

Responsible Practices. Sustained Progress.



Responsible Practices. Sustained Progress.

Sustained progress is built long before it becomes visible in performance. It begins with disciplined decisions, responsible actions and a commitment to doing the right things every day. From developing quality medicines and strengthening operational excellence to empowering our people and creating positive impact beyond our business, responsibility remains the foundation on which lasting growth is built.



The year reflects the strength of this approach. As Ajanta Pharma Limited (Ajanta) expanded its global presence and deepened its impact, sustainability remained embedded in the way the Company operates. Environmental stewardship, strong governance, ethical business practices and a people-first culture are integral to creating long-term value and organisational resilience.

With every market entered, product delivered and relationship built, the Company's responsibilities grow. Equal emphasis is placed on reducing environmental impact. We improve resource efficiency. We foster a safe and inclusive workplace.

We maintain the highest standards of integrity. We contribute to the health and well-being of patients and communities.

Responsible practices enable progress to endure. They shape a future where business success and sustainable development advance together.

Awards and Recognitions

Mahatma Award for ESG Excellence

Recognising the integration of environmental, social and governance considerations into how we run the business.

Environmental Excellence Award

Presented to our Pithampur facility by the Government of Madhya Pradesh, recognising the plant's environmental management practices.

Excellence in Sustainability

Awarded at the India Pharma Awards, recognising our progress on renewable energy, water stewardship and waste circularity.

Excellence in Supply Chain and Logistics Packaging

Awarded at the India Pharma Packaging Awards, recognising packaging redesign that has reduced plastic and replaced HDPE drums with fibre-based containers.

Most Preferred Workplace for Women

Recognising our work on women's participation, accessible career pathways and inclusive workplace practices.

Best Establishment for Providing Welfare Amenities to Employees

Presented to our Guwahati facility by the Government of Assam for the welfare provisions extended to our workforce.

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→ To know more about Ajanta Pharma Limited

Message from the Management



Yogesh Agrawal
Managing Director

Rajesh Agrawal
Jt. Managing Director

“During the year, we augmented our clean energy portfolio by commissioning additional solar power installation, taking our total renewable capacity to 16.6 MW. We also replaced fossil fuels with biomass-fired boiler systems, scaling the use of renewable biofuels across our operations.”

Dear Stakeholders,

It is with immense pleasure that we present to you our Sustainability Report for FY 2026. As we marked another year of strong business performance, we remained equally focused on advancing our environmental, social and governance priorities. This balanced approach enabled us to create lasting value for our stakeholders while building long-term business resilience.



We are pleased to report zero injuries and fatalities during the year under review. Six of our major sites are certified for ISO 14001 and ISO 45001, reflecting our emphasis on occupational health and safety practices.”

Responsible growth requires continuous investment in the fundamentals that sustain our business over the long term. During the year, we continued to strengthen our environmental stewardship, improve operational resilience, foster an inclusive workplace and reinforce the governance practices that guide every aspect of our operations.

During the year, we augmented our clean energy portfolio by commissioning additional solar power installation, taking our total renewable capacity to 16.6 MW. We also replaced fossil fuels with biomass-fired boiler systems, scaling the use of renewable biofuels across our operations. Alongside we continued efforts to optimise energy use, reduce waste and conserve water, and many more such initiatives which cut our Scope 1 emissions

by 47%, reduced waste intensity, and advanced circularity through responsible recycling and co-processing.

In terms of water management, we enhanced our effluent treatment capability to increase water reuse and extended our conservation efforts to neighbouring communities. Additionally, we conducted life-cycle assessments of three key products and expanded the adoption of aqueous coating technology that eliminates the usage of solvents.

Our people are our greatest strength, and their safety and well-being remain our foremost priority. We are pleased to report zero injuries and fatalities during the year under review. Six of our major sites are certified for ISO 14001 and ISO 45001, reflecting our emphasis on occupational health and safety practices. We also welcomed 15 more specially abled Ajantaites, taking total to 25, while continuing to invest in learning and employee engagement, in line with our commitment to building a truly inclusive and future-ready organisation.

The progress outlined in this report reflects a collective commitment across our organisation to conduct our business responsibly. Guided by strong governance, ethical conduct and meaningful engagement with our stakeholders and communities, we remain focused on creating sustainable value over the long term. We thank you for your continued trust and partnership on this journey.

Warm Regards,

Yogesh Agrawal
Managing Director

Rajesh Agrawal
Jt. Managing Director

About the Report

This Sustainability Report outlines our approach to managing the environmental, social and governance aspects of our business, along with the progress made during FY 2026. It complements the Annual Report by providing greater insight into the ESG initiatives, practices and outcomes that support our long-term growth. The two reports present a holistic view of our performance and our continued commitment to creating value responsibly.

Reporting Scope and Boundaries

This Sustainability Report presents Ajanta Pharma's environmental, social and governance (ESG) performance for FY 2026 (1 April 2025 to 31 March 2026). Prepared as part of our annual reporting cycle, it builds on the previous year's report and provides a consistent basis for tracking our sustainability performance over time.

The disclosures cover our manufacturing units, research and development facilities and corporate offices in India, which together account for the substantial majority of our operational footprint. Where relevant, we also include information pertaining to our international operations across more than 33 countries in which we operate. Unless stated otherwise, all data relates to our India operations for the reporting period, and any figures restated from the prior year are identified in the relevant sections. The financial information presented in this report is consistent with our audited financial statements, while the non-financial information has been compiled from our internal management systems.

External Assurance

To strengthen the credibility of our disclosures, Ajanta Pharma Limited's Business Responsibility and Sustainability Report (BRSR) for FY 2025-26 has undergone independent Reasonable Assurance by TÜV India Private Limited in accordance with ISAE 3000 (Revised). The assurance engagement covered disclosures relating to all nine BRSR

Principles, including Essential and Leadership Indicators, with the assessment undertaken against the applicable SEBI BRSR requirements and BRSR Principles framework.

Data Collection Methodology

The data in this report has been compiled from a combination of internal records, verified management systems and inputs from relevant departments across Ajanta Pharma. Quantitative information is drawn from our ERP systems, operational logs, HR platforms and environment, health and safety (EHS) monitoring tools. Quantitative metrics are reviewed for consistency against prior reporting cycles and validated through internal checks, while qualitative disclosures are gathered through structured inputs from functional heads and subject-matter experts to ensure relevance and accuracy. Where estimates or assumptions have been necessary, we have applied a conservative and transparent approach, and all reported information reflects performance for the reporting period, unless stated otherwise.

Feedback and Contact

We value your feedback and welcome any questions, suggestions or comments on our sustainability performance, strategy and disclosures. Your inputs help us report better and improve the way we operate.

Ajanta Pharma Limited
(CIN: L24230MH1979PLC022059)

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Standards and Frameworks

This report has been prepared in accordance with globally recognised sustainability frameworks and standards:

- **Global Reporting Initiative (GRI):** prepared with reference to the GRI Standards, including GRI 1: Foundation 2021, GRI 2: General Disclosures 2021 and GRI 3: Material Topics 2021. A GRI Content Index is provided at the end of this report.
- **UN Sustainable Development Goals (SDGs):** our priorities and initiatives are mapped to the specific SDGs to which we contribute most meaningfully.
- **Business Responsibility and Sustainability Reporting (BRSR):** our disclosures align with the BRSR framework prescribed by the Securities and Exchange Board of India (SEBI), reinforcing accountability to national regulatory requirements.

FY 2026 Performance Snapshot

Financial Highlights

Revenue

↑ 13%

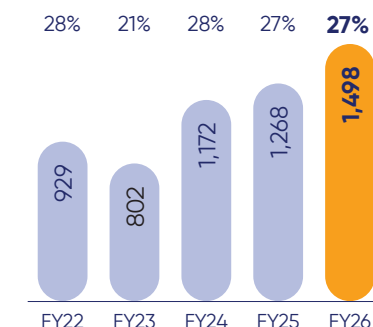
(₹ cr.)



EBITDA and Margin %¹

↑ 13%

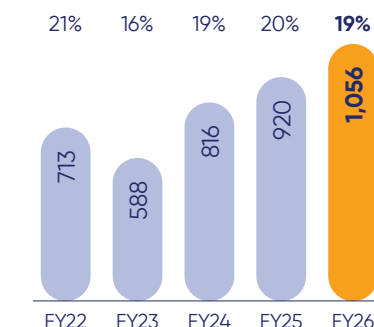
(₹ cr.)



PAT and Margin %

↑ 10%

(₹ cr.)



RoCE²

(%)



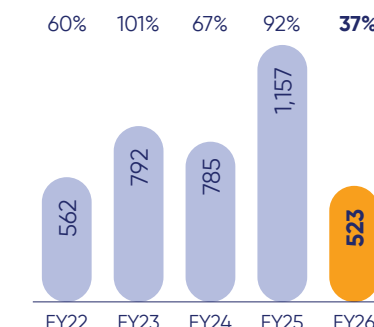
ROE³

(%)



CFO & Cash Conversion⁴

(₹ cr.)



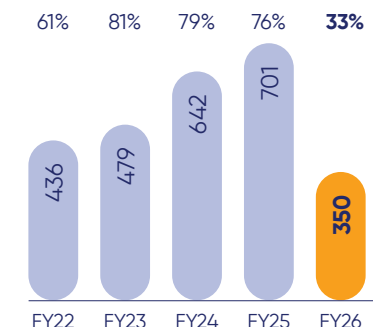
EPS⁵

(₹)



Payout (Dividend and Buyback) and PAT %

(₹ cr.)



Book Value per share

(₹)



↑ 5-year CAGR

Note:

1. Adjusted EBITDA after removing mark-to-market forex loss
2. ROCE calculated as EBIT/(Average Net worth + Lease liability + Deferred tax liability)
3. ROE calculated as Net profit/Average net worth
4. Cash Conversion Ratio calculated as CFO (Cash Flow from Operations)/EBITDA
5. Bonus issue in April 2022 adjusted in all years for calculation of EPS and Book Value

ESG Highlights

Environment

47%

Reduction in Scope 1 emissions, from 6,392 to 3,364 tCO₂e

1.5 lakh KL

Rural water-conservation potential created in Marathwada

16.6 MW

Installed solar power capacity, meeting 34% of our energy needs

11,590 tCO₂e

Scope 1 and Scope 2 emissions avoided during FY 2026*

Zero Liquid Discharge

Systems and practices in place across our manufacturing facilities, with treated wastewater recycled back into operations

~99%

Of hazardous waste co-processed or recycled



Social Great Place To Work® Certified

For a fourth consecutive year, and Most Preferred Workplace for Women

100%

Of value-chain partners, by value of business, assessed on health and safety, working conditions and environmental impacts

₹ 23.73 cr.

In CSR spend, 18.1% above our statutory obligation

3.63 lakh

People reached through CSR in health, education and sports



28%

Of input material sourced from MSMEs and small producers, up from 15%

Zero

Fatalities, high-consequence injuries and lost-time injuries, across 10,404 employees and 2,802 workers

Governance

First year

Of formal AI-risk identification across R&D, manufacturing, quality, supply chain and pharmacovigilance

25%

Women on the Board

100%

Senior Management covered under the Code of Conduct

Nil

Whistle-blower complaints received during the year

Nil

Bribery or corruption incidents, regulatory penalties and data breaches

*Combined Scope 1 and 2 emissions held flat while revenue grew 17%.
ESG figures are for FY 2026 and have been externally assured by TUV India Private Limited.

We are Ajanta Pharma

For over five decades, Ajanta has been committed to improving patient health through innovative and high-quality medicines. What began as a focused Indian specialty pharmaceutical company has evolved into a diversified business with a presence across more than 33 countries. Today, over 13,000 Ajantaites work towards a common purpose: developing, manufacturing and delivering trusted medicines while upholding the highest standards of quality, integrity and patient care.

33+
Countries

600+ Products

6,000+ Medical
Representatives

13,000+
Ajantaites

Ajanta Guwahati Facility

Our Presence

Over the years, Ajanta has established a presence across four key markets. Our seven manufacturing facilities in India, two of them approved by the US FDA and the remainder operating to WHO cGMP standards, work alongside our international subsidiaries and commercial network to deliver quality medicines to patients across the world.

United States

A focused and fast-growing generics business built on a disciplined portfolio strategy and reliable supply.

Asia

Presence in 12 countries across the Middle East, Southeast Asia and Central Asia, with leadership in sub-therapeutic segments.

Africa

A growing branded-generics presence alongside our long-standing institutional antimalarial business, built on the first generic Artemether-Lumefantrine prequalified by the WHO.

India

Our home market and largest branded-generics business, with leadership in ophthalmology and a fast-emerging gynaecology franchise.

Product Portfolio

Ajanta's portfolio reflects the diversity of its business and the breadth of patient needs it serves. From branded generics across India, Asia, and Africa to generics in the United States and an institutional antimalarial business in Africa, each business has a distinct role, yet a common focus on quality, innovation, and patient access unites them all.



