

Business Responsibility and Sustainability Report



Granules BRSR - Executive Summary

Granules is committed to responsible business practices and sustainable growth, with a purpose of **Healing lives responsibly through pioneering green science**. Our Business Responsibility and Sustainability Report outlines our dedication to environmental stewardship, social responsibility, and robust governance, while showcasing our accomplishments and outlining our future goals.

KEY HIGHLIGHTS:

- Our **Net Zero target by 2050, approved by the Science Based Targets** initiative (SBTi), is aligned with the 1.5°C pathway.
- We achieved a **“B”** rating in the CDP Climate assessment, marking a two-level improvement from previous assessment.
- Granules received a **“Gold rating”** in our very first corporate-level assessment by **EcoVadis**, placing us in the **top 5%** of all rated companies globally across all industries with an overall score of **79/100** and a **97th percentile** rank, this recognition is huge impetus to our strong commitment to sustainable, ethical, and responsible business practices.
- Published our **inaugural Sustainability Report in FY 2023–24**, aligned with the GRI Standards and the UN Global Compact (UNGC) principles.
- Received **Golden Peacock Awards for sustainability** for outstanding contributions towards leadership in corporate sustainability.

Our Business Responsibility & Sustainability Report demonstrates our commitment to the nine principles of the National Guidelines on Responsible Business Conduct (“NGRBC”) as well as our progress against the stated objectives across environmental, social and governance (“ESG”) parameters.

The BRSR disclosures are in terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and consists of three sections:

- **Section A** provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, Corporate Social Responsibility (CSR) and transparency
- **Section B** covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements
- **Section C** provides essential, and leadership indicator-wise disclosures mapped to the nine principles of NGRBC

For FY 24-25 The Bureau Veritas (India) Pvt. Ltd. – an independent third party has verified and assured the data disclosed in this Report.



Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

We are committed to conducting business with integrity and ensuring our practices uphold high ethical standards by adhering to laws and considering social and environmental impacts.

- 100% of our employees are trained on our Code of Conduct
- 100% of Key suppliers are assessed during onboarding and regularly in defined intervals on ethical business conduct as part of the Vendor management procedure
- 100% of plants and offices are assessed through SMETA (Sedex Members Ethical Trade) Audits/ Pharmaceutical Supply Chain Initiative (PSCI)/ Customer and Regulatory Audits
- We continuously engage with our value chain partners to ensure high ethical standards across our value chain



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

We are committed to conducting business with integrity and ensuring our practices uphold high ethical standards by adhering to laws and considering social and environmental impacts.

- Conducted product carbon footprint assessment for the products that constitute 80% of our spending by engaging with our value chain partners
- 100% of Key Starting Materials (KSMs) are sourced from Good Manufacturing Practices (GMP) compliant vendors
- Our R&D expenditure to reduce the environmental impacts of the products increased by 45% in the reporting year
- Registered with the Central Pollution Control Board (CPCB) under EPR guidelines



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

We respect and promote the health and well-being of all our employees, including those across our value chain.

- No fatal incident
- 31.6% reduction in recorded incidents
- 100% of our employees and workers were given training on safety work practices
- 100% Return -to- Work rate
- All Manufacturing facilities certified for ISO 45001 (Health and Safety Management System)
- 100% of our employees were covered for annual health screenings and medical insurance benefits



Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders.

We respect and uphold the interests of all our stakeholders and engage with them frequently.

As a global pharmaceutical company with a diverse set of stakeholders spread across geographies, we consistently engage with our stakeholders to explore opportunities for collaboration to enhance our core capabilities and create shared.

- We became a member of the Pharmaceutical Supply Chain Initiative (PSCI), reinforcing our commitment to responsible and sustainable supply chain practices
- We engaged and supported the suppliers to enable the determination of the carbon footprint of products through our supplier sustainability program
- Several internal stakeholder engagements were undertaken to develop a sustainability strategy and internal KRAs on sustainability
- Customer engagement through channels like Pharmaceutical Supply Chain Initiative (PSCI), M2030, Project Gigaton, SMETA (Sedex Members Ethical Trade)



Principle 5: Businesses should respect and promote human rights.

We uphold the principles of dignity, freedom, and fairness in the workplace, ensuring every employee is respected and valued. We are committed to creating an inclusive environment where all team members can work without discrimination or bias.

- Committed to the principles of the United Nations Global Compact (UNGC) is to align our business operations and strategies with these universally recognized principles, which encompass human rights, labor, environment, and anti-corruption
- Granules received a “Gold rating” in our first corporate-level EcoVadis Sustainability Assessment, placing us in the 97th percentile with an overall score of 79/100, including a score of 74/100 in Labour and Human Rights.
- 100% of employees trained on the Code of Conduct, which includes human rights issues.
- 100% of employees received wages above the minimum requirements set by local labor laws
- Over 90% of our value chain partners were assessed for selected human rights issues
- All our employees are trained on whistle-blower mechanisms to facilitate informed and open discussion and reporting of issues
- The median annual remuneration of employees at Granules is over six lakhs rupees



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

To promote a healthier planet, we are dedicated to minimizing our environmental impact by implementing sustainable practices, such as reducing waste, conserving resources, and lowering emissions.

- We are committed to achieving Net Zero by 2050, with our target approved by the Science Based Targets initiative (SBTi) and aligned with the 1.5°C pathway
- We achieved a “B” rating in the CDP Climate assessment, marking a two-level improvement from previous assessments
- Granules received a “Gold rating” in our first corporate-level EcoVadis Sustainability Assessment, placing us in the 97th percentile with an overall score of 79/100, including a score of 78/100 in Environment
- 32.2% of our Scope 1+2 Absolute Emission reduction compared to base year FY23
- 68.7% of electricity consumption is from Renewable Energy sources (PPA, Roof Top solar, and I-RECs)
- 44.2% of wastewater generated is recycled
- 80% of our hazardous waste is sent to Co-Processing
- 24.2% of the total energy we consumed was sourced from renewable energy sources (Biofuel, PPA, Roof Top solar, and I-RECs)
- The total on-site solar power capacity at our Gagillapur site has reached 1 MW, following the successful installation and commissioning of a 667 kWp rooftop solar system
- Comprehensive scope-3 Inventorization using the most accurate methodology and relevant emission factors
- All manufacturing plants are certified for ISO 14001 (Environmental Management System)



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

We are committed to engaging transparently in shaping public and regulatory policies, ensuring our contributions are clear and accountable.

- We are a Member of the **British Safety Council and National Safety Council of India**
- Developed a public advocacy policy at Granules for policy advocacy engagements
- Founding Member of Center for Fourth Industrial Revolution (C4IR)- World Economic Forum
- Addressed CPHI Milan on “Sustainable Futures: Navigating the Scope 3 Challenge – Zero Carbon Molecules in Pharma’s Decarbonization Journey” highlighting innovative strategies for reducing indirect emissions across the pharmaceutical value chain
- As active members of the Bulk Drug Manufacturer Association of India (BDMAI), we represent the pharmaceutical industry and engage in meaningful dialogue with other members, peers, and government bodies
- Member of the Pharmaceutical Supply Chain Initiative (PSCI) & Confederation of Indian Industry (CII)



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

We respect and promote the health and well-being of all our employees, including those across our value chain.

- All customer complaints were resolved within defined timelines, with none pending at year-end
- 100% of products include information on environmental impact, safe usage, and disposal
- No data breaches or privacy incidents were reported during the year



Principle 8: Businesses should promote inclusive growth and equitable development.

We continuously engage with local communities to foster solid relationships and promote equitable development.

- 90% of our CSR spend to skill development and community health – benefits vulnerable and marginalized communities
- Over 1,450 rural youth have benefited from Pharma Pathashala, a placement-linked skill development program for those who have completed their 10+2, since its inception in 2017, with 250+ participants in the current year
- Launched mobile women’s cancer screening units in collaboration with AIG Hospital, providing free breast cancer screenings, with over 1,500 consultations and benefiting more than 3,500 individuals through free awareness sessions to date
- Provided over 6,000 nutritional kits in collaboration with the Ministry of Health & Family Welfare, Government of Telangana, to support tuberculosis patients in Bhadradi Kothagudem district
- Over 600 students from ZP High School and MPP School in Bonthapally benefited through the provision of Vidya Volunteers to support and supplement the teaching staff.
- Over 1,507 students have benefited from free eye screening camps organized by Granules India in association with LVPEI (L V Prasad Eye Institute) across seven schools near its unit
- Over 80 students, supported by Granules in partnership with PSS Trust, are actively benefiting from educational initiatives in Bonthapally and surrounding villages
- We work closely with NGOs, local communities, and government agencies to create sustainable solutions and drive positive change
- Over 5,000 residents have benefited from the construction of two overhead water tanks, with capacities of 150 KL and 100 KL, to address the drinking water needs of Bonthapally and Veerannagudem villages
- About 7,500 clay Ganesh idols were distributed in association with TSPCB to promote environmental awareness.
- Over 550 students from three government schools benefited from the distribution of education kits
- A contribution has been made to the 12th Biennial Conference of the World Telugu Federation through a CSR initiative, demonstrating a commitment to promoting art, language, and culture
- Over 15,000 native trees have been planted in collaboration with the Heartfulness Institute as part of our commitment to environmental sustainability

SECTION
A:

GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24110TG1991PLC012471
2.	Name of the Listed Entity	Granules India Limited
3.	Year of Incorporation	1991
4.	Registered office address	15th Floor, Granules Tower, Botanical Garden Road, Kondapur, Hyderabad, Telangana - 500084, India
5.	Corporate office address	15th Floor, Granules Tower, Botanical Garden Road, Kondapur, Hyderabad, Telangana - 500084, India
6.	E-mail	investorrelations@granulesindia.com
7.	Telephone	040-69043500
8.	Website	https://granulesindia.com/
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up capital	₹ 242.54 (in million)
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Ms. Chaitanya Tummala, Company Secretary, Phone No: 040-69043500, Email: investorrelations@granulesindia.com
13.	Reporting Boundary	The disclosures made in this Report are on a standalone basis for Granules India Limited
14.	Name of assurance provider	Bureau Veritas (India) Pvt. Ltd
15.	Type of assurance obtained	BRSR Core – Reasonable assurance Remaining part of BRSR – Limited assurance

II. Products/services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceuticals	Development, manufacturing and sale of Active Pharmaceutical Ingredients (API), Pharmaceutical Formulation Intermediates (PFI) and Finished Dosages (FD)	100%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover)

Sl. No.	Product and Services	NIC Code	% of Total Turnover Contributed
1.	Manufacture of allopathic pharmaceutical preparations	21002	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	8 Manufacturing and 4 R&D	1	13
International	2	1	3

Domestic operations include manufacturing units of its Indian subsidiaries—Granules Life Sciences (GLS) and Granules CZRO (GCZRO)—along with the facilities of Granules India Limited and its Corporate Office.

International operations comprise Granules Pharmaceuticals Inc. (GPI, USA), Granules Consumer Health (GCH, USA), and the office of Granules USA Inc. (GUSA).

Effective 1st April 2025, Granules USA Inc. (GUSA) became a step-down subsidiary of Granules Pharmaceuticals Inc. (GPI).

Granules Peptides Private Limited, incorporated in March 2025, was renamed Ascelis Peptides Private Limited in June 2025. There were no physical operations during the reporting period.

Plants in India	Location
Finished Dosage Unit	160/A, 161/E, 162 & 174/A, Gagillapur Village, Dundigal Gandimaisamma Mandal, Medchal-Malkajgiri District- 5000 043, Telangana, India
API Unit – I	Sy. No. 533, 535, 536, 537 Temple Road, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana, India.
API Unit – II	Plot No. 15A/1, Phase III, IDA Jeedimetla, Qutubullapur Mandal, Medchal-Malkajgiri District, Hyderabad – 500 055, Telangana, India.
API Unit – III	Sy.No.216, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana, India.
API Unit – IV	Plot No 8, J.N. Pharma City, Tadi Village, Parawada Mandal, Anakapalli District – 531 019, Andhra Pradesh, India.
API Unit – V	Plot No. 30, J. N. Pharma City, Parawada Mandal, Anakapalli District – 531 019, Andhra Pradesh, India.

R&D Centers (National)	Location
1.	Plot No. 56, Road No. 5, ALEAP Industrial Area, Pragathi Nagar, Gajularamaram Village, Qutubullapur Mandal, Medchal-Malkajgiri District, Hyderabad – 500 072, Telangana, India.
2.	Survey Nos. 234/1 to 4 and 6 to 7, 235 /6 to 9 and 245/1 to 3, India Land Global Industrial Park, Hinjewadi Phase -1, Mulshi Taluka, Pune District – 411 057, Maharashtra, India.
3.	H.No.5-33, Sy No.352, Plot No. 8, Road No. 2, ALEAP Industrial Area, Pragathi Nagar, Gajularamaram village, Qutubullapur Mandal, Medchal- Malkajgiri District, Hyderabad – 500 072, Telangana, India.
4.	Lab No: 11 & 13, Building No:1800, Sy No. 101,101/2 & 340, M. N. Park, Genome Valley, Lalgadi Malakpet Village, Shameerpet Mandal, Medchal- Malkajgiri District, 500 078, Telangana, India.

