



Ideas for a new day

September 5, 2025

Compliance Department, BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001	Compliance Department, National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex Bandra - (E), Mumbai - 400 051
Scrip Code:- 539889	NSE Symbol:- PARAGMILK

Dear Sir / Madam,

Sub: Business Responsibility and Sustainability Report for Financial Year 2024-25

Pursuant to Regulations 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, we are submitting herewith the Business Responsibility and Sustainability Report for Financial Year 2024-25.

Request you to kindly take the same on records.

Thanking you,

For **Parag Milk Foods Limited**

Virendra Varma
Company Secretary &
Compliance Officer
FCS No. 10520

Encl: As above.

Parag Milk Foods Ltd.,

CIN-L15204PN1992PLC070209

Regd. Office: Flat No. 1 Plot No. 19, Nav Rajasthan Co-Op Housing Society, Behind Ratna Memorial Hospital,
Senapati Bapat Road, Shivaji Nagar, Pune - 411016. Ph.: +91 72764 70001

Corporate Office: 10th floor, Nirmal building, Nariman point, Mumbai - 400021 Tel.: 022-43005555 Fax: 022-43005580

Website: www.paragmilkfoods.com | **email:** investors@parag.com



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Section A	Section B	Section C
General Disclosures	Management and process disclosures	Principle Wise Performance Disclosure
Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable	
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe	
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains	
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders	
Principle 5	Businesses should respect and promote human rights	
Principle 6	Businesses should respect and make efforts to protect and restore the environment	
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	
Principle 8	Businesses should promote inclusive growth and equitable development	
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner	

SECTION A: GENERAL DISCLOSURES

1) DETAILS OF THE ENTITY

S. No	Particulars	Response
1.	Corporate identity Number (CIN) of the Entity	L15204PN1992PLC070209
2.	Name of the Entity	Parag Milk Foods Limited ('Company' / 'Parag' / 'PMFL')
3.	Year of incorporation	1992
4.	Registered office address	Flat No.1, Plot No.19, Nav Rajasthan Soc., Behind Ratna Memorial Hospital, S.B. Road, Shivaji Nagar, Pune, Maharashtra- 411016
5.	Corporate office address	10 th Floor, Nirmal Building, Nariman Point, Mumbai-400021
6.	E-mail	investors@parag.com
7.	Telephone	022 - 4300 5555
8.	Website	www.paragmilkfoods.com
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited ('BSE') National Stock Exchange of India Limited ('NSE')
11.	Paid-up Capital	₹119,37,58,410 (Divided into 11,93,75,841 equity shares of ₹10 each).
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Virendra Varma Telephone: 022 - 4300 5555 Email address: investors@parag.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosure under this report is on standalone basis for Parag Milk Foods Limited, unless otherwise specified.
14.	Name of assurance provider	None
15.	Type of assurance obtained	N.A.

2) PRODUCTS/SERVICES

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

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Manufacturing	Leading Dairy FMCG, Parag Milk Foods Limited, established in 1992, is the largest private dairy FMCG Company with a pan-India presence. The Company's manufacturing facilities with in-house technology which are strategically located at Manchar in Maharashtra and Palamaner in Andhra Pradesh. The Company sells 100% cow's milk products that are healthy and nutritious. Integrated business model and strong R&D capabilities have helped the Company emerge as a leader in innovation. The Company's dairy farm, Bhagyalaxmi Dairy Farms Private Limited houses more than 5,000 cows, with a mechanized milking process. The Company offers traditional products like Ghee, Dahi, Paneer, Liquid Milk, etc. under brand "Gowardhan", and products like Cheese, UHT Milk, Buttermilk, Lassi, Flavoured Milk Shakes, etc. under the brand name "Go". "Pride of Cows", the flagship brand of the Company based on proposition of Farm to Home concept targets customers seeking premium quality dairy products. The Company is also present in Whey Protein based sports nutrition under the brand Avvatar – India's 1 st 100% vegetarian whey protein. The Company's goal is to become the global nutrition provider and become the largest dairy FMCG Company that emphasizes health and nutrition to consumers through quality and innovation.	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of dairy products	1050	100%



3) OPERATIONS

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

Location	Number of plants	Number of depots	Number of offices	Total
National	3	29	10	42
International	NIL	NIL	NIL	NIL

The company's plants are strategically located at the milk belt of Manchar, Palamaner and Sonipat.

The registered office of the Company is situated at Pune, Maharashtra.

19. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	Our Company has a presence in all the States and Union Territories of India, demonstrating our comprehensive coverage and commitment to serving customers throughout the nation.
International (No. of Countries)	18 International Markets

b) Contribution of exports:

What is the contribution of exports as a percentage of the total turnover of the entity?	2.68%
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c) Type of Customers

A brief on types of customers

Consumers-

We develop and market innovative products under our portfolio of brands, delivering joy, health, and nutrition to our consumers. Our diverse product range includes dairy products, milk-based sweets, and India's first whey protein-based nutrition brand. Through strategic premiumization, we have enhanced our offerings to meet evolving consumer needs.

Retailers and Distributors-

With an extensive and robust distribution network comprising 29 strategically located depots, over 500 super stockists, and an extensive network of more than 4,500 distributors, our company effectively reaches and serves an extensive network of over 4.6 lakh retail counters across diverse geographical locations.

Institutional Customers-

Our Company has successfully forged strong partnerships with reputable institutional and HORECA (Hotels, Restaurants, and Catering) customers. These valued customers rely on our exceptional product portfolio, including cheese, skim milk powder and whey products, to fulfil their distinct requirements and elevate their culinary offerings.

4) EMPLOYEES

20. Details at the end of the year of Financial year:

a) Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)*	1,563	1,398	89.44%	165	10.56%
2.	Other than Permanent (E)	516	229	44.38%	287	55.62%
3.	Total employees (D + E)	2,079	1,627	78.26%	452	21.74%
Workers						
1.	Permanent (F)	406	405	99.75%	1	0.25%
2.	Other than Permanent (G)	341	145	42.52%	196	57.48%
3.	Total workers (F + G)	747	550	73.63%	197	26.37%

*Permanent employees exclude the Board of Directors.

b) Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	1	-	-	1	100%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	1	-	-	1	100%
Differently Abled Workers						
1.	Permanent (F)	7	7	100%	-	-
2.	Other than Permanent (G)	-	-	-	-	-
3.	Total workers (F + G)	7	7	100%	-	-

21. Participation/Inclusion/Representation of women:

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	8	2	25%
Key Management Personnel**	1	-	-

* Board of Directors includes Chairperson, MD, One Executive Director and Five Non-Executive Directors

** KMP includes Company Secretary

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	41%	18%	39%	35%	18%	33%	41%	43%	41%
Permanent Workers	6%	-	6%	4%	7%	4%	7%	-	7%

5) HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Bhagalaxmi Dairy Farms Private Limited	Wholly Owned Subsidiary	100%	No, nevertheless, the unlisted private subsidiary independently undertakes its own business responsibility initiatives while ensuring alignment with the company's environmental, social, and governance (ESG) initiatives.
2.	Parag Foods Middle East FZE	Wholly Owned Subsidiary	100%	Not Applicable as the entity is yet to commence its operations.

6) CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS

24.

S. No.	Requirement	Response	
1.	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes	
2.		Current Year (FY 2024-25)	Previous Year (FY 2023-24)
	Turnover (₹ in Crore)	3,367.40	3,089.82
	Net worth (₹ in Crore)	1,030.24	912.66

7) TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors and shareholders	https://www.paragmilkfoods.com/investors.php under Corporate Governance > Policies tab	1	-	*	12	-	*
Employees and workers		-	-	-	-	-	-
Customers		2,219**	-	*	1,250**	-	*
Value Chain Partners		-	-	-	-	-	-

*All the complaints received have been successfully addressed and resolved.

