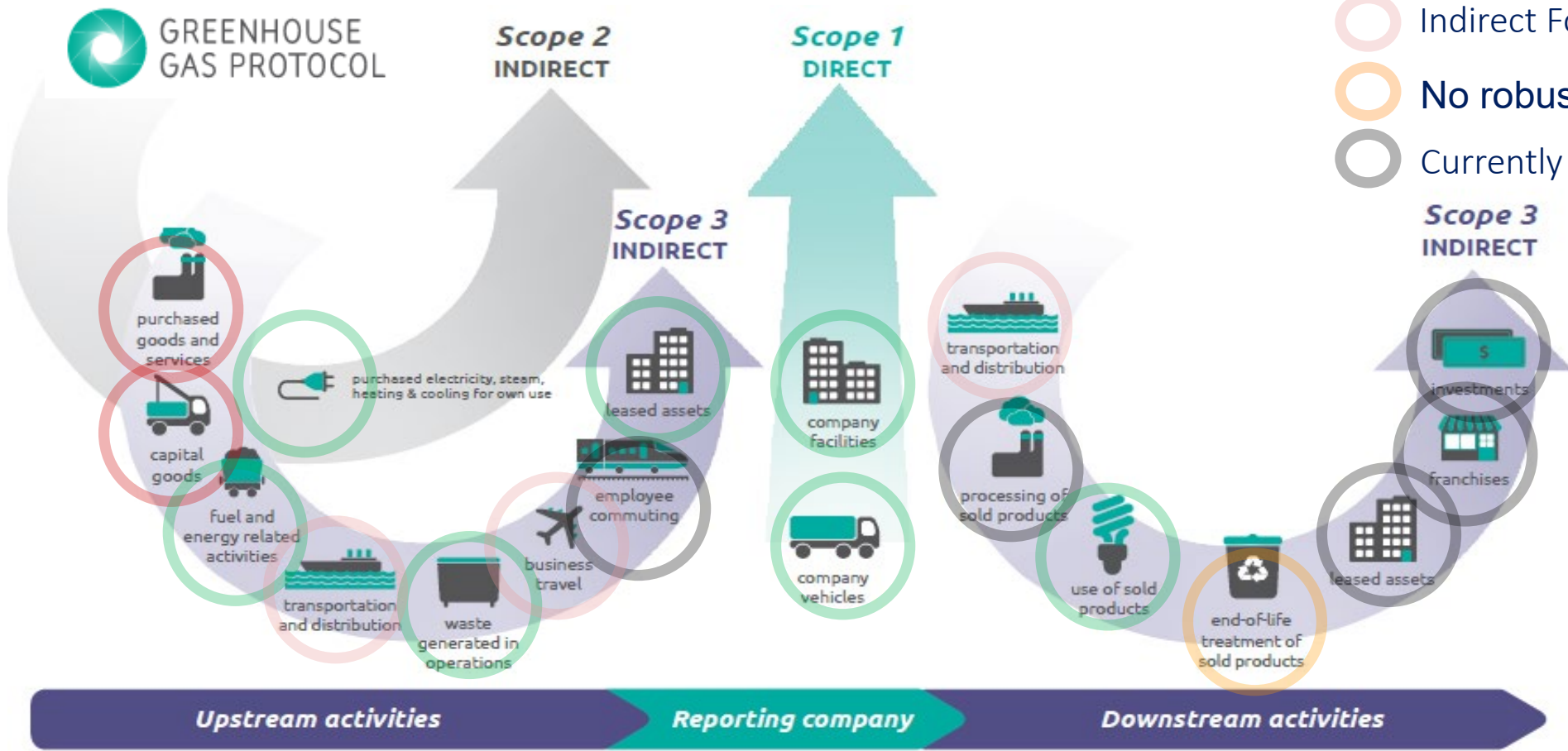


Consult to Enable

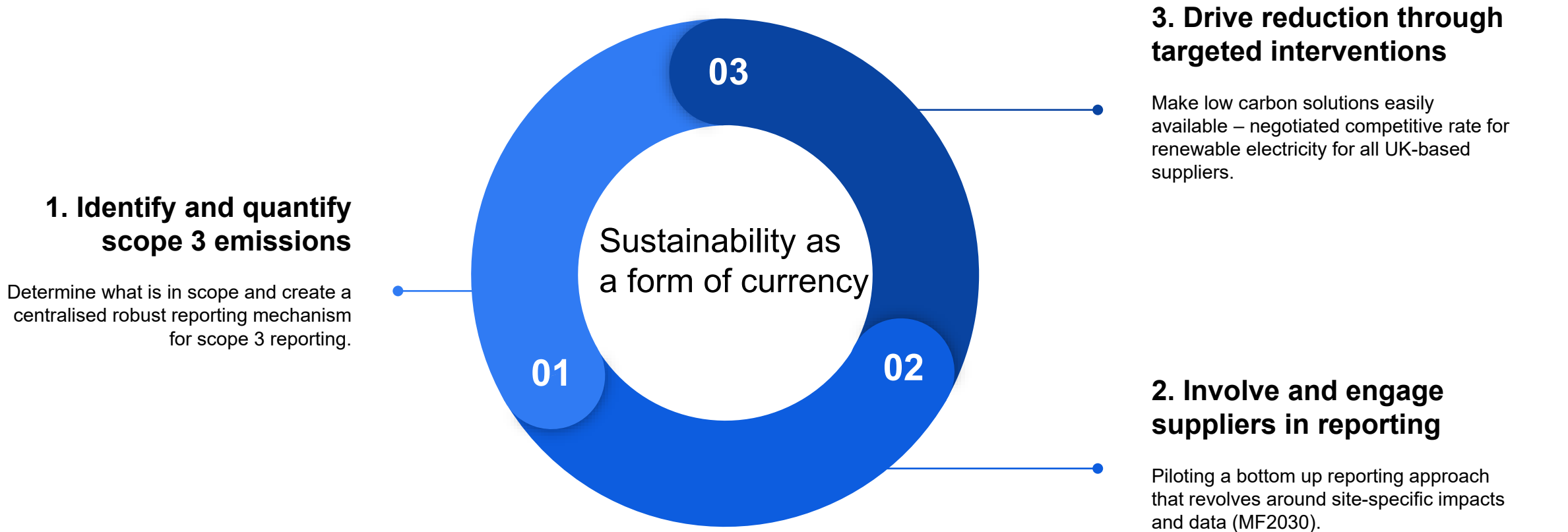
Methodologies, Processes, Tools

A company's contribution to GHGs

- Included in Roche reporting
- Focus of this Program
- Indirect Focus of this Program
- No robust data available
- Currently not material



An Agile approach to scope 3 reduction



Ten Year Ambitions

PSCI



2025
Reduce Scope 3 GHG Emissions by 18%



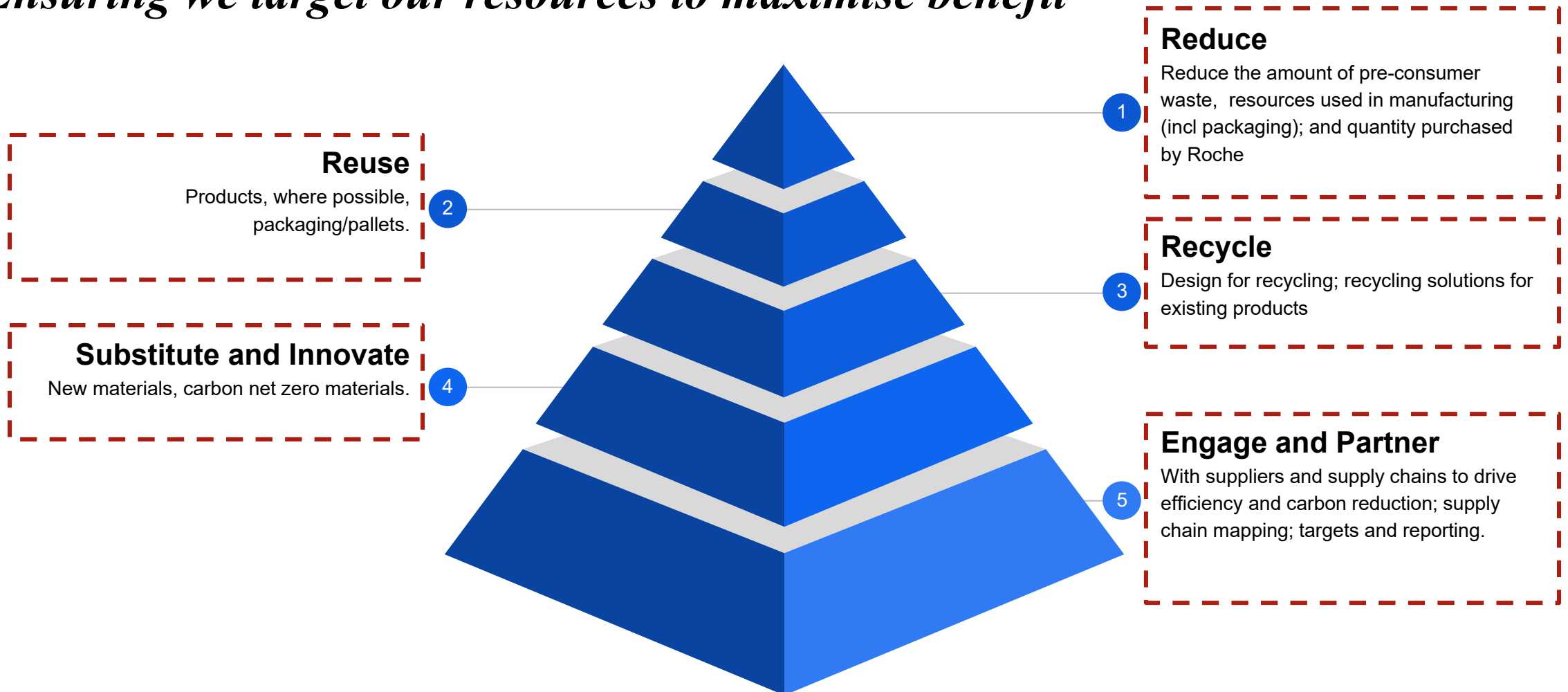
2030
Reduce Roche's environmental footprint by 50%



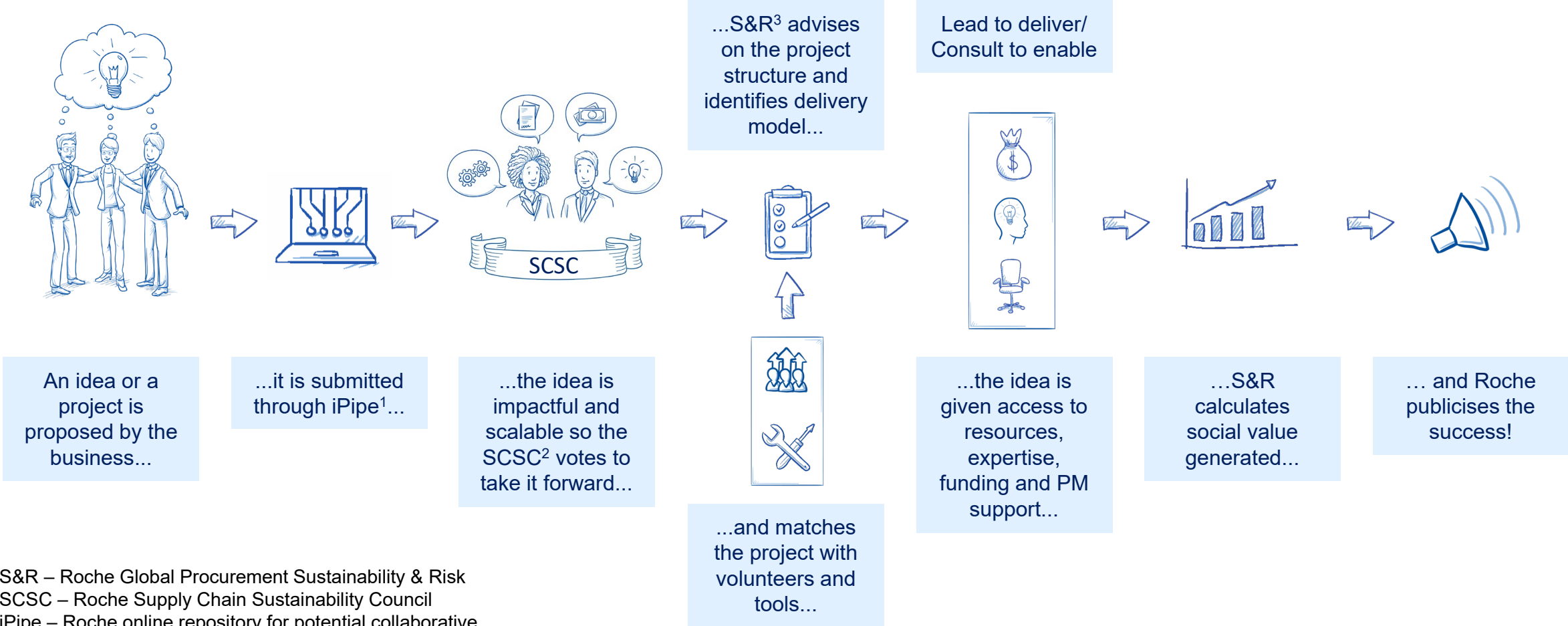
2050
Reduce all emissions to zero

Hierarchy of interventions

Ensuring we target our resources to maximise benefit



Supply Chain Sustainability Council



1 S&R – Roche Global Procurement Sustainability & Risk
 2 SCSC – Roche Supply Chain Sustainability Council
 3 iPipe – Roche online repository for potential collaborative supplier projects / initiatives

