



ESG Policy Manual

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INTRODUCTION

At Granules India Limited (Group), sustainability is at the core of our business strategy, driving responsible growth and long-term value creation. This **ESG Policy Manual** serves as a **ready reference** for all relevant **Environmental, Social, and Governance (ESG) policies**, ensuring a structured and consistent approach across our operations.

Designed **for internal use**, this manual provides **comprehensive guidance** on ESG commitments, regulatory compliance, corporate policies, and best practices that align with global sustainability standards. It covers key areas such as **climate action, resource efficiency, waste management, human rights, labor practices, ethical governance, and stakeholder engagement**.

By consolidating these policies and procedures into a single document, we aim to enhance awareness, strengthen implementation, and foster accountability across all levels of the organization. This manual serves as a practical tool for employees and decision-makers, ensuring ESG principles are **deeply embedded in our corporate culture** and daily operations.

This ESG Policy Manual applies to all operations, processes, and products across Granules, including all manufacturing facilities, offices, subsidiaries and supply chain activities.

This ESG Policy Manual is applicable to all employees, workers, contractors, and other stakeholders associated with Granules India Limited (Group) directly or indirectly. All parties are expected to comply with the principles and practices outlined in this policy to uphold the company's standards of ethical conduct across all aspects of the business.

Sr. No.	Locations	Address
1	Head Office	Madhapur, Hyderabad, Telangana State, India
2	Finished Dosage Unit	Gagillapur Village, Telangana State, India.
3	API Unit – I	Bonthapally Village, Telangana State, India.
4	API Unit – II	Jeedimetla, Hyderabad, Telangana State, India
5	API Unit – III	Bonthapally, Hyderabad, Telangana State, India
6	API Unit – IV	J.N. Pharma City, Visakhapatnam, Andhra Pradesh, India.

7	API Unit – V	J.N. Pharma City, Visakhapatnam, Andhra Pradesh, India.
8	R&D Centre 1	Pragathi Nagar, Hyderabad, Telangana State, India
9	R&D Centre 2	Pragathi Nagar, Hyderabad, Telangana State, India
10	R&D Centre 3	Genome Valley, Hyderabad, Telangana State, India
11	R&D Centre 4	Pune, Maharashtra, India
12	Granules USA, Inc.	35 Waterview Blvd., 3rd Floor, Parsippany, NJ - 07054, USA.
13	Granules Pharmaceuticals, Inc	3701 Concorde Parkway, Chantilly, VA - 20151, USA
14	Granules Life Sciences Private Limited	Sy.Nos. 325-326, 333- 336, 340-346, Lagadimalakpet, Medchal-Malkajgiri district 500078, Telangana, India
15	Granules CZRO Private Limited	PLOT No. 120, 121(Part), Visakha Pharmacity Limited -SEZ, Jawaharlal Nehru Pharma City, Parawada Mandal, Anakapalli District, Andhra Pradesh, India.

These policies are communicated to all stakeholders through appropriate channels to ensure effective implementation and alignment:

- **Employees:** Policies are communicated to **employees** through the **Employee HR Toolkit** and **Code of Conduct**, ensuring clarity on roles and responsibilities. Additionally, all policies are accessible via the **People Strong intranet portal** for easy reference. To reinforce awareness and compliance, these policies are also communicated through **induction training sessions and refresher trainings** conducted at regular intervals.
- **Suppliers:** Expectations for responsible business practices are conveyed through the **Supplier Code of Conduct**.
- **Public Disclosure:** Key policies are made publicly available on our **company website**, reinforcing transparency and commitment to ESG principles.

The Concern Department is responsible for the implementation of the policy, and the Corporate Sustainability Team is responsible for updating this manual at regular intervals, at least once a year or as and when required.

1. RECRUITMENT POLICY

2. Introduction

Granules India Ltd. (Group) recognizes that the recruitment process plays a critical role in attracting and selecting talented individuals who contribute to the success of our organization. This Recruitment Policy outlines our commitment to fair, transparent, and merit-based recruitment practices to ensure equal opportunities for all candidates while preventing unethical hiring practices, including child labour.

3. Scope

This policy applies to all recruitment activities conducted by Granules India Limited (Group), including internal and external hiring processes for permanent, temporary, and contract positions.

4. Equal Opportunity

- Granules is committed to providing equal employment opportunities to all individuals regardless of race, colour, religion, gender, sexual orientation, gender identity or expression, national origin, age, disability, marital status, veteran status, or any other characteristic protected by applicable laws or regulations.
- Recruitment decisions will be based solely on merit, qualifications, and job-related criteria to ensure fairness and prevent discriminatory hiring practices.

5. Prevention of Underage Hiring

- Granules strictly prohibits the hiring of underage workers, in compliance with local labor laws and International Labour Organization (ILO) standards.
- As per company policy, all candidates must be at least 18 years old at the time of employment.
- Age verification measures, including government-issued identification checks, will be conducted during the recruitment process to prevent child labor.
- In cases where young workers (under 18 but above the minimum legal working age) are employed in accordance with legal provisions, special protections such as restricted work hours, prohibition of hazardous work, and additional supervision will be implemented.

6. Job Descriptions

- Clear and accurate job descriptions will be developed for all positions to outline the roles, responsibilities, qualifications, and requirements of the job.
- Job descriptions will be reviewed and updated periodically to reflect changes in job duties or organizational needs.

7. Recruitment Process

The recruitment process will be conducted fairly and transparently, adhering to all applicable labor laws, equal employment opportunity regulations, and company policies to ensure a non-discriminatory selection process.

- Vacant positions will be advertised both internally and externally through multiple channels, including the company website, job portals, professional networking sites, recruitment agencies, and employee referrals to attract a diverse pool of qualified candidates.

- To eliminate any biases, all job postings will clearly define the required qualifications, skills, and experience to ensure that candidates are assessed solely on merit.
- The selection process will involve structured interviews, skill-based assessments, and competency evaluations, ensuring that all candidates—internal and external—are evaluated against the same objective criteria.
- Granules India Ltd. (Group) prohibits any form of discrimination based on race, gender, religion, age, disability, or any other legally protected status, ensuring equal access to opportunities for all applicants.
- To prevent the hiring of underage workers, all applicants must provide valid government-issued identification (such as Aadhaar, passport, or birth certificate) during the verification process.
- Final hiring decisions will be documented, reviewed, and approved by the HR department to ensure compliance with this policy.

8. Selection Criteria

- Selection criteria for each position will be established based on job-related qualifications, skills, experience, and competencies.
- All candidates will be assessed against the same selection criteria to ensure fairness and consistency in the evaluation process.

9. Interviews and Assessments

- Interviews and assessments will be conducted by trained and qualified personnel to evaluate candidates' suitability for the position.
- Interview questions and assessment methods will be job-related and free from discrimination or bias.

10. Offer and Onboarding

- Offers of employment will be extended to the most qualified candidate, subject to reference checks and background verification, including age verification.
- New hires will receive comprehensive onboarding to familiarize them with Granules' culture, policies, procedures, and job expectations.

11. Confidentiality

- Confidentiality of candidate information will be maintained throughout the recruitment process, in compliance with privacy laws and regulations.

12. Feedback and Communication

- Candidates will receive timely feedback at various stages of the recruitment process to keep them informed and provide constructive input for future development.
- Communication with candidates will be prompt, courteous, and professional at all times.

13. Review and Improvement

- The effectiveness of the recruitment process will be periodically reviewed to identify areas for improvement and implement necessary changes.
- Feedback from candidates, hiring managers, and other stakeholders will be considered to enhance the recruitment experience.

14. Compliance

- All recruitment activities will comply with applicable laws, regulations, and company policies, including equal employment opportunity laws, privacy regulations, and child labor prevention measures.
- Any violations of this policy will be subject to corrective action as per company guidelines.

15. Acknowledgment

By participating in the recruitment process with Granules India Ltd. (Group), candidates acknowledge that they have read, understood, and agree to abide by the provisions of this Recruitment Policy.

16. Reference Document:

- Recruitment Procedure: GIL/HR/P&P/10

2. EQUAL OPPORTUNITY OF EMPLOYMENT POLICY

1. Objective

To describe guidelines relating to equal opportunities in employment, focusing on promotions, professional development, and accessibility.

2. Scope

This policy is applicable to all employees and other categories of persons engaged with the Granules India Limited. (Group), including contractors and consultants.

3. Intent of the Company about Equal Opportunity of Employment

Granules India Ltd. (Group) is an equal opportunity employer and makes employment decisions based on merit. We aim to hire the best available candidates for every job. The company prohibits unlawful discrimination based on race, colour, creed, gender, age, nationality, marital status, national origin, physical or mental disability, medical condition, sexual orientation, or any other consideration made unlawful by Central, State, or local laws.

This policy also applies to individuals perceived as having any of these characteristics or being associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful.

The Company is committed to compliance with applicable laws ensuring equal employment opportunities, including reasonable accommodations for individuals with disabilities, unless undue hardship would result.

4. The Process

- Any applicant or employee who requires an accommodation to perform the essential functions of the job should contact the HR department and request such an accommodation.
- The individual with the disability should specify what accommodation they need to perform the job.
- The company will conduct an investigation to identify the barriers that interfere with equal opportunity for the applicant or employee to perform their job. The company will identify possible accommodations that will help eliminate the limitation. If the accommodation is reasonable and will not impose undue hardship, the company will make the accommodation.

5. Training and HR Instructions on Preventing Discrimination

- HR personnel and management are trained on recognizing and preventing discrimination during promotion and professional development processes.
- The company provides regular training for HR and supervisors on creating accessible work environments and ensuring equal opportunities for all employees in career advancement.

- HR staff receive specific instructions on how to promote inclusive hiring, development, and promotion practices, with a focus on underrepresented or vulnerable groups, including women, employees with disabilities, and other minority groups.

6. Raising Concerns

If an employee believes they have been subjected to any form of unlawful discrimination, they are required to submit a written complaint to the respective Head of Department (HOD) or the HR department. Such complaints should be specific and include the names of the individuals involved and any witnesses.

The company will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

If unlawful discrimination is determined to have occurred, remedial action will be taken, commensurate with the severity of the offense. The company will take appropriate action to deter any future discrimination and will not retaliate against the employee for filing a complaint. The company will not permit retaliation by management or co-workers of the employee.

7. Monitoring of Policy

This policy will be amended as appropriate by management.

8. Power to Amend

The company reserves the right to amend or withdraw this policy at any time without assigning any reason. The interpretation and utility of this policy will be at the sole discretion of the Management.

9. Reference Document:

Equal Opportunity of Employment Policy: GIL/HR/P&P/03

3. Prohibition of Child Labour

1. Objective

The objective of this policy is to lay down conditions relating to employment of individuals of certain age groups and also the necessary remediation programs.

2. Scope

This policy is applicable to employment in various types in offices / units located in India.

3. Definitions

Hereunder are the definitions as per various Acts which are applicable to us:

- As per the Child Labour (Prohibition and Regulation) Act, 1986, a “child” means a person who has not completed fourteen years of age
- As per the Factories Act, 1948, “child” means a person who has not completed fifteenth year of age
- As per the Factories Act, 1948, “adolescent” means a person who has completed fifteenth year of age but has not completed eighteenth year
- As per the Factories Act, 1948, “adult” means a person who has completed eighteenth year of age

4. Conditions

Any male/female under the age of 18 years are prohibited for employment with Granules India Limited (Group) and its group entities / offices.

5. Proof of Age

The following documents will be considered for establishing proof of age / date of birth of an employee:

- a) Senior Secondary Certificate (Class X) or equivalent
- b) School Leaving Certificate
- c) Birth Certificate issued by a government official
- d) Aadhar Card with Date, Month and Year of Birth
- e) PAN Card
- f) Voter's Id Card
- g) Passport

6. Procedure

If any child is found working in the premises, their personal identification details are verified to establish true identity and confirm the age. On establishing that the age is below 18 years, the child will be escorted to the Security Office. The contact particulars of the parents /

guardian and residential address will be obtained.

The parents / guardian / child will be spoken to and their needs will be understood.

The possible remediation options will be put in place to ensure that such an incident will not be repeated

The personal particulars of the existing employees will be reviewed to confirm that there are no child labors.

7. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

8. Power to Amend

The company reserves the right to amend the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

9. Reference Document:

Prohibition of Child Labour: GIL/HR/P&P/04

4. Wage Policy

1. Introduction

At Granules India Limited (Group) ("Granules"), we are committed to ensuring fair and equitable compensation for all employees. This Wage Policy includes our commitment to complying with all applicable minimum wage laws and regulations while setting a forward-looking aspiration to progressively achieve living wages that support the dignity and well-being of our employees and their families.

2. Scope

This policy applies to all employees and workers directly employed by Granules and indirectly employed through contractors, suppliers, or other third-party partners across all our operations.

3. Principles

Granules adheres to the following principles to uphold fair compensation:

- **Minimum Wage Compliance:** All employees shall receive wages that meet or exceed the statutory minimum wage requirements in the regions where we operate.
- **Living Wage Aspiration:** Granules is committed to exploring pathways to provide wages that meet recognized living wage thresholds, as defined by credible, recognized benchmarks such as the Global Living Wage Coalition or equivalent local standards.
- **Local Alignment:** Wage levels will account for local economic conditions, inflation, and cost-of-living variations to ensure relevance and sufficiency.
- **Non-Discrimination:** The provision of fair wages applies equally to all employees, irrespective of gender, age, ethnicity, religion, disability, or any other status.
- **Regular Adjustments:** Wages will be reviewed annually to reflect changes in statutory minimum wages and living costs and to ensure compliance with this policy.
- **Stakeholder Collaboration:** Granules will work collaboratively with contractors, suppliers, and other stakeholders to ensure adherence to this policy throughout our supply chain.

4. Implementation

- **Wage Determination:** Granules will:
 - Ensure strict compliance with minimum wage laws and regulations in all operational regions.
 - Identify credible sources and methodologies for determining living wage benchmarks and align with them progressively.
- **Compliance Monitoring:**
 - Conduct regular audits of payroll systems and practices to ensure compliance with statutory minimum wage commitments.
 - Require contractors and suppliers to provide documented evidence of wage compliance for their workers.

- **Training and Awareness:**

- Provide training to human resources, finance, and procurement teams on the importance of fair compensation and living wages.
- Raise awareness among employees and stakeholders about their rights under this policy.

- **Grievance Mechanism:**

- Ensure that employees have access to a transparent and confidential grievance mechanism to report wage-related concerns without fear of retaliation.

5. Goals and Targets

Quantitative Targets:

- 100% compliance with national/regional government acts and policies minimum wage standards for all employees across all levels
- Aspire to progressively bridge the gap between minimum wages and living wages and increase the number of employees and workers being paid living wages from the current level of 60%
- Awareness and access for 100% employee for wage grievances mechanism

Qualitative Targets:

- Maintain an ongoing focus on equity, ensuring that the wage structure is perceived as fair and just by all employees, with regular feedback mechanisms in place to gauge perceptions of fairness.
- Conduct biannual internal audits to ensure adherence to wage commitments.
- Promote skill enhancement and career growth opportunities to facilitate wage progression

6. Governance

The **Nomination & Remuneration Committee (NRC)** of the Board will oversee reviewing compensation strategies, policies, and human resources-related matters. Chief Human Resource Officer (CHRO) accountable for its execution. Regular reviews will be conducted to assess progress, address challenges, and ensure the policy's alignment with Granules' fair compensation objectives. Granules will maintain a framework for monitoring compliance, conducting internal audits of payroll systems, and ensuring adherence to the policy across the company. The policy will be continuously reviewed and updated based on feedback and changing legal or business requirements, as guided by the NRC.

7. Reporting

Granules India will ensure transparency in its wage practices through regular reporting.

These reports will include:

- An update on wage levels in comparison to statutory minimum wages and recognized living wage benchmarks.

- A summary of actions taken to address any wage-related concerns or issues.
- Details of any violations or gaps identified in wage compliance, along with the corrective measures implemented.

This reporting will provide stakeholders with clear insights into Granules' commitment to fair wages and continuous improvements in wage compliance.

8. Accountability

Granules expect all employees, contractors, and suppliers to adhere to this policy. Non-compliance will be addressed promptly, with corrective actions enforced where necessary.

9. Policy Review

This policy will be reviewed once in 2 years or as required, to ensure changes in business operations, regulatory requirements, or wage standards. The Chief Human Resource Officer (CHRO) is responsible for overseeing the implementation and review of this policy.

10. Reference Document:

Wage Policy: GIL/ESG/210

Table-1: Minimum Wages: Jan 2024 (As per Government of Telangana Notification)

	Minimum Wage	
Minimum Wages Break-up	Per Day	Per Month (30 Days)
Basic @ 60%	289.85	8695.5
HRA @ 40%	193.23	5796.9
Sub-total (a)	483.08	14492.4
EL Encashment	24.15	724.5
Statutory Bonus	22.43	672.9
PH Wages	30.97	929.1
Night Shift Allow	15.38	461.4
Atten. Bonus	28.85	865.5
PF @ 13.00%	37.68	1130.4
ESI @ 3.25%	19.66	589.8
Sub-total (b)	179.12	5373.6
Serv. Chgs @7%	33.82	1014.6
Canteen Meals	49.50	1485
Sub-total (c)	83.32	2499.6
Total Cost	745.51	22365.3

Table-2: Living Wages Analysis (As on End of March 2024)**Minimum Wages & Living Wages**

Minimum Wage	INR 14,490 /Month	https://labour.telangana.gov.in/minimumWagesDraft.do
Living Wage	INR 18,054/Month	https://www.globallivingwage.org/living-wage-benchmarks/living-wage-for-rural-andhra-pradesh-india/

Minimum Wages & Living Wages - Overview & Analysis

Employees	Number	%
Total Number of Employees	4057	...
No. of Employees Paid Minimum Wages	4057	100%
No. of Employees Paid Living Wages	3798	93.6%
Workers		
Total Number of Workers	2467	...
No. of Workers Paid Minimum Wages	2467	100%
No. of Workers Paid Living Wages	128	5.2 %
Total		
Total Employees & Workers	6524	
No. of Employees & Workers Paid Minimum Wages	6524	100%
No. of Workers Paid Living Wages	3926	60.1%

5. Wage Equality Policy

At **Granules India Ltd. (Group)**, we are committed to ensuring **fair and equal wages** for all employees in line with government regulations and industry standards. Our wage policy adheres to the principle of **equitable pay for work of equal value**, and we strive to provide wages that ensure a **dignified standard of living** for our workforce.

A. Minimum Wage Compliance

The company ensures compliance with the **minimum wage** laws as per applicable government notifications. The minimum wage rates are regularly reviewed and updated to remain in line with the statutory guidelines and local regulations. We also provide various allowances and benefits to enhance the wage package, in addition to the basic pay, to contribute to the **overall well-being** of our employees.

B. Living Wage Considerations

In addition to the statutory minimum wage, Granules India Ltd. (Group) acknowledges the concept of a **living wage**—an amount that allows employees to meet basic needs for themselves and their families, such as housing, food, and healthcare. We are committed to paying employees wages that align closely with the **living wage benchmark**, ensuring a higher standard of living beyond the basic minimum legal requirement.

C. Wage Transparency

We believe in **transparent wage structures** to foster trust and equity. Employees are made aware of their wage components, including base salary, allowances, and any other compensatory benefits such as statutory bonuses and allowances for night shifts, attendance, etc.

D. Equal Pay for Equal Work

Granules India Ltd. (Group) is dedicated to ensuring **equal pay for equal work**, irrespective of gender, ethnicity, or other demographic factors. We regularly conduct internal wage audits to ensure that all employees are compensated fairly and equitably based on their roles, responsibilities, and performance.

E. Wage Policy for Different Categories

Our wage structure applies to all employees, including:

1. **Permanent Staff:** Employees in regular roles across different departments.
2. **Contractual Staff:** Employees working on fixed-term contracts who receive wages that are in line with industry standards.
3. **Temporary and Part-Time Workers:** Employees on short-term contracts or part-time positions receive wages that meet or exceed the **minimum wage** thresholds and are adjusted based on working hours.

F. Regular Reviews and Adjustments

We conduct **annual reviews** of the wage structure to ensure that wages remain competitive with market rates and reflect changes in living costs, government regulations, and the financial status of the company. Adjustments are made when necessary to provide employees with a fair and **sustainable wage**.