19. Markets served by the entity

a) Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	80+ Countries

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

92.38% of the business comes from exports.

c) A brief on types of customers

Granules India Limited (GIL) is a distinguished pharmaceutical company specializing in the production of Active Pharmaceutical Ingredients (API), Pharmaceutical Formulation Intermediates (PFI), and Finished Dosages (FD) products. Since its establishment in 1991, the company has successfully expanded into key international pharmaceutical markets, including the United States of America, Canada, Latin America, Europe, Asia Pacific, and India.

Renowned for its innovative processes and exceptional efficiencies, Granules India Limited supplies a diverse range of over 60 molecules and pharmaceutical products to more than 300 customers across 80 countries. The company maintains a strong global presence with offices strategically located in India, the United States, and the United Kingdom.

Granules India Limited operates ten state-of-the-art manufacturing facilities, with Eight located in India and two in the USA. These facilities hold regulatory approvals from esteemed bodies such as the US FDA, EDQM, EU GMP, COFEPRIS, WHO GMP, TGA, K FDA, DEA, MCC, and HALAL, ensuring adherence to international quality standards.

Granules is a preferred supplier of superior quality pharmaceutical products for the world's leading branded pharma and generics companies, as well as to the top retailers in developed markets. Exports now contribute over 92% of the Company's revenue.

IV. Employees

20. Details as of March 31, 2025

a. Employees and workers (including differently abled)

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
EMPLOYEES						
1.	Permanent(D)	4066	3684	91%	382	9%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D+E)	4066	3684	91%	382	9%
WORKERS						
1.	Permanent(F)	0	0	0	0	0
2.	Other than Permanent (G)	2100	1699	81%	401	19%
3.	Total Workers (F+G)	2100	1699	81%	401	19%

b. Differently abled employees and workers

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
DIFFERENTLY-ABLED EMPLOYEES						
1.	Permanent(D)	1	1	NA	NA	NA
2.	Other than Permanent (E)	NA	NA	NA	NA	NA
3.	Total differently-abled employees (D+E)	NA	NA	NA	NA	NA
DIFFERENTLY-ABLED WORKERS						
1.	Permanent(F)	NA	NA	NA	NA	NA
2.	Other than Permanent (G)	NA	NA	NA	NA	NA
3.	Total Workers (F+G)	NA	NA	NA	NA	NA

21. Participation/inclusion/representation of women:

	Total (A)	No. and percentage of females	
		No. (B)	%(B/A)
Board of Directors	12	3	25%
Key Management Personnel*	7	3	43%

*Key Management Personnel comprise of Managing Director, Executive Directors, Chief Financial Officer, and Company Secretary

22. Turnover rate for permanent employees and workers:

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31%	21%	30%	25%	16%	25%	38%	42%	38%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

23. Names of holding/ subsidiary/ associate companies/ joint ventures:

Sl. No.	Name of Holding/ Subsidiary/ Associate Companies/ Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Granules USA, Inc.	Subsidiary	100%	No
2.	Granules Pharmaceuticals, Inc.	Subsidiary	100%	No
3.	Granules Peptides Private Limited	Subsidiary	100%	No
4.	Granules Life Sciences Private Limited	Subsidiary	100%	No
5.	Granules CZRO Private Limited	Subsidiary	100%	No

Note : Granules Peptides Private Limited, incorporated in March 2025, was renamed Ascelis Peptides Private Limited in June 2025 and there were no operations during the reporting period.

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

- Turnover (in Rs): ₹ 30,302 million
- Net worth (in Rs) ₹ 34,030 million

VII. Transparency and Disclosures Compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	2	0	-	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	580	0	-	486	0	-
Value Chain Partners	Yes	0	0	-	0	0	-

All factory units have a Grievance redressal committee to redress individual grievances.

- Communities:** Community members can report their grievances by documenting them and submitting a written complaint to the HR manager of the respective units. The Plant Head, in coordination with the respective stakeholder, addresses these grievances. The Unit Administration promptly handles all grievances from the communities. To date, no significant concerns have been reported.
- Investors/Shareholders:** The Stakeholders Relationship Committee examines and addresses various aspects of shareholder interests. This Committee plays a crucial role in ensuring cordial and productive investor relations by overseeing the mechanisms established for the redressal of investor grievances. Granules has implemented a comprehensive Investors Grievance Redressal Policy. This policy outlines the procedures and protocols for addressing any concerns or issues raised by investors, ensuring that their grievances are managed promptly and effectively.

<https://granulesindia.com/wp-content/uploads/2022/03/Investor-Grievance-Redressal-Policy.pdf>

- **Employees:** Granules has established robust internal mechanisms to effectively address grievances related to human rights issues. Employees and stakeholders are encouraged to report any concerns regarding human rights violations through multiple channels, including direct communication with their managers, the Head of the Department, the Unit HR Manager, or the Compliance Officer. As a standard practice, we encourage employees to discuss or report concerns to their managers. However, if any individual is uncomfortable reporting a potential violation to their supervisor, they are encouraged to raise their concerns with the Head of Department, Unit HR Manager, or Compliance Officer. This approach ensures that all concerns are handled promptly and following our commitment to ethical conduct and accountability.
- **Customers:** All the customer complaints that were received have been resolved in a time frame as stated in our Quality standard operating procedures and proposed improvements incorporated into the processes, and the Company makes sure that no complaints are pending at the end of the financial year. To report an adverse experience with a specific Granules drug product, one can call the Granules Pharmacovigilance Team or report at - drugs.safety@granulesindia.com

Customer complaints pertain to packaging, quality, transit, and others.
- **Value Chain Partners:** At Granules, we are committed to maintaining strong, transparent, and mutually beneficial relationships with our value chain partners. To ensure that any grievances or concerns are addressed promptly and effectively, we have established a comprehensive Grievance Redressal Procedure. The Downstream-related grievances are handled by the marketing team; Upstream grievances are handled by supply chain management. In case of any queries or concerns partners can reach out to <https://granulesindia.com/registeras-supplier/>.

26. Overview of the entity's material responsible business conduct issues:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change and GHG Emissions	Risk / Opportunity	<p>Risk: Climate Change will increase the frequency of natural disasters like heat waves, flooding, and cyclones, which have the potential to physically impact our operations.</p> <p>Climate Change will also lead to transition risks like regulatory, legal, technological, and market-based risks.</p> <p>Opportunity: Granules is focused on converting transition risk into opportunities through innovation across manufacturing and close collaboration with the value chain.</p>	<p>Granules is adopting a comprehensive approach to GHG risk and mitigation. Estimating GHG emissions on Scope 1, 2, and 3 with supplier engagement has been one of the key initiatives in the reporting year. Additionally, Granules has implemented various initiatives to improve energy efficiency in the manufacturing area to reduce GHG emissions.</p> <p>The decarbonisation plan is being embedded into the business process. One of our key programs is CZRO, which will support the transformation of climate risk into opportunities.</p>	Negative in the shortterm and positive in the Long- Term.
2	Water Management	Opportunity	Effective water and effluent management measures increase our operational efficiency, ensure compliance with regulatory requirements, and enhance the resilience of our business towards water, a critical resource.	<p>We are maintaining a Zero Liquid Discharge (ZLD) System and Effluent Treatment Plants with RO Recovery System to ensure that the effluents generated are treated to minimize the environmental impact and reuse the resources wherever possible. The treated water is suitably recycled back into the utility makeup. We have reduced our dependence on groundwater through water conservation techniques, such as rainwater harvesting, recycling, and effluent water treatment.</p>	Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Waste Management	Risk/ Opportunity	<p>Risk: Waste-related regulations pose a risk to the companies in the sector.</p> <p>Opportunity: A comprehensive resource management plan will help Granules reduce waste generation support in climate initiatives and bring circularity.</p>	<p>Under clean manufacturing, all the solid wastes generated at our manufacturing plants are either sent to cement industries for co-processing or to authorized vendors.</p> <p>Hazardous and non-hazardous waste is segregated at the source and stored in dedicated spaces in the manufacturing facilities. Hazardous waste is stored category-wise in hazardous waste storage areas and disposed of at Pollution Control Board-authorized disposal facilities as per applicable regulations. Almost 100% of the non-hazardous waste generated is sent to authorized recyclers for recycling, creating an effective and efficient waste management system.</p> <p>EPR program: Granules registered member under the Extended Producer responsibility (EPR) framework, reaffirming our commitment to sustainable waste management. Through EPR, we take responsibility for the post-consumer stage of our products, ensuring environmentally sound collection, recycling, and disposal practices.</p>	Negative/ Positive
4	Employee Engagement and Well Being	Opportunity	<p>The wellness and Well-being of the employees are Granules priorities. This supports granules in achieving the business goals and opportunities.</p>	<p>“Granules wants to be an employer of choice.” Employee well-being is our topmost priority. The company organizes quarterly health awareness campaigns and conducts meditations and stress management sessions with eminent speakers.</p> <p>The Company has tied up with the “Ekincare” integrated platform that provides access to many healthcare services such as 24*7 chat with doctors, health check-ups at concessional rates, medicines purchase and delivery, and access to gyms etc. Annual health check-ups and insurance are provided to the employees. This will help the management achieve its goals in terms of creating a conducive work environment and helping employees realize their potential.</p>	Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Occupational Health & Safety	Risk	<p>Risks related to Exposure of employees to Work-related Hazards and potential legal liabilities due to workplace accidents.</p> <p>Failure to comply with these standards leads to regulatory, reputational, and business continuity risks, which may, in turn, adversely impact our business's sustainability.</p>	<p>We strive to adhere to the standards of Environment, Health & Safety (EHS) and Sustainability. We have an occupational health and safety management system certified as per ISO 45001:2018. To enhance safety performance, we also undertake third-party safety audits through reputable agencies. We also have Occupational Health Centers in all Manufacturing facilities and have medical assistance around the clock. We have introduced a Night Manager to enhance safety monitoring during the night hours. Employees are provided with training to make them familiar with applicable Health and Safety guidelines and report any unsafe conditions or acts, or near misses to the functional heads. Process risk analysis and HAZOP were conducted.</p>	Negative
6	Human capital Development	Opportunity	<p>Higher Employee retention and enhanced skills support organizational growth and our ability to have a positive impact on communities.</p>	<p>We value diversity in our workforce and make all efforts to ensure that we provide an inclusive working environment and can attract and retain diverse talent. Also, we encourage and nurture talent within the organization by conducting skill development and career development workshops. Granules has partnered with Swarna Bharat Trust to provide skill development programs and nurture talent. Here youth are allowed to participate in the "Earn & Learn" program. Students who are trained at Pharma Pathshala are allowed to work with us after successfully completing the program. We have launched the "Granules Learning Academy" concept, which includes Training Grass-Root employees on the Fundamentals of Unit Operation in Manufacturing and Quality Control. Role- based training on guidelines and standards is being initiated for managers engaged in pharmaceutical manufacturing.</p>	Positive
7	Business Ethics and Integrity	Risk	<p>Business integrity breach can hamper the Company's credibility and affect Brand image.</p>	<p>Our Code of Conduct covers all stakeholders, including groups, Suppliers, Contractors, NGOs, and others. We always encourage our employees and all stakeholders not to engage in unfair trading practices, irresponsible advertising, or anti-competitive behaviour.</p> <p>We have procedures to ensure that the Company's business is carried out fairly and responsibly.</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Data Privacy and Cyber Security	Risk	Threat of Cyber Attacks resulting in loss of reputation and business continuity.	<p>The lack of a strong data integrity and security mechanism may lead to increased data breaches and the loss of valuable data. Therefore, several mitigation measures have been planned over the years and continue to be implemented.</p> <p>Some of the Mitigation Measures of Granules are:</p> <ol style="list-style-type: none"> 1. Preparation/Revision of SOPs like IT Policy and Information Security backups. 2. All servers and firewall devices are upgraded, and licenses are renewed. 3. A vulnerability Assessment is completed by a third party, and Remedial measures taken. 4. ISO 27001 certification is planned. 5. IT compliance (w.r.t 21 Code of Federal Regulations (CFR) Part 11 6. Gap assessment for all GxP systems by third party. 7. Third party support for management of IT and Data Security. 8. Establish Disaster Recovery Site for critical applications. 9. Implement Cloud Backup for critical applications. 	Negative

SECTION
B:

MANAGEMENT AND PROCESS DISCLOSURE

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES									
1 a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	https://granulesindia.com/investors/investor-resources/policies/ (Internal Policies - P2, P3, P5, P6, P9)								
2 Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, at present, our policies under P1, P3, P5 are extended to our suppliers and contractors.								