Branded Generics India

- **30%** of sales (₹ 1,654 cr.)
- **~50%** first-to-market products
- **6** therapy segments
- **350+** products

Built on first-to-market innovation and therapy leadership, including a leading position in ophthalmology, with 26 new launches in FY 2026 (5 of them first-to-market) and a fast-emerging gynaecology franchise.

Branded Generics Asia

- **22%** of sales (₹ 1,175 cr.)
- **8** therapy segments
- **Leadership** in sub-therapeutic segments
- **250+** products

Present across 12 countries, with 15 new launches in the year as we deepen our chronic-therapy portfolio.

Branded Generics Africa

- **16%** of sales (₹ 861 cr.)
- **8** therapy segments
- **Leading brands** in their segments
- **250+** products

Among the leading brands in our segments, growing 15% on the back of 8 new launches and a steady focus on building a sustainable, scalable chronic-therapy business.

US Generics

- **29%** of sales (₹ 1,557 cr.)
- **49** active ANDAs (excluding 6 tentative)
- **19** ANDAs under approval
- **49** products on shelf

A meaningful niche player, built on disciplined portfolio strategy and supply reliability.

Africa Institutional

3% of sales (~₹ 160 cr.)

Pioneer in the generic antimalarial Artemether-Lumefantrine – the first generic prequalified by the WHO – with over 1 billion patients treated, a direct contribution to global access to essential medicines.

Manufacturing Excellence and Quality Systems

Our manufacturing capabilities span finished formulations and Active Pharmaceutical Ingredients, supporting dosage forms including tablets, capsules, oral suspensions, liquids, ointments, jelly and sterile eye drops. This breadth enables us to meet diverse therapeutic and market requirements.

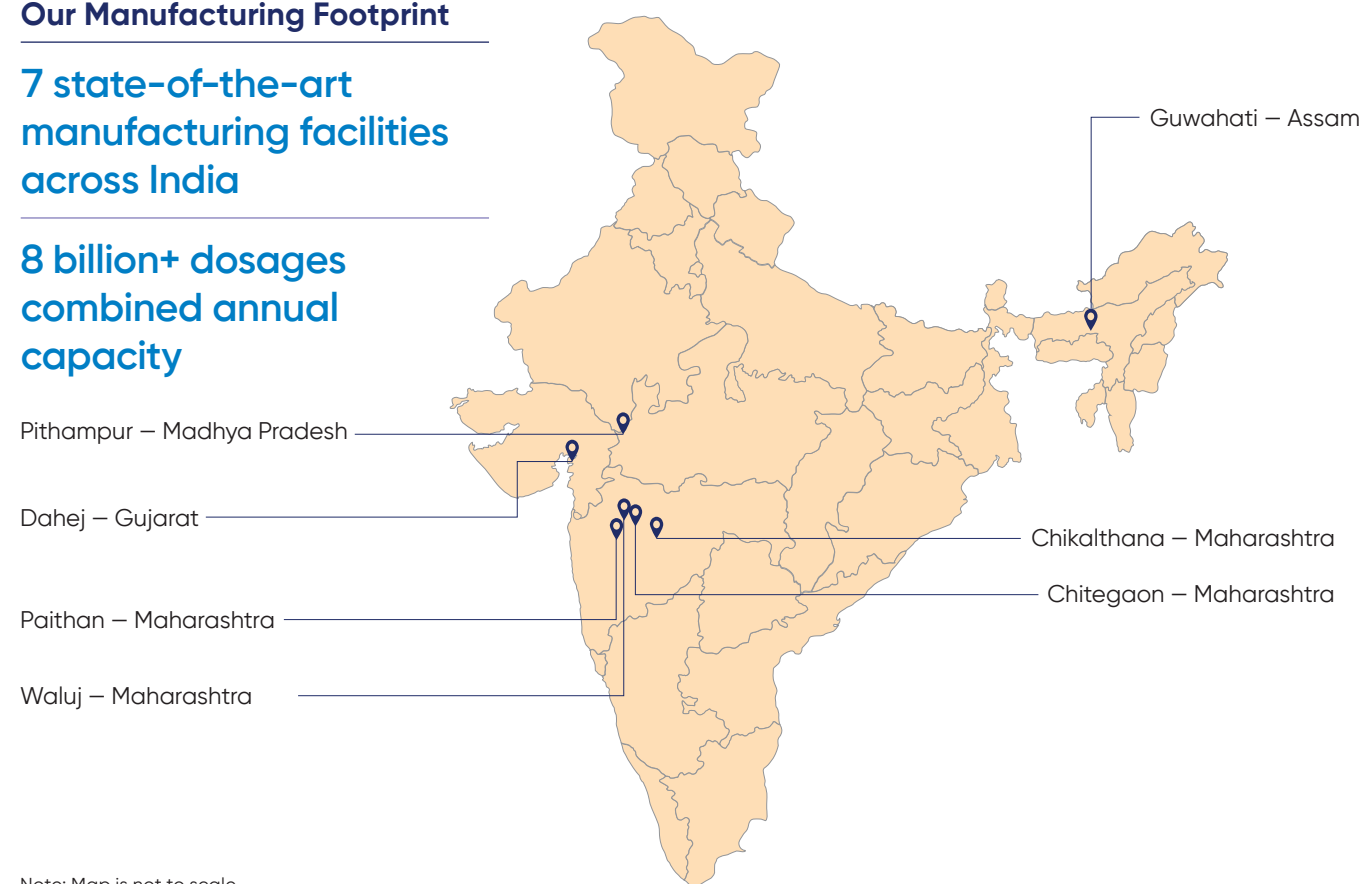
Our facilities are supported by advanced equipment, skilled technical teams and robust quality systems. The Paithan and Dahej facilities are approved by the US FDA, while our manufacturing operations follow stringent quality standards, including WHO cGMP requirements.

Electronic Batch Manufacturing Records and Laboratory Information Management Systems further support process control, traceability and quality across our manufacturing operations.

Our Manufacturing Footprint

7 state-of-the-art manufacturing facilities across India

8 billion+ dosages combined annual capacity



Product Capabilities

Tablets Oral liquids Jelly Sterile eye drops Capsules Ointments APIs

In FY 2026, our seven manufacturing plants sustained peak-level output without operational disruption, driving a revenue growth of 17%. Our most significant capacity addition was a new liquid formulation facility at Pithampur, which tripled liquid capacity from 6 million to 18 million bottles per annum with further expansion under way.

3x
Increase in liquid
formulation capacity

18 million
Bottles per annum
(single-shift capacity
at Pithampur)



Quality Systems

All manufacturing sites follow a harmonised cGMP framework, supported by a Quality Management System covering CAPA, change control, deviation and complaint management.

Production is managed through Electronic Batch Manufacturing Records, and quality control through a Laboratory Information Management System. Our Annual Product Quality Review is fully digitised, drawing data from manufacturing, quality and enterprise systems into a single view for trend analysis. Employees are trained through structured GMP and technical-standards programmes, with completion tracked and recorded.

A steady governance rhythm keeps performance and accountability visible. Operational Management Reviews and Operational Excellence reviews, known internally as Nirantar, run monthly. Quality Management Reviews are quarterly. Cross-functional flow meetings run daily, and the annual Umang Meet sets strategic direction for the year.

Digital Systems Across Manufacturing

Our sites run on connected digital systems that strengthen data integrity, traceability and speed of batch release:

- **Electronic Batch Manufacturing Records:** integrated with production equipment at multiple sites, replacing manual documentation with real-time digital records.
- **Laboratory Information Management System:** analytical data across quality control.
- **Integrated quality management system:** covering corrective and preventive action, change control, deviations and complaint management, harmonised across all manufacturing sites.
- **SAP-enabled workflows:** digital approvals supporting turnaround times, visibility and collaboration across functions.
- **Process optimisation and predictive maintenance:** reducing deviations and strengthening compliance readiness.



Research and Development

We view R&D as the engine of better health outcomes, wider access and improved patient well-being. Our work spans complex, niche and value-added formulations that support our first-to-market and early-entry strategy across regulated and emerging markets. This is underpinned by continued investment in digitalisation and advanced scientific capability.

Achievements in FY 2026



Our scientists completed 8 regulatory filings across the US, EU, UK and Canada and a further 22 filings for India and the Philippines. We secured 21 product approvals across diabetes, immunology, neurology, ophthalmology, cardiovascular care and gastroenterology, and launched 7 new products developed through our own R&D pipeline. Innovation milestones included two preservative-free ophthalmic formulations for enhanced patient safety, and the commercialisation of an extended-release product using Wurster technology.

Strategic Levers Building Sustainable Competitive Advantage

- First-to-market launches
- Therapeutic segmentation
- Geography-specific portfolios
- In-house R&D and API capabilities
- Compliance across global standards

₹ 252 cr.

R&D investment in FY 2026, 4.6% of revenue from operations

3.2%

Of R&D spend directed to reducing environmental impact and sustainable product development

850+

Scientists working on complex, difficult-to-manufacture products

3

Products covered by life-cycle assessment in FY 2026

53

New products launched across markets in FY 2026

19

ANDAs pending approval with the US FDA as at 31 March 2026

Capabilities and Drug-delivery Technologies

We continue to build on our capabilities in differentiated formulations and advanced ophthalmic systems, including nanotechnology-based microemulsions and preservative-free designs.

Our work also spans non-comedogenic dermatology formulations and modified- and extended-release systems.

In addition, we have developed bilayer technology that allows incompatible actives to be combined in a single dosage.

In-house API and Self-reliance

Our in-house API capabilities shorten development cycles, improve cost efficiency and reduce external dependency. This strengthens both our competitiveness and the resilience of our supply chain, with active pharmaceutical ingredients developed and scaled for commercial production.

Innovation with Sustainability at its Core

Sustainability considerations are integrated into product and process development. Initiatives such as reducing solvent consumption, converting products from non-aqueous to aqueous coating systems, improving process yields and optimising raw material utilisation help lower environmental impact while maintaining the affordability and quality of our medicines.

Way Forward



We remain focused on expanding our portfolio of complex generics, specialty products and differentiated drug-delivery systems, including modified-release technologies. Continued investments in scientific capability and digitalisation will strengthen our innovation pipeline and support sustainable growth across global markets.

Our Approach to Sustainable Growth

Our purpose of improving patient health brings with it a broader responsibility, to the environment that sustains life, the people who make our medicines, the communities we serve, and the standards by which we conduct our business. These responsibilities shape how we grow, ensuring that the value we create is built to endure.



Our Sustainability Philosophy

For us, sustainability begins with the responsibility of improving health. Every medicine we develop, manufacture and deliver carries with it a broader obligation: to operate responsibly, act with integrity and create value that extends beyond business performance. This approach shapes the way we invest, innovate and grow, ensuring that long-term success rests on trust, resilience and responsible stewardship.

Our purpose, to serve global healthcare needs through empathy, innovation and technology, guides every decision we make. We recognise that healthier communities depend on medicines that are safe, accessible and dependable, placing patient well-being at the centre of everything we do. In line with this conviction, we embed responsible practices across our operations, strengthen our governance and pursue measurable improvements that create lasting value for patients, employees, communities and the wider healthcare system.

Our philosophy takes shape across three connected dimensions:



Environment

We focus on energy efficiency, renewable energy, water management and circularity across our operations.

Social

We focus on employee health and safety, development, inclusion and community well-being.

Governance

We uphold ethical conduct, accountability, compliance and responsible decision-making.

Four principles guide how we translate this philosophy into action:

Patients at the Centre

Every decision traces back to the access, safety and affordability of the medicines people depend on.



Growth and Responsibility are Inseparable

Responsible practices are what make strong performance last.



Clear, Time-bound Goals

We set commitments with target years across all three dimensions and track progress through our governance bodies.



Beyond Compliance

We treat regulation as a starting point and work towards measurable positive impact for society and the environment.



These priorities are shaped by our stakeholders, informed by our materiality assessment, and mapped to the United Nations Sustainable Development Goals, where our efforts aim to create the greatest impact.

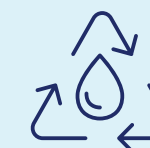
In the chapters that follow, this philosophy becomes specific: focused action, measurable targets and transparent outcomes.

Commitments at a Glance



March 2027

Reduce Scope 1 and Scope 2 emissions by 20%.



2028

100% water neutral



2028

Life Cycle Assessment for 20 products



2030

15% women engagement



2030

1 Lakh trees plantation

ESG Governance Framework

Good governance gives our sustainability agenda direction, discipline and accountability. By defining clear roles across the Board, management and business functions, we ensure that ESG priorities remain closely aligned with our strategy, monitored through structured reviews and translated into action across the organisation.

Annually

Board of Directors: Apex Oversight

The Board holds ultimate responsibility for our sustainability direction. It:

- Embeds ESG considerations into the Company's strategy and long-term value creation;
- Conducts an annual review of overall sustainability outcomes; and
- Holds management accountable for progress against our goals.

Quarterly

CSR and Sustainability Committee: Strategic Oversight

This Board-level committee steers our ESG agenda and provides quarterly oversight. It:

- Reviews strategies, programmes, policies, disclosures and overall sustainability goals;
- Guides the identification, implementation, monitoring and evaluation of CSR and sustainability projects; and
- Ensures alignment with our policies, statutory requirements and broader sustainability objectives.