Short term horizon

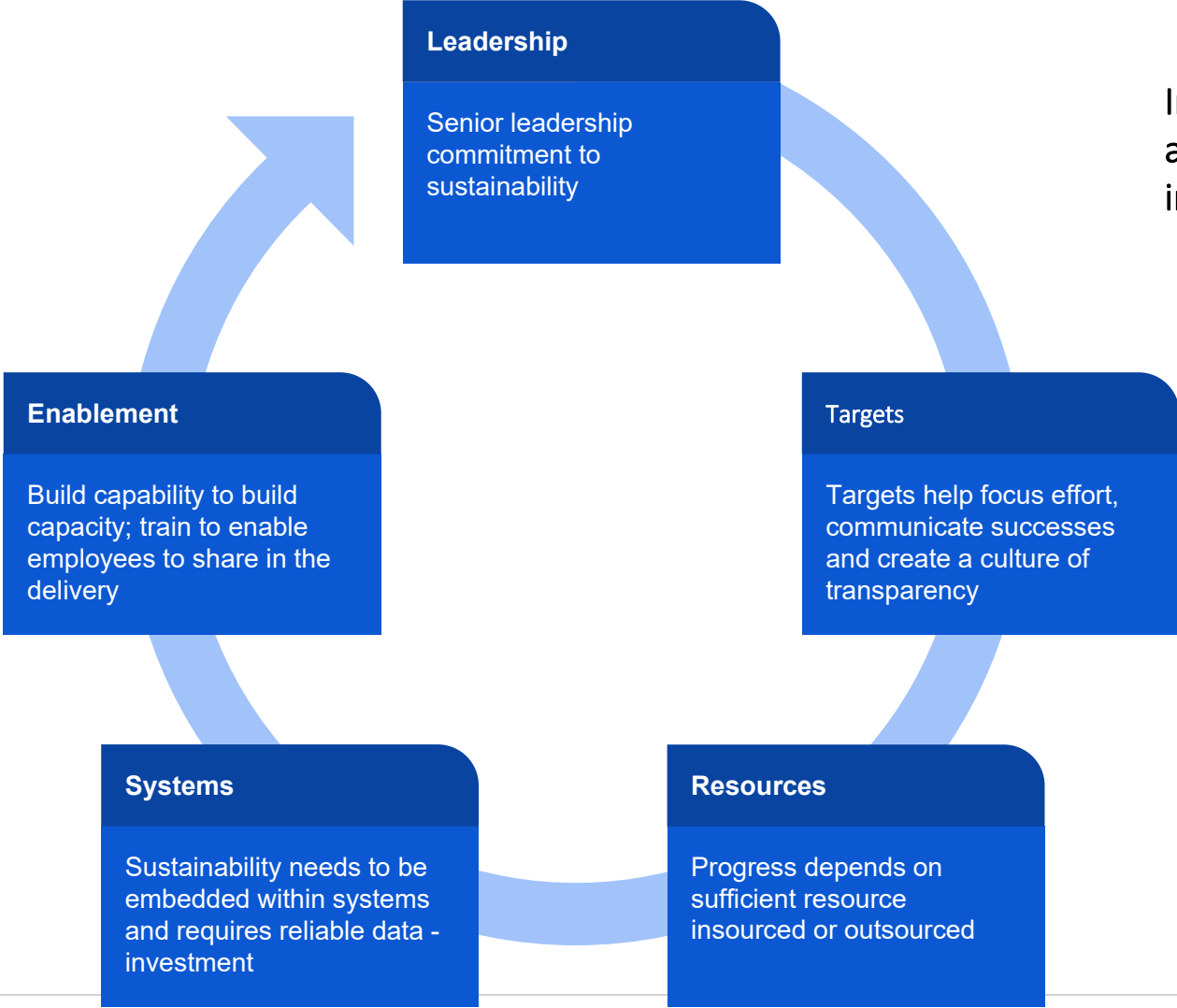
- ***Social Value Calculator – pricing the things we value***
- ***Supplier Maturity Assessment – working in partnership to improve outcomes***
- ***Awareness and capability building***

Our key success factors



Criteria for a successful SP programme

Implementation is part of corporate deliverables



Implementation is associated with individuals



Doing now what patients need next

Introduction to PSCI audits

Prepared by PSCI Audit Committee

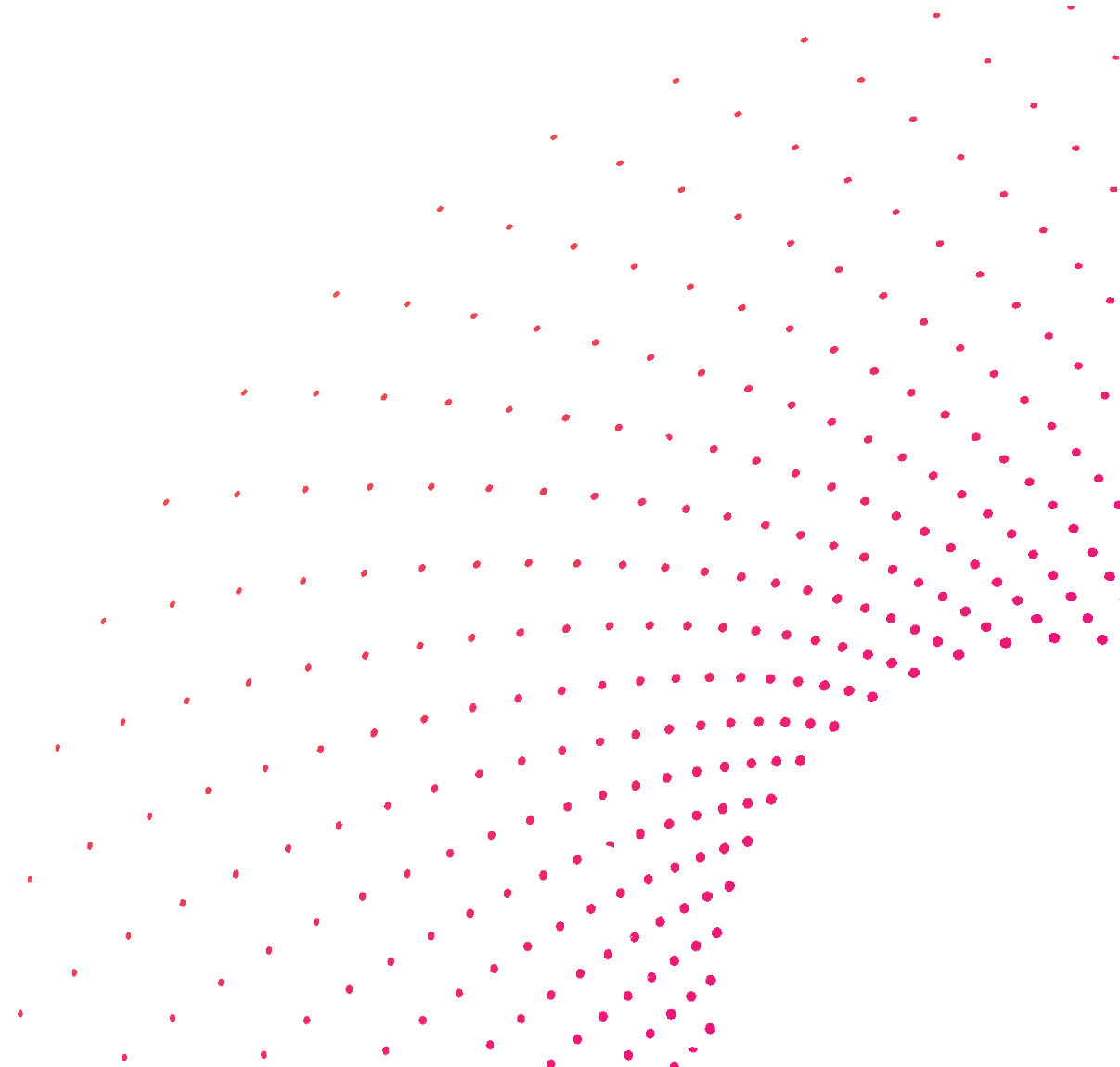
Agenda

PSCI Shared Audit Program

Audit platform stats and common audit findings

Remote Audits – best practice sharing

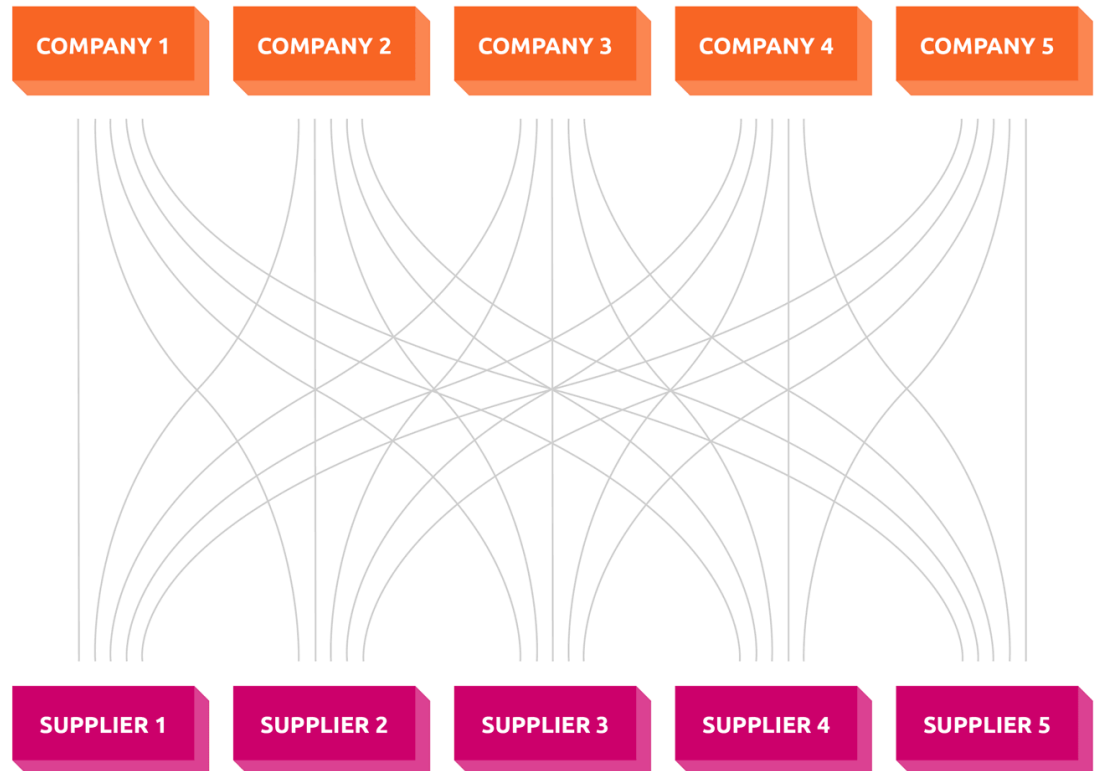
Supplier Self-Initiated Audits



PSCI Audit Program

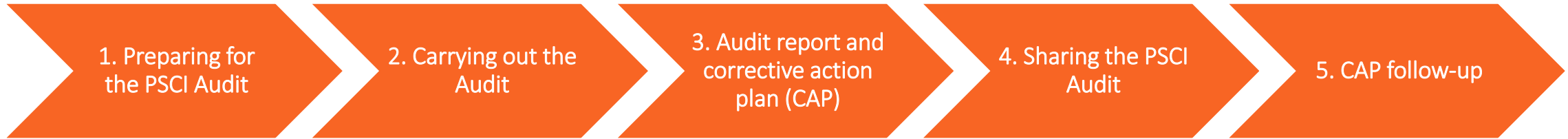
- Why collaborate on audits?