4. Name the national and international codes/ certifications/ labels/ standards

Principle 1	Quality Management System (ISO 9001:2015)
Principle 2	We don't have a certification currently. We are reviewing the possibilities of Incorporating the principles of ISO 20400 across our organization.
Principle 3	Occupational Health and Safety Management System (ISO 45001:2018)
Principle 4	At Granules, we involve key stakeholders in the process of devising our long-term ESG vision. We conduct Materiality assessment in consultation with all our Internal and External Stakeholders as per GRI standards.
Principle 5	We conduct our business in a manner that abides by human rights and the dignity of people. We intend to undergo a social Accountability Assessment (SA8000) across our organization.
Principle 6	Environmental Management System (ISO 14001:2015), ISO 14064 (GHG Accounting), GHG protocol
Principle 7	We play a strong role in public policy advocacy through regular engagement with specific external stakeholders, including industry associations, government bodies, and regulatory departments. We are Developing a public advocacy policy at Granules for policy advocacy engagements.
Principle 8	We undertake various CSR activities that address the needs of the community. We currently do not have any international codes/ certifications/labels/standards. We intend to undergo a social Accountability Assessment (SA8000) across our organization.
Principle 9	Granules is committed to understanding and meeting customer expectations while fostering long-term business partnerships. Operating in a highly regulated industry overseen by global health authorities, our products consistently meet regulatory standards. we undergo regular audits by various health authorities to ensure the quality and safety of our products and facilities.

5. Specific commitments, goals and targets set by the entity with defined timelines, if any

Climate and Environment Targets

Midterm to Long-term Targets

- Granules' climate goal aligned with the science-based target for limiting global warming to a 1.5°C temperature goal.
 - Achieve Net Zero by 2050
 - Reduce Scope 1 and Scope 2 absolute emissions by 42% by FY30 from FY 23 baseline
 - Reduce Scope 3 absolute emission by 42% by FY30 from FY23 baseline
- Sourcing 100% renewable electricity by 2030
- Adopt supplier's sustainability framework and encourage strategic suppliers to set science-based emission reduction targets by FY27
- Achieve Zero waste to landfill by 2030
- Achieve Water Positivity by 2032

Short term Targets

- Commission the first phase of the group captive renewable power project to meet 60% of Granules India's power requirement by July 2026.
- Achieve 30% overall biofuel usage in boiler operations across units.
- Achieve 90% waste diversion from landfill across all operations.
- Develop and implement a Water Positivity Roadmap at GGP and BPL units.

Social Targets

Midterm to Long-term Targets

- Occupational health and safety:
 - Foster a safety-first culture and Target zero workplace fatality
 - Identify and execute projects to improve workplace safety parameters to the best in class- such as incident rate, Lost Time Injury Frequency Rate (LTIFR) etc.
- Employee Engagement:
 - Drive employee engagement for measurable outcomes
- Human Capital development:
 - Identify mandatory training and ensure 100% compliance
 - Target to be in the top quartile in the pharmaceutical industry on L&D parameters
- Community impact, relations and development:
 - Drive health, skilling, environmental sustainability, and Volunteering as part of CSR activity
 - Touch 1 million lives through CSR programs by FY2030
- Access, Diversity and Inclusion:
 - Achieve gender pay parity by FY2030
 - Achieve a 100% increase in women's employment by 2030 compared to FY 24
 - All plants to be made accessible for physically challenged people
 - Ensure equal opportunity in selection and promotion

Short term Targets

- Occupational health and safety:
 - Target zero workplace fatality by identifying set of safety related lead indicators and improving over previous year
 - 10% Y-o-Y reduction in the Lost Time Injury Frequency Rate (LTIFR)
- Employee well-being:
 - Expand employee health and wellness program. Initiate mental health program including access to psychological counselling.
- Human Capital development:
 - Identify mandatory training and ensure 100% compliance
 - Target 24 hours (3 days) of training and development per employee per year

- Community impact, relations and development:
 - Drive health, skilling, environmental sustainability, and Volunteering as part of CSR activity
 - Conduct CSR impact assessment and improve the number of lives impacted by 50%
- Access, Diversity and Inclusion:
 - All plants to be made accessible for physically challenged people
 - Ensure equal opportunity in selection and promotion
 - Develop a process for increasing the pool of women in the CV sourcing and screening stage of recruitment

Governance Targets

Midterm to Long-term Targets

- Business ethics and integrity:
 - Conduct awareness programs and mandatory code of conduct training
 - Ethical business conduct and Zero tolerance to violations through robust culture building and training
- Sustainability governance:
 - Adopt sustainability governance across the organization and integrate with the ERM framework
 - Transparency through disclosures on various ESG reporting platforms
- Data privacy and cyber security:
 - Conduct an annual third-party vulnerability threat assessment, IT & OT security Gap & Convergence Assessment
 - Ensure Zero data privacy and cyber security breaches
 - Target ISO 27001 certification by year FY2027
 - Conduct annual cyber safety awareness & refresher program for the targeted audience within the organization and ensure 100% coverage

Short term Targets

- Business ethics and integrity:
 - Conduct awareness programs and mandatory code of conduct training
 - Ethical business conduct and Zero tolerance to violations through robust culture building and training.
- Sustainability governance:
 - Adopt sustainability governance across the organization and integrate with ERM framework
- Data privacy and cyber security:
 - Conduct annual vulnerability threat assessment, and IT & OT security Gap & Convergence Assessment
 - Conduct cyber safety awareness program for targeted audience within the organization and ensure 100% coverage

6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not Met

Energy

- Granules continues to demonstrate a growing commitment to sustainable energy practices. In FY25, renewable energy consumption increased by nearly 48%, rising from 143.59 TJ in FY24 to 213.24 TJ. This shift resulted in 24.2% of the total energy (Coal + Electricity) being sourced from renewables (Biofuel, Renewable power), a significant step forward in our decarbonization journey.
- Despite a slight increase in overall energy consumption (from 875.9 TJ to 881.18 TJ), the increase in renewable share reflects our active transition toward cleaner energy sources, including biofuels and renewable electricity.
- Notably, energy intensity (TJ per MT of production) rose due to a decrease in overall production volume. However, the increased integration of renewables helped reduce dependence on fossil fuels, with energy from non-renewable sources declining from 732.35 TJ in FY24 to 667.94 TJ in FY25 — a net reduction of approximately 64.4 TJ.

Emissions

- Since our base year (FY23), we have achieved a 32.2% reduction in total Scope 1 and Scope 2 (market-based) emissions; bringing it down from 112,571 tCO₂e in FY23 to 76,267 tCO₂e in FY25. This includes a 13.2% drop compared to the previous year alone.
- This remarkable progress is driven by our increasing use of renewable energy and energy-efficient operations. One of the key steps we took was installing a 1 MW on-site solar power system at our Gagillapur unit, which is now contributing to our clean energy supply.
- While our direct emissions (Scope 1) remained almost constant, we made significant progress in reducing our electricity-related emissions (Scope 2). Market-based Scope 2 emissions dropped sharply from 56,306 tCO₂e in FY23 to 18,853 tCO₂e in FY25, showing our shift towards greener electricity sources.

Water	<ul style="list-style-type: none"> Specific water consumption improved from 4.98 KL/MT in FY23 (base year) to 4.33 KL/MT in the current year, reflecting enhanced operational efficiency. Total water consumption reduced from 283,330 KL in FY23 to 216,823 KL, indicating substantial water conservation efforts. 44.2% of the wastewater generated is recycled, reinforcing our commitment to sustainable water management and circular practices.
Waste	<ul style="list-style-type: none"> Around 80% of the hazardous waste is disposed of by cement industries for co-processing, thereby promoting circular economy as well as reducing the GHG footprint. 100% of our Non-Hazardous waste generated at our operations are recycled through authorized vendors Overall waste generation reduced significantly from 7,236 MT in FY24 to 6,086 MT in FY25

GOVERNANCE, LEADERSHIP AND OVERSIGHT

7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At Granules India, sustainability is an integral part of our business strategy, guided by our purpose of “Healing lives responsibly through pioneering green science.” In the past year, we have made meaningful progress on our Environmental, Social, and Governance (ESG) journey, while also navigating evolving global expectations, regulatory shifts, and operational complexities.

One of our significant milestones was the approval of our Net Zero target by 2050 by the Science Based Targets initiative (SBTi), aligned with the 1.5°C pathway. This marks a major step forward in our climate action roadmap and reinforces our commitment to decarbonization. We continue to work on strengthening our Scope 3 emissions inventory and driving energy efficiency across our operations.

We are proud to have improved our CDP Climate rating from C to B, received the Golden Peacock Award for Sustainability, and earned the EcoVadis Gold rating, placing us in the top 5% of companies globally assessed by EcoVadis. These recognitions reflect the impact of our collective efforts and commitment to ESG excellence.

On the social front, we have committed to doubling the employment of women by 2030 compared to FY24. We are also strengthening our policies on human rights, diversity, equity, and inclusion, and deepening engagement across our value chain. Our supplier sustainability program, aligned with PSCI principles, reflects our intent to extend our ESG standards beyond our direct operations.

We also advanced our ESG data management systems to improve transparency and accountability, while aligning with global frameworks such as GRI, TCFD, and the UN SDGs. The development of a centralized ESG data portal and digital dashboards is helping ensure accuracy, consistency, and better oversight across locations.

As we look ahead, we remain focused on embedding sustainability deeper into our core operations, fostering innovation, and building resilience. While challenges remain particularly in Scope 3 measurement, waste circularity, and regulatory compliance, we view these as opportunities to lead with responsibility and purpose.

We are confident that with our clear vision, strategic actions, and collective resolve, Granules will continue to deliver long-term value for all stakeholders.

DR. KRISHNA PRASAD CHIGURUPATI

Chairman & Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy

Dr. Krishna Prasad Chigurupati

Designation: Chairman and Managing Director

Telephone number: 040-69043500

e-mail id: mail@granulesindia.com

9. Does the entity have a specified committee of the board/director responsible for decision-making on sustainability-related issues? (Yes/ No). If yes, provide details

- Yes, we have Sustainability & Corporate Social Responsibility committee at the board level, we have established a sustainability governance mechanism - a robust three-tiered governance structure to achieve our sustainability vision.
- The Board of Directors leads our sustainability governance framework, entrusted with setting strategy, overseeing implementation, and monitoring performance. Simultaneously, management is responsible for executing the sustainability strategy, managing related risks and opportunities, and ensuring the accuracy of disclosures.
- The Sustainability & Corporate Social Responsibility Committee of the board convenes semi-annually at the highest level to provide strategic direction and oversight. The executive management team meets quarterly to evaluate progress, address significant issues, and align strategies across the company. At the operational level, plant teams hold monthly meetings to manage daily operations and ensure that the strategic objectives set by the higher tiers are effectively implemented.

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A)/ Half yearly (H)/ Quarterly (Q)/ Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies & follow up action	The policies of our Company are reviewed periodically or on a need basis by the Board and Committees of the Board. During this assessment year, the efficacy of the policies was reviewed, and necessary changes to policies and procedures were implemented.									A	A	H	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliance	Granules is compliant with all applicable regulations.																	

*Note: P3: The frequency of review is half yearly (H) for customers and employees.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	At Granules policies are periodically evaluated and updated by various department heads/business heads and approved by the management/the Board Committees/ the Board. Some of the policies of the company were evaluated by PWC, Deloitte, Bureau Veritas (India) Pvt. Ltd, AFNOR for their effectiveness in our system. The independent assessment by Bureau Veritas (India) Pvt. Ltd has been done as part of the assurance of BRSR.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/No)	-								
Any other reason (please specify)	-								



PRINCIPLE 1-

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

At Granules, we are committed to conducting business with integrity and ensuring our practices uphold high ethical standards by adhering to laws and considering social and environmental impacts.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

At Granules India, a key part of our business strategy is prioritizing creating an environment where every employee feels supported and empowered. To achieve this, we have established the "Granules Learning Academy." This program provides essential training for our frontline employees, focusing on unit operations, manufacturing processes, and quality control. We also offer specialized training for managers in pharmaceutical manufacturing, ensuring they understand and follow industry guidelines and standards. These efforts are aimed at improving skills, promoting professional development, and aligning everyone with our company's vision and goals.

Investing in our employees through comprehensive training enhances individual performance and strengthens our overall organizational capacity and capability to innovate and thrive in a competitive market. We are committed to nurturing talent and fostering a culture of continuous learning and growth at Granules India.

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programs
Board of Directors	6	Periodic familiarisation and awareness programmes are conducted for the Board of Directors and Key Managerial Personnel (KMPs) as part of the Board process. These sessions cover key aspects of the business, strategy, risks, operations, regulatory developments, the Code of Business Conduct and Ethics, as well as environmental, social, and governance (ESG) matters.	100%
Key Managerial Personnel (KMP)	6	Generative Leadership, Inter Personal Assessment, Goal Setting, Master class on Fusion Strategy by CII, Coaching & Mentoring, Team Building- Sales & Marketing	100%
Employees other than BoD and KMPs	11	First Time Leader (FTL), Team Building-S&M, Accountability, Microsoft Excel, Critical Thinking, Teamwork, Decision Making, Artificial Intelligence, Emotional Intelligence, Organizational culture, Leadership	58%
Employees other than BoD and KMPs	5	POSH, Insider Trading, Whistle Blower Policy, Cyber Security, COBC	100%
Workers	5	Health and Safety, Standing Orders, POSH, Human Rights, Major labour laws & acts, COBC	100%

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

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

Non- Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	-	-
Punishment	Nil	Nil	-	-

During the financial year, no penalty/fine, settlement, compounding fee, imprisonment, or any kind of punishment has been imposed on the company or the Company's Directors and KMPs.