**Includes all kinds of complaints that have been filed by customers with respect to delivery of milk and all consumer queries, product related information, complaints, and services received through phone, emails.

Our Company has developed an all-encompassing Stakeholder Management Policy aimed at establishing a structured framework for addressing concerns and grievances expressed by both internal and external stakeholders. This policy has been designed to proactively mitigate any potential social risks that could have a negative impact on Parag's operations.

For more detailed information, please refer to Parag's Stakeholder Management Policy, accessible at: <https://www.paragmilkfoods.com/policy.php?id=69>

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emissions				
		Risk	<p>Greenhouse gas (GHG) emissions pose several risks for dairy companies, which contribute significantly to global emissions.</p> <p>Climate change intensifies due to GHG emissions, leading to shifting weather patterns.</p> <p>These shifts compromise the availability and quality of essential resources like water and feed crops for dairy cattle.</p> <p>Rising temperatures increase heat stress in cattle, negatively affecting their health and productivity.</p>	<p>To mitigate GHG emissions risks, PMFL is taking the following actions:</p> <p>Enhancing feed efficiency</p> <ul style="list-style-type: none"> Improving the nutritional content and digestibility of cattle feed to reduce enteric methane emissions per unit of milk produced. Implementing precision feeding techniques to minimize waste and optimize animal performance. Decreasing manure emissions Utilizing better manure management practices such as composting and anaerobic digestion to reduce methane and nitrous oxide emissions. Exploring technologies that capture and reuse biogas for energy. <p>Using 45% clean renewable energy in operations</p> <p>Transitioning to solar, wind, and other renewable sources to power processing plants and other facilities.</p> <p>Reducing reliance on fossil fuels, thereby lowering the company's carbon footprint.</p> <p>Implementing conservation measures</p> <p>Promoting land stewardship practices that preserve soil health and biodiversity.</p> <p>Investing in sustainable agriculture and regenerative practices across the supply chain.</p> <p>Optimizing water usage</p> <p>Installing water-efficient systems and recycling water wherever possible in production and cleaning processes.</p> <p>Monitoring water usage to reduce waste and ensure sustainable consumption.</p> <p>Addressing public concerns about ecological impact</p> <p>Increasing transparency through sustainability reports and public communication.</p> <p>Engaging with stakeholders and local communities to build trust and demonstrate environmental responsibility.</p>	<p>Negative</p> <p>The impact of GHG emissions on climate change can create supply chain disruptions. Extreme weather events like droughts and floods can affect feed availability, milk production, and transportation logistics, resulting in input cost volatility and potential shortages.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Water Management				
		Risk	<p>Effective water management is crucial in the dairy industry for maintaining hygiene, product quality, and sustainability.</p> <p>Poor water quality can harm the taste, texture, and shelf-life of dairy products, impacting brand reputation.</p> <p>Water scarcity challenges animal welfare and farm profitability, as dairy farming relies heavily on water.</p> <p>Unsustainable water usage and wastewater disposal can lead to pollution and ecosystem degradation.</p>	<p>To address water management risks, PMFL has implemented various strategies, including water conservation practices, monitoring water usage, and implementing water management plans.</p> <p>As a result, it has significantly reduced water consumption per litre of milk handled.</p> <p>Approximately 55% of the unit's water usage is sourced from recycled sources, demonstrating commitment to responsible water management and environmental preservation.</p> <p>This achievement is driven by recycling and reusing ETP-treated water for gardening, agriculture, and cleaning milk storage tankers, adoption of the Zero Liquid Discharge principle.</p>	<p>Negative</p> <p>Poor water management can lead to significant negative financial consequences for a company operating in the dairy industry. Dairy production is heavily water-intensive, requiring large quantities for livestock, cleaning, processing, and cooling activities.</p> <p>Scarcity of water resources can further disrupt production schedules, limit livestock health and milk yield, and cause raw material supply constraints, leading to lower output and revenue losses.</p>
3.	Waste Management				
		Risk	<p>Improper disposal of dairy waste can result in environmental pollution, contaminating water sources and harming local ecosystems. Health hazards emerge as manure accumulation becomes a ground for pathogens, posing threats to both livestock and nearby communities.</p>	<p>To mitigate the risk, PMFL has implemented effective waste management system by implementing end-to-end operations generate Fly ash, ETP Sludge, Paper waste and Plastic waste and treat them responsibly.</p>	<p>Negative</p> <p>Poor waste management practices can result in significant financial risks for a company operating in the dairy industry. The production process generates substantial waste, including manure, wastewater, packaging materials, and by-products from processing activities.</p>
4.	Product Quality and Safety				
		Risk and Opportunity	<p>Product quality and safety can pose both risks and opportunities for our Company. Here are some reasons:</p> <p>Risk:</p> <p>Food safety concerns, Cost of compliances, include hiring personnel, implementing quality control measures, and investing in technology to ensure product safety.</p> <p>Opportunity:</p> <p>Our Company differentiates themselves from competitors and establish a competitive advantage. Consumers are willing to pay more for products that are perceived to be of higher quality and safe. Prioritizing product quality and safety encourages innovation and differentiation within the industry.</p>	<p>Implementing quality control measures, Investing in technology, Developing a robust crisis management plan, educating employees and collaborating with regulators.</p>	<p>Positive and Negative</p> <p>Positive</p> <p>Prioritizing product quality and safety creates strong positive financial implications for the company. By differentiating themselves from competitors through superior quality and safe products, the company is able to build greater trust and loyalty among consumers, leading to more stable and consistent sales volumes. A strong focus on quality and safety encourages internal innovation and continuous improvement, resulting in the development of new and improved products that can capture additional market share.</p> <p>Negative</p> <p>Food safety concerns and the associated cost of compliances can lead to significant negative financial implications for a company.</p> <p>Implementing strict quality control measures and acquiring advanced technologies for monitoring, testing, and traceability require substantial capital investment.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Customer Welfare	Opportunity	Customer welfare presents a significant opportunity for our Company to improve their financial performance and grow their business. By prioritizing customer needs, dairy companies can build trust and loyalty with customers, increase sales and revenue, and enhance their brand reputation and market positioning, which can all contribute to long-term success.	-	<p>Positive</p> <p>Focusing on customer welfare has positive financial implications for a company in the dairy industry.</p> <p>By ensuring that products are safe, nutritious, and responsibly produced, the company builds stronger trust and loyalty among consumers, leading to repeat purchases and long-term customer relationships.</p> <p>As part of our commitment to public health and well-being, the company places a strong emphasis on addressing nutritional deficiencies through our product offerings. By delivering high-quality, nutrient-rich dairy products, we aim to support better nutrition outcomes across the communities we serve.</p> <p>This proactive approach not only aligns with our mission to promote healthier lifestyles but also plays a vital role in enhancing customer trust and loyalty.</p>
6.	Competitive Behaviour	Opportunity	Competitive behaviour is an opportunity for our Company, as it can lead to innovation, increased market share, improved efficiency, higher customer satisfaction, and overall industry growth.	-	<p>Positive</p> <p>Competitive behaviour creates positive financial implications for the company by driving innovation, operational improvements, and market expansion.</p> <p>In responding to competition, the company is encouraged to develop better products, optimize processes, and enhance customer service-actions that attract new customers and strengthen existing customer loyalty. As part of this strategy, the company is actively prioritizing new product development, ensuring that it remains agile and responsive to evolving consumer needs and market trends.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Data Privacy and Security				
		Risk	<p>Ensuring the security of data across the entire value chain—particularly customer data—is critical to the continuity and integrity of our business operations. Any breach of data privacy could lead to the exposure of sensitive company information, resulting in potential fraud, operational disruptions, and reputational damage.</p> <p>With the company's product-Avatar also being sold through online platforms, the importance of robust data privacy and cybersecurity measures is significantly heightened. We continue to invest in advanced IT infrastructure, secure payment systems, and compliance with relevant data protection regulations to mitigate these risks and uphold the trust our customers place in us.</p>	<p>The Company has implemented a cyber security policy to prevent any possible cyber-attack, data breach or any sabotage attempt to disrupt business processes.</p> <p>The Company has also developed a proper business continuity plan which includes building of redundancy for entire IT infrastructure and network.</p>	<p>Negative</p> <p>Data breaches pose significant financial risks to the company, including potential regulatory fines, legal liabilities, and operational disruptions—particularly critical given our growing online presence through the Avatar brand.</p> <p>A serious breach can lead to loss of customer trust, reduced sales, and long-term reputational damage.</p> <p>These risks underscore the importance of robust data protection measures as a key element of our business continuity and financial resilience strategy.</p>

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct ('NGBRC') Principles and Core Elements.

