

Business Responsibility and Sustainability Report.

FY 23-24

Granules India Limited





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, highlighting our achievements and future goals.

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 23-24 The British Standards Institution (BSI) – an independent third party has verified and assured the data disclosed in this Report.





Key Highlights FY 23-24

Principle 1



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



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



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

- 100% of our employees and workers were given training on safety work practices
- 100% Return -to- Work rate
- External Assessments on Fire and Electrical safety for all units done by third party
- 51 hazard identification and risk assessment studies conducted across operations in partnership with International Safety Systems
- Qualitative Risk Assessment on Industrial Hygiene done at Gagillapur
- All Manufacturing facilities certified for ISO 45001 (Health and Safety Management System)

Principle 4



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 value

- We engaged and supported the suppliers to enable the determination of the carbon footprint of products
- 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) audit

Principle 5



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
- 100% of employees trained on the Code of Conduct, which includes human rights issues.
- 100% of employees were paid more than minimum wage
- 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.

Principle 6



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.

- Committed to SBTi to develop science-based emissions reduction targets in line with the 1.5°C pathway
- Committed to achieving Net Zero by 2050
- 22% of our Scope 1+2 Absolute Emission reduction
- 47 % of Electricity consumption is from Renewable Energy sources (PPA , Roof Top solar, and I-RECs)
- Scope-3 Inventorization using the highest level of accurate methodology
- 39% of wastewater generated is recycled
- 88% of our hazardous waste is sent for Co-Processing

Principle 7



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

- Developing a public advocacy policy at Granules for policy advocacy engagements
- Founding Member of Center for Fourth Industrial Revolution (C4IR)- World Economic Forum
- Addressed COP28 (UN Climate Change Global Innovation Hub) in UAE on Decarbonizing the Pharmaceutical Industry

- Addressed in IOD UAE Global Convention 2024 on Board strategy for a Future Ready Business in an Uncertain World

- 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 Confederation of Indian Industry (CII)

Principle 8



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

- 90% of our CSR spend – to upskill and improve community health – benefits vulnerable and marginalized communities
- We work closely with NGOs, local communities, and government agencies to create sustainable solutions and drive positive change.

- Granules India extended its CSR initiatives to the realm of healthcare, particularly focusing on eye care, through a partnership with the Hyderabad Eye Research Foundation, part of the renowned L V Prasad Eye Institute (LVPEI)

- In collaboration with St. Joseph's General Hospital, Granules India has funded the establishment of Dr. Chigurupati Nageswararao Rotary Dialysis Centre. So far, 284 needy patients have used this service

- Two overhead water tanks, with capacities of 150 KL and 100 KL, have been constructed to address the drinking water needs of Bonthapally and Veerannagudem villages

- 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

Principle 9



At Granules, we prioritize engaging with our consumers responsibly, ensuring we provide exceptional value through quality practices.

- Zero product recalls in the reporting year
- We have conducted risk assessments for data security and privacy and included them in our Enterprise Risk Management



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	2 nd Floor, Block III, My Home Hub, Madhapur, Hyderabad – 500081
5.	Corporate office address	2 nd Floor, Block III, My Home Hub, Madhapur, Hyderabad – 500081
6.	E-mail	investorrelations@granulesindia.com
7.	Telephone	040-69043500
8.	Website	https://granulesindia.com/
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited (NSE)
11.	Paid-up capital	₹ 242.36 (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, 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	British Standards Institution (BSI)
15.	Type of assurance obtained	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/Service	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	6 Manufacturing and 4 R&D Centres	1	11
International	-	-	-

Plants in India	Location
Finished Dosage Unit	160/A, 161/E, 162 & 174/A, Gagillapur Village, Dundigal Gandimaisamma Mandal, Medchal-Malkajgiri District – 500 043, Telangana State, India.
API Unit – I	Sy. No. 533, 535, 536, 537 Temple Road, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana State, India.
API Unit – II	Plot No. 15A/1, Phase III, IDA Jeedimetla, Qutubullapur Mandal, Medchal-Malkajgiri District, Hyderabad – 500 055, Telangana State, India.
API Unit – III	Sy.No.216, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana State, 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 Centres (National)	Location
1.	Plot No. 56, Road No. 5, ALEAP Industrial Area, Pragathi Nagar, Gajularamaram Village, Qutubullapur Mandal, Medchal-Malkajiri District, Hyderabad – 500 072, Telangana State, 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 State, 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- Malkajiri District, Hyderabad – 500 072, Telangana State, 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- Malkajiri District, 500 078, Telangana State, 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?