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable as there were no monetary or non-monetary penalties	

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

We adhere to uncompromising integrity in the conduct of business and do not tolerate corrupt and immoral practices. The Code of Conduct addresses these aspects of anti-corruption/anti-bribery and covers all the stakeholders including groups/ Suppliers/ Contractors/ NGOs/Others. We have procedures in place to ensure that the business is carried out fairly and responsibly. An Employee cannot solicit, encourage, or receive any bribe or other payment, contribution, gift, or favour that could influence our or another's decision.

<https://granulesindia.com/wp-content/uploads/2022/03/COBC.pdf>

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

	FY2024-25	FY2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

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

Since there are no such instances or penalties noted, the requirement for corrective actions does not arise

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY2024-25	FY2023-24
Number of days of accounts payables	160 days	134 days

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY2024-25	FY2023-24
Concentration of Purchases	Purchases from trading houses as % of total purchases	0	0
	Number of trading houses where purchases are made from	0	0
	Purchases from top 10 trading houses as % of total purchases from trading house	0	0
Concentration of Sales	Sales to dealers/distributors as % of total sales	0.79%	0.6%
	Number of dealers /distributors to whom sales are made	2	1
	Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	4.93%	2.51%
	Sales (Sales to related parties / Total Sales)	46.54%	40.63%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	Investments (Investments in related parties / Total Investments made)	99.9%	100%

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programs held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programs
Awareness sessions conducted separately for all key suppliers in the reporting year	<ul style="list-style-type: none"> Supplier Code of Business Conduct ESG Practices 	90% of Value chain partners

We assess 100% of our suppliers for Key Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs), Excipients, Raw Materials, Intermediates, and Packing Materials at regular intervals or as needed, following our Vendor Management Procedure. This assessment covers various CSR aspects such as CSR policies and committees, wages and payrolls, statutory benefits like PF, ESI, and Gratuity, health and safety measures, emergency preparedness and response plans, chemical storage practices, waste management, and wastewater management.

In addition to formal and informal interactions to exchange information and expectations on ESG (Environmental, Social, Governance) and sustainability aspects, in the financial year, we extended our efforts through our Scope-3 GHG Assessment. We reached out to all key suppliers to collaborate on providing accurate data related to their manufacturing processes, energy and fuel consumption, Scope 1, Scope 2, and Scope 3 emissions, and product carbon footprint for materials supplied to Granules India.

Granules has implemented a robust Supplier Sustainability Program, engaging over 80% of its suppliers (by purchase spent) to align with shared sustainability goals. As part of this initiative, 92% of these suppliers have acknowledged the program and designated a Single Point of Contact (SPOC) to ensure effective coordination. To assess the current state of ESG practices, Granules rolled out a detailed survey evaluating supplier maturity across key areas such as policies, governance frameworks, sustainability targets, ongoing initiatives, certifications, and regulatory compliance. So far, 73% of the suppliers have completed the survey, reinforcing our commitment to building a responsible and transparent supply chain.

The program further encourages suppliers to commit to environmental and climate-related disclosures, including reporting their greenhouse gas emissions and providing product-level carbon footprint data. It promotes the development of science-based targets validated by the Science Based Targets initiative (SBTi) and supports the transition to renewable electricity. Through these collaborative efforts, Granules aims to deepen climate accountability and foster sustainable practices throughout the value chain, amplifying our collective impact toward a low-carbon future.

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

Yes, Granules places a strong emphasis on ethical and lawful business conduct, which is a core value shared by our Board of Directors and Management. Our business conduct standards prioritize upholding ethical and legal norms while pursuing our financial objectives and business goals, ensuring unwavering honesty and integrity in all circumstances. Aligned with these principles, Granules' Board has implemented a Code of Conduct for Board & Senior Management.

This Code provides clear guidance to Directors and senior management personnel on maintaining high ethical and legal standards. It mandates professional conduct, courtesy, and respectfulness while also emphasizing the importance of identifying, mitigating, and preventing conflicts of interest.

Through these measures, Granules India ensures that its governance practices are robust, transparent, and committed to safeguarding the interests of all stakeholders, thereby reinforcing our commitment to ethical excellence and corporate integrity.

PRINCIPLE 2- BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

At Granules, we emphasize the significant role of integrating safety and resource efficiency into our research and manufacturing processes. This highlights the essential need for businesses to utilize their resources in a way that adds value while reducing negative impacts on the environment and society at every stage, from design to disposal.

Essential Indicators

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

	FY2024-25	FY 2023-24	Details of improvements in environmental and social impact
R&D	100%	100%	At Granules, we are investing in a green molecule platform to reimagine pharmaceutical manufacturing and complete supply chain decarbonization, including solving the scope 3 challenge for the pharma industry, NIPER
CAPEX	8.80%	8.90%	Efforts have been focused on reducing non-renewable energy use and freshwater consumption through energy efficiency, water conservation projects, and technology upgrades in wastewater treatment.

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

Yes, Granules is committed to maintaining responsible procurement practices across its supply chain by implementing stringent protocols for vendor identification and approval. We ensure rigorous standards are met through periodic site audits, regulatory approval checks, and regular sample analyses to uphold the highest product quality. As part of our procurement process, suppliers and vendors undergo thorough evaluations based on material risk assessments, compliance with environmental regulations, labor laws, carbon footprint considerations, and health and safety parameters. Granules has established a Supplier Code of Conduct that articulates our vision and expectations from Manufacturers, Suppliers, Service Providers, Traders, Consultants, and Contractors (collectively referred to as "Suppliers"). Key elements of our Supplier Code of Conduct include:

- Ethical conduct and integrity in all business dealings.
- Compliance with human rights standards, ensuring the dignity and protection of employees.
- Adherence to all relevant environmental regulations and maintenance of necessary permits and licenses.
- Provision of a safe and conducive work environment with a Health and Safety Policy/Guideline that aligns with local and national regulations.
- Implementation of a management system to ensure compliance with laws and regulations, manage operational risks, and drive continuous improvement.

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

100% of Key Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs) are sourced sustainably.

All our Key Starting Materials (API, KSMs) vendors are Good Manufacturing Practices (GMP) compliant and adopt sustainable practices. As part of routine audits, we also rate them for sustainable practices, in addition to quality.

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

Sl. No.	Product	Product Process to safely reclaim the product
1.	Plastics (including packaging)	Plastics (including packaging) are recycled and disposed of according to Central Government rules and the provisions of the Plastic Waste Management Rules.
2.	E-Waste	E-waste is disposed of through a registered recycler.
3.	Hazardous Waste	Hazardous waste is disposed of at a Treatment, storage, and disposal facility (TSDF) or authorized cement industries for further treatment and disposal or co-processing.
4.	Other Waste	Bio-medical waste is disposed off through authorized common bio-medical waste facilities.

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

Yes, we have received our EPR registration certificate on December 26, 2023 from Central Pollution Control Board (CPCB). Our Waste Management plan is in line with EPR requirements.

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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We have estimated the Product Carbon Footprint (PCF) for 5 of our molecules covering 65% of our product sales. In the near future, we will conduct Life cycle assessments covering all the impact categories.

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

Name of Product / Service	Description of the risk / concern	Action Taken
	Not Applicable	

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

Indicate input material	Recycled or re-used input material to total material	
	FY2024-25	FY2023-24
	Not Applicable	

As a healthcare business, the safe usage and quality of our products are of the utmost priority. As per Good Manufacturing Practice (GMP) and as a responsible pharmaceutical manufacturer, we do not reuse any material/chemical for manufacturing. In certain parts of our operations, we recover spent solvents using a solvent recovery system and subsequently reuse them in our manufacturing process.

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

Type of Waste	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed (Metric Tonnes)	Re-Used	Recycled	Safely Disposed (Metric Tonnes)
Plastics including packaging	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste- Paper waste	NA	NA	NA	NA	NA	NA

We do not reclaim our products and packaging material at the end of the life of products.

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
No products or packaging materials were reclaimed in the reporting period	

PRINCIPLE 3-

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

At Granules, we respect and promote the health and well-being of all our employees, including those across our value chain.

Essential Indicators

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

Granules places a strong emphasis on the well-being of its employees, implementing a range of comprehensive measures and programs to support their health and vitality. Our employees benefit from extensive coverage under a group medical health insurance policy and ESI. Additionally, all employees are covered under a Group Personal Accident policy, with provisions for Maternity and Paternity benefits.

We have partnered with hospitals like AIG, Apollo, and Star to offer health awareness sessions led by consulting doctors. These collaborations also provide our employees with access to one-on-one consultations at discounted rates. Additionally, we organize various webinars focused on mental health and ergonomics.

To further promote employee well-being, Granules has teamed up with the integrated health platform "Ekincare" to conduct pre-employment health check-ups.

In addition to these foundational benefits, Granules organizes annual comprehensive health camps, which include screenings for eye, dental, and cardiac health. Quarterly health awareness campaigns are conducted to promote preventive care and health education among employees. Furthermore, the company hosts meditation, yoga and stress management sessions conducted by experts, aimed at fostering mental well-being.

To encourage physical fitness, Granules arranges various activity-based programs throughout the year, such as Zumba sessions, Walkathons, and Stepathons. These initiatives not only promote a healthy lifestyle but also cultivate a supportive and nurturing workplace environment.

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	3684	3684	100%	3684	100%	0	NA	3684	100%	3518	95.5%
Female	382	382	100%	382	100%	382	100%	0	NA	338	88.5%
Total	4066	4066	100%	4066	100%	382	9%	3684	91%	3856	94.8%
OTHER THAN PERMANENT EMPLOYEES											
Male	Not Applicable										
Female	Not Applicable										
Total	Not Applicable										

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT WORKERS											
Male	Not Applicable										
Female	Not Applicable										
Total	Not Applicable										
OTHER THAN PERMANENT WORKERS											
Male	All workers are covered under Employee State Insurance Act (ESI), Further benefits for workers were given depending on the specific policies of the contractor.										
Female	All workers are covered under Employee State Insurance Act (ESI), Further benefits for workers were given depending on the specific policies of the contractor.										
Total	All workers are covered under Employee State Insurance Act (ESI), Further benefits for workers were given depending on the specific policies of the contractor.										

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY2024-25	FY2023-24
Cost incurred on well being measures (insurance premium) as a % of total revenue of the company	0.256%	0.179%

Note: INR 77.78 million was spent towards employee well-being during the reporting period, which includes expenditure on insurance premiums.

2. Details of retirement benefits for the current and previous financial year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A.)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	19%	99%	Yes	20%	99%	Yes

3. Accessibility of workplaces**Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016**

We have provided lifts and battery-operated vehicles for movement in the plant premises to support people with any physical challenge. We are further evaluating all the possible ways employees can make the place friendly for differently abled people.

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

Granules is an equal opportunity employer and make employment decisions based on merit. We want to have the best people available for every job. Granules has an internal equal opportunity Policy and reiterates its commitment to its code of conduct. We prohibit unlawful discrimination based on race, colour, creed, gender, age, nationality, marital status, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by Central, State, or local laws. It also includes a perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful. Granules is committed to compliance with all applicable laws, providing equal employment opportunities. This commitment applies to all persons involved in the operations of the Company and prohibits unlawful discrimination by any employee of the Company, including supervisors and co-workers. Weblink: <https://granulesindia.com/wp-content/uploads/2022/03/COBC.pdf>

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	87%	NA	NA
Female	100%	100%	NA	NA
Total	100%	88%	NA	NA

In FY 24-25, a total of 165 male employees availed paternity leave, of which 22 employees left the organization by the end of the year. And 11 female employees took maternity leave, and all of them were retained. And 100% of both male (165) and female (11) employees who availed parental leave returned to work following their leave period.

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes, any employee who has a grievance shall initially inform his/her supervisor verbally. In case he/she is not satisfied with the resolution, they shall formally approach the Grievance Redressal Committee by a written application. There is an internal "Grievance redressal Policy" on the intranet which enunciates the detailed redressal mechanism.
Other than Permanent Employees	NA
Permanent Workers	NA
Other than Permanent Workers	Yes, any employee who has a grievance shall initially inform his/her supervisor verbally. In case he/she is not satisfied with the resolution, they shall formally approach the Grievance Redressal Committee by a written application. There is an internal "Grievance redressal Policy" on the intranet which enunciates the detailed redressal mechanism.

7. Membership of employees in association(s) or unions recognized by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male						
Female						
Total Permanent Workers						
Male						
Female						

At Granules the Employees/ workers will not be restricted in joining the unions.
Currently, no unions are recognized by Granules.

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On health & safety/ wellness measures		On skill upgradation		Total (D)	On health & safety/ wellness measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Male	3684	3684	100%	2986	81%	3741	3741	100%	1744	47%
Female	382	382	100%	331	86%	316	316	100%	160	51%
Total	4066	4066	100%	3317	81%	4057	4057	100%	1904	47%
WORKERS										
Male	1699	1699	100%	180	10.5 %	2022	2022	100%	118	5.8%
Female	401	401	100%	45	11.2 %	445	445	100%	77	17%
Total	2100	2100	100%	225	10.7 %	2467	2467	100%	195	7.9%

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees*						
Male	3684	3093	84%	3741	3162	84.5%
Female	382	281	74%	316	236	74.6%
Total	4066	3374	83%	4057	3398	83.7%
Workers						
Male						
Female						
Total						Not Applicable**

*The Company considers employees joined till December of every year for the purpose of performance evaluation. Hence, the above data includes employees joined till December 2024.