G. Employee Benefits and Additional Compensation

In addition to competitive wages, Granules India Ltd. (Group) offers a variety of benefits, including:

- **Health and wellness programs,**
- **Performance-based incentives,**
- **Meal and transport allowances** where applicable, and
- **Other welfare measures** aimed at improving employees' overall quality of life.

H. Commitment to Fair Compensation

Granules India Ltd. (Group) is fully committed to ensuring that all employees are fairly compensated for their contributions to the company. We strive to maintain a workplace where fair wages are complemented by opportunities for career growth, recognition, and advancement.

6. Working Conditions Policy

1. Introduction:

Granules is committed to providing safe, healthy, and conducive working conditions for all employees. This Working Conditions Policy outlines our commitment to maintaining a work environment that promotes employee well-being, safety, and productivity.

2. Health and Safety:

- Granules prioritizes the health and safety of its employees and strives to provide a work environment free from hazards and risks to health.
- We comply with all applicable health and safety laws, regulations, and standards, and implement measures to prevent accidents, injuries, and occupational illnesses.

3. Ergonomics:

- Granules recognizes the importance of ergonomic workspaces and equipment in promoting employee comfort, productivity, and well-being.
- We provide ergonomic assessments, training, and equipment to ensure employees have appropriate tools and resources to perform their tasks safely and comfortably.

4. Work Hours and Breaks:

- Granules adheres to applicable labor laws and regulations regarding work hours, rest periods, and breaks.
- We strive to maintain reasonable working hours and provide adequate rest breaks to prevent fatigue and promote work-life balance.

5. Work Environment:

- Granules fosters a positive and inclusive work environment that values diversity, respect, and collaboration.
- We prohibit discrimination, harassment, bullying, and any form of disrespectful behaviour in the workplace.

6. Facilities and Amenities:

- Granules provides clean, well-maintained, and comfortable facilities for employees, including workspaces, restrooms, dining areas, and recreational areas.
- We offer amenities such as cafeteria services, vending machines, and wellness rooms to support employee comfort and well-being.

7. Communication and Feedback:

- Granules encourages open communication and feedback from employees regarding working conditions, concerns, and suggestions for improvement.
- We provide multiple channels for employees to voice their opinions, including regular surveys, suggestion boxes, and direct communication with management.

8. Training and Development:

- Granules invests in employee training and development programs to enhance skills, knowledge, and capabilities related to health, safety, and working conditions.
- We provide training on topics such as hazard identification, emergency response, first aid, and stress management to empower employees to protect their well-being.

9. Continuous Improvement:

- Granules is committed to continuously improving working conditions based on feedback, observations, and best practices.
- We regularly review and update policies, procedures, and facilities to address emerging issues and ensure compliance with evolving standards.

10. Compliance Monitoring:

- Granules monitors compliance with this Working Conditions Policy through regular inspections, audits, and assessments.
- Any identified non-compliance issues are addressed promptly through corrective actions and preventive measures.

11. Review and Revision:

- This Working Conditions Policy will be reviewed periodically to ensure its effectiveness and relevance.
- Amendments may be made as necessary to address changes in laws, regulations, industry standards, and organizational needs.

7. Leave Policy

1. Objective

To provide defined leave facilities to all employees and to set clear procedures for availing leaves

1. Scope

The leave policy is applicable to all employees of the Organization based in India

2. Types of Leaves

2.1 Casual Leave (CL) - Casual Leave is given with an objective to enable an employee to meet his / her personal / domestic commitments and / or other exigencies, which require a short leave from work.

2.2 Sick Leave (SL) - Sick Leave is given for leave from work owing to ill health or physical indisposition of an employee.

2.3 Earned Leave (EL) - Earned Leave is earned by the employee and can be availed for any purpose of his choice that requires leave from work for an extended period.

2.4 Paternity Leave (PL)- Paternity Leave is given for absence from work granted to a father after or shortly before the birth of his child to care for an infant.

2.5 Maternity Leave (ML) – Maternity Leave is given for absence from work granted to a mother before and after the birth of her child.

2.6 Leave on Loss of Pay (LLOP) – Leave on Loss of Pay is granted to an employee when there are no leave balances as per policy.

2.7 Leave Bank – Leave drawn from Leave Bank created at the beginning of a calendar year.

3. Eligibility

3.1 CL entitlement is **10 days** per calendar year on accrual basis for all locations. This leave cannot be adjusted or accommodated with any other leave. CL cannot be accumulated and un-availed CL if any will be lapsed.

3.2 SL entitlement is **8 days** per calendar year on accrual basis for all locations. Those employees who covered under ESI scheme are not eligible for SL and covered as per ESI rules. SL can be accumulated up to a maximum of 30 days beyond which they will be lapsed.

3.3 EL entitlement is **18 days** per calendar year on accrual basis for all locations. These leaves can be accumulated up to a maximum of 30 days. Accumulated EL beyond 30 days will be encashed as per rules of encashment.

3.4 Paternity Leave for a maximum of **3 working days** will be allowed when any male employee blessed with a child. Necessary certificate/proof must be produced from a registered medical practitioner or birth certificate.

3.5 Maternity Leave for women employees (not covered under ESI) will be as per the provisions of the Maternity Benefit Act, 1961.

4. General Guidelines

- 4.1 CL and SL (for non-ESI employees) are credited in advance and are pro-rated in the first year and last year of employment. EL will be credited on completion of the year and will be prorated during the first year of employment and prorated and credited as on the last working day at the time of separation.
- 4.2 All leave requisitions should be applied in the HRMS portal through the employee login ID and password.
- 4.3 HR Department will decide any deviation to the rules under exceptional conditions, if recommended by respective functional head / plant head on case-to-case basis.
- 4.4 While leave is a facility provided to employees, all leaves can only be availed subject to the approval of reporting authority.
- 4.5 Utilization of half-a-day SL and CL are allowed, whereas EL is not allowed.
- 4.6 As different leave benefits have different restrictions on their use, hence the possibility of the leave combinations are provided in below table

Leave Combination	Restriction	Remarks
CL + SL	Possible	CL can be applied followed by SL
SL + CL	Not Possible	Total duration must be applied as SL
EL + SL	Possible	Total duration must be applied as EL
SL + EL	Not Possible	Total duration must be applied as EL
EL + CL	Not Possible	Total duration must be applied as EL
CL + EL	Not Possible	Total duration must be applied as EL

5. Conditions governing Casual Leave

- 5.1 Casual Leave will be granted only for reasons, which fall within the purview of the definition, specified in clause 3.1.
- 5.2 It is preferred that prior sanction should be obtained at least 2 days in advance, from the appropriate recommending and sanctioning authorities for availing CL.
- 5.3 CL cannot be carried forward for the next year.
- 5.4 CL cannot be availed for a period more than 3 consecutive days.
- 5.5 Combination of CL with other type of leaves will be referred in the leave combination table (clause 5.7).
- 5.6 No encashment of CL is allowed at any time.

6. Conditions governing Sick Leave

- 6.1 Sick Leave will be granted only for reasons that fall within the purview of the definition specified in clause 3.2.
- 6.2 If SL exceeds 3 days, the employee should produce a medical certificate from a registered Medical practitioner while resuming duties. If required the Management can have the

employee examined by the Company nominated Medical officer to certify the inability or fitness of the employee.

- 6.3 Employees need to inform their reporting authority to avail SL promptly on the same day of sickness and the same should be regularized immediately on the day of reporting to duty
- 6.4 Combination of SL with other type of leaves will be referred in the leave combination table (clause 5.7).
- 6.5 SL can be accumulated up to a maximum of 30 days beyond which they will be lapsed.
- 6.6 Any extended sickness beyond 30 days required special permission from the concerned CXO for it to be treated as Paid/Unpaid Special Medical Leave.
- 6.7 No encashment of SL is allowed at any time.

7. Conditions governing Earned Leave

- 7.1 Earned Leave will be granted only for reasons that fall within the purview of the definition specified in clause 3.3.
- 7.2 It is preferred that EL application should be submitted and approved prior to proceeding on leave.
- 7.3 Intervening holidays / weekly Offs will not be taken into account for the purpose of computation of EL.
- 7.4 Employees before proceeding on EL, should give their contact address and alternate contact number in the leave application and shall inform the authority concerned if there is any change in such address.
- 7.5 If an employee, after proceeding on EL, desire extension he / she shall inform the reporting authority. If the employee does not receive grant of extension of such EL, he / she shall report to the duty.
- 7.6 EL can be availed not more than 4 occasions in a year. On each occasion, the number of days applied of leave should not be less than 3 days.
- 7.7 During the first year of employment, the EL prorated from the date of commencement of employment till 31st December of that calendar year and will be credited at the beginning of the next calendar year.
- 7.8 Combination of EL with other type of leaves will be referred in the leave combination table (clause 5.7).
- 7.9 Procedure for EL encashment is as per clause 13.
- 7.10 At any point of time, the duration of the EL availed cannot exceed the balance to the credit of the employee.

8. Conditions governing Paternity Leave

- 8.1 Paternity Leave will be granted only for reasons, which fall within the purview of the definition, specified in clause 3.4.
- 8.2 A male employee can avail Paternity Leave of 3 working days in order to attend to the needs arising from the birth of his child.
- 8.3 Such leave is permitted only on the birth of first two children out of a legal marriage.
- 8.4 Such leave must be availed within one month of the date of birth of the new born baby.
- 8.5 Paternity Leave benefit cannot be accumulated, carried forward or encashed.

9. Conditions governing Maternity Leave

- 9.1 Maternity Leave will be granted only for reasons, which fall within the purview of the definition, specified in clause 3.5.
- 9.2 All women employees (not covered under ESI) of the company are eligible for ML as defined by the Maternity Benefit Act, 1961.
- 9.3 The employee is required to inform their immediate superior in advance, their intention of proceeding on ML and apply for the same through appropriate means. An employee must make an application for leave three weeks prior to the leave start date.
- 9.4 All holidays and weekly offs falling during the leave are counted as a part of ML.
- 9.5 ML benefit cannot be accumulated, carried forward or encashed.
- 9.6 In case of miscarriage or medical termination of pregnancy a woman employee will be entitled to leave with pay as a maternity benefit for a period of 6 weeks immediately following the day of her miscarriage or medical termination of pregnancy.

10. Conditions governing Leave on Loss of Pay (LOP)

- 10.1 Leave on Loss of Pay (LOP) may be granted to an employee when there are no leave balances to the credit and considered at the sole discretion of the concerned HOD based on the purpose/urgency of leave.
- 10.2 Leave on Loss of Pay shall not be treated as 'Unauthorized Absence' and may not warrant disciplinary action.
- 10.3 Availing leave beyond the purview of given eligibility will amount to LOP.
- 10.4 For the purpose of LOP, monthly gross salary will be considered for deduction proportionately.
- 10.5 In cases of personal exigencies, where the employee proceeds on leave up on oral sanction, he / she have to regularize such leave immediately on return. If regularization of such leave is not done, it will be considered as LOP.

11. Leave Bank

- 11.1 At the beginning of a calendar year, one day leave is credited to the Leave Bank.
- 11.2 Leaves from the Leave Bank are available only to the employees and are not available for extending Maternity leave or for illness of any dependents.
- 11.3 Leave with full pay will be drawn from the Leave Bank and granted to an employee who in case of medical exigencies requires the leaves beyond the eligibility or has exhausted all other leaves at credit.
- 11.4 Consideration of granting leave from the leave bank is purely on the recommendation of company's authorized Medical Officer and finally the committee.
- 11.5 Request for drawing from the Leave Bank must be made to the immediate superior and on recommendation of Function Head not less than a Vice President. The request must be approved by the concerned CXO or the CHRO in absence of a CXO.
- 11.6 Un-availed leaves from the Leave Bank will automatically lapse at the end of the calendar year.
- 11.7 Once the Leave Bank is exhausted no further grant can be made till next year.

12. Leave encashment

- 12.1 Only Earned Leave is encashable and for the purpose of encashment of EL, last drawn Basic per month will be considered. Annual components will not be considered for encashment.
- 12.2 ELs can be encashed subject to keeping a minimum balance of 30 days at any given point

- of time.
- 12.3 EL encashment in excess of 30 days will be settled every year in the month of January along with the pay roll.
- 12.4 The Management reserves the right to withhold or adjust the encashment of EL of an employee against his / her dues to the Organization while on separation.

13. Overtime and Compensatory Off (C-off) guidelines

- 13.1 Based on the exigencies of work, certain staff members may be required to work for extra hours or on weekly off days/holidays. Such staffs are permitted to avail overtime or C-off as per their eligibility mentioned in the below table

Designation	Grade	Overtime	Compensatory Off
All Trainees	Trainee	No	Yes
Technical Associate and Sr. Technical Associate	TA	Yes	No
Junior Officer to Sr. Executive	A-1 to B-2	No	Yes
Assistant Manager and above	B-3 and above	No	No

- 13.2 In order to get eligible for C-off, the employee must work not less than 4 hrs and there after 4 hrs intervals for extended working hours.
- 13.3 Up to Two C-off's can be availed at each instance and they should not clubbed with any other type of leave except weekly off and public holidays.
- 13.4 C-off can be accumulated till end of the calendar year.
- 13.5 End of the calendar year, all the accumulated C-Offs to be converted to EL's in a ratio of 2:1 and may be encashed as per leave encashment rules (Clause 13).
- 13.6 All HODs and Managers are advised to plan and schedule the exigencies of any work accordingly and encourage their staff members to avail the weekly off's and public holidays and avoid Comp-Off.

14. Unauthorized Absence

- 14.1 Any absences from duty without prior permission / sanction are non-regularization upon return is considered as unauthorized absence.
- 14.2 If any employee absents himself without leave or remains absent beyond the period of leave originally granted or subsequently extended, he / she shall be considered as having abandoned his / her employment unless he / she resumes duty within 8 working days of the commencement of such absence and has given an explanation to the satisfaction of the management for such absence.
- 14.3 Unauthorized absence warrants disciplinary action as per the model standing orders and will have adverse impact on performance appraisal / rewards.

15. Separation

In case an employee separates from the company during the year for whatsoever reason, the employee can encash their accumulated EL up to the last working day on pro-rata basis. If leave availed is in excess of the pro-rata entitlement, it will be subject to adjustment against leave encashment and/or deduction from the full and final settlement.

16. Exceptions

Any exception to this policy will require the approval of the ED/CMD or that of an official nominated by him/her.

17. Monitoring of Policy

This policy will be amended at an appropriate time, as decided by the management.

18. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee.

19. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

20. Reference Document:

Leave Policy: GIL/HR/P&P/34

8. Prevention of Sexual Harassment of Women at Workplace Policy

1. Objective

The objective of this policy is to provide guidelines relating to Prevention of Sexual Harassment at Workplace in line with The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, as amended from time to time.

2. Scope

This policy shall be applicable to all written complaints of sexual harassment made in Granules India Limited . (Group):

- a. By an employee of the company against an employee of the company working within or outside India.
- b. By an employee of the customer or client company working within or outside India.
- c. By an employee of the company against an outsider, visitor, professional or consultant, who may have caused sexual harassment to her during the course of her employment and within the premises of company, in India or outside of the country, of the company or its client or customer company.
- d. By any female/male against a male/female employee of the company working within or outside of India only if the act of sexual harassment occurred during the course of employment and within the premises of the company's in India or outside the country, of the company, or its client or customer company.
- e. This policy shall also be applicable to occurrence of sexual harassment perpetrated by a female to male employee and / or by persons having homosexual orientation.

3. Definition

Sexual harassment would mean and include the following, jointly or severally:-

3.1 Any unwelcome behaviour with sexual undertones which has been directed against a person either directly or indirectly. The unwelcome behaviour could be in the form of

- i) Physical contact and advances/ offensive language
- ii) Demand or request for sexual favours
- iii) Making sexually coloured remarks or/and bawdy humour
- iv) Showing any pornographic material
- v) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

3.2 Sexual harassment cases can be classified into two categories: –

- i) Quid pro quo
- ii) Creation of a hostile working environment

Under the quid pro quo form of harassment, a person or authority, usually the superior of the victim, demands sexual favours for getting or keeping a job benefit and threatens to fire the employee if the conditions are not met.

A hostile work environment arises when a co-worker or supervisor creates a work environment through verbal or physical conduct that interferes with a co-worker's job performance or creates a workplace atmosphere which is intimidating, hostile, offensive or humiliating and an attack on personal dignity. Sexual harassment and abuse damage both, individual and Organizational Health.

4. Internal Complaints Committee(ICC)

4.1 To deal with the complaints pertaining to sexual harassment, every location shall constitute an ICC, as specified by the applicable Act consisting of,

- a. a. One Presiding Officer who shall be a woman employed at a senior level of the unit; in case a senior level woman employee is not available, the presiding officer shall be nominated from other offices/ units
- b. Minimum two additional members from amongst employees preferably with legal or social work experience , and
- c. One External member (having knowledge in the field)

4.2 Not less than 50% of the Committee members shall be women employees.

4.3 The ICC shall meet once a quarter, even if there is no live case, and review preparedness to fulfil all requirements.

4.4 The minutes of every meeting shall be recorded in the Minutes Register maintained for the purpose.

5. Honorarium to the External Member

The CHRO from time to time decides on the honorarium to be paid the External Member.

6. Complaint and Complaint Resolution Mechanism

- a. The sexual harassment complaint shall be submitted to the Presiding Officer or any member of the Internal Complaints Committee (ICC) ideally within three days but no later than three months from the date of incident.
- b. The ICC will hold a meeting with the Complainant within five days of the receipt of the complaint, but no later than a week in any case.
- c. ICC before initiating enquiry, at the request of the complainant, shall take steps to settle the matter between complainant and the defendant through conciliation, subject to defendant accepting the mistake.
- d. In the event, the complaint does not fall under the purview of Sexual Harassment or the complaint does not mean an offence of Sexual Harassment, the same would be dropped after recording the reasons thereof.
- e. The Committee shall prepare and hand over the Statement of Allegation to the person against whom the complaint is made and give him / her an opportunity to submit a written explanation if she / he so desires within 7 days of receipt of the same.
- f. If the Complainant or the person against whom complaint is made desires any witness(es)

to be called, they shall communicate in writing to the Committee the names of witness(es) whom they propose to call.

- g. If the Complainant desires to tender any documents by way of evidence before the Committee, she / he shall supply original copies of such documents. Similarly, if the person against whom complaint is made desires to tender any documents in evidence before the Committee he /she shall supply original copy of such documents.
- h. The Committee shall complete the “Enquiry” within reasonable period but not beyond three months and communicate its findings and its recommendations for action to the Management. Upon receipt of the enquiry report from the committee, the Management shall take appropriate action commensurate with gravity of offence e.g. warning, written apology, bond of good behaviour, suspension, dismissal.
- i. In case the conduct disclosed in the Committee’s report is of a nature that amounts to a criminal offence, appropriate action shall be initiated by the Management, for making a police complaint in respect of the same.
- j. The decision of the Committee on any matter within its competence shall be considered final and no appeal /challenge to the same shall lie to any Person

7. Confidentiality

All information received shall be kept strictly confidential. Any persons (including witnesses) who breaches confidentiality shall be subject to disciplinary action.

8. Non-Retaliation

Granules India Limited (Group) strictly prohibits retaliation against any employee, witness, or stakeholder who, in good faith, reports an incident of sexual harassment or participates in an inquiry. Any form of retaliation, including threats, intimidation, demotion, or unfair treatment, will result in disciplinary action, up to and including termination.

9. Complaints made with malicious intent

This policy has been evolved as a tool to ensure that in the interest of justice and fair play, our employees have a forum to approach in the event of instances of sexual harassment. However, if on investigation it is revealed that the complaint was made with malicious intent and with the motive of maligning the concerned individual / tarnishing his / her image in the Company and to settle personal/professional scores, strict action will be taken against the complainant. The employees who are victims of sexual harassment may, in addition to the above, seek legal remedies as may be provided under the various laws for the time being in force.

10. Power to Amend

The Management reserves the right to amend the policy anytime without assigning any reason whatsoever but within the guidelines of The Sexual Harassment of Women at Workplace

(Prevention, Prohibition, and Redressal) Act, 2013.

The utility and interpretation of the policy will be at the sole discretion of the Management.