93.99% 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 seven state-of-the-art manufacturing facilities, with six located in India and one 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 90% of the Company's revenue.

IV. Employees

20. Details as of March 31, 2024

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)	4057	3741	92.2%	316	7.78%
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total employees (D+E)	4057	3741	92.2%	316	7.78%
WORKERS						
1.	Permanent (F)	0	0	-	0	-
2.	Other than Permanent (G)	2467	2022	81.96%	445	18.04%
3.	Total workers (F+G)	2467	2022	81.96%	445	18.04%



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	100%	0	-
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total differently-abled employees (D+E)	1	1	100%	0	-
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	0	0	-	0	-
2.	Other than Permanent (G)	0	0	-	0	-
3.	Total differently abled workers (F+G)	0	0	-	0	-

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 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25%	16%	25%	38%	42%	38%	27%	27%	27%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

23. a. 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 Europe Limited	Subsidiary	100%	No
4.	Granules Life Sciences Private Limited	Subsidiary	100%	No
5.	Granules CZRO Private Limited	Subsidiary	100%	No

VI. CSR Details

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

- a) Turnover (in ₹): ₹ 37,550 million
- b) Net worth (in ₹): ₹ 30,327 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 2023-24			FY 2022-23		
		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	0	0	-	2	0	-
Employees and workers	Yes	0	0	-	1	0	-
Customers	Yes	486	0	-	414	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/register-as-supplier/>.



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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk*:

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>Climate Change will increase the frequency of natural disasters like heat waves, flooding, and cyclones, which have the potential to physically impact our operations. Climate Change will also lead to transition risks like regulatory, legal, technological, and market-based risks.</p> <p>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 decarbonization 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 short term and positive in the Long-Term.
2.	Water Management	Opportunity	<p>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>	<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.</p> <p>The treated water is suitably recycled back into the utility makeup.</p> <p>We have reduced our dependence on groundwater through water conservation techniques, such as rainwater harvesting, recycling, and effluent water treatment.</p>	Positive
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.</p> <p>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</p> <p>Granules' implementation of Green Chemistry principles will result in more efficient use of resources, reducing the financial losses due to saving of material and waste management in the long run.</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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>We also have occupational Health centers in all Manufacturing facilities and have medical assistance around the clock.</p> <p>We have introduced a Night Manager to enhance safety monitoring during the night hours.</p> <p>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.</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.</p> <p>Also, we encourage and nurture talent within the organization by conducting skill development and career development workshops.</p> <p>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.</p> <p>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.</p> <p>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 behavior.</p> <p>We have procedures to ensure that the Company's business is carried out fairly and responsibly.</p>	Negative
8.	Data Privacy and Cyber Security	Risk	<p>Threat of Cyber Attacks resulting in loss of reputation and business continuity.</p>	<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

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

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	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	N	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	N	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 of ISO 20400 across 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)
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	<p>Midterm to Long-term Targets</p> <ul style="list-style-type: none">➤ Granules' climate goal aligned with the science-based target for limiting global warming to a 1.5°C temperature goal.<ul style="list-style-type: none">• Achieve Net Zero by 2050• Reduce Scope 1 and Scope 2 absolute emissions by 42% by FY 30 from FY 23 baseline• Reduce Scope 3 absolute emission by 42% by FY 30 from FY 23 baseline➤ Adopt supplier's sustainability framework and encourage strategic suppliers to set science-based emission reduction targets by FY 27➤ Achieve Zero waste to landfill by FY 30➤ Energy intensity reduction by 20% by FY 27➤ Water intensity reduction by 27% by FY 27➤ 27% reduction in waste to landfill by FY 27 <p>Short term Targets</p> <ul style="list-style-type: none">➤ Increase renewable energy mix in electricity consumption.<ul style="list-style-type: none">• Commission 1MW rooftop solar plant at Gagillapur unit by FY 25.• Increase renewable energy purchases through PPA across our plants.• Complete techno-commercial feasibility of alternate fuels for boilers for Bonthapally and Gagillapur• Develop an Internal Carbon Pricing (ICP) by FY 25.➤ Increase coprocessing of waste to 95% by FY 26.➤ Conduct water risk assessment and develop a water stewardship plan by FY 25.➤ Conduct climate risk analysis for all facilities and strategic suppliers by FY 25.➤ Conduct climate risk analysis using the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and integrate major physical and transitional risks with Granules' Enterprise Risk Management (ERM) framework.➤ Roll out supplier sustainability framework, identify strategic suppliers, and engage them to adopt and share climate targets by FY 25.➤ Develop a green packaging strategy by FY 25.
Social Targets	<p>Midterm to Long-term Targets</p> <ul style="list-style-type: none">➤ Occupational health and safety:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• Drive employee engagement for measurable outcomes➤ Human Capital development:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• Achieve gender pay parity by FY2030• All plants to be made accessible for physically challenged people• Ensure equal opportunity in selection and promotion <p>Short term Targets</p> <ul style="list-style-type: none">➤ Occupational health and safety:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• Expand employee health and wellness program. Initiate mental health program including access to psychological counselling.➤ Human Capital development:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">• 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	<p>Midterm to Long-term Targets</p> <ul style="list-style-type: none"> ➤ Business ethics and integrity: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • 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 <p>Short term Targets</p> <ul style="list-style-type: none"> ➤ Business ethics and integrity: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • Adopt sustainability governance across the organization and integrate with ERM framework ➤ Data privacy and cyber security: <ul style="list-style-type: none"> • 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
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6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met