**There are no specific performance evaluations for workers. Every six months salaries would be revised based on Minimum Wages Act.

10. Health and Safety Management System

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

At Granules, we place a strong emphasis on maintaining high standards of Environment, Health, and Safety (EHS) to ensure sustainable operations. Adhering to these standards is crucial as any lapse can lead to regulatory penalties, damage to our reputation, and disruptions to our business continuity, all of which could jeopardize our long-term success.

Our commitment is underscored by our ISO 45001:2018 certified occupational health and safety management system. This system is implemented at our facilities in Gagillapur, Jeedimetla, Bonthapally, and Visakhapatnam, where dedicated Occupational Health Centres (OHC) are established. These centres play a critical role in promoting a safe working environment, supported by teams focused on enhancing occupational health and safety practices across our operations.

To support our employees' well-being, we have full-time doctors available at each manufacturing site who promptly address any medical concerns. Additionally, our employees have access to 24/7 nursing assistance onsite, ensuring immediate support for health-related issues.

By integrating these measures into our daily operations, Granules not only prioritizes the health and safety of its workforce but also ensures compliance with environmental regulations and promotes sustainable business practices. This proactive approach reflects our commitment to responsible corporate citizenship and maintaining the trust of our stakeholders in the pharmaceutical industry.

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

- At Granules, Safety is our top priority. 100% of our employees and workers were given training in Health and Safety at the workplace.
- We have conducted 52 Risk Assessments & HAZOP studies internally across the units to help us identify potential hazards and assess risks, allowing us to implement effective safety measures.
- Third-party experts assessed fire and electrical safety at all our units. These assessments ensure compliance with safety regulations and help us maintain safe working environments.
- We conducted Industrial Hygiene assessments to evaluate workplace conditions and potential health hazards at our Gagillapur unit, ensuring our employees work in safe and healthy environments.
- Severity estimation of potential consequences for each undesired incident, considering mitigation safeguards and conditional factors.
- Process Hazard Analysis is conducted to identify and analyze potential causes and consequences of fires, explosions, toxic or flammable chemical releases, and major hazardous chemical spills.
- Risk Assessments are performed to identify workplace health and safety hazards and evaluate associated risks. Existing control measures are assessed for effectiveness and suitability.
- Fire safety management procedures are established across all workplaces to ensure preparedness and response capabilities.
- Regular safety inspections and audits are conducted to monitor compliance with system requirements. Any deviations identified are promptly addressed through corrective actions.
- Work permit systems are implemented to define conditions and procedures for the safe execution of work under controlled risk conditions.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, Granules has well-established Standard Operating Procedures (SOP) for employees and workers to identify and report work-related hazards and the subsequent steps to mitigate them. A safety observations and interactions program is in place to identify and report all near misses, unsafe acts, and unsafe conditions.

Granules trains all its employees and workers with occupational health and safety modules, which cover aspects of the methodology for identifying work-related hazards, analyzing the risks associated with them, and taking subsequent steps to mitigate them.

During the emergency evacuation drills, employees are trained to handle emergency equipment such as fire hydrants, firefighting systems, leak and spill control procedures, and safety alarms. The training and safety modules equip the employees with the right procedure for reporting work-related hazards and the steps to remove themselves from such situations.

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

Yes, Granules provides non-occupational medical and healthcare services to its employees. Further, the Company ensures the provision of Group medical insurance to all its employees and dependents. Contract Employees are provided with health benefits from Employee state insurance (ESI).

11. Details of safety-related incidents:

Safety Incident/Number	Category	FY2024-25	FY2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0.11	0
	Workers	0.14	0.30
Total recordable work-related injuries*	Employees	6	23
	Workers	20	15
No. of fatalities	Employees	0	0
	Workers	0	2
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Medical Treatment cases and Reportable Incidents

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

We are committed to sustainable development and maintaining high health and safety standards at the workplace. We carry out our operations in a manner that does not cause any adverse harm to the people or damage to the environment or the communities in and around our workplaces. We comply with applicable laws and regulations concerning Environment, Health, and safety.

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

The internal EHS policy advocates providing a safe working environment for all employees and contractors. At Granules, we undertake periodic internal and external audits to assess the safety practices and procedures in alignment with the EHS management system and the ISO 45001:2018 guidelines. At Granules, we undertake periodic internal and external audits to assess the safety practices and procedures in alignment with the EHS management system and the ISO 45001:2018 guidelines. As part of the auditing procedures, the Company recognizes the critical areas requiring immediate corrective action and analyses mitigation measures. Employees are provided training to make them familiar with applicable Health and Safety guidelines and report any unsafe conditions, acts, or accidents to the authority concerned in the Company.

- At Granules, Safety is our top priority. 100% of our employees and workers were given training in Health and Safety at the workplace.
- We have conducted 52 Risk Assessments and HAZOP studies internally across the units to help us identify potential hazards and assess risks, allowing us to implement effective safety measures.
- Third-party experts conducted assessments on fire and electrical safety at all our units. These assessments ensure compliance with safety regulations and help us maintain safe working environments.
- We conducted Industrial Hygiene assessments to evaluate workplace conditions and potential health hazards at our Gagjillapur unit, ensuring our employees work in safe and healthy environments.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions Health & Safety	NIL. The employees report their concerns to the safety committees and the issues are resolved on an immediate basis.					

14. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% Statutory bodies, external customer audits, certification agencies and
Working Conditions	regulatory authorities

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

At Granules, we prioritize the safety of our workforce through continuous Hazard and Operability (HAZOP) studies. These studies are integral to identifying potential risks and improving safety practices across our operations. Based on ongoing HAZOP assessments, we are implementing corrective actions to address any identified safety-related incidents promptly. Additionally, we are proactively addressing significant risks and concerns identified through our health and safety assessments and evaluations of working conditions.

- SOIs (Safety observation interactions) are in place to identify unsafe acts and unsafe conditions at the work site. We encourage employees to observe and report any safety-related concerns.
- We analyze Incident investigations for implementation of corrective action as well as to learn and prevent future occurrences.
- All manufacturing locations track incident sharing and safety adherence. We conduct Risk assessments and periodic reviews, and based on investigation, Corrective and Preventive Actions (CAPAs) that are generated are horizontally deployed across groups.

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

Employees	Yes, the Company provides Group term life Insurance for all employees and dependents and Group Personal Accident Policy and Future Service liability.
Workers	Yes, Contract Workers are provided with health benefits from Employees state insurance (ESI) that covers hospitalization costs in the event of an accident or other unforeseen medical emergencies.

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

At Granules, we conduct our due diligence process while onboarding a value chain partner to ensure they comply with the norms and regulations as per the law. We always adhere to regulatory and applicable compliance with numerous laws. We ensure that our value chain partners also follow relevant compliance, which is an essential part of the supplier code.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024-25	FY2023-24	FY2024-25	FY2023-24
Employees	0	0	0	0
Workers	0	2 Fatalities*	0	0

*1 Fatal Incident at Gagillapur and 1 Fatal incident at Bonthapally Unit -1

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

Yes, Employees who are due for retirement will be intimated six months before the date of retirement to enable them to complete all formalities relating to the retirement and terminal benefits. On the last working day, a gift worth three months' gross salary will be handed over to the retiring employee. The same severance is applicable in case of termination, too.

5. Details on assessment of value chain partners:

Suppliers shall provide a safe and conducive work environment to their employees and are expected to have the Health and Safety Policy/Guideline for their organizations to define, implement and follow Good Health and Safety Practices in compliance with the applicable local and national regulations. Suppliers shall identify and protect their employees from any physical, chemical, and biological hazards as well as from risks associated with any infrastructures.

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices	90% of Value chain partners
Working Conditions	

100% of Key Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs), Excipients, Raw Materials, Intermediates, Packing Materials suppliers (Covering about 90% purchase value) are assessed at regularly defined intervals or as and when required) as part of Vendor management procedure (GIL-CQA-008) covering various CSR aspects like CSR policies and committees, Wages and payrolls, Statutory benefits like PF, ESI and Gratuity, Health and Safety measures, Emergency preparedness and response plans, Chemical Storage measures, Waste Management and Waste water Management.

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

The Company works with multiple partners and suppliers to deliver high-quality products and services to its customers. To ensure compliance, it conducts stringent audits and conducts awareness campaigns to its partners regarding corrective actions.

No corrective action plan has been necessitated on the above-mentioned parameters.

PRINCIPLE 4-

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

At Granules, we respect and uphold the interests of all our stakeholders and engage with them frequently.

Essential Indicators

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

Granules identifies key stakeholder groups through a systematic process that involves assessing and understanding the individuals, organizations, or entities that significantly impact or are impacted by our operations and decisions. Our approach includes:

- **Stakeholder Mapping:** We conduct stakeholder mapping exercises to identify and prioritize groups based on their influence, interests, and involvement with our business. This helps us understand our key stakeholders and how they are connected to our activities.
- **Engagement and Feedback:** We engage directly with stakeholders through various channels such as surveys, consultations, and feedback mechanisms. This interaction allows us to gather insights into their expectations, concerns, and perspectives.
- **Impact Assessment:** We assess the potential impact of our operations on different stakeholder groups and vice versa. This helps us prioritize stakeholders who may be significantly affected by our decisions or have a critical role in our success.
- **Continuous Review:** Our stakeholder identification process is dynamic and ongoing. We regularly review and update our list of stakeholders to reflect changes in our business environment, stakeholder interests, and emerging issues.

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

Stakeholder Group	Whether identified As Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others –please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	<ul style="list-style-type: none"> Investor and analyst meetings Presentations at industry forums Circulation of the Annual Report and Sustainability Report Communicating Financial Results to Shareholders AGM 	Annually/ Half yearly/ Quarterly/ Need-based	<p>Our investors and shareholders provide essential financial resources, which are crucial in supporting Granules' sustainable business growth.</p> <p>Key topics of interest for our investors and shareholders include our economic performance, sustainability reporting, disclosures, and transparent disclosure of our overall performance metrics.</p>
Customers	No	Customer Meets and Feedback	Half-yearly, and need-based	<p>Our customers provide valuable input that helps us understand their requirements. This enables us to strengthen our product portfolio and serve them better. Key topics of interest:</p> <ul style="list-style-type: none"> Affordable medicines Access to healthcare Emergency medicines
Suppliers and business partners	No	<ul style="list-style-type: none"> Supplier Meets Visits Supplier audit Facility visits Strategic business partner training and development Supplier Sustainability Program 	Event-based and need-based	<p>We depend on our suppliers and business partners for critical business input. We must understand their challenges and expectations to ensure business continuity and encourage sustainable business practices. Key topics of interest:</p> <ul style="list-style-type: none"> Business ethics and transparency Status of compliance Training and development of partners and suppliers The environmental footprint of operations
Employees	No	<ul style="list-style-type: none"> Monthly and quarterly in-house publications Quarterly communication by the Senior Leadership team HR Communications Engagement Programs 	Regular and need-based	<p>We believe that our employees' collective efforts and passion determine our productivity and profitability. We are committed to meeting their aspirations and ensuring satisfaction and growth. Key topics of interest:</p> <ul style="list-style-type: none"> Career planning and skill development Market-based compensation, benefits, and amenities Employee welfare programs

Stakeholder Group	Whether identified As Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others –please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Workers	No	<ul style="list-style-type: none"> Daily/Monthly and quarterly in-house Publications HR Communications Safety Programs 	Regular and need-based	<p>We are committed to Health and well-being of our Workers. Key topics of interest</p> <ul style="list-style-type: none"> Occupational health and safety Safety Awareness Welfare programs
Communities and non-governmental organizations	Yes	Interactions through CSR initiatives	Continuous and need-based	<p>Connecting with local communities gives us a better understanding of their needs. It helps us contribute meaningfully to sustainable community development. Our partnerships with NGOs and other organizations facilitate our efforts towards creating shared value. Key topics of interest</p> <ul style="list-style-type: none"> Infrastructure development Education and healthcare Environmental protection

Leadership Indicators

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

As a global pharmaceutical company with diverse stakeholders spread across geographies, we consistently engage with our stakeholders to explore opportunities for collaboration to enhance our core capabilities and create shared value. Feedback from such engagements is shared with the Board on a periodic basis.

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

Yes, The Company has engaged in materiality assessment to gather opinions and insights from its stakeholders to understand their expectations, concerns, and interests. This includes assessing numerous potential environmental, social, and governance issues and risk factors that may impact our operations. The inputs of stakeholders were used to determine topics that are material to the Company. The outcome of that materiality exercise would be translated into an Integrated ESG Strategy. This strategy framework helps the Company in framing specific sustainability focus, pillars, goals and targets. Apart from this recent exercise, we believe in consultations with our stakeholders on sustainability to implement our major initiatives.

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

Granules is committed to engaging with and addressing the concerns of vulnerable and marginalized stakeholder groups as part of our Corporate Social Responsibility (CSR) initiatives. We actively collaborate with local communities, NGOs, and government bodies to understand and respond to their needs effectively. Our actions include various outreach programs focusing on education, healthcare, and skill development to empower marginalized groups.