Ongoing

Sustainability Council: Functional Ownership

The Council brings together key functional leaders who drive sustainability decisions across the business. It:

- Assesses ESG progress and initiates new actions;
- Tracks performance against our goals and targets
- Translates Board and Committee direction into initiatives at our sites and offices.

What Our Governance Bodies Review

Sustainability at Ajanta is governed at three levels. The Sustainability Council, made up of functional leaders, drives day-to-day decisions and reviews performance monthly. The CSR and Sustainability Committee provides quarterly oversight, including compliance with statutory requirements. The Board reviews sustainability outcomes annually.



Environment

Standing Agenda

- Climate change, energy use and GHG emissions
- Water stewardship and effluent management
- Waste management and circularity
- Biodiversity and ecosystem protection
- Sustainable sourcing and responsible supply chain

In Focus During FY 2026

- Renewable energy expansion, with a 3.8 MW solar plant taking installed capacity to 16.6 MW
- Conversion to biomass boilers at Dahej and Paithan, with a third under installation at Guwahati
- Scope 1, 2 and 3 emissions performance
- Zero Liquid Discharge across operations, with ETP and STP upgrades at four major sites
- Water conservation in the Marathwada region, creating 1.5 lakh KL of annual potential
- Life-cycle assessment of three products
- ISO 14001:2015 and ISO 45001:2018 certifications



Social

Standing Agenda

- Patient health, safety and product quality
- Employee well-being, diversity and inclusion
- Learning, development and talent growth
- Community engagement and social impact
- Occupational health and safety

In Focus During FY 2026

- Gender balance across the workforce and at Board level
- Inclusion of 25 differently-abled colleagues across our sites
- Zero lost-time injuries and zero fatalities among employees and workers
- Launch of Ajanta Academy, with training coverage extended to all Ajantaites
- Great Place to Work certification for a fourth consecutive year
- CSR programmes reaching over 3.6 lakh beneficiaries



Governance

Standing Agenda

- Ethics, integrity and anti-corruption
- Risk management and internal controls
- Data privacy and cyber security
- Regulatory compliance and reporting
- Board oversight and stakeholder engagement

In Focus During FY 2026

- Ethical business practices across operations and third-party representatives
- Digitalised investor grievance redressal through SWAYAM and the iDIA chatbot, with two complaints received and both resolved within timelines
- Digital Personal Data Protection compliance framework
- Whistle-blower and POSH awareness
- Cyber security and business continuity, with the plan extended to manufacturing units

Stakeholder Engagement

The expectations of our stakeholders play an important role in shaping our sustainability agenda. Through ongoing engagement, we gain valuable insights into evolving priorities, evaluate the impact of our actions and ensure our ESG efforts remain focused on the issues that matter most.

Identifying Our Stakeholders

We define our stakeholders as the groups most significantly affected by our activities and those whose decisions most influence our ability to create value. On this basis, we have identified seven key groups: customers, employees and workers, investors and shareholders, value-chain partners, business partners, regulators, and communities and NGOs. This clarity allows us to engage each group with a defined purpose and to respond to the issues that matter most to them.

Ensuring Effective Communication

We engage with our stakeholders throughout the year by leveraging both direct and indirect channels. Direct channels include meetings, town halls, audits and one-on-one reviews; while indirect channels comprise emails, surveys, helplines, disclosures and public communications. The frequency and mode of engagement vary across each stakeholder group, reflecting the nature of the relationship as well as the topics and concerns involved. The insights gained help shape our materiality assessment, fortify risk management and inform decision-making.



7
Key stakeholder groups

365
Days of engagement

12+
Engagement channels

100%
Stakeholder coverage

Stakeholder Group	Purpose of Engagement	Mode of Engagement	Frequency	Key Topics and Concerns Raised
Customers (healthcare professionals, dealers, distributors)	Patient safety and satisfaction	Product feedback, surveys, customer-service channels	Continuous	Drug efficacy, safety, accessibility, pricing
Employees and Workers	Workplace culture, safety, development, motivation	Town halls, training, open-door policy, helplines	Continuous; town halls annual	Career growth, safety, work-life balance, compensation
Investors and Shareholders	Strategic alignment and financial performance	AGMs, earnings calls, disclosures, newsletters	Quarterly and event-based	Returns, growth strategy, risk management, ESG performance
Value-Chain Partners (suppliers, third-party manufacturers)	Sustainable sourcing and reliability	Audits, ESG/EPR guidance, vendor reviews	Quarterly	Quality standards, payment terms, sustainability, capability building
Business Partners	Innovation and delivery capability	One-on-one meetings, contract compliance reviews	Periodic	Partnership terms, collaboration, market access, compliance
Regulators	Compliance and governance	Formal submissions, inspections, meetings	As required	Drug approvals, quality, environmental and regulatory compliance
Communities and NGOs	Healthcare access and local development	Community meetings, partnerships, feedback sessions	Periodic	Healthcare access, environmental protection, local employment, development

Materiality Assessment

Our sustainability priorities are informed by a structured assessment of the environmental, social and governance issues that matter most to our business and our stakeholders. The insights gained through this process help us direct our efforts, guide decision-making and strengthen our long-term approach to sustainable growth.

Our Approach

Materiality is an evolving process that reflects changing stakeholder expectations and the operating environment. Our assessment draws on structured stakeholder engagement to identify and prioritise the sustainability issues that matter most to our business and those we serve.

In doing so, we consider the realities of operating as a globally diversified pharmaceutical company. These include evolving regulatory requirements, foreign exchange volatility, geopolitical developments, supply chain dependencies, particularly for active pharmaceutical ingredients (APIs), competitive dynamics, the resource intensity of manufacturing, and the rapid adoption of technologies such as AI.

Through this process, we shortlisted 26 issues and prioritised 17 material topics: five environmental, eight social and four governance. Each is plotted on our materiality matrix and managed through a defined approach, with linkage to the reporting standards that govern our disclosure.

(In this assessment, 'Customers' refers to healthcare professionals, dealers and distributors, and 'Business Partners' refers to third-party manufacturers.)

A Three-step Process

Identify

We explore and shortlist the issues most likely to affect our business objectives, taking account of both macroeconomic and pharmaceutical-industry-specific factors.

Prioritise

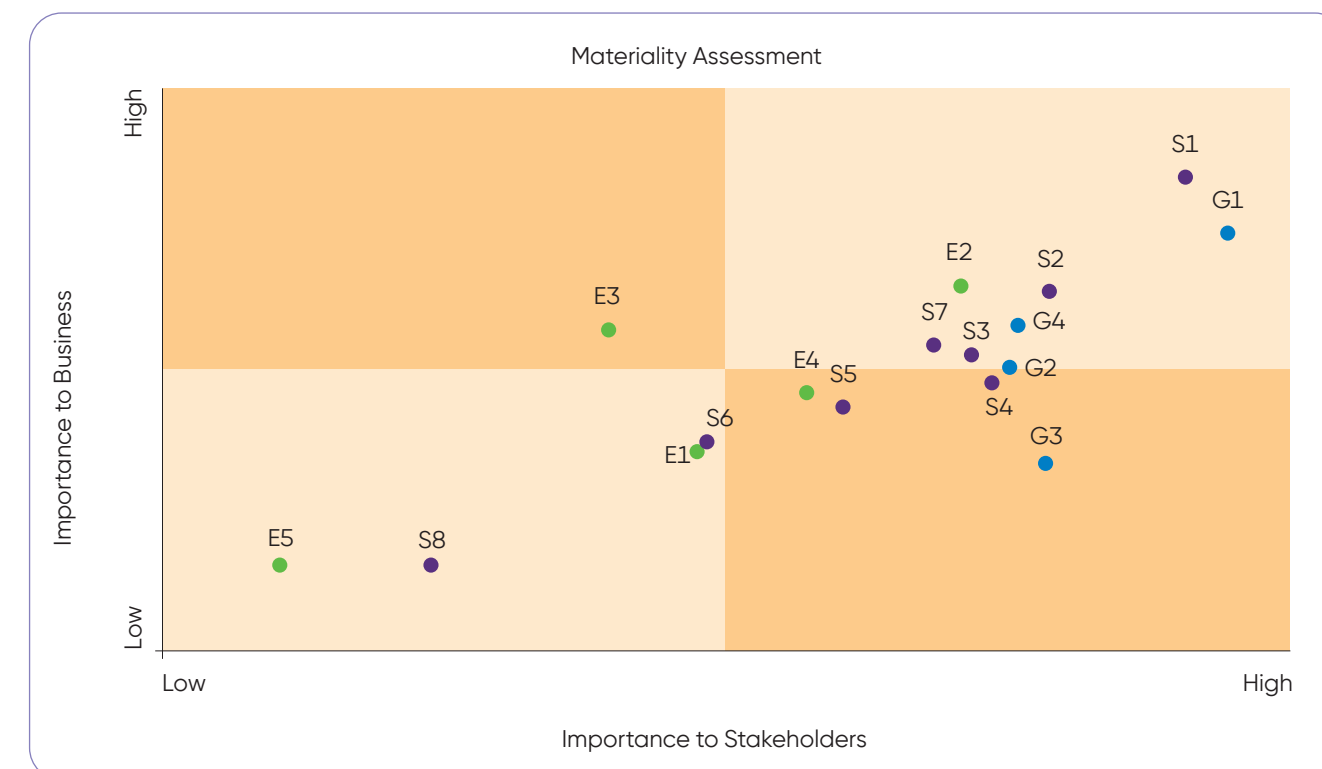
We rank the identified topics by their significance to the business and to stakeholders, categorising each as high, medium or low based on stakeholder feedback.

Validate and Review

Under the oversight of senior management, the topic list is reviewed for completeness and plotted on a materiality matrix mapping significance to stakeholders against significance to the business.



Matrix



List of Material Topics

Environment

- E1 - Energy, Emissions and Climate Change
- E2 - Water Conservation
- E3 - Waste Management
- E4 - Product Development, Innovation and Pricing
- E5 - Sustainable Sourcing

Social

- S1 - Product Quality and Safety
- S2 - Occupational Health and Safety
- S3 - Employee Well-being
- S4 - Employee/ Worker Learning and Development
- S5 - Supply Chain Management
- S6 - Stakeholder Engagement
- S7 - Protection of Human Rights
- S8 - Public Policy and Advocacy

Governance

- G1 - Business Ethics
- G2 - Risk Management
- G3 - Corporate Governance
- G4 - Data Protection and Prevention of Misuse

Managing Our Material Topics

Our material topics reflect the areas that matter most to our business, stakeholders and long-term sustainability. We set out our approach to each topic, the actions we are taking and the progress made, supported by relevant GRI Standards and measurable outcomes.

Environmental



Energy, Emissions and Climate Change

GRI Standard

GRI 102: Climate Change 2025; GRI 103: Energy 2025; GRI 305: Emissions 2016

Why It Matters for Ajanta

Energy-intensive manufacturing influences our emissions, resource efficiency and exposure to climate-related factors. Increasing renewable energy use and improving energy efficiency support our transition towards lower-carbon operations.

Our Management Approach

We are expanding renewable energy through solar generation and biomass-fired boilers, while improving energy efficiency through equipment upgrades, process improvements and energy-efficient infrastructure. Our renewable energy roadmap targets 50% by FY 2027 and 100% by FY 2032.



Water Conservation

GRI Standard

GRI 303: Water and Effluents 2018

Why It Matters for Ajanta

Water is an important resource for our manufacturing operations, making efficient use, reuse and conservation relevant to responsible resource management.

Our Management Approach

We manage water through Zero Liquid Discharge, effluent treatment and wastewater recycling across our operations. We also extend conservation efforts beyond our facilities through initiatives in the Marathwada region.



Waste Management

GRI Standard

GRI 306: Waste 2020

Why It Matters for Ajanta

Pharmaceutical manufacturing generates hazardous and non-hazardous waste streams that require controlled handling, recovery and compliant disposal.

Our Management Approach

We focus on reducing waste generation and increasing recovery through recycling and co-processing. Solvent recovery, paperless processes and packaging redesign further support resource efficiency and reduce waste across our operations.



Product Development, Innovation and Pricing

GRI Standard

GRI 416: Customer Health and Safety 2016; GRI 417: Marketing and Labelling 2016

Why It Matters for Ajanta

Product development and innovation shape our ability to develop differentiated medicines, improve processes and support access across therapy areas and markets.

Our Management Approach

We integrate sustainability into product and process development through life-cycle assessments, aqueous coating technologies, process optimisation and improved raw-material utilisation. Our first-to-market and affordable medicines also support wider access while maintaining quality.



Sustainable Sourcing

GRI Standard

GRI 204: Procurement Practices 2016; GRI 308: Supplier Environmental Assessment 2016

Why It Matters for Ajanta

Responsible sourcing supports continuity of supply and the quality and reliability of materials used in our operations.