- Reduced duplication
- Cost and resource savings
- Greater visibility
- Better identification
- Continuous improvement
- One industry voice



PSCI Audit Program (cont.)

Five-step audit process



Supplier categories



PSCI Audit Tools

[Audit Guidance for PSCI Audits](#)

[Pre-audit document request list](#)

[Full SAQ & Audit Report template \(Excel\)](#)

[Full SAQ & Audit Report template \(Word\)](#)

[Abbreviated SAQ & Audit Report template \(Excel\)](#)

[Abbreviated SAQ & Audit Report template \(Word\)](#)

[Data Sharing Agreement](#)

[PSCI Supplier Self-Initiated Audit Brochure](#)

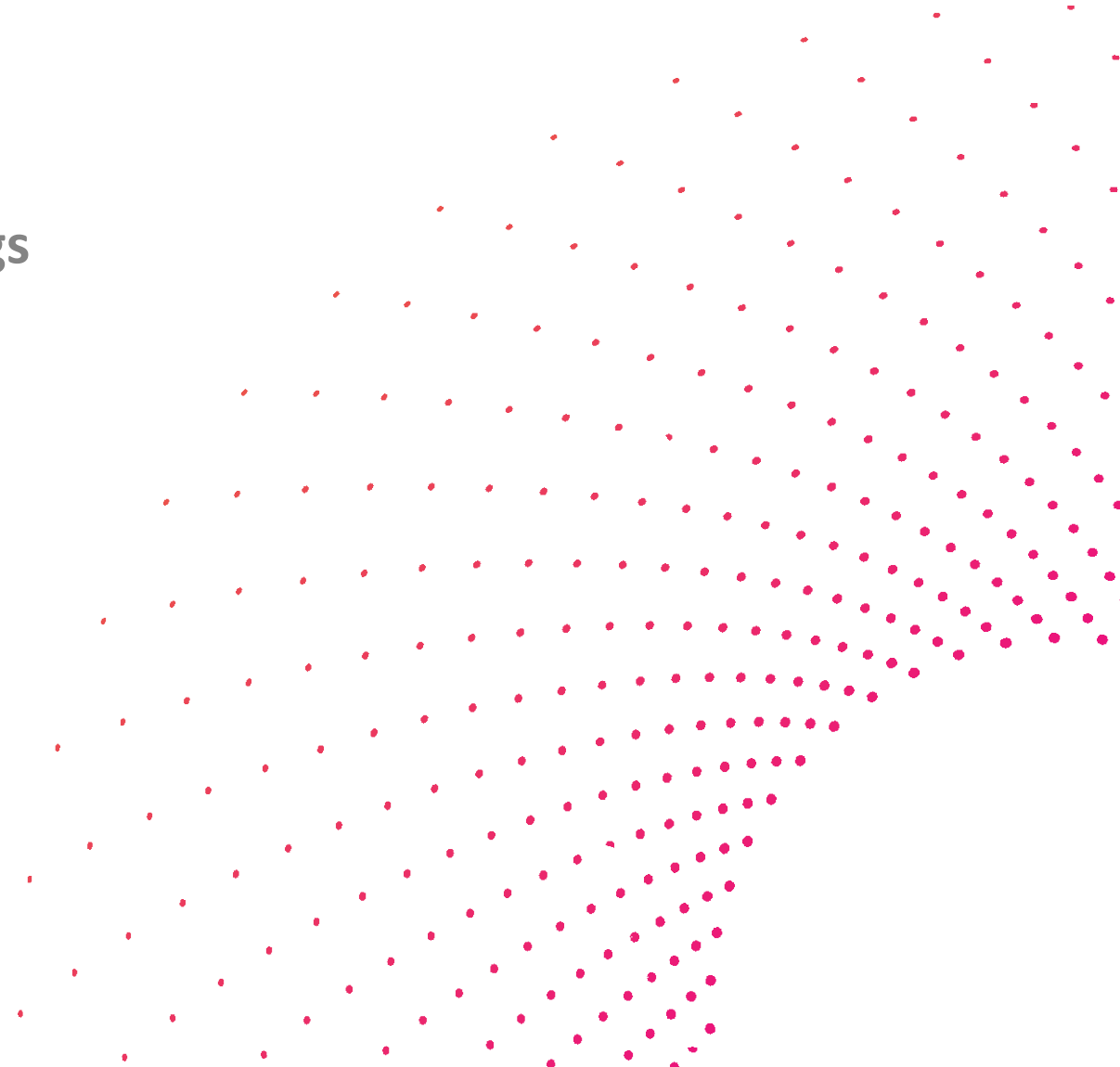
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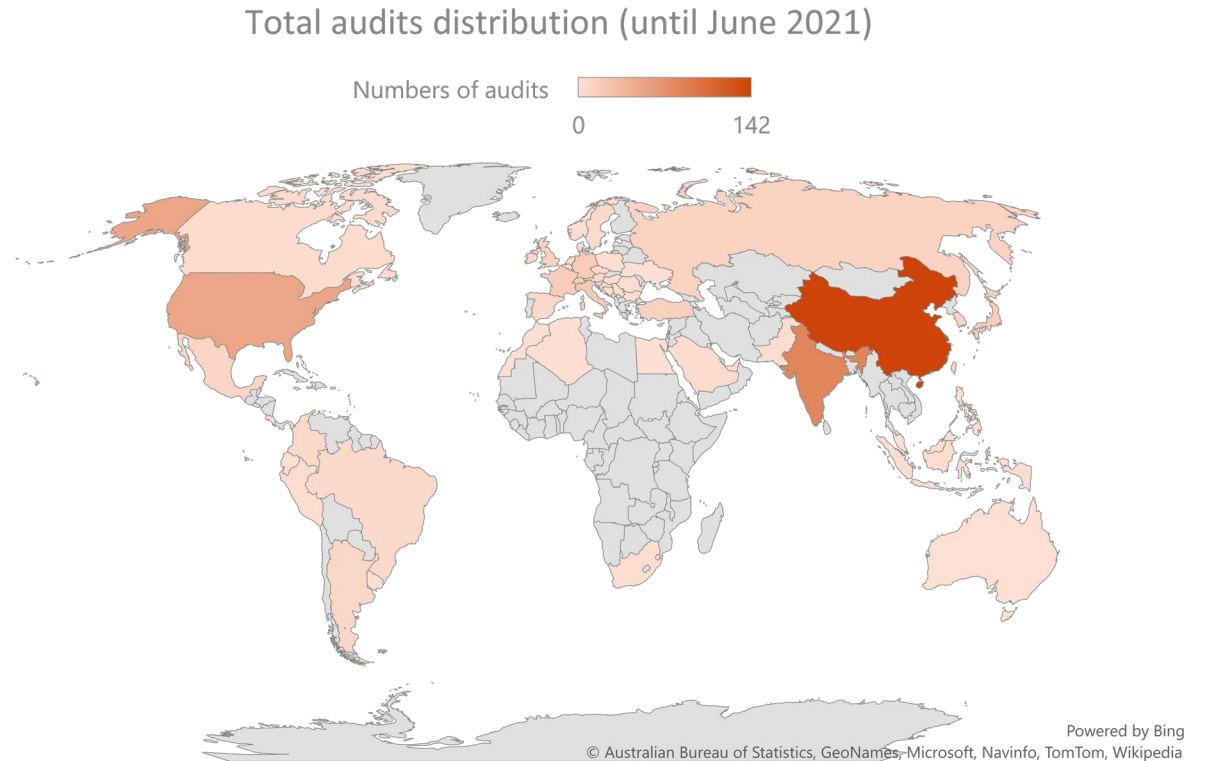
Remote Audits – best practice sharing

Supplier Self-Initiated Audits



Audit platform statistics

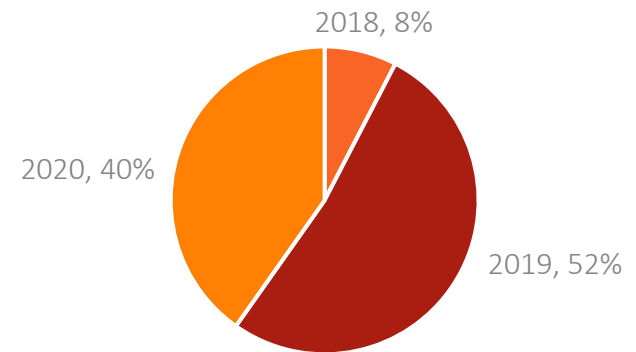
- By end of 2021 Q2, there are **548 audits** on the Link. 60 new audits have been added this year. 33% of them (179) are audited within 2 years, audited since 2019 July, 53% (292) are audited within 3 years.
- Majority of the audits are from core suppliers (API, Finished Formulations, Chemicals)
- **Total downloads over 3100 times.** Top 4 downloaded audits are from suppliers in China (634), India (627), US (305) and Italy (276).



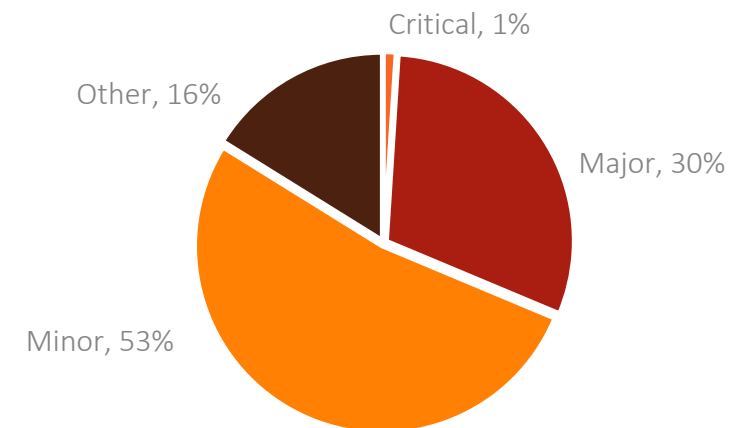
Audit Findings Analysis (2020)

- 92 of all the audits (103) uploaded in 2020 had findings. Among these 92 audits, 37 (40%) were conducted in 2020, 48 (52%) were audited in 2019 and 7 (7%) were audited in 2018.
- Around 1200 findings were recorded for the audits, averaging 13 findings for each audit.
- Over 80% of the findings are from API, Chemical and Finished Formulations suppliers, more than half of them are from China and India.
- Around 1% of total findings are critical findings, consistent with what we found in 2019 analysis. The critical findings lie in H&S, Environment and Labor, but not in Ethics and Management System.

When the audit was conducted

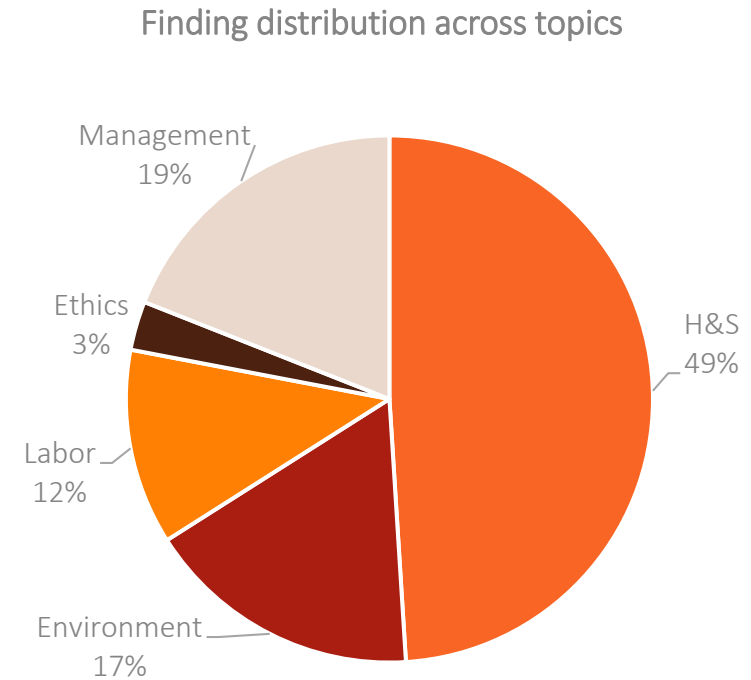


Findings classification



Audit Findings Analysis (2020)

- **H&S has always been the area with most findings.** H&S findings occupying around 50% of all the findings each year, followed by Management and Environment.
- Topics/subclauses with most findings:
 - **H&S:** safety work permit, pallet racking related, electric safety, PPE/RPE, risk assessment and monitoring, emergency evacuation
 - **Environment:** Hazardous substance handling and storage, Environmental policies and goals
 - **Management System:** supplier evaluation, risk management (business continuity planning, risk assessment scope, management of change), regulatory compliance
 - **Labor:** overtime & overtime pay, labor policy scope
 - **Ethics:** Policies & protocols not established, policy scope (e.g., not covering fair competition)