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c) Web Link of the Policies, if available	https://www.paragmilkfoods.com/investors.php under Corporate Governance > Policies tab								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes, the Company has translated the policies into procedures.								
3.	Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes, these extend to value chain partners wherever it is relevant and to the extent applicable.								
4.	Name of the national and international codes /certifications/ labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Our Company's operations adhere to the NGBRC.	Food Safety Management System ISO: 22000:2018, Halal Certificate 1500-2019.	Occupational Health and Management Systems OHSAS 45001:2018.	Our Company's operations adhere to the National Guidelines on Responsible Business	Our Company's operations adhere to the NGBRC.	Environmental Management Compliance System ISO:14001:2015, Certification on Energy Management 50001:2018.	Our Company's operations adhere to the NGBRC.	Our Company's operations adhere to the NGBRC.	Our Company's operations adhere to the NGBRC.

5. Specific commitments, goals and targets set by the entity with defined timelines, if any-

Specific commitments, goals and targets	Base Year	Target Year	Expected Results
<p>Environment</p> <p>Water Management To optimise water management practices and ensure the efficient and sustainable use of water resources within our company.</p>	2024-25	2026-27	<p>Reduction in Water Consumption By the year 2027, we are committed to achieving a 10% reduction in the water required for each litre of milk processing. This initiative aligns with our broader sustainability objectives and reflects our ongoing efforts to optimize water use across our operations.</p> <p>Increase in Water Recycling We aim to increase the recycling of water by 10% by 2027. This strategy will contribute significantly to enhancing resource efficiency and reducing our environmental footprint, ensuring that we meet both operational needs and sustainability targets.</p>
<p>Waste Management To establish effective waste management practices within our company, focussing on waste reduction, recycling responsible disposal and minimising environment impacts.</p>	2024-25	<p>Short Term Target-2027-28</p> <p>Long Term Target-2029-30</p>	<p>Waste Reduction We aim to reduce overall waste generation by 10% by the year 2027 through structured process optimization and targeted waste reduction initiatives. This approach reflects our commitment to operational efficiency and environmental responsibility.</p> <p>Increase in Waste Recycling We are enhancing our waste recycling efforts by promoting the reuse of materials within our operations and actively exploring opportunities to implement circular economy practices. These efforts are intended to reduce landfill dependency and promote sustainable resource use.</p> <p>Packaging Material Optimization Our goal is to improve overall packaging material consumption by 2% by 2026, with a longer-term objective of achieving a 5% improvement per metric ton by the year 2030. These targets will be met through innovations in packaging design and material efficiency.</p> <p>Transition to Recyclable Packaging We are committed to transitioning to 100% recyclable packaging materials by the year 2030. This initiative supports our broader environmental goals and reinforces our dedication to sustainable product stewardship.</p>
<p>Energy Management To achieve efficient energy management practices within our company, focussing on optimising energy use, reducing consumption, promoting energy efficiency and increasing the adoption of renewable energy sources.</p>	2024-25	<p>Short Term Target-2027-28</p> <p>Long Term Target-2029-30</p>	<p>Green Energy Sourcing By 2027, we aim to source 45% of our electricity from green energy solutions, including solar and biogas. Looking ahead, our goal is to ensure that 75% of our total electrical energy comes from renewable sources, and by 2030, we plan to source 50% of our overall energy needs-including thermal and electrical energy-from clean and sustainable sources.</p>

5. Specific commitments, goals and targets set by the entity with defined timelines, if any-

Specific commitments, goals and targets	Base Year	Target Year	Expected Results
			<p>Reduction in Non-Renewable Energy Consumption</p> <p>We are targeting a 20% reduction in non-renewable energy consumption through strategic investments in renewable energy infrastructure, such as the installation of solar panels and biogas plants. In addition, we are actively exploring green energy procurement partnerships to accelerate our transition toward a low-carbon energy mix.</p> <p>Energy Monitoring and Reporting</p> <p>To support our energy efficiency goals, we will implement comprehensive energy monitoring and reporting systems. These systems will help track consumption patterns, identify opportunities for energy optimization, and improve accountability across operations.</p>
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met			<ul style="list-style-type: none"> Achieved a 52% increase in energy usage from renewable sources, demonstrating our strong commitment to clean energy adoption. Recorded a 13.5% reduction in particulate matter from air emissions, contributing to improved air quality and environmental performance. Attained a 29% decrease in Scope 1 and Scope 2 greenhouse gas emissions compared to the previous year, reflecting ongoing efforts in energy efficiency and emission control. Continued to increase the use of renewable resources across operations to reduce environmental impact. Upheld our product commitment to customer welfare by focusing on high-quality, responsibly sourced products that align with our sustainability values

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>"At Parag Milk Foods Limited, we believe that sustainable growth is the foundation of long-term success. Over the past year, we have taken decisive steps to reduce our environmental footprint while delivering value to our customers and communities. We achieved a 52% increase in energy consumption from renewable sources, a 29% reduction in Scope 1 and Scope 2 emissions, and a 13.5% decrease in particulate matter from air emissions. These achievements are a direct result of our investments in solar and biogas energy, use of wood briquettes, and adoption of more eco-friendly refrigerants. Our biogas generation initiatives-across ETP plants and farms-not only support internal energy needs but also empower over 250 milk producers through integrated renewable energy systems, reducing their dependence on conventional fuels. We are proud to say that these efforts reflect our unwavering commitment to environmental responsibility.</p> <p>In parallel, we continue to prioritize customer welfare by focusing on nutrition, product quality, and sustainable sourcing. With a strong emphasis on new product development, we are responding to evolving consumer needs while maintaining high standards of hygiene, sanitation, and quality control. Our competitive approach drives continuous improvement across operations, from packaging innovations to waste reduction and water conservation. By reducing water consumption per litre of milk, increasing water recycling, and transitioning toward 100% recyclable packaging by 2030, we are not just meeting compliance-we are shaping a future our stakeholders can be proud of. These efforts reflect our mission to grow responsibly while creating lasting positive impact for our customers, partners and the planet."</p> <p style="text-align: right;">- Pritam Shah, Managing Director (DIN: 01127247)</p>
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8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).** The Risk Management Committee is the highest authority responsible for implementation and oversight of the Business Responsibility policies.

9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details** Risk Management Committee ('RMC') is entrusted with the task of making decisions on sustainability-related issues. In addition to this, the committee ensures that the organization adheres to all applicable sustainability regulations and laws and takes necessary action on related issues.

Name	Designation
Ms. Radhika Dudhat *	Non-Executive - Independent Director
Mr. Pritam Shah	Managing Director
Mr. Nitin Dhavalikar	Non-Executive - Independent Director
Mr. Dnyanesh Darshane #	Non-Executive - Independent Director
Ms. Akshali Devendra Shah	Executive Director
Ms. Namrata Garud @	Non- Executive - Independent Director

* Ms. Radhika Dudhat ceased to be Chairperson and Member of RMC w.e.f. May 2, 2025.

Mr. Dnyanesh Darshane recategorized as Chairman of RMC w.e.f. May 2, 2025.

@ Ms. Namrata Garud inducted as a member of RMC w.e.f. May 2, 2025.

