Aarti Drugs Limited
Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate, Ground Floor, Plot No. 109-D, Road No. 29, Sion (East), Mumbai - 400 022. (India)
Tel .: 022-2407 2249 / 2401 9025 (30 Lines)
Fax.: 022-2407 3462 / 2407 0144
Email: admin@aartidrugs.com
website: www.aartidrugs.com
CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2026-27/43
September 2, 2026

To,
Listing/ Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
BSE CODE: 524348

To,
Listing/ Compliance Department
National Stock Exchange of India Limited,
“Exchange Plaza”, Plot No. C/1,
G Block Bandra - Kurla Complex,
Bandra (East), Mumbai – 400051
NSE SYMBOL: AARTIDRUGS

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report of the Company for Financial Year 2025-26

Ref: Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation to our intimation dated September 2, 2026 regarding the Annual Report for the Financial Year 2025-26 along with Notice of the 41st Annual General Meeting, and pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report for the Financial Year 2025-26.

The said Report is also available on the website of the Company at https://www.aartidrugs.com/reports-fillings-annual-reports along with the Annual Report and Notice of the 41st Annual General Meeting of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,
FOR AARTI DRUGS LIMITED

RUSHIKESH VIVEK DEOLE

Digitally signed by RUSHIKESH VIVEK DEOLE
DN: c=IN, postalCode=421301, st=MAHARASHTRA, street=THANE,B-2, DEVIPRASAD SOCIETY, AGRA ROAD ,421301, l=THANE, o=Personal, serialNumber=9b60f64457feab7f455d17463ebe710861bf01b575f6fc0484483273dabfc17f, pseudonym=39fdd8cc665b44adb709d2b2c0bc1ffe, 2.5.4.20=76af11ab2ea790a8aec8b0d90f9da6fdb715f5b922a7af009bb3f93dc014e116, email=RUSHIKESH.DEOLE@AARTIDRUGS.COM, cn=RUSHIKESH VIVEK DEOLE
Date: 2026.09.02 21:17:26 +05'30'

RUSHIKESH DEOLE
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI M. No.: F12932

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L37060MH1984PLC055433
2.	Name of the Listed Entity	Aarti Drugs Limited
3.	Year of incorporation	1984
4.	Registered office address	Plot No. N-198, M.I.D.C. Tarapur, Village – Pamtembhi, Taluka & Dist. Palghar- 401506 Maharashtra, India
5.	Corporate address	Ground Floor, Mahendra Industrial Estate, Plot No 109-D, Road No. 29, Sion (East), Mumbai – 400022, Maharashtra, India
6.	E-mail	investorrelations@aartidrugs.com
7.	Telephone	+9122-24019025
8.	Website	www.aartidrugs.com
9.	Financial year for which reporting is being done	April 01, 2025 to March 31, 2026
10.	Name of the Stock Exchange(s) where shares are listed	a. National Stock Exchange of India Limited b. BSE Limited
11.	Paid-up Capital	As on March 31, 2026 total paid up capital of the Company stood at ₹ 91,27,00,000 consisting of 91270000 Equity shares of ₹ 10/- each
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	a. Name - Rushikesh V. Deole b. Designation - Company Secretary c. Telephone Number - (022) 2401 9025 d. E-mail ID -investorrelations@aartidrugs.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis (Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries).
14.	Name of assessment or assurance provider	Not applicable, as BRSR Core Assurance is not mandatory for the Company.
15.	Type of assessment of assurance obtained	

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Pharmaceuticals	Manufacturing and Marketing of Pharmaceuticals and Chemical products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	API	21001	89%
2	Speciality Chemicals	21001	8%
3	Intermediates & others	21001	3%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	13	2	15
International	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 states and 8 union territories
International (No. of Countries)	Over 100 countries served across the six continents - Asia, North America, Europe, Africa, South America and Australia

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

The Company has a global presence with exports accounting for approximately 38% of its revenue.

c. A brief on types of customers

The Company serves a diverse global customer base, including pharmaceutical formulation companies, specialty chemical manufacturers, and dyes and pigments manufacturers across the globe.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	1028	873	84.92%	155	15.08%
2.	Other than Permanent (E)	468	412	88.03%	56	11.97%
3.	**Total employees (D + E)**	**1496**	**1285**	**85.90%**	**211**	**14.10%**
			WORKERS			
4.	Permanent (F)	327	326	99.69%	1	0.31%
5.	Other than Permanent (G)	1008	971	96.33%	37	3.67%
6.	**Total workers (F + G)**	**1335**	**1297**	**97.15%**	**38**	**2.85%**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	2	1	50.00%	1	50.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total differently abled employees (D + E)	2	1	50.00%	1	50.00%
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	2	2	100%	0	0.00%
5.	Other than permanent (G)	0	0	0.00%	0	0.00%
6.	Total differently abled workers (F + G)	2	2	100%	0	0.00%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	1	8.33%
Key Management Personnel	2	0	-

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male %	Female %	Total %	Male %	Female %	Total %	Male %	Female %	Total %
Permanent Employees	20.23	9.79	**18.71**	9.25	10.26	**9.38**	8.64	12.00	**9.08**
Permanent Workers	6.27	0.00	**6.25**	4.99	0.00	**4.98**	2.46	0.00	**2.46**

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Pinnacle Life Science Private Limited	Subsidiary	100%	Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
2.	Aarti Speciality Chemicals Limited	Subsidiary	100%	
3.	Pinnacle Chile SpA	Subsidiary	95%	
4.	Pharma Go SpA	Subsidiary	95% (through Pinnacle Chile SpA)	
5.	Tripharma Chile SpA	Subsidiary	95% (through Pinnacle Chile SpA)	

VI. CSR Details

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

(ii) Turnover (in ₹): **2,26,038.50 lakhs**

(iii) Networth (in ₹): **1,40,479.08 lakhs**

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://www.aartidrugs.com/corporate-governance-code-of-conduct	0	0	-	0	0	-
Investors (other than shareholders)	https://www.aartidrugs.com/shareholders-information-stock-information	0	0	-	0	0	-
Shareholders	https://www.aartidrugs.com/shareholders-information-stock-information	4	0	-	18	0	-
Employees and workers	https://www.aartidrugs.com/corporate-governance-code-of-conduct	0	0	-	0	0	-
Customers	https://www.aartidrugs.com/contact-us https://www.aartidrugs.com/corporate-governance-code-of-conduct	3	0	-	3	0	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	https://www.aartidrugs.com/contact-us https://www.aartidrugs.com/corporate-governance-code-of-conduct https://www.aartidrugs.com/supplier-code-of-conduct	0	0	-	0	0	-
Others (please specify)	NA	-	-	-	-	-	-