11. Reference Document:

Prevention Of Sexual Harassment (Posh) Policy: GIL/HR/P&P/07

9. Occupational Health, Safety, and Wellness Policy

Introduction:

Granules is committed to ensuring the health, safety, and well-being of all employees, visitors, and stakeholders. We recognize that promoting occupational health, safety, and wellness is integral to our business success and sustainability. Senior management is fully committed to providing a safe and supportive work environment where every individual can thrive.

To meet this commitment, we follow the below guiding principles:

1. Granules India Limited (Group) complies with all applicable occupational health, safety, and wellness laws, regulations, standards, and industry best practices.
2. This policy applies to all employees, contractors, visitors, and stakeholders across all Granules India Limited (Group) facilities, operations, and activities. It encompasses all aspects of occupational health, safety, and wellness management, including hazard identification, risk assessment, training, emergency preparedness, and wellness promotion.
3. Objectives:
 - To prevent work-related injuries, illnesses, and incidents through proactive hazard identification, risk assessment, and control measures.
 - To provide comprehensive training and education to enhance employee competence in occupational health, safety, and wellness.
 - To promote employee wellness, work-life balance, and mental health through health promotion activities and supportive workplace practices.
 - To comply with legal and regulatory requirements and continuously improve our occupational health, safety, and wellness performance.
4. Granules establishes and maintains an Occupational Health and Safety Management System (OHSMS) based on ISO 45001 standards. The OHSMS framework encompasses policies, procedures, processes, and resources for identifying, assessing, and controlling occupational health and safety risks.
5. Granules conduct regular hazard identification and risk assessment activities to identify workplace hazards, assess associated risks, and implement control measures to eliminate or mitigate risks to an acceptable level.
6. Granules provides comprehensive occupational health, safety, and wellness training and education to all employees, contractors, and temporary workers. Training programs cover topics such as hazard recognition, risk assessment, emergency response, and wellness promotion to ensure competence in safe work practices.
7. We develop and maintain emergency response plans and procedures to respond effectively to emergencies, including evacuation procedures, emergency communication protocols, and emergency response team roles and responsibilities.
8. Granules India Limited (Group) establishes effective communication channels for reporting hazards, incidents, and safety concerns. We encourage employee participation in health, safety, and

wellness initiatives and consult with employees to identify and address occupational health and safety issues.

9. We promote employee wellness and well-being through health promotion activities, wellness programs, and supportive workplace practices. We foster a culture that values work-life balance, mental health, and overall well-being.
10. Granules India Limited (Group) monitors and evaluates occupational health, safety, and wellness performance through regular audits, inspections, and reviews. We review the effectiveness of this policy and its implementation to identify areas for improvement and take corrective actions as necessary.

We are committed to continuously improving our occupational health, safety, and wellness performance through ongoing evaluation, feedback, and implementation of corrective actions. We strive to create a safe, healthy, and supportive work environment where every individual can thrive.

10. Freedom of Association and Collective Bargaining

Introduction:

Granules India Limited (Group) is committed to upholding the fundamental rights of employees to freely associate and engage in collective bargaining. We believe these rights are essential for fostering a fair, inclusive, and productive workplace.

➤ Applicability

This policy applies to all employees of Granules India Limited (Group), including full-time, part-time, temporary, and contract employees across all locations and operations.

➤ Responsibility

Management: Ensure compliance with this policy and support the rights of employees to associate freely and engage in collective bargaining.

HR Department: Provide resources and support to employees exercising these rights and handle related inquiries and grievances.

Employees: Understand and exercise their rights responsibly and report any violations of this policy.

Policy Statement**➤ Freedom of Association**

- Employees have the right to freely form, join, or refrain from joining any lawful organization or association of their choice without fear of retaliation, discrimination, or harassment.
- We respect employees' rights to engage in lawful activities related to forming or joining trade unions or other worker organizations.

➤ Collective Bargaining

- We recognize and respect the right of employees to engage in collective bargaining through representatives of their choice.
- We commit to engaging in good faith negotiations with duly elected employee representatives to reach mutually beneficial agreements on wages, working conditions, and other terms of employment.

➤ Non-Discrimination and Protection

- Employees will not be discriminated against or subjected to any form of retaliation for exercising their rights to freedom of association and collective bargaining.
- We provide protection for employees and their representatives from any form of coercion, intimidation, or harassment.

➤ Open Communication

- We maintain open channels of communication with our employees and their representatives, encouraging dialogue and feedback to address any concerns or issues related to freedom of association and collective bargaining.
- Regular meetings and forums are organized to facilitate constructive communication between management and employee representatives.

➤ **Compliance with Laws and Standards**

- Granules India Limited (Group) complies with all applicable local, national, and international laws and regulations regarding freedom of association and collective bargaining.
- We adhere to international labor standards as set forth by the International Labour Organization (ILO) and other relevant bodies.

➤ **Implementation**

- Provide regular training and awareness programs for employees and management on the importance of freedom of association and collective bargaining.
- Ensure that employee representatives have access to the necessary resources and facilities to perform their duties effectively.
- Regularly monitor compliance with this policy and report on performance in sustainability and corporate responsibility reports.

➤ **Grievance Mechanisms**

- Employees can raise concerns or grievances related to freedom of association and collective bargaining through established grievance mechanisms.
- Ensure that all grievances are addressed in a fair, transparent, and timely manner.

➤ **Review and Updates**

- This policy will be reviewed periodically to ensure it remains relevant and effective in promoting the rights of freedom of association and collective bargaining.
- Updates and revisions will be made as necessary to reflect changes in laws, regulations, and best practices.

By adhering to this policy, Granules India Limited (Group) aims to uphold and promote a work environment where employees' rights to freedom of association and collective bargaining are respected and protected.

11. Internal Job Posting

1. Objective

The objective of this policy is to facilitate career growth and provide opportunities to employees within Granules India Ltd. (Group), and its group entities / offices while filling in the vacancies in the company.

2. Scope

This policy is applicable to all the vacant positions (New/ replacement / New Business position) in the grades B-1 (Executive) to AGM level in Granule India Limited and its group entities / offices.

3. Policy Details

3.1 A Unit / Office will explore for filling up a vacancy from within the existing employees of the concerned Unit / Office.

3.2 In case of non-availability of suitable candidates within its Unit / Office, the vacancy will be published through IJP to source candidates from other Units / Offices.

3.3 Such vacancies across all the Units / Offices will be advertised to all the employees of the company in the form of Internal Job Posting through appropriate means (for eg. Email /Newsflash / Display Boards etc.,)

3.4 The applications received from the employees will be filtered by the Requisitioner based on the criteria applicable for candidates.

3.5 Shortlisted candidates will be interviewed by a panel as an external candidate is interviewed as per the recruitment process.

3.6 Corporate HR will inform the selected candidate and the relieving and receiving Units / functions.

4. Criteria for Applicants

An employee can apply for the vacancy in the Internal Job Postings subject to meeting the criteria below:

4.1 The applicant must have spent at least two years in the present grade with the same Unit / Office if the present grade of the employee is below the grade advertised for the vacant position.

4.2 The applicant must have spent at least one year in the present grade with the same Unit / Office if the present grade of the employee is the same or higher than the grade advertised for the vacant position.

4.3 In case the applicant was selected and placed through a prior Internal Job Process or any other internal job change process within the Unit / Office or across the group, he / she is not eligible for applying through IJP for a period of two years from such change.

4.4 In case the employee is not selected for the position applied for, he/she will continue to work in the current position without any implication whatsoever, for applying for another role.

5. Movement

5.1 The movement of the employee need to happen within 60 days of the communication of the selection.

5.2 HR Heads of relieving and receiving Units / Offices may agree with mutual consent in case the movement is to happen before the period of 60 days.

5.3 The decision of CHRO will be final and binding in this matter.

5.4 The HR Heads of relieving and receiving Units / Offices are required to complete the Inter Unit Transfer Form, based on which a Transfer order will be issued by the Corporate HR to the selected employee.

6. Grade, Compensation & Benefits

The change in Grade, Compensation & Benefits would be effective from the annual increment cycle and in line with the Group guidelines. However, discretion is with the CHRO to effect an interim change on a case-to-case basis.

7. Exceptions

Any exceptions to this policy will require the approval of CHRO.

8. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the group management.

9. Power to Amend

The company reserves the right to amend the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

10. Reference Document:

Internal Job Posting Policy: GIL/HR/P&P/11

12. Human Rights Policy

1. Objective

Granules India Limited (Group), is committed to upholding and promoting human rights as fundamental principles in our operations. We recognize that respecting human rights is not only a legal obligation but also an ethical imperative. This policy outlines our commitment to respecting and protecting human rights within our sphere of influence.

2. Scope / Coverage

This policy applies to all employees, contractors, partners, and stakeholders associated with Granules India Limited (Group).

3. The salient features of this policy are defined below :

- a. **Non- Discrimination:** We are dedicated in providing a workplace and services free from discrimination based on race, colour, gender, religion, caste, sexual orientation, disability, age, or any other protected characteristic. We value diversity and promote an inclusive environment where all individuals are treated with dignity and respect.
- b. **Labor Rights:**
 - i. **Labor Standards:** We are committed to complying with all applicable labor laws and regulations in India. This includes ensuring fair wages, reasonable working hours, and safe working conditions for all employees.
 - ii. **Child Labor:** We strictly prohibit the use of child labor in any form and will not engage with suppliers or partners who exploit child labor.
- c. **Health and Safety:** We prioritize the health and safety of our employees and stakeholders by providing safe working conditions and promoting a culture of safety awareness.
- d. **Environmental Responsibility:** We recognize the importance of environmental protection in upholding human rights. We will strive to minimize our environmental impact, reduce pollution, and use resources responsibly to contribute to a sustainable future for all.
- e. **Freedom of Association and Collective Bargaining:** will engage with local communities to understand their needs, concerns, and expectations. We will work to minimize any negative impacts of our operations on these communities and contribute positively to their development.
- f. **Ethical Business Conduct:** We are committed to conducting our business with integrity and ethical standards, which includes respecting human rights. We will not engage in any activities that support or condone human rights abuses or unethical practices.
- g. **Reporting Mechanisms:** We encourage employees, customers, suppliers, and other stakeholders to report any human rights violations or concerns through established reporting channels. We will investigate and address such reports promptly and confidentially.

4. Consequences Of Non- Compliance : All employees are responsible for upholding this policy. Failure to do so may result in disciplinary action, up to and including termination of employment. Organization will also cooperate with relevant authorities in the investigation of human rights violations.

5. Training and Awareness: Granules India provides training and awareness programs to ensure employees understand their obligations under this Policy and applicable laws. Regular training updates are conducted to reinforce these principles.

6. **Policy Review:** This Policy is periodically reviewed and updated to reflect changes in laws, regulations, or business practices. Employees are responsible for staying informed about the current version of this Policy.
7. **Confidentiality:** The Company treats all complaints regarding this policy with strict confidentiality, to the extent permitted by law and the Company's investigation requirements.
8. This Policy should be read in conjunction with Granules India's existing Equal Opportunity of Employment and Prohibition of Child Labour.
9. This Policy reflects Granules India fostering a culture of respect for human rights, both within our organization and throughout our supply chain. We recognize that promoting human rights is a shared responsibility and will work collaboratively with our employees, partners, and stakeholders to ensure the protection and promotion of human rights in all our operations.
10. **Reference Document:**
Human Rights Policy: GIL/HR/P&P/54

13. POLICY ON RIGHTS OF PERSONS WITH DISABILITIES

1. Introduction:

Granules India Limited (Group) is committed to fostering an inclusive and equitable workplace that respects and promotes the rights of persons with disabilities. This policy outlines our commitment to creating an accessible environment where individuals with disabilities can thrive and contribute effectively.

2. Applicability

This policy applies to all employees, contractors, consultants, temporary staff, and applicants across all locations and business units of Granules India Limited (Group).

3. Responsibility

- **Management:** Ensure the implementation, adherence, and enforcement of this policy.
- **Human Resources:** Provide necessary support, accommodations, and resources to employees with disabilities.
- **Employees:** Respect and support the rights of colleagues with disabilities and adhere to this policy.

4. Policy Statement

- **Non-Discrimination and Equal Opportunity**
 - Granules India Limited (Group) is committed to providing equal employment opportunities to persons with disabilities without any discrimination.
 - All employment practices, including recruitment, hiring, promotion, training, compensation, and benefits, will be conducted in a manner that ensures equal opportunity for individuals with disabilities.
- **Reasonable Accommodations**
 - We will provide reasonable accommodations to qualified employees and applicants with disabilities to enable them to perform essential job functions.
 - Reasonable accommodations may include, but are not limited to, adjustments to workstations, flexible work schedules, assistive technologies, and modifications to work responsibilities.
- **Accessibility**
 - Granules India Limited (Group) will ensure that our facilities are accessible to persons with disabilities. This includes physical accessibility of buildings, workspaces, restrooms, and common areas.
 - We will also strive to ensure that our digital and communication platforms are accessible to employees with disabilities.
- **Awareness and Training**
 - The company will provide regular training and awareness programs to all employees on the rights of persons with disabilities and the importance of an inclusive workplace.
 - Managers and supervisors will receive additional training on how to support employees with disabilities and handle accommodation requests effectively.
- **Confidentiality**
 - All information regarding an employee's disability and accommodation requests will be treated with strict confidentiality and shared only on a need-to-know basis.

- Employees are encouraged to disclose their disabilities to HR to facilitate necessary accommodations, without fear of prejudice or discrimination.
- **Complaint Resolution**
 - Granules India Limited (Group) is committed to addressing any grievances related to disability discrimination or failure to provide reasonable accommodations.
 - Employees can report concerns to HR or through confidential reporting channels. All complaints will be taken seriously, investigated promptly, and addressed appropriately.

Granules India Limited (Group) is dedicated to creating a workplace where persons with disabilities are respected, valued, and given equal opportunities to succeed. By adhering to this policy, we aim to foster an inclusive environment that recognizes and supports the diverse abilities of all our employees.

14. PROMOTION AND UPGRADATION POLICY/ CAREER DEVELOPMENT POLICY

1. Objective

To lay down guidelines related to promotions / upgradations in the organization

2. Scope

This policy is applicable to all confirmed employees of Granules India Limited (Group)

3. Promotion

Promotion means an upward movement of an employee in terms of responsibility, job-content, accountability and authority to deploy resources. The upward movement has to be from one grade group to the other grade group.

4. Upgradation

Upgradation means a lateral movement of an employee within the same grade group.

5. Inputs for Promotion / Upgradation

The following forms of inputs will be considered for taking promotion / upgradation decisions:

5.1 Organizational necessity

Organizational necessity will be the principle criterion for determining promotions.

Organizational needs would arise from business plans (including changes in technology, growth, diversifications, new markets, etc.), change in organizational structure, separations, changes in the environment and such other variables.

5.2 Merit

5.2.1 Performance Appraisal

Once the organizational requirement is established, weightage will be given to performance on the present job. Consistent and outstanding level of performance could form a criterion for eligibility to be promoted.

5.2.2 Potential Appraisal

This means and includes the functional, managerial and behavioral competencies required for the next higher position vis-à-vis the competencies possessed by the candidate. The candidate should have handled or possess potential to handle higher level of responsibilities, laterally or vertically.

5.3 Experience

Extensiveness and quality of experience (e.g., whether it is in a related area or not, types of jobs handled, level of responsibility undertaken etc.) will form the next important input. This should be assessed in terms of previous experience and current experience.

5.4 Qualification and Training

5.4.1 Qualification and training in related fields / functions will be another input. This could be assessed from the training records, additional degrees and diplomas acquired etc.

- 5.4.2 An organogram indicating the present organization structure and the future structure post-promotion shall be included as a part of the Promotion Recommendation Form.

6. Promotion Process

The following process will be followed to decide promotions in the organization:

- 6.1 HOD will send recommendation for promotions in the prescribed form.
- 6.2 The recommendation will carry clear justification on the competencies and higher responsibilities already carried out / to be handled by the candidate.
- 6.3 HR department will collate all the recommendations and put it up to the review committee
- 6.4 The review committee will comprise of the following
 - a. CXO Team [for promotions / upgradations to grade D-1 and above]
 - b. Plant / Functional Head and HR Head at a grade VP and above [for promotions / upgradations to grades C-1 to C-3]
 - c. Plant / Functional Head and HR Head at a grade GM and above [for promotions / upgradations to grades B-3 and below]

7. Compensation increase on Promotion

Compensation increase on promotion will be in addition to regular annual increment at the discretion of the management.

8. Frequency of Promotion

- 8.1 Promotion recommendations will be considered only at the time of annual appraisal based on the criteria suggested above.
- 8.2 CXO members at their discretion may consider promotion recommendations on an exceptional basis any time during the year.

9. Exceptions

Any exceptions to this policy will require the approval of the Head - Human Resources or that of an official nominated by him/her.

10. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

11. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

12. Reference Document:

Promotion and Upgradation Policy/ Career Development Policy: GIL/HR/P&P/40

PROMOTION RECOMMENDATION FORM

1. Employee details

Employee Name:	Employee No.:
Designation:	Grade:
Date of Joining:	Department:
Joining Designation:	Date of Last Promotion:
Qualification at the time of joining:	
Qualification acquired during tenure:	

2. Work Experience

S No	Organization	Nature of Assignment	Designation	No. of Years

3. Performance Ratings of last three years (as applicable)

Year			
Rating			

4. Job Description

Present Job Responsibilities:	Additional responsibilities to be included:
-------------------------------	---------------------------------------------

5. Significant Contributions & Achievement in the present job

6. Suitability to take up Higher Responsibilities

Attribute	Score (as per scale)	Scale
Domain Knowledge		1 – Far below requirement 2 – Below requirement 3 – Just meets requirement 4 – Exceeds requirement
Team Leadership (as applicable)		
Business Communication		
Decision Making		

Problem Solving		5 – Far exceeds requirement
Taking Initiative		
Result Orientation		
Quality Consciousness		

7. HOD Recommendation

I hereby recommend Mr / Ms _____ to be promoted / upgraded
to (designation) _____

Name of the HOD:	Signature:
Department:	Date:

8. Recommendations of Review Committee

Promotion Recommendation Proposal

Accepted:

☐

Rejected:

☐

Summary of Discussion:

Signatures of Review Committee Members

15. PERFORMANCE EVALUATION AND REMUNERATION POLICY

I. TITLE:

This policy with regard to Performance Evaluation and Remuneration shall be called the Granules India Limited (Group) – Performance Evaluation and Remuneration Policy (herein after referred to as the “Policy”).

II. PREFACE:

Granules India Limited (Group) is committed to highest standards of corporate governance and believes in complying with the spirit of the law and not just the letter of law.

Granules believes and considers its human resources as its invaluable assets and in pursuance of its practice to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and other Employees of the Company and in terms of the provisions of Section 178 of the Companies Act, 2013 and regulation 19 of the Listing Regulations as amended from time to time, this policy is amended by the Board on 25th October 2016 which was originally framed on 28th January 2015 for performance evaluation, nomination and remuneration of Directors, Key Managerial Personnel and other Employees.

The Company’s Nomination and Remuneration committee consists of majority of Independent Directors which ensures transparency in determining the remuneration of Directors, KMPs and other employees of the Company. The Chairman of the committee is an Independent Director, thereby resulting in independent and unbiased decisions.

III. OBJECTIVE:

- To lay down criteria, (qualification, experience and skill sets) to identify persons qualified to become Directors (Executive and Non-Executive), Key Managerial Personnel as per Companies Act, 2013 and others who could be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on job evaluation and industry benchmarking.
- To evaluate the performance of Directors as well as Key Managerial and Senior Management Personnel.
- Recommendation to the Board on remuneration payable to the Director(s), KMP and Senior Management Personnel based on Company’s Structure and financial performance and remuneration trends and practices that prevail in peer companies across the industry.
- To manage rewards linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- To attract, retain and motivate the Directors, KMPs and Senior Management Personnel.
- To promote talent and to ensure long term sustainability of talented managerial persons with the Company and create competitive advantage.
- The Committee shall observe the set of principles and objectives as envisaged under the Companies Act, 2013 (“**Act**”) (including Section 178 thereof), rules framed there under and clause 49 of the Listing Agreement including, *inter-alia*, principles pertaining to determining qualifications, positives attributes, integrity and independence.

