



# CODE OF BUSINESS CONDUCT

The Blue Book - 2.0

# MESSAGE FROM CMD

One of the vital aspects of an everflourishing company is how it conducts its business. At Granules, integrity is one of the fundamental values to be lived while we work. It has been almost four decades that our company is engaged in providing collaborative and strategic partnership to global pharmaceuticals leaders by producing the best quality APIs, PFIs & FDs through manufacturing excellence. Thus, each of us should take the responsibility to understand and abide by various applicable laws and regulations that govern our business. This Code of Business Conduct (Granules 'Blue Book'), must be read thoroughly and put into action by all employees while discharging their duties. It lays the basic foundation for all our Business Conduct while dealing with external

our stakeholders both and internal.



I encourage you all to continue your commitment to integrity, safety, quality, sustainability and compliance culture, even when no one is watching. Driven by our values, we are committed to build an ethical and transparent workplace for all our stakeholders and communities we serve. This is the essence of being a sustainable company. Thank you for your continuous support!

*-Krishna Prasad Chigurupati*



Ethics is knowing the difference between what you have a right to do and what is right to do.

*-Potter Stewart*



# OUR PURPOSE & OUR VISION



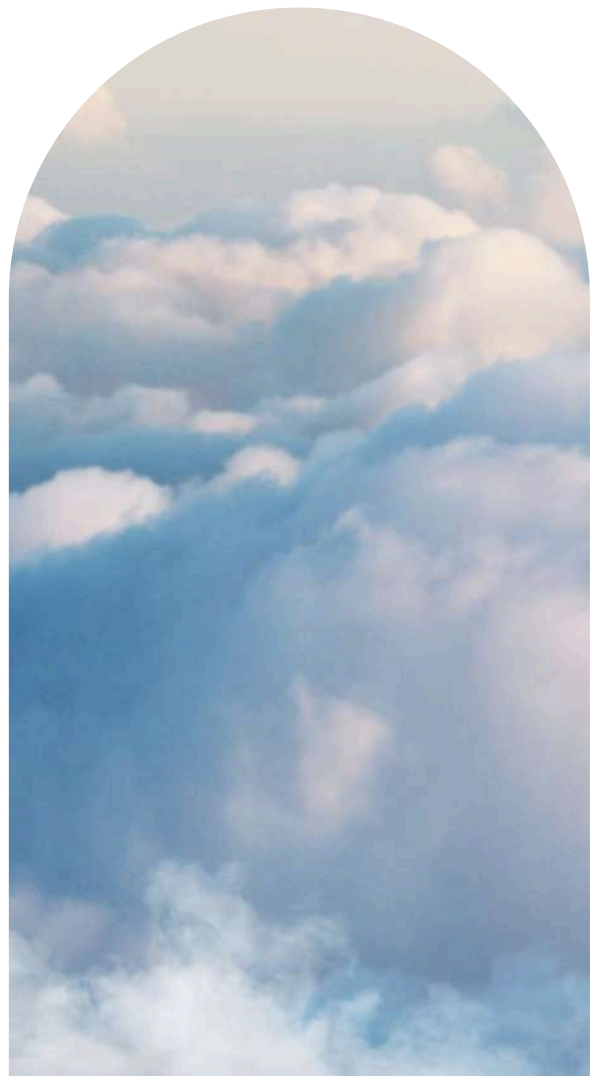
## **Purpose:**

Healing lives responsibly  
through pioneering  
green science

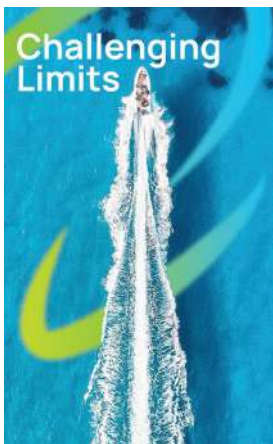


## **Vision:**

To establish ourselves as a world  
leader in green chemical and  
pharmaceutical industry by  
harnessing cutting edge  
technologies to enhance  
quality of life.