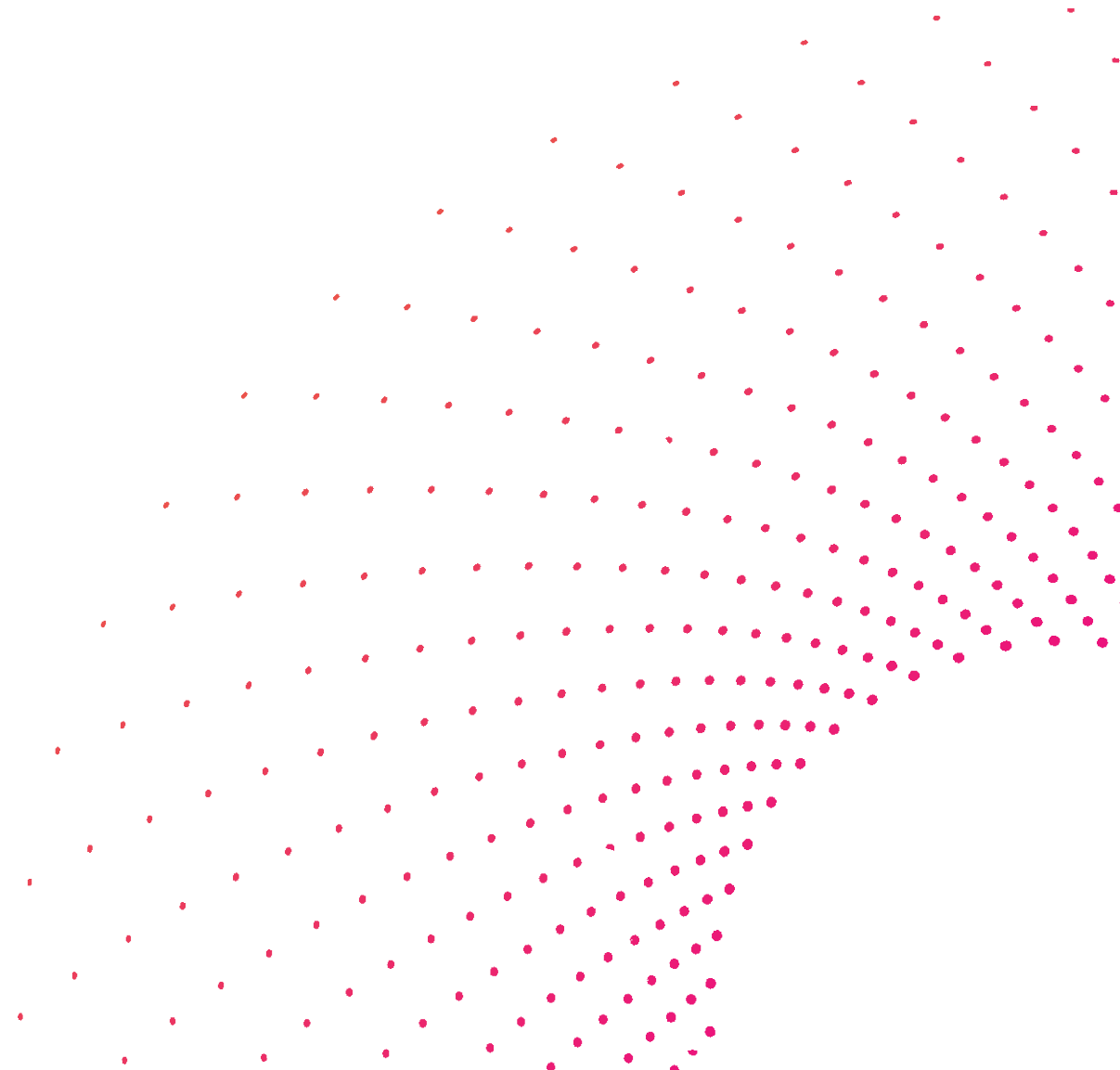
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Remote Audits – best practice sharing

Supplier Self-Initiated Audits



Remote, partly remote and onsite audits

Besides the established onsite site audits, PSCI Audits can also be conducted fully remote or partly remote:

- **Fully Remote audit:** the entire audit, including the verification of responses to questions within the SAQ, was conducted without onsite presence of the audit team via remote methods, such as livestreaming video, telephone/video call, etc.
- **Partly Remote audit:** part of the audit was conducted remotely and part of the audit was conducted on-site.
- **Onsite audit:** the audit and verification of responses to questions on the SAQ were carried out via onsite visit(s).

Further information can be found in the [PSCI Audit Guidance](#).

Planning of Remote Audits (1)

Feasibility

- Decide whether a full/partly remote audit is possible (PSCI member / 3rd party audit team, supplier)

Preferred technical tool(s)

for communication, virtual site tour and data exchange

- Both audit team and supplier should be familiar with the selected tools (e.g., MS Teams, Skype, Zoom)
- Selected tools should be checked and test beforehand

Data privacy

- All shared information during any partly or fully remote audit is to be treated confidential and under consideration of data privacy regulations
- In some cases, a confidentiality agreement may be required

Information/documents/ agreements needed prior to the audit

- As a minimum, suppliers complete and provide the PSCI SAQ to the audit team
- Further documents/information might be requested
- Agreement on means of data sharing (e.g., cloud drive, vimeo, email...)

Planning of Remote Audits (2)

Evidence gathered and verification

- Audit team checks the completed PSCI SAQ and focusses on questions/topics for which a certain level of evidence can be gathered.
- Note that the social part of the PSCI audit is difficult to verify and only limited information can be gathered.

Time resources

- Audit teams: Be ready to spend more time for any partly or fully remote audit, it is likely that similar or even more time will be required to conduct the overall audit.

Audit days / duration

- Recommendation to split agreed number of audit days (e.g., 2 days) into several online meetings, e.g., 4 h per day on overall 4 days (virtual meetings for ~ 8 hours can be very challenging for all parties)

Virtual site tour

- In case a virtual site tour is possible, align on technology (e.g., live streaming via mobile devices and MS Teams, Google Glasses, Realware...).
- Instead of a full site tour, emphasis should be put on selected areas or critical processes.

Conducting Remote Audits

- Be aware that a remote audit is a different type of audit, with different situations, different levels of input, no comprehensive site tour, etc.
- Each meeting/interview session needs to be well prepared (both from auditors as well as from suppliers). Good time management is required.
- Remain flexible as unforeseen situations will arise. Try to find the simplest and most efficient solution to resolve any issue.
- If possible and connectivity allows, all parties should keep the camera switched on. Even in virtual meetings, it is possible to recognize facial expressions/body language to some extent, and realize e.g., whether all participants feel comfortable.
- Maintain good auditor interpersonal skills - communication is key. Auditors should be senior and experienced in auditing.



Virtual Site Tour

- Conducting a virtual site tour is only possible if the supplier allows this.
- Site tours can be realized by using audio-visual tools, e.g., cameras of mobile devices.
- Some challenges of a virtual site tour compared to an on-site audit:
 - Supplier staff needs to be familiar with the applied technology, e.g., mobile device connected to MS Teams
 - Supplier staff needs have time enough to change to different locations, e.g., from production to technical areas
 - Special requirements of ex-areas (e.g., use of intrinsically safe devices) need to be considered
 - Disturbances can be caused by poor/no WIFI connectivity but also by noise from machinery, HVAC systems etc. Low battery charge due to longer tours may become an issue as well.
- Auditors and suppliers need to align and confirm focus topics/areas, e.g., production activities the audit team would like to see and when they take place.
- **Recording of virtual site tours is generally not permitted.**



Remote Audits – best practice example

Technology – best practice

Adapted from the communication between a supplier and a client's tech team. The client was happy with this remote test experience and they can trust what they see.

- Hardware: an intrinsically safe tablet with camera.
- Communication tool: Zoom.
- Network: intranet + internet. The pad connects to the intranet(WIFI) and then can connect internet and uses approved Applications.
- The client's tech team can request what they want to see in the Zoom meeting and our operator can show it via the tablet. The client can check the parameter and operation conditions via the tablet with camera.



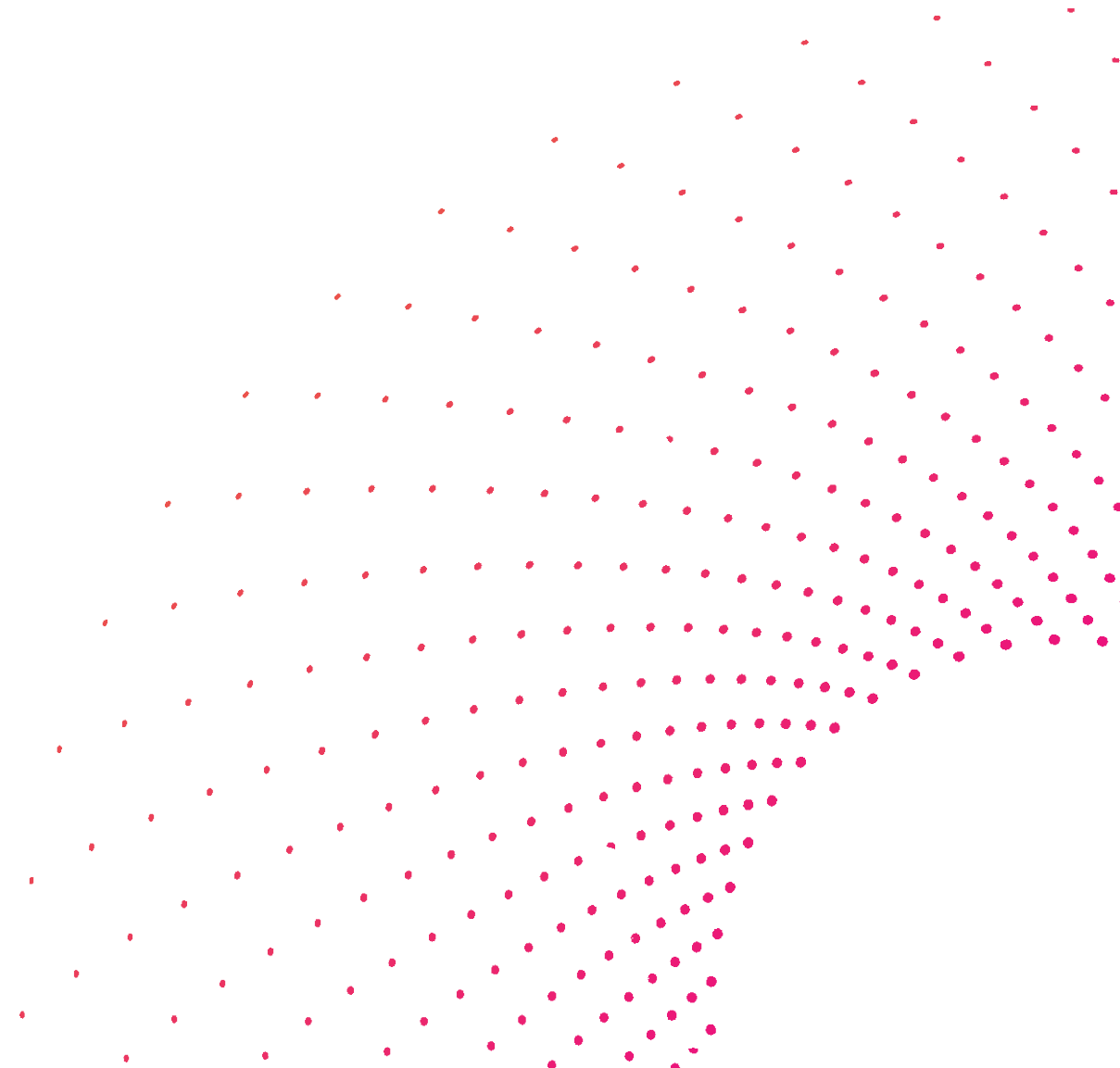
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Supplier Self-Initiated Audits



Supplier Self-Initiated Audits

What is a supplier self-initiated audit?

- A supplier self-initiated audit is completed by an approved third-party audit firm and shared with other PSCI members on the PSCI platform
- A proactive approach (pending a request from a PSCI member or their supplier)
- Any PSCI Member or supplier to PSCI Member may take advantage of a supplier self-initiated audit (on-site or remotely are current acceptable methods)
- You, as a supplier, may request a supplier self-initiated audit to a PSCI Member company or the PSCI Secretariat. PSCI funding is available for a limited number of audits in 2021.