10. Details of Review of NGRBC by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	Yes																		Half yearly
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes																		Half yearly

11. Independent assessment/ evaluation of the working of its policies by an external agency:

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes, all the policies of the Company are internally evaluated. J. Sundharesan and Associates, specialising in Compliance, Governance and Sustainability advisory has reviewed/ assessed the working of the policies.									

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

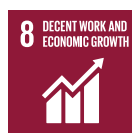
NGRBC Principle-wise Mapping

Principle	Description	Parag Milk Foods
P1	Ethics, Transparency and Accountability: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<ul style="list-style-type: none"> • Anti Corruption Policy • Whistle Blower Policy • Policy on Code of Conduct for Board Directors and Senior Management • Policy on prohibition of Insider Trading • Policy on Determining Materiality of an Event • Policy on Related Party Transactions • Cybersecurity Policy • Code of practices and procedures for fair disclosure of UPSI
P2	Product Lifecycle Sustainability: Businesses should provide goods and services in a manner that is sustainable and safe.	<ul style="list-style-type: none"> • Policy on Code of Conduct for Board Directors and Senior Management • Suppliers Code of Conduct • Health and Safety Policy • Environment Policy • Human Rights Policy
P3	Employee Well-being: Businesses should respect and promote the well-being of all employees, including those in their value chains.	<ul style="list-style-type: none"> • Health and Safety Policy • Human Rights Policy • POSH Policy • Whistle Blower Policy
P4	Stakeholder Engagement: Businesses should respect the interests of and be responsive to all its stakeholders.	<ul style="list-style-type: none"> • Suppliers Code of Conduct • Whistle Blower Policy • Policy on Corporate Social Responsibility • Stakeholder Management Policy • Anti-Corruption Policy
P5	Promoting Human Rights: Businesses should respect and promote human rights.	<ul style="list-style-type: none"> • Health and Safety Policy • Human Rights Policy • POSH Policy • Anti Corruption Policy
P6	Protection of Environment: Businesses should respect and make efforts to protect and restore the environment.	<ul style="list-style-type: none"> • Environment Policy
P7	Responsible Policy Advocacy: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	<ul style="list-style-type: none"> • Policy on Corporate Social Responsibility • Policy on Responsible Advocacy • Anti-Corruption Policy
P8	Support Inclusive Growth: Businesses should promote inclusive growth and equitable development.	<ul style="list-style-type: none"> • Policy on Board Diversity • Human Rights Policy • Policy on Corporate Social Responsibility
P9	Providing Customer Value: Businesses should engage with and provide value to their consumers in a responsible manner.	<ul style="list-style-type: none"> • Cybersecurity Policy • Whistle Blower Policy

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

The purpose of this section is to assist entities in showcasing their ability to effectively incorporate the principles and core elements into critical processes and decisions. The Company has complied with all mandatory disclosures stipulated under the Business Responsibility and Sustainability Reporting (BRSR) framework. Moreover, the Company is currently in the process of disclosing leadership indicators in its forthcoming financial years.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE



A) ESSENTIAL INDICATORS:

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes #
Board of Directors	8	<ul style="list-style-type: none"> Governance and Regulatory Compliance Requirements ESG parameters and targets Overview of the operations of the plants Periodic review of the Company's businesses Prospects for the dairy industry 	100%
Key Managerial Personnel	10	<ul style="list-style-type: none"> Corporate governance practices ESG matters Update of laws applicable to Company Code of conduct Compliance Related (POSH + Insider Trading) 	100%
Employees other than BOD and KMPs	434	<ul style="list-style-type: none"> Corporate Induction Sales Training Product Knowledge HRMS Compliance Related (POSH + Insider Trading) Skill Upgradation 	100%
Workers	260	GMP, HACCP, Personal Hygiene, Energy Conservation and Department, Operation, Safety, FOSTAC	100%

(GMP-Good Manufacturing Practice, HACCP-Hazardous Analysis and Critical Control Points, FOSTAC-Food Safety Training and Certification)

As applicable in respective Category

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

MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding fee					There were no fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the Company or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions during FY 2024-25 which were material as specified in Regulation 30 (4) (i) (c) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.

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

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

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

4. Anti-corruption or Anti-bribery policy:

<p>Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.</p>	<p>Yes, our Company has an anti-corruption or anti-bribery policy. This policy is applicable to all employees, members of the Board of Directors, Key Management Personnel (KMP), business partners, vendors, consultants, agents and any other individuals or entities acting on behalf of the Company. It ensures that everyone associated with the Company upholds the same values of honesty, accountability and lawful behaviour, regardless of their role or seniority.</p> <p>The policy outlines specific expectations and responsibilities, compelling all covered individuals to act ethically and transparently in their day-to-day activities. It prohibits any form of bribery, facilitation payments, kickbacks or other corrupt practices, whether direct or indirect. It also emphasizes that all financial transactions must be properly documented and in full compliance with applicable laws and internal controls, to prevent the misuse or concealment of funds.</p> <p>Importantly, the policy includes specific provisions for the Board of Directors and Key Management Personnel, requiring them to lead by example and ensure full compliance with the Company's Code of Conduct. These leaders are expected to actively promote ethical behaviour, oversee the policy's implementation and support ongoing training and awareness efforts across the organization.</p> <p>By instituting this policy, the Company reinforces its zero-tolerance approach to corruption and bribery. Violations of the policy will result in strict disciplinary measures, including potential termination, legal action and reputational consequences. The Company also encourages employees and stakeholders to report any suspected unethical behaviour through appropriate channels, with the assurance of confidentiality and protection against retaliation.</p> <p>The Policy can be accessed at https://www.paragmilkfoods.com/policy.php?id=64</p>
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5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	NIL
KMPs	Nil	NIL
Employees	Nil	NIL
Workers	Nil	NIL

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

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	NIL	NA

7. Corrective Actions:

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

Not applicable, since no fines, penalties or actions were imposed by regulatory, law enforcement or judicial authorities on cases related to corruption and conflicts of interest. The Company has established policies, processes, systems and monitoring mechanisms to ensure compliance, which are regularly reviewed and updated with global best practices. The implementation of these policies is ensured through regular training, communication and awareness-building sessions.

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

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)*
Number of days of accounts payables	32.10	33.07

9. Open-ness of business

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

Parameter	Metrics	FY 2024 -25 (Current Financial Year)	FY 2023 -24 (Previous Financial Year)*
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of Trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 Trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sale to dealers / distributed as % of total sales	65.20%	65.42%
	b. Number of dealers / distributions to whom sales are made	5,152	4,232
	c. Sales upto 10 dealers / distributors as % of total sales to dealers / distributors	22.55%	22.64%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.50%	1.96%
	b. Sales (Sales to related parties / Total Sales)	0.19%	0.06%
	c. Loans and advances (Loans and advances given to related parties / Total loans and advances)	23.72%	7.77%
	d. Investments (Investments in related parties / Total Investments made)	95.75%	95.75%

Note- Last year's figures have been revised as per the guidelines issued in industry standards note

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE



A) ESSENTIAL INDICATORS:

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Not Applicable
Capex	2.71%	2.33%	<p>Investment in Emission Control: Installation and Commissioning of Electrostatic Precipitator (ESP)-</p> <p>An investment of ₹2.5 crore was made towards the successful installation and commissioning of an Electrostatic Precipitator (ESP), an advanced air pollution control technology designed to remove suspended particulate matter from boiler flue gases.</p> <p>In compliance with the Central Pollution Control Board (CPCB) norms, which mandate particulate emission levels below 75 PPM, the installed ESP has enabled us to achieve emissions of less than 30 PPM. This significant improvement reflects the effectiveness of our design engineering, meticulous project execution, and our strong commitment to environmental compliance.</p> <p>Visible improvements have been observed in ambient air quality, particularly in the reduction of chimney smoke and the enhanced cleanliness of the surrounding farmland. This initiative represents a major milestone in our ongoing commitment to sustainability and responsible industrial practices.</p>