Energy	<ul style="list-style-type: none"> • The Solar power plant in Gagillapur has generated 359 MWh of electricity; we have procured 6,528 MWh of renewable electricity through PPA and 33,000 MWh of I-RECs for Gagillapur and Bonthapally units. Incorporating all these initiatives has increased our renewable energy contribution to 47.4% in our energy mix. • Implementation of various energy-saving initiatives at all our manufacturing units has shown a considerable decrease in fuel consumption. HSD consumption in the reporting period was reduced by 31.6%, and the coal & FO consumption was reduced by 1.9% and 1.4 % respectively
Emissions	<ul style="list-style-type: none"> • In FY 23-24, the Total GHG footprint (Scope1+Scope2) is 87,886 tCO₂e. The Specific GHG Emission Intensity (tCO₂e/MT of Production) is reduced by 26.7% compared to FY 2022-23. • Absolute GHG Emissions (Scope1+Scope2) in the reporting period were reduced by 22%. Implementing rooftop solar panels and purchasing Renewable Energy through PPAs and I-RECs have contributed to this reduction.
Water	<ul style="list-style-type: none"> • The Specific Water Intensity (KL/MT of production) is reduced by 25% compared to FY 2022-23 due to various water conservation measures implemented and an increase in business volumes. • The percentage of water recycled during this financial year is more than 39% of effluent generated, which is recycled and reused in operations.
Waste	<ul style="list-style-type: none"> • More than 88% 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

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)

Sustainability is a core principle that drives our strategic vision and decision-making processes. We prioritize long-term environmental and social considerations alongside our business goals to become a global leader in sustainable pharmaceutical manufacturing.

We are taking systematic steps towards a holistic sustainability program. We conducted a materiality assessment aligned with GRI and mapped our actions with the United Nations Sustainable Development Goals (SDGs). We have committed to the UNGC and Science Based Targets Initiatives aligned to the 1.5°C pathway.

To achieve this, we are taking several bold steps beyond the business as usual. We have thoroughly assessed our Scope 3 emissions, developed a Net Zero roadmap, and initiated action plans for reducing Scope 1, Scope 2, and Scope 3 emissions. We have comprehensively assessed and disclosed our entire value chain emissions (Scope 1, 2, and 3) across all subsidiaries, demonstrating our commitment to transparency and accountability. We have estimated the

Product Carbon Footprint (PCF) for our five Key molecules, covering 65% of our revenue. Our sustainability initiatives are integrated into product development through the Eco Scale and Green Card programs, promoting responsible business practices. Our climate commitments have been submitted to SBTi for approval, and our climate risk assessment aligns with the reporting of the Task Force on Climate-related Financial Disclosures (TCFD). Initiatives such as our pilot plant for Green Molecules through Granules CZRO and an academic partnership with NIPER Mohali to establish a Centre of Excellence for Innovative and Sustainable Pharmaceuticals highlight our proactive approach. We have implemented Carbon Emission Reduction Measures (CERMs) and launched a comprehensive sustainability program for our suppliers.