Our Management Approach

We assess suppliers against quality and regulatory requirements and encourage responsible sourcing practices through ESG and EPR guidance. We also continue to increase engagement with local suppliers, MSMEs and small producers.

Social



Product Quality and Safety

GRI Standard

GRI 416: Customer Health and Safety 2016; GRI 417: Marketing and Labelling 2016

Why It Matters for Ajanta

Product quality and safety directly influence patient well-being, product trust and our ability to operate across regulated pharmaceutical markets. Consistent quality across the product lifecycle supports safe and dependable medicines.

Our Management Approach

We manage product quality through harmonised cGMP systems, an integrated Quality Management System, pharmacovigilance, digital quality systems and complaint management. Electronic batch records, LIMS and Annual Product Quality Reviews further strengthen process control and traceability.



Occupational Health and Safety

GRI Standard

GRI 403: Occupational Health and Safety 2018

Why It Matters for Ajanta

The safety of employees and workers supports well-being and safe operations across our manufacturing and other operating locations.

Our Management Approach

We manage occupational health and safety through ISO 45001 systems, hazard identification, emergency preparedness, mock drills and worker training. During FY 2026, we maintained zero fatalities and zero lost-time injuries.



Employee Well-being

GRI Standard

GRI 401: Employment 2016

Why It Matters for Ajanta

Employee wellbeing supports a positive workplace experience and contributes to engagement, retention and the development of our people.

Our Management Approach

Skilling, well-being and inclusion programmes, Human Rights and POSH awareness, zero child/forced labour



Employee/ Worker Learning and Development

GRI Standard

GRI 404: Training and Education 2016

Why It Matters for Ajanta

Developing employee and worker capabilities supports functional expertise, career development and the skills required as our business evolves.

Our Management Approach

We support learning through Ajanta Academy, structured functional training and development programmes. Training coverage has been extended across Ajantaites, alongside initiatives focused on skill development and career growth.



Supply Chain Management

GRI Standard

GRI 204: Procurement Practices 2016; GRI 308: Supplier Environmental Assessment 2016; GRI 414: Supplier Social Assessment 2016

Why It Matters for Ajanta

A reliable supply chain supports consistent medicine supply. API dependencies, sourcing concentration and external disruptions can affect production and supply continuity.

Our Management Approach

We strengthen supply chain resilience through alternate sourcing, in-house API capabilities, supplier evaluation, vendor segmentation and responsible sourcing practices. We also engage suppliers through ESG training, quarterly evaluations and capability-building initiatives.



Stakeholder Engagement

GRI Standard

GRI 2: General Disclosures 2021

Why It Matters for Ajanta

Stakeholder engagement helps us understand evolving expectations and concerns and informs our materiality assessment, risk management and decision-making.

Our Management Approach

We engage seven stakeholder groups through meetings, town halls, audits, surveys, helplines, disclosures and other channels. The frequency and mode of engagement vary according to the stakeholder group and the nature of the relationship.



Protection of Human Rights

GRI Standard

GRI 406: Non-discrimination 2016; GRI 408: Child Labour 2016; GRI 409: Forced or Compulsory Labour 2016

Why It Matters for Ajanta

Respect for human rights supports fair, safe and dignified workplaces and responsible relationships across Ajanta's operations and value chain.

Our Management Approach

Ajanta addresses human rights considerations through its Third-Party Code of Conduct, grievance redressal mechanisms and related awareness initiatives. The Third-Party Code of Conduct covers expectations relating to responsible labour practices, including the prevention of child labour, forced or compulsory labour and discriminatory practices. Grievance mechanisms provide channels for concerns to be raised and addressed, supporting a responsible and respectful working environment across relevant stakeholders.



Public Policy and Advocacy

GRI Standard

GRI 2: General Disclosures 2021

Why It Matters for Ajanta

Engagement with regulators and industry stakeholders supports informed participation on matters relevant to pharmaceuticals, healthcare and our operating environment.

Our Management Approach

We engage with regulators through formal submissions, inspections and meetings on drug approvals, quality, environmental and regulatory compliance. We also participate in relevant industry associations and forums.

Governance



Business Ethics

GRI Standard

GRI 205: Anti-corruption 2016; GRI 206: Anti-competitive Behaviour 2016

Why It Matters for Ajanta

Ethical conduct and integrity support trust with patients, regulators, investors, employees and business partners and guide responsible conduct across our operations.

Our Management Approach

We maintain a Board-led governance framework supported by the Code of Conduct, anti-bribery controls, whistleblower mechanisms and policy training. Ethical business practices also extend to third-party representatives through established requirements and oversight.



Risk Management

GRI Standard

GRI 2: General Disclosures 2021

Why It Matters for Ajanta

Risk management supports informed decision-making across operational, regulatory, financial, supply chain, cybersecurity and emerging technology risks.

Our Management Approach

We manage risks through enterprise risk management, internal controls and Board oversight. During FY 2026, our focus included supply chain resilience, cybersecurity, business continuity and emerging risks associated with digitalisation and AI.



Corporate Governance

GRI Standard

GRI 2: General Disclosures 2021

Why It Matters for Ajanta

Effective corporate governance supports accountability, oversight and transparent decision-making across the organisation.

Our Management Approach

The Board and its committees oversee sustainability, risk and governance matters, with responsibilities delegated through established governance structures. Regular reviews and defined accountability support oversight across the organisation.



Data Protection and Prevention of Misuse

GRI Standard

GRI 418: Customer Privacy 2016

Why It Matters for Ajanta

The increasing digitalisation of our operations and the handling of business, employee and stakeholder data make data protection and cybersecurity relevant to responsible business operations.

Our Management Approach

We maintain a cybersecurity framework covering data protection, network security, access management and incident response. We are also developing our Digital Personal Data Protection compliance framework and strengthening cybersecurity and disaster recovery processes.

Innovation for Sustainable Growth

Our approach to innovation reflects our commitment to building a business that is both competitive and responsible. Alongside advancing product development, we continuously prioritise improving manufacturing processes and reducing our environmental impact. During FY 2026, around 3.2% of our R&D expenditure was directed towards initiatives that support more sustainable products and processes.

Greener Chemistry, Cleaner Processes

We are reimagining how our products are made so that they use fewer hazardous inputs and generate less waste:

Solvent Elimination

In FY 2026, we shifted around 6 products from non-aqueous to aqueous coating, removing hazardous solvents such as isopropyl alcohol and dichloromethane from those processes. We plan to convert further 4 formulation products in FY 2027.

Life Cycle Assessment

We completed LCAs of three major API products during the year, with no significant social or environmental concerns identified. We will assess two more key products in FY 2027.

Leaner Processes

By optimising batch cycles, improving energy efficiency and reducing packaging on selected products, we achieved an 8% reduction in waste per unit of production.

Engineering Efficiency into Manufacturing

Our teams apply engineering innovation to cut energy use and emissions at source. Three initiatives during FY 2026 illustrate the approach:

- A magnetic levitation chiller at our Paithan plant lowered direct energy demand by 30%, avoiding around 2,670 tCO₂e in a year
- Retrofitting air-handling units with electronically commutated fans at Paithan, Chitegaon and Guwahati delivered a 7% energy reduction, avoiding around 1,382 tCO₂e in a year. Work continues across the three sites
- A steam-coil dehumidifier at Dahej, replacing electrical heaters, avoids around 2,908 tCO₂e in a year

Together these three initiatives avoid around 6,960 tCO₂e annually and carry potential savings of around ₹ 6.5 cr. in a year.

Digital and AI-led Innovation

- We advanced AI-based formulation development during the year to sharpen and speed up product design
- Rapid, cost-effective FT-NIR analytical methods support faster, resource-light quality testing
- Digitalisation of records and reviews continues to reduce paper use across our sites, contributing to the 1,93,000 trees saved from cutting and moving us towards our goal of reducing paper use by 80% by FY 2027

Innovation for Access and Patient Safety

For a pharmaceutical company, access is a sustainability outcome in itself:

- Our first-to-market, affordable medicines widen access across therapy areas and price points
- Our preservative-free ophthalmic formulations improve safety for patients who rely on them over the long term
- As the pioneer of the generic antimalarial Artemether-Lumefantrine, the first prequalified by the WHO, we have supported the treatment of over 1 billion patients, a direct contribution to global health

3.2%
Of R&D spend on sustainable development

3 LCAs
Completed

6 products
Solvent-free coating



ESG Goals, Progress and Targets

Our sustainability priorities are supported by clear, measurable targets that help us monitor progress and strengthen accountability. During FY 2026, we reviewed and updated several of our goals, with environmental targets now extending through FY 2027 and our renewable energy roadmap through FY 2032.

Environmental Goals

Focus Area	Target	Base Year	Timeline	FY 2026 Progress	SDGs
Renewable Energy	Up to 50% by FY 2027 and 100% by FY 2032	FY 2022	FY 2027/ FY 2032	34% Of total energy usage met by solar	 
Carbon Emissions	Reduce Scope 1 emission by 70%	FY 2022	March 2027	50% Reduction achieved	
	Reduce Scope 2 emission by 50%	FY 2022	March 2027	39% Reduction achieved	
	Reduce Scope 3 emission by 15%	FY 2026	March 2032	New Goal	
Water Conservation	Increase water conservation potential	FY 2024	FY 2027	1.5 lakh KL Conservation potential created	 
Waste Management	Reduce waste per unit of production by 10%	FY 2025	FY 2027	8% Reduction achieved	
Paper Waste	Reduce paper use by 80% through digitalisation	FY 2025	FY 2027	67% Reduction achieved	
Tree Plantation	Plant 1,00,000 trees	—	FY 2030	11,800 Trees planted	 

Social Goals

Focus Area	Target	Timeline	FY 2026 Progress	SDGs
Skill Development	Minimum 36 skill-development programmes	FY 2027	7 Programmes conducted – on track	 
Employee Engagement	Minimum 24 engagement activities	FY 2027	16 Activities conducted – on track	
Gender Diversity	15% female employees by 2030	FY 2027	6.38% Total female employees	 
Inclusion	Include 15 more differently-abled colleagues	FY 2027	25 Included in operations (target completed)	
Workplace Safety	Maintain zero loss-time accident	FY 2027	Zero fatalities; Zero LTIFR	 
Labour Standards	Zero child and forced labour (own and value chain)	Ongoing	Maintained	

Governance Goals

Focus Area	Target	Timeline	FY 2026 Progress	SDGs
Data Privacy	Implement Digital Personal Data Protection compliance framework	FY 2027	In progress	
Regulatory Compliance	100% compliance	Ongoing	Maintained	
Grievance Redressal	Resolve stakeholder complaints within 7 days	Ongoing	All complaints resolved within timeline	
Customer Satisfaction	100% customer satisfaction	Ongoing	Maintained	
Ethical conduct	We ensure ethical conduct across the organisation.	Ongoing	Maintained	

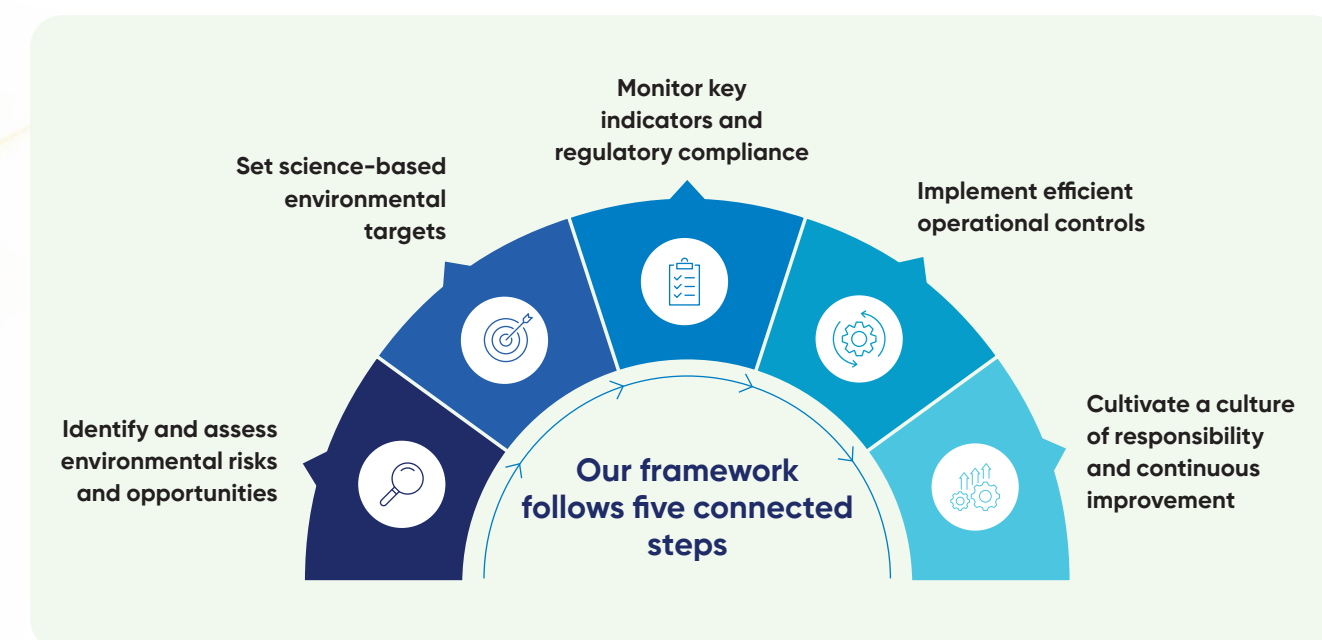
Environment: Contributing to a Healthier Planet

Environmental stewardship is integral to how we operate and grow. Across our manufacturing facilities, we consistently prioritise resource efficiency, expand the use of renewable energy, advance water conservation and reduce waste and emissions. These efforts help us build a more resilient business while supporting our responsibility to patients, communities and the environment.