IV. DEFINITIONS & INTERPRETATION:

Act means Companies Act, 2013

Board means Board of Directors of the Company

Directors means a director appointed to the Board of a Company.

Committee means Nomination and Remuneration Committee of the Company.

Company means Granules India Limited (Group)

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49 of the Listing Agreement.

Independent Director means a director who meets the criteria of Independence laid down under

Section 149 of the Companies Act, 2013 read with the rules made there under and the Listing Agreement entered with the stock exchanges.

Key Managerial personnel (KMP) means –

- (i) the Chief Executive Officer or the Managing Director or the Manager
- (ii) the Company Secretary
- (iii) the whole-time director
- (iv) the Chief Financial Officer
- (v) such other officer as may be prescribed under the Companies Act, 2013 and the rules made thereunder.

Employee means any employee of the Company (whether working in India or abroad)

Senior Management Personnel (SMP) means personnel of the Company who are members of its core management team excluding Board of Directors and who are categorized under Grade – F as per Level Grade Structure Policy of Granules India Limited (Group).

Policy means Granules India Limited (Group) – Performance Evaluation and Remuneration Policy.

V. APPLICABILITY:

The policy shall be applicable to–

- (i) Directors (Executive and Non-Executive),
- (ii) Key Managerial Personnel and
- (iii) Senior Management Personnel of the Company.

VI. COMPOSITION OF THE COMMITTEE:

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Clause 49, as amended from time to time.

VII. ROLE OF THE COMMITTEE:

The Committee shall:

- i) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- ii) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- iii) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- iv) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- v) Recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees.
- vi) To devise a Policy on Board diversity.
- vii) Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- viii) Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- ix) Ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- x) Any other responsibility as determined by the Board.
- xi) To carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of changing business, legislative, regulatory, legal or other conditions.

VII. MEETINGS OF THE COMMITTEE:

The meeting of the Nomination & Remuneration Committee shall be held at such time and interval as may be required.

VIII. APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL:

- i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Directors, KMP and Senior Management level.
- ii) A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment as a Director, Key Managerial Personal or Senior Management Personnel. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position concerned.
- iii) Appointment of Directors, KMP's and Senior Management Personnel are subject to

compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement.

- iv) While appointing Independent Directors, the Committee shall ensure that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business and such other criteria as may be specified by any law amended from time to time.
 - v) It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 and Listing Agreement as amended from time to time.
- iv) The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

IX. REMUNERATION TO EXECUTIVE DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES OF THE COMPANY:

- i) The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., medical expenses, LTA and other expenses shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- ii) The Managing Director of the Company may decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.
- iii) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V to the Companies Act, 2013 or with the prior approval of the Central Government as the case may be.
- iv) If any Executive Director/Manager draws or receives, directly or indirectly by way of remuneration any sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior approval of the Central Government, wherever applicable, he / she shall refund such sum to the Company and until it is refunded shall hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- v) The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- vi) Where any insurance is taken by the Company on behalf of its Directors and KMPs for

indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

vii) The Senior Management Personnel participate in a performance linked variable pay scheme which will be based on the individual and company performance for the year, pursuant to which the Senior Management are entitled to performance-based variable remuneration.

viii) Subject to the provisions of the Act, all Directors, KMP, SMP of Granules India Ltd. (Group) shall be entitled to avail any stock options or any other benefits, except for:

- a) an employee / Director, who is promoter(s) or relative(s) of the promoters;
- b) a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company;
- c) an Independent Director.

X. REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

- i) The Non- Executive / Independent Director may receive sitting fees, accommodation, travelling and other expenses incidental thereto for attending meetings of Board or Committee thereof.

Provided that the amount of sitting fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Remuneration /Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net of the Company computed as per the applicable provisions of the Companies Act, 2013.

- ii) An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

XI. EVALUATION

- i) The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals as may be necessary.
- ii) The performance of the Independent Directors will be evaluated by the Board except the director being evaluated.
- iii) The Independent directors at their separate meeting, which shall be conducted atleast once in a year, shall evaluate the performance of the Chairperson of the Company, non-independent directors, the Management and the Board as a whole taking into account the views of executive directors and non – executive directors.

- iv) While evaluating the performance of Directors, the Committee may take into account the following factors:
- Contribution to development of strategy and to risk management
 - Knowledge to perform the role
 - Guidance on corporate strategy, risk policy, corporate governance practices
 - Performance of duties and level of oversight
 - Professional conduct, Independence and unbiased decisions/opinions etc.
- v) The Chairman of the Board or Committee, as the case may be, will collate the input and provide an overview report of performance evaluation for discussion by the Board.
- vi) The Board as a whole will discuss and analyze its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.
- vii) The Board may engage independent external consultants periodically to provide advice and assistance in the evaluation process.

XII. POLICY ON BOARD DIVERSITY:

- i) This Policy on Board Diversity (the “Policy”) forms part of Performance Evaluation and Remuneration Policy and it sets out the Company’s approach to ensuring adequate diversity in its Board of Directors (the “Board”) and is devised in consultation with the Nomination and Remuneration Committee (the “Committee”) of the Board.
- ii) The Policy applies to the Board of Granules India Limited (Group) (the “Company”).
- iii) The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.
- iv) The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with revised Clause 49 of the Equity Listing Agreement (the “Clause 49”).

XIII. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made thereunder or under any other applicable Act, rules and regulations or consequent to violation of Company’s Code of Conduct/Policy on Internal Code of Conduct on Insider Trading, the Committee

may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel or any other employee subject to the provisions and compliance of the said Act, rules and regulations.

XIV. AMENDMENT

The policy of the Company is guided by the Companies Act 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Listing Agreement for Equity entered with the Stock Exchanges. It continues to be guided by amendments made to the aforesaid legislations from time to time.

16. Training & Development Policy

At Granules India Ltd. (Group), we are dedicated to developing the capabilities of our workforce, ensuring that our employees are equipped with the knowledge, skills, and resources necessary to excel in the pharmaceutical industry. Our policy is designed to create a culture of continuous learning and professional growth while maintaining the highest standards of excellence in manufacturing and operational practices.

A. Objective

The Training & Development Policy at **Granules India Ltd. (Group)** focuses on:

1. **Enhancing Job-Specific Competencies:** Providing employees with the technical skills, including Good Manufacturing Practices (cGMP) and industry-specific certifications, essential for ensuring compliance with regulatory standards in pharmaceutical manufacturing.
2. **Promoting Ongoing Professional Growth:** Encouraging continuous learning through structured training programs, mentorship, and leadership development to support career progression.
3. **Supporting Operational Excellence:** Improving operational efficiency, adherence to **pharmaceutical regulations**, and fostering innovation across production, quality assurance, and other critical functions.
4. **Promoting Employee Well-Being:** Providing programs that address stress management, workplace ergonomics, and work-life balance, creating a healthy and supportive environment for all employees.

B. Scope

This policy applies to all **employees** of **Granules India Ltd. (Group)**, including:

1. **Permanent Employees:** Across manufacturing, quality control, regulatory affairs, engineering, and administration.
2. **Contractual Employees:** Temporary or project-based employees requiring specific functional or regulatory training.
3. **New and Existing Employees:** Employees undergoing induction programs, onboarding, and specialized skill training to stay current with industry standards.

C. Roles and Responsibilities

1. **Training Coordinator:**
 - Manages the development, execution, and tracking of cGMP training and other regulatory training programs.
 - Coordinates on-the-job training for new employees, ensuring they meet industry-specific requirements.
 - Works with department heads to assess training needs related to production, quality assurance, and compliance.
2. **Departmental Training Coordinators:**
 - Identify and monitor department-specific training needs, especially around Standard Operating Procedures (SOPs) and cGMP standards.
 - Ensure the timely completion of assigned training modules for all team members.
3. **Subject Matter Experts (SMEs):**
 - Provide expertise in pharmaceutical manufacturing processes, regulatory compliance, and other specialized areas.
 - Lead hands-on practical training sessions and ensure employees are fully prepared for their tasks.
4. **Human Resources (HR):**

- Oversees induction programs for new hires, including an introduction to industry standards and regulatory compliance.
- Coordinates continuous learning initiatives and ensures alignment with the company's strategic goals.
- Tracks participation, compliance, and feedback to improve training programs.

5. Employees:

- Participate actively in training programs and complete assignments within set timelines.
- Apply newly acquired skills in daily responsibilities, and share feedback to improve training processes.

D. Training Procedures

1. Training Needs Identification (TNI):

- Conducted annually to identify skill gaps, especially in areas related to cGMP, regulatory updates, and safety standards.
- Collaboration between department heads and HR ensures training aligns with the company's evolving needs in the pharmaceutical industry.

2. Induction Training:

- **Purpose:** Introduces new employees to Granules India Ltd. (Group), its mission, and safety protocols, including industry-specific standards like cGMP and regulatory compliance.
- **Content:** Overview of company operations, core values, and departmental-specific responsibilities.

3. cGMP and Role-Specific Training:

- All employees undergo comprehensive training on Good Manufacturing Practices (cGMP) and job-specific Standard Operating Procedures (SOPs).
- On-the-job training ensures readiness for routine production tasks, quality control procedures, and compliance with pharmaceutical regulations.

4. Continuous Professional Development (CPD):

- Programs include industry-recognized certifications, leadership workshops, and cross-functional training to promote career advancement within the pharmaceutical sector.

E. Specific Programs

1. Family-Supportive Programs:

- **Flexible Working Hours:** Allows employees to tailor their schedules to accommodate family responsibilities.
- **Parental Leave:** Provides maternity and paternity leave, ensuring employees can balance work and family life.
- **Childcare Assistance:** Financial support for childcare and partnerships with local childcare facilities.
- **Family-Oriented Events:** Organizing annual family days and wellness workshops for the whole family.
- **Employee Assistance Programs (EAPs):** Providing counselling services for employees and their families during difficult times.

2. Women Empowerment and Career Development:

- **Mentorship Programs:** Pairing women employees with senior leaders to provide guidance on **career advancement** within the pharmaceutical industry.

- **Sponsorship Initiatives:** Promoting high-performing women for leadership roles, with active support from senior management.
 - **Leadership Workshops:** Focused on public speaking, negotiation, and strategic decision-making for women pursuing leadership positions.
 - **Networking Events:** Facilitating collaboration among female employees through networking and learning opportunities.
3. **Stress Management & Repetitive Strain Prevention:**
- **Ergonomic Workstations:** Providing adjustable desks, chairs, and specialized equipment to prevent strain in production and office roles.
 - **Regular Stretching Breaks:** Scheduled breaks to reduce the risk of repetitive motion injuries in laboratory and production environments.
 - **Onsite Physiotherapy:** Available for employees experiencing physical discomfort from their roles.
 - **Workshops on Posture & Stress Management:** Regular sessions to promote physical and mental well-being in the workplace.
4. **Affinity and Support Groups for Minorities/Vulnerable Groups:**
- **Affinity Groups:** Supporting diverse groups such as working parents, LGBTQ+ employees, and cultural or religious communities within the company.
 - **Ongoing Engagement:** Funding, meeting spaces, and resources are provided to ensure the continuity of these groups.
5. **Inclusion of Employees with Disabilities:**
- **Accessible Infrastructure:** Ensuring that workspaces, entrances, restrooms, and equipment are fully accessible for employees with physical disabilities.
 - **Disability-Specific Training:** Providing sensitivity and inclusion training for all employees and management.
 - **Psychological Adaptation Programs:** Programs designed to support mental health and adaptive work strategies for employees with psychological conditions.
 - **Career Development for Employees with Disabilities:** Tailored mentorship and career development opportunities for employees with disabilities.

F. Training Methods

1. **Classroom Training:** Led by internal or external experts, focused on pharmaceutical regulations and job-specific skills.
2. **E-Learning Modules:** Available via the company's Learning Management System (LMS) for flexible access to training.
3. **On-the-Job Training:** Practical, hands-on sessions focused on daily operational skills.
4. **Workshops and Seminars:** Interactive learning sessions focused on the latest trends in pharmaceutical manufacturing and industry standards.
5. **Cross-Functional Training:** Employees rotate across different departments to broaden their understanding of the company's operations.

G. Evaluation and Feedback

1. **Training Surveys:** Post-training feedback is collected to evaluate program effectiveness and areas for improvement.
2. **Managerial Assessments:** Managers assess the application of new skills in daily work.
3. **360-Degree Feedback:** Gathering input from peers and supervisors to measure the impact of training.

4. **Training Analytics:** Tracking training completion rates and participation to identify improvement areas.

H. Professional Development and Advancement

1. **Merit-Based Promotions:** Promotions are based on performance, skill acquisition, and leadership potential.
2. **Career Development Plans (IDPs):** Custom development plans for employees to achieve their career objectives.
3. **Diversity and Inclusion in Career Advancement:** Ensuring equitable representation of diverse groups in leadership roles.
4. **Leadership Programs:** Focused development for high-potential employees to prepare them for senior roles.

I. Monitoring and Continuous Improvement

1. **Annual Review:** Training content and schedules are reviewed annually.
2. **Risk Assessments:** Identifying skill gaps and areas for improvement in safety and performance.

J. Benefits of Training & Development

1. **Enhanced Employee Performance:** Ensuring employees have the necessary skills to succeed in their roles.
2. **Increased Engagement:** Providing growth opportunities increases job satisfaction and reduces turnover.
3. **Organizational Excellence:** A well-trained workforce ensures consistent product quality and regulatory compliance.
4. **Succession Planning:** Developing internal talent for leadership roles to ensure continuity.
5. **Health and Well-Being:** Providing programs for stress management and ergonomic support to improve overall well-being.

K. Conclusion

Granules India Ltd. (Group) is committed to the continuous development of its employees to ensure success, innovation, and excellence in **pharmaceutical manufacturing**. Our focus on training and development prepares employees for **career growth** while maintaining the highest industry standards.

17. Two-Way Communication Policy

At **Granules India Ltd. (Group)**, we believe in fostering a culture of **open communication** between employees and management. This policy aims to establish clear communication channels where employees can voice their feedback, concerns, and ideas, while management can respond and clarify decisions, ensuring transparency and inclusivity.

A. Objective

The aim of this policy is to promote effective dialogue by:

1. Establishing an environment based on **trust** and **transparency**.
2. Addressing employee concerns about **work conditions, benefits, and organizational changes**.
3. Providing a platform for employees to suggest **ideas for improvements** in operations and culture.
4. Aligning **individual goals** with the **company's objectives**.

B. Scope

This policy applies to all employees at **Granules India Ltd. (Group)**, including permanent, part-time, contractual staff, and senior leadership, ensuring inclusive communication at all levels.

C. Responsibility

1. **Human Resources (HR):**
 - Organizes and tracks communication sessions.
 - Provides training to managers on **effective communication**.
2. **Managers and Team Leaders:**
 - Encourage their teams to actively participate in sessions and address department-specific concerns.
3. **Leadership Team:**
 - Actively engage in forums, responding to employee feedback and maintaining **accountability**.

D. Communication Session Types

1. **Company-Wide Forums (Town Halls):**
 - **Frequency: Annually**
 - **Format:** Presentations by leadership, followed by **Q&A** where employees can ask questions and share feedback.
2. **Departmental Feedback Sessions:**
 - **Frequency: Monthly** or as required
 - **Format:** Informal discussions led by department heads to address operational challenges.
3. **Employee-Management Dialogue Forums:**
 - **Frequency: Bi-annually**

- **Format:** Moderated discussions focusing on workplace policies, benefits, and conditions.
- 4. **One-on-One Feedback Sessions:**
 - **Frequency:** On request
 - **Format:** Private, confidential meetings with HR or managers to discuss sensitive concerns.
- 5. **Pulse Surveys and Anonymous Feedback:**
 - **Frequency:** Quarterly or as needed
 - **Format:** Anonymous feedback through digital forms or suggestion boxes.

E. Communication Guidelines

1. **Encouraging Openness:**
 - Employees are encouraged to share their thoughts in a **constructive** and **open manner**.
2. **Real-Time Responses:**
 - Management addresses questions during sessions or provides follow-up responses within a defined period.
3. **Ensuring Engagement:**
 - Managers ensure **all employees** have the opportunity to participate, encouraging those who may not usually speak up.
4. **Anonymous Feedback:**
 - Employees can submit feedback anonymously via digital platforms or physical suggestion boxes.

F. Session Documentation and Follow-Up

1. **Meeting Documentation:**
 - HR keeps records of key discussions and follow-up actions.
2. **Action Tracking:**
 - Action points from sessions are tracked, and updates are provided within **30 days** to ensure accountability.

G. Encouraging Participation

1. **Session Notifications:**
 - HR informs employees in advance through **email** and the **HR portal**.
2. **Acknowledging Participation:**
 - Employees contributing valuable insights are recognized through **internal communications** or may have the opportunity for one-on-one discussions with leadership.

H. Monitoring and Evaluation

1. **Feedback Surveys:**
 - Surveys help evaluate the effectiveness of sessions and identify improvement areas.

2. Annual Review:

- Participation and outcomes of communication sessions are reviewed yearly by HR to assess impact and areas for refinement.

3. Continuous Improvement:

- Session formats and frequencies are adjusted based on feedback to maintain relevance and impact.

18. Anti-discrimination Policy

Introduction:

Granules is committed to fostering an inclusive and diverse workplace where all individuals are treated with dignity and respect. This Non-Discrimination Policy outlines our commitment to providing equal employment opportunities throughout all aspects of employment, including recruitment, training, promotion, and discharge.

Scope: This policy applies to all employees, job applicants, contractors, consultants, and stakeholders associated with Granules. Discrimination based on race, colour, religion, gender, sexual orientation, gender identity or expression, national origin, age, disability, marital status, veteran status, or any other characteristic protected by applicable laws or regulations is strictly prohibited.

Recruitment:

- Granules will recruit, hire, and promote individuals based on their qualifications, skills, and abilities relevant to the position, without regard to any protected characteristic.
- Job postings, advertisements, and recruitment materials will be free from language or imagery that may imply discrimination or bias.

Training:

- All employees will have equal access to training and development opportunities regardless of their background or characteristics.
- Training programs will promote diversity, inclusion, and sensitivity to cultural differences to create a respectful and supportive work environment.

Promotion:

- Promotion decisions will be based on merit, performance, and qualifications, without regard to any protected characteristic.
- Granules will ensure that promotion processes are fair, transparent, and free from discrimination or favouritism.

Discharges and Discipline:

- Discharges, disciplinary actions, or other employment decisions will not be based on any protected characteristic.
- Granules will investigate and address any allegations of discrimination promptly and impartially, in accordance with company policies and applicable laws.

Compliance:

- All employees are expected to comply with this Non-Discrimination Policy and report any incidents of discrimination or harassment to the appropriate authority within the company.
- Retaliation against individuals who report discrimination or participate in investigations is strictly prohibited.

Training and Awareness:

- Granules will provide training on diversity, inclusion, and non-discrimination to all employees, managers, and supervisors to ensure understanding and compliance with this policy.

Review and Revision:

- This Non-Discrimination Policy will be reviewed periodically to ensure its effectiveness and compliance with applicable laws and regulations.
- Amendments may be made as necessary to address changes in organizational needs or legal requirements.

Acknowledgment:

- By accepting employment or engaging in business activities with Granules, individuals acknowledge that they have read, understand, and agree to abide by the provisions of this Non-Discrimination Policy.

19. Employee Wellbeing Policy

Introduction:

At Granules, we recognize that the wellbeing of our employees is paramount to the success and sustainability of our organization. We are committed to creating a work environment that promotes health, safety, and overall wellbeing. This policy outlines our approach to ensuring that all employees have access to resources and support necessary for their physical, mental, and emotional health.

Applicability

This policy applies to all employees of Granules, including full-time, part-time, temporary, and contract staff across all locations and departments.

Responsibility

- **Senior Management:** Responsible for endorsing and promoting a culture of wellbeing throughout the organization. Ensure adequate resources are allocated for wellbeing initiatives.
- **HR Department:** Implement and manage wellbeing programs, provide training, and support employees in accessing wellbeing resources. Monitor and evaluate the effectiveness of wellbeing initiatives.
- **Managers and Supervisors:** Promote and model healthy behaviours, support team members in accessing wellbeing resources, and address any concerns related to employee wellbeing.
- **Employees:** Take responsibility for their own wellbeing by utilizing available resources and participating in wellbeing programs. Support colleagues in their wellbeing efforts.