Our decarbonization plan, featured at COP 28, underscores our leadership in policy advocacy for a sustainable pharmaceutical sector. All our efforts are also aligned with the Government of India’s plan for climate change. Our continuous improvement in ESG practices reflects our dedication to enhancing our sustainability performance. By benchmarking ourselves against industry best practices, we aspire to lead in sustainability within the pharmaceutical sector.

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

- At Granules, 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										A	A	H	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances										Granules is compliant with all applicable regulations.								

*Note:

¹P3: The frequency of review is half yearly (H) for customers and employees.



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.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Y	Y	Y	Y	Y	Y	N	Y	Y

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, AFNOR for their effectiveness in our system. The independent assessment by British Standards Institution (BSI) 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)									
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)							Y		
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

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	2	Board retreat - Strategy session - Industry overview and trends for pharma & Chemical, Realignment of Granules Mission, vision and values and Unveiling Granules new Purpose, vision and values	100%
Key Managerial Personnel (KMP)	5	EPP- Effective personal productivity, Board retreat - Strategy session, ESG, Climate change and Business, Unveiling Granule's new Purpose, Vision, and values	100%

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
Employees other than BoD and KMPs	12 (Mandatory)	All Employees and Workers at Granules undergo mandatory training related to Safety, Regulatory Training, Code of Conduct, POSH, Insider Trading, Quality, Soft Skills and Compliance. In furtherance, Granules also rolls out e-mails and updates regarding the above topics as part of its employee awareness.	100%
	47	Enterprise Risk Management (ERM) , Project Management Professional (PMP), Environmental , Social and Governance (ESG), Blister Packing, Encapsulation, Statistical Training, Supervisory Development Program (SDP), Women mentoring, Audit Facing, Behavioral & Communications Skills, Leadership x factor, Woman Leadership Program (Jombay,1000 women leaders) , IPQA Observations , Safety Observations, Batch Production and Control Records (BPCR) vs Practices, ISO Internal Auditor Training, Blister Packing, Regulatory Requirements for Complex Generics, Intellectual Property	68%
Workers	3 Trainings	GMP, Safety work practices, Code of Conduct	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):

	Monetary				
	NGRBC Principle	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	Nil	-	-
Settlement	Nil	Nil	Nil	-	-
Compounding fee	Nil	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 favor 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:

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2023-24		FY 2022-23	
	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:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	134 days	114 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	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading house	0	0
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0.6%	0.6%
	b. Sales to dealers/distributors as % of total sales	1	1
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.51 %	0.22%
	b. Sales (Sales to related parties / Total Sales)	40.63%	31.72%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	100%
	d. Investments (Investments in related parties / Total Investments made)	100%	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 2024, 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.

Furthermore, we launched a Supplier Sustainability Program to engage key suppliers in committing to and disclosing environmental and climate-related metrics. This program encourages suppliers to disclose their emissions data, develop science-based targets certified by the Science Based Targets initiative (SBTi), and provide product carbon footprint information for products sold to Granules India. It also promotes the adoption of renewable energy in their electricity purchases. Through these collaborative initiatives, we aim to enhance transparency, promote sustainability, and drive positive environmental impacts across our entire supply chain.

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.

	FY 2023-24	FY 2022-23	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 collaboration
Capex	8.90%	3.68%	We are in the process of commissioning a 660 KWp solar plant in our Gagillapur unit. Capacity enhancement of ZLD at Bonthapally unit We have implemented various energy-saving and Carbon Emission Reduction Measures (CERM) across our Manufacturing units.

**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) 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	Action Taken	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).

Parameter	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
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 2023-24			FY 2022-23		
	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.

To enhance employee wellness, Granules has partnered with the "Ekincare" integrated platform. This collaboration offers employees and their families access to a wide array of healthcare services, including round-the-clock consultations with doctors via chat, health check-ups at discounted rates, and convenient medicine purchase and delivery options. This platform also facilitates access to fitness facilities, such as gyms.