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change, Energy & Emission Management	Risk & Opportunity	The Company recognises that climate change presents both risks and opportunities, including potential operational and manufacturing losses due to climate-related events, as well as opportunities for innovation, resource efficiency and sustainable business practices.	Develop climate resilience strategies and initiatives to reduce the Company's carbon footprint and enhance environmental sustainability.	Positive and Negative
2.	Sustainable Supply Chain & Responsible Procurement	Risk & Opportunity	Efficient and sustainable sourcing helps reduce costs, environmental impact and supply chain disruptions. Ensuring supplier adherence to social and human rights standards helps mitigate risks related to labour practices and human rights violations.	Implement stringent supplier assessments and sustainable sourcing practices, supported by regular audits and collaboration to improve suppliers' environmental and social performance. Provide training on sustainable procurement to key strategic suppliers.	Positive and Negative
3.	Water and wastewater management	Risk & Opportunity	Effective water management ensures sustainable resource availability, minimises environmental impact, and mitigates risks arising from water scarcity and regulatory non-compliance.	Implement water-saving technologies and conservation practices and has established a Zero Liquid Discharge (ZLD) mechanism. Currently, 10 out of 12 API manufacturing facilities operate on a ZLD basis, while the remaining 2 are connected to a Common Effluent Treatment Plant (CETP) for further treatment. The Company has also developed a Water Policy to promote water conservation and effective management of water resources.	Positive and Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Waste and hazardous Materials management	Risk & Opportunity	Waste generated from the Company's operations comprises both hazardous and non-hazardous waste. Effective waste management helps minimise environmental impact and regulatory risks while creating opportunities for resource recovery.	Implement comprehensive waste reduction, recycling and management practices to minimise pollution, conserve natural resources and protect human health and the environment. Waste is managed through various methods, including: - Reduction at source - Hazardous waste management - Waste-to-energy - Landfilling - Recycling - Incineration	Positive and Negative
5.	Occupational Health & Safety	Risk	As a responsible manufacturing Company, safeguarding the health and safety of employees and workers is a key priority. Effective occupational health and safety practices help prevent workplace accidents, promote employee well-being, reduce absenteeism and ensure compliance with applicable regulations.	Implement robust occupational health and safety programmes, including regular safety training, awareness initiatives and mock drills, to promote proactive hazard identification, risk management and prevention of workplace incidents.	Negative
6.	Community Impact, Relations and Development	Opportunity	Engaging with local communities through CSR initiatives strengthens stakeholder relationships, enhances the Company's reputation and contributes to inclusive and sustainable community development.	N.A.	Positive
7.	Product Safety	Risk	Ensuring product quality and safety protects consumer health, supports regulatory compliance and safeguards the Company's reputation. Any deficiency in product quality or safety may result in revenue loss, reputational damage and regulatory action.	Implement rigorous quality control and safety testing procedures, with a strong focus on strengthening its Quality Assurance (QA) and Quality Control (QC) functions to ensure consistent product quality, safety and regulatory compliance.	Negative
8.	Corporate Governance	Risk & Opportunity	Compliance with applicable laws and regulations supports the Company's reputation, smooth operations and long-term stakeholder value. Strong corporate governance and ethical practices promote responsible decision-making, transparency and stakeholder trust, while non-compliances may result in regulatory action and reputational risks.	Implement comprehensive compliance programmes and conducts regular reviews and audits to strengthen regulatory compliance. Corporate Governance practices are periodically reviewed to enhance governance standards and ensure continued adherence. The Board and Audit Committee also oversee the identification, prevention and mitigation of potential conflicts of interest.	Positive and Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Business Ethics	Risk	Upholding high ethical standards helps mitigate legal, compliance and reputational risks and strengthens stakeholder trust.	Implement robust ethics training and compliance programmes, supported by a stringent and comprehensive Code of Conduct and related policies, to promote ethical behaviour, integrity and responsible conduct at all levels of the organisation.	Negative
10.	Economic Performance	Risk & Opportunity	Strong economic performance supports business resilience, long-term viability and sustainable growth, while poor performance may adversely impact the Company's financial sustainability and stakeholder value.	Implement robust financial management and strategic planning to strengthen financial resilience, support sustainable growth and enhance long-term stakeholder value.	Positive and Negative
11.	Regulatory Compliance	Risk	Compliance with applicable laws and regulations helps prevent legal and regulatory penalties, safeguard operational integrity and maintain stakeholder confidence.	Implement comprehensive compliance programmes and conduct regular audits to ensure adherence to applicable laws, regulations and internal policies, while strengthening operational integrity and risk management.	Negative
12.	Data Privacy & Integrity	Risk	Ensuring data privacy and security helps protect against data breaches, regulatory and legal penalties, financial losses and reputational damage.	Implement robust cybersecurity measures and data protection policies to safeguard sensitive information, prevent data breaches and ensure compliance with applicable data protection requirements.	Negative
13.	Risk Management	Risk & Opportunity	Proactive risk management helps identify, assess and mitigate potential operational, financial, compliance and reputational risks, thereby strengthening business resilience.	Develop and implement comprehensive risk management frameworks, with the Risk Management Committee overseeing the identification and implementation of appropriate risk mitigation strategies as required. The Code of Conduct and Whistle Blower Mechanism further promote transparency and accountability, enabling early identification and resolution of concerns and helping minimise legal, financial and reputational risks.	Positive and Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	All Statutory Policies and Codes are adopted in accordance with the applicable legal and regulatory requirements and are subject to approval by the respective competent authority, including the Board of Directors, its Committees, or the Company's Management, as applicable.								
c. Web Link of the Policies, if available	Mandatory policies are uploaded on the website of the Company and can be accessed through the following web links: https://www.aartidrugs.com/corporate-governance-policies-and-related-documents https://www.aartidrugs.com/sustainability-policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company has a dedicated "Supplier Code of Conduct" which covers all the applicable aspects under the BRSR principles.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• Certificates such as ANVISA, KFDA, COFEPRIS, WC • Certificate, TGA, WHO-GMP and TFDA are obtained to facilitate business operations in countries including Brazil, South Korea, Mexico, European nations, Australia, Africa, Middle East, Southeast ASIA and Taiwan • ISO 9001: 2015 – Quality Management System • ISO 14001:2015 – Environmental Management System • ISO 45001:2018 – Occupational Health & Safety Management System • ISO - 27001:2022 Information Security • Good Manufacturing Practice (GMP) compliance across facilities as per various Global Standards for GMP like ICH, EU-GMP, PIC/S, WHO-TRS, etc. • WHO-GMP accreditations received for several plants • We observe Global Reporting Initiative (GRI) 2021 and EcoVadis Standards as positive contribution to Environment, Social and Governance (ESG) stewardship. • Sustainability milestones are aligned with the United Nations Sustainable Development Goals (SDGs) and the principles of the United Nations Global Compact (UNGC). • EU-GMP and EDQM								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Yes								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance under each of the BRSR Principles is periodically reviewedby various Committees led by the Management and Board of Directors.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Please refer to the "Chairman's message" and "Management Discussion & Analysis report" sections of the Annual Report.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board is the highest authority responsible for implementation and oversight of the Business Responsibility policies. To ensure effective governance and monitoring, the Board has constituted various Committees to oversee and review specific aspects of Business Responsibility, as applicable.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee periodically review the sustainability initiatives of the Company on the basis of applicable regulatory requirements. The composition of these Committees is provided in the Corporate Governance Report. In addition, the Company has constituted Sustainability Committee comprising executive directors and members from EHS and Sustainability department to assist the Board to achieve its sustainability goals.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically/ on a need basis by the Internal Auditors, Department heads/ Director/ Board/ its Committees/ Sustainability Committee and any other committees wherever applicable.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance with all applicable statutory and regulatory requirements is reviewed by the Board of Directors and its respective Committees, as applicable, on a quarterly basis.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No. The policies of the Company are subject to review and audit by the Internal Auditors of the Company. The effective implementation and functioning of these policies is also ensured by the various Department Heads/ Directors/ Committees of the Board/ Other Committees, wherever applicable. We are also in the process of undertaking independent third-party assurance for our sustainability performance.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P8	P 9
The entity does not consider the Principles material to its business (Yes/No)	**Not Applicable**								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year.**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	1	The Company conducts familiarisation programme for its Board of Directors at regular intervals which covers topics such as ESG parameters, corporate governance practices, employee wellbeing, innovation and R&D and relevant regulatory and statutory. This familiarisation programme is also extended to Key Managerial Personnel.	100%
Employees other than BoD and KMPs	1046	Employees undergo various training and awareness programmes throughout their employment, including induction training at the time of joining, training on the Code of Conduct, technical and compliance-related training, and occupational health and safety training. These programmes are designed to enhance their knowledge, skills, compliance awareness and commitment to a safe and responsible workplace.	100%
Workers	1008	Workers undergo various training and awareness programmes throughout their employment, including induction training at the time of joining, training on the Code of Conduct, technical and compliance-related training, and occupational health and safety training. These programmes are designed to enhance their knowledge, skills, compliance awareness and commitment to a safe and responsible workplace.	100%

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

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

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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

The Company has a comprehensive and well-defined Code of Conduct, Vigil Mechanism policy and Anti-Bribery & Anti-Corruption Policy that places significant emphasis on anti-corruption and anti-bribery practices, which place strong emphasis on ethical business practices, prevention of bribery and corruption, and responsible conduct. The Company expects its Directors, employees and workers to adhere to the principles and requirements prescribed under these policies and discharge their responsibilities with utmost integrity, diligence, fairness and transparency. The policy strictly prohibits offering, giving, soliciting or accepting of bribes or any other undue or unfair advantage, whether directly or indirectly, for obtaining or securing any business or other benefit. We provide appropriate training to Directors, employees and workers to promote understanding and effective implementation of these policies.