We also prioritize inclusive practices in our employment and procurement processes, promoting diversity and equitable opportunities. Granules India Limited has initiated impactful CSR efforts on skill development and community health. Through our partnership with Swarna Bharat Trust, we launched Pharma Pathshala, offering students skill development programs and employment opportunities. Participants engage in the "Earn & Learn" program, gaining technical skills through various training initiatives. They receive on-the-job training and opportunities for higher education under the "Self-Managed Team" framework, enhancing their employability in the pharmaceutical sector.

PRINCIPLE 5- BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

At Granules, we uphold the principles of dignity, freedom, and fairness in the workplace, ensuring every employee is respected and valued. We are committed to creating an inclusive environment where all team members can work without discrimination or bias.

Essential Indicators**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	4066	4066	100%	4057	4057	100%
Other than Permanent	NA	NA	NA	NA	NA	NA
Total employees	4066	4066	100%	4057	4057	100%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than Permanent	2100	2100	100%	2467	2467	100%
Total workers	2100	2100	100%	2467	2467	100%

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent	4066	0	0%	4066	100%	4057	0	0%	4057	100%
Male	3684	0	0%	3684	100%	3741	0	0%	3741	100%
Female	382	0	0%	382	100%	316	0	0%	316	100%
Non-permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
WORKERS										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Non-permanent	2100	2050	98%	50	2%	2467	2445	99%	22	1%
Male	1699	1660	98%	39	2%	2022	2000	99%	22	1%
Female	401	390	97%	11	3%	445	445	100%	-	-

3. Details of remuneration/salary/wages:**a) Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	9	2.91 Million Per Annum	3	23.68 Million Per Annum
KMP (other than BoD)	1	35.17 Million Per Annum	1	5.47 Million Per Annum
Employees other than BOD & KMP	3674	0.74 Million per Annum	378	0.63 Million per Annum
Workers	NA	NA	NA	NA

b) **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY2024-25	FY2023-24
Gross wages paid to females as % of total wages	6.30	6.69

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

Granules maintains a zero-tolerance policy towards non-compliant behaviour, and we are dedicated to addressing any concerns or issues related to violations of the Code of Conduct. As a standard practice, we encourage stakeholders to discuss or report concerns to their managers. However, if any individual is uncomfortable reporting a potential violation to their supervisor, they are encouraged to raise their concerns with the Head of Department, Unit HR Manager, or Compliance Officer. This approach ensures that all concerns are handled promptly and following our commitment to ethical conduct and accountability.

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

Granules has established robust internal mechanisms to effectively address grievances related to human rights issues. Employees and stakeholders are encouraged to report any concerns regarding human rights violations through multiple channels, including direct communication with their managers, the Head of the Department, the Unit HR Manager, or the Compliance Officer.

Upon receiving a grievance, Granules follows structured procedures outlined in our policies, ensuring confidentiality and sensitivity throughout the investigation. We prioritize prompt and impartial handling of grievances to uphold our commitment to ethical conduct and respect for human rights. Our goal is to resolve issues swiftly and appropriately, fostering a workplace environment where human rights are safeguarded and respected.

At Granules, we follow a staged process in addressing human rights issues:

Raising Concern	As a standard practice, we encourage individuals to discuss or report any concerns regarding potential violations with their manager. If someone is uncomfortable reporting to their supervisor, they can raise their concern with the Head of the Department, Unit HR Manager, or Compliance Officer.
Reporting Violation	Employees are encouraged to promptly report any potential or actual violations of laws, company policies, or the Code of Conduct to their Manager/Supervisor, Unit HR, CFO, CHRO, or Compliance Officer.
Investigation	The Code of Business Conduct Committee will promptly and thoroughly investigate every concern and report of violation as per applicable law and procedures.
Disciplinary Action	Based on the nature and particulars of the violation, the investigation committee recommends corrective and preventive action, including disciplinary action.
No Retaliation	We strictly prohibit retaliation against individuals who report alleged violations in good faith. Our Policies ensures that employees can raise concerns without fear of reprisal, fostering a culture of transparency and accountability

Whistleblower Policy:

We have devised an effective whistleblower mechanism enabling employees to freely communicate their concerns about illegal or unethical practices. The Company has also established a vigil mechanism for employees to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The prime objective of this policy is to provide employees and Directors an avenue to raise concerns in line with the commitment of Granules to the highest possible standards of ethical, moral, and legal business conduct and its commitment to open, fearless, genuine concern communication. The pre-eminent intention of this policy is to provide necessary safeguards for the protection of employees from reprisals or victimization for whistleblowing in good faith.

Prevention of Sexual Harassment Policy (POSH):

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and rules made thereunder, our Company has formed an Internal Complaints Committee (ICC) for its workplaces to address complaints about sexual harassment under the POSH Act. We have a detailed policy for preventing sexual harassment at the workplace, which ensures a free and fair inquiry process with clear timelines for resolution.

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

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	0	Closed	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human rights related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY2024-25	FY2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees/workers	0.26%	0
Complaints on POSH upheld	0	0

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

Granules is committed to maintaining a workplace free from harassment, including sexual harassment, with zero tolerance for such behavior. We encourage reporting of any harassment concerns and promptly address complaints through our established procedures outlined in our standing orders. Our policies, including the Code of Conduct and Prevention of Sexual Harassment (POSH) policies, are in place to prevent and resolve such incidents effectively.

Reports of violations must be made in good faith. Regardless of the interpretation of facts, our commitment is to treat all reports fairly. However, filing a false report with malicious intent violates our Code of Conduct. Each individual at Granules plays a vital role in upholding the standards outlined in our Code of Conduct.

To enhance transparency and confidentiality, we have established an "Anonymous Reporting" channel that employees can use to report violations confidentially and/or anonymously. Confidentiality is strictly maintained, and information is shared only on a need-to-know basis to conduct a thorough review.

Granules strictly prohibit any form of retaliation against individuals who make reports in good faith or cooperate in investigating such reports. We are dedicated to creating a supportive environment where all employees feel safe, respected, and empowered to raise concerns without fear of reprisal.

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

Yes, Granules has integrated compliance with human rights standards into its standard terms and conditions for supplier agreements and contracts. This commitment is also articulated in Granules' Supplier Code of Conduct, which mandates that suppliers adhere to applicable laws, labor standards, and environmental regulations and uphold principles of ethics and integrity in their operations. This comprehensive framework ensures that all parties involved in Granules' supply chain are aligned with ethical practices and responsible conduct, thereby promoting a fair and respectful business environment across our operations.

10. Assessments for the year:

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child Labor	100% of plants and offices are assessed through SMETA (Sedex Members Ethical Trade) Audits, external customer audits as per Pharmaceutical Supply Chain Initiative (PSCI) principles and Statutory authorities, and certification agencies.
Forced Labor /Involuntary Labor	
Sexual Harassment	
Discrimination at workplace	
Wages	

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

No critical concerns have arisen from our external human rights assessment. Our ongoing commitment to ethical conduct and adherence to human rights principles ensures that we maintain a proactive stance in preventing issues before they arise. We continue to monitor our practices closely to uphold a respectful and responsible workplace environment consistent with our organizational values and legal obligations.

Leadership Indicators

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

At Granules, there have been no instances of human rights violations recorded, so no specific amendments to our current processes or policies is implemented.

We remain committed to upholding rigorous standards of ethical conduct and compliance with human rights principles across all operations. Should any concerns arise, our established protocols ensure prompt investigation and appropriate action following legal and ethical guidelines, reinforcing our dedication to maintaining a respectful and responsible workplace environment.

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

All our policies are defined and designed to protect the value of human rights. In the reporting period, No such due diligence was either warranted or conducted but are covered as part of PSCI audits.

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

Yes, as per the requirements of the Rights of Persons with Disabilities, our Company’s manufacturing premises and offices have infrastructure for differently abled visitors.

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Child Labor	90% Value Chain Partners
Forced Labor / Involuntary Labor	
Sexual Harassment	
Discrimination at workplace	
Wages	

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

At present, no concerns have been raised. In case it arises, we undertake appropriate improvement measures and corrective actions and keep necessary checks and balances in place to address significant risks/concerns.

PRINCIPLE 6- BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

We at Granules underscore the interconnected nature of environmental concerns at local, regional, and global levels. We conduct assessments of the environmental impacts of our products and operations, taking measures to minimize and mitigate effects.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY2024-25	FY2023-24
From renewable sources			
Total electricity consumption (A)		204.49	143.59
Total fuel consumption (B)		8.75	-
Energy consumption through other sources (C)		-	-
Total energy consumed from renewable sources (A+B+C)		213.24	143.59

Parameter	Unit	FY2024-25	FY2023-24
From non-renewable sources			
Total electricity consumption (D)	TJ	93.36	159.04
Total fuel consumption (E)	TJ	574.48	573.31
Energy consumption through other sources (F)	TJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	TJ	667.84	732.35
Total energy consumed (A+B+C+D+E+F)	TJ	881.18	875.95
Energy intensity per rupee of turnover	TJ/Million Rupees	0.0291	0.0233
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	TJ/ Million Rupees adjusted for Purchasing Power Parity (PPP)	0.00770	0.00651
Energy intensity in terms of physical output	TJ/Tons of Production	0.0176	0.0144

- All Conversion factors of fuel density and Default energy conversion factors considered from Defra GHG Conversion Factors 2024.
- All GHG Emission Factors for Fuels considered from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- All GWP (Global Warming Potentials) Factors for gases considered from IPCC -AR6 WGI Report.
- Emission factors for grid Energy considered from Central Electricity Authority i.e. FY 2023 (0.81 tCO₂/MWh), FY 2024 (0.716 tCO₂/MWh) and FY 2025 (0.727 tCO₂/MWh).
- Applied the same Methodologies and factors (IPCC, DEFRA, CEA) for FY 2024 for GHG and Energy calculations same as FY 2025.
- Renewable electricity consumption for FY 2023-24 has been restated due to a calculation error identified in the previous year's data.
- Calculated PPP (3.7754) based on 2024 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSR Core). The average INR to USD exchange rate for FY 2024-25, as per RBI, is 84.5697.

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

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

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

None of our sites/facilities are identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India, Therefore, we do not undertake any activity related to PAT Scheme.

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

Parameter	Unit	FY2024-25	FY2023-24
Water withdrawal by source			
i. Surface water	KL	0	0
ii. Ground Water	KL	0	0
iii. Third Party Water	KL	3,56,980	3,68,002
iv. Seawater/ Desalinated Water	KL	0	0
v. Others: (Rainwater Harvesting)	KL	2169	0
Total volume of water withdrawal (in kilolitres)	KL	3,59,149	3,68,002
Total volume of water consumption (in kilolitres)	KL	2,16,823	2,26,082
Water Consumption intensity per rupee of turnover	KL/Million Rupee	7.16	6.02
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL/Million Rupees adjusted for Purchasing Power Parity (PPP)	1.90	1.68
Water intensity in terms of physical output	KI/Tons of Production	4.33	3.73

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

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

4. Provide the following details related to water discharged:

Parameter	FY2024-25	FY2023-24
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment		-
- With treatment – please specify level of treatment		-
ii. To Groundwater		
- No treatment		-
- With treatment – please specify level of treatment		-
iii. To Seawater		
- No treatment		-
- With treatment – please specify level of treatment		-
iv. Sent to third parties		
- No treatment		-
- With treatment – please specify level of treatment	78,968 KL	79,216 KL
v. Others		
- No treatment		-
- With treatment – please specify level of treatment		-
Total volume of water withdrawal (in kilolitres)	78,968 KL	79,216 KL

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

We maintain Zero Liquid Discharge Systems and Effluent Treatment Plants with RO Recovery Systems to ensure that the effluents generated are treated to minimize the environmental impact and reuse resources wherever possible. The treated water is suitably recycled back into the utility makeup.

We treat our wastewater in ETP/ZLD plants wherever possible, and the treated water is used in utility makeup. About 44.2% of our wastewater is recycled and reused in the operations through our ZLD systems.

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

Parameter	Unit	FY2024-25	FY2023-24
NOx	MT	59.55	65.3
SOx	MT	175.0	198.56
Particulate matter (PM)	MT	72.34	82.08
Persistent organic pollutants (POP)		Not Available* see Note 2 below	
Volatile organic compounds (VOC)		Not Available* see Note 3 below	
Hazardous air pollutants (HAP)		Not Available* see Note 2 below	

Note 1 - Currently calculated for stacks of Diesel Generators (DGs) and boilers

Note 2 - Currently not being monitored would consider monitoring going forward

Note 3 - Data is being monitored through online system but retrieval of data is not feasible as it's in the servers of Pollution Control Board (PCB)

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

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

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

Parameter	Unit	FY2024-25	FY2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	57,414	56,254
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	18,853	31,632
Total Scope 1 + 2 Emissions	tCO ₂ e	76,267	87,886

Parameter	Unit	FY2024-25	FY2023-24
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e / Million Rupees	2.52	2.34
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	tCO ₂ e / Million Rupees adjusted for Purchasing Power Parity (PPP)	0.667	0.653
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e / Ton of Production	1.52	1.45

Note:

- All Conversion factors of fuel density and Default energy conversion factors considered from Defra GHG Conversion Factors 2024.
- All GHG Emission Factors for Fuels considered from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- All GWP (Global Warming Potentials) Factors for gases considered from IPCC-AR6 WGI Report.
- Emission factors for grid Energy considered by Central Electricity Authority, i.e., FY 22-23 (0.81 tCO₂/MWh), FY 23-24 (0.716 tCO₂/MWh), FY 24-25 (0.727 tCO₂/MWh).
- Calculated PPP (3.7754) based on 2024 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSR Core). The average INR to USD exchange rate for FY 2024-25, as per RBI, is 84.5697.