Policy Elements

Physical Wellbeing

- **Health and Safety:** Ensure a safe working environment by adhering to health and safety regulations, conducting regular risk assessments, and providing necessary safety equipment.
- **Fitness and Nutrition:** Promote physical activity and healthy eating through initiatives like gym memberships, fitness challenges, and healthy workplace dining options.
- **Medical Support:** Offer access to healthcare benefits, regular health screenings, and vaccinations.

Mental Wellbeing

- **Mental Health Support:** Provide access to confidential counselling services and mental health resources, and promote mental health awareness through training and workshops.
- **Work-Life Balance:** Support flexible working arrangements, including remote work options and flexible hours, to help employees balance their professional and personal lives.
- **Stress Management:** Offer resources and training on stress management techniques, including mindfulness and relaxation practices.

Emotional Wellbeing

- **Inclusive Environment:** Foster a workplace culture that values diversity, equity, and inclusion, ensuring all employees feel respected and valued.
- **Recognition and Reward:** Implement programs that recognize and reward employee achievements and contributions.
- **Social Support:** Promote team-building activities and social events to encourage positive relationships among employees.

Financial Wellbeing

- **Financial Education:** Provide resources and training on financial management, including budgeting, saving, and investing.
- **Compensation and Benefits:** Ensure fair and competitive compensation packages that meet the needs of employees and their families.

Professional Wellbeing

- **Career Development:** Offer opportunities for professional growth through training, mentorship programs, and career advancement initiatives.
- **Work Environment:** Create a positive and supportive work environment that encourages innovation, creativity, and job satisfaction.

Monitoring and Review

The HR department will regularly monitor the effectiveness of the Employee Wellbeing Policy through surveys, feedback, and health metrics. This policy will be reviewed annually and updated as necessary to ensure it continues to meet the needs of our employees and the organization.

Confidentiality

All employee health and wellbeing information will be treated with the utmost confidentiality. Only authorized personnel will have access to this information, and it will be used solely for the purpose of supporting employee wellbeing.

Granules is committed to fostering an environment where employees feel supported, valued, and equipped to achieve their best both professionally and personally. By prioritizing employee wellbeing, we aim to enhance overall job satisfaction, productivity, and organizational success.

20. Group Medical Insurance Policy

1. Objective

The objective of this policy is to provide guidelines relating to assistance for meeting expenses incurred on hospitalization.

2. Scope

This policy is applicable to all the employees of Granules India Limited (Group) based in India excluding those who are covered under the Employee State Insurance scheme (ESI)

3. Insurance Scheme

The company procures a Group Mediclaim Insurance Policy for the covered employees to enable them to meet the expenses incurred during the hospitalization of the employee or his / her family member/s.

4. Definition of Family

The family of an employee includes self, his / her spouse, his / her children and his / her parents.

5. Primary Insurance Cover

5.1 The Sum Insured for employee's family per the term of prevalence of the policy is Rs. 3,00,000 for employees in the grades C-3 and below and Rs. 5,00,000 for employees in the grades D-1 and above.

5.2 The company at its discretion may change the sum insured based on the felt need / utilization of the policy taken.

5.3 The amount for which the insurance policy is taken is a family floater policy wherein the entire amount can be used by the employee or his / her family members individually or collectively. The maximum relief available for the entire family of the employee is as the sum insured per employee.

5.4 The allowable expenses which can be covered under the insurance policy will be as per the agreed terms between the company and the insurance service provider.

6. Corporate Buffer

6.1 In addition to the above cover, the company may take an additional insurance cover for the group of employees through Corporate Buffer for expenses beyond the primary insurance cover.

6.2 The use of Corporate Buffer will also depend on the terms and conditions of the Group Mediclaim Insurance Policy obtained by the company with the insurance service provider.

In case the primary insurance cover for employee is exhausted, and there are further expenses, the employee may request the company for further monetary assistance through the Corporate Buffer. Such request must be made to the location HR Head with the recommendation of the concerned HOD in the grade Senior Manager or above. The recommended request must be sent to the Corporate HR functionary dealing with the insurance

6.3 A committee consisting of the concerned CXO and the CHRO will consider the request based on the merits of the case and will decide the amount that can be granted from the Corporate Buffer. The maximum amount that can be granted from the Corporate Buffer will be as per the conditions of the medical insurance taken by the company.

6.4 In the event that the Corporate Buffer is exhausted, no further requests can be entertained.

7. Employee Enrolment

7.1 All employees who are not covered under the Employee State Insurance will mandatorily part of the Group Medical Insurance Scheme.

7.2 An employee participating in this scheme needs to furnish the details of the family members to be covered under the scheme.

7.3 Any changes to the list of family members declared will have to be intimated to the Unit HR as soon as possible so as to ensure inclusion of the same with the insurance service provider.

7.4 An employee who joined the scheme cannot withdraw from the scheme till the date of separation.

8. Employee Contribution

8.1 The premium to be borne for the medical insurance needs to be contributed by the company as well as the employee. Employee's contribution will depend on the number of members in the family and is expected to be not less than 50% of the premium to be paid for the insurance cover.

8.2 The rate of contribution for the medical insurance cover will be decided by the committee consisting of CXOs and Head – HR depending on various factors like utilization rate, changes to the proportion of family member category etc.

8.3 The employee contribution for the insurance cover and the schedule of recovery will be informed in the month in which the insurance policy commences.

9. General Guidelines

In order to ensure that utilization ratio does not become abnormal and not viable for the insurance service provider and further leading to increase in the medical insurance premium for the next year, it is necessary to follow the guidelines below:

- a) Not getting admitted for even simple procedures which are day care.
- b) Where possible opting for shared rooms.
- c) Insisting on itemized bill rather than signing the bills without studying them.
- d) Going through each bill carefully to check for unwanted item
- e) Reporting malpractices of the hospitals to get such hospitals delisted.

Seeking reimbursement from the insurance company rather than going through cashless treatment

10. Coverage of ailments

The Group Medical Insurance cover opted for may not have every ailment covered. The insurance service provider will be the final authority to judge whether a particular ailment is covered or not.

11. Separation

In case an employee separates from the company, he/she will be withdrawn immediately from the medical insurance and no more medical claims will be entertained. There is no refund of the employee's contribution paid towards the medical insurance.

12. Misuse

In case it comes to the notice of the company that a particular claim is not genuine or if the bills and reports are manipulated for whatsoever reason, such claim will be outright rejected. The company reserves the right to remove the insurance cover for such employee with immediate effect and also for the future.

13. Exceptions

Any exceptions to this policy will require the approval ED/CMD or that of an official nominated by him/her.

14. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

15. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee.

16. Power to Amend

The company reserves the right to amend the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

17. Reference Document:

Group Medical Insurance Policy: GIL/HR/P&P/22

21. Group Personal Accident Insurance

1. Objective

To ensure the benefit of Group Personal Accident Insurance Scheme is awarded to the employee or the legal heirs of the deceased employee.

2. Scope and Coverage

All employees who are on the rolls of the company are covered under the Group Personal Accident Insurance Scheme.

3. Eligibility

Employees in the age group between 18 years and 62 years or the age of retirement

4. Benefits

This policy covers weekly sickness benefit, Permanent Total Disablement, Temporary Total Disablement, Permanent Partial Disability and Death as per the norms prescribed in the policy. The benefits covered may change time to time depending on the insurance policy obtained.

5. Maximum claim amount (Sum Insured)

Graded coverage has been extended for all the employees who are on the rolls of the Company. The grade-wise sum insured details are as follows:

Grade	Total Sum Insured (in INR)
Trainee to A2	5,00,000/-
A3, B1 & B2	7,50,000/-
B3 & C1	10,00,000/-
C2 & C3	15,00,000/-
D1 & D2	20,00,000/-
D3 & E1	30,00,000/-
E2 & E3	40,00,000/-
F	50,00,000/-

The insurance will provide for payment of Weekly sickness benefit will be incase employee cannot attend the duties owing to accident. This payment will be made to the employee on resuming duties and upon submitting the necessary documents.

6. Insurance Company

The Insurance team will negotiate with the Insurance Companies and obtain a policy to cover the Employees of Granules India under this scheme.

7. Duration of the Insurance policy

The duration of the policy is for a period of one year and thereafter renewable on yearly basis.

8. Process guidelines to claim

8.1 On receipt of the communication of an accident of an employee, the unit HR assesses the severity and will immediately communicate the same to the Corporate HR Insurance Single Point of Contact (SPOC) to communicate the same to the Insurance Company.

8.2 Corporate HR will notify the same to the insurance Company with whom the policy is taken

about the severity i.e fatal or non-fatal and request to provide the required formats to process the claim

8.3 On receipt of the formats and the info about the documents required from the Insurance company, the Corporate HR sends a communication to the Unit/location HR about the same

8.4 On receipt of the documents from the Location/ Unit HR, the Corporate HR after due verification of the documents, submits the same to the Insurance Company.

8.5 On receipt of the documents, the Insurance Company validates the same, in case of any deficiency, the Insurance Company will communicate the same to Corp HR.

8.6 The Corp HR will ensure the receipt of documents from the location/Unit HR immediately and forward the same to Insurance Company.

8.7 The Corp HR will follow up with Insurance Company and ensure that the claim amount is transferred to the bank account of the employee and his legal heir of the deceased employee (in case of fatal accident).

9. Separation;

The insurance cover will cease to exist from the date of separation of the employee.

10. Exceptions

Any exceptions to this policy will require the approval of ED/CMD or that of an official nominated by him/her.

11. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

12. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee or the beneficiary

13. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

14. Reference Document:

Group Personal Accident Insurance Policy: GIL/HR/P&P/24

22. Group Term Life Insurance

1. Objective

To ensure the benefit of Group Term Life Insurance Scheme is awarded to the legal heirs of the deceased employee.

2. Scope and Coverage

All employees who are on the rolls of the company are covered under the Group Term Life Insurance Scheme.

3. Eligibility

Employees in the age group between 18 years and 62 years or the age of retirement

4. Benefits

This policy covers death caused by any reason and as per the norms prescribed in the policy. The benefits covered may change time to time depending on the insurance policy obtained.

5. Sum Insured

Graded coverage has been extended for all the employees who are on the rolls of the Company. The grade-wise sum insured details are as follows:

Grades	Total Sum Insured (in INR)
All types of Trainees	10,00,000/-
TA Grade Employees	10,00,000/-
A Grade Employees	20,00,000/-
B Grade Employees	30,00,000/-
C Grade Employees	40,00,000/-
D Grade Employees	50,00,000/-
E Grade Employees	75,00,000/-
F Grade Employees	1,00,00,000/-

6. Insurance Company

The Insurance team will negotiate with the Insurance Companies and obtain a policy to cover the Employees of Granules India under this scheme.

7. Duration of the Insurance policy

The duration of the policy is for a period of one year and thereafter renewable on yearly basis.

8. Employee Contribution

8.1 The premium to be borne for the Group Term Life insurance needs to be contributed by the company as well as the employee.

8.2 The rate of contribution for the insurance cover will be decided by the committee consisting of CFO and CHRO depending on various factors like utilization rate of the previous policy, distribution of employees in various grades etc.

8.3 The employee contribution for the insurance cover and the schedule of recovery will be informed in the month in which the insurance policy commences.

9. Process guidelines to claim

9.1 On receipt of the communication of the demise of an employee, the unit HR will

immediately communicate the same to the Corporate HR Insurance Single Point of Contact (SPOC).

9.2 Corporate HR will notify the same to the insurance Company and request them to provide the required formats to process the claim.

9.3 With support from Unit / Location HR, the required documents will be submitted to insurance company.

9.4 The sum insured will be credited to the legal heirs / nominees of the deceased employee.

10. Separation;

The insurance cover will cease to exist from the date of separation of the employee.

11. Exceptions

Any exceptions to this policy will require the approval of ED/CMD or that of an official nominated by him/her.

12. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

13. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee.

14. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

15. Reference Document:

Group Term Insurance Policy: GIL/HR/P&P/25

23. Bonus Scheme

1. Objective

The Bonus Scheme at Granules India Ltd. (Group) is designed to **recognize and reward employee contributions** towards the company's growth, operational excellence, and financial success. It aims to incentivize high performance, foster employee engagement, and align individual efforts with business objectives.

2. Eligibility

- All full-time employees who have **completed at least six months** of continuous service with the company are eligible for the bonus.
- Employees must be **actively employed** at the time of the bonus payout to qualify.
- The bonus is subject to **performance assessment** and **company profitability** during the financial year.

3. Types of Bonuses

A. Performance-Linked Bonus

- The performance-linked bonus is based on an **employee's individual performance rating** and the **company's financial performance** for the fiscal year.
- Employees who meet or exceed key performance indicators (KPIs) will be eligible for bonus payouts.
- The bonus percentage may vary across job grades and is determined annually.

Performance Rating	Bonus Percentage (of Annual Base Salary)
Outstanding (OS)	Up to 15%
Exceeds Expectations (EE)	Up to 10%
Meets Expectations (ME)	Up to 5%
Below Expectations (BE)	Not eligible

B. Annual Company Performance Bonus

- This is a discretionary bonus awarded **based on the overall profitability** of the company.
- It is subject to the company achieving its financial targets and may vary yearly.

C. Spot Bonus

- Employees demonstrating **exceptional performance, innovation, or contributions beyond their regular duties** may receive a **spot bonus**.
- Spot bonuses are **one-time payments** granted at the discretion of the management.

D. Long-Term Service Bonus

- Employees who complete significant milestones with the company receive **loyalty bonuses** as follows:
 - **10 years:** 1 month's base salary
 - **15 years:** 1.5 months' base salary
 - **20 years:** 2 months' base salary

4. Bonus Payment and Conditions

- All bonuses are subject to tax deductions as per applicable laws.
- Performance-linked bonuses are paid annually after the financial results are finalized.
- The company reserves the right to modify, defer, or withhold bonus payments based on business conditions.
- Employees serving notice periods at the time of payout will not be eligible for bonuses.

5. Governance

- The **HR and Finance departments** will review bonus calculations before disbursement.
- Employees may seek clarification regarding their bonus calculations from their **HR representative**.
- Any disputes regarding bonus payments will be resolved as per the company's grievance mechanism.

6. Bonus Scheme Review Mechanism

The Bonus Scheme at Granules India Ltd. will be reviewed annually by the HR and Finance departments to ensure alignment with company performance, market standards, and employee expectations. The review process will assess the scheme's effectiveness, considering financial sustainability, employee engagement, and business objectives. Adjustments, if required, will be proposed by HR and Finance and approved by senior management. Any modifications will be communicated to employees in advance, ensuring transparency and consistency in bonus allocations.

24. Unit Performance Incentive Scheme

1. Objective

- 1.1 To ensure overall unit performance is achieved as per the targets set.
- 1.2 To motivate, encourage and reward employees for achieving the unit performance.
- 1.3 To bring in sense of belongingness and inculcate teamwork.

2. Scope and Eligibility

- 2.1 All Deputy Manager (C-1) & below level employees of all departments and who are on the rolls of the company are eligible for this scheme.
- 2.2 Employees who are entitled variable pay are excluded from this Scheme
- 2.3 Employees who are covered in other incentive schemes are excluded from this scheme.
- 2.4 Contract employees are not entitled for this scheme.

3. Commencement Date

The scheme commences from 1 April 2021 and the first possible payout will be for the first quarter of Financial Year 2021-22

4. Terms of Payment

- 4.1 Unit performance incentive for a month will typically be paid along with payroll of the first month of the next quarter.
- 4.2 Employees should fall under the following categories to get the eligibility for Performance Incentive
 - 4.2.1 Should be on the rolls of the company on the last day of the quarter for which the incentive is being computed.
 - 4.2.2 Should not have loss of pay of two or more days in a month.
 - 4.2.3 Joined on first or second of any month are eligible; if first or second day of any month falls weekly off / holidays then the employees joined on third of particular month are eligible

5. Performance Parameters & Weightage

- The KPIs of the respective units/locations are to be considered as the performance parameters.
- These KPIs may change from time to time depending on the priorities of respective units / departments / functions / company.

6. Unit Performance Computation

- For those departments / functions / units which do not have defined scorecard, the unit performance will be computed based on the average unit performance scores of the units with scorecards.

7. Quantum of Incentive

- The table below gives the amount per month depending on the scores of the Unit Performance.

Grade	Amount for achievement between 95% to 100%	Amount for achievement above 100%
AST, SDT, TA, STA	500	600
TT, AT, O-1 to O-3	600	700
B-1 to B-3	700	800
C-1	800	900

- Where an employee has roles spanning across units, the average score of such units will be considered as the score applicable for such employees.
- Scores below 95% will not result in the payout of the Unit Performance Incentive for that month.
- The management reserves the right to combine the scores of multiple units in case of exceptional situations.

8. Exceptions

Any exceptions to this policy will require the approval of the ED/CMD or that of an official nominated by him/her.

9. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

10. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee.

11. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

12. Reference Document:

Unit Performance Incentive Scheme: GIL/HR/P&P/39

25. Working Hours Policy

Introduction:

Granules India Limited (Group) recognizes the importance of maintaining a healthy work-life balance for its employees while ensuring operational efficiency and productivity. This policy outlines the guidelines for working hours to promote employee well-being, compliance with labor laws, and organizational effectiveness.

Applicability

This policy applies to all employees of Granules India Limited (Group), including full-time, part-time, temporary, and contract employees across all locations and operations.

Responsibility

- **Management:** Ensure compliance with this policy and support initiatives that promote work-life balance and employee well-being.
- **Human Resources Department:** Provide guidance, support, and resources to employees and managers on managing working hours and promoting work-life balance.
- **Employees:** Adhere to the guidelines outlined in this policy and communicate any concerns or issues related to working hours to their supervisors or HR.

Policy Statement

1. Standard Working Hours

- The standard working hours for full-time employees are **48** hours per week, typically divided into **5** days.

2. Employee Work Schedule and Weekly Offs

Shift Name	Shift Timings	Weekly Off Policy
General Shift	09:00 AM - 06:00 PM	Fixed two days off per week
A Shift	06:00 AM - 02:00 PM	One fixed day off per week + alternate two-day week off
B Shift	02:00 PM - 10:00 PM	One fixed day off per week + alternate two-day week off
C Shift	10:00 PM - 06:00 AM (Next Day)	One fixed day off per week + alternate two-day week off

- Part-time, temporary, and contract employees will have working hours commensurate with their employment agreements.

3. Flexibility

- Granules India Limited (Group) recognizes the need for flexibility in working hours to accommodate personal and professional commitments.
- Employees may request flexible working arrangements such as flexitime, compressed workweeks, or telecommuting as per Guidelines for Flexible Work Schedule (GIL/HR/P&P/48), subject to approval by their supervisors and compliance with operational requirements.

4. Overtime

- Overtime work may be required to meet business needs or project deadlines.
- Overtime compensation and eligibility will be in accordance with applicable labor laws and company policies.

5. Rest and Breaks

- Employees are entitled to rest periods and breaks as mandated by labor laws and company policies.
- Adequate rest breaks should be provided to prevent fatigue and ensure employee well-being.

6. Annual Leave and Holidays

- Employees are entitled to annual leave and holidays as per company policies and applicable labor laws.
- Vacation schedules should be planned and communicated in advance to ensure adequate staffing and operational continuity.
- Refer Leave Policy (GIL/HR/P&P/34) for more information.

7. Monitoring and Compliance

- Managers and supervisors are responsible for monitoring and enforcing compliance with working hour regulations and policies.
- Any deviations from established working hours should be documented and approved in accordance with company procedures.

Granules India Limited (Group) is committed to promoting a healthy work-life balance for its employees while ensuring operational efficiency and productivity. By adhering to this policy and fostering a culture that values employee well-being, we aim to create a supportive and inclusive work environment where employees can thrive both personally and professionally.

8. Reference Document:

Guidelines For Flexible Work: GIL/HR/P&P/48

26. Guidelines for Flexible Work Schedule

01. Objective

The objective of this policy is to facilitate employees of Granules India Ltd work from home or work on flexible work schedule.

02. Scope

This policy is applicable to all employees of the company either working in office or manufacturing unit hither to referred to as work place.

03. Flexible Work Schedule / Work from Home

Working from home or having Flexible Work Schedule may be initiated either by the company or requisitioned by the employee. The conditions attached to this policy depending on the originator of such requirement.