Code of Conduct is available at: https://www.aartidrugs.com/corporate-governance-code-of-conduct

Vigil Mechanism policy and Anti-Bribery and Anti-Corruption Policy are available at: https://www.aartidrugs.com/corporate-governance-policies-and-related-documents.

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

	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

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

Not Applicable, as there were no fines, penalties or other regulatory actions reported during the reporting period.

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	98 days	93 days

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

9. Open-ness of business

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

Parameter	Metrics		FY 2025-26	FY 2024-25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	7.51%	9.47%
	b.	Number of trading houses where purchases are made from	74	63
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	48.64%	54.64%
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	13.89%	14.13%
	b.	Number of dealers / distributors to whom sales are made	133	130
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	59.49%	59.67%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	2.60%	1.25%
	b.	Sales (Sales to related parties / Total Sales)	1.44%	1.65%
	c.	Loans & advances (Loans & advances given to related parties	0.00%	0.00%
	d.	Investments (Investments in related parties / Total Investments made)	94%	100%

Leadership Indicator

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

During FY 2024-25, we identified key strategic suppliers and conducted awareness programmes on Sustainable Procurement (ISO 20400). The programme covered the following key areas:

- Sustainable procurement
- Environmental Sustainability
- Respect for Human Rights
- Fair business practices

The Company proposes to continue conducting similar awareness programmes for its value chain partners in the future.

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

Yes, every Director of the Company discloses his/her concern or interest in the Company or in other companies, bodies corporate, firms or associations of individuals, including any changes therein and shareholding, on an annual basis and as and when there is any change, in accordance with applicable requirements. During Board Meetings, Directors abstain from participating in discussions and decisions on matters in which they are concerned or interested, as applicable. The Company's Code of Conduct also contains for avoiding conflict of interest.

The Code of Conduct is available at: https://www.aartidrugs.com/corporate-governance-code-of-conduct

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

Essential Indicators

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

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	27%	11.00%	Note-1
Capex	15%	10.85%	Note-2

Note 1: Environmental Benefits of R&D Investments

The Company's strategic investments in its Research and Development (R&D) infrastructure have driven meaningful environmental improvements. These upgrades highlight our ongoing commitment to green innovation and sustainable operations:

Vacuum Oven (121 L):

- **Energy Efficiency:** Utilising vacuum ovens in our laboratories has decreased total energy consumption, which directly reduces greenhouse gas (GHG) emissions and shrinks our carbon footprint.
- **Waste Reduction:** Because these ovens operate at lower temperatures, they prevent the thermal degradation of materials. This preserves resource quality and significantly cuts down on material waste.

Refrigerator/Freezer (400 L):

- **Emission Control:** Implementing energy-efficient refrigeration systems minimises electricity usage, contributing to broader corporate energy-saving and climate goals.
- **VOC Containment:** Securely storing volatile chemicals prevents the release of Volatile Organic Compounds (VOCs), which improves indoor air quality and ensures a safer laboratory environment.

Fume Hood (3900 mm W x 11000 mm D x 1580 mm H):

- **Improved Air Quality:** Fume hoods safely extract and contain dangerous vapors, gases, and dust generated during experiments, keeping them out of the natural environment.
- **Regulatory Compliance:** These systems ensure we meet strict occupational safety and environmental regulations, protecting our workforce and the surrounding ecosystem.

Ultrasonic Cleaning Bath:

- **Water Conservation:** This advanced cleaning technology requires substantially less water than conventional methods, actively supporting our water conservation efforts.
- **Decreased Chemical Use:** Ultrasonic cleaning minimises the reliance on harsh chemical solvents, resulting in a safer, greener, and more sustainable operational process.

Overall Impact:

These enhancements to our R&D facilities demonstrate the Company's dedication to sustainable progress. By prioritising energy efficiency, resource optimisation, and pollution reduction, we continue to lead the industry while upholding our environmental responsibilities.

Note 2: Environmental and Social Value of Capital Investments

The Company's recent capital expenditures have yielded substantial social and environmental benefits, reinforcing our dedication to responsible business practices and corporate sustainability. The primary advantages include:

1) **Enhanced Energy Efficiency and Emission Reductions:** Upgrades to our infrastructure, such as replacing boiler smoke tubes and optimising condenser systems, have greatly improved operational efficiency. This results in lower fuel consumption and reduced GHG emissions, supporting the global transition to a low-carbon economy.

2) **Responsible Waste and Solvent Management:** By implementing solvent recovery units and building dedicated solid waste storage, we have reduced the generation of hazardous waste and curtailed VOC emissions. This promotes better resource conservation and active pollution control.

3) **Proactive Safety and Emission Monitoring:** The installation of comprehensive fire hydrant networks and continuous real-time stack monitoring systems protects the community from environmental hazards. These tools ensure strict regulatory compliance and safeguard local air quality.

4) **Water Conservation and Closed-Loop Operations:** Adopting ultrasonic cleaning methods and SCADA-controlled closed-loop systems significantly reduces our water consumption and VOC output, championing eco-conscious resource management.

5) **Co-Generation and Safe Gas Dispersion:** Co-generation boilers allow us to efficiently produce heat and power simultaneously by utilising waste heat. Furthermore, tall chimneys are strategically designed to safely disperse exhaust gases, protecting ground-level air quality and public health.

6) **Sustainable Water Treatment:** The integration of Reverse Osmosis (RO) technology reduces our dependency on chemical water treatments while promoting extensive water conservation.

7) **Air Quality Improvements:** Air preheaters capture and recycle heat from flue gases to lower energy demands, while scrubbers actively filter airborne pollutants. Together, these systems foster a healthier environment for both our employees and neighboring communities.

8) **Commitment to Worker Safety:** Providing Self-Contained Breathing Apparatus (SCBA) equipment and establishing dedicated occupational health centres highlights our commitment to employee wellbeing. These measures reduce workplace risks and support a healthy, productive workforce.

Conclusion:

The Company's capital investments deliver measurable, positive impacts on both society and the environment. By embracing sustainable technologies and prioritising human health, the Company continuously aligns its operations with core ESG (Environmental, Social, and Governance) values, solidifying its reputation as a responsible and forward-thinking industry leader.

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

Yes, as part of our Integrated Management System, we evaluate our key suppliers using specialised questionnaires that incorporate sustainability criteria. Vendor assessments are conducted based on the responses provided. Furthermore, we enforce robust guidelines, including a Supplier Code of Conduct and a Responsible Procurement Policy, to ensure that Environmental, Social, and Governance (ESG) matters are comprehensively addressed.

b. If yes, what percentages of inputs were sourced sustainably?

During FY 2025-26, approximately 33% of the Company's total raw material purchases were sourced from leading Indian and multinational companies, many of which have established sustainability targets and goals. The Company engages with suppliers across its value chain to promote alignment with its ESG objectives and sustainability priorities and to encourage responsible and sustainable business practices throughout the supply chain.

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

At Aarti Drugs, our commitment to waste management extends beyond mere legal compliance. We take proactive steps to minimise waste production and guarantee that all byproducts are processed with the utmost respect for the environment. Our strategy is built upon the following core practices:

a) Plastic and Packaging Waste Management:

We employ a structured approach to collect and separate plastic waste in accordance with the Plastic Waste Management Rules. All on-site plastic is systematically sorted, held in a specific storage zone, and subsequently dispatched to approved recycling facilities for conversion into secondary raw materials. Furthermore, we actively promote internal recycling by repurposing storage containers and reusing plastic bags for identical materials. Our entire plastic disposal process strictly complies with Extended Producer Responsibility (EPR) mandates.

b) **Electronic Waste (E-Waste) Management:**

Our facility features designated drop-off stations for electronic waste. To protect sensitive data, all information-bearing devices are securely sanitised prior to disposal. We then transfer these electronics to certified recyclers for safe processing and resource recovery. A comprehensive log of all generated and stored e-waste is kept to guarantee complete accountability and traceability.

c) **Hazardous Waste Management:**

We handle hazardous materials with the highest level of caution, securing them in a specialised, controlled storage facility on-site. We execute all disposal activities exclusively through channels and vendors authorised by the Pollution Control Boards, aligning perfectly with the Hazardous and Other Wastes (Management and Trans-boundary Movement) Rules, 2016. Digital logs of all disposals are maintained for immediate regulatory review. Furthermore, we continuously monitor and integrate any new environmental regulatory amendments to sustain our high compliance standards.

d) **Fly Ash Handling and Disposal:**

To prevent ecological contamination, fly ash produced by our boilers is gathered and kept in a secure, covered location. We then distribute this ash to licensed entities, such as brick manufacturers, promoting its beneficial reuse. Every step of the transit and disposal process follows State Pollution Control Board directives to guarantee zero negative environmental impact. As with all our waste streams, we promptly implement any updates to environmental laws to maintain a sustainable and fully compliant operation.