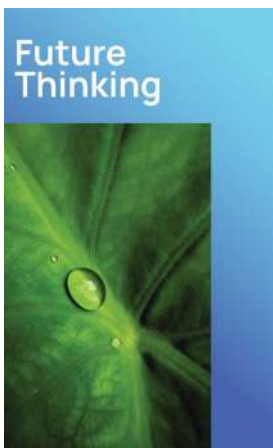
# OUR VALUES



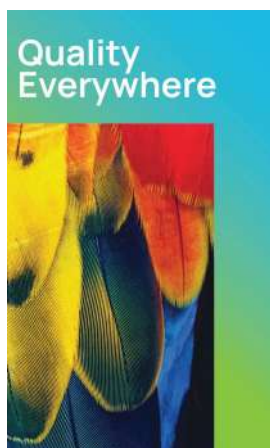
Our unwavering belief in pushing boundaries and thinking beyond the possible drives us to challenge status quo, embrace risk and consistently pursue innovation fearlessly, without necessarily conforming to established practice. In doing so, we leverage the power of science in the best way possible.



Being driven by the customer's best interests is a way of life for us. It fuels our passion to develop tailored solutions that prioritize customer preferences. It inspires us to go above and beyond, and forge lasting, meaningful relationships.



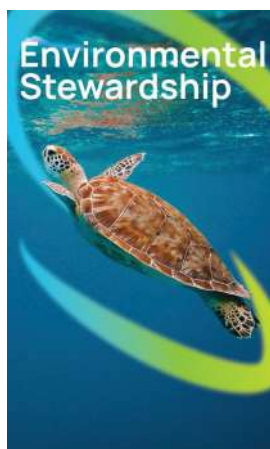
We think about tomorrow and beyond. Our actions and efforts must have a positive and transformative impact for a long time to come, and everything we do is evaluated through this prism.



Quality excellence is not just a goal, but a relentless pursuit embedded in our DNA. We are driven by an approach to achieve 'best-in-class' across our products, operations, processes, and conduct. We believe this is the only way to go further, be a preferred partner for our customers, and inspire confidence and ambition in all stakeholders.



People are the beating heart of Granules. They must be encouraged and empowered to be the best version of themselves. Through our approach, we enable and empower our colleagues and communities to achieve their highest potential, co-creating opportunities for collaboration and impact.



Being a positive force for the planet and its preservation is a fundamental duty that we fulfil through our efforts in green science, responsible practices, and an approach of trusteeship. Long-term success is based on our ability to partner in fostering a harmonious relationship with the planet and caring for it for the benefit of future generations.

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# 01

## **OUR CODE**

- a. Preamble: Conduct of Business
- b. Scope & Application



## a. Preamble: Conduct of Business

This Blue Book or Code of Business Conduct is a guide to Granules compliance structure and standards. It is designed to help us lead our business behaviour and provide practical guidance. It comprises of various corporate policies and procedures that govern doing business in a legal and ethical manner. This Code aims to reinforce our values and promote trust amongst various stakeholders in the company.

This Code of Business Conduct refers to our vision and expresses Granules' expectation from its employees and other stakeholders, including employees at subsidiaries, trainees, contractors and consultants. Therefore, we all are required to read and imbibe this Code of Business Conduct and follow it in letter and spirit.

Adherence to the Code, company's policies, applicable laws and regulations is a condition of employment, engagement, and retention of all personnel.

Ethics require that we always exercise honesty, integrity and accountability in every dimension of our work. Thus, in case of ambiguity about how to comply with them, please seek guidance from your manager or Human Resources or Compliance team. Employees are also responsible to watch for potential violation of this Code of Business Conduct and to report them, whether they occur inside the Company or through external dealing. Refer to the dealing with Code violation in the subsequent section of this Code.