04. When the requirement is initiated by the company

Under certain unforeseen circumstances like occurrence of natural disasters like earthquakes, spreading of epidemic or pandemic diseases, or repairs and maintenance of the workplace etc., the employees may be asked to work from home or on flexible work schedule. The duration of such working from home or on flexible work schedule may depend on the seriousness of the circumstances and will be governed by regulations issued by various government bodies as applicable.

During such occasions, the company would like to make sure that:

- a) Unless otherwise necessitated, all employees would be required to work from home.
- b) Each Functional Head will have the authority to decide about who will be permitted to work from home and who will be necessitated to come to the workplace.
- c) The employees belonging to functions which does not mandate being physically present at the workplace in order to carry out their activities will be encouraged to work from home.
- d) Employees belong to functions which necessitate physical presence at the workplace may be required to report at the workplace for short duration to complete essential work. Such employee will be required to seek approval verbally or in writing the permission to come to the workplace. Such employee is required to leave the workplace immediately on completion of the said work.
- e) During such occasions when employees are present at the work place, the company will make efforts to ensure that the workforce is minimal so as not to create any disruption to rescue operations in case of natural disasters or actions to contain actions the epidemic or pandemic diseases as the case may be.
- f) It would be the responsibility of the Functional Head to also ensure that adequate equipment like laptop / VPN connection is available with the employee who is being permitted to work from home.
- g) Depending on the situation, employees will be permitted to have staggered work schedule. As a part of the staggered work schedule, the work timings would be staggered during the day to ensure that very minimal number of employees would be present at the workplace.

During such situations, the company will notify all the employees through appropriate means.

05. When the requirement is initiated by the employee

a) Guidelines

- a. Employees can apply for flexible work schedule due to legitimate reasons, where the concerned employee is unable to attend the fulltime work schedule / shift and/or is unable to attend the office / unit for a limited period of time.
- b. The limited period of time should not extend more than 3 months. Extension of the same must be reviewed at least two weeks prior to the completion of the initially permitted period.
- c. Such provision will be extended only if the requesting employee is willing to work with reduced pay.
- d. Such reasons can be one of the following:
 - i. Child care post maternity
 - ii. Medical disabilities
 - iii. Domiciliary Medical Treatment / Post-operative treatment / care
 - iv. Any other reason that is deemed to be appropriate by CHRO and ED / CMD
- e. The company reserves the rights to assess the need / reasons given by the employee for availing such special work schedule and may consult external agencies to ascertain this need.
- f. Employees desiring to make use of this scheme must apply for the same through their Functional Head who may recommend the same to the concerned CXO. Recommendations may be forwarded by the CXO for the approval of the ED / CMD.

b) Flexible Work Categories:

Flexible Work Category	Definition
Only Part Time Work	Working for a duration of not less than 50% of the normal work time at the Office / Unit
Half Part Time Work at Office / Unit and Half Work From Home	Not less than 50% of the normal work time at office / unit and the remaining period working from home
Only Work From Home	Working From Home without attending to the office / unit

c) Approving Authority

Duration	Approval
Up to One Week	Concerned CXO
Up to Two Weeks	Executive Director
Beyond Two Weeks	CMD

- 01 Requests for Flexible Work Schedule will not be granted in case the nature of the job of the employee is such that he / she is part of team which requires regular face to face interaction with other team members / peers / supervisor / customers / suppliers or working on plant machines and equipment.
 - 02 Employee opting for Flexible Work Schedule must be prepared to be present at the office / unit in case of any emerging requirement to cater to the business of the company.
 - 03 If required, an employee seeking Flexible Work Schedule must be willing to sign an Agreement / Declaration laying down the conditions as deemed necessary by the company.
 - 04 The concerned HoD / Functional Head and the requesting employee have to agree for the time slot during which the employee will be present at the office / unit in case of Part Time Work.
 - 05 The concerned Functional Head and the employee must agree on the deliverables and the review mechanism for the duration of the employee opting for Flexible Work Schedule.
 - 06 Where required and depending on the availability, a company provided laptop with VPN authorization will be provided for the employee working from home.
 - 07 Company at its sole discretion can withdraw such a facility without any notice on grounds of non-performance of the employee in the job assigned to such an employee or any other exigencies.
 - 08 Such employees can either use the company transport as provided to other employees or make their own arrangement for transport to the place of work.
 - 09 Canteen facilities as available in such a special work schedule can be availed by such employees with the deduction as appropriate for the unit.
 - 10 Salary and Benefits for Flexible Work are as per the Annexure A.
 - 11 The period of Flexible Work would be considered as continuation of service for statutory benefits like Bonus, Provident Fund & Gratuity, as applicable.
 - 12 Employees under such special work schedule are not entitled to Personal Time Off.
- d)** Employees under such special work schedule are not entitled to Compensatory Off. Criteria for applicants:
- An employee can apply for such a facility subject to meeting the criteria below:
- a) The employee is a confirmed permanent employee of the company
 - b) The employee is meeting expected performance standards
 - c) The need is genuine.

06. Exceptions:

Any exceptions to this policy will require the approval of the ED / CMD.

07. Monitoring of Policy:

This policy will be amended at appropriate time, as decided by the management.

08. Power to Amend

The company reserves the right to amend the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

Annexure A

Salary and Benefits for Flexible Work Schedule

- a) Salary and Benefits for the Flexible Work Schedule when initiated by the company will be as per the table below.

Flexible Work Category	Monthly Salary	Variable Pay	PF and ESI	Earned Leaves	Bonus / Ex-Gratia
Work at Office for short duration / Unit or Work From Home	100% of the Monthly Gross Wages	100% of eligibility	Based on the Wages paid	100% eligibility	100% eligibility

- b) Salary and Benefits for the Flexible Work Schedule when initiated by the employee will be as per the table below.

Flexible Work Category	Monthly Salary	Variable Pay	PF and ESI	Earned Leaves	Bonus / Ex-Gratia
Part Time Work Only	50% of the Monthly Gross Wages	50% of the Target Variable Pay	Based on the Wages paid	Eligibility reduced to 50% of the entitlement for the period	Eligibility on par with Full Time Working
Half Part Time Work at Office / Unit and Half Work From Home	100% of the Monthly Gross Wages	100% of eligibility	Based on the Wages paid	100% eligibility	100% eligibility
Only Work From Home	50% of the Monthly Gross Wages	50% of the Target Variable Pay	Based on the Wages paid	Eligibility reduced to 50% of the entitlement for the period	Eligibility on par with Full Time Working

The above benefits will be as applicable to the grade of the employee to which he / she belongs.

27. Employee Welfare and Workplace Committees Policy

1. Purpose

Granules is committed to providing a safe, inclusive, and engaging workplace for all employees. This policy outlines the governance structure and mechanisms in place to maintain high standards of workplace safety, employee well-being, and fair treatment.

2. Scope

This policy applies to all employees, contractors, and stakeholders across all Granules facilities and operations.

3. Governance Structure

To ensure a well-regulated work environment, Granules has established the following **Plant-Level Committees**, each with specific responsibilities:

3.1 Internal Complaints Committee (ICC)

- Ensures a harassment-free workplace by addressing grievances related to sexual harassment.
- Conducts awareness programs on workplace conduct and employee rights.
- Investigates complaints fairly and ensures timely resolution.

3.2 Canteen Committee

- Oversees the quality, hygiene, and affordability of food services at all plant locations.
- Addresses employee feedback related to dining services and implements improvements.
- Ensures compliance with food safety and hygiene standards.

3.3 Works Committee

- Facilitates communication between employees and management to promote harmonious industrial relations.
- Addresses concerns related to working conditions, facilities, and operational challenges.
- Encourages employee participation in decision-making processes.

3.4 Grievance Committee

- Provides a structured mechanism for employees to voice concerns regarding workplace issues.
- Ensures fair and unbiased resolution of employee grievances.
- Regularly reviews and updates grievance handling procedures.

3.5 Safety Committee

- Maintains high health and safety standards across all operations.
- Conducts safety audits, risk assessments, and training programs.
- Implements corrective measures to prevent workplace accidents and injuries.

4. Employee Responsibilities

- Adhere to all workplace policies and safety protocols.
- Report any concerns related to working conditions through the appropriate committees.
- Actively participate in initiatives to improve workplace safety and employee well-being.

5. Policy Communication & Implementation

- This policy is communicated to employees through **induction training and refresher programs**.
- Employees can access it through the **Employee HR Toolkit and People Strong intranet portal**.
- Relevant provisions are shared with suppliers through the **Supplier Code of Conduct**.

6. Review & Continuous Improvement

- Granules will periodically review this policy to ensure its effectiveness.
- Feedback from employees and committee members will be incorporated into future revisions.

This policy reinforces our commitment to transparency, employee well-being, and continuous improvement in workplace conditions.

28. Grievance Redressal Policy

1. Objective

The Grievance Management System at Granules India Ltd. (Group) ensures a fair, transparent, and efficient resolution of employee concerns. This system aims to create a positive and supportive workplace by addressing grievances in a timely, confidential, and impartial manner.

2. Scope and Applicability

This grievance mechanism applies to all employees, contractors, suppliers, and internal and external stakeholders associated with Granules India Ltd. (Group) It is designed to ensure that concerns are addressed transparently, efficiently, and fairly, covering a wide range of topics, including but not limited to:

Scope of Concerns

1. Workplace Conditions & Safety:

- Health and safety violations
- Unsafe working conditions
- Hygiene and sanitation concerns

2. Human Rights & Labor Practices:

- Child labor
- Forced labor
- External stakeholder human rights violations, including community impacts, discrimination, and social rights concerns
-

Reporting External Human Rights Issues:

Granules India Ltd. (Group) has established dedicated reporting channels specifically for external stakeholders, including communities and other affected groups. These channels ensure ease of access and anonymity, and include:

- **Email:** externalgrievance@granulesindia.com
- **Hotline:** +91-8019479797 (Available 24/7)
- **Online Grievance Portal:** Granules India External Grievance Portal

3. Ethical Conduct & Compliance:

- Corruption
- Bribery
- Fraud
- Conflicts of interest
- Unethical business practices

4. Employee Relations & HR Matters:

- Disciplinary actions
- Termination disputes
- Workplace violence
- Maternity and parental benefits

Non-HR-related grievances will be managed by the respective department, while HR will oversee issues related to Code of Conduct, POSH (Prevention of Sexual Harassment), workplace equality, and ethics.

3. Principles of Grievance Handling

Granules India Ltd. (Group) follows key principles to ensure an effective grievance mechanism:

A. Accessibility

- **Multiple reporting channels:** Employees can file grievances via email, in-person, online grievance portal, suggestion boxes, or anonymous hotline.
- **Language support:** Grievance submission is available in multiple languages to ensure inclusivity.
- **Awareness & visibility:** Regular training, posters in workspaces, and inclusion in employee onboarding programs ensure all stakeholders are aware of this mechanism.

B. Non-Retaliation

- Employees and stakeholders are protected from retaliation for filing a grievance.
- Managers and HR personnel are trained to prevent retaliatory actions and ensure a safe environment for complainants.
- Any individual found engaging in retaliatory actions will face disciplinary action, including termination.

C. Confidentiality

- Identities of complainants are kept confidential throughout the process.
- Only designated grievance officers and HR personnel have access to grievance-related data.
- Secure storage of grievance records, both physical and digital, to prevent unauthorized access.

4. Definition of a Grievance

A grievance is any workplace-related concern raised by an employee that affects their ability to work effectively. This may include:

- Job responsibilities and working conditions.

- Discrimination, harassment, or unfair treatment.
- Health, safety, and well-being concerns.
- Violations of company policies or ethical standards.

5. Grievance Handling Process

Step 1: Filing a Grievance

- Employees should submit grievances in writing to their immediate supervisor, with a copy to the relevant department head.
- If the grievance involves the supervisor, employees may escalate it directly to HR or the Grievance Redressal Committee (GRC).
- Grievances can be submitted through:
 - Email: compliance.alert@granulesindia.com , compliance.notification@granulesindia.com
 - Online Grievance Portal (internal company site)
 - Confidential Suggestion Boxes (located at all office and factory premises)
 - 24/7 Anonymous Hotline

Step 2: Acknowledgment & Initial Review

- HR will acknowledge receipt of the grievance within 48 hours.
- A preliminary review is conducted within 5 working days to determine the grievance category and assign it to the relevant department.

Step 3: Investigation & Resolution

- A formal inquiry is conducted for grievances related to misconduct, harassment, or severe violations.
- Witness statements and supporting documents are reviewed to ensure a fair assessment.
- The responsible authority will propose a resolution within 10 working days, except in complex cases requiring further investigation.

Step 4: Communication & Resolution Implementation

- The **final resolution is communicated** to the complainant, ensuring transparency in the decision.
- If corrective action is required, HR ensures **implementation of remedial measures** (policy changes, disciplinary action, or training).
- **Grievances are resolved within 15 working days**, except in cases requiring legal or senior management intervention.

6. Escalation to Grievance Redressal Committee (GRC)

If an employee is dissatisfied with the initial resolution, they may escalate their grievance to the Grievance Redressal Committee (GRC).

GRC Members:

- Chief of Human Resources officer
- Plant HR-Operations Head
- Compliance Officer
- An independent member (Legal or Ethics expert)

The GRC reviews the grievance within 5 days and issues a final decision within 15 working days.

7. Monitoring & Compliance

A. Internal Audits & Compliance Checks

- Quarterly audits ensure that grievances are resolved fairly and efficiently.
- Random case reviews help improve the grievance redressal process.

B. Reporting & Transparency

- Grievance trends and resolutions are reported to senior management quarterly.
- Summary reports may be included in sustainability or compliance reports, ensuring accountability.

8. Handling Severe Misconduct

If a grievance uncovers severe misconduct, HR will immediately escalate the matter to senior management for appropriate legal or disciplinary action.

Examples of Severe Misconduct:

- Fraud, bribery, or falsification of company records.
- Harassment, discrimination, or workplace violence.
- Embezzlement or theft.
- Retaliation against employees using the grievance mechanism.

9. Appeals Process

Employees dissatisfied with grievance outcomes can file an appeal within 5 working days. The appeal will be reviewed by the GRC, CEO, or Board of Directors, depending on the severity of the issue.

Levels of Appeal:

1. Supervisor → Department Head → HR
2. HR → Grievance Redressal Committee (GRC)
3. GRC → CEO (for severe cases)

Appeal decisions will be communicated within 10 working days and will be final and binding.

10. Communication & Awareness

- The grievance mechanism is introduced during employee onboarding and reinforced through training.
- Posters, multilingual guides, and email reminders ensure continuous awareness.
- HR conducts annual workshops to educate employees about grievance handling and their rights.

11. Anti-Retaliation Measures

- Employees filing grievances are protected from any form of retaliation.
- Strict penalties apply for individuals found engaging in retaliation.
- Anonymous reporting is available for those fearing retaliation.

12. Confidentiality Measures

- All grievances are handled with strict confidentiality.
- Only authorized personnel have access to grievance records.
- Secure storage systems ensure grievance details remain private.

13. Reference Document:

- Grievance Redressal Policy: GIL/HR/P&P/08

29. REMEDIATION PROCEDURE

1. Objective

The Remediation Procedure at Granules India Ltd. (Group) ensures a structured, fair, and effective resolution process for employees who experience discrimination, harassment, or workplace misconduct. This non-judicial, operational-level process aims to support victims, correct harm, and prevent recurrence through monitoring and corrective actions.

2. Scope & Applicability

This remediation process applies to **all employees, contractors, suppliers, internal and external stakeholders** associated with **Granules India Ltd. (Group)**. It is designed to **address and correct harm** caused by workplace grievances, ensuring fair and appropriate resolutions.

This process covers remediation for grievances related to:

- **Workplace Conditions & Safety:** Health and safety violations, unsafe working conditions, hygiene, and sanitation concerns.
- **Human Rights & Labor Practices:** Child labour, forced labour, External Stakeholder Human rights.
- **Ethical Conduct & Compliance:** Corruption, bribery, fraud, conflicts of interest, and unethical business practices.
- **Employee Relations & HR Matters:** Disciplinary actions, termination disputes, workplace violence, and maternity benefits.

Remediation efforts will be tailored to the nature and severity of each grievance, ensuring timely intervention, support for affected parties, and long-term improvements in workplace policies and practices.

3. Key Principles of Remediation

The remediation procedure at Granules India Ltd. (Group) follows three key principles to ensure fairness, accountability, and effectiveness in addressing workplace grievances:

A. Proportionality: Appropriate Remedies Based on Severity

- Minor grievances (e.g., misunderstandings, inappropriate remarks) → Verbal warnings, counselling, or mediation.
- Moderate grievances (e.g., repeated discrimination, unfair treatment) → Written warnings, formal training, or department reassignment.
- Severe grievances (e.g., harassment, violence, retaliation) → Immediate suspension, termination, legal action, and victim support services.

B. Transparency: Clear Communication with Affected Parties

- Acknowledgment of grievance within 48 hours of submission.
- Regular updates provided to the complainant and accused at key stages (investigation, findings, corrective action).
- Clear explanation of decisions and remediation actions, ensuring fairness and clarity.

C. Monitoring: Evaluating the Effectiveness of Corrective Measures

- Follow-ups at 30, 60, and 90 days to ensure resolution effectiveness.
- Anonymous employee feedback surveys to assess workplace improvements.
- Quarterly HR reviews to identify trends, prevent recurrence, and refine policies.

4. Remediation Process

Step 1: Grievance Assessment & Case Classification

Upon receiving a grievance, HR will:

- Conduct an initial assessment to classify the case based on severity.
- Determine whether immediate intervention is required (e.g., temporary suspension of an accused employee in severe cases).
- Assign the case to the appropriate HR officer or Grievance Redressal Committee (GRC).

Step 2: Investigation & Fact-Finding

- Conduct confidential interviews with the complainant, accused, and witnesses.
- Gather documentary evidence (emails, CCTV footage, records of prior complaints).
- If external legal or compliance review is needed, escalate accordingly.

Step 3: Proportional Response & Corrective Action

The response will depend on the severity and impact of the grievance:

Grievance Type	Remediation Action
Minor violations (misunderstandings, inappropriate comments)	Counselling, awareness training, verbal warning
Moderate violations (bullying, unfair treatment)	Written warning, mediation, sensitivity training
Severe violations (harassment, discrimination, retaliation)	Immediate suspension, termination, legal action, victim support services

All corrective measures are documented, and **HR ensures implementation.**

Step 4: Transparent Communication & Victim Support

- The **complainant is updated regularly** about the case progress and resolution.

- counselling or psychological support is provided to affected employees.
- Mediation or alternative conflict resolution may be offered to rebuild workplace relationships.

Step 5: Monitoring & Follow-Up

- Regular follow-ups (30, 60, and 90 days) to assess if remediation was effective.
- Anonymous employee feedback surveys to check for workplace improvements.
- HR to track recurrence of similar complaints and adjust policies as needed.

5. Reporting & Documentation

- All grievances and remediation actions are confidentially recorded in the HR system.
- A quarterly report on grievance trends is submitted to senior management.
- Remediation cases may be included in the company's ESG or compliance reports.

6. Conclusion

Granules India Ltd. (Group) is committed to a safe, inclusive, and fair workplace. This remediation procedure ensures that employees receive appropriate, timely, and effective redress for workplace grievances, while fostering a culture of accountability and respect.

30. POLICY ON DISCIPLINARY ACTIONS

Introduction:

Granules India Limited (Group) is committed to maintaining a positive, safe, and productive work environment. To achieve this, we have established a disciplinary action policy that outlines acceptable behaviours and the consequences of violations. This policy ensures fairness, consistency, and transparency in addressing employee misconduct or performance issues.

Scope

This policy applies to all employees of Granules India Limited (Group), including full-time, part-time, temporary, and contract employees across all locations and operations.

Policy Statement

➤ Principles

- **Fairness:** All disciplinary actions will be carried out in a fair, consistent, and non-discriminatory manner.
- **Transparency:** Employees will be informed of the company's expectations, the nature of any violations, and the procedures for addressing them.
- **Due Process:** Employees will have the opportunity to explain or defend their actions before any disciplinary measures are implemented.

➤ Standards of Conduct

- Employees are expected to adhere to all company policies, procedures, and ethical standards.
- Unacceptable behaviours include, but are not limited to, violations of company policies, misconduct, poor performance, absenteeism, insubordination, harassment, discrimination, theft, and any actions that compromise the safety or well-being of others.