2. Sustainable sourcing:

<p>Does the entity have procedures in place for sustainable sourcing? (Yes/No)</p>	<p>Commitment to Sustainable Sourcing</p> <p>Our Company is committed to sustainable sourcing by cultivating strong, ethical relationships with suppliers, vendors and service providers. We believe that responsible procurement practices are essential to building long-term value and ensuring the well-being of all stakeholders involved in our supply chain.</p> <p>Empowering Dairy Farmers</p> <p>Dairy farmers represent a vital link in our supply chain. Engaging directly with them provides a unique opportunity to address pressing sustainability challenges while co-creating resilient and sustainable value chains. Through close collaboration, we aim to enhance farmers' livelihoods and strengthen the overall stability of our operations.</p> <p>Efficient Procurement and Logistics</p> <p>Recognizing the perishable nature of milk, we prioritize direct procurement from farmers to ensure freshness and quality. Our state-of-the-art logistics infrastructure enables rapid transportation to chilling centers, preserving the nutritional value of milk and significantly reducing waste across the supply chain.</p> <p>Environmentally Responsible Sourcing Strategy</p> <p>Sustainability is integrated into every step of our sourcing strategy. By adopting environmentally responsible practices, we not only support the efficient delivery of fresh milk to millions of consumers but also contribute to lowering our ecological footprint. This holistic approach ensures that our operations benefit both the environment and the communities we serve.</p>
<p>If yes, what percentage of inputs were sourced sustainably?</p>	<p>100%</p>

3. Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life:

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

Since we are dairy based company, our products are of perishable nature (consumption base) they are not meant to be recycled. However, during our production process, we recycle effluent water used in our production facilities for washing milk storage tankers and crates, gardening etc

(a) Plastics (including packaging)

Our Company engages with certified waste handlers for disposal of Plastic waste. Plastic waste is recycled through EPR and hazardous waste gets disposed of through certified vendors. In case of other waste which includes food waste, it gets converted to manure.

(b) E-waste

As an environmentally responsible organization, the Company is disposing off Electronic Waste to Authorised IT Dismantling, Refurbishing and Servicing Facility after using up to maximum period. The Company receives disposable and re-cycling certificates from the respective e-waste vendors.

(c) Hazardous waste:

Once the batteries reach the end of its life cycle, it is disposed off to authorised vendors under buyback policy with OEM's and used oil is handed over to the government authorised registered recycler.

(d) Other waste:

Our Company engages with certified waste handlers for disposal of waste. The Company receives disposable and re-cycling certificates from the respective waste vendors.

The Company follows 3R's principles i.e., 'Reduce', 'Recycle' and 'Recover' to be environmentally sustainable.

4. Extended Producer Responsibility (EPR) plan:

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

Yes.

Our Company is committed to circularity in waste management. The company received registration certificate for Brand Owner from Central Pollution Control Board in the month of June 2022, Reg number: Regn.No.BO-15-000-06-AABCP0425G-22. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

Collection targets set and met for FY 2024-25 are as follows:

Sl. No	Financial Year	2024-25(Quantity in MT)			
		Cat-I	Cat-II	Cat-III	Cat-IV
1	State/UT				
	CPCB	1,432.01	461.16	766.87	-
	Total	1,432.01	461.16	766.87	-
	Grand Total	1,432.01	461.16	766.87	-

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS



A) ESSENTIAL INDICATORS:

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,398	864	61.80%	331	23.68%	-	-	-	-	-	-
Female	165	84	50.91%	50	30.30%	165	100%	-	-	-	-
Total	1,563	948	60.65%*	381	24.38%	165	10.56%	-	-	-	-
Other than Permanent employees											
Male	229	229	100%	229	100%	-	-	-	-	-	-
Female	287	287	100%	287	100%	-	-**	-	-	-	-
Total	516	516	100%	516	100%	-	-	-	-	-	-

*The company has provided all employees to avail the option of Company's health insurance coverage. Few employees have decided to opt out of the Company's health insurance coverage and have opted for external health insurance policies.

**Other than permanent employees consist of contract workers who are not provided maternity benefits directly by the Company, as the responsibility for payment lies with the contractor.

B) Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	405	382	94.32%	405	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	406	383	94.33%	406	100%	-	-	-	-	-	-
Other than Permanent workers											
Male	145	131	90.34%	145	100%	-	-	-	-	-	-
Female	196	149	76.02%	196	100%	-*	-	-	-	-	-
Total	341	280	82.11%	341	100%	-	-	-	-	-	-

*Consist of contract workers who are not provided maternity benefits directly by the Company, as the responsibility for payment lies with the contractor.

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

	Current Financial Year*	Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	1.9%	3.4%

*includes staff welfare expenses incurred on canteen facilities and uniforms for employees and workers.

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

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others please specify	-	-	-	-	-	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Yes, the offices are accessible to all its employees including persons with disabilities. The employees are frequently consulted to improve and manage the mobility needs of people with disabilities.
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4. Equal Opportunity Policy:

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.	The Human Rights Policy provides guidance to be fair and act against discrimination. Discrimination on the basis of race, sex, religion, age, disability, national origin, or other such factors is an explicit violation of this Policy. https://www.paragmilkfoods.com/policy.php?id=67
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5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	50%	100%	NA	NA
Total	50%	100%	NA	NA

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has a whistle blower and Protection policy in place which provides guidance to raise a complaint in case of any concerns.
Other than Permanent Workers	Yes, Non-permanent workers on our Company's plants are contracted via 3 rd party and their grievance redressal mechanism rests with the contractors. The company ensures that all norms and regulations while working on plants are met.
Permanent Employees	Yes, the Company has a whistle blower and Protection policy in place which provides guidance to raise a complaint in case of any concerns.
Other than Permanent Employees	Vendors/contractors are governed under the agreements / contracts signed off. In case of any grievance, they can approach the concerned head of Department or HR directly.

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/C)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,563	-	-	1,219	-	-
Male	1,398	-	-	1,087	-	-
Female	165	-	-	132	-	-
Total Permanent Workers	406	-	-	553	-	-
Male	405	-	-	538	-	-
Female	1	-	-	15	-	-

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24* (Previous Financial Year)				
	Total (A)	On Health and safety		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1,627	1,627	100%	1,627	100%	1,154	1,154	100%	1,154	100%
Female	452	452	100%	452	100%	189	189	100%	189	100%
Total	2,079	2,079	100%	2,079	100%	1,343	1,343	100%	1,343	100%
Workers										
Male	550	550	100%	550	100%	669	669	100%	669	100%
Female	197	197	100%	197	100%	164	164	100%	164	100%
Total	747	747	100%	747	100%	833	833	100%	833	100%

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24* (Previous Financial Year)		
	Total (A)**	No. (B)	% (B / A)	Total (C)**	No. (D)	% (D / C)
Employees						
Male	1,627	1,398	86%	1,154	1,087	94%
Female	452	165	37%	189	132	70%
Total	2,079	1,563	75%	1,343	1,219	91%
Workers						
Male	550	405	74%	669	538	80%
Female	197	1	0.5%	164	15	9.15%
Total	747	406	54%	833	553	66%