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

Yes, our organisation is subject to Extended Producer Responsibility (EPR) regulations. In compliance with these guidelines, we have filed a plastic waste management plan with the Pollution Control Board, registering as both a Brand Owner and an Importer.

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
-					

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

Name of Product / Service	Description of the risk / concern	Action Taken
N.A.		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
	-	-

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

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste (Fly ash)	-	-	-	-	-	-

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	**873**	873	100%	873	100%	N.A	N.A	-	-	-	-
Female	**155**	155	100%	155	100%	155	100%	-	-	-	-
Total	**1028**	**1028**	**100%**	**1028**	**100%**	**155**	**100%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	**412**	-	-	412	100%	-	-	-	-	-	-
Female	**56**	-	-	56	100%	-	-	-	-	-	-
Total	**468**	**-**	**-**	**468**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	**326**	326	100%	326	100%	N.A	N.A	-	-	-	-
Female	**1**	1	100%	1	100%	1	100%	-	-	-	-
Total	**327**	**327**	**100%**	**327**	**100%**	**1**	**100%**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	**971**	-	-	971	100%	-	-	-	-	-	-
Female	**37**	-	-	37	100%	-	-	-	-	-	-
Total	**1008**	**-**	**-**	**1008**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

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

	FY 2025-26	FY 2024-25
Cost incurred on well- being measures as a % of total revenue of the Company	0.14%	0.16%

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	N.A	100%	100%	N.A
ESI	14.40%	12.54%		15.44%	13.04%	Y
Others – please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Considering the nature of ADL's manufacturing operations and the associated occupational requirements, employment opportunities for persons with disabilities may be limited in certain plant operations. However, the Company is committed to providing equal employment opportunities and facilitating the inclusion of differently abled persons, particularly across its office functions. The Company's office premises are equipped with accessibility features, including lifts, to facilitate ease of movement for persons with mobility impairments.

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

The Company has established internal guidelines to promote equal opportunity and is committed to providing equal employment opportunities to all employees and eligible applicants, without discrimination. As part of its HR policies, the Company has implemented an Anti-Discrimination Policy and a Human Rights Policy, which seek to safeguard employees against discrimination, including on the grounds of disability.

For further details, please refer to the "People Policy" available on the Company's website: https://www.aartidrugs.com/sustainability-policies.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A	N.A	N.A	N.A
Female	100%	100%	N.A	N.A
Total	**100%**	**100%**	**N.A**	**N.A**

Note: No female workers have availed the parental leave during FY 2025-26 and FY 2024-25.

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

The Company has a 'Whistle Blower Policy' which provide an effective mechanism for employees and workers to raise concerns and seek redressal of grievances. The policy covers and promotes responsible vigil mechanisms for reporting instances of unethical behaviour, actual or suspected fraud, actual or suspected leak of UPSI, violation of the Company's Code of Conduct, abuse, wrongdoing or violation of any applicable Indian laws. It also provides for adequate safeguards against the victimisation of employees and workers raising concerns in good faith. Further, it allows direct access to the chairperson of the audit committee.

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The Whistle Blower Policy is available at: https://www.aartidrugs.com/corporate-governance-policies-and-related-documents.

A short summary of the mechanism for reporting and resolution of routine complaints and grievances is provided below:

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Grievances may be reported to the Field Supervisor, who escalates the matter to the Factory Manager for appropriate redressal.
Other than Permanent Workers	Grievances may be reported to the Field Supervisor, who escalates the matter to the Factory Manager for appropriate redressal.
Permanent Employees	Grievances may be reported to the respective Reporting Manager for redressal or raised through the HRIS portal.
Other than Permanent Employees	Grievances may be reported to the respective Reporting Manager for appropriate redressal.

Note:- In case a grievance is not resolved through the above channels, the concerned employee or worker may approach the HR Department or the Ethics Officer of the Company for further review and appropriate action.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**1028**	**0**	**NA**	**939**	**0**	**NA**
Male	873	0	NA	808	0	NA
Female	155	0	NA	131	0	NA
Total Permanent Workers	**327**	**190**	**58.10%**	**345**	**159**	**46.09%**
Male	326	190	58.28%	344	159	46.22%
Female	1	0	0.00%	1	0	0.00%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	**1285**	1285	100%	1285	100%	**1314**	1314	100%	1314	100%
Female	**211**	211	100%	211	100%	**203**	203	100%	203	100%
Total	**1496**	**1496**	**100%**	**1496**	**100%**	**1517**	**1517**	**100%**	**1517**	**100%**
Workers										
Male	**1297**	1297	100%	1297	100%	**1312**	1312	100%	1312	100%
Female	**38**	38	100%	38	100%	**36**	36	100%	36	100%
Total	**1335**	**1335**	**100%**	**1335**	**100%**	**1348**	**1348**	**100%**	**1348**	**100%**

9. **Details of performance and career development reviews of employees and worker.**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	**873**	873	100%	**808**	808	100%
Female	**155**	155	100%	**131**	131	100%
Total	**1028**	**1028**	**100%**	**939**	**939**	**100%**
Workers						
Male	**326**	326	100%	**344**	344	100%
Female	**1**	1	100%	**1**	1	100%
Total	**327**	**327**	**100%**	**345**	**345**	**100%**

10. **Health and safety management system:**

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

Aarti Drugs Limited (ADL) manufactures Active Pharmaceutical Ingredients (APIs), Pharma Intermediates, and Specialty Chemicals, while its wholly-owned subsidiary, Pinnacle Life Science Private Limited, focuses on formulations. The Company operates 13 manufacturing plants in India, primarily in Maharashtra and Gujarat.

Commitment to Safety and Health Standards

ADL's commitment to world-class health and safety standards is driven by its core values of 'Care', 'Integrity' and 'Excellence'. To operationalise these values, the Company has implemented an Occupational Health and Safety Management System (OHSMS) across all sites.

Key components of this system include:

- **Integrated Management System (IMS):** All manufacturing facilities are certified with ISO 9001:2015 (Quality), ISO 14001:2015 (Environment), and ISO 45001:2018 (Occupational Health & Safety).
- **Risk Assessment Tools:** ADL utilises advanced methodologies such as Hazard Operability (HAZOP) for process hazards, Hazard Identification and Risk Assessment (HIRA) for routine and non-routine activities, and Quality Risk Assessment (QRA) for industrial hygiene.
- **Monitoring and Audits:** Top management regularly monitors performance through leading and lagging indicators, including safety studies, internal and external audits, and incident investigations.
- **Continuous Improvement:** ADL implemented extensive Corrective and Preventive Actions (CAPA), including detailed electrical audits, enhanced engineering controls like earthing continuity, and behavioural-based safety (BBS) programmes.

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

Aarti Drugs Limited (ADL) supports its commitment to a safe workplace through a structured approach involving competent personnel, rigorous risk assessment methodologies, and comprehensive operational safety programmes.

Personnel and Risk Assessment Methodologies

To ensure the inherent safety of its plant operations and process validation, ADL employs experienced and competent personnel to conduct specialised safety studies. These studies utilise advanced methodologies to address different types of hazards:

- **HAZOP (Hazard Operability):** Used specifically to identify and mitigate process-related hazards.
- **HIRA (Hazard Identification and Risk Assessment):** Applied to evaluate risks associated with both routine and non-routine activities.