➤ Types of Disciplinary Actions

- **Verbal Warning:** For minor infractions or first-time offenses. A verbal warning will be issued, and the employee will be informed of the unacceptable behaviour and the expected improvement.
- **Written Warning:** For repeated minor infractions or more serious violations. A written warning will detail the nature of the violation, the expected improvement, and the consequences of further infractions.
- **Suspension:** For serious violations or repeated offenses despite previous warnings. The employee may be suspended without pay for a specified period.
- **Demotion:** For significant violations or ongoing poor performance. The employee may be demoted to a lower position with a corresponding reduction in pay.
- **Termination:** For severe violations or continued non-compliance with company policies. The employee's employment may be terminated.

➤ Procedure for Disciplinary Action

- **Investigation:** An investigation will be conducted to gather facts and determine the validity of the alleged violation.
- **Documentation:** All disciplinary actions will be documented, including the nature of the violation, the evidence, and the actions taken.
- **Meeting:** The employee will be informed of the violation and the proposed disciplinary action. The employee will have the opportunity to respond.
- **Decision:** After considering the employee's response, a decision made, and the disciplinary action will be implemented.
- **Follow-Up:** The employee's performance or behaviour will be monitored to ensure compliance with the company's expectations.

➤ **Appeal Process**

- Employees have the right to appeal any disciplinary action they believe is unjust or unfair.
- Appeals must be submitted in writing within a specified period (e.g., five working days) from the date of the disciplinary action.
- The appeal will be reviewed by a higher authority or an independent panel, and a final decision will be communicated to the employee.

➤ **Confidentiality**

- All disciplinary proceedings and records will be treated as confidential.
- Information will be disclosed only to those who have a legitimate need to know.

Review and Updates

This policy will be reviewed periodically to ensure its effectiveness and alignment with best practices and legal requirements. Updates and revisions will be made as necessary.

Granules India Limited (Group) is dedicated to fostering a respectful and productive work environment. By implementing this disciplinary action policy, we aim to address misconduct fairly and consistently, ensuring the well-being of all employees and the integrity of our organization

31. WHISTLEBLOWER POLICY

I. TITLE:

This policy regarding the vigil mechanism shall be called the Granules India Limited (Group) – Whistleblower Policy (hereinafter referred to as the “Policy”).

II. OBJECTIVE:

The prime objective of this policy is to provide employees & Directors an avenue to raise concerns in line with the commitment of Granules India Limited (Group) 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.

III. SCOPE:

This document outlines the Policy of Granules India Limited (Group) (hereinafter referred to as ‘Granules’ or ‘the Company’) towards the establishment of vigil mechanism for employees and Directors, in accordance with section 177 of the Companies Act 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including all statutory modifications/amendments made thereof from time to time.

This policy applies to all the employees (whether permanent or on contract) and Directors of the Company.

IV. DEFINITIONS:

“Alleged wrongful conduct / unlawful or unethical or improper practice” means an act or activity or practice which includes, but is not confined/restricted to, any of the following:

- a. Breach of law
- b. Infringement of Company’s rules
- c. Unethical business practices
- d. Breach of etiquette or morally offensive behaviour
- e. Serious improper conduct
- f. Corruption and Bribery
- g. Abuse of power vested to the authority
- h. Misuse / wrongful application/misappropriation of Company’s funds, assets, and other resources
- i. Substantial and specific danger to the existence of the Company
- j. Substantial and specific danger to public health and safety
- k. Incorrect financial reporting
- l. Anti-competitive practices
- m. In stark contrast to the Company’s policy
- n. Harmful to the corporate image of the Company
- o. Criminal activities
- p. Breaches of copyright, patents, and licenses
- q. Pilferation of confidential / propriety information
- r. Price Fixing
- s. Bid Rigging
- t. Abuse of Dominant Position

- u. Data Breaches and information security concern
- v. Unauthorised Access
- w. Misuse of Sensitive Data
- x. Instances of leak of unpublished price sensitive information

“Audit Committee” means the Audit Committee of the Board constituted by the Board of Directors of the Company in accordance with provisions of section 177 of the Companies Act, 2013 and regulation 18 of the SEBI (Listing obligation and disclosure requirement), 2015.

“Board” means the Board of Directors of the Company. **“Company”**

means Granules India Limited (Group).

“Code” means Code of Business Conduct applicable for Directors and employees (permanent and contract) and Directors of the Company.

“Confidential department” means any department of the Company which is decided by the Audit Committee from time to time for maintaining the records as per the Whistleblower Policy.

“Disciplinary Action” means any action that can be taken on completion of /during the investigation proceedings by the Audit Committee as it deems fit considering the gravity of the matter.

“Employee” means all the present employees (permanent and contract) and whole-time Directors of the Company (whether working in India or abroad).

“Good Faith” An employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false, or frivolous.

“Investigator(s)” means those people(s) authorized, appointed, consulted, or approached by the Audit Committee in connection with investigating a protected disclosure and includes the auditors of the Company and the Police.

“Managerial Personnel” shall include Directors, all executives at the level of Manager and above, who has authority to make or materially influence significant personnel decisions.

“Ombudsperson” is a person designated by the Audit Committee from time to time for overseeing and managing complaints received under the vigil mechanism.

“Protected Disclosure” means a concern raised by an employee or group of employees or Directors of the Company, through a written communication made in good faith that discloses or demonstrates information that may evidence an actual or possible violation of the Code of Conduct or activity which may endanger the interest of the Company or any other unlawful or unethical or improper practice or act or activity concerning the Company.

“Subject” means a person against or about whom a protected disclosure is made, or evidence gathered during an investigation.

“Whistleblower” is an employee or group of employees or Director(s) who make a Protected Disclosure under this Policy and are referred to in this policy as complainant.

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act /Regulation(s) as amended from time to time.

V. PROCEDURE:

a). The Protected Disclosure should be submitted at the below-mentioned address in a closed and secured envelope and should be superscribed as “Protected Disclosure under the Whistleblower Policy”.

To,
The Ombudsperson
Granules India Limited
(Group)
02nd Floor, 3rd Block, My Home Hub, Madhapur,
Hyderabad-500081, Telangana

Alternatively, the same can also be sent through email with the subject “Protected Disclosure under the Whistleblower Policy” to the e-mail id exclusively designated for the purpose ombudsperson@granulesindia.com.

The complainant while reporting his/her concern may choose to remain anonymous. However, disclosing the identity can help to acknowledge the receipt of the complaint and resolve the situation, especially if there is a need to follow up for additional information by the Ombudsperson. When the identity is disclosed, every reasonable effort will be made to keep the identity of the complainant confidential.

b). If any person other than Ombudsperson receives a concern made by the complainant, then the same must be forwarded to the Ombudsperson without fail. In such cases, appropriate care must be taken to ensure the confidentiality of the Complainant.

c). The past employee shall be eligible to raise the concern within 180 days from the date of separation of their association with the Company.

d) Complainant shall provide the below-mentioned information while raising the concern:

- Nature of concern
- Name of the person against whom the concern is raised
- Location or business unit related to the concern
- Details of the concern
- Period during which misconduct occurred, including specific dates and times of the violation
- Necessary supporting evidence /proofs if any
- Contact details of the Complainant if not chosen to be anonymous

The complaint should be factual and not speculative. It must contain as much relevant

e). information as possible to allow for preliminary review and proper assessment.

f). The Ombudsperson may call for further information or particulars from the complainant.

VI. INVESTIGATION:

a). All protected disclosures under this policy will be recorded and thoroughly investigated. The Ombudsperson may investigate and may at its discretion consider involving any other officer of the Company and/or an outside agency for the investigation (hereinafter referred to as the “investigators”). In case of investigations and decisions relating to Sexual harassment, the Ombudsperson shall involve the respective Internal Complaints Committee (ICC) formed under the Prevention of Sexual Harassment Policy of the Company.

In case the Subject is the Ombudsperson, the Chairman and Managing Director after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee members shall appropriately and expeditiously investigate the Protected Disclosure.

b). The decision to investigate by itself is not an accusation and is to be treated as a neutral fact-finding process.

c). The investigation shall be fair and objective and shall be undertaken by a person who has no conflict of interest with the Whistleblower or the suspected employee(s) or the Directors of the Company (hereinafter referred to as the ‘Subject(s)’).

d). Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

e). The concerned persons, while investigating the complaint referred to them, will call upon both the parties separately, listen, look at proof (if any), verify documents produced by the parties, allow the parties to produce witnesses, and put forth their say. Both the parties during preliminary inquiry and investigation are given an opportunity of being heard.

f). Subject(s) shall have a duty to co-operate with the Ombudsperson or any of the Officers appointed by him in this regard.

g). Subject(s) have a right to consult with a person or persons of their choice, other than the Ombudsperson/ Investigators and/or the Whistleblower.

h). Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with and witnesses shall not be influenced, coached, threatened, or intimidated by the Subject(s).

Unless there are compelling reasons not to do so, Subject(s) will be allowed to respond to material findings contained in the investigation report. No allegation of wrongdoing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

i). The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure and is extendable by such period as the Audit Committee deems fit.

j). The complainant and the subject will receive an update on the outcome.

VII. DECISION & REPORTING:

a). Ombudsperson/ Investigator(s) are required to conduct a process towards fact-finding and

analysis. Ombudsperson/Investigator(s) shall derive their authority from the Audit Committee when acting within the course and scope of their investigation. The Ombudsperson shall submit an investigation report to the Audit Committee.

b). If an investigation leads the members of the Audit Committee / Chairperson of the Audit Committee to conclude that an unlawful/improper or unethical act or practice has been committed, the Chairperson of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as they may deem fit.

c). In the event the accused is found guilty, penalties/disciplinary action(s) will be prescribed by the Audit Committee and the Chief Human Resources Officer shall ensure timely implementation of the disciplinary action by coordinating with the functional heads.

d). If the investigation discloses that no further action on the Protected Disclosure is warranted, the report shall be kept confidential by the Ombudsperson.

e). In case of repeated frivolous complaints being filed by the complainant, the Audit Committee may take suitable action against the complainant.

VIII. NO RETALIATION:

The Company shall not tolerate any retaliation against the employee who is in good faith raises concerns or who assists in an investigation of suspected wrongdoing. Reporting “in good faith” means making a genuine attempt to provide honest, complete, and accurate information, even if it later proves to be unsubstantiated or mistaken. Appropriate disciplinary action may be initiated if an employee knowingly raises a false or misleading concern.

IX. SECRECY & CONFIDENTIALITY:

The Whistleblower, the Subject(s), the Ombudsperson, Investigator(s), members of the Audit Committee, and everyone involved in the process shall: -

- a) Maintain complete confidentiality/secrecy of the matter.
- b) Not discuss the matter in any informal/social gatherings/meetings.
- c) Discuss only to the extent or with the persons required for completing the process and investigations.
- d) Not keep the papers unattended anywhere at any time.
- e) Keep the electronic mails/files under the password.

X. ACCESS TO THE CHAIRPERSON OF THE AUDIT COMMITTEE:

The Whistleblower shall have the right to access the Chairperson of the Audit Committee directly in exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard.

XI. REPORTING OF STATUS OF THE COMPLAINTS

The Ombudsperson shall provide the status of the complaints received under this policy to the Audit Committee every quarter. The Audit Committee shall report the outcome of the complaints to the Board in the immediate meeting after the investigation concludes.

XII. ANNUAL AFFIRMATION:

The Company shall annually affirm that it has not denied any personal access to the Audit Committee and that it has provided protection to Whistleblower from adverse personal action, wherever applicable. The affirmation shall form part of the Corporate Governance report as attached to the Annual Report of the Company.

XIII. RETENTION OF DOCUMENTS:

All Complaints received in writing or documented along with the results of investigation relating thereto shall be retained by the Company's confidential department for a minimum period of eight years.

XIV. ADMINISTRATION AND REVIEW OF THIS POLICY:

The Audit Committee shall be responsible for the administration, interpretation, and application of this Policy. The Audit Committee shall review this policy at least once every two years and recommend amendments, from time to time as it may deem appropriate to the Board of Directors of the Company.

32. Retirement Policy

1. Objective

The objective of this policy is to provide guidelines relating to retirement age

2. Scope

This policy is applicable to all employees of Granules India Ltd. (Group)

3. Process Guidelines

3.1 The age of superannuation of an employee of the Company is 60 years

3.2 The employee shall retire at the end of the month during which he/she attains the age of 60 years

3.3 Extension for a period of up to two years may be granted at the discretion of Management

3.4 Employees who are due for retirement will be intimated six months prior to the date of retirement to enable them to complete all formalities relating to the retirement and terminal benefits

3.5 A gift worth three months' gross salary will be handed over to the retiring employee on the last working day in a small event held at respective location

4. Exceptions

Any exceptions to this policy will require the approval of ED/CMD or that of an official nominated by him/her.

5. Monitoring of Policy

This policy will be amended at appropriate time, as decided by the management.

6. Tax provisions

Unless otherwise specified, tax impact in any form will be to the account of the employee.

7. Power to Amend

The company reserves the right to amend/withdraw the policy at any time without assigning any reason whatsoever. The utility and interpretation of the policy will be at the sole discretion of the Management.

8. Reference Document:

Retirement Policy: GIL/HR/P&P/49

33. Energy Policy

Introduction:

Granules is committed to sustainable and responsible energy management. Recognizing the critical role energy plays in our operations and its impact on the environment, we strive to improve energy efficiency, reduce greenhouse gas emissions, and promote the use of renewable energy sources.

Applicability

This policy applies to all operations, employees, contractors, suppliers, and partners of Granules India Limited (Group) across all locations and business units.

Responsibility

- **Management:** Ensure the implementation, adherence, and enforcement of this policy.
- **Environmental and Energy Teams:** Develop, monitor, and implement energy management strategies and initiatives.
- **Employees and Contractors:** Follow guidelines and practices to support energy efficiency and conservation.

Policy Statement

1. Compliance with Laws and Regulations

- Granules will comply with all relevant local, national, and international energy-related laws, regulations, and standards.
- We will proactively meet or exceed these requirements and continuously improve our energy management practices.

2. Energy Efficiency

- We will implement measures to improve energy efficiency in our operations through the adoption of best practices and technologies.
- Regular energy audits and assessments will be conducted to identify opportunities for reducing energy consumption and enhancing energy efficiency.

3. Renewable Energy

- Granules is committed to increasing the use of renewable energy sources in our energy mix.
- We will explore and invest in renewable energy projects, including solar, wind, and other sustainable energy technologies.

4. Greenhouse Gas Emissions Reduction

- We aim to reduce our greenhouse gas emissions in line with our Net Zero by 2050 commitment.
- Initiatives to reduce emissions will include energy efficiency improvements, renewable energy adoption, and other innovative solutions.

5. Sustainable Design and Operations

- We will incorporate energy-efficient design principles into new projects and facilities.
- Existing operations will be optimized for energy efficiency and sustainability.

6. Employee and Stakeholder Engagement

- Granules will engage employees, suppliers, and other stakeholders in energy conservation and sustainability initiatives.
- Training and awareness programs will be conducted to promote energy-saving practices and behaviours.

7. Innovation and Continuous Improvement

- We are committed to exploring and adopting innovative solutions for energy management.
- Continuous improvement will be driven through research, development, and the sharing of best practices within the industry.

8. Transparency and Reporting

- Granules will maintain transparency in our energy management efforts by regularly reporting on our energy use, conservation initiatives, and performance.
- Stakeholders will be kept informed of our progress and achievements in energy management.

Granules is dedicated to responsible energy management and sustainability. By adhering to this Energy Policy, we aim to improve energy efficiency, reduce our carbon footprint, and support the transition to a sustainable energy future. Together, we can make a significant positive impact on energy sustainability and environmental conservation.

34. Biodiversity Policy

Granules is dedicated to building a sustainable and environmentally responsible supply chain. By adhering to this Green Supply Chain Policy, we aim to reduce our environmental footprint, promote sustainability, and encourage our suppliers to adopt green practices. Together, we can contribute to a more sustainable future.

Granules recognizes the critical importance of biodiversity and is committed to protecting and enhancing the ecosystems in which we operate. Our Biodiversity Policy aims to integrate biodiversity considerations into our business operations and promote sustainable practices that contribute to the preservation of natural habitats and species.

Applicability

This policy applies to all employees, contractors, suppliers, and partners of Granules India Limited (Group) across all locations and business units.

Responsibility

- **Management:** Ensure the implementation, adherence, and enforcement of this policy.
- **Environmental Teams:** Monitor biodiversity impacts, develop action plans, and engage stakeholders.
- **Employees and Contractors:** Follow guidelines and practices that support biodiversity conservation.

Policy Statement

1. Compliance with Laws and Regulations

- Granules will comply with all relevant national and international biodiversity laws, regulations, and standards.
- We will work proactively to meet or exceed these requirements and continuously improve our biodiversity performance.

2. Impact Assessment and Mitigation

- We will conduct thorough environmental impact assessments (EIAs) to identify and mitigate potential impacts on biodiversity before initiating new projects or expansions.
- Mitigation measures will be implemented to minimize negative impacts on local ecosystems and wildlife.

3. Habitat Protection and Restoration

- Granules is committed to protecting natural habitats and restoring ecosystems affected by our operations.
- We will support projects and initiatives that aim to restore degraded habitats and enhance biodiversity.

4. Sustainable Resource Use

- We will promote the sustainable use of natural resources in our operations to reduce our ecological footprint.
- Efforts will be made to source materials responsibly, ensuring that our suppliers also adhere to biodiversity-friendly practices.

5. Collaboration and Engagement

- Granules will collaborate with local communities, governments, NGOs, and other stakeholders to promote biodiversity conservation.
- We will engage our employees and partners in biodiversity initiatives and raise awareness about the importance of biodiversity.

6. Monitoring and Reporting

- We will establish monitoring systems to track the impact of our operations on biodiversity and the effectiveness of our conservation efforts.
- Regular reports on our biodiversity performance and initiatives will be prepared and shared with stakeholders.

7. Continuous Improvement

- Granules is dedicated to continuous improvement in biodiversity management.
- We will review and update our biodiversity practices and policies regularly to ensure they remain effective and aligned with best practices.

Granules is dedicated to preserving biodiversity and promoting sustainable practices across all aspects of our business. By adhering to this Biodiversity Policy, we aim to protect natural habitats, support ecosystem restoration, and contribute to the overall health and diversity of our planet. Together, we can make a significant positive impact on biodiversity conservation.

35. SBTi Target Recalculations Policy

1. Mandatory Target Recalculation

Granules will review and, if necessary, recalculate and revalidate its climate targets at least every five years to ensure they remain consistent with the most recent climate science and best practices.

2. Triggered Target Recalculation Policy

Granules acknowledges that significant changes may necessitate the recalculation and resetting of targets to maintain their relevance and consistency with the targets submitted to SBTi. These targets will be recalculated as required to reflect significant changes and will be reported annually to SBTi.

Targets will be re-baselined whenever structural changes result in a 5% or greater impact on the overall emissions inventory (Scope 1, 2, and 3). Subsequently, targets will be recalculated to ensure their ambition and coverage remain adequate. The following changes should trigger a target recalculation in alignment with SBTi guidelines:

1. Significant changes in the inventory or target boundary that exceed allowable exclusion limits.
2. Significant changes in institutional structure and activities, such as:
 - Mergers, acquisitions, or divestitures
 - Insourcing or outsourcing
 - Addition or shifts in product or service offerings
3. Major updates in the latest climate science that affect the target boundary or ambition.
4. Significant changes in data used to calculate the targets, such as:
 - Changes in growth projections
 - Discovery of significant errors or cumulative errors that are collectively significant
5. Other significant changes to projections or assumptions used with science-based target-setting methods.

36. Customer Health and Safety Policy

1. Purpose

At Granules, we are committed to ensuring the highest standards of product safety and quality to protect the health and well-being of our customers. This policy outlines our approach to maintaining compliance with regulatory requirements, minimizing risks, and continuously improving our safety measures across all stages of production and distribution.

2. Scope

This policy applies to all employees, suppliers, and partners involved in the development, manufacturing, packaging, distribution, and marketing of our products.