**Only permanent employees and permanent workers are provided performance and career development reviews.

10. Health and safety management system:

S. no	Particulars	Response
a)	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	<p>Our Company is dedicated to ensuring the health, safety and overall well-being of its employees through the implementation of the Occupational Health and Safety Assessment Series (OHSAS) framework. As part of this commitment, regular awareness sessions are conducted to educate employees on various safety-related aspects, promoting a culture of safety and responsibility in the workplace.</p> <p>In addition to general safety training, the Company provides specialized instruction in key operational areas such as Hazard Analysis and Critical Control Points (HACCP) and Total Productive Maintenance (TPM), reinforcing our focus on both preventive risk management and operational excellence.</p> <p>Recognizing that employee well-being extends beyond physical safety, the Company actively supports mental health by organizing programs and interactive sessions with well-being experts and medical professionals.</p>
b)	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	<p>All work-related hazards associated with routine activities are systematically identified and assessed through the Hazard Identification and Risk Assessment (HIRA) process. Based on this assessment, appropriate control measures are implemented to mitigate or eliminate potential risks. The site-specific risk register is regularly reviewed and updated to reflect any changes in operations or newly identified hazards.</p> <p>In addition to internal evaluations, the Company conducts regular audits—either independently or at the request of customers—to identify both routine and non-routine work-related hazards. These audits play a critical role in ensuring ongoing compliance, maintaining workplace safety, and fostering a proactive approach to risk management.</p>
c)	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	<p>Our Company has clear processes for reporting work-related hazards to their supervisors or designated safety officers. These processes includes both formal reporting mechanisms, such as incident reports, and informal reporting mechanisms, such as verbal reporting. Workers are also trained on how to identify and report hazards in their workplace.</p> <p>Additionally, regular safety audits and training are conducted to ensure workers are aware of and follow these processes.</p>
d)	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Each location has undertaken various certifications and follow the Group policy towards employee safety and wellbeing.

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

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
		(Current Financial Year)	(Previous Financial Year)*
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	5.2 lakh man safe hours and LTI -0	18.3 lakh man safe hours and LTI -0
	Workers	8.9 lakh man safe hours and LTI -0	44 lakh man safe hours and LTI -0
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Measures to ensure a safe and healthy workplace:

Describe the measures taken by the entity to ensure a safe and healthy workplace.	<p>To ensure a safe and healthy workplace, our Company has implemented several measures.</p> <ul style="list-style-type: none"> • Firstly, regular safety audits and risk assessments are conducted to identify and address potential hazards. • Secondly, workers receive comprehensive safety training and be equipped with appropriate personal protective equipment. • Thirdly, the entity has established clear protocols for reporting and addressing work-related hazards, as well as mechanisms for workers to provide feedback and suggest improvements. • Fourthly, regular health checks and medical screenings are provided to workers to identify and address any health issues. <p>Lastly, the entity has established safety culture by promoting safety and health awareness among workers.</p>
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13. Number of Complaints on the following made by employees and workers:

	FY (2024-25)			FY (2023-24)		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health and Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

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

15. Corrective Actions:

Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.	The Company has been following standard operating procedures to comply with state/local level regulations and ensure safety and hygiene protocols.
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PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS



A) ESSENTIAL INDICATORS:

1. Identification of stakeholder group:

Describe the processes for identifying key stakeholder groups of the entity	<p>The stakeholder identification process enables Parag to recognize and engage with stakeholders on following parameters:</p> <p>Dependency- Includes individuals or groups directly or indirectly reliant on the Company's activities, products, services, or performance.</p> <p>Also includes stakeholders whose support or involvement is essential for Parag to operate effectively.</p> <p>Legal, commercial, operational or ethical/moral relevance- Stakeholders to whom the Company has existing or potential legal, commercial or moral obligations. This category ensures the Company acts responsibly and transparently across its relationships.</p> <p>Impact decision-making- Stakeholders who have ability to affect the Company's strategic or operational directions, either through advocacy, regulation, partnership or other means.</p> <p>Engaging these stakeholders helps mitigate risks and align interests.</p>
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2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes /No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> • Annual General Meeting • Shareholder meets • Email • Stock Exchange (SE) Intimations • Investor/analysts meet • Conference calls • Annual report • Quarterly results • Media releases • Company/SE website • Notice • Newspaper advertisements • One-on-one interaction • Customer satisfaction survey • Feedback surveys and calls post redressal of complaints • Customer service helpline 	Quarterly, Half yearly, Annually and Event based	<ul style="list-style-type: none"> • Share price appreciation, dividends, profitability and financial stability • Robust ESG practices, climate change risks, cyber risks, growth prospects • Queries/suggestions/ assurance/complaints etc • Understanding shareholder expectations

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes /No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government/ Regulatory authorities	No	<ul style="list-style-type: none"> E-mails and letters Conferences Industry forums Regulatory filings Meetings with officials Representations 	On periodical basis as provided under relevant legislations	In relation to Compliances with applicable laws, Industry concerns, changes in regulatory frameworks, skill and capacity building, employment
Customers	No	<ul style="list-style-type: none"> Partnering with them in their journey from products to services One-on-one interaction Customer satisfaction survey Feedback surveys and calls post redressal of complaints. Customer service helpline Email, Telephone and physical and VC Meetings 	Fortnightly and requirement basis	<ul style="list-style-type: none"> Queries/suggestions/ assurance/complaints etc Understating the customers' requirements
Employees	No	<ul style="list-style-type: none"> Personalised learning and development programmes Regular performance review and feedback One-on-one engagement, townhall meetings Employee engagement surveys. Programmes catered around overall wellbeing Intranet Portal Emails, Notice Board, Meetings 	Daily	Hearing of all employee concerns, conducting meetings, People voice meeting, Suggestion Schemes, Conducting enquiries
Bankers	No	<ul style="list-style-type: none"> Periodical Meetings Periodical Reports Emails One-on-one engagement 	Requirement basis	<ul style="list-style-type: none"> Understand the banking compliance Maintaining rapport with our bankers Banking/Credit facilities.
Community	No	<ul style="list-style-type: none"> Collaboration with non-governmental organisations (NGOs) Field visits CSR and sustainability initiatives Skill development One-on-one interactions 	Periodically	Integrated water management, clean water, Natural Resource Management, community development, livelihood support, disaster relief, Education, Skill development.
Waste Collection Agents	No	<ul style="list-style-type: none"> Emails Need based meetings 	Requirement basis	Compliance to legal requirements, to carry out sound management of the waste generated by the Company

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes /No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Subsidiaries	No	<ul style="list-style-type: none"> • Emails • Need based meetings • Periodical Reports 	Quarterly and Requirement basis	Discussions on major Investment/ expansion plans, sharing of performance data, facilitate decision making on major topics.
Peers	No	<ul style="list-style-type: none"> • Industry events and conferences • Trade associations and industry groups • Market research and analysis • Benchmarking studies 	Requirement basis	To provide considerations and share insights on global developments
Board of Directors	No	<ul style="list-style-type: none"> • Board Meetings - Engage with Board members through regular board meetings, either in person or virtually, to discuss company performance, strategy, and challenges. Meetings usually happen on a regular basis, such as quarterly • Board Committees - Engage with Board committee members, such as Audit, CSR, and Risk Management committees, for more focused updates and discussions on specific areas of the company's operations • Board Reports - Provide regular reports to the Board on company performance and progress towards strategic goals. Reports may include financial updates, key performance indicators, or other relevant information • Informal Updates - Provide informal updates to Board members on an ongoing basis through channels such as emails, phone calls, or meetings outside of regular Board meetings 	Quarterly and on any event/need basis	Company's business operations, planning, strategies etc.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS



A) ESSENTIAL INDICATORS:

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1,563	1,563	100%	1,219	1,219	100%
Other than permanent	516	516	100%	124	124	100%
Total Employees	2,079	2,079	100%	1,343	1,343	100%
Workers						
Permanent	406	406	100%	553	553	100%
Other than permanent	341	341	100%	280	280	100%
Total Workers	747	747	100%	833	833	100%

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

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	1,398	-	-	1,398	100%	1,087	-	-	1,087	100%
Female	165	-	-	165	100%	132	-	-	132	100%
Other than Permanent										
Male	229	-	-	229	100%	67	-	-	67	100%
Female	287	-	-	287	100%	57	-	-	57	100%
Workers										
Permanent										
Male	405	-	-	405	100%	538	-	-	538	100%
Female	1	-	-	1	100%	15	-	-	15	100%
Other than Permanent										
Male	145	-	-	145	100%	131	-	-	131	100%
Female	196	-	-	196	100%	149	-	-	149	100%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Crore per annum)	Number	Median remuneration/ salary/ wages of respective category (₹ in Crore per annum)
Board of Directors (BoD)	6*	0.32	2*	1.06
Key Managerial Personnel	1**	0.28	-	NA
Employees other than BoD and KMP	1,397	0.05	165	0.04
Workers	405	0.03	1	0.02