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 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	Total (A)	% Of employees covered by									
		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	3741	3741	100%	3741	100%	NA	NA	3741	100%	3476	92.9%
Female	316	316	100%	316	100%	316	316	NA	NA	270	85.4%
Total	4057	4057	100%	4057	100%	316	100%	3714	100%	3746	92.3%
OTHER THAN PERMANENT EMPLOYEES											
Male											
Female											
Total											

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

Category	Total (A)	% Of employees covered by									
		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											
Female											
Total											
OTHER THAN PERMANENT EMPLOYEES											
Male											
Female											
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 –

	FY 2023-24	FY 2022-23
Spent towards Well-being which include Insurance premium	114.89	95.19

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

Benefits	FY 2023-24			FY 2022-23		
	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	20%	99%	Yes	23%	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, color, 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	
	Retention rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

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 2023-24			FY 2022-23		
	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 2023-24					FY 2022-23				
	Total (A)	On health & safety/ wellness measures		On skill upgradation		Total (D)	On health and safety measures/ wellness		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
EMPLOYEES										
Male	3741	3741	100%	1744	47%	3,410	3,300	97%	3,100	91%
Female	316	316	100%	160	51%	240	240	100%	220	92%
Total	4057	4057	100%	1904	47%	3,410	3,300	97%	3,100	91%
WORKERS										
Male	2022	2022	100%	118	5.8%	1,806	1,600	89%	1,500	83%
Female	445	445	100%	77	17%	417	400	96%	350	84%
Total	2467	2467	100%	195	7.9%	2,223	2,000	90%	1,850	83%

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

Our new Performance Management System connects the Company's objectives and Units/functional objectives with individual employee goals up to the managerial level through the rigorous review process. This enables our employees to work on stretched targets while meeting the Company's objectives.

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES*						
Male	3741	3162	84.5%	3,410	2,740	80.3%
Female	316	236	74.6%	240	171	71.2%
Total	4057	3398	83.7%	3650	2911	79.7%
WORKERS						
Male						
Female						
Total						

*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 2023.

**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 Centers are established. These centers 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 51 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	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0	0.12
	Workers	0.30	0
Total recordable work-related injuries*	Employees	23	7
	Workers	15	11
No. of fatalities	Employees	0	0
	Workers	2	0
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	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 51 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 Gagillapur 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 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL.	The employees report their concerns to the safety committees and the issues are resolved on an immediate basis.				
Health & Safety						

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 regulatory authorities
Working Conditions	

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	Contract Workers are provided with health benefits from Employee state insurance (ESI) that covers hospitalization costs in the event of an accident or other unforeseen medical emergencies.
Workers	Contract Workers are provided with health benefits from Employee 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 are 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	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	1 (Lost Time Injury – Gagillapur unit)	0	Recovering and still on payroll & Rejoined work in FY 2023-24
Workers	2 Fatalities*	-	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

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
Suppliers and business partners	No	<ul style="list-style-type: none"> • Supplier Meets Visits • Supplier audit Facility visits • Strategic business partner training and development 	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</p> <p>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
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.</p> <p>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.

Additionally, we prioritize community health by establishing a public health clinic in Bonthapally Village near our API facility in Hyderabad. The clinic is staffed with a qualified medical doctor and paramedic and provides essential primary healthcare services. This includes treating minor ailments such as fevers, pains, and injuries and ensuring local residents have access to reliable healthcare close to home. These initiatives underscore our commitment to fostering skill development and improving community health outcomes in our operations.

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 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	4057	4057	100%	3650	3650	100 %
Other than Permanent	NA	NA	NA	NA	NA	NA
Total employees	4057	4057	100%	3650	3650	100%
WORKERS						
Permanent	NA	NA	NA	NA	NA	NA
Other than Permanent	2467	2467	100%	2223	2223	100%
Total workers	2467	2467	100%	2223	2223	100%

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

Category	FY 2023-24					FY 2022-23				
	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	4057	0	0%	4057	100%	3650	0	0%	3650	100%
Male	3741	0	0%	3741	100%	3410	0	0%	3410	100%
Female	316	0	0%	316	100%	240	0	0%	240	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	2467	2445	99%	22	1%	2,223	2,117	95%	106	5%
Male	2022	2000	99%	22	1%	1,806	1,700	94%	106	6%
Female	445	445	100%	-	-	417	417	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	4.64 crore/ Per Annum	3*	1.16 crore/Per Annum
KMP (other than BoD)	4	11.87 crore/Per Annum	3*	1.81 crore/Per Annum
Employees other than BOD & KMP	3741	4.77 lakh/ Per Annum	316	3.74 lakh/Per Annum
Workers	NA			

*one of the female director not taken any remuneration for FY 23-24

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	6.69	7.17

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 behavior, 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 within our.