How to conduct Supplier self-initiated Audits

- Supplier screens and selects a suitable [PSCI approved audit firm](#)
 - A supplier self-initiated audit can be conducted in locations where audit firms have expressed competency
 - Audit firms provide [qualified auditors](#) for conducting the audit
 - Supplier owns the audit and bears the audit cost
- The audit should use the PSCI published tools and guidance
 - PSCI Audit SAQ and Audit Report Templates: EXCEL, WORD | PSCI Audit Guidance
 - Both on-site and remote methods are acceptable
- Supplier loads and shares his report on the PSCI platform with PSCI members. A [user guide](#) for uploading and sharing audits is available

Benefits of Supplier Self-Initiated Audits

The SSIA Program:

- **Results in high quality audits** because it uses the PSCI audit process including approved audit firms, audit protocols, redacting and sharing
- Has the **potential to reduce audit burden on the supplier** such as the number and scale of future audits
- **Offers flexibility to suppliers** because they will be more in control of timing, logistics and scope
- Will tip the scales toward **more suppliers being audited** than would otherwise occur
- Provides the PSCI membership with **more supplier options**
- **Allows the supplier to be proactive** by identifying risks and opportunities

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About the Secretariat

Carnstone Partners Ltd is an independent management consultancy, specialising in corporate responsibility and sustainability, with a long track record in running industry groups.



Challenges & Remedies for Pharma Companies & New LABOUR CODES

ANTI-TRUST STATEMENT

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- iv. codes of ethics administered in a way that could inhibit or restrict competition;
- v. group boycotts;
- vi. validity of patents;
- vii. on-going litigation;
- viii. specific R&D, sales or marketing activities or plans, or confidential product, product development, production or testing strategies or other proprietary knowledge or information.”

AGENDA

Update on New Code

Impact of Codes on Stake holders, HR & HSE Management

Rights & Privileges of Employer, Employees & Contractors



SPEAKER BIO

- Name: Adv. Shrinivas Inamati
- Job Title: Training
- Organization: Deccan Management Consultants
- Contact (optional) : No: 98220 43573
- Email ID: sbi256@gmail.com

-
- Currently, heading Deccan Management Consultants. After the post-graduation in Law (L.L.M), since last more than 15 years, practicing Employment related Labour Laws. For last more than 35 years, advising and managing a team of Lawyers, who are practicing in the Labour / Industrial Courts under the banner of DMC.
 - Known for his fair and firm approach, because of which he is accepted as facilitator between Employer and Employees in wage and service conditions Negotiations by both the parties.
 - Represented Corporate Clientele including Multinational Corporations, Joint Venture Corporations, Service Industries like Bank, Hospitals, star rated hospitality organisations etc before Labour Courts, Industrial Tribunals and other authorities under Labour Laws.



SPEAKER BIO

- Advises and assists Corporate Clientele in drafting various types of employment contracts, Agreements, outsourcing of services, service conditions/Rules.
- Conducts audit of applicable employment related statutory obligations.
- Widely accepted as a Trainer in Human Resource related, legal and incidental Issues by Industries and various organisations like MCCIA, CII etc.
- Has addressed at various workshops and seminars on IR and Labour Laws.
- Associated with various NGOs and social service organization.
- Co- Chairmen HR and IR Committee MCCIA for 2020-2022
- Member MC Suhrud Mandal Pune
- Past President of Rotary Club of Poona West
- Member Managing Committee Sevasadan, Pune
- Former Trustee and Member Governing Council Poona Divisional Productivity Council.
- Advisor to Pune District Security Guard Board, since 2003.
- Advisor to Pune Mathadi and other Manual Workers Board.
- Advisor to Pimpri Chinchwad Mathadi & Unprotected Workers Board.
- Non-executive Director on the Board of Ghatge Patil Industries Ltd, Kolhapur for last more than 10 years.



Latest update

- No need to get into the detailed background of 4 new Labour Codes.
- Draft rules have been notified by Central Government. Most of the states are yet to publish the rules.
- Rule making powers are vested with appropriate government.
- Implementation of 3 of the 4 codes is dependent on Rules to be framed by the states.
- However, the date on which these codes shall come into effect is yet to be notified.
- Initially it was announced that code would come into effect in April 2021.
- Then July 2021 and now it is announced that code will come into effect from October 2021.
- Three section of Code on Wages are partially given effect on 18th Dec 2020,42(1) to (3).(10),(11),67 (2) (s) to (t) and 69 and section 142 of code on Social Security is given effect on 3rd May 2021.
- The Government has appointed expert committee to advise on fixation of wages in May 2021

Case study

MNC Pharmaceutical Company has outsourced its one of the products for manufacturing on contract basis to a XYZ Company. XYZ Company has manufacturing units in different states. In the State of Maharashtra, it has a factory in Raigad District. In the said unit it has employed about 500 employees. Out of 500 employees, only 150, are on the rolls of the Company. Rest all are employed through different Contractors. About 275 contract workers are engaged in manufacturing process on the shop floor. Remaining 75 contract workers are engaged in other activities such security, Housekeeping, Loading and unloading etc.

In the audit conducted by the Auditor of Principal MNC Pharmaceutical, it was observed that Contract Labour are not issued appointed letters, wages are paid at the rate equal to minimum wages, but same are bifurcated into 30% in Basic & 70% in allowances, they are required to work 12 hours, they are paid overtime at single rate. Attendance record is maintained manually, not through any electronic method, Medical checkup of the workers is not done every year.

- What would be impact Post Code

IMPACT

▪ WAGES CODE

Overall – Inclusions or exclusions

Contractor is included in the definition of employer, worker definition excluded managers and supervisors drawing salary of more than 18000,ther term wages excludes allowances and contribution to social security, OT allowance, commission etc.

Employer

- Labour cost would increase - National floor wage, Contract Labour, same work or work of similar nature, bonus.
- Any allowance linked to Basic would increase the cost.
- Draft rules of central Government has proposed timely payment of bills to contractors
- Non compliance would be expensive
- Salary restructure would become challenging.
- Cost on account of overtime wages will be reduced.

Employees

- In case of managerial staff, take home will be reduced

Code of Occupational Safety, health and Working Conditions

Overall : Inclusions and exclusions – Core activities, inter-state migrant, wages exclude all allowances

Impact – On employer

- No contract labour in core activities
- Employee consent for overtime can lead to conflict
- Crèche facility would be mandatory, if establishment /factory are employing 50 or more employees, even if female employees are not employed.
- Cost on Overtime would be reduced

Employees

- Leave encashment and OT amount will get reduced.

Code on Industrial Relations: Impact on Industries

Overall – Intention seems to direct parties to indulge in bilateral resolution of disputes, with provision for recognition of union. wages exclude all allowances

Employers

- More flexibility - The provision for Fixed term employment, increasing threshold limit for permission for Lay-off, Retrenchment and closure.
- Recognition of the union by employers would be must, if the union has 51% membership
- Service rules would be important in case of establishments employing less than 300 employees

Employees

- Quantum of retrenchment compensation amount would be reduced to almost half.
- May lead to insecurity

Code on Social Security

Overall – Parties will have an option to opt for or opt out of EPF and ESI. Wages exclude all allowances

Employers

- Prorate Gratuity for Fix Term employees will have to be provided.
- Employers will have to bear expenses of social security benefits of self employed persons, gig worker, platform workers.
- Cost on account of Gratuity will increase
- Employers will have an opportunity to correct the non compliance before prosecution takes place.

Employees

- Provision for fixing lesser rate of contribution to PF
- Unorganized workers and gig workers will be covered under the social security net.

Rights and Privileges of employer

- Right to accord recognition to the union
- Right to have flexibility in recruitment (Fixed Term Employment).
- Single registration, single return
- Employ female employees during 7 pm and 6.00 am

Employees:

- Demography based Minimum Wage
- Right to be educated, guided by facilitator cum Inspector under wage code.
- Entitled to basic + DA of 50% of the total CTC.
- FTE, would be entitled similar wages that of permanent workers and Pro-rate Gratuity
- Option to agree or otherwise for overtime .
- Obtain information from the employer relating to his health and safety

Contractors:

- Contractor can obtain Pan India single License
- Welfare facilities envisaged under Code of Occupational Safety, Health & Working conditions are to be provided by the Principal Employer.
- To receive timely payments from Principal Employer to enable them to pay wages on time.

PSCI Principles and Labour Code

- **Freely chosen employment:** Change in term worker would ensure no scope for exploitation. Consent of workers for overtime and female workers for night shift work would be mandatory – Positive Impact
- **No child labor:** It is prohibited under Indian Constitution.(No new impact)
- **Legal treatment of young workers** – No provisions as of now. Guidelines for young worker may come through new rules and regulation.(No impact)
- **Non-discrimination** – Section 3 of Code on wages prohibits non-discrimination on account of sex. Same wages to Fix Term Employees. (Positive impact)
- **Fair treatment** : Effective grievance Redressal mechanism, Interstate migrant Workers (Positive Impact)
- **Wages, benefits and working hours** – Demography based minimum wages, National floor wage, Welfare facilities, Overtime for extra hours of work. (Negative impact)
- **Freedom of association** – Right to be recognized. Encouragement for bilateral Forums (Positive impact)

CONTACT



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[@PSCInitiative](https://twitter.com/PSCInitiative)

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About the Secretariat

Carnstone Partners Ltd is an independent management consultancy, specialising in corporate responsibility and sustainability, with a long track record in running industry groups.



MIGRANT LABOUR

COVID MANAGEMENT

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AGENDA

Covid Prevention Measures



SPEAKER BIO

- Name: S V Jayapal Reddy
- Job Title: Sr General Manager-HR
- Organization: Hetero Labs Limited
- Organization Profile (optional)
- Contact : 9989628918

-
- Self-motivated and focused professional with over 21 years of experience and expertise in Human Resource management and IR, and Employee relations in pharmaceutical industry; PGCHRM from XLRI and an MBA in HRD with LLB and PG Diploma in HR, Diploma in Industrial Relations & Personnel Management and PG Diploma in Computer Applications; proficient in strategy planning and policy formulation; an accomplished communicator and a team-oriented individual with commitment to organisation. Seeking to utilize expertise, knowledge and experience and contribute effectively towards furtherance of goals of a reputed organization.



Vaccination Programme at Hetero Group



Protective kits for Migrant Labour

- Supplied Free Masks , Sanitiser to all the employees
- Ensures to educate migrant labour to maintain distance
- Supplied Medical kits contains of basic medicines.
- Provided Free food for migrant Labour
- Ensured free accommodation
- Organised transport to migrant labour to report at work place

Covid Isolation Center for Treatment



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Demystifying Human Rights Due Diligence (HRDD)

Rishi Sher Singh

Session 1

September 2021

ANTI-TRUST STATEMENT

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SPEAKER BIO

- Name: Rishi Sher Singh
- Job Title: Associate Director
- Organization: twentyfifty Ltd.
- Organization Profile (optional)
- Contact (optional): rishi.singh@twentyfifty.in

-
- Rishi Sher Singh is a specialist in Business & Human Rights (B&HR), Supply Chain Sustainability and Manufacturing. Rishi's work goes beyond traditional audits and towards creating meaningful dialogue on opportunities and challenges of businesses, especially in supply chains. His passion is to design and implement innovative solutions for businesses which create positive impacts on people, planet and performance. To bridge the gap between theory and practice in B&HR, Rishi also engages with academic institutions (India, UK & Canada) for action research projects.



About the materials

- These materials have been developed by Rishi Sher Singh for the purpose of training and development of PSCI members, which are to be used for information only.
- Some of these slides have been contributed by twentyfifty Ltd. (UK) through their association with Rishi Sher Singh as their Associate Director in India. www.twentyfifty.co.uk
- Wherever these materials are reproduced, it is expected in good faith that proper acknowledgement will be made for Rishi Sher Singh and twentyfifty Ltd.