*Board of Directors consists of Chairman, MD, one Executive Director and Five Non-Executive Directors

**KMP includes only Company Secretary

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

	FY 2024 -25 Current Financial Year	FY 2023 -24 Previous Financial Year
Gross wages paid to females as % of total wages	4%	7%

4. Focal point for addressing human rights:

Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)	Yes, the Company has established dedicated teams within its Human Resources Department at the various operating facilities, which are tasked with addressing any human rights concerns that may arise.
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5. Internal mechanisms in place to redress grievances related to human rights issues:

Describe the internal mechanisms in place to redress grievances related to human rights issues.	<p>Grievance Reporting Mechanism: The Company has implemented a confidential and accessible complaints system through which employees, stakeholders, or affected individuals can report human rights-related concerns. This mechanism is designed to ensure anonymity, where requested, and ease of access for all individuals.</p> <p>Investigation and Remedial Action: Upon receiving a complaint, a dedicated internal team promptly initiates an investigation to assess the validity and seriousness of the issue. Based on the findings, appropriate remedial actions are taken to resolve the matter in a fair and timely manner.</p> <p>Employee Awareness and Training: All employees receive regular training and resources related to human rights, ethical conduct, and respectful workplace behaviour. These initiatives aim to promote a culture of inclusion, dignity, and mutual respect across the organization.</p> <p>Monitoring and Audits: The Company conducts periodic internal assessments and third-party audits to evaluate compliance with human rights policies. These evaluations help in identifying gaps and areas for continuous improvement.</p> <p>Stakeholder Engagement: The Company maintains open and ongoing communication with key stakeholders, including local communities, civil society organizations, and relevant government bodies. This ensures that grievances from external parties are also captured and addressed effectively.</p> <p>Commitment to Inclusivity: Through these mechanisms, the Company reinforces its commitment to upholding human rights and fostering an inclusive and equitable work environment for all.</p>
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6. Number of Complaints on the following made by employees and workers:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Prevention of discrimination and harassment cases:

Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases	Our Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. Our Company encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. Necessary disclosures in relation to the sexual harassment complaints received and redressal thereof are provided in our Integrated Annual Report. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of the aspects of sexual harassment and of the redressal mechanism.
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9. Human rights requirements forming part of your business agreements and contracts:

Do human rights requirements form part of your business agreements and contracts? (Yes/No)	Yes. Our Company ensures that its suppliers/contractors comply with the law of the land regarding human rights by getting such clauses incorporated in their respective contracts/ agreements.
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10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	None

11. Corrective Actions to address significant risks / concerns arising from the assessments:

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

Our company takes its commitment to human rights seriously and has established a robust Policy to address significant risks and concerns related to child labour, forced labour, sexual harassment, discrimination, and wages. This includes regular assessments to identify any potential violations and regular training for employees to promote awareness and prevent such incidents. In the event of any violations being identified, the company takes prompt and effective corrective action, which may include suspension of work, termination of contracts, or even legal action, as appropriate. Additionally, the company continuously reviews and strengthens its policies and procedures to ensure that human rights are upheld across all operations.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT



A) ESSENTIAL INDICATORS:

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

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24* (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	4,90,47,569	2,64,81,741
Total fuel consumption (B)	40,97,240	82,76,360
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	5,31,44,809	3,47,58,101
From non-renewable sources		
Total electricity consumption (D)	9,40,63,426	13,25,53,732
Total fuel consumption (E)	1,32,42,37,540	96,48,74,105
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	1,41,83,00,966	1,09,74,27,836
Total energy consumed (A+B+C+D+E+F)	1,47,14,45,776	1,13,21,85,937
Energy intensity per rupee of turnover	0.04	0.03
(Total energy consumption/ turnover in rupees)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*	0.9028	0.8208
(Total energy consumed / Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical output (Mj/Kg)**	9.15	8.28
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 and 2024 by IMF for India which is 20.66 and 22.41 respectively.

**Physical output has been calculated as the sum of total quantity of Commodities that have been produced during the year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The assessment has been carried out in-house by the Company.

2. Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India:

No, we do not have any sites/facilities as Designated Consumers (DCs) under the PAT scheme of the Government of India.

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

Parameter	FY 2024-25	FY 2023-2024*
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,08,366	42,819
(ii) Groundwater	91,028	1,99,312
(iii) Third party water	1,62,223	1,13,116
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,61,617	3,55,247
Total volume of water consumption (in kilolitres)	3,61,617	3,55,247
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000011	0.000011
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	0.0002219	0.0002567
Water intensity in terms of physical output**	0.00224	0.00257
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 and 2024 by IMF for India which is 20.66 and 22.41 respectively.

**Physical output has been calculated as the sum of total quantity of Commodities that have been produced during the year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The assessment has been carried out in-house by the Company.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – secondary level	3,72,153	4,68,363
Total water discharged (in kilolitres)	3,72,153	4,68,363

5. Mechanism for Zero Liquid Discharge:

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

Our Company is deeply committed to minimizing environmental impact and preserving natural resources for future generations. In line with this commitment, we have implemented a comprehensive Zero Liquid Discharge (ZLD) program aimed at completely eliminating liquid waste from our operations.

This initiative spans all facets of our operational processes and is specifically designed to prevent the discharge of harmful chemicals and pollutants into the environment. We have made significant investments in advanced effluent treatment and discharge systems to support this goal and we continually seek opportunities to enhance our processes and adopt cleaner technologies.

As part of our ZLD efforts, treated effluent water from our production facilities is efficiently recycled for non-potable uses such as washing milk storage tankers and crates, as well as for gardening and landscaping purposes.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	µg/m3	36	38
SOx	µg/m3	35.82	40.53
Particulate matter (PM)	µg/m3	34.82	44.77
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The assessment has been carried out in-house by the Company.

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

Parameter	Unit	FY 2024-25	FY 2023-2024*
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	81,268	1,15,254
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	24,834	34,979
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent	0.0000032	0.0000048
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent	0.0000651	0.0001089
Total Scope 1 and Scope 2 emission intensity in terms of physical output**	Metric tonnes of CO ₂ equivalent	0.00065	0.00109
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 and 2024 by IMF for India which is 20.66 and 22.41 respectively.

**Physical output has been calculated as the sum of total quantity of Commodities that have been produced during the year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The assessment has been carried out in-house by the Company.