## b. Scope & Application

### **This Code applies to the following**

- Board Members & Management Committee / Key Management Personnel.
- It includes all individuals on full-time or part-time employment with the Company, with a permanent, probationary, trainee, retainer, temporary or contractual appointment.
- It is applicable to all Granules manufacturing units, R&D units, Marketing offices & all the subsidiaries
- Consultants, Contractors, Trainees, our Subsidiaries, Service Provider of our Company.



### **Code Extensive But Not Exhaustive**

The nature of this Code of Business Conduct is extensive but not exhaustive and, thus, is not meant to cover all possible situations that may occur.

### **Process Owner**

The process owner of the Code of Business Conduct is the Compliance Officer.

## **OUR PEOPLE**

- a. No Discrimination & Harassment
- b. Equal Opportunity Employer
- c. Diversity, Equity & Inclusion (DEI)
- d. Workplace Responsibility

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All the employees are expected to be familiar with the Code, applicable policies and regulations related to their role and follow them all the time.



- At Granules, we ensure to provide a safe and conducive work environment where each individual is treated with respect and dignity.
- We also respect the personal dignity, privacy and personal rights of everyone and are committed to maintain a workplace free from any discrimination and harassment.

## a. No Discrimination & Harassment

- Individuals, who engage in acts of harassment or discrimination are subject to disciplinary action that may include termination of employment.

Harassment Includes – verbal, visual or physical conduct with the purpose or effect of creating an intimidating, hostile or offensive work environment or unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities.

Please refer to our policy on 'Prevention of Sexual Harassment' for further details.



## b. Equal Opportunity Employer

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• We are an 'Equal Opportunity Employer' and do not discriminate anyone on the grounds of race, religion, nationality, ethnic origin, colour, gender, age, citizenship, sexual orientation, veteran status, marital status or any disability not affecting the functional requirements of the position held. • We are dedicated to ensure the fulfilment of this policy with respect to hiring, discharge, compensation, promotion, classification, training, apprenticeship, referral for employment, or other terms, conditions and privileges of employment. • We adhere to all applicable laws and regulations concerning working hours, including maximum hours and overtime. We ensure employees receive fair wages that meet or exceed the local minimum wage requirements and are entitled to benefits mandated by local laws, such as social security, healthcare, and retirement benefits. • We treat each other with respect and dignity.

## c. Diversity, Equity & Inclusion (DEI)

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We attract, develop, and grow a diverse workforce that encompasses a wide range of backgrounds, cultures, perspectives, and experiences. Our goal is to enhance the representation of diverse groups at all levels through various company initiatives.

## d. Workplace Responsibility

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### No Drug & Alcohol Abuse

We prohibit the possession and use of illegal drugs / narcotics substance / alcohol on our premises. No employee may report for work, go on or remain on duty while under the influence of, or impaired by, alcohol or illegal drugs or substances. Violation of this policy will result in disciplinary action, up to and including termination of employment



### Dangerous Device



No person shall possess a weapon of any kind or other dangerous or hazardous device or substance in the workplace leased or owned facilities by Granules, unless legally authorized to do so and only with the prior written approval from concerned authorities.

# 03



## **OUR COMMUNITY**

- a. Sustainability & Environment, Health & Safety (EHS)
- b. Human Rights & Inclusive Growth
- c. Media Communication, Public & Governmental Inquiries
- d. Political Activity & Contribution



## a. Sustainability & Environment, Health & Safety (EHS)

### Sustainability

With sustainability as our guiding compass, Granules is committed to a path that is both environmentally responsible and economically viable. Sustainability is at the heart of our strategic vision, deeply embedded in our decisionmaking processes to prioritize long-term environmental and social considerations alongside our business objectives. We aim to be a global leader in sustainable pharmaceutical manufacturing, aligned with the United Nations Sustainable Development Goals (SDGs) and committed to Science Based Targets.