- **QRA (Quality Risk Assessment):** Also referred to as Industrial Hygiene, this is used to identify risks in exposure-related activities.

Operational Safety Programmes

ADL has integrated several best-in-class safety programmes into its daily operations to maintain high standards of workplace safety. These include:

- **Management of Change (MOC) and Process Management:** Ensuring that any modifications to processes are evaluated for safety before implementation.
- **Pre-Startup Safety Review (PSSR):** Validating safety readiness before beginning or restarting operations.
- **Job Safety Analysis (JSA) and Work Permit System:** Providing structured safety oversight for specific tasks and high-risk work.
- **Vigilance and Site Monitoring:** Safety rounds are conducted regularly by key plant personnel, complemented by cross-site safety audits and Behavior-Based Safety (BBS) initiatives to identify unsafe acts or conditions.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

At Aarti Drugs Limited (ADL), the Company has established a comprehensive framework of safety programmes to proactively identify and mitigate unsafe acts and unsafe conditions. These initiatives include Behaviour Based Safety (BBS), General Plant Conditioning (GPC), Near Miss Reporting (NMR), Incident Management, and global CAPA (Corrective and Preventive Action) compliance.

The BBS initiative is utilised to ensure safe work practices and strict compliance with Personal Protective Equipment (PPE) through effective supervision. Similarly, GPC rounds are conducted across all areas of the facility to identify unsafe conditions and trigger immediate corrective measures. To validate the effectiveness of these various safety programmes, ADL conducts both internal and external safety audits.

The Company emphasises a transparent safety culture where all workers have the access to report hazards, thereby directly participating in the enhancement of workplace safety.

When safety incidents occur, ADL utilises Incident Management and global CAPA compliance to conduct thorough investigations. Corrective and preventive actions resulting from these investigations often involve engineering controls (such as providing earthing), detailed electrical audits, and the implementation of updated Standard Operating Procedures (SOPs).

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

Aarti Drugs Limited (ADL) maintains a robust framework for employee well-being that extends beyond the insurance policies and hospital tie-ups you mentioned. According to the sources, the Company's commitment to a safe and healthy workplace is an integral part of its core values of 'Care', 'Integrity', and 'Excellence'.

Comprehensive Health and Insurance Coverage

In addition to the Mediclaim Insurance Policy for personal health and accidental treatment and the specialised ESIC Mediclaim for contract employees, ADL ensures broad coverage across its workforce:

- **Permanent Employees:** 100% are covered by both health and accident insurance.
- **Other than Permanent Employees (including contract workers):** 100% are covered by accident insurance.
- **Permanent Workers:** 100% have access to health and accident insurance.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	00	00
	Workers	00	00
Total recordable work-related injuries	Employees	00	00
	Workers	00	00
No. of fatalities	Employees	00	00
	Workers	00	01
High consequence work-related injury or ill-health (excluding fatalities)	Employees	00	00
	Workers	00	00

*Including in the contract workforce.

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

The comprehensive safety protocols like HAZOP (Hazard Operability study), HIRA (Hazard Identification and Risk Assessment for routine and non-routine activities), QRA (Qualitative/Quantitative Risk Assessment) implemented by Aarti Drugs Limited to maintain a secure and healthy environment for its entire workforce.

We utilises systematic evaluation tools to identify potential dangers associated with technical processes, daily routines, and industrial hygiene.

- To ensure these standards remain effective, the entity conducts frequent site inspections and formal audits across all its manufacturing plants.
- Additionally, employees receive consistent educational training regarding occupational health and safety requirements.

By applying these protective strategies, the Company aims to mitigate risks and protect the well-being of every staff member.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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

We have outlined various proactive measures and systemic improvements implemented to enhance workplace security and health standards.

- Initial efforts focus on technical safety, including rigorous electrical audits, equipment maintenance, and the installation of grounding systems to prevent accidents.
- To bolster human response, the organisation conducts emergency drills and provides specialised first aid training to staff and contractors.
- Management also emphasises a culture of awareness through daily safety briefings and the enforcement of protective gear protocols.
- Furthermore, a centralised reporting system ensures that lessons learned from specific incidents are shared across all units to prevent recurrence.

- Ultimately, these actions serve as a comprehensive framework for maintaining operational integrity and environmental health.

Leadership Indicator

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

Yes

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

We are ensuring that vendors in our value chain are deducting and submitting the required statutory dues on time. Vendors are periodically evaluated and approved based on their compliance with applicable statutory requirements, including timely payment of statutory dues. The Company also ensures that statutory requirements relating to workers engaged through its value chain partners are adhered to, including timely payment of wages and deposit of Provident Fund contributions, as applicable.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	00	00	00	00
Workers	00	01	00	00*

*The Company offered Job proposal to the family member of the affected worker, however, the same was not accepted by the family member.

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

Yes, for employees who are selected and willing to continue beyond their regular employment tenure, the Company may engage them as retainers for a mutually agreed fixed tenure and remuneration. During their employment, employees are provided with focused learning, development and skill-building initiatives to enhance their capabilities and support their continued engagement with the Company.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Vendor EHS assessment done for 24 critical value chain partners.
Working Conditions	Vendor EHS assessment done for 24 critical value chain partners.

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

We have assessed 24 critical value chain partners in the financial year 2025-26.

To further strengthen oversight,

- We had conducted regular vendor EHS assessments and
- Formal audits focused on environmental and workplace safety.
- We are actively tracking carbon emissions across their supply chain to improve overall transparency.

These collective measures aim to ensure that all value chain participants adhere to rigorous health, safety, and sustainability requirements.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

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

The Company has a structured process for identifying and prioritising its key stakeholder groups. The process involves understanding the nature of the Company's business and operations, identifying stakeholders who are directly affected by or have an interest in the Company's activities and performance, assessing their influence and impact, and developing appropriate stakeholder engagement mechanisms based on the identified needs and priorities.

Based on this assessment, the Company has identified the following key stakeholder groups:

Employees: Employees are critical to the Company's operations and success and are directly impacted by the Company's workplace practices, policies and initiatives.

Customers: Customers are key stakeholders who are directly impacted by the quality, safety, reliability and sustainability of the Company's products and services.

Suppliers: Suppliers provide essential raw materials, products and services and are an integral part of the Company's operations and supply chain. Suppliers are also affected by the Company's activities, as they may be impacted by the Company's demand for their products or services.

Investors and shareholders: Investors and shareholders have a direct interest in the Company's financial performance, governance, long-term value creation and sustainable growth. Therefore, investors and shareholders are another important stakeholder group that we need to consider.

Communities: The communities in which we operate are also important stakeholders. These communities are affected by the Company's activities, as they may be impacted by the Company's pollution or its impact on the local economy.

Government and regulatory bodies: Government and regulatory authorities play an important role in establishing and overseeing compliance with applicable laws, regulations and statutory requirements.

We believe that these stakeholder groups are the most important to our Company's success. We will continue to engage with these groups through appropriate channels and mechanisms to understand their expectations and concerns address relevant issues and strengthen long-term relationships.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	1. Emails and Meetings 2. Employee Satisfaction Surveys 3. Training and awareness Programmes 4. Performance appraisal reviews 5. Grievance Redressal Mechanisms	Ongoing	1. Fair wages and Rewards 2. Work life Balance 3. Training &Skill development 4. Career Growth 5. Occupational Health and Safety 6. Job Security 7. Transparent Communication
Customers	No	1. Customer feedback 2. Customer satisfaction survey 3. Phone calls, emails and Meetings 4. Signed contracts 5. Exhibitions and Events 6. Customer visits & audits 7. Company Website	Ongoing	1. Timely Delivery 2. Quality and Safety 3. Pricing 4. Post-sales Support 5. Product related certifications 6. EHS Management Systems

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	1. Emails and Meetings 2. Vendor Assessment & Review 3. Signed Contracts	Ongoing	1. Timely Payment 2. Continuity of orders 3. Capacity Building 4. Transparency
Investors & Shareholders	No	1. Shareholders Meetings 2. Publishing requisite notices/ press releases/ other communications through Newspaper Advertisements/ e-mails/ websites 3. Annual Reports 4. Company's Website/ dissemination of requisite information on website of stock exchanges and depositories 5. Investor meet	Ongoing	1. Sustainable Growth & Returns 2. Risk Management 3. Corporate Governance 4. Market position and share 5. Operational and financial Performance
Communities	No	1. Training & Workshops 2. Regular Meetings and interactions 3. Need Assessment & Satisfaction Surveys 4. CSR initiative and reports	Ongoing	1. Local Employment 2. Environmental pollution control 3. Infrastructure development 4. Training & Livelihood programmes 5. Participation in social services
Government and Regulatory bodies	No	1. Annual Reports 2. Statutory filings 3. Communication with regulatory authorities 4. Formal Dialogues	Ongoing	1. Tax and Statutory matters 2. Compliance with laws, rules & regulations 3. Employment 4. Pollution Prevention 5. Local Economy Growth

Leadership Indicators

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

   The respective Business and Functional Heads engage with relevant stakeholders on various ESG-related matters and topics. Key feedback, concerns and insights arising from such stakeholder engagements are appropriately considered and, wherever applicable, reported to the Board of Directors for review and necessary action.