AGENDA - Session 1

Setting a powerful context on the need of HRDD

Discussion on realities on the ground

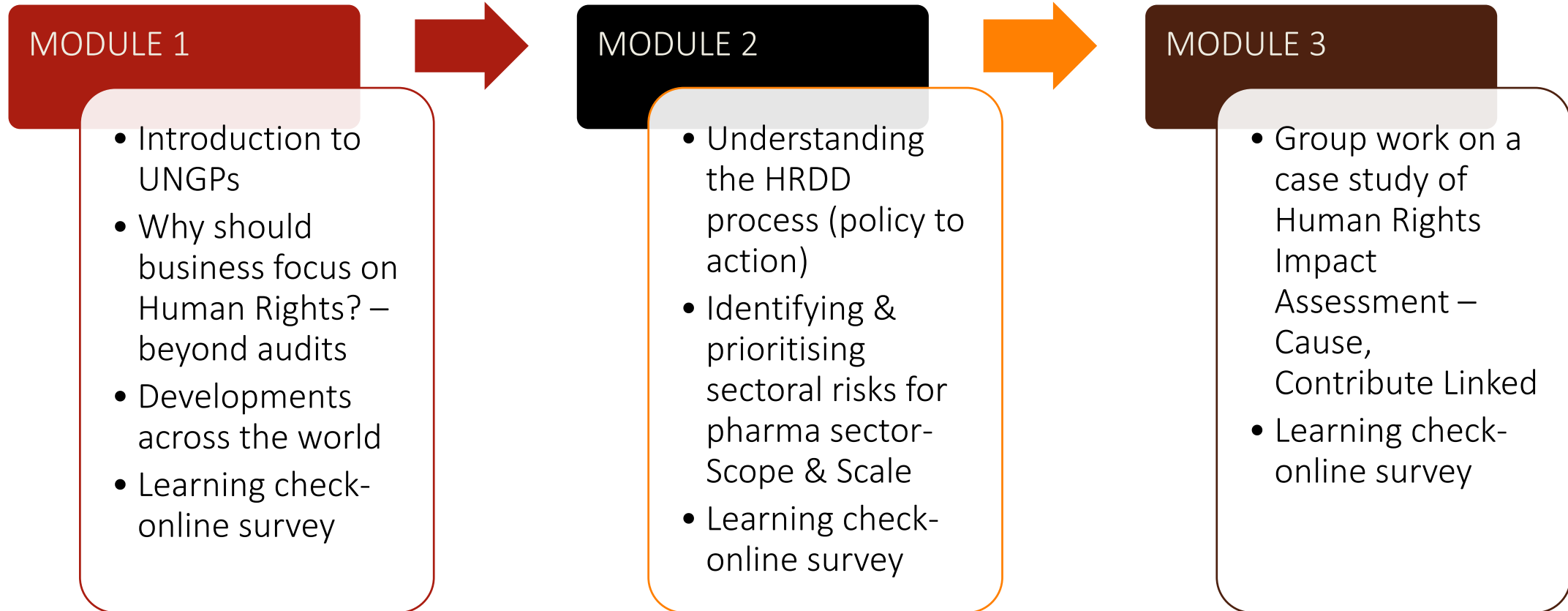
Intro to UNGPs

Salient risks of pharma supply chains

Developments in the world and in India



Overview of sessions



Introducing twentyfifty

STRATEGY THROUGH TO IMPLEMENTATION

We have over **15 year's experience** in corporate implementation of human rights & corporate responsibility commitments.

Three core service areas: i) Understanding Impacts; ii) Embedding Due Diligence; iii) Renewing Organisations.

We combine **multiple capabilities**, including change management, stakeholder engagement, responsible sourcing, human rights experience & leadership coaching.

We have **offices in UK, Germany, Switzerland and Bangalore**, and a **global Associate network**.



“From social risk to sustainable business.... in partnership”

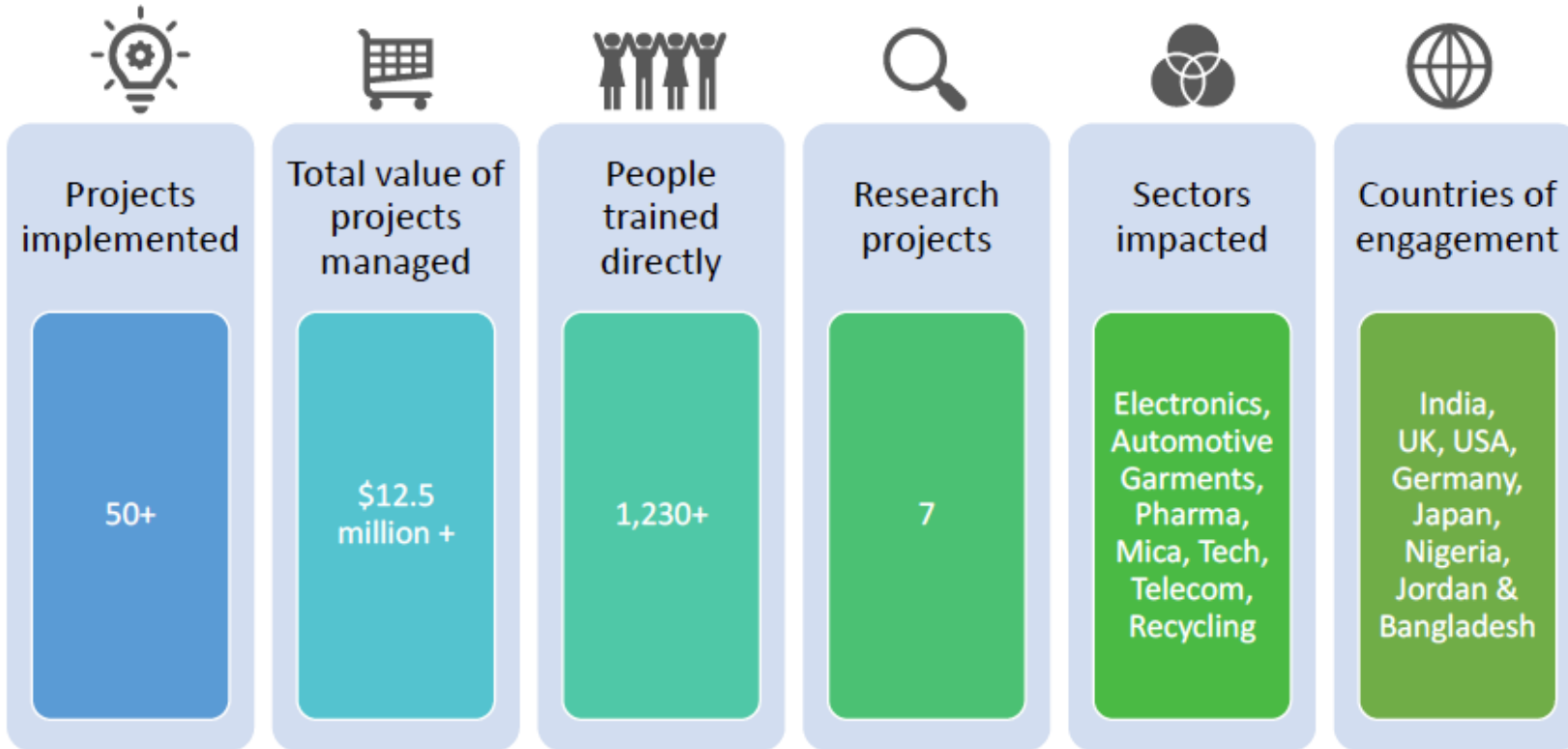


Twentyfifty- HRIAs completed at Indian operations & suppliers for companies based in UK/EU

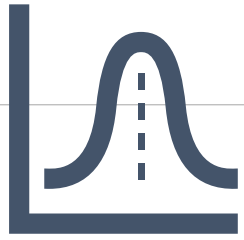
- Tech
- Agri
- Engineering
- Pharma
- Tourism

6

Rishi Sher Singh

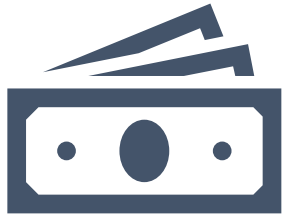


Business Funnel



Quality

- Zero defect
- AQL
- PPM



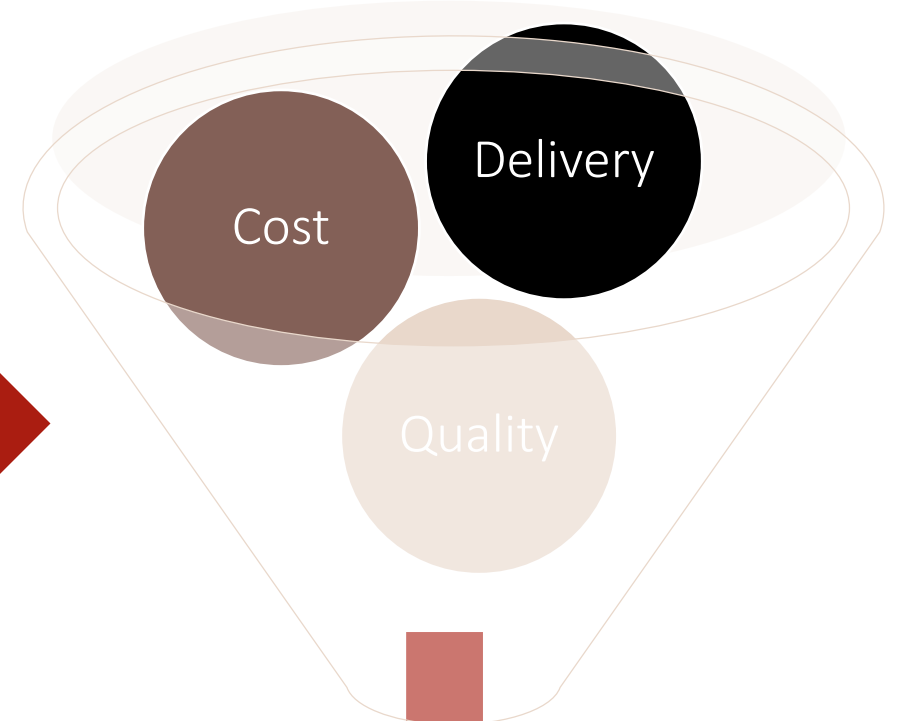
Cost

- Lowest
- Globally competitive
- Exchange rate fluctuation



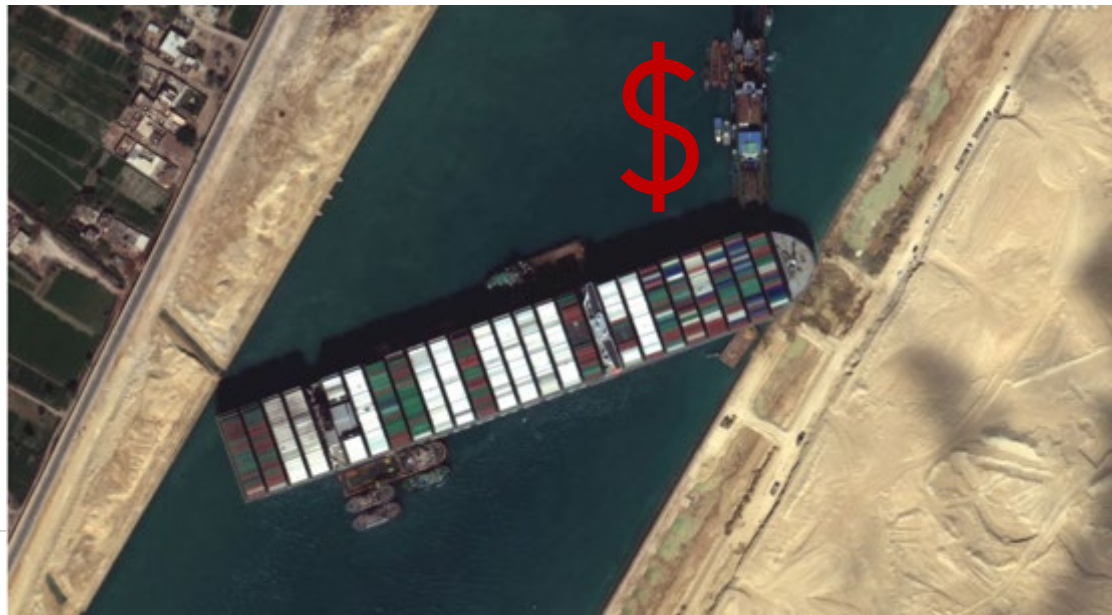
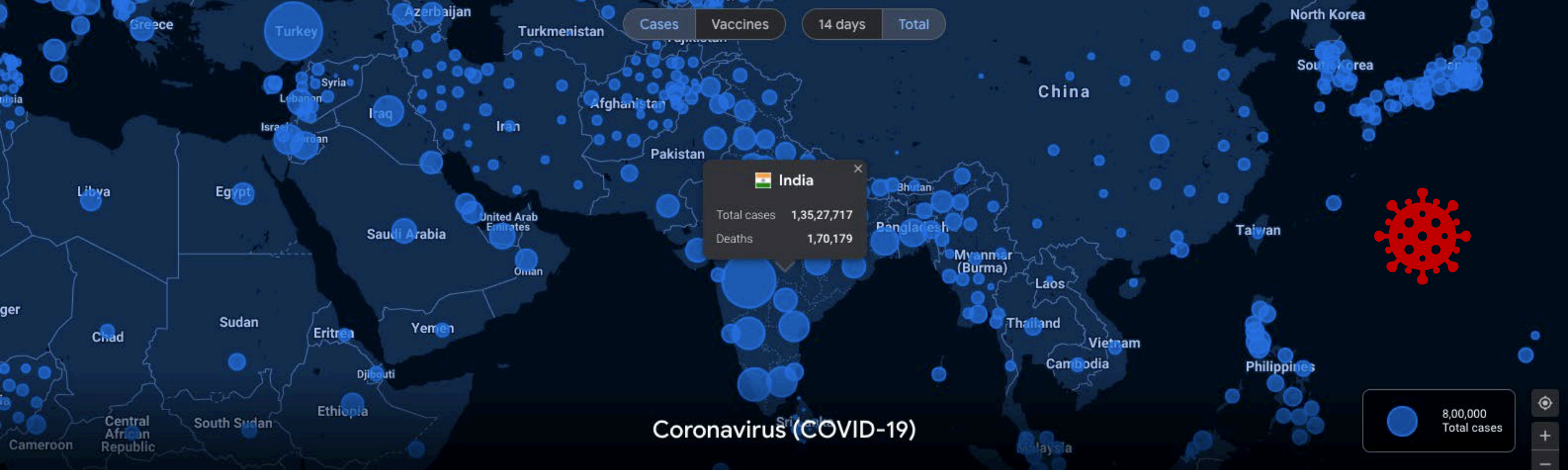
Delivery

- 100% on-time
- Reduction of lead times



Products & Services





Customers

Media

NGOs

Industry
Groups

Responsible
Investing

Government

Codes &
Standards



How are the
products/services
made?