Environmental Management Framework

Our Environmental Management System (EMS), aligned with ISO 14001:2015, provides us with a framework for managing environmental performance across our operations. This is supported by a company-wide Safety, Health and Environment (SHE) Policy that extends to our subsidiaries as well as contractors. We consistently maintain compliance with applicable environmental regulations while pursuing higher standards wherever possible. For FY 2026, our key environmental data was externally assured by TUV India Private Limited.



Our material focus areas, identified through stakeholder engagement and our materiality assessment, are:



Climate Action and Decarbonisation

Pharmaceutical manufacturing is inherently resource-intensive. At the same time, climate change presents both physical and transition risks that can affect long-term business performance. Climate-related risks are therefore integrated into our enterprise risk management framework and monitored as part of our broader risk oversight.

Our decarbonisation efforts extend across manufacturing facilities, quality labs, warehouses and other operational activities, while also encouraging more sustainable practices across our value chain. We focus on reducing Scope 1 (direct) and Scope 2 (purchased electricity) emissions through a combination of energy-efficient operations, renewable energy adoption and investments in cleaner technologies. Besides infrastructure upgrades such as solar installations, biomass boilers and energy-efficient chillers, we continue to improve process efficiency through digitalisation and process engineering.

Strategic Approach

Our decarbonisation roadmap is structured around three levers:

- Renewable energy generation and fuel switching
- Process and equipment efficiency
- GHG measurement and emission avoidance

Our Targets

Up to 50% green power by FY 2027 and 100% by FY 2032, and a 20% reduction in Scope 1 and Scope 2 emissions by March 2027 (against an FY 2022 base).



Actions

Key Initiatives for Reducing Scope 2 Emissions

Rooftop and Open-access Solar

Site	Existing Capacity	Net Carbon saving (in MT/ annum)	Site	Existing Capacity	Net Carbon saving (in MT/ annum)
Paithan	7.2 MW	8,598	Chikalthana-E	0.147 MW	174
Dahej	1.0 MW	1,154	Chikalthana-D	0.127 MW	153
Guwahati	2.5 MW	2,782	HO	1.4 MW	1,607
Pithampur	1.2 MW	1,459	Waluj	0.4 MW	459
Chitegaon	2.5 MW	2,870			

Energy Consumption (Assured)

Parameter	Unit	FY 2026	FY 2025
Energy from renewable sources	GJ	86,539.92	59,385.09
Energy from non-renewable sources	GJ	268,327.07	274,975.35
Total energy consumed	GJ	354,866.99	334,360.44
Energy intensity per rupee of turnover	GJ/₹	0.00000651	0.00000719

GHG and Air Emissions (Assured)

Parameter	Unit	FY 2026	FY 2025
Total Scope 1 emissions	tCO ₂ e	3,363.93	6,392.00
Total Scope 2 emissions	tCO ₂ e	46,575.74	43,598.47
Total Scope 1 and Scope 2 emissions	tCO ₂ e	49,939.67	49,990.47
Total Scope 3 emissions*	tCO ₂ e	67,740.83	10,789.88
NO _x	tCO ₂ e	22	22
SO _x	tCO ₂ e	21	22
Particulate matter (PM)	tCO ₂ e	27	27

* Scope 3 coverage was expanded during FY 2026 to include additional value-chain categories. FY2025 and FY 2026 figures are therefore not directly comparable.

Actions

Key Initiatives for Reducing Scope 1 Emissions

Fuel Switching

Biomass Boilers at Dahej and Paithan

Light diesel oil has been replaced with agri-waste briquettes, lifting boiler efficiency from 75% to 88% and avoiding around 2,640 tCO₂e in a year. A third boiler is under installation at Guwahati, where the shift from LDO is expected to avoid a further 1,200 tCO₂e.

Dedicated Feeder Connectivity at Guwahati

Grid connectivity has reduced HSD consumption in DG set operation, avoiding around 600 tCO₂e in a year.

Process and Equipment Efficiency

Steam-coil Dehumidifiers at Dahej

Precision heating has replaced electric heating, avoiding 2,908 tCO₂e in a year and saving ₹ 2.1 cr.

Magnetic Levitation Chillers at Paithan

Oil-free operation cuts direct energy demand by around 30%, avoiding 2,670 tCO₂e in a year and saving ₹ 2.0 cr.

EC Fan Motors in Air-handling Units

Retrofitting at Paithan, Chitegaon and Guwahati has cut HVAC energy by around 7%, avoiding 1,382 tCO₂e in a year and saving ₹ 2.4 cr. Work continues across the three sites.

Condensate Recovery at Guwahati, Paithan and Dahej

Steam condensate is returned to boiler feed, avoiding 196 tCO₂e in a year.

FT-NIR in Quality Control Laboratories

Near-infrared analysis has replaced wet-chemical methods, cutting solvent use and hazardous waste and avoiding 41 tCO₂e in a year.

Water Stewardship

Reliable access to water is essential for pharmaceutical manufacturing, yet increasing climate variability, local water stress and evolving regulatory requirements make responsible water management more important than ever. The industry is also expected to manage wastewater carefully to minimise its impact on surrounding ecosystems. Our approach to water stewardship helps mitigate risks to business continuity, supports regulatory compliance and strengthens community relations.

We focus on managing water responsibly across its entire lifecycle, from freshwater withdrawal and consumption to wastewater treatment, reuse and safe discharge. By improving water-use efficiency and increasing recycling and reuse, we seek to reduce our reliance on freshwater while ensuring that treated water consistently meets stringent quality standards.

Protecting Water Quality

Water discharged from our facilities undergoes treatment and quality control before reuse or release. We adhere to No-Effect Concentration thresholds for Active Pharmaceutical Ingredients, monitoring chemical, biological and pharmaceutical residues throughout the treatment process. Our manufacturing sites operate Zero Liquid Discharge systems and practices, supported by advanced effluent treatment, with treated water returned to cooling towers, utilities and non-potable applications. Our Effluent Treatment Plants were upgraded during the year with improved treatment technologies, increasing water reuse and operational efficiency. Independent audits by TUV India Private Limited provide additional assurance of our water management practices.

Conserving Water

Conservation begins inside our sites. Rainwater harvesting systems and groundwater recharge initiatives operate at every manufacturing facility, while condensate recovery and treated wastewater reuse reduce the freshwater we draw. Beyond our boundaries, we completed a water conservation project in a water-scarce village in the Marathwada region of Maharashtra. The project has created conservation potential of 1.5 lakh KL a year, benefiting the community, livestock and farming. It marks a step towards water neutrality, and we are working to extend rural conservation projects by 25% by FY 2027.



Water conservation project in the Marathwada region, Maharashtra

Actions

Strategic Approach

Four principles guide our water management: Key Water Management Initiatives

Key Water Management Initiatives



Reduce

Spray-ball cleaning in fluid-bed processors and coating units achieves effective cleaning with a fraction of the water conventional methods require.

Automated sprinkler systems for landscaping deliver precision irrigation, removing the overwatering that manual systems produce.



Reuse

Zero Liquid Discharge at API Waluj. All treated wastewater is recycled back into cooling towers and utilities, with none leaving the site.

Wastewater recycling at Paithan operates as a closed loop, returning treated water to non-potable applications.

Condensate recovery at Guwahati and Dahej returns steam condensate to boiler feed, cutting both freshwater intake and wastewater generation.



Recycle

ETP RO facility at Guwahati recovers and reuses water that was previously discharged.

Mist evaporator at Dahej evaporates RO reject water, closing the last discharge route on-site.



Replenish

Rural water conservation in Marathwada. A completed project in a water-scarce village has created 1.5 lakh KL of annual conservation potential, benefiting the community, livestock and farming.

Water Withdrawal, Consumption and Discharge (Assured)

Parameter	Unit	FY 2026	FY 2025
Surface water	KL	0	0
Groundwater	KL	143,519.0	138,385.4
Third-party water	KL	390,129.1	352,285.0
Total water withdrawal	KL	533,648.1	490,670.4
Total water consumption	KL	533,648.1	490,670.4
Total water discharged	KL	0	0
Water intensity per rupee of turnover	KL/₹	0.0000098	0.0000105

Circular Economy and Waste Management

Effective waste management is integral to responsible pharmaceutical manufacturing. The nature of our operations requires careful handling of materials to prevent environmental contamination and ensure compliance with regulatory requirements. Reducing waste also helps improve resource efficiency, lower disposal costs and support our broader circular economy objectives, while strengthening the trust of the communities in which we operate.

Our waste management approach covers the full range of waste generated across our manufacturing facilities, warehouses, laboratories and offices. This includes hazardous waste associated with APIs, solvents and other regulated materials; non-hazardous waste such as paper, cardboard, metals and packaging; plastic waste managed in accordance with Extended Producer Responsibility (EPR) requirements; as well as biomedical, electronic and documentation waste.

Strategic Approach

Four strategies guide our waste management:



Prevent – process efficiency and design improvements to eliminate waste at source



Reduce – optimised material usage and packaging



Recycle – value recovery through certified recycling and segregation



Responsible Disposal – co-processing and authorised vendors, avoiding landfill



Actions

Key Waste Management Initiatives

Keeping Waste Out of Landfill

Co-processing in cement kilns now handles 575.84 MT of hazardous waste, where it substitutes fossil fuel and raw material. The shift has almost eliminated incineration, which fell from 201 MT to 1.88 MT during the year. Landfill accounted for 0.7 MT, or 0.02% of all waste generated.

Certified disposal routes handle the remaining streams: e-waste and battery waste through authorised recyclers, biomedical waste through certified handlers.

~99%

Hazardous waste co-processed/diverted from landfill

Generating Less Waste in the First Place

Recovery through recycling returned 2,888 MT to use during the year, 83% of total waste generated.

Paperless operations across quality control, documentation and internal approvals have cut printing, storage and the energy behind both, avoiding around 350 tCO₂e in a year.

Packaging redesign has cut material input per unit shipped through optimised pack sizes, and replaced HDPE drums with fibre-based containers.

Zero

Hazardous waste to landfill, with all hazardous waste routed to co-processing in cement kilns

Waste Generated, Recovered and Disposed (Assured)

Parameter	Unit	FY 2026	FY 2025
Plastic waste	MT	647.20	566.00
E-waste	MT	1.53	0.09
Bio-medical waste	MT	1.88	12.83
Battery waste	MT	20.94	5.00
Other hazardous waste	MT	651.44	618.97
Other non-hazardous waste	MT	2,143.43	1,868.20
Total waste generated	MT	3,466.42	3,071.09
Total waste recovered (recycled + other recovery)	MT	2,888.00	2,865.00
Total waste disposed (incineration, landfill, co-processing)	MT	578.42	206.00
Waste intensity per rupee of turnover	MT/₹	0.000000052	0.000000070

Sustainable Chemistry and Manufacturing

Being resource-intensive, pharmaceutical manufacturing can generate significant environmental impact if not managed responsibly. Solvent consumption, energy use and batch rejections can contribute to emissions, waste and operational inefficiency. Adopting green chemistry and smarter manufacturing is therefore critical, not only for regulatory compliance, but also for cost control and long-term resilience.

Our approach combines process innovation with the efficient use of solvents and raw materials, real-time production monitoring and continuous improvements in manufacturing infrastructure. These interventions are embedded across product development, quality control and plant operations at our domestic and international sites, and extend into R&D and product life-cycle assessment, so that environmental sustainability is integrated from process development through commercial manufacturing.

Strategic Approach

Our sustainable manufacturing roadmap is built on four integrated pillars:



Green Chemistry Integration



Advanced Manufacturing Technologies



Energy-Efficient Infrastructure



R&D for Environmental Impact Reduction



Actions

Key Initiatives for Sustainable Chemistry and Manufacturing

Green Chemistry

FT-NIR spectroscopy in Quality Control

Fourier Transform Near-Infrared analysis has replaced wet-chemical methods across our QC laboratories, reducing organic-solvent use, hazardous waste and emissions while improving laboratory safety.

Aqueous Coating Technology

Six products moved from non-aqueous to aqueous tablet coating during FY 2026, taking solvents such as

IPA and dichloromethane out of those processes. Four more products are planned for conversion in FY 2027.

Material Optimisation

Formulation and process redesign continues to reduce raw-material consumption and packaging inputs while maintaining efficacy and regulatory compliance.