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

   Yes. The Company has developed its ESG agenda through a structured materiality assessment process, which incorporates inputs and insights gathered through stakeholder consultations. Material topics have been identified, evaluated and prioritised based on their significance and potential impact on the Company's stakeholders and business.

   For further details on the materiality assessment process, please refer to Point No. 26 of Section A of this Report.

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

   Through its Corporate Social Responsibility (CSR) initiatives, the Company focuses on supporting and uplifting the weaker and underprivileged sections of society.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

The Company provides employees and workers with training and awareness programmes covering various aspects of responsible workplace practices and relevant Company policies. These include induction training, Code of Conduct training, compliance training, occupational health and safety training, and sensitisation programmes on Prevention of Sexual Harassment (POSH), which are relevant to promoting a safe, respectful, inclusive and discrimination-free workplace.

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	**1028**	1028	100%	**939**	939	100%
Other than permanent	**468**	468	100%	**578**	578	100%
Total Employees	**1496**	**1496**	**100%**	**1,517**	**1,517**	**100%**
Workers						
Permanent	**327**	327	100%	**345**	345	100%
Other than permanent	**1008**	1008	100%	**1,003**	0	0.00%
Total Workers	**1335**	**1335**	**100%**	**1,348**	**345**	**25.59%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**1028**	**43**	**4%**	**985**	**96%**	**939**	**222**	**24%**	**717**	**76%**
Male	873	36	4%	837	96%	808	188	23%	620	77%
Female	155	7	5%	148	95%	131	34	26%	97	74%
Other permanent	**468**	**463**	**99%**	**5**	**1%**	**578**	**572**	**99%**	**6**	**1%**
Male	**412**	410	99%	2	1%	**506**	502	99%	4	1%
Female	56	53	95%	3	5%	72	70	97%	2	3%
Workers										
Permanent	**327**	**0**	**0%**	**327**	**100%**	**345**	**62**	**18%**	**283**	**82%**
Male	326	0	0%	326	100%	344	62	18%	282	82%
Female	1	0	0%	1	100%	1	0	0%	1	100%
Other permanent	**1008**	**0**	**0%**	**1008**	**100%**	**1003**	**135**	**13%**	**868**	**87%**
Male	971	0	0%	971	100%	968	100	10%	868	90%
Female	37	0	0%	37	100%	35	35	100%	0	0%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

3. **Details of remuneration/salary/wages**

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
Board of Directors (BoD)*	5	263.59	0	-
Key Managerial Personnel	2	73.49	0	-
Employees other than BoD and KMP	866	3.85	155	3.28
Workers	326	6.28	1	6.60

*includes the remuneration of Executive Directors only.

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	**9.41%**	**8.81%**

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

Yes, Company has constituted Ethics Committee and also appointed Ethics Officer which is responsible for addressing human rights issues. Further, Company has a Whistle Blower policy that provides a mechanism for employees and other eligible stakeholders to report concerns. The said policy has been posted at the website of the Company and the weblink thereto is: https://www.aartidrugs.com/corporate-governance-policies-and-related-documents.

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

Human rights-related grievances may be raised with the Ethics Officer or the Human Resources Department for appropriate review and redressal. The Company also has a Whistle Blower Mechanism for reporting significant concerns. A detailed procedure for raising and addressing such concerns has been laid down in the whistle blower policy. The said policy has been posted at the website of the Company and the weblink thereto is: https://www.aartidrugs.com/corporate-governance-policies-and-related-documents.

Further, HRIS portal is also available through which employees can raise their grievances.

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

	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human Rights related issues	0	0	-	0	0	-

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	0	0

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

   The Company has implemented Whistle Blower Mechanism through which concerns relating to discrimination and harassment can be directly brought to the notice of Board of Directors. The policy provides adequate safeguard against victimisation of the complainant(s). In matters relating to sexual harassment, the Company has constituted Internal Complaints Committees (ICCs) in accordance with applicable requirements and has implemented appropriate policies and procedures to ensure confidentiality, fair handling of complaints and protection of complainants from victimisation or adverse consequences.

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

   The Company's Code of Conduct and Supplier Code of Conduct are applicable to all the stakeholders which cover the issues pertaining to Human Rights as well.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Company internally monitors compliance with all relevant laws and policies pertaining to these Human Right issues. During the reporting period, no adverse observations or non-compliances relating to human rights were reported by local statutory authorities or independent third parties.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

    No significant risks or concerns relating to human rights were identified through the assessments referred to in Question 10 above during the reporting period.

Leadership Indicator

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

   Not applicable as we did not receive any complaint or any grievance during FY 2025-26 relating to the Human rights.

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

   No such due diligence was conducted. Company is in process to design the Human rights due-diligence.

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

   Yes

4. **Details on assessment of value chain partners:**

   The Company is in the process of developing a structured procedure for assessing its value chain partners on key human rights and labour-related aspects, including Child Labour, Forced/involuntary labour, Sexual harassment, Discrimination at workplace, Wages, etc. The Company's Code of Conduct and Supplier Code of Conduct are applicable to all the stakeholders which cover the issues pertaining to Human Rights as well.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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

   NIL

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

Essential Indicators

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

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	**Nil**	**Nil**
From non-renewable sources		
Total electricity consumption (D)	339905	307199
Total fuel consumption (E)	1283266	914596
Energy consumption through other sources (F) Steam Purchase	253034.9	281580
Total energy consumed from non- renewable sources (D+E+F)	**1876206**	**1503375**
Total energy consumed (A+B+C+D+E+F)	**1876206**	**1503375**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	=1876206 / 226039 = 8.30 Gigajoules per 1,00,000 Rupees of Sales	= 1503375 / 217365.48 = 6.92 Gigajoules per 1,00,000 Rupees of Sales
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	= 1876206 / 45641.07 = 41.11 Gigajoule/MT of physical output	= 1503375 / 34706.90 = 43.31 Gigajoule/MT of physical output
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

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

   No, we do not have any site as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water (MIDC Water)	683217	615853
(iv) Seawater / desalinated water	0	0
(v) Others		
Total volume of water withdrawal (in kilo liters) (i + ii + iii + iv + v)	**683217**	**615853**
Total volume of water consumption (in kiloliters)	**683217**	**615853**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	= 683217 / 226039 = 3.02 Kiloliters per 1,00,000 Rupees of Sales	= 615853 / 217365.48 = 2.83 Kiloliters per 1,00,000 Rupees of Sales
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	= 683217 / 45641.07 = 14.97 KL/MT of product	= 615853 / 34706.90 = 17.74 KL/MT of product
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in Kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties **(Common Effluent Treatment Plant for further treatment)**	-	-
- No treatment	-	-
- With treatment – please specify level of treatment **(Primary, Secondary, Tertiary, and sent to CETP for further treatment)**	14473	14777
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	**14473**	**14777**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

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

Yes, we have successfully implemented a robust Zero Liquid Discharge (ZLD) framework across our operations. Currently, 10 of our 12 API manufacturing facilities operate entirely as ZLD sites, meaning all wastewater is processed and repurposed internally. The remaining two units safely route their wastewater to a Common Effluent Treatment Plant (CETP) for specialised external processing.