Our comprehensive assessment and disclosure of value chain emissions (Scope 1, 2, and 3) and Life Cycle Assessment (LCA) for our top products demonstrate our dedication to transparency. We are committed to achieving Net Zero by 2050, aligning with the 1.5-degree pathway of the Science Based Targets initiative. Our Carbon Emission Reduction Measures (CERMs) include efficiency measures, adoption of biofuels and renewable energy, supplier sustainability program and backward integration for green chemicals through Granules CZRO.

We also focus on water resource management, waste minimization, eco-friendly technologies, and integrating sustainability into product development. Our partnership with NIPER Mohali to establish a Centre of Excellence for Innovative and Sustainable Pharmaceuticals and our decarbonization plan featured at COP 28 underscore our leadership in sustainable innovation and policy advocacy in the pharmaceutical sector.

## Environment, Health & Safety (EHS)

### This Code applies to the following

- We uphold high standards of workplace health and safety, ensuring our operations prevent harm to people, the environment, and surrounding communities, in compliance with all relevant Environment, Health, and Safety laws and regulations.
- Employees are trained on Health and Safety guidelines and are encouraged to report any unsafe conditions, actions, or accidents to the appropriate company authorities. They must adhere to company-wide standards and policies and select suppliers and service providers who align with Granules' sustainability and EHS values. **For more information, please refer to Granules' EHS policy and contact your respective EHS Manager.**



## b. Human Rights & Inclusive Growth

- We conduct our business in a manner that abides by human rights principle and dignity of people.
- Human rights encompass the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, and many others. These rights are universal and must be upheld without discrimination. We also uphold the freedom of association and the rights to collective bargaining.
- We adhere to all employment and immigration laws, strictly prohibiting any form of forced labor, child labor and Human trafficking etc. Our practices align with internationally recognized human rights standards, such as the United Nations Guiding Principles on Business and Human Rights.
- We are dedicated to prevent, mitigate, and address any adverse human rights impacts in our workplace, business operations, and the communities where we operate
- We commit to collaborating with third parties who share our values and ethical principles, including a respect for human rights



## c. Media Communication, Public & Governmental Inquiries

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- We ensure our external communication to the media, shareholders, financial analysts or government authorities are accurate and through authorised representatives only.

- No employee shall, without the express consent of the management or competent authority, call for press meets, brief the media or speak to the media or participate in discussions and forums.
- We comply with the requirements of regulatory authorities about how and when we disclose information.
- One should notify the Company Secretary in case of inadvertently disclosing any material non-public information with respect to our company.

## d. Political Activity & Contribution

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- No employee shall involve in any political activity, directly or indirectly and shall not canvass for any political party or candidate.
- We must ensure not to use company's fund or other resources to support any political candidate or party, unless such contribution is expressly permitted by law and has been authorised by the resolution passed by the Board of Directors of the Company. Our personal political views and actions do not harm company's brand image in any manner.

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- Any granules employees who contest in an election for any public office, may do so after informing the organisation's concerned authority – Chairman & Managing Director.
  - Further, if elected to the post, the employee has to resign from the services of Granules Group to pursue his / her public or political career.

# 04

## OUR PARTNERS

- a. Anti-Bribery & Anti-Corruption
- b. Anti-Money Laundering
- c. Conflict of Interest
- d. Antitrust or Competition Laws & Regulations

## a. Anti-Bribery & Anti-Corruption

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To be competitive in the global market place, it is important to thoroughly understand the present and potential customers, suppliers and regulations while referring to the information available in the public domain. The below description is to detail how to conduct ourselves ethically while dealing with various partners.

**Bribes and improper payments:** An Employee cannot solicit, encourage or actually receive any bribe or other payment, contribution, gift or favour that could influence our or another's decision. While what is viewed as a bribe in one country may be acceptable in another, thus we are expected to comply with this Code.

**Gifts:** Giving or receiving gifts and entertainment can potentially affect objectivity and judgment, and may breach bribery and corruption laws & regulations. We must not be influenced by receiving favours, nor shall try to improperly influence others by providing favours.