Facility and Energy Design

Energy-efficient Infrastructure

New facilities are specified with thermal insulation, optimised air-handling units and advanced dehumidification, reducing HVAC load from the design stage rather than retrofitting later.

Steam-coil Dehumidifiers

Precision heating has replaced electric heating, delivering efficiency in low-load operation.



Key Performance Indicators

Parameter	FY 2026	FY 2025
Products converted to aqueous coating	6	4
Life-cycle assessments completed	3	2
% of R&D spend on environmental impact / green chemistry	3.2%	15%
Emissions avoided through solvent reduction, QC operations (tCO ₂ e)	56	41
Emissions avoided through process-improvement projects (tCO ₂ e)	293	205

Biodiversity Conservation

Healthy ecosystems are crucial to the well-being of communities. Although pharmaceutical manufacturing has a smaller direct impact on biodiversity than many industries, activities such as land development, resource consumption, sourcing and chemical use require responsible management. Integrating biodiversity into our environmental management approach reduces these impacts and strengthens the resilience of our operations.

Our biodiversity strategy covers all operational and non-operational areas across our manufacturing and R&D locations. While none of our facilities is located within ecologically sensitive zones, our responsibility to protect local ecosystems extends across land use, landscaping, procurement and supplier engagement, and includes green-zone development, tree-plantation drives and biodiversity-sensitive site designs.

Strategic Approach

Four pillars guide our work:



Biodiversity Assessment and Governance



Tree Plantation and Green-Zone Development



Habitat Protection and Landscaping



Sustainable Procurement

Actions

Key Initiatives for Conserving Biodiversity

Biodiversity Assessment and Governance

Our Sites Sit Outside Protected Areas

All manufacturing and R&D locations are situated outside national parks, wildlife sanctuaries, biosphere reserves and coastal regulation zones. No environmental impact assessments were triggered under applicable regulation during the year. Land use and habitat are monitored through our ISO 14001-aligned Environmental Management System, and no biodiversity impacts were identified through that monitoring.

Assessment is Built into Site Management

Environmental risks and opportunities, including land use and habitat, are identified through our ISO 14001-aligned Environmental Management System and reviewed by the Sustainability Council.

1,93,000

Trees saved from deforestation

100%

Of sites outside designated ecological protection zones

Tree Plantation and Green-Zone Development

11,800 trees planted during FY 2026 across campuses and neighbouring communities, creating shade, cleaner air and habitat for pollinators. We are working towards 20,000 trees by FY 2027.

Habitat Protection and Landscaping

Drought-tolerant, indigenous planting across our sites needs little irrigation and supports pollinators, birds and beneficial insects, while avoiding invasive species. Automated sprinkler systems deliver precision irrigation, and treated wastewater is used for landscaping in place of freshwater.

Sustainable Procurement

Environmental Criteria in Supplier On-boarding

All value-chain partners are assessed for environmental impacts, and 100% of our critical and strategic suppliers hold valid air, water and waste consents.

Social: Caring for People and Communities

As a healthcare company, our responsibility extends beyond the medicines we make. It begins with creating a workplace where our people feel safe, respected and empowered to grow, and extends to the communities where we support better health, education, livelihoods and opportunities. We believe that investing in people – through initiatives focused on their well-being, capability building and inclusion – strengthens our organisation and uplifts the communities around us. It is this commitment that shapes our approach to creating long-term social value.



Our People and Workplace

We recognise our people as the true contributors to our success. As we expand our business, we continue to invest in building an organisation where people can learn, grow and contribute with confidence. Guided by our belief that ‘Excellence is a Way of Life’, we are committed to creating a workplace that values learning, inclusion, safety and opportunity for every Ajantaite.

Our Workforce

Parameter	Total	Male	Female
Permanent employees	10,299	9,637 (93.57%)	662 (6.43%)
Other-than-permanent employees	105	103	2
Total employees	10,404	9,740 (93.62%)	664 (6.38%)
Permanent workers	122	122	0
Other-than-permanent workers	2,680	2,404	276
Total workers	2,802	2,526 (90.15%)	276 (9.85%)
Differently-abled colleagues	25	24	1



Talent Acquisition

We build our talent base through market-aligned practices and investment in future pipelines. To keep pay externally competitive and internally fair, we ran compensation benchmarking for critical roles and made targeted corrections.

Our Internship and Management Trainee programmes feed a future-ready pipeline, and Management Trainees were absorbed into payroll roles during the year.

We also built a continuous campus-hiring pipeline for Quality and Operations. B.Pharm and M.Sc graduates join in staff roles, while ITI and Diploma candidates take up associate and assistant positions.

We strengthened relocation assistance and implemented SAP SuccessFactors for end-to-end employee-lifecycle management, improving transparency and process efficiency.

Diversity, Equity and Inclusion (DEI)

We are embedding equity into hiring, advancement and retention, with a focus on women's participation and accessible career pathways.

Women represent 6.4% of our employee base and around 7% of our total workforce. Twenty-five differently-abled colleagues work across our day-to-day operations.

Bias-free hiring protocols, role-wise representation goals and partnerships for recruiting differently-abled individuals support this work. During the year it was recognised externally through the Most Preferred Workplace for Women distinction.

Inclusion and Representation

	Total	Women	% Women
Board of Directors	8	2	25.0%
Key Management Personnel	2	0	0.0%
Differently-abled employees	10	1	10.0%
Differently-abled workers	15	0	0.0%

Performance Management and Career Development

Our performance management framework promotes merit-based growth by facilitating the career development of our employees. Our Annual Performance Review platform ensures transparent, competency-based evaluation aligned with business priorities, supported by digital goal-setting and self-assessment against KRAs, value-based evaluation rubrics, and structured internal-promotion frameworks such as the Centre for Excellence (CFE). To retain critical talent and ensure continuity, we also applied a focused, need-based retention approach for key employees throughout the year.

862

Internal promotions
facilitated in FY 2026





Learning and Development (L&D)

Our learning and development approach is built around the competencies required for different roles, supporting technical capability, leadership development and regulatory compliance. Programmes are structured to address both functional and behavioural learning needs. During FY 2026, we conducted a wide range of learning and development programmes and initiated competency-mapping exercises for key roles to strengthen structured employee development.

Key Programmes Conducted in FY 2026

- 278 participants in the Fire Safety Mock Drill at Ajanta Tower
 - 258 participants across LMS Overview Sessions
 - 100 participants in Gamma App Training at Aurangabad and Guwahati
 - 100 Brand and Marketing Managers in the BrandVisioVerse capability workshop
- 87 participants across three batches of Storytelling and Presentation Skills training
 - 72 participants across three batches of Prompt Engineering Training
 - 32 participants in the Image Management Programme
 - 17 participants in the Executive Presence Programme

These strengthened digital and AI capabilities, communication and leadership effectiveness, compliance and ethics awareness, and workplace-safety preparedness. Our flagship Kaushal Leadership Track and the competency framework co-created with EY continue to develop high-potential leaders.

Training Coverage (Assured)

Inclusion and representation	On health and safety	On skill upgradation
Employees (10,299)	100%	100%
Workers (122)	100%	100%

Employee Well-being and Engagement

Supporting employee well-being goes beyond workplace safety to creating an environment where people can stay healthy, feel supported and remain engaged throughout their careers. During FY 2026, we ran initiatives spanning physical health, mental well-being, financial awareness and preventive healthcare, alongside sports, cultural and family events that brought colleagues and their families together across sites.

Health and Well-being

- Financial Wellness Programme, conducted across multiple batches
- Speaker Series featuring Commando Madhusudan Surve
- International Yoga Day sessions, held in batches across our locations
- Women's Wellness Essentials, curated for our female colleagues
- Eye check-up camps, run over several rounds
- Interactive session on mental health
- Cancer-awareness sessions covering breast and cervical health
- Nutrition talk
- Session on stress management at the workplace for women
- First Aid and CPR training

Engagement, Sports and Culture

- Ajanta Box Cricket League Season 5, held over several days
- Mumbai Youth Festival
- BNHS trekking event
- Bihu celebrations at Guwahati
- Participation in the Tata Mumbai Marathon
- Family Visit Days, welcoming colleagues' families to our workplaces
- Garba, Navratri, Diwali, Christmas and Republic Day celebrations
- Zumba, rangoli and indoor sports events at our plants

Compensation, Benefits and Inclusion

We combine performance-linked rewards with benefits that support an equitable workplace. Pay is guided by regular internal parity reviews and external benchmarking.

FY 2026 brought several changes for Ajantaitees. We introduced flexible working, raised annual leave entitlements and increased privilege leave accumulation. Following the removal of the gratuity ceiling, gratuity is now paid at actuals.

We also strengthened healthcare and social security. Mediclaim cover increased and now extends to parents. We added emergency healthcare

Occupational Health and Safety

Safety comes first at every site. We run occupational health and safety management systems certified to ISO 45001, supported by mock drills, first-aid and CPR training and emergency-preparedness exercises.

In FY 2026 we recorded zero fatalities and zero high-consequence work-related injuries, with a Lost Time Injury Frequency Rate of zero across 10,404 employees and 2,802 workers. A fire safety mock drill at Ajanta Tower covered 278 colleagues, and first aid and CPR training reached 26 at Paithan.

Human Rights and Workplace Ethics

Respect for human rights underpins how we work. Clear policies, accessible grievance channels and regular awareness sessions support that commitment.

During the year, 1,500 colleagues took part in human rights awareness sessions and 922 in POSH awareness programmes, across all locations. Our Internal Complaints Committee handles every concern confidentially and impartially, following established procedures.

tie-ups, subsidised meals, gym and recreation access, and air-conditioned transport at more locations.

On financial well-being, we lowered interest rates on contingency loans, introduced multiple salary banking options and helped colleagues enrol in the National Pension System.

Benefit Coverage (Assured) | Parental Leave (Assured)

Benefit	Employees Covered	Metric (Female)	Rate
Health insurance	100%	Return-to-work rate	100%
Accident insurance	100%	Retention rate	100%
Maternity benefits	100% of women		
Day-care facilities	100% (permanent)	Well-being spend (% of revenue)	0.22%

Human Rights and POSH Complaints (FY 2026)

	Filed	Upheld
Sexual harassment (POSH)	1 (closed; not pursued)	0
Discrimination at workplace	0	0
Child labour	0	0
Forced/involuntary labour	0	0
Wages/other human-rights issues	0	0

Looking Ahead

We will keep building leadership and functional capability through structured learning and our digital platforms.

We will expand employee feedback channels and leadership engagement, and strengthen the talent pipeline through campus partnerships and early-career programmes.

We will also continue advancing data-driven HR practices, keeping learning, recognition and development central to how we work.



Recognition

Ajanta is Great Place To Work®-Certified™ in India for the fourth year running (Feb 2026 to 2027) and was named a Most Preferred Workplace for Women. The Chamber of Marathwada Industries and Agriculture also recognised us with awards for Industry 4.0 Initiatives and Environmental Consciousness.

Product Responsibility and Patient Safety

Every medicine we make represents a commitment to the patient who depends on it. That commitment extends beyond manufacturing to every stage of the product lifecycle, from maintaining the highest standards of quality to monitoring safety and providing clear, accurate information for patients and healthcare professionals.

Quality and Patient Safety

Patient safety begins with product quality. Our manufacturing and quality systems, described in the Corporate Overview, operate in accordance with international GMP standards across all sites, with quality control strengthened at each stage of the value chain. Regular internal audits and pharmacovigilance reviews reinforce a culture in which quality and safety are continuously monitored.

Pharmacovigilance and Safety Monitoring

We operate a pharmacovigilance system that monitors the safety of our products throughout their lifecycle. Safety information is reviewed continuously to identify and assess potential safety signals, enabling timely action while supporting regulatory compliance and, above all, patient well-being.

Product Information and Labelling

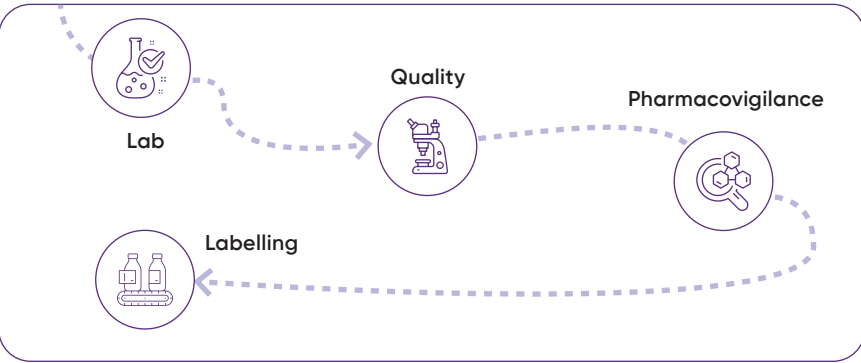
We provide clear and accurate product information in accordance with regulatory requirements, enabling patients and healthcare professionals to use our medicines safely and appropriately.