What are
business impacts
on us Humans?

How are suppliers
engaged (all levels
of supply chain)?

What are the
working
conditions?

...Expectations



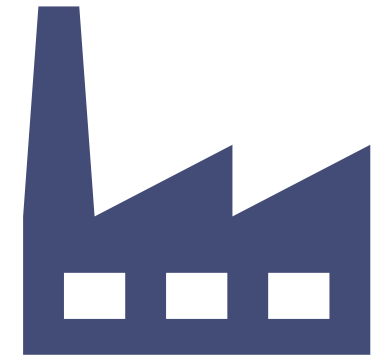
Reality!



Discussion: Whose responsibility is it anyways?

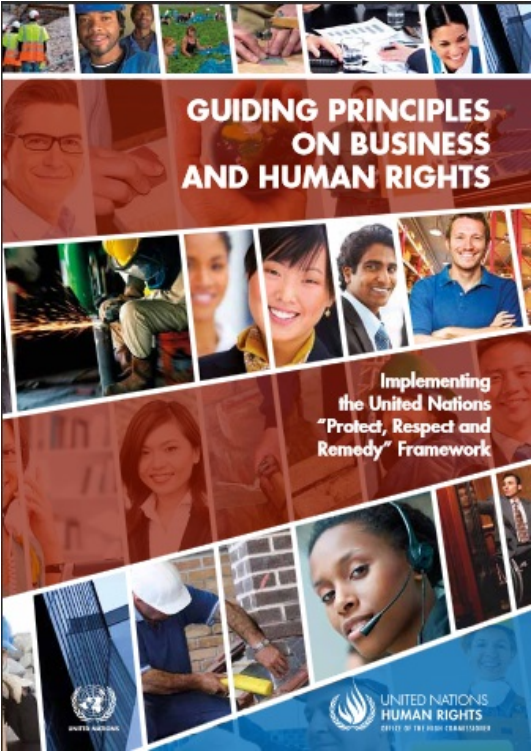


A) Government?

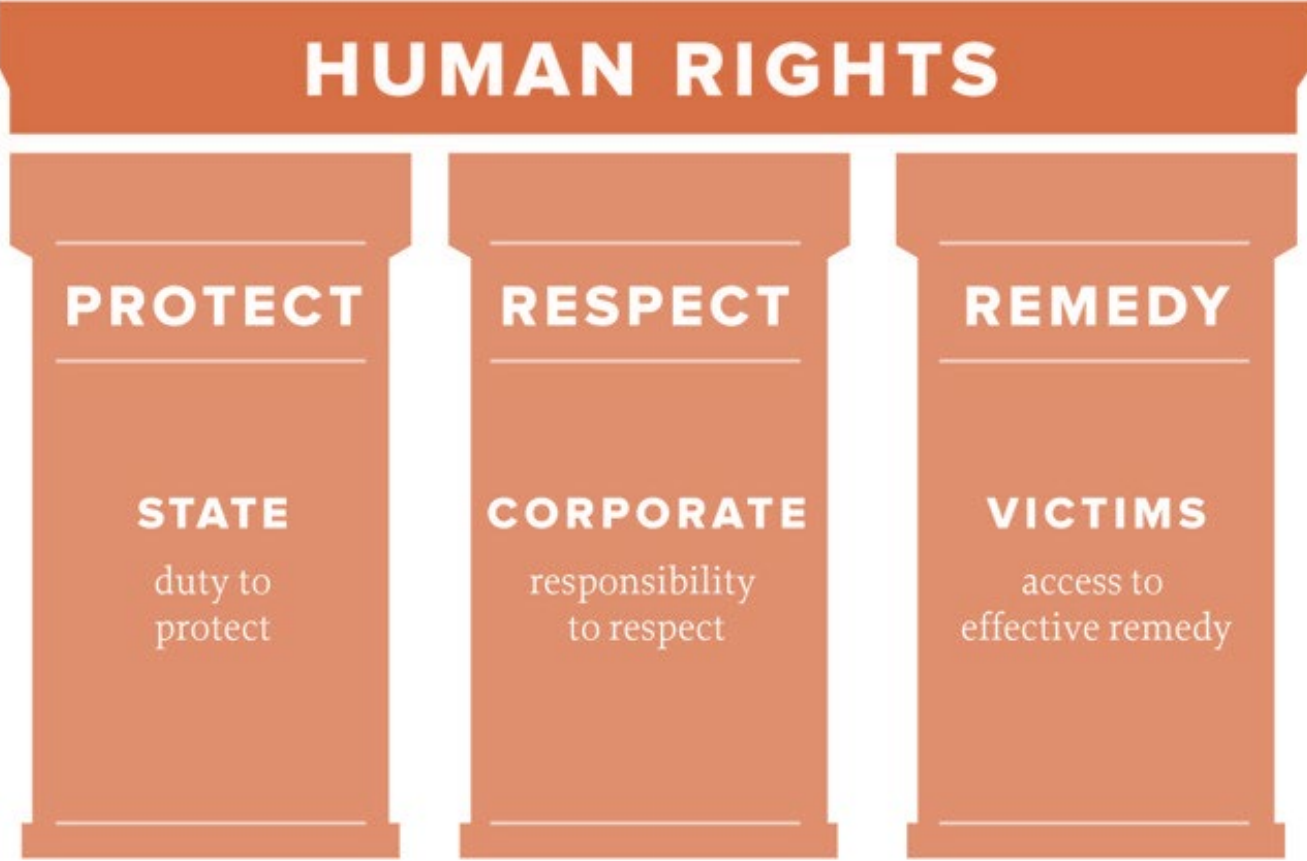


B) Business?

UN Guiding Principles on Business & Human Rights



THREE PILLARS of the UN GUIDING PRINCIPLES



Video on UNGPs

- <https://youtu.be/BCoL6JVZHrA>

Human rights challenges for businesses in India

Vauxhall and BMW among car firms linked to child labour over glittery mica paint

Paint used by car makers including Vauxhall, BMW, Volkswagen and Audi linked to illegal mines in India reliant on child labour and debt bondage



Contract workers make up 46% of workforce of India's largest industrial companies

Companies have found a solution to tough labour laws in India by hiring workers on contract

How pesticides use have led to high cases of cancer in Punjab

Chitleen K Sethi & Navrajdeep Singh | Updated: Dec 20, 2015 17:20 IST

How Sexual Harassment Has Scarred Women In India's Garment Industry

All India | Sreenivasan Jain (with Sonal Matharu, Manas Singh and Aishwarya Iyer) | Updated: July 10, 2016 00:24 IST

Sponsored Links by Taboola

- War Films based on True Incidents (The Week)
- Kid addicted to TV? Here is the Perfect Answer! (Magic Crate)

TRENDING

Profit: Big Oil's Entry To Heat Up India, World's Fastest Growing Hub Of Demand

EMAIL PRINT COMMENTS

Delhi shrouded in smog for third day in a row, air quality 'severe'

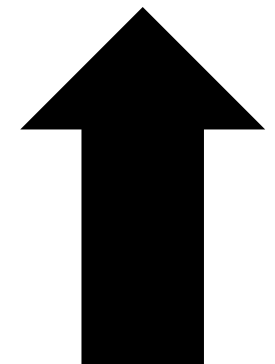
Due to lack of wind, calm weather, pollutants trapped close to ground: Experts.

India Inc still a challenge for disabled, 10 cos employ 90% of disabled employees working in Nifty50 firms

By Kiran Kabtta Somvanshi, ET Bureau | Updated: Dec 03, 2015, 04.17 PM IST

What are such challenges in your sector?

- Ongoing
- Due to C19



Salient Human Rights Risks

- A company's salient human rights issues are those human rights that stand out because they **are at risk of the most severe negative impact through the company's activities or business relationships**



salient

/ˈseɪliənt/

See definitions in:

All

Architecture

Heraldry

Surveying

Military History

adjective

1. **most noticeable or important.**
"it succinctly covered all the salient points of the case"

Discussion: Salient Risks for pharma supply chains

Contract
workers

Grievance
mechanisms

H&S

Working
hours

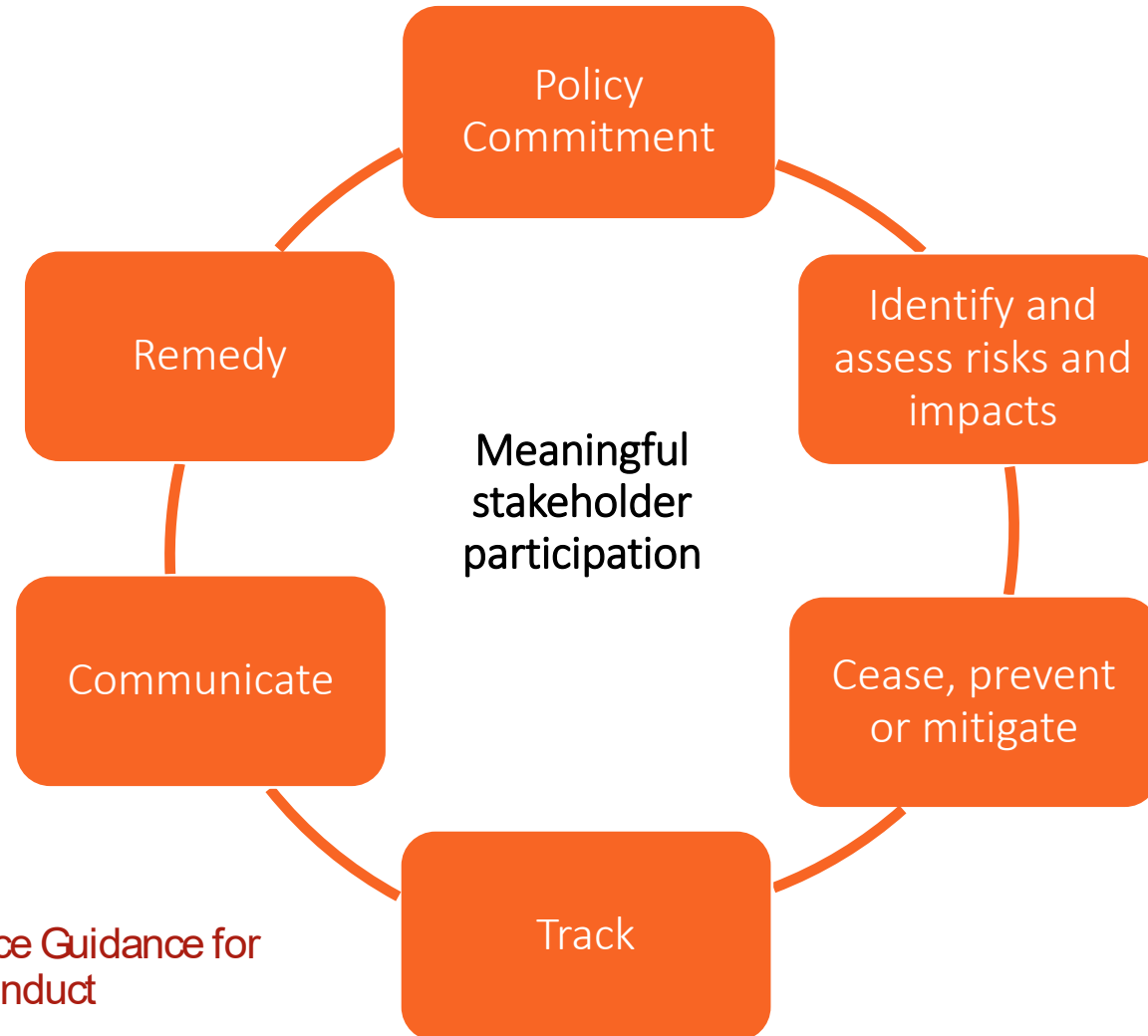
Wages

Gender

Privacy

??