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

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

In FY 24-25, Granules India Limited has undertaken a range of targeted initiatives across its manufacturing locations to enhance energy efficiency and reduce greenhouse gas (GHG) emissions. These efforts led to a total energy savings of approximately 998,494 kWh and a GHG reduction of 1,250.06 tons of CO₂, along with financial savings of approximately ₹80 lakhs across all units.

At the Gagillapur facility, the installation of a 667 kWp rooftop solar plant contributed significantly to emissions reduction, offsetting 524.89 tons of CO₂, while additional measures such as the installation of online tube cleaning systems for chillers and the replacement of electric heaters with hot water coils led to combined savings of over 345,000 kWh and nearly 251 tons of CO₂.

At GIL-1 Bonthapally, the adoption of Variable Frequency Drives (VFDs) to optimize pump operations resulted in a remarkable 457,920 kWh of energy savings and 332.91 tons of CO₂ reduction. Meanwhile, the GIL-2 Jeedimetla unit implemented remote monitoring and control systems such as Auto Power Factor Control (APFC) panels and air dryer optimization, yielding 189,400 kWh in savings and over 137 tons of CO₂ reduction. Additionally, energy audit-based process improvements—like jacket and RT line enhancements—contributed a further 5,832 kWh and 4.24 tons of CO₂ savings.

Beyond energy efficiency, Granules has significantly ramped up its use of renewable electricity. At the Gagillapur unit alone, 6,081 MWh of renewable electricity was procured through Power Purchase Agreements (PPAs), resulting in the avoidance of 4,420 tCO₂e emissions. Additionally, Granules procured 50,000 MWh of Renewable Energy Certificates (RECs) for its Gagillapur, Bonthapally, and Jeedimetla units, offsetting 36,350 tCO₂e of GHG emissions. As a result, the renewable electricity share reached 93.7% at Gagillapur, 92.3% at Bonthapally, and 90.8% at Jeedimetla. On an organizational level, 68.7% of total electricity consumed is from renewable sources, while the overall share of energy from renewable sources, including biofuels used in boiler operations, stands at 24.2%.

The overall avoided GHG emissions – 42,020 tons CO₂e.

These initiatives underscore Granules' commitment to sustainability through operational excellence, renewable energy adoption, and continuous improvement in energy use, all aligned with its long-term Net Zero ambitions and science-based targets.

9. Provide details related to waste management by the entity:

Parameter	FY2024-25	FY2023-24
Total waste generated (in metric tonnes)		
Plastic waste (A)	873.4	1106.6
E-Waste (B)	3.75	1.3
Bio-Medical Waste (C)	5.71	3.02
Construction and demolition waste (D)	0	0
Battery Waste (E)*	4.37	0.2
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3194.38	3953.5
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) Metal Scrap (MS, Aluminium etc) Paper and Paper Board Glass Waste Wood Waste	2004.3	2172.9
Total (A+B+C+D+E+F+G+H)	6086.0	7236
Waste intensity per rupee of turnover	0.201	0.193
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)	0.053	0.054
Waste intensity in terms of physical output (MT/MT)	0.122	0.119
*Old batteries are disposed to the vendor on "buy back system"		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i. Recycled	2886.1	3280.8
ii. Re-used	2540.5	3482
iii. Other recovery operations (safely disposed)	659.3	472.9
Total	6086.0	7235.7
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i. Incineration	69.3	75
ii. Landfilling	584.2	398
iii. Other disposal operations (Co-processing)	2540.5	3482
Total	3194.1	3955

- Calculated PPP (3.7754) based on 2024 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSR Core). The average INR to USD exchange rate for FY 2024-25, as per RBI, is 84.5697.
- This is an exclusion: food/canteen waste and coal ash are not disclosed in this section, as food waste is sent for use as cattle feed and coal ash is supplied to brick manufacturers for reuse.

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

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Granules operate in a sector producing significant amounts of hazardous and non-hazardous waste. Our manufacturing facilities generate substantial amounts of solvents and other hazardous waste, which we aim to reduce through process optimization and co-processing initiatives. Under our clean manufacturing practices, all solid wastes from our plants are either co-incinerated in cement industries or handled by authorized vendors.

Our Waste Management systems and processes are guided by ISO 14001. We segregate hazardous and non-hazardous waste at the source and store them in dedicated areas within our facilities. After thorough sorting, hazardous waste is stored by category in designated hazardous waste storage areas and disposed of at Pollution Control Board-approved facilities in compliance with relevant regulations.

We registered with CPCB under the Extended Producer Responsibility (EPR) under the Importers category in the current reporting period, and our waste management plan is aligned with the EPR guidelines.

100% of the non-hazardous waste generated at our manufacturing sites is sent to authorized recyclers for recycling. Approximately 80% of our hazardous waste undergoes energy recovery through co-processing, and the rest is disposed of through Authorized vendors. These measures ensure we manage waste responsibly, mitigate environmental impact, and adhere to regulatory requirements effectively.

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

We do not have any factories in ecologically sensitive areas

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web Links
Not Applicable					

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

S. No.	Specify the law // regulation guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

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

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

i. Name of the area:

Hyderabad (Gagillapur, Bonthapally, Jeedimetla, Pragathi Nagar, Shameerpet), Visakhapatnam (Parawada) and Pune

ii. Nature of operations:

Manufacturing and R&D

iii. Water withdrawal, consumption and discharge in the following format

Parameter	Unit	FY2024-25	FY2023-24
Water withdrawal by source			
i. Surface water	KL	0	0
ii. Ground Water	KL	0	0
iii. Third Party Water	KL	3,56,980	3,68,002
iv. Seawater/ Desalinated Water	KL	0	0
v. Others: (Rainwater Harvesting)	KL	2169	0
Total volume of water withdrawal (in kilolitres)	KL	3,59,149	3,68,002
Total volume of water consumption (in kilolitres)	KL	2,16,823	2,26,082
Water Consumption intensity per rupee of turnover	KL/Million Rupee	7.16	6.02
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL/Million Rupees adjusted for Purchasing Power Parity (PPP)	1.90	1.68
Water intensity in terms of physical output	KI/Tons of Production	4.33	3.73

Parameter	FY2024-25	FY2023-24
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment		-
- With treatment – please specify level of treatment		-
ii. To Groundwater		
- No treatment		-
- With treatment – please specify level of treatment		-
iii. To Seawater		
- No treatment		-
- With treatment – please specify level of treatment		-
iv. Sent to third parties		
- No treatment		-
- With treatment – please specify level of treatment	78,968 KL	79,216 KL
v. Others		
- No treatment		-
- With treatment – please specify level of treatment		-
Total water discharged (in kilolitres)	78,968 KL	79,216 KL

2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY2024-25	FY2023-24
Category 1 - Purchased Goods & Services	tCO ₂ e	3,60,046	5,14,516
Category 2 - Capital Goods	tCO ₂ e	17,521	10,265
Category 3 - Fuel and Energy Related Activities	tCO ₂ e	24,196	22,579
Category 4 - Upstream Transportation & Distribution	tCO ₂ e	8,488	8,557
Category 5 - Waste Generated from Operations	tCO ₂ e	2,074	3,571
Category 6 - Business Travel	tCO ₂ e	377	850
Category 7 - Employee Commuting	tCO ₂ e	1,064	1,571
Category 8 - Upstream Leased Assets	tCO ₂ e	341	1,628
Category 9 - Downstream Transportation & Distribution	tCO ₂ e	20,648	24,827
Category 10 - Processing of Sold Products	tCO ₂ e	29,905	41,187
Category 11 - Use of Sold Products	tCO ₂ e	0	0
Category 12 - End of Life Treatment of sold products	tCO ₂ e	3,402	4,287
Category 13 - Downstream Leased Assets	tCO ₂ e	0	0
Category 14 - Franchises	tCO ₂ e	0	0
Category 15 - Investments	tCO ₂ e	0	0
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	4,68,062	6,33,837
Total Scope 3 emissions per rupee of turnover	tCO ₂ e / INR	15.45	16.88
Scope 3 emission Intensity in terms of physical output	tCO ₂ e / Tons of Production	9.35	10.45

Note: Category 11, 13, 14, 15 are Not Applicable, as this categories is not relevant to Granules business

Granules Scope 3 quantification methodology is aligned with the GHG accounting standard and ISO 14064, which provides guidance on the quantification and reporting of greenhouse gas emissions. Due to variations in data availability and the nature of each category, we have employed different methodologies for different categories as per below table:

Scope 3 Category No	Scope 3 Category Description	Methodology
1.	Purchased Goods and Services	Supplier-specific method (~85%), Hybrid method (~15%)
2.	Capital Goods	Hybrid method/ Average-product method
3.	Fuel- and Energy-Related Activities	Average-data method
4.	Upstream Transportation and Distribution	Distance-based method
5.	Waste Generated in Operations	Waste-type-specific method

Scope 3 Category No	Scope 3 Category Description	Methodology
6.	Business Travel	Distance-based method
7.	Employee Commuting	Fuel-based method
8.	Upstream Leased Assets	Lessor-specific method
9.	Downstream Transportation and Distribution	Distance-based method
10.	Processing of Sold Products	Average-data method
11.	Use of Sold Products	Not Applicable, as this category is not relevant
12.	End-of-Life Treatment of Sold Products	Average-data method
13.	Downstream Leased Assets	Not Applicable, as this category is not relevant
14.	Franchises	Not Applicable, as this category is not relevant
15.	Investments	Not Applicable, as this category is not relevant

We prioritize the supplier-specific method across more than 80% of our value chain, enabling us to access precise emissions data directly from our partners. This approach captures the distinct practices and efficiencies of each supplier, fostering transparency and accountability.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Our company does not operate in ecologically sensitive areas.

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

In FY 24-25, Granules India Limited has undertaken a range of targeted initiatives across its manufacturing locations to enhance energy efficiency and reduce greenhouse gas (GHG) emissions. These efforts led to a total energy savings of approximately 998,494 kWh and a GHG reduction of 1,250.06 tons of CO₂, along with financial savings of approximately ₹80 lakhs across all units.

At the Gagillapur facility, the installation of a 667 kWp rooftop solar plant contributed significantly to emissions reduction, offsetting 524.89 tons of CO₂, while additional measures such as the installation of online tube cleaning systems for chillers and the replacement of electric heaters with hot water coils led to combined savings of over 345,000 kWh and nearly 251 tons of CO₂.

At GIL-1 Bonthapally, the adoption of Variable Frequency Drives (VFDs) to optimize pump operations resulted in a remarkable 457,920 kWh of energy savings and 332.91 tons of CO₂ reduction. Meanwhile, the GIL-2 Jeedimetla unit implemented remote monitoring and control systems such as Auto Power Factor Control (APFC) panels and air dryer optimization, yielding 189,400 kWh in savings and over 137 tons of CO₂ reduction. Additionally, energy audit-based process improvements like jacket and RT line enhancements contributed a further 5,832 kWh and 4.24 tons of CO₂ savings.

Beyond energy efficiency, Granules has significantly ramped up its use of renewable electricity. At the Gagillapur unit alone, 6,081 MWh of renewable electricity was procured through Power Purchase Agreements (PPAs), resulting in the avoidance of 4,420 tCO₂e emissions. Additionally, Granules procured 50,000 MWh of Renewable Energy Certificates (RECs) for its Gagillapur, Bonthapally, and Jeedimetla units, offsetting 36,350 tCO₂e of GHG emissions. As a result, the renewable electricity share reached 93.7% at Gagillapur, 92.3% at Bonthapally, and 90.8% at Jeedimetla. On an organizational level, 68.7% of total electricity consumed is from renewable sources, while the overall share of energy from renewable sources, including biofuels used in boiler operations, stands at 24.2%.

The overall avoided GHG emissions – 42,020 tons CO₂e.

These initiatives underscore Granules' commitment to sustainability through operational excellence, renewable energy adoption, and continuous improvement in energy use, all aligned with its long-term Net Zero ambitions and science-based targets.

Sl. No.	Initiatives Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Zero Liquid Discharge System	We maintain Zero Liquid Discharge Systems and Effluent Treatment Plants with RO Recovery Systems to ensure that the effluents generated are treated to minimize the environmental impact and reuse resources wherever possible.	The initiative has enabled complete wastewater recycling, reducing freshwater dependency and ensuring zero liquid discharge from operations.

Sl. No.	Initiatives Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2.	Implementation of Rooftop Solar	At our Gagillapur unit, we enhanced our on-site solar power capacity by adding 660 kW to the existing 320 kW system, reaching a total capacity of 1 MW. This expansion contributed to an overall electricity generation of 722 MWh during the year.	722 MWh of power Generated and 524 MT of CO2 GHG Emissions Avoided
3.	Purchase of Renewable Energy through PPA	We procured 6081 MWh of Electricity for Gagillapur unit.	4420 tCO2e of GHG emissions avoided.
4.	Purchase of Renewable Energy Certificates	We have procured 50000MWh of RECs for our Gagillapur, Bonthapally and Jeedimetla unit.	36,350 tCO2e of GHG emissions are offsetted.