Listening to Patients and Consumers

We follow standardised procedures for handling and investigating product quality complaints. Complaints are investigated within 30 working days, and a Complaint Reply Form is then issued to the complainant with a 15-working-day window for feedback. Patients, consumers and stakeholders can raise product complaints or feedback through the Enquiry section of our website or directly at product.complaint@ajantapharma.com.

Complaints and Product Recalls in FY 2026

Category	Received	Pending
Data privacy	Nil	Nil
Advertising	Nil	Nil
Cyber security	Nil	Nil
Delivery of essential services	Nil	Nil
Restrictive trade practices	Nil	Nil
Unfair trade practices	Nil	Nil
Product recalls (voluntary and forced)	Nil	Nil



Responsible Supply Chain

Delivering quality medicines consistently requires a supply chain built on trust, shared responsibility and high standards. We work with suppliers and partners who share our commitment to quality, ethical business practices and sustainability, helping us strengthen resilience across our value chain.

Supplier Selection and Evaluation

We choose suppliers carefully and hold them to consistent standards. Before onboarding, we examine business history, regulatory accreditations and market intelligence. We also assess quality against ISO and GMP standards.

Suppliers are encouraged to follow applicable ESG and Extended Producer Responsibility guidelines. All service providers must comply with our Third-Party Code of Conduct, which covers anti-bribery, ethical sourcing and human rights.

Supplier Engagement and Capability Building

We treat our suppliers as long-term partners. Regular vendor meetings, industry benchmarking and quarterly evaluations keep the dialogue active and performance improving.

During the year we ran dedicated ESG training for vendors and contract partners, building shared understanding of what we expect on responsible practice.

Responsible and Local Sourcing

A resilient supply chain depends on sourcing responsibly and supporting local suppliers. In FY 2026 we increased our engagement with smaller and local partners. This strengthens local economies and shortens our supply chains.

100%
Of inputs sourced sustainably

28%
Of input material (by value) sourced directly from MSMEs/ small producers (FY 2025: 15%)

Supplier Assessment and Due Diligence

We assess our value-chain partners on the responsible-business measures that matter most.

During FY 2026 we carried out on-site assessments of every critical and strategic supplier. None revealed major risks or concerns on health and safety or working conditions. All hold valid air, water and waste consents.

Findings from these assessments guide targeted interventions and capability-building to keep raising the bar on supply-chain EHS compliance.

Value-chain Partner Assessment (% by Value of Business)

	FY 2026
Assessed for health and safety practices	100%
Assessed for working conditions	100%
Assessed for environmental impacts	100%

Supply Chain Risk Management and Resilience

A resilient supply chain keeps medicines flowing. We share business forecasts with vendors, evaluate alternate suppliers against supply and cost risk, and use vendor segmentation to guide sourcing, negotiation and planning decisions.

Looking Ahead

We will expand local sourcing where we can and bring more product sourcing in house, reducing risks from product rejection and transit. Environmental and social considerations will be built further into how we make procurement decisions.

Community Impact



Healthy communities are fundamental to a healthier future. Our community initiatives focus on areas where we can make a meaningful difference – expanding access to healthcare, supporting education, strengthening rural development and creating opportunities for those in need. During FY 2026, we stayed true to this commitment by investing beyond our statutory CSR obligation.

Our approach is outcome-driven, inclusive and closely aligned with national development priorities and the UN Sustainable Development Goals.

₹ 23.73 cr.

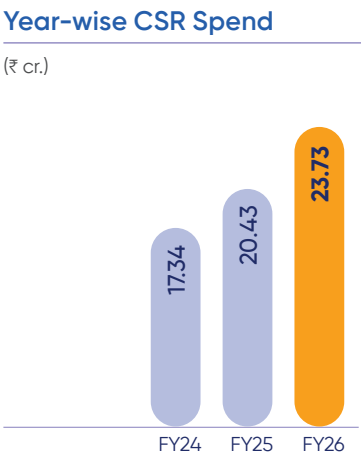
Total CSR spend in FY 2026 (against a ₹20.09 cr. obligation)

25+

Implementation partners

Mahatma Award for CSR Excellence

Conferred on Ajanta Pharma during FY 2026 in recognition of our community work.



Our CSR Approach

We implement our CSR programmes through a network of more than 25 partner organisations, including the Samta, Mamta, Ajanta and Agarwal Global Foundations, selected for their local credibility and understanding of regional community needs. Oversight rests with the Board's CSR and Sustainability Committee, which met four times during the year, and our programmes follow the mandates of Section 135 of the Companies Act and the National Guidelines on Responsible Business Conduct, with internal reviews and partner assessments ensuring consistency. During the year, an impact assessment of our programmes was carried out by Mamta Foundation.

Principle	What It Means
Community-centric	Programmes are based on needs identified directly from the community through participatory methods
Sustainability	A focus on long-term outcomes, building community ownership and reducing dependency
Partnership	Delivered through credible local partners who understand cultural and operational nuances
Inclusive Growth	A special focus on underserved populations – women, the elderly, children, sportspersons and economically weaker sections
Measurement and Accountability	Built-in monitoring and data-backed impact indicators enable course correction



Our CSR Focus Areas

In FY 2026, our CSR spend of ₹ 23.73 cr. was directed across six focus areas:

Focus Area	FY 2026 Spend (₹ cr.)
Healthcare – eradicating hunger, malnutrition and promoting health care	9.80
Education and Livelihood – including special education, vocational skills and livelihood enhancement	11.27
Cultural Heritage – preservation of historic sites, traditional arts and handicrafts	1.50
Rural Development	0.53
Women's Empowerment and Reducing Inequalities	0.38
Sports and Olympic Sports	0.25
Total	23.73

Beneficiaries

2,10,725

Through medical and health initiatives

1,35,383

Through education initiatives

16,982

Through sports initiatives

80,103

Cataract surgeries are for FY 2026

Flagship Programmes

Health Screening and Preventive Camps



Free medical camps were organised offering early diagnosis of cataract, hypertension and other chronic conditions for underserved and remote communities.

Key Actions Included

Community screening, specialist outreach in dermatology and maternal care, partnership with Samta Foundation.

Malnutrition Eradication/Mother and Child Care



Targeted nutrition interventions for pregnant women and young children in tribal and rural geographies, combining dietary support with health awareness and tracking.

Key Actions Included

Supporting underserved rural and tribal communities through healthcare camps and direct patient assistance, delivered with our implementing partners under the Company's healthcare and nutrition focus.

Computer Literacy and Education Infrastructure



Equipping rural schools with computer labs and trained instructors to improve digital education and long-term learning outcomes.

Key Actions Included

Setting up computer labs in rural schools, providing trained instructors and digital learning content, and supporting teachers to embed technology into everyday teaching.

Vocational Skill Training



Skill-building in tailoring, fashion design and technical trades, primarily for women, with post-training market linkage and entrepreneurship support.

Key Actions Included

Running hands-on training in tailoring, fashion design and technical trades, followed by market linkage, placement support and guidance for women setting up their own enterprises.

Prisoner Welfare Programme

Comprehensive support for prison inmates, including health services, Ayushman Bharat enrolment and bail facilitation to aid reintegration.

Support to Olympic Gold Quest (OGQ)

Funding training, equipment and expert coaching for under-resourced Olympic-level Indian athletes.

Cultural Heritage

₹ 1.50 cr. directed to the preservation of historic sites, traditional arts and handicrafts, delivered through the Agarwal Global Foundation.

Governance: Progressing with Integrity

Strong governance has been fundamental to our growth. It shapes the way we make decisions, manage risks and conduct our business. It keeps us accountable to our stakeholders and grounded in integrity, transparency and ethical conduct across our operations and value chain.

By encouraging responsible business practices among those we work with, we reinforce the principles that have long guided us. As we grow, these principles remain central to protecting long-term value and sustaining the trust placed in us.



Board Oversight

The Board of Directors provides strategic direction and independent oversight of the Company's performance, risks and conduct. During FY 2026, the Board met four times, and a separate meeting of the Independent Directors was held. The Board considered and approved all recommendations made by its Committees during the year without deviation. An annual performance evaluation is carried out covering the Board as a whole, its Committees, the Chairman and individual Directors.

Board Committees

To ensure focused governance and effective oversight, the Board has constituted six Committees:

Committee	Focus
Audit Committee	Financial reporting, internal controls, risk and audit oversight
Nomination and Remuneration Committee	Board composition, appointments, remuneration and evaluation
CSR and Sustainability Committee	CSR, ESG strategy, material issues and climate-related actions
Stakeholders' Relationship Committee	Investor and stakeholder grievance redressal
Risk Management Committee	Enterprise risk identification and mitigation
Executive Committee	Operational matters delegated by the Board

Governing Sustainability

ESG is embedded into our governance through a three-tiered structure. A Sustainability Council of key functional leaders drives day-to-day sustainability decisions and assesses ESG progress; the CSR and Sustainability Committee of the Board provides quarterly oversight of ESG performance, material issues and climate-related actions; and the

Board conducts an annual review of overall sustainability outcomes, ensuring structured accountability from operational delivery up to the Board.

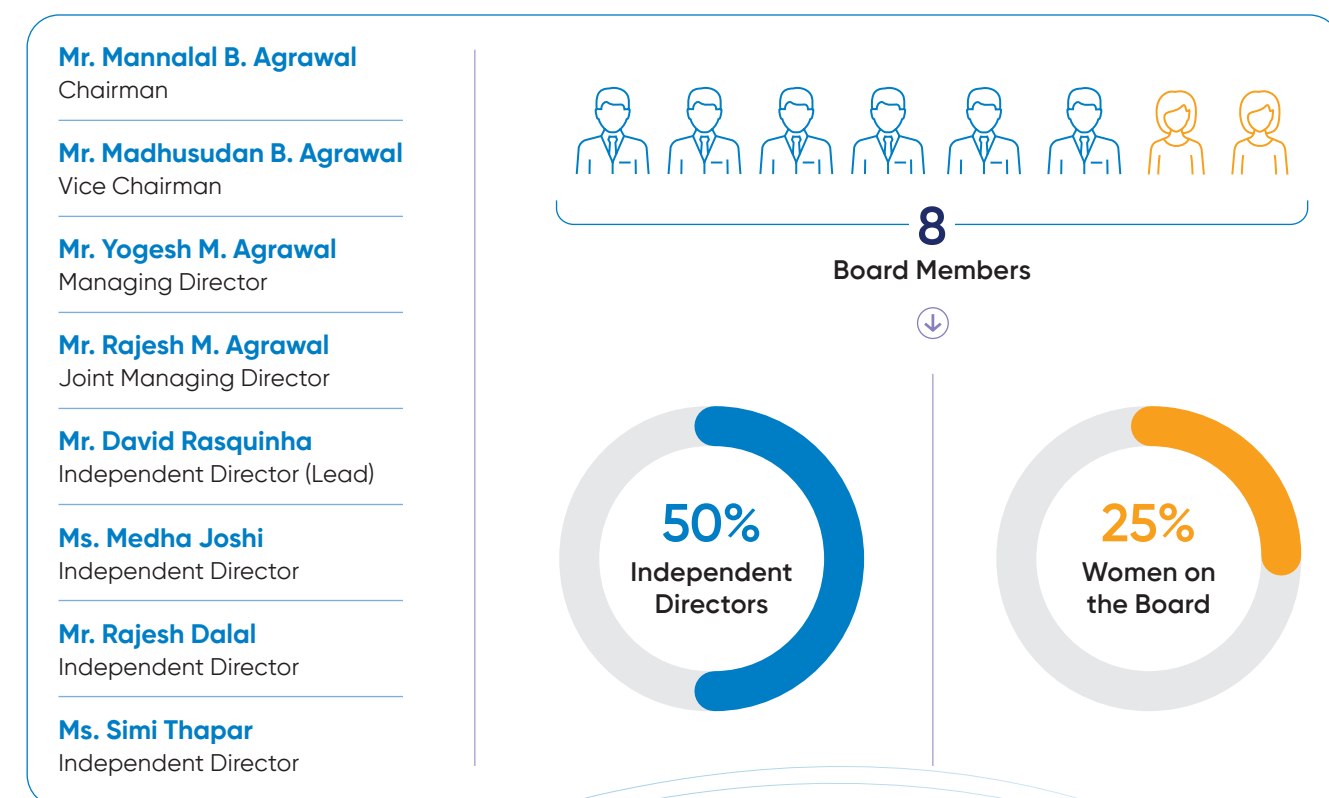
Integrity in Transactions

All related-party transactions undertaken during the year were at arm's length and in the ordinary course of business. Repetitive

transactions were covered under omnibus approvals granted by the Audit Committee, while specific approvals were obtained wherever required. Other than remuneration and sitting fees, there were no pecuniary transactions between any Director or Key Managerial Personnel and the Company that could give rise to a conflict of interest.

Board Composition

Our Board combines promoter leadership, with its deep understanding of the Company's business and long-term vision, with the independent judgement and diverse expertise of Independent Directors. As at 31 March 2026, the Board comprised eight Directors, of whom four (50%) are Independent Directors and two (25%) are women, both serving as Independent Directors. The Independent Directors collectively bring a well-rounded blend of qualifications, skills and experience across diverse fields; a detailed skills-and-competencies matrix forms part of the Corporate Governance Report.