What is expected?: Human rights due diligence



Adapted from OECD Due Diligence Guidance for Responsible Business Conduct

Different lenses



Stakeholder

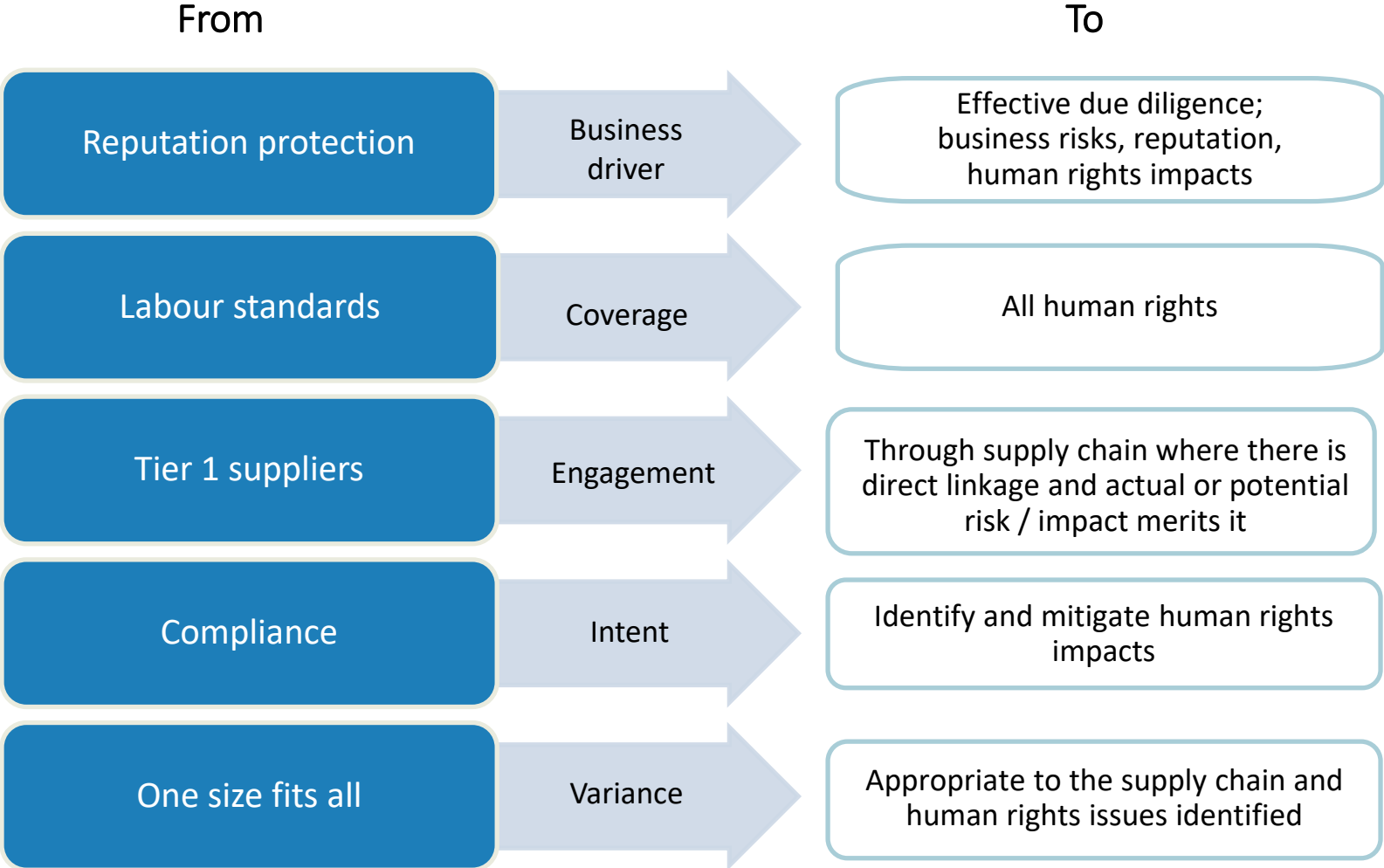
'any individual who may affect or be affected by an organization's activities'



Rights holder/affected group

'an individual whose human rights have been affected by an enterprise's operations, products or services'

Shifting the approach to supply chains



Trend towards mandatory due diligence legislation



From **reporting** legislation:

- EU Non-Financial Reporting Directive
- UK Modern Slavery Act
- Australia Modern Slavery Act
- California Supply Chain Transparency Act

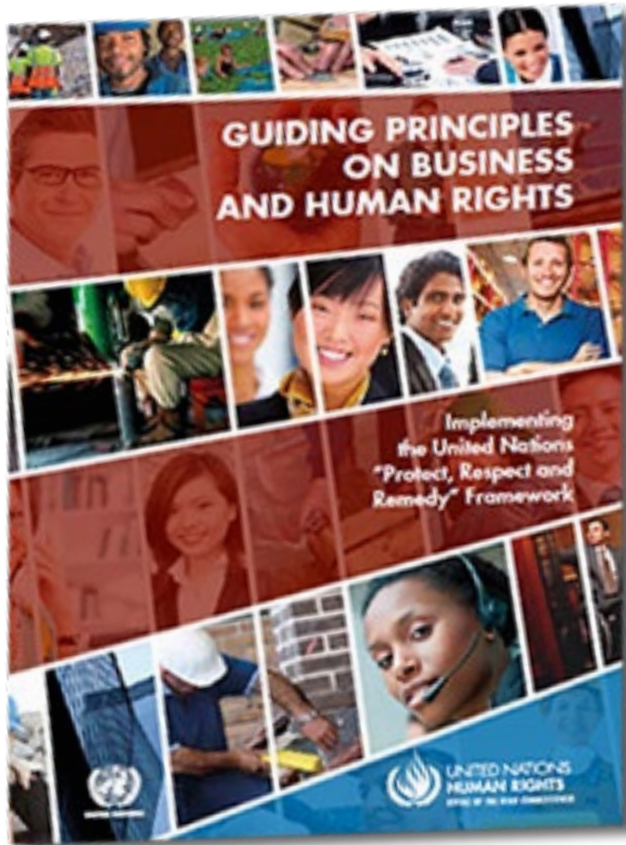
To mandatory **due diligence** legislation:

- France's Duty of Vigilance Law (2017)
- Netherlands' Child Labour Due Diligence Law (2019)
- EU Conflict Minerals Regulation (2017)
- (Upcoming) EU mandatory human rights due diligence regulation

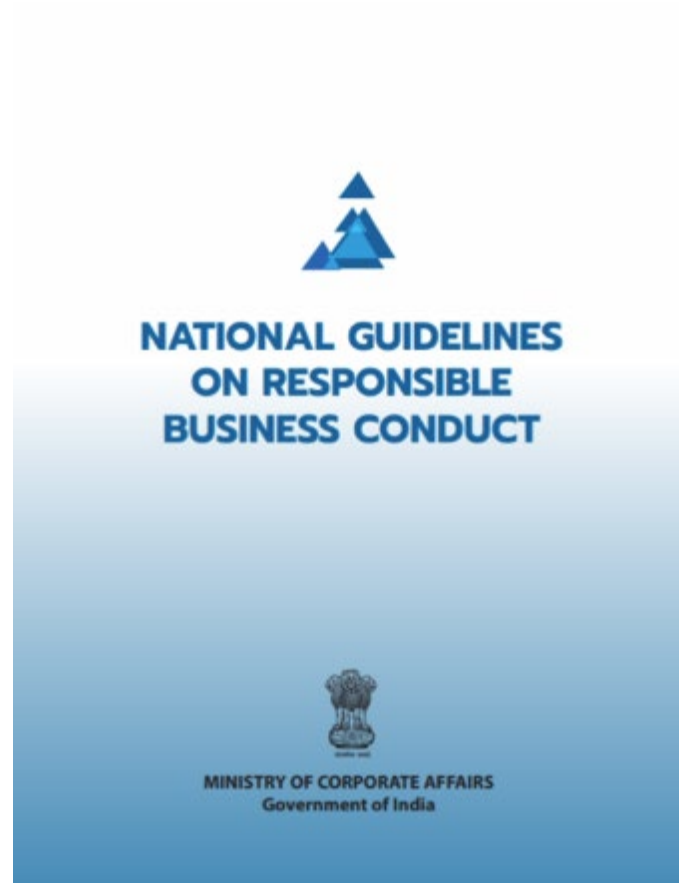
What does this mean?

- Appropriate corporate governance arrangements
- Robust internal controls and reporting systems
- Effective stakeholder engagement
- Independent external assurance
- KPIs
- Disclosure on policies and processes
- Non-financial disclosure
- Risk management (for example through contractual obligations)
- Allocation of resources

Drivers in India



Customers, standards, investors.



Principle 5: Businesses should respect and promote human rights



25 MARCH 2021 Last Updated at 6:58 PM | SOURCE: PTI

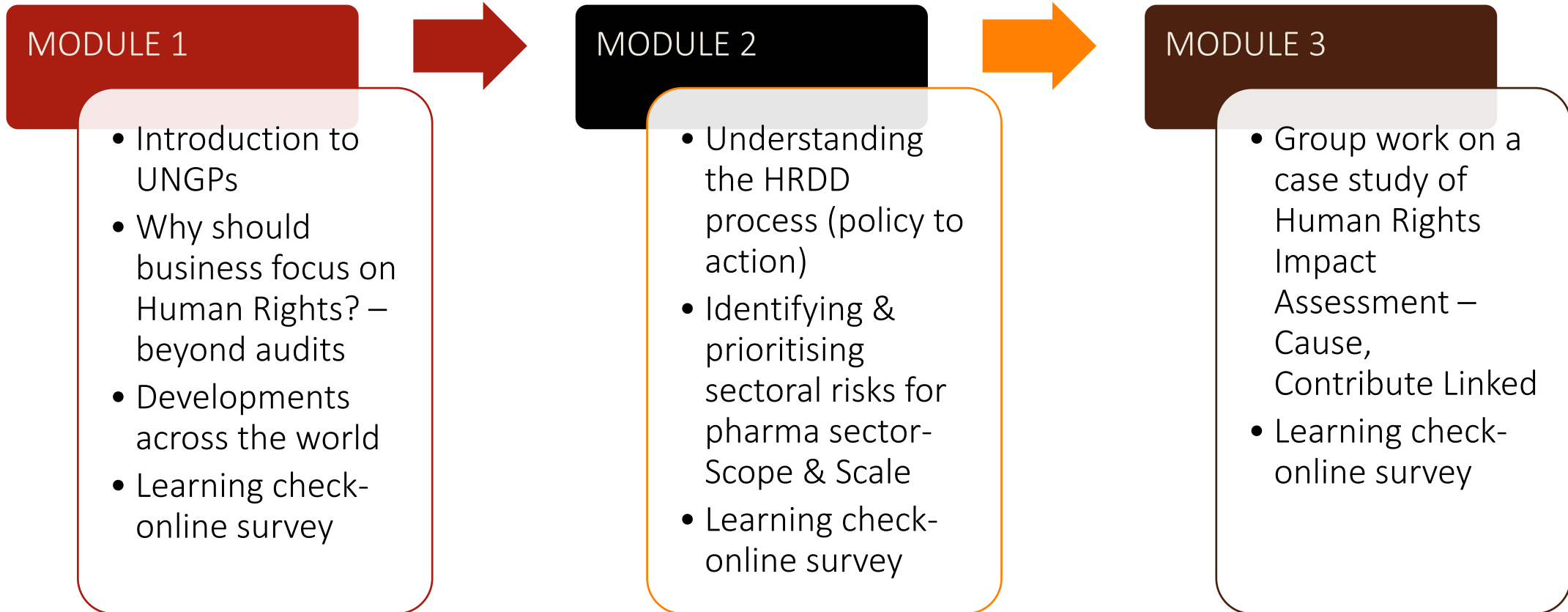
Biz responsibility, sustainability report mandatory for top 1,000 listed cos from FY23: Sebi



New Delhi, Mar 25 (PTI) Regulator Sebi on Thursday decided to have a new format for business responsibility and sustainability reporting, and top 1,000 listed companies will be compulsorily required to prepare such reports from financial year 2022-23.

The requirement will be applicable for top 1,000 companies in terms of their market capitalisation.

Overview of sessions



“Health is wealth and Change is constant ...

...understanding & implementing CHANGE is never easy!

HRDD is not a means to an end, it’s a continuous process based on meaningful dialogue and taking business action”



CONTACT



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