8. Project related to reducing Green House Gas emission:

<p>Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.</p>	<ul style="list-style-type: none"> • Solar Power Agreements: We have entered into agreements for the purchase and delivery of solar power with Tata Solar Power, committing to an 8 MVA Solar Power capacity. The Power Purchase Agreement (PPA), Shareholder Agreement (SHA), and Power Delivery Agreement (PDA) have been completed. • Biogas Power Generation: Currently, we are generating 2,000 units per day from biogas produced at our Effluent Treatment Plant (ETP). This renewable energy is being used to support operations and reduce reliance on non-renewable energy sources. • Biogas for Canteen Operations: Biogas generated from our ETP is also being used in our canteen, replacing 7 LPG cylinders per day. This has led to an annual savings of 49,000 kg of LPG, demonstrating our commitment to utilizing renewable energy sources in daily operations. • Refrigeration System Upgrade: We have transitioned 1,200 TR refrigeration units from Freon to 134A, which contributes to the reduction of ozone depletion. We plan to replace all remaining Freon-based systems by 2026 to further mitigate environmental impact. • Ozone-Friendly Refrigerants: Additionally, 12 TR refrigeration units have been replaced from R22 to R407C, a more environmentally friendly alternative. We will continue replacing Freon-based refrigeration units until 2026. • Wood Briquettes for Boilers: In our efforts to reduce the use of fossil fuels, we have switched to wood briquettes for boiler operations, leading to a reduction in coal consumption by 6 tons annually. • Biogas Generation from Cow Dung: At our cow farm, we are generating 1,800 units per day of biogas from cow dung. This renewable energy contributes to both environmental sustainability and operational efficiency. • Integrated Renewable Energy and Sustainable Agriculture: In partnership with Irisoil Agro Tech Pvt. Ltd, we have launched an integrated renewable energy and sustainable agriculture scheme for our milk producers. This initiative provides household-level biogas plants, slurry filtration units, vermicomposting bags and ozola bags at no cost about 250 milk producers. As a result, these farmers no longer need to purchase gas cylinders throughout the year, reducing their dependency on non-renewable energy.
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9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-2024*
Total Waste generated (in metric tonnes)		
Plastic waste (A)	38.81 MT	65.43 MT
E-waste (B)	583.51 MT	Nil
Bio-medical waste (C)	46 Grams	46 Grams
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	1 Nos
Other Hazardous waste. Please specify, if any. (G)	Scrap Oil-2.8KL	Scrap used oil - 8.75 KL
Other Non-hazardous waste generated (H).	ETP Sludge-620 MT Fly Ash-1263.110 MT	ETP Sludge - 992 MT Fly Ash - 1853.8 MT
Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+ B + C + D + E + F + G + H)	2,508.23	2,920.98
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000074	0.000000094
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	0.00000153887	0.0000021176
Waste intensity in terms of physical output**	0.0000155	0.0000211
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2024-25	FY 2023-2024*
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste:		
(i) Recycled	38.81 MT	65.43 MT
(ii) Re-used	ETP Sludge 620 MT Fly Ash 1,263.110 MT	ETP sludge 992 MT Fly ash 1,853.8 MT
(iii) Other recovery operations	-	-
Total	1,921.92 MT	2,911.23 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste:		
(i) Incineration	100 % incinerated 46 grams of Biomedical waste	100 % incinerated 46 grams of Biomedical waste
(ii) Landfilling	-	-
(iii) Other disposal operations	Scrap used oil- 2.8 KL	Scrap used oil- 8.75 KL
Total	i) 100 % incinerated 46 grams of Biomedical waste iii) Scrap used oil- 2.8 KL	i) 100 % incinerated 46 grams of Biomedical waste iii) Scrap used oil- 8.75 KL

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 and 2024 by IMF for India which is 20.66 and 22.41 respectively.

**Physical output has been calculated as the sum of total quantity of Commodities that have been produced during the year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The assessment has been carried out in-house by the Company.

10. Waste management practices adopted in the establishment:

Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.	Our Company ensures responsible waste management practices involving 100% recycling of plastic waste as EPR, 100% Fly ash use, ETP treated water usage for Gardening and Agriculture, Safe disposal of waste across locations. Biogas generated during Effluent treatment (within the plant) is used for Cooking and Electricity generation.
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11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	The company does not have any operations/offices in/around ecologically sensitive areas.		

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

Not applicable, Environmental impact assessment of projects were not required to be undertaken by the Company during the current financial year.

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

Yes. We are compliant with the applicable environmental law / regulations / guidelines in India.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT



A) ESSENTIAL INDICATORS:

1. A) Affiliations with trade and industry chambers/ associations:

Number of affiliations with trade and industry chambers/ associations.	3
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B) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Export Organization (FIEO).	National
2.	Confederation of Indian Industries (CII)	National
3.	Indian Dairy Association	National

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

Name of authority	Brief of the case	Corrective action taken
	The Company has not engaged in any anti-competitive conduct.	

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT



A) ESSENTIAL INDICATORS:

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
This section is not applicable to the Company					

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

S. No.	Name of Project for which R and R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R and R	Amounts paid to PAFs in the FY (In INR)
This section is not applicable to the Company.						

3. Community redressal mechanism:

Describe the mechanisms to receive and redress grievances of the community.	<p>The Grievance Redressal Mechanism (GRM) plays a vital role in strengthening our relationship with the local community and supports our social license to operate, particularly in the execution of community development initiatives. As part of this mechanism, local employees are actively engaged in conducting regular visits and interactions with community members to understand and address any concerns they may have.</p> <p>These continuous engagements help us maintain open communication and foster trust. To date, no specific grievances have been reported by the community through these channels.</p>
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4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2024-25 (Current Financial Year)	FY 2023-24* (Previous Financial Year)
Directly sourced from MSMEs/ small producers	5.29%	2.02%
Directly from within India	94.51%	97.83%
Import Purchase	0.20%	0.14%

- A significant portion of the Company's raw material requirement is fulfilled through the procurement of raw milk, sourced directly from over two lakh farmers. This direct sourcing model ensures 100% sustainable sourcing and promotes rural livelihoods.
- The Company maintains strong, collaborative relationships with its suppliers, vendors, and service providers, recognizing them as integral to its growth journey. Our business practices are designed to foster inclusive growth, with a focus on embedding social, ethical, and environmental considerations into operational and strategic decision-making across the supply chain. Additionally, the Company actively works to optimize its logistics network to minimize the distance travelled by its products, thereby contributing to the reduction of transportation-related emissions.

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

Location	FY 2024-25 (Current Financial Year)	FY 2023-24* (Previous Financial Year)
Rural	54%	40.20%
Semi-urban	-	-
Urban	-	-
Metropolitan	46%	59.80%

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER



A) ESSENTIAL INDICATORS:

1. Consumer Complaints and feedback:

Describe the mechanisms in place to receive and respond to consumer complaints and feedback.	<ul style="list-style-type: none"> We are dedicated to providing our customers with the highest level of service and products. We understand that, at times, things may not go as planned, and that is why we take consumer complaints very seriously. Our commitment to listening to and addressing the concerns of our customers is unwavering. We have established a robust system for receiving and responding to consumer complaints, ensuring that all feedback is heard and acted upon in a timely manner. Our dedicated customer service team is trained to handle any situation with professionalism and empathy, and they work closely with our product teams to find solutions to any issues that may arise. We believe that every customer deserves to have their voice heard, and we are committed to providing them with the support and attention they deserve. We are proud to have built a reputation for exceptional customer service, and we will continue to prioritize the satisfaction of our customers in all that we do.
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2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

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

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

Category	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	No such complaint received during the reporting period	-	-	-
Advertising	-	-	No such complaint received during the reporting period	-	-	-
Cyber-security	-	-	No such complaint received during the reporting period	-	-	-
Delivery of essential services	299*	-	No such complaint pending at the end of the reporting period	230*	-	-
Restrictive Trade Practices	-	-	No such complaint received during the reporting period	-	-	-
Unfair Trade Practices	-	-	No such complaint received during the reporting period	-	-	-
Other	1,920**	-	No such complaint pending at the end of the reporting period	1,020**	-	-

*All consumer complaints with regards to delivery of milk have been construed under consumer complaints regarding delivery of essential services

**It includes all consumer queries, product related information and complaints, and services, received through phone, emails.

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

Particulars	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Cyber security policy:

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

The Company's approach to cyber and data privacy risks is governed by the Information Management Policy, which outlines the overarching framework for managing information security. The Privacy Policy, which forms an integral part of the Information Management Policy, is accessible to employees via Parag's Portal.

Please refer to: <https://www.paragmilkfoods.com/policy.php?id=70>

6. Corrective Actions:

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

No penalty or action taken by any authority on safety of products/services around issues relating to advertising, cybersecurity, data privacy or delivery of essential services. There have been no instances of product recalls or action taken by regulatory authorities with regards to safety of products.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches: Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Not applicable
- c. Impact, if any, of the data breaches: Not applicable

**The data for last year has been revised to incorporate updated data inputs and ensure compliance with Industry standards.*