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 behavior, 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 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	1	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labor	0	0	0	0	0	0
Forced Labor /Involuntary Labor	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other 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:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees/workers	0	0.15
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 prohibits 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	
Forced/ involuntary Labor	100% of plants and offices are assessed through SMETA (Sedex Members Ethical Trade)
Sexual harassment	Audits, external customer audits as per Pharmaceutical Supply Chain Initiative (PSCI)
Discrimination at workplace	principles and Statutory authorities, and certification agencies.
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 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	
Forced/ involuntary Labor	
Sexual harassment	90% Value Chain Partners
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	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	TJ	24.79	27.23
Total fuel consumption (B)	TJ	-	-
Energy consumption through other sources (C)	TJ	-	-
Total energy consumed from renewable sources (A+B+C)	TJ	24.79	27.23
From non-renewable sources			
Total electricity consumption (D)	TJ	277.84	250.25
Total fuel consumption (E)	TJ	573.31	592.2
Energy consumption through other sources (F)	TJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	TJ	851.15	842.47
Total energy consumed (A+B+C+D+E+F)	TJ	875.95	869.70
Energy intensity per rupee of turnover	TJ/Million Rupees	0.0233	0.0221
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	TJ/ Million Rupees adjusted for Purchasing Power Parity (PPP)	0.00651	0.00617
Energy intensity in terms of physical output	TJ/Tons of Production	0.0144	0.0153

- All Conversion factors of fuel density and Default energy conversion factors considered from Defra GHG Conversion Factors 2023.
- 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) and FY 2024 (0.716 tCO₂/MWh).
- Applied the same Methodologies and factors (IPCC, DEFRA,CEA) for FY 2023 for GHG and Energy calculations same as FY 2024
- Restated the FY 22-23 electricity consumption data.
- Calculated PPP based on 2022 data from OECD
<https://data.oecd.org/conversion/purchasing-power-parities-ppp.html>

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 British Standards Institution (BSI)

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	FY 2023-24	FY 2022-23
Water withdrawal by source			
(i) Surface water	KL	0	0
(ii) Ground Water	KL	0	0
(iii) Third Party Water	KL	3,68,002	3,41,008
(iv) Seawater/ Desalinated Water	KL	0	0
(v) Others: (Rainwater Harvesting)	KL	0	11,143
Total volume of water withdrawal (in kilolitres)	KL	3,68,002	3,52,151
Total volume of water consumption (in kilolitres)	KL	2,26,082	2,83,330
Water Consumption intensity per rupee of turnover	KL/Million Rupee	6.02	7.21
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)	1.68	2.01
Water intensity in terms of physical output	KL/Tons of Production	3.73	4.98

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 British Standards Institution (BSI)

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
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	79,216 KL	68,821 KL
v. Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	79,216 KL	68,821 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 39% 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	FY 2023-24	FY 2022-23
NOx	MT	65.3	124.1
Sox	MT	198.56	230.9
Particulate matter (PM)	MT	82.08	89.3
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 British Standards Institution (BSI)

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

Parameter	Unit	FY 2023-24	FY 2022-23
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	56,254	56,265
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	31,632	56,306
Total Scope 1 + 2 Emissions	tCO ₂ e	87,886	1,12,571
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e/ Million Rupees	2.34	2.86
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)	0.653	0.799
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/ Ton of Production	1.45	1.98

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 by the British Standards Institution (BSI)

Note:

- All Conversion factors of fuel density and Default energy conversion factors considered from Defra GHG Conversion Factors 2023.
- 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) and FY 23-24 (0.716 tCO₂/MWh).
- Restated the FY 22-23 electricity consumption data.

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

During FY 23-24, Granules India Ltd implemented a range of initiatives to improve energy efficiency, reduce greenhouse gas (GHG) emissions, and conserve water across its facilities. These efforts yielded substantial energy savings and significantly bolstered the company's commitment to environmental sustainability.

A key initiative included the replacement of outdated vacuum pumps at GIL-1 Bonthapally, resulting in a notable energy saving of 70,296 KWH. Upgrading conventional belt-driven blower motors at GIL-GGP to energy-efficient EC blowers saved 474,272 KWH. Implementing interlocks on RT pumps at GIL-1 Bonthapally, which automatically shut down upon reaching preset temperatures, contributed an additional 28,244 KWH in energy savings. Moreover, the installation of rooftop solar panels at GIL-GGP facilitated the direct generation and utilization of solar energy. Additional measures such as implementing auto cut-off systems for cooling tower fans, installing Variable Frequency Drives (VFDs) on motors, and integrating automatic tube cleaning systems for chillers also resulted in significant energy efficiencies.