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

Granules has implemented an Enterprise-wide Risk Management (ERM) framework to identify, prioritize, and continuously monitor the most critical business risks. The board established a dedicated internal Risk committee to oversee and assess these risks continuously.

Granules has established a structured process to monitor its current risk profile and adjust priorities as part of a comprehensive long-term risk mitigation strategy. Granules has engaged third-party to develop a Business Continuity Plan (BCP) and support its Risk Management Program review as part of the ERM framework. The Draft BCP is undergoing review to ensure robustness and readiness.

Granules also has disaster management plans in place to address natural calamities. These plans include onsite emergency procedures and tailored disaster management strategies at the unit level, considering various potential scenarios. This holistic approach underscores Granules' commitment to ensuring business continuity, safeguarding operations, and protecting its stakeholders in the face of unforeseen events.

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

No significant adverse impact has been observed during value chain assessments. However, we understand that climate change impacts all sectors and all sectors have an impact on the climate. Therefore, we engaged with our suppliers to evaluate the climate impact in the value chain due to carbon emissions occurring on account of manufacturing products for Granules. We have committed and established a strategy to reduce carbon emissions.

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

90% of our partners are assessed for environmental impacts. We have regular supplier audits and educate the major suppliers on the environmental aspects.

PRINCIPLE 7- BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Granules is committed to shaping public policy related to its area of interest. It believes in the above statements and has been associated with a national trade organization to promote policies and regulations related to pharma companies in the country. Taking responsibility for its business responsibilities, Granules has transparently disclosed this in its BRSR.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations

The company is associated with various industry chambers/associations as listed below:

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

Sl. No.	Description of Main Activity	Reach of trade and industry chambers/ associations (State/ National)
1	Pharmaceutical supply Chain Initiative (PSCI)	International
2	United Nations Global Compact (UNGC)	International
3	British Safety Council of India (BSCI)	International
4	Safety Council of India (NSCI)	National
5	Center for Fourth Industrial Revolution (C4IR)- World Economic Forum	International
6	Confederation of Indian Industry (CII)	National
7	Bulk Drug Manufacturer Association of India (BDMAI)	National
8	The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI)	State

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

Name of the Authority	Brief of the case	Corrective Action Taken
	None	

No adverse orders from regulatory authorities have been received on issues related to anti-competitive conduct by the entity.

Leadership Indicators

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

Granules actively engages with national and global platforms to promote sustainability, safety, innovation, and industry development.

As a member of the Pharmaceutical Supply Chain Initiative (PSCI), we uphold responsible supply chain standards and collaborate on ethical, environmental, and safety practices. Through our commitment to the United Nations Global Compact (UNGC), we align with the Ten Principles and contribute meaningfully to the UN Sustainable Development Goals. Our membership in the British Safety Council (BSC) and the National Safety Council of India (NSCI) strengthens our health and safety frameworks by enabling access to global best practices, training, and regulatory insights. At the Centre for the Fourth Industrial Revolution (C4IR) of the World Economic Forum, Granules contributes to advancing technology-driven sustainable manufacturing. Additionally, we participate in policy advocacy and industry collaboration through the Confederation of Indian Industry (CII) and the Bulk Drug Manufacturers Association of India (BDMAI), promoting innovation and excellence in the pharmaceutical sector. At the regional level, our engagement with the Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI) supports local economic growth and responsible business practices. Collectively, these affiliations reflect Granules' commitment to responsible leadership and continuous improvement across all facets of our operations.

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1.	Promotion of responsible supply chain practices, environmental sustainability, health and safety standards, innovation in pharma manufacturing, and regulatory policy reforms	Participation in industry associations and forums like PSCI, UNGC, NSCI, BSC, C4IR (WEF), CII, BDMAI, and FTAPCCI through working groups, consultations, and knowledge-sharing sessions	No	At Frequent Intervals	Not applicable

PRINCIPLE 8- BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

As a part of the Corporate Social Responsibility, Granules has been actively engaged in anchoring CSR programs for the benefits of its communities and stakeholders. We have identified the themes for CSR and has undertaken projects for benefit of the communities they operate in.

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

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

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs)
Not Applicable, since all our operations are in the Industrial area						

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

Granules has established a Grievance redressal Policy to effectively address the concerns of the community where we operate. To facilitate transparency and accessibility, Granules provides multiple communication channels as part of its Grievance Policy. These include direct meetings, email correspondence, and dedicated grievance forms. Each grievance is handled promptly, committed to providing a timely resolution or response per the established timeline. Individuals can approach the unit's HR manager to formally document their grievances and submit a written complaint. Once received, the plant head reviews the grievance in consultation with relevant stakeholders within the organization. Each grievance is handled promptly, with a commitment to resolving or responding within 30 days.

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

	FY2024-25	FY2023-24
Directly sourced from MSMEs/ small producers	5.8%	5.1%
Sourced directly from within the district and neighbouring districts*	54%	46%

*- Procured within India

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY2024-25	FY2023-24
Rural	10.97%	12.13%
Semi-urban	76.32%	75.28%
Urban	6.99%	7.54%
Metropolitan	5.76%	5.05%

The following locations have been considered under each category:

- Rural: Bonthapally (GIL-1 and GIL-3)
- Semi-Urban: Gagillapur (GIL), Parawada (GIL-4 and GIL-5), Genome Valley
- Urban: Jeedimetla (GIL-2), Pragathi Nagar (RC1 and RC2)
- Metropolitan: Pune R&D Center, Corporate Office (Hyderabad)

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable	

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

Sl. No.	State	Aspirational district	Amount spent (in Rs)
Nil			

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

Our sustainable procurement policy prioritizes suppliers from marginalized or vulnerable groups while maintaining product quality standards. We also support MSMEs and Small Suppliers. This commitment ensures that our procurement decisions contribute positively to social equity without compromising product quality. We aim to support suppliers who uphold fair Labor practices and promote diversity. This approach aligns our sourcing practices with ethical standards and fosters inclusive economic growth in our supply chain.

- (b) From which marginalized /vulnerable groups do you procure?

We are in the process of collecting this information across our value chain

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

We are in the process of collecting this information across our value chain

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR projects:

Sl. No.	CSR Projects (in FY 2024-25)	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Pharma Pathashala - Placement Linked skilled development program for rural youth who have completed their 10+2	1450 Students (Since Inception in 2017) with 250+ participants in the current year	90%
2.	A mobile mammography service brings early detection and awareness to underserved women, empowering them with access, knowledge, and hope.	1000 women	95%
3.	Granules India serves as the title sponsor for the Granules Green Kanha Run, organized by the Heartfulness Institute	3500+ Runners	NA
4.	Granules India, in partnership with TSPCB, distributed 7,500 clay Ganesha idols to promote eco-friendly practices during Vinayaka Chathurthi, encouraging sustainable celebrations and reducing environmental impact.	7500 clay Ganesha idols	NA

Sl. No.	CSR Projects (in FY 2024-25)	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
5.	Education Kit Donation Drive provides essential learning resources to underprivileged students in government schools, helping bridge educational gaps and support academic success.	550 students	90%
6.	In collaboration with Nirmaan Organization, a government school in Gagillapur was transformed through infrastructure upgrades, creating a safer and more motivating learning environment for students and teachers.	380 students	90%
7.	Nutritional kits were distributed to TB patients in Bhadradi Kothagudem, supporting the Pradhan Mantri TB Mukht Bharat Abhiyan and enhancing recovery and treatment adherence.	1080 patients (6180 kits)	80%
8.	Granules has provided valuable support by appointing five dedicated Vidya Volunteers. These volunteers are crucial in assisting the teaching staff, enhancing the learning environment, and contributing to the student's academic growth.	600+ Students	100%
9.	In partnership with Nirmaan Organization, school shoes were distributed to underprivileged children at Gagillapur ZPH and MPP schools, ensuring better comfort, mobility, and consistent school attendance to support their education.	380 students	90%
10.	In partnership with Potukuchi Somasundara Trust, a fully constructed building was donated to support educational activities for government school students in Bonthapally, providing them with essential resources and training for academic success.	70 students	90%

PRINCIPLE 9- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Granules understand the importance of businesses to provide safe and valuable products and recognize its role in promoting responsible consumption and strives to abide by the same.

Essential Indicators

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

- At Granules India, we strongly emphasize providing our customers with the best quality products. We believe in delivering quality products and on-time service to all our customers. To achieve this, our marketing team actively collects customer feedback through various channels, including surveys, direct communications, and customer service interactions. This feedback is then processed and analyzed to identify areas for improvement and ensure that our products and services meet customer expectations.
- All customer complaints received are resolved within the timeframe stated in our quality standard operating procedures, with proposed improvements incorporated into our processes. We ensure that no complaints remain unresolved (at the end of the stipulated period for resolution) by the end of the financial year. Each logged consumer complaint is thoroughly investigated, and a detailed response with action plans is provided to our customers and respective internal stakeholders as required. This systematic approach helps us address issues promptly and implement necessary changes to enhance product quality and customer satisfaction.
- Integrating customer feedback into our continuous improvement efforts demonstrates our commitment to excellence and dedication to maintaining the highest standards in everything we do. This proactive approach ensures that our customers receive the best products and services, reinforcing our reputation for quality and reliability.

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

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

Granules complies with all regulatory requirements regarding the display of information on product labels. Our labels clearly show the product name, strength, batch number, expiry date, and manufacturer address. This ensures that consumers have all the essential information they need.

We emphasize the importance of safe and responsible usage, providing clear instructions on using the product correctly. Our product brochures also contain information on recycling and safe disposal, guiding consumers on managing the product responsibly after use. This comprehensive approach meets regulatory standards and promotes environmental consciousness and social responsibility, ensuring the well-being of our customers and the community.

3. Number of consumer complaints:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other-Packaging, Quality, Transit and others	580	0	All the complaints were resolved during the reporting period	486	0	All the complaints were resolved during the reporting period

4. Details of instances of product recalls on accounts of safety issues

	Number	Reasons for recall
Voluntary recalls	2	Two product recalls were initiated as a precautionary measure: one involving Gabapentin 600 mg due to the presence of incorrect tablets in a bottle, and another for Metformin ER 500 mg due to mixing of tablets from a different product batch.
Forced recalls	0	NA

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

Yes. Our Privacy Policy aims to ensure the privacy of Personal Information processed by Granules by implementing necessary controls and complying with legal and regulatory requirements. It also seeks to create a culture of privacy by promoting employee awareness. The policy applies to all employees, including contractual employees and interns. Our commitment to data privacy is evident from our emphasis on protecting personal information, which is crucial in today's digital age, where data breaches are a constant threat. The policy helps to build trust among our customers and stakeholders, demonstrating our commitment to data privacy and protection.

Our Privacy Policy is available on our Intranet and is communicated to all relevant stakeholders as needed.

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

No product recalls or penalties from regulatory authorities regarding safety and product quality were recorded in the reporting year. Therefore, no corrective actions are needed or required.

At Granules, we have established strong quality systems to prevent such issues. These systems ensure our products are safe and high-quality throughout their shelf life. Our commitment to quality helps us avoid any problems and maintain the trust of our customers and regulatory bodies. We continuously monitor and improve our processes to uphold these high standards and ensure the best outcomes for our consumers.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact:

At Granules, there were no instances of consumer and product data breaches during the reporting year.

b. Percentage of data breaches involving personally identifiable information of customers):

No incidents involving a breach of personally identifiable information were recorded in the reporting year.

c. Impact, if any, of the data breaches

Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed All our product catalogues are available on our website. The respective links are provided below:

- Active Pharmaceutical Ingredients Catalogue
<https://granulesindia.com/products/active-pharmaceutical-ingredients-apis/active-pharmaceutical-ingredients-catalog/>
- Pharmaceutical Formulations Intermediates Catalogue
<https://granulesindia.com/products/pharmaceutical-formulations-intermediates/>
- Finished Dosages
<https://granulesindia.com/products/finished-dosages/>
- High Potent Products Catalogue
<https://granulesindia.com/products/high-potent-product/>

2. Steps taken to inform and educate consumers, especially vulnerable and marginalized consumers, about safe and responsible usage of products and services.

- We provide clear instructions that describe the product's active ingredients, caution for consumption or usage, possible side effects, and guidelines for storage and disposal.
- For each product, we include a material safety data sheet that offers detailed information on handling and storage.
- Additionally, every pack comes with a product leaflet containing essential information about drug administration, compositions, and potential side effects. This information is designed to be self-explanatory and easy to understand.
- To ensure safety, we also include very specific disclaimers on all medicines, emphasizing that they should only be used as directed by healthcare professionals
- We aim to ensure consumers have all the information they need to use our products safely and effectively.

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

At Granules, mail communications are sent to inform consumers of any service disruption or discontinuation risk. These notifications ensure that all consumers know of potential issues, providing timely and clear information.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, Granules displays the Product name, strength, batch number, expiry date, and manufacturer address details on product labels in a readable format, as per regulatory requirements.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Our Customer Relations and Marketing team collects customer feedback directly through interactions with all our customers. The feedback is recorded and processed by the respective stakeholders at Granules.