However, gifts, meals, services and entertainment are acceptable and comply with this Code if they show transparent intention behind the gift / entertainment. Those should be relatively infrequent, not excessive in value for someone and are consistent with customary business practices. Employees should report or take prior approval in case one has received any gift or intent to gift any government official.

**Donations to Charities:** Corporate donations to a government entity or corporate charitable donations to a nonprofit / non-governmental entity must comply with Granules policy and to be made with prior approval.

- Money laundering is the process of concealing illegal funds or projecting them as legitimate. We are committed to conduct business only with customers and third parties engaged in legitimate business activities whose funds are derived from legitimate sources and based on underlying contracts / applicable laws.

- We comply with all laws that prohibit money laundering which involves disguising funds derived from criminal or illegitimate activities. Our business transactions do not involve acquiring / holding property through illegitimate means.

## b. Anti-Money Laundering

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## c. Conflict of Interest

- We should avoid any activity involving personal interest that creates, or has the appearance of creating, a conflict between individual interests and the interests of the Company.
- We must identify the potential conflicts when they arise, and notify it to the appropriate manager, or Human Resources representative.
- An activity would be considered a conflict of interest if it has a negative impact on our business interests, image of the company and its relationships.
- We must never compete against the Company's interest. We shall not use Company information, assets or resources for our personal gain or improper benefit of others.
- Do not solicit or accept gifts, favours, loans, or preferential treatment from any person or entity that conducts business or seeks to conduct business with us.

## d. Antitrust or Competition Laws & Regulations

- While we compete vigorously, we comply with applicable Antitrust and Competition Laws and Regulations wherever we do business, we believe in free & fair competition; and encourage transparent interactions and transactions.
- We never discuss or recommend / encourage ethical competitors to: Fix prices / bid rigging, share information (about pricing, costs, sale terms, credit terms, customers, promotions), not sell a particular product or service, boycott a particular supplier or vendor.

## **OUR COMPANY**

- a. Protection of Assets & Resources
- b. Accounting, Data Management & Records
- c. Prohibition of Insider Trading
- d. Intellectual Property and Trade Secrets
- e. EXIM Regulations
- f. Data Privacy & Confidentiality



## a. Protection of Assets & Resources

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- Our assets are highly valuable and are meant for business use only. We all must protect and safeguard company's assets from loss, theft, misuse, damage and waste in order to preserve their value.
- Company assets include both tangible and intangible assets and includes company's premises, work facilities, equipment, instruments, communication & IT systems, financial resources, data and intellectual property.
- We allow conscientious, lawful and professional use of computer, email, messaging, internet and intranet access, mobile phones and other forms of communication systems at our workplace.
- Assets shall never be used for illegal activities and shall not be taken out from our facilities without permission. Upon company's request, the employee must return any and all of its assets in possession.

## b. Accounting, Data Management & Records

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- Ensure effective business operations, related data and information must be accurately and honestly recorded. No false or fictitious entries shall be allowed, including unrecorded, undisclosed or 'off-the-books' records / accounts for any reason. **Please refer our Data Integrity Policy.**
- Employees shall use company's funds and other properties solely for the benefit of the Company. All disbursements must be lawful and consistent with Company's policies.
- Employees will comply with all the legal and regulatory requirements that relates to document and record retention and its disposal as per Company's policies.




## c. Prohibition of Insider Trading

- No employee, manager, key managerial personnel including directors should trade in directly or indirectly along with immediate relatives or encourage another person to trade in Granules securities, while in possession of material non-public information.
- Material non-public information may include but not limited to following:
  - A significant change in business operations, projections or strategic plan, financial results.
  - A potential merger, acquisition or restructuring or sale of significant assets.
  - The gain or loss of a major supplier, customer or contract.
  - Introduction of a new significant product or service.
  - A significant pricing change in our products or services.
  - A declaration of a stock split, a public security offering by our company or a change in our dividend policies or amounts.
  - A significant change in senior management or our Board of Directors.