In total, these initiatives achieved an annual energy savings of 915,945 KWH. Furthermore, by purchasing Renewable Energy Certificates amounting to 33,000 MWh and harnessing solar energy, Granules India Ltd avoided emitting 28,700 metric tons of GHG emissions, thereby contributing significantly to environmental protection. Notably, GIL-GGP alone achieved a commendable 17.98% utilization of renewable energy. These energy-saving measures also led to substantial financial savings, totalling approximately INR 120.23 lakhs across all units.



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

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	1106.6	1081.7
E-Waste (B)	1.3	1.6
Bio-Medical Waste (C)	3.02	1.2
Construction and demolition waste (D)	0	0
Battery Waste (E)*	0.2	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3953.51	3137.0
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	2172.9	1946.9
Total (A+B+C+D+E+F+G+H)	7236	6169.0
Waste intensity per rupee of turnover	0.193	0.157
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)	0.054	0.044
Waste intensity in terms of physical output (MT/	0.119	0.108
*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	3281	3034
(ii) Re-used	-	-
(iii) Other recovery operations (safely disposed)	-	-
Total	3281	3034
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	75	64.5
(ii) Landfilling	398	406.3
(iii) Other disposal operations (Co-processing)	3482	2664.1
Total	3955	3134.9

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 by the British Standards Institution (BSI)

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 88% 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

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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:

Yes. We comply with all the applicable environmental laws/regulations/guidelines in India.

Sl. 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), Parawada Visakhapatnam (Parawada) and Pune
- (ii) Nature of operations: Manufacturing and R&D
- (iii) Water withdrawal, consumption and discharge in the following format

Parameter	Unit	FY 2023-24	FY 2022-23
Water withdrawal by source			
(i) Surface water	KL	0	0
(ii) Ground Water	KL	0	0
(iii) Third Party Water	KL	3,68,002	3,41,008
(iv) Seawater/ Desalinated Water	KL	0	0
(v) Others : (Rainwater Harvesting)	KL	0	11,143
Total volume of water withdrawal (in kilolitres)	KL	3,68,002	3,52,151
Total volume of water consumption (in kilolitres)	KL	2,26,082	2,83,330
Water Consumption intensity per rupee of turnover	KL/Million Rupee	6.02	7.21
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)	1.68	2.01
Water intensity in terms of physical output	KL/Tons of Production	3.73	4.98



Water discharge by destination and level of treatment (in kilolitres)

	FY 2023-24	FY 2022-23
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	79,216 KL	68,821 KL
v. Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	79,216 KL	68,821 KL

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

Parameter	Unit	FY 2023-24	FY 2022-23
Category 1 - Purchased Goods & Services	tCO ₂ e	5,14,516	4,95,807
Category 2 - Capital Goods	tCO ₂ e	10,265	12,205
Category 3 - Fuel and Energy Related Activities	tCO ₂ e	22,579	20,879
Category 4 - Upstream Transportation & Distribution	tCO ₂ e	8,557	8,392
Category 5 - Waste Generated from Operations	tCO ₂ e	3,571	2,992
Category 6 - Business Travel	tCO ₂ e	850	295
Category 7 - Employee Commuting	tCO ₂ e	1,571	1,476
Category 8 - Upstream Leased Assets	tCO ₂ e	1,628	765
Category 9 - Downstream Transportation & Distribution	tCO ₂ e	24,827	22,381
Category 10 - Processing of Sold Products	tCO ₂ e	41,187	46,658
Category 11 - Use of Sold Products	tCO ₂ e	0	0
Category 12 - End of Life Treatment of sold products	tCO ₂ e	4,287	4,031
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)	tCO₂e	6,33,837	6,15,882
Total Scope 3 emissions per rupee of turnover	tCO₂e/INR	16.88	15.67
Scope 3 emission Intensity in terms of physical output	tCO₂e/ Tons of Production)	10.45	10.82

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

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
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 10 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:

At Granules, we recognize the critical importance of resources and continuously strive to optimize our utilization through ongoing improvements and operational excellence.