3. Key Commitments

3.1 Product Safety and Compliance

- Ensure all products meet national and international safety regulations, including pharmaceutical and environmental standards.
- Conduct rigorous quality control and testing throughout the production lifecycle.
- Maintain a robust pharmacovigilance system to monitor, assess, and mitigate potential risks associated with product usage.

3.2 Risk Management and Hazard Prevention

- Implement Good Manufacturing Practices (GMP) to prevent contamination, defects, and deviations.
- Regularly assess and mitigate potential health and safety risks through Hazard Analysis and Critical Control Points (HACCP).
- Develop crisis response plans to manage product recalls or safety concerns effectively.

3.3 Transparent Communication and Customer Awareness

- Provide clear labelling, safety warnings, and usage instructions on all products.
- Educate customers on proper storage, handling, and disposal methods.
- Establish open channels for customer feedback and safety-related concerns.
- Communicate product safety and handling guidelines through **Safety Data Sheets (SDS) for Active Pharmaceutical Ingredients (APIs)** and **Product Information Leaflets for Finished Dosage Forms** to ensure proper understanding of usage and precautions.

Continuous Improvement and Innovation

- Invest in research and development to enhance product safety and efficacy.
- Conduct periodic safety audits and compliance checks.
- Collaborate with regulatory bodies, industry groups, and scientific communities to stay ahead of evolving safety standards.

4. Roles and Responsibilities

Management

- Oversee the implementation of health and safety policies and ensure compliance with all applicable laws.
- Provide necessary resources for training, audits, and product safety improvements.

Quality and Safety Teams

- Monitor product safety risks and implement corrective and preventive actions.
- Ensure compliance with GMP, HACCP, and other relevant safety guidelines.

Employees

- Follow all safety protocols and report any deviations or safety concerns.
- Participate in training programs related to customer health and safety.

5. Policy Review and Compliance

This policy will be reviewed periodically to ensure alignment with evolving regulations and industry best practices. Non-compliance may result in corrective action, including retraining or disciplinary measures.

Granules remains dedicated to safeguarding customer health by maintaining the highest safety and quality standards in all our products and processes.

37. Anti-Bribery & Anti-Corruption Policy

Introduction:

Granules India Limited (Group) is committed to conducting business ethically and transparently, ensuring compliance with all applicable anti-bribery and anti-corruption laws and regulations. This policy outlines our stance against bribery and corruption and provides guidelines on how employees should conduct themselves when dealing with customers, suppliers, and other partners.

Applicability

This policy applies to all employees, contractors, consultants, temporary staff, suppliers, and any other personnel engaged with Granules India Limited (Group) across all locations and business units.

Responsibility

- **Management:** Ensure the implementation, adherence, and enforcement of this policy.
- **Employees:** Comply with this policy and report any violations or suspicious activities.
- **Human Resources and Compliance Teams:** Provide training, resources, and support to ensure understanding and adherence to this policy.

Policy Statement

1. Bribes and Improper Payments

- Employees are prohibited from soliciting, encouraging, or receiving any bribe, payment, contribution, gift, or favour that could influence their decision-making or that of others.
- Regardless of local customs or practices, employees must adhere to this policy and avoid any actions that could be perceived as bribery.

2. Gifts and Entertainment

- Giving or receiving gifts and entertainment can affect objectivity and judgment and may violate bribery and corruption laws.
- Acceptable gifts, meals, services, and entertainment must:
 - Demonstrate a transparent intention behind the gesture.
 - Be relatively infrequent and not excessive in value.
 - Be consistent with customary business practices.
- Employees must report or seek prior approval before giving gifts to or receiving gifts from government officials.

3. Donations to Charities

- Corporate donations to government entities or charitable donations to non-profit/non-governmental entities must comply with Granules policy.
- All such donations require prior approval to ensure they are not used as a cover for improper payments or influence.

4. Understanding and Compliance

- To remain competitive in the global marketplace, it is essential to thoroughly understand present and potential customers, suppliers, and regulations.
- Employees should refer to publicly available information and ensure all dealings are conducted ethically and in compliance with this policy.

5. Reporting Violations

- Employees are encouraged to report any violations or suspicious activities through confidential reporting channels.
- All reports will be taken seriously, investigated promptly, and addressed appropriately.

6. Training and Awareness

- Granules India Limited (Group) will provide regular training to all employees on anti-bribery and anti-corruption laws, regulations, and company policies.
- Employees are expected to stay informed about these standards and apply them in their daily activities.

Granules India Limited (Group) is dedicated to maintaining the highest ethical standards in all business operations. By adhering to this Anti-Bribery & Anti-Corruption Policy, we ensure that our actions are transparent, ethical, and in full compliance with all applicable laws and regulations, thereby fostering a culture of integrity and trust.

38. Procedure for Managing Sensitive Transactions

1. Purpose

This procedure ensures that all sensitive transactions, including gifts, entertainment, and hospitality, comply with Granules' anti-bribery and anti-corruption policies.

2. Scope

Applies to all employees, suppliers, and contractors engaged with Granules.

3. Responsibilities

- **Employees:** Adhere to policies and report any potential violations.
- **Finance/Audit Team:** Implement, monitor, and ensure compliance.
- **Management:** Approve sensitive expenditures where required.

4. Process for Handling Sensitive Transactions

4.1. Identifying Sensitive Transactions

Sensitive transactions include:

- Gifts exceeding **USD 10**
- Entertainment, travel, and hospitality with potential personal benefit
- Charitable donations with possible conflicts of interest
- Any expenditure that may create a perception of unethical behaviour

4.2. Approval & Documentation

- Gifts below **USD 10** may be accepted; above this threshold require **approval**.
- All sensitive expenditures must have a **valid business justification**.
- Supporting documents, including invoices and receipts, must be **properly recorded** and stored.
- Payments must be **transparent and justified**, ensuring no conflict of interest.

4.3. Review & Monitoring

- **Finance/Audit Team** conducts regular audits of sensitive transactions.
- Any irregularities must be **escalated and investigated**.
- Training on sensitive transactions is provided to employees and contractors.

4.4. Compliance & Reporting

- Employees must **report violations** through the Whistleblower mechanism.
- Non-compliance may result in **disciplinary action** and legal consequences.
- Internal audits and management reviews will be conducted to ensure **continuous improvement**.

Reference Documents:

- Code of Conduct
- Anti-Bribery & Anti-Corruption (ABAC) Policy
- Whistleblower Policy

39. Conflict of Interest Policy

The Conflict of Interest Policy of Granules India is established to ensure that all employees, officers, directors, and stakeholders uphold the highest standards of integrity and avoid situations where personal interests may conflict with the interests of the company. This policy aims to maintain transparency, fairness, and trust in all business dealings.

Scope: This policy applies to all employees, officers, directors, contractors, consultants, and stakeholders affiliated with Granules India.

Disclosure of Conflicts:

- All individuals are required to promptly disclose any actual or potential conflicts of interest to the appropriate authority within the company.
- Disclosure should be made in writing and include all relevant details of the conflict.

Management of Conflicts:

- Upon disclosure of a conflict of interest, the company will assess the situation and determine the appropriate course of action.
- This may include requiring the individual to recuse themselves from decision-making processes, reassigning responsibilities, or terminating/modifying relationships that pose a conflict of interest.

Compliance:

- All employees, officers, directors, and stakeholders are required to comply with this Conflict-of-Interest Policy.
- Failure to disclose a conflict of interest or abide by the provisions outlined in this policy may result in disciplinary action, up to and including termination of employment or legal action.

Review and Amendment:

- This Conflict-of-Interest Policy will be reviewed periodically to ensure its effectiveness and relevance.
- Amendments may be made as necessary to address changes in business practices, regulations, or other factors affecting conflict of interest considerations.

Acknowledgment:

- By accepting employment or engaging in business activities with Granules India, individuals acknowledge that they have read, understand, and agree to abide by the provisions of this Conflict-of-Interest Policy.

40. Anti-Money Laundering (AML) Policy

Granules is committed to the highest standards of ethical conduct and compliance with applicable laws and regulations. This Anti-Money Laundering (AML) Policy is designed to prevent and detect any money laundering activities within our operations. By adhering to this policy, Granules aims to safeguard the integrity of our financial systems and ensure compliance with relevant legal requirements.

Applicability

This policy applies to all employees, directors, officers, and agents of Granules, as well as third parties acting on behalf of the company, including suppliers, contractors, and business partners.

Policy Statement

Granules is dedicated to preventing money laundering and terrorist financing activities. We will take all necessary steps to ensure that our business practices do not facilitate money laundering and will fully cooperate with regulatory and law enforcement authorities in the investigation and reporting of suspicious activities.

Key Elements

1. Risk Assessment

- **Identify Risks:** Regularly assess the risk of money laundering and terrorist financing associated with our business operations, customers, and transactions.
- **Mitigate Risks:** Implement appropriate measures to mitigate identified risks, including enhanced due diligence and monitoring of high-risk customers and transactions.

2. Customer Due Diligence (CDD)

- **Know Your Customer (KYC):** Verify the identity of all customers before establishing a business relationship. Obtain and maintain accurate information regarding the customer's identity, business activities, and source of funds.
- **Ongoing Monitoring:** Continuously monitor customer transactions to ensure they are consistent with the customer's risk profile and business activities. Update CDD information regularly.

3. Suspicious Activity Reporting

- **Identify Suspicious Activity:** Be vigilant in identifying transactions that may indicate money laundering or terrorist financing. This includes unusual or complex transactions, large cash transactions, and transactions that lack a clear economic or lawful purpose.
- **Report Suspicious Activity:** Immediately report any suspicious activities to the designated AML Compliance Officer. The AML Compliance Officer will review the report and, if necessary, file a Suspicious Activity Report (SAR) with the appropriate regulatory authorities.

4. Record Keeping

- **Maintain Records:** Keep detailed records of all customer due diligence information, transactions, and reports of suspicious activity for a minimum of five years or as required by applicable law.

- **Accessibility:** Ensure that records are readily accessible for review by regulatory and law enforcement authorities upon request.
- 5. **Training and Awareness**
 - **Employee Training:** Provide regular training to all employees on AML regulations, recognizing and reporting suspicious activities, and the importance of compliance with this policy.
 - **Updates:** Keep employees informed of any changes to AML laws and regulations and update training materials accordingly.
- 6. **Internal Controls and Compliance**
 - **AML Compliance Officer:** Appoint a designated AML Compliance Officer responsible for overseeing the implementation and enforcement of this policy, conducting risk assessments, and reporting suspicious activities.
 - **Audits and Reviews:** Conduct regular audits and reviews of the company's AML program to ensure its effectiveness and compliance with applicable laws and regulations.
- 7. **Third-Party Relationships**
 - **Due Diligence on Third Parties:** Perform due diligence on suppliers, contractors, and business partners to ensure they comply with AML regulations and do not pose a risk to the company.
 - **Contractual Obligations:** Include AML compliance clauses in contracts with third parties, requiring them to adhere to relevant laws and cooperate with the company's AML efforts.

Responsibilities

- **Board of Directors:** Provide oversight and ensure the company's commitment to AML compliance.
- **Senior Management:** Support the implementation of the AML policy and allocate necessary resources.
- **AML Compliance Officer:** Oversee the AML program, conduct risk assessments, and ensure compliance with reporting requirements.
- **Employees:** Comply with the AML policy, participate in training programs, and report any suspicious activities.

Monitoring and Review

- **Regular Assessments:** Conduct regular assessments of the AML program to identify areas for improvement and ensure ongoing compliance with legal requirements.
- **Policy Review:** Review this policy annually or as required to reflect changes in laws, regulations, or business operations. Update the policy as necessary to maintain its effectiveness.

Granules is committed to maintaining the highest standards of ethical conduct and compliance with AML regulations. By implementing and adhering to this Anti-Money Laundering Policy, we aim to protect our business, stakeholders, and the broader community from the risks associated with money laundering and terrorist financing.

41. Antitrust and Competition Policy

Introduction

Granules is committed to promoting fair competition and complying with all applicable antitrust and competition laws. This policy outlines our commitment to ethical business practices and adherence to legal requirements that ensure a competitive marketplace.

Applicability

This policy applies to all employees, directors, officers, agents, and third parties acting on behalf of Granules, including suppliers, contractors, and business partners.

Policy Statement

Granules is dedicated to maintaining the highest standards of integrity and fairness in the marketplace. We will not engage in any activities that restrict competition, create unfair advantages, or violate antitrust laws and regulations.

Key Elements

1. Prohibited Conduct

- **Price Fixing:** Do not enter into agreements with competitors to fix prices, discounts, or other terms of sale.
- **Market Allocation:** Avoid agreements with competitors to divide or allocate markets, territories, or customers.
- **Bid Rigging:** Do not participate in collusive bidding or agree with competitors on bid prices or terms.
- **Boycotts:** Do not engage in or promote collective boycotts of customers, suppliers, or competitors.

2. Monopolistic Practices

- **Abuse of Dominance:** Do not exploit a dominant market position to eliminate competition or prevent market entry by others.
- **Exclusive Dealing:** Avoid entering into agreements that require customers to buy exclusively from Granules, thereby restricting competition.
- **Tying Arrangements:** Do not condition the sale of one product on the purchase of another unrelated product.

3. Fair Competition

- **Competitive Intelligence:** Gather competitive information ethically and legally, without misrepresentation or deception. **Marketing Practices:** Ensure all marketing, advertising, and sales practices are truthful, non-deceptive, and comply with relevant laws.
- **Trade Associations:** Participate in trade associations in a manner consistent with antitrust laws, avoiding discussions on pricing, market allocation, or other anti-competitive practices.

4. Compliance and Training

- **Training Programs:** Provide regular training to employees on antitrust and competition laws and how to recognize and avoid anti-competitive practices.
- **Legal Guidance:** Seek legal advice when engaging in activities that may have antitrust implications, such as mergers, acquisitions, or joint ventures.

5. Reporting and Enforcement

- **Reporting Violations:** Encourage employees to report any suspected violations of this policy or antitrust laws to the Legal or Compliance Department without fear of retaliation.
- **Investigation and Enforcement:** Promptly investigate reported violations and enforce appropriate disciplinary actions, including termination of employment or contracts with third parties, if necessary.

6. Monitoring and Review

- **Regular Audits:** Conduct regular audits and assessments of business practices to ensure compliance with antitrust laws and this policy.
- **Policy Review:** Review this policy annually or as required to reflect changes in laws, regulations, or business operations. Update the policy as necessary to maintain its effectiveness.

Responsibilities

- **Board of Directors:** Provide oversight and ensure the company's commitment to antitrust compliance.
- **Senior Management:** Support the implementation of the antitrust policy and allocate necessary resources.
- **Legal and Compliance Department:** Oversee the antitrust compliance program, provide legal guidance, and investigate reported violations.
- **Employees:** Comply with this antitrust policy, participate in training programs, and report any suspected violations.

Granules is committed to fostering a fair and competitive marketplace. By adhering to this Antitrust and Competition Policy, we aim to promote ethical business practices, comply with applicable laws, and maintain our reputation as a responsible and trustworthy company.

42. Information Security Policy

Introduction:

Granules India Limited (Group) is committed to safeguarding the confidentiality, integrity, and availability of its information assets. This Information Security Policy establishes the framework for protecting these assets against unauthorized access, disclosure, alteration, and destruction. Ensuring robust information security is vital for maintaining business continuity, protecting sensitive data, and complying with legal and regulatory requirements.

Applicability

This policy applies to all employees, contractors, consultants, temporary staff, and any other personnel with access to Granules India Limited (Group)'s information systems and data.

Responsibility

- **Management:** Provide leadership, resources, and support for the implementation and maintenance of the Information Security Policy.
- **Information Security Team:** Develop, implement, and monitor information security practices and procedures.
- **Employees:** Adhere to the information security guidelines and report any security incidents or vulnerabilities.

Policy Statement

1. Access Control

- Access to information systems and data is restricted to authorized personnel based on business needs and job responsibilities.
- Strong authentication and authorization mechanisms must be implemented to ensure secure access.

2. Data Protection

- Sensitive and confidential data must be encrypted during transmission and storage.
- Appropriate data classification and handling procedures must be followed to protect data from unauthorized access and disclosure.

3. Physical Security

- Physical access to critical information systems and data storage areas is restricted to authorized personnel.
- Facilities must be equipped with appropriate security controls such as access cards, surveillance cameras, and security personnel.

4. Network Security

- Network security measures, including firewalls, intrusion detection systems, and anti-virus software, must be implemented to protect against external and internal threats.
- Regular network security assessments and penetration testing must be conducted to identify and mitigate vulnerabilities.

5. Incident Management

- A formal incident management process must be in place to detect, report, and respond to security incidents in a timely manner.
- Security incidents must be documented, and root cause analysis should be performed to prevent recurrence.

6. Training and Awareness

- Regular information security training and awareness programs must be conducted for all employees to ensure they understand their responsibilities and the importance of protecting information assets.
 - Employees must be trained on how to recognize and report security threats, such as phishing attacks and malware.
- 7. Third-Party Security**
- Third-party vendors and partners with access to Granules India Limited (Group) 's information systems and data must comply with the company's information security standards.
 - Regular security assessments and audits of third-party vendors must be conducted to ensure compliance.
- 8. Compliance and Legal Requirements**
- Information security practices must comply with applicable laws, regulations, and industry standards.
 - Regular audits and reviews must be conducted to ensure ongoing compliance with legal and regulatory requirements.
- 9. Continuous Improvement**
- The Information Security Policy and related procedures must be regularly reviewed and updated to address emerging threats and vulnerabilities.
 - Feedback from security incidents, audits, and assessments must be used to continuously improve the information security program.

Granules India Limited (Group) is dedicated to protecting its information assets through the implementation of comprehensive and effective information security measures. By adhering to this policy, we aim to ensure the confidentiality, integrity, and availability of our information systems and data, thereby supporting our business operations and maintaining the trust of our stakeholders.

43. ESG Policy Review Mechanism

To ensure that the **ESG Policy Manual** remains effective, relevant, and aligned with evolving regulatory requirements, industry best practices, and the company's sustainability goals, it will be subject to a structured review process.

Review Frequency

- The **ESG Policy Manual** shall be reviewed **annually**.

Responsible Authority

- The **Chief Strategy and Sustainability Officer (CSSO)** shall be responsible for overseeing and conducting the review.

Review Process

1. Evaluation of Current ESG Policies

- The CSSO will assess the effectiveness of existing ESG policies in achieving the company's sustainability objectives.
- Key performance indicators (KPIs) and compliance records will be analyzed to measure progress.

2. Stakeholder Engagement

- Feedback from internal stakeholders, including employees, management, and sustainability teams, will be gathered.
- Input from external stakeholders such as suppliers, investors, and regulators may also be considered.

3. Regulatory and Industry Benchmarking

- The review will ensure alignment with **updated ESG regulations, international frameworks (e.g., GRI, UNGC, SBTi), and industry best practices**.

4. Policy Amendments and Updates

- Necessary modifications will be proposed based on review findings and stakeholder feedback.
- The updated policies will be **reviewed by senior management and approved as per governance protocols**.

5. Communication and Implementation

- The revised ESG Policy Manual will be communicated to all relevant stakeholders.
- Training sessions and awareness programs will be conducted to ensure understanding and compliance.

Documentation & Compliance

- The review findings, policy amendments, and approval records will be **documented and maintained** for compliance purposes.
- Any changes will be reflected in the **Version Control** section of the ESG Policy Manual.

44. EMPLOYEE ACKNOWLEDGMENT FORM

Environmental, Social, and Governance (ESG) Policy Manual

I acknowledge that I have received, read, and understood the ESG Policy Manual of Granules India Limited (Group). I understand that compliance with the policies, principles, and guidelines outlined in this manual is essential to upholding the company's commitment to sustainability, ethical conduct, and responsible business practices.

By signing this acknowledgment, I agree to:

1. Adhere to the ESG policies outlined in the manual in my daily responsibilities and decision-making.
2. Uphold the company's commitments to environmental stewardship, social responsibility, and good governance.
3. Report any observed violations of ESG policies through the appropriate grievance or whistleblower channels.
4. Participate in training programs and awareness sessions related to ESG compliance.
5. Contribute to the company's efforts in fostering a sustainable and ethical workplace.

I understand that failure to comply with the ESG policies may result in corrective action as per company guidelines.

Employee Signature: Pralay

Supervisor/HR Representative Signature: 

Date of Acknowledgment: 21/08/2024