To sustain these ZLD capabilities, our major plants utilise cutting-edge infrastructure, including Effluent Treatment Plants (ETPs), Multiple Effect Evaporators (MEEs), Mechanical Vapour Recompression (MVR) systems, and in-house distillation units. These advanced technologies allow for highly efficient wastewater recovery and recycling. In instances where effluent discharge does occur, we adhere to all applicable environmental compliance standards, underscoring our dedication to sustainable operations and responsible water stewardship.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Tonnes	5.64	2.36
SOx	Tonnes	28.6	27.84
Particulate matter (PM)	Tonnes	36.08	39.74
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	134907	95245
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	71424	66288
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		= (134907 + 71424) / 226039 = 0.91 tonnes per 1,00,000 Rupees of turnover	= (95245 + 66288) / 217365.48 = 0.74 tonnes per 1,00,000 Rupees of turnover
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO_2 equivalent	= (134907 + 71424) / 45641.07 = 4.52 Metric tonnes of CO_2 Equivalent / MT of product	= (95245 + 66288) / 34706.90 = 4.65 Metric tonnes of CO_2 Equivalent / MT of product
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

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

Aarti Drugs Limited is deeply committed to environmental stewardship and positively impacting the communities in which it operates. Guided by this vision, the Company has developed a strategic roadmap to reach carbon neutrality. To achieve this, their primary focus areas include:

- Transitioning from coal-fired boilers to cleaner fuel alternatives.
- Increasing the adoption of renewable and clean energy sources.
- Optimising daily operations through targeted technological investments and upgrades.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	143.13	153.25
E-waste **(B)**	-	-
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	44454.97	38614.53
Other Non-hazardous waste generated **(H).** Please specify, if any. **(Fly ash)** (Break-up by composition i.e. by materials relevant to the sector)	6817.26	5288.26
Total (A+B + C + D + E + F + G + H)	**51415.36**	**44056.04**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	= 51415.36 / 226039 = 0.23 tonnes per 1,00,000 Rupees of Sales	= 44056.04 / 217365.48 = 0.20 tonnes per 1,00,000 Rupees of Sales
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	= 51415.36 / 45641.07 = 1.13 MT/MT of product	= 44056.04 / 34706.90 = 1.26 MT/MT of product
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	3.003	131.06
(ii) Landfilling	5844.099	4651.71
(iii) Other disposal operations		
a) Co- processing	14428.023	12375.88
b) Sale to Recycler	24179.849	21455.87
c) Plastic Sale to Recycler	143.128	153.25
d) Sale to Brick Manufacturer	6817.263	5288.26
Total waste disposed by other disposal operations (a+b+c+d)	**45568.263**	**39273.27**
Total	**51415.365**	**44056.04**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

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

Waste Management and Sustainability Strategy at Aarti Drugs Limited

Aarti Drugs Limited. is deeply committed to rigorous waste management frameworks, prioritising the diversion of waste away from landfills. Our overarching strategy is designed to mitigate pollution, preserve vital natural resources, and safeguard both public health and the environment.

a. **Source Reduction:** We focus on minimising the generation of hazardous waste at its point of origin through the following steps:
   - Maximising the recovery and recycling of chemical reactants.
   - Continuously optimising operational processes through Research and Development (R&D).
   - Prioritising the adoption of reusable goods.
   - Decreasing the overall volume of packaging materials.

b. **Hazardous Waste Handling :** Our specialised protocols for managing hazardous materials safely and legally include:
   - Allocating distinct, dedicated storage facilities for different categories of waste.
   - Enforcing strict safety protocols, such as the clear and accurate labelling of all hazardous waste drums and bags.
   - Strictly adhering to the manifest tracking system in compliance with State Pollution Control Board regulations.

c. **Waste-to-Energy Initiatives :** We carefully segregate hazardous waste that possesses a high calorific value and route it to cement manufacturing plants. At these facilities, the waste undergoes co-processing to recover usable energy.

d. **Responsible Landfilling :** For hazardous waste that has a low calorific value but meets specific regulatory landfill parameters, we ensure it is safely transported to Common Hazardous Waste Treatment, Storage, and Disposal Facilities (CHWTSDF). There, it is securely buried and capped with soil.

e. **Resource Recycling :** Any waste materials that retain usable potential are systematically recovered and repurposed back into the supply chain wherever technically and economically viable.

f. **Controlled Incineration :** Hazardous materials that specifically require destruction are dispatched to approved CHWTSDF sites for safe, heavily monitored thermal incineration.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N.A.					

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

Yes. During the reporting period the Company was in compliance with applicable environment norms except the following

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	During chlorosulfonation process at PTSCL section at T-150 unit, the HCL gas is generated continuously which is absorbed in the water scrubber using a chilled falling film system. During this operation, an incident of HCl gas leakage through the manhole of the scrubbing tank occurred	The Company was directed by Maharashtra Pollution Control Board (MPCB) to voluntarily close down chlorosulfonation process at PTSCL section after completion of the existing production batch as a precautionary measure. The Company had stopped the manufacturing activity of the particular product from September 09, 2025.	The Company has complied with the recommendations of Directorate of Industrial Safety and Health (DISH).

Leadership Indicator

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

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

i) **Name of the area:** Manufacturing locations situated in Maharashtra and Gujarat

ii) **Nature of operations:** Manufacturing of Pharmaceuticals and Chemical products

iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	683217	615853
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	683217	615853
Total volume of water consumption (in kiloliters)	683217	615853
Water intensity per rupee of turnover (Water consumed / turnover)	= 683217 / 226039 = 3.02 Kiloliters per 1,00,000 Rupees of Sales	= 615853 / 217365.48 = 2.83 Kiloliters per 1,00,000 Rupees of Sales
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

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Parameter	FY 2025-26	FY 2024-25
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties **(Common Effluent Treatment Plant for further treatment)**	-	-
- No treatment	-	-
- With treatment – please specify level of treatment **(Primary, Secondary, Tertiary, and sent to CETP for further treatment)**	14473	14777
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	**14473**	**14777**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format: NIL**

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

   Not Applicable

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Boiler & Thermopack	Tuning of boilers / thermopacs for optimum Air–Fuel ratio to increase efficiency	Improved boiler efficiency
2	MEE	We have installed Three & two stage multiple effect evaporators in our units for effluent treatment to achieve zero liquid discharge. It has around 60% lower energy requirement than conventional evaporation set up.	MEE has much higher steam economy than conventional evaporators.
3	Segregation of hazardous waste generated according to their Calorific value.	Hazardous wastes generated are segregated on the basis of calorific value. Low CV material is disposed off through landfilling. High CV material is disposed off through co-processing / pre-processing in cement kilns.	High calorific value material is used in cement kilns as a fuel. Utilisation of hazardous waste by co-processing in cement Kiln is considered as an effective and sustainable option. There is dual benefit in co-processing of wastes in cement kilns, in terms of utilising the waste as a supplementary fuel as well as an alternative raw material. Wastes contain materials that have the potential for use as an alternative raw material or as a supplementary fuel for energy recovery.
4	Boiler	We have converted external furnace coal fired to semi fluidised boiler to improve steam to coal ratio.	Improved steam to fuel ratio as well as minimise fuel consumption. Also minimise emission
5	Condensate recovery	Condensate recovery improved to reduce fuel consumption.	Improved steam to fuel ratio as well as minimise fuel consumption.