Please refer our **'Code of Business Conduct for Prohibition of Insider Trading'** for more details.


## d. Intellectual Property and Trade Secrets



Intellectual property, proprietary information, and trade secrets are invaluable assets of company that must be safeguarded and not improperly disclosed during the course of our business.

- Intellectual Property includes, but is not limited to, patents, trademarks, know-how, scientific and technical knowledge and experience, domain names, logos, and company goodwill
- Proprietary Information obtained while serving our customers and partners must also be protected. Do not disclose the company's proprietary and confidential information to any prospective employer.
- All rights to any intellectual property created or developed by personnel during their employment with Granules, for the purpose of performing assignments for Granules, or using resources or technology provided by the company, shall be solely owned by Granules, unless explicitly prohibited by law

## e. EXIM Regulations



We ensure to comply fully with all applicable export / import laws, as these laws govern trade between our customers in many countries. In addition, we also comply with all applicable laws of the land prohibiting participation in unauthorised boycotts.



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## f. Data Privacy & Protection

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We handle various confidential and sensitive information that we must protect. This includes data from employees, customers, clients, and business partners. Such information must not be used for personal gain or shared with unauthorized parties. It should be stored on approved devices and transmitted securely with approvals and with authorized personnel.

**Data Privacy Commitment:** We comply with privacy laws, ensuring personal data— such as names, addresses, IDs, emails, bank details, medical information, and more—is protected responsibly.

### Our Responsibilities:

- Collect, store, process, and transfer personal information securely.
- Share data only with authorized individuals and retain it only as necessary.
- Get authorization and consult a manager before accessing or sharing confidential information.
- Obtain Legal Department approval before signing or altering non-disclosure agreements.
- Ensure third parties with access to personal data adhere to security standards.

- Proprietary and confidential information related to business strategy, plans, products and process is critical to the company's competitiveness. We are committed to protect and secure such information against unauthorised use.
- We respect the privacy of every individual, take all precautions and measure as per applicable laws to protect the same. Individual personal information, including medical financial, will not be divulged unless legally required.

# 06

## **ADMINISTERING OUR CODE**

- a. Disclosure of Concerns & Fraud Reporting
- b. How to Raise a Concern / Dilemma?
- c. Reporting Violation
- d. Investigation
- e. Disciplinary Action for Code Violation
- f. No Retaliation
- g. Amendments & Certification
- h. Affirmation Letter



## a. Disclosure of Concerns & Fraud Reporting

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We are prompt to report in good faith, matters regarding questionable accounting, auditing or disclosure concerns, which may include actions involving:

- Fraud or deliberate errors in the preparation, maintenance, evaluation, review or audit of any financial statement or financial record of Granules Group.
- Deficiencies in, or non-compliance with our Group's accounting policies or internal controls.
- Questionable transactions with customers, vendors, agents & consultants.
- Forgeries or other alterations of documents.
- Billings made higher or lower than normal prices for products or services at a customer's or vendor's request.
- Payments made through intermediaries that deviate from ordinary business transactions.

Fraudulent activities should be reported to any one of the following responsible personnel: Reporting Manager or Supervisor;

CHRO; CFO; Executive Directors / Chairman & Managing Director, Compliance Officer.

[Please refer our 'Whistle Blower Policy' for more details.](#)

## b. How to Raise a Concern / Dilemma?

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If you believe your conduct or of that of other personnel has violated the Code or any other Company's policy, you have an obligation to report. Granules has zero-tolerance for non-compliant behaviour, and we are totally committed to handle any concern & dilemma related to violation of this Code of Business Conduct.

As a matter of general practice, discuss / report your concern with your manager. In case you are not comfortable reporting a potential violation to your supervisor, you can raise your concern to the Head of Department or Unit HR Manager or Compliance Officer.

