



HEIL/SE-16/2026-27

June 29, 2026

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Script Code No. : **543600**

To,
The Manager (Listing),
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block - G,
Bandra - Kurla Complex, Bandra (E)
Mumbai – 400 051
Symbol : **HARSHA**

Dear Sir/Madam,

Ref : Business Responsibility and Sustainability Report For the Financial Year 2025-26
Sub: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report of the Company for the Financial Year ended on March 31, 2026.

The Annual Report containing the Business Responsibility and Sustainability Report also uploaded on the Company's website and can be accessed at <https://www.harshaengineers.com/InvestorRelations/financial-information.php>

You are requested to take the same on your record.

Thanking You,

Yours faithfully,

FOR HARSHA ENGINEERS INTERNATIONAL LIMITED

Kiran Mohanty
Company Secretary and Chief Compliance Officer
MEM NO. : F9907

Harsha Engineers International Limited
CIN : L29307GJ2010PLC063233

Corporate & Registered Office: Sarkhej - Bavla Road, Changodar, Ahmedabad, Sanand - 382213, Gujarat, India.
Tel.: +91-2717-618200 Fax: +91-2717-618259 E-mail: sec@harshaengineers.com URL: www.harshaengineers.com



BRSR 2025-26



Content Version : Revision 1

Document Number : BRSR –(2025-26)

Prepared by : Growlity Inc.

Section A: General Disclosures

I: Details of the listed entity

1	NSE Symbol	HARSHA	
2	BSE Scrip Code	543600	
3	MSEI Symbol	NA	
4	ISIN	INE0JUS01029	
5	Corporate Identity Number (CIN) of the Listed Entity	L29307GJ2010PLC063233	
6	Name of the Listed Entity	HARSHA ENGINEERS INTERNATIONAL LIMITED	
7	Year of incorporation	December 11, 2010	
8	Registered office address	Sarkhej - Bavla Road, Changodar, Ahmedabad, Sanand-382213, Gujarat, India.	
9	Corporate address	Sarkhej - Bavla Road, Changodar, Ahmedabad, Sanand-382213, Gujarat, India.	
10	E-mail	sec@harshaengineers.com	
11	Telephone	91-2717-618200	
12	Website	https://www.harshaengineers.com	
13	Financial year for which reporting is being done	Start date	End date
	Current Financial Year	April 1, 2025	March 31, 2026
	Previous Financial Year	April 1, 2024	March 31, 2025
	Prior to Previous Financial year	April 1, 2023	March 31, 2024
14	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited	
15	Paid-up Capital (In Rs)	910,441,050	
	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report		
16	Name of the Person	Kiran Mohanty	
	Telephone	91-2717-618200	
	Email address	sec@harshaengineers.com	
17	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis	
18	Whether the company has undertaken assessment or assurance of the BRSR Core?	Yes, Limited assurance	
19	Name of assessment or assurance provider	Growlity Inc.	
20	Type of assessment or assurance obtained	Limited assurance	



II: Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Metal and metal products	85.08%
2	Electricity, gas, steam & air condition supply	Electric power generation, transmission & distribution	14.92%

22. 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	Bearing cages, Brass Casting and Automotive Components	28140	85.08%
2	EPC and O & M of Solar Power Plant	42201	14.92%

III: Operations

23. Number of locations where plants & operations/offices of the entity are situated:

Location	Number of plants [^]	Number of offices*	Total
National	2	1	3
International	0	0	0

[^] The Company has Solar Plants and Windmills which has not been considered as plants.

*The Company has 16 warehouses which has not been considered.

24. Markets served by the entity:

A. Number of locations:

Location	Number
National (No. of States)	15
International (No. of Countries)*	31

* Here the total 31 countries do not include India.

B. What is the contribution of exports as a % of the total turnover of the entity?

- 39.14%

C. A brief on types of customers

- The Company serves a diverse mix of customers across both domestic and international markets. Our products are supplied to various businesses in different regions, which helps in maintaining a broad and stable market presence. We ensure that our products meet their required standards and specifications. By consistently supplying reliable and quality products, we have



- been able to build strong and long-term relationships with our customers.
- This helps in maintaining a balanced customer portfolio and supports business continuity. Having both domestic and international customers also allows us to expand our reach and reduce dependency on any single market. We focus on understanding customer requirements and delivering products accordingly. It emphasizes timely delivery, consistent quality, and dependable service. Regular communication and coordination with customers help in maintaining smooth operations and improving customer satisfaction.
 - Overall, we aim to maintain strong and stable relationships with our customers by ensuring reliability, quality, and continuous support in all our business interactions.

IV: Employees

25. Details as at the end of Financial Year:

A: Employees and workers (including differently abled):

S. No.	Particulars	Total(A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No.(H)	%(H / A)
EMPLOYEES								
1.	Permanent (D)	670	646	96.42%	24	3.58%	0	0
2.	Other than Permanent (E)	13	13	100.00%	0	0.00%	0	0
3.	Total employees (D + E)	683	659	96.49%	24	3.51%	0	0
WORKERS								
4.	Permanent (F)	1,075	1,055	98.14%	20	1.86%	0	0
5.	Other than Permanent (G)	1,526	1,421	93.12%	105	6.88%	0	0
6.	Total workers (F + G)	2,601	2,476	95.19%	125	4.81%	0	0

B: Differently abled Employees and workers:

S. No.	Particulars	Total(A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No.(H)	%(H / A)
DIFFERENTLY ABLED EMPLOYEES								
1.	Permanent (D)	3	3	100.00%	0	0.00%	0	0
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%	0	0
3.	Total differently abled employees (D + E)	3	3	100.00%	0	0.00%	0	0
DIFFERENTLY ABLED WORKERS								
4.	Permanent (F)	18	18	100.00%	0	0.00%	0	0
5.	Other than Permanent (G)	0	0	0.00%	0	0.00%	0	0
6.	Total differently abled workers (F + G)	18	18	100.00%	0	0.00%	0	0



26. Participation/Inclusion/Representation of Women

	Total (A)	No. and % of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20.00%
Key Management Personnel	7	1	14.29%

27. Turnover rate for permanent employees and workers

	Turnover rate in current FY (2025-26)				Turnover rate in previous FY (2024-25)				Turnover rate in the year prior to the previous FY (2023-24)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	6.41%	6.25%	0	6.40%	14.72%	4.35%	0	14.32%	13.00%	12.00%	0	13.00%
Permanent Workers	11.09%	0.00%	0	11.29%	10.39%	5.31%	0	10.32%	9.00%	0.00%	0	9.00%

V : Holding, Subsidiary and Associate Companies (Including Joint Ventures)

28. 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	Harsha Precision Bearing Components (China) Co., Limited	Subsidiary	100.00%	No
2	Harsha Engineers