Enterprise Risk Management

Managing risk is integral to sustaining growth and creating long-term value. Our Enterprise Risk Management (ERM) framework enables us to identify, assess and respond to strategic, operational, financial and emerging risks in a structured, forward-looking manner, supporting informed decision-making across the organisation.

Risk Governance

The Board's Risk Management Committee oversees the Enterprise Risk Management framework and periodically reviews the effectiveness of the Risk Management Policy. This is supported by continuous monitoring of the operating environment to identify emerging risks. A Core Risk Management Team drives implementation across functions.

Strengthening Resilience

During the year under review, we introduced two improvements to strengthen our risk management framework. First, we formulated a Risk Appetite Statement, establishing an integrated approach to evaluating and monitoring critical risks. This aligns with our strategic objectives, stakeholder expectations and acceptable risk thresholds.

Second, we formally adopted and reinforced our Business Continuity Plan (BCP) to include manufacturing

units, in line with the Board's guidance. Periodic reviews and disaster-recovery mock drills support organisational readiness.

We also recognised the rapid adoption of Artificial Intelligence across R&D, manufacturing, QA/QC, supply chain, commercial operations, pharmacovigilance and support functions. In response, we identified AI-related risks and implemented appropriate mitigation measures.

Key Risk Areas and Our Response

Risk Area	Actions
Regulatory compliance (multi-jurisdiction)	Harmonised cGMP and quality systems; regulatory monitoring; compliance governance
Foreign-exchange fluctuation	Hedging and treasury policies; natural hedge across markets
Competitive intensity	First-to-market and differentiated portfolio; therapy leadership
Supply-chain dependencies (incl. APIs)	Alternate-source development; in-house Top-10 API programme; vendor segmentation
Cybersecurity and data protection	Comprehensive cybersecurity framework; DPDP readiness; disaster-recovery planning
Macroeconomic and geopolitical developments	Diversified geographic footprint; scenario monitoring; alternate sourcing
Third-party exposures	Third-Party Code of Conduct; supplier assessment and due diligence
ESG and climate	Decarbonisation roadmap, water and waste targets; Board-level ESG oversight
Artificial Intelligence	Function-level AI-risk identification and mitigation

Business Ethics

We maintain a zero-tolerance stance against unethical and unlawful conduct. Our Business Ethics Policy and Code of Conduct explicitly prohibit bribery, corruption and improper payments across all operations, and apply to everyone associated with the Company, including employees, officers, Directors and third-party representatives. Upholding these standards is essential to maintaining the trust of patients, healthcare professionals, regulators and other stakeholders.

Code of Conduct

All Directors and Senior Management adhere to the Code, available on the Company's website, which addresses bribery, conflict of interest and ethical behaviour, alongside a separate Code of Conduct for Prevention of Insider Trading framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015. Annual affirmations are secured from all covered personnel.

Anti-bribery and Anti-corruption

Our zero-tolerance stance is supported by an Anti-Corruption Policy, a Third-Party Code of Conduct, a No-Gift Policy and an HR policy on misconduct.

Whistle-blower/Vigil Mechanism

Our Whistle-Blower Policy provides secure, confidential channels, including a dedicated email line for Directors, employees and stakeholders to report genuine concerns, with protection against retaliation or victimisation and oversight by the Audit Committee. The Company did not receive any whistle-blower complaint during the year.

Prevention of Sexual Harassment (POSH)

Dedicated Internal Complaints Committees operate across sites, supported by periodic awareness sessions and employee forums.

Data Privacy and Cybersecurity

The Company maintains a comprehensive cybersecurity framework covering data protection, network security, access management and incident response, and is building readiness for the Digital Personal Data Protection (DPDP) framework.

Ethics Theme	FY 2026 Status
Senior Management covered under Code of Conduct	100%
POSH complaints received/upheld	1/0
Data breaches (incl. customer PII)	0

Zero

Bribery or corruption incidents

Nil

Whistle-blower complaints

Zero

Regulatory penalties

Responsible Conduct

Responsible conduct runs through the entire lifecycle of our products, from development and manufacture to marketing, distribution and post-market surveillance. As a healthcare company, we treat the integrity of our products and the honesty of our communications as matters of patient safety and public trust.

Product quality, pharmacovigilance and complaint handling are covered under Product Responsibility and Patient Safety. Here we focus on how we market, price and communicate.

Responsible Marketing and Transparency

We promote our products ethically, in line with industry standards and public-health priorities. Our communications emphasise transparency and consumer awareness and avoid misleading or exploitative messaging, and our prescription-product communications are non-promotional in nature. There were no regulatory actions for marketing non-compliance during the year.

Access and Affordability

Our pricing approach balances commercial viability with patient affordability, including tiered pricing and collaboration with government programmes in high-need markets. Our antimalarial institutional business,

built on the first WHO-prequalified generic Artemether-Lumefantrine, has supported access for over a billion patients, a direct contribution to global health.

Ethical Promotion and Stakeholder Engagement

We work with doctors, pharmacists and institutions to keep our promotion accurate, evidence-based and compliant, drawing on structured feedback to guide how we communicate.

Consumer Responsiveness

We maintain clear channels for doctors, pharmacists and institutions to raise queries and complaints, and we resolve them promptly to keep improving our products and service.

Zero

Product recalls

1 billion+

Patients treated (antimalarial access)

Zero

Regulatory actions for marketing non-compliance

5

First-to-market launches in India in FY 2026, bringing earlier generic access in their therapy areas

Complaints (FY 2026)

	Received	Pending
Data privacy	Nil	Nil
Advertising	Nil	Nil
Cyber-security	Nil	Nil
Restrictive/unfair trade practices	Nil	Nil
Other	190	18

Data Privacy and Cybersecurity

The increasing digitalisation of our operations and the responsibility of handling sensitive business, employee and stakeholder data make information security a foremost priority. We maintain a comprehensive cybersecurity framework while continuing to strengthen our preparedness for India's evolving data protection regime.

Cybersecurity Framework

Our framework covers data protection, network security, access management and incident response, designed to reduce cyber risk proactively and limit the impact of any potential breach. We reinforce it with periodic awareness programmes for employees and continuous review against an evolving threat landscape. Oversight sits with the Board's Risk Management Committee.

Preparing for the DPDP Act

Ahead of the compliance deadline under the Digital Personal Data Protection (DPDP) Act, 2023, we are putting the necessary framework in place, targeting readiness by March 2027. Our roadmap includes identifying gaps in existing data-protection and management systems, segregating exempted and non-exempted data, establishing policy and consent-management mechanisms for full compliance, and building an audit mechanism for ongoing assurance.

Cybersecurity and Disaster Recovery

We are strengthening our cybersecurity and disaster recovery framework to keep it dependable by reviewing the current framework and upgrading it where required. We are also putting in place the necessary SOPs, policies and documentation, with completion targeted by 2027.

FY 2026 Performance

During the year, we recorded zero data breaches, including zero involving customer personally identifiable information (PII), and zero consumer complaints relating to data privacy or cyber security.

Zero

Data breaches

Zero

Customer-PII incidents

DPDP

Readiness targeted by March 2027



GRI

Content Index

Statement of use	Ajanta Pharma Limited has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	BRSR Reference	Page No
GRI 2: General Disclosures 2021	2-1 Organizational details	BRSR Section A Question 1-10	10 to 13
	2-2 Entities included in the organization's sustainability reporting	BRSR Section A Question 14-16	6
	2-3 Reporting period, frequency and contact point	BRSR Section A Question 9,12	6
	2-4 Restatements of information	Not applicable	-
	2-5 External assurance	BRSR Section A Question 15,16	6
	2-6 Activities, value chain and other business relationships	BRSR Section A Question 17	10 -17 , 53
	2-7 Employees	BRSR Section A, Question 21	48-51
	2-8 Workers who are not employees	BRSR Section A, Question 21	48-51
	2-9 Governance structure and composition	BRSR Section A	58-59
	2-10 Nomination and selection of the highest governance body	BRSR Section A	58-59
	2-11 Chair of the highest governance body	BRSR Section A	58
	2-12 Role of the highest governance body in overseeing the management of impacts	BRSR Section A	22-23, 58-59
	2-13 Delegation of responsibility for managing impacts	BRSR Section A, Question 27	Refer BRSR
	2-14 Role of the highest governance body in sustainability reporting	-	22-23
	2-15 Conflicts of interest	BRSR Section C , P -1 Question 7	Refer BRSR
	2-16 Communication of critical concerns	BRSR Section B – Q10	61
	2-18 Evaluation of the performance of the highest governance body	-	58-59
	2-19 Remuneration policies	BRSR Section B	Refer BRSR
	2-20 Process to determine remuneration	BRSR Section B	Refer BRSR
	2-21 Annual total compensation ratio	BRSR Section - C , P-5	Refer BRSR
	2-22 Statement on sustainable development strategy	BRSR Section A, Question 27	4 to 5
	2-23 Policy commitments	BRSR Section B	Refer BRSR
	2-25 Processes to remediate negative impacts	BRSR Section A, Question 25	Refer BRSR
	2-26 Mechanisms for seeking advice and raising concerns	BRSR Section A, Question 25	Refer BRSR
	2-27 Compliance with laws and regulations	BRSR Section C, Principle 1, Essential, Question 2	Refer BRSR
	2-28 Membership associations	BRSR Section C, Principle 7, Essential, Question 1.b	Refer BRSR
	2-29 Approach to stakeholder engagement	BRSR Section C, Principle 4, Essential, Question 2	24-25
	2-30 Collective bargaining agreements	BRSR Section C , P -1 Question 7	Refer BRSR
GRI 3: Material Topics 2021	3-1 Process to determine material topics	BRSR, Section B	26-27
	3-2 List of material topics	BRSR, Section B	26-27
	3-3 Management of material topics	BRSR, Section B	28-31

GRI Standard	Disclosure	BRSR Reference	Page No
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	BRSR, Section B	46
	101-2 Management of biodiversity impacts	BRSR, Section C P-6 Question 11	46
	101-3 Access and benefit-sharing	BRSR Section C P-6 Question 11	46
	101-4 Identification of biodiversity impacts	BRSR Section C P-6 Question 12	46
	101-5 Locations with biodiversity impacts	BRSR Section C P-6 Question 13	46
	101-6 Direct drivers of biodiversity loss	BRSR Section C P-6 Question 14	46
	101-7 Changes to the state of biodiversity	BRSR Section C P-6 Question 15	46
	101-8 Ecosystem services	BRSR Section C P-6 Question 16	46
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	BRSR Section C P-6 Question 6,7	38-39
	102-2 Climate change adaptation plan	BRSR Section C P-6 Question 6,7	38-39
	102-3 Just transition	BRSR Section C P-6 Question 6,7	38-39
	102-4 GHG emissions reduction targets and progress	BRSR Section C P-6 Question 6,7	38-39
	102-5 Scope 1 GHG emissions	BRSR Section C P-6 Question 6,7	38-39
	102-6 Scope 2 GHG emissions	BRSR Section C P-6 Question 6,7	38-39
	102-7 Scope 3 GHG emissions	BRSR Section C P-6 Question 6,7	38-39
	102-8 GHG emissions intensity	BRSR Section C P-6 Question 6,7	38-39
	102-9 GHG removals in the value chain	BRSR Section C P-6 Question 6,7	38-39
GRI 103: Energy 2025	103-1 Energy policies and commitments	BRSR Section C P-6 Question 11	28, 38-39
	103-2 Energy consumption and self-generation within the organization	BRSR Section C P-6 Question 11	38-39
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	BRSR Section C P-4 Question 2	53
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	BRSR Section C P-4 Question 4	61
	205-2 Communication and training about anti-corruption policies and procedures	BRSR Section C P-4 Question 4	61
	205-3 Confirmed incidents of corruption and actions taken	BRSR Section C P-4 Question 4	61
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive Behaviour, anti-trust, and monopoly practices	BRSR Section C P-4 Question 4	62
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	BRSR Section C P-6 Question 3	40-41
	303-2 Management of water discharge-related impacts	BRSR Section C P-6 Question 3	40-41
	303-3 Water withdrawal	BRSR Section C P-6 Question 3	40-41
	303-4 Water discharge	BRSR Section C P-6 Question 3	40-41
	303-5 Water consumption	BRSR Section C P-6 Question 3	40-41
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	BRSR Section C P-6 Question 9	42-43
	306-2 Management of significant waste-related impacts	BRSR Section C P-6 Question 9	42-43
	306-3 Waste generated	BRSR Section C P-6 Question 9	42-43
	306-4 Waste diverted from disposal	BRSR Section C P-6 Question 9	42-43
	306-5 Waste directed to disposal	BRSR Section C P-6 Question 9	42-43

GRI Standard	Disclosure	BRSR Reference	Page No
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	–	53
	308-2 Negative environmental impacts in the supply chain and actions taken	–	53
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	BRSR, Section A, Question 22	Refer BRSR
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