## c. Reporting Violation



• Violation must be reported in good faith. Regardless of the correctness of your interpretation of the facts, Code, applicable law or policy, as long as your report is made in good faith, it will be considered fair. However, filing a false report or with malefic intent is a violation of the Code. Everyone plays an important role in helping us meet the standards reflected in our Blue Book. Thus, promptly report a potential / actual violation of any laws, company policies and the Code to your Manager / Supervisor, Unit HR, CFO or CHRO, Compliance Officer.

### Anonymous Reporting

• We have also established another communication channel that employee can use when they want to report violation confidentially and / or anonymously • Confidentiality will be maintained to the fullest extent possible and information will only be shared on a 'need-to-know' basis, consistent with the need to conduct an adequate review.

Report violation on email:  
[compliance.alert@granulesindia.com](mailto:compliance.alert@granulesindia.com);  
[compliance.notification@granulesindia.com](mailto:compliance.notification@granulesindia.com)

## d. Investigation

• Every concern and report of violation will be promptly and thoroughly investigated by Code of Business Conduct Committee and as per applicable law & procedures. Principle of natural justice will be followed in all cases. Code of Business Conduct Committee comprises of: CHRO, CFO and Compliance Officer. Sexual Harassment related violations will be investigated by Prevention of Sexual Harassment, committee.

**Please refer our 'Whistle Blower Policy' for more details.**



## e. Disciplinary Action for Code Violation

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- Based on the nature and particulars of violation, the investigation committee recommends corrective and preventive action including disciplinary action.
- Failure by any employee or representative to comply with laws or regulations governing Granules business, this Code or any other company's policy or requirement may result in disciplinary action up to, and including, termination and particularly if anyone:
  - Knowingly and intentionally violates law / policy or procedure.
  - Direct others to violates law, policy or procedure.
  - Fail to co-operate in a Company investigation of possible violations.
  - Retaliate against another colleague for reporting a concern or a violation or fail to effectively monitor the actions of subordinates.

## f. No Retaliation

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- We prohibit any form of retaliation against individuals for the reports made in good faith of alleged violation otherwise co-operate in the investigation of such reports. If you believe you have been subject to retaliation, contact our Compliance Officer.
- We reserve the right to discipline if someone makes an accusation without reasonable good faith / belief in the truth or accuracy of the information or if knowingly provides false information or makes false accusations.

**Amendments:** Granules reserves the right to amend the Code or Policy in its entirety at any time based on change in regulations and business environment.

## g. Amendments & Certification

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**Certification:** Every director & employee must certify that they have read the Code and understood it in content and intent. To their best knowledge they are compliant with the Code and commit to follow the same in the future. The company will provide appropriate guidance on adoption of the Code and the certification process.

## h. Affirmation Letter

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To,

The Compliance Officer  
Granules India Limited  
2nd Floor, 3rd Block  
My Home Hub, Madhapur  
Hyderabad – 500 081, Telangana India

This is to acknowledge that I have read Granules “Code of Business Conduct”. I agree to comply with the code and all related policies & procedures mentioned in the “Blue Book”.

I certify that I am not in violation of any of the principles set forth in the Code of Business Conduct nor I am aware of any such violations. I will promptly report / notify any potential violation of which I become aware of, to my supervisor and / or compliance office in accordance with the reporting violation procedure, mentioned in the Code and Whistle Blower policy.

I further acknowledge that it is my responsibility to understand and follow compliance standards and to adhere to the ethical principles outlined in the Code of Business Conduct.

Signature:

Name:

Employee Code:

Designation:

Unit / Location:

Date:



Granules India Limited  
Corporate Office Address:  
2nd Floor, 3rd Block, My Home Hub,  
Madhapur, Hyderabad- 500 081 (TG)  
[mail@granulesindia.com](mailto:mail@granulesindia.com) | [www.granulesindia.com](http://www.granulesindia.com)