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
6	Solvent recovery & yield	We have conducted pilot trials on ATFD to remove residual solvent from feed and improve the yield of product. This has improved solvent recovery and product quality.	Improved yield and solvent recovery
7	Efficient motors	We are using Energy efficient motors (high power factor motors) which saves around 3-5% energy.	Power saving
8	Membrane filter press	Use of membrane type filters press for corrosive products instead of ANF and centrifuge. Product coming from it has less moisture content and use of nitrogen is also reduced. Energy required for operation is also less.	Power saving
9	Chilling plant evaporator	We have modified design of evaporator of a chilling plant. Due to this 100% evaporator tubes are now submerged in refrigerant. It has improved efficiency of a chilling plant.	Chilling plant operated efficiently.
10	Chilling plant compressor	We have installed Freon based chilling plant operating on screw & scroll compressors in order to achieve better energy efficiency.	Improved energy efficiency.
11	IE3 motors	We have started the use of IE-3 motors, these motors have more efficiency than IE-2 motors.	Power saving
12	Boiler	Interchanged position of air pre-heater and mechanical dust collector in briquette fired boiler. APH fouling issue is now reduced and due to clean flue gas to APH overall heat transfer coefficient has improved, results in lesser fuel consumption	Heat recovery from flue gas, so increased boiler efficiency Also fuel saving
13	Co-generation boiler	We have started back pressure turbine for 10 TPH co-generation boiler	We get around 0.16 MW of power which can be effective towards cost savings amid, now we are utilise for in-house consumption.
14	Co-generation boiler	Installation of high pressure co-generation boiler is under process. From this we will get around 1.6 MW of power which can be effective towards cost savings amid, we can utilise for in-house consumption.	We will get around 1.6 MW of power which can be effective towards cost savings amid, we can utilise for in-house consumption.
15	MVR	We have completed the erection activities of MVR & commissioning activities are under progress to achieve zero liquid discharge. MVR has much higher steam economy than conventional evaporators	MVR has much higher steam economy than conventional evaporators.

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

   Aarti Drugs Limited safeguards its continuous operations through a comprehensive Business Continuity Plan (BCP). As part of our proactive readiness, our staff participates in routine mock drills and disaster management exercises to effectively respond to any unforeseen emergencies.

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

   Recognising the considerable environmental footprint associated with the pharmaceutical sector, our Company is taking proactive steps to identify key emission hotspots. We are currently conducting Life Cycle Assessments (LCAs) for our ten highest-selling products. Furthermore, we have launched several initiatives to lower our value-chain emissions and transition to a diversified energy mix, which includes providing comprehensive training on Sustainable Procurement practices.

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To further minimise our ecological impact, Aarti Drugs Limited has implemented the following internal measures:

a) **Water Pollution Control:** The majority of our manufacturing facilities function as Zero Liquid Discharge (ZLD) plants. For any units linked to a Common Effluent Treatment Plant (CETP), we strictly comply with the effluent discharge limits established by the Pollution Control Board.

b) **Air Quality Management:** Emission stacks are fitted with scrubbers at key locations, and an Online Continuous Monitoring System (OCMS) is actively utilised across our sites to track air emissions.

c) **Land Pollution Prevention:** We ensure that all hazardous waste is transferred exclusively to authorised waste management agencies for secure and compliant disposal.

d) **Packaging Waste Treatment:** We have developed specialised on-site infrastructure to properly decontaminate all packaging materials prior to their final disposal.

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

In the current reporting cycle, we completed Environmental, Health, and Safety (EHS) evaluations for 24 key supply chain partners. To further elevate EHS standards across our vendor network, we are actively advancing the following initiatives:

- Ongoing supplier EHS assessments
- Vendor training programmes focusing on sustainable procurement and ISO compliance
- Structured vendor EHS audits
- Tracking and mapping the carbon footprint of our supply chain

8. **How many Green Credits have been generated or procured:**

a. **By the Company**

NIL

b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners"**

NIL

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

Essential Indicators

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

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Chambers of commerce and Industry (FICCI)	National
2.	Indian Institute of Chemical Engineering (IIChE)	National
3.	PHARMEXCIL -Pharmaceuticals Export Promotion Council	National
4.	CHEMEXCIL – Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council	National
5.	Federation of Indian Export Organisation	National
6.	Indian Merchants Chamber (IMC)	National
7.	Bombay Chamber of Commerce	State
8.	Vapi Industrial Association	State
9.	Tarapur Industrial Manufacturers Association (TIMA), Maharashtra India	State

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (CONTD.)

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

Not applicable. No such orders received from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

Leadership Indicator

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others–please specify)	Web Link, if available
	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

As per the applicable laws, none of the projects undertaken by the Company during FY 2025-26 fall within the scope of projects requiring a Social Impact Assessment (SIA). Accordingly, no SIA was conducted during the reporting period.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL	NIL	NIL	NIL	NIL	NIL

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable, as the Company has not undertaken any project during FY 2025-26 that required Resettlement and Rehabilitation (R&R) measures.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
	NIL	NIL	NIL	NIL	NIL	NIL

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

The Company regularly engages with local communities to understand their concerns, issues and grievances. Grievances may be raised in written or verbal form, including in local languages, through various channels such as email, telephone or written communication.

Each grievance received is acknowledged, and the complainant is informed about the subsequent course of action. Grievances involving significant or high-severity concerns are appropriately escalated to senior management for review. The concerned department investigates the grievance and communicates the proposed resolution or appropriate course of action to the complainant, thereby ensuring timely and transparent redressal.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	21.94%	8.52%
Directly from within India	24.31%	32.54%

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

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	89.49%	89.38%
Urban	-	-
Metropolitan	10.51%	10.62%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicator

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

Not Applicable

Details of negative social impact identified	Corrective action taken
NIL	NIL

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

S. No.	State	Aspirational District	Amount spent (In ₹)
	NIL	NIL	NIL

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

(b) **From which marginalised /vulnerable groups do you procure?** N.A.

(c) **What percentage of total procurement (by value) does it constitute?** N.A.

The Company follows a fair, transparent and objective approach in the selection and procurement of suppliers, guided by its Procurement Policy, Supplier Code of Conduct and Supply Chain Management Sustainability Policy.

The status of a supplier as a marginalised or vulnerable group is not presently considered as a specific criterion in the supplier selection process. Given the nature of the Company's business, procurement from established and qualified manufacturers and suppliers is essential to ensure compliance with applicable quality, safety and regulatory requirements and to maintain the suitability and safety of the Company's products.

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NIL	NIL	NIL	NIL	NIL

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

Not applicable

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. **Details of beneficiaries of CSR Projects:**

SR. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
	Education and Skill Development	15000+	100%
	Healthcare initiatives	12000+	100%
	Public Infrastructure	10000+	100%
	Environment and Water conservation	10000+	100%
	Housing Aid	10000+	100%
	Support to the weaker section of the society		
	Tribal and Rural Development		

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

Essential Indicators

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

   We regularly interact with the customers to understand their needs and to effectively address and resolve their complaints. The Company's dedicated marketing team serves as the primary point of contact for these complaints. Further, Meetings are conducted at least once in a year with key customers and regular feedbacks are encouraged by other customers through emails.

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

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

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	3	0	-	3	0	-

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	N.A.
Forced recalls	Nil	N.A.

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

   Yes. The Company has adopted "Information Security Policy" to ensure data integrity and confidentiality. Further, Company's Code of Conduct covers the aspect regarding Data Privacy to protect sensitive information and maintain data confidentiality.

   For more details, kindly refer;

   Code of conduct: https://www.aartidrugs.com/corporate-governance-code-of-conduct

   Information Security Policy: https://www.aartidrugs.com/sustainability-policies

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

   We have not received any penalty and no action has been taken by regulatory authorities on safety of products during FY 2025-26.

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches: NIL

   b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable

   c. Impact, if any, of the data breaches: Not Applicable

Leadership Indicator

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The details of our products and services are disclosed on the website of the Company at the weblink: https://www.aartidrugs.com/.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company adheres to relevant regulatory requirements by disclosing all the necessary information to its stakeholders including safe and responsible usage of products.

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

   We have procedures to ensure timely communication with customers in the event of any potential disruption or discontinuation of essential services or product supplies. The Company maintains regular engagement with customers to keep them informed about business continuity and product supply. In case of any potential disruption of supplies the customers and relevant stakeholders are informed well in advance through appropriate communication channels, including email to ensure seamless operation. The communication also covers the expected impact, mitigation measures and relevant actions being undertaken by the Company to minimise disruption and ensure continuity of supply.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes. The Company provides all information relating to its products and services as required under applicable laws and regulatory requirements. The Company also regularly engages with customers to understand their requirements, expectations and feedback. Meetings are conducted with key customers at least once a year, while feedback from other customers is encouraged through emails and other appropriate communication channels.