In FY 24, we partnered with Siemens to identify energy efficiency measures and Carbon emission reduction measures (CERMs) in our facilities. This collaboration resulted in a roadmap to decarbonize Scope 1 and 2 emissions, and we implemented various energy-saving initiatives based on their assessments. One significant initiative included replacing outdated vacuum pumps at GIL-1 Bonthapally, resulting in a substantial energy saving of 70,296 KWH. Additionally, we replaced conventional belt-driven blower motors at GIL-GGP with energy-efficient EC blowers, saving 474,272 KWH.

At GIL-1 Bonthapally, we installed interlocks on RT pumps to automatically shut down when the set temperature is reached, saving an additional 28,244 KWH. Furthermore, installing rooftop solar panels at GIL-GGP allowed us to generate and utilize solar energy directly. Other measures included implementing auto cut-off systems for cooling tower fans, installing Variable Frequency Drives (VFDs) on motors, and incorporating automatic tube cleaning systems for chillers, resulting in significant energy efficiencies.

In total, these initiatives led to an annual energy saving of 915,945 KWH. Moreover, by purchasing Renewable Energy Certificates amounting to 33,000 MWh and leveraging solar energy, Granules avoided approximately 28,700 metric tons of greenhouse gas emissions, substantially contributing to environmental protection. GIL-GGP alone achieved an impressive 17.98% utilization of renewable energy. Additionally, these energy-saving efforts resulted in significant financial savings, totalling approximately INR 120.23 lakhs across all units.



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.	Zero Effluent is sent outside the manufacturing unit.
2.	Implementation of Rooftop Solar	We have installed 320 KWp of solar in the Gagillapur unit and are in the process of commissioning another 660 KWp.	359 MWh of power generated.
3.	Purchase of Renewable Energy through PPA	We procured 6528 MWh of Electricity for Gagillapur unit.	4674 MtCO ₂ e of GHG emissions reduced.
4.	Purchase of Renewable Energy Certificates	We have procured 33000MWh of RECs for our Gagillapur and Bonthapally unit.	23628 MtCO ₂ e 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.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1.	Center for Fourth Industrial Revolution (C4IR)- World Economic Forum	International
2.	Confederation of Indian Industry (CII)	National
3.	Bulk Drug Manufacturer Association of India (BDMAI)	National
4.	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, as an organization, as an active member of the Bulk Drug Manufacturer Association of India (BDMAI), the Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI), and the Confederation of Indian Industry (CII) presents its views on matters related to the interest of Industry and presents its position through them. We participate in policy discussions with regulators and government authorities, which serve the Company's interests as well as the interests of wider communities.

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
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Granules is an active member of the Bulk Drug Manufacturer Association of India (BDMAI), which represents the pharmaceutical industry and takes proactive measures to benefit the industry and the wider community.

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
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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)	Amounts paid to PAFs in the FY (In ₹)	Amounts paid to PAFs in the FY (In ₹)
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:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	5.1%	3%
Sourced directly from within the district and neighboring districts*	46%	48%

*- 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	FY 2023-24	FY 2022-23
Rural	80.84 %	83.64%
Semi-urban
Urban	19.16 %	16.35 %
Metropolitan

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 ₹)
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 2023-24)	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Placement Linked skilled development program for rural youth who have completed their 10+2	1200 Students	90%
2.	Two overhead water tanks have been constructed to address the drinking water needs of Bonthapally and Veerannagudem villages. With capacities of 150 KL and 100 KL respectively	5000 Residents	80%
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 has funded Helping Hands of Rotary for the acquisition of equipment dedicated to providing affordable dialysis services for economically disadvantaged individuals	284 people until March 2024	100%
5.	In association with LVPEI (L V Prasad Eye Institute), Granules India has undertaken a significant initiative by organizing free eye screening camps in seven schools around its unit.	1507 Students	100%
6.	To suffice the teaching staff in ZP High School and MPP School, Bonthapally	600 Students	80%
7.	Granules India actively supports the "Talent Hunt program" by the Egra Agriculture and Rural Development Society, focusing on tribal students in West Bengal.	180 Students	100%
8.	Sponsorship for conducting Telangana State Championships 2023	180	NA
9.	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.	560 Students	100%

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 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
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	486	0	All the complaints were resolved during the reporting period	414	0	Nil

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

	Number	Reasons for recall
Voluntary recalls	0	NA
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.

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed

All our product catalogs are available on our website. The respective links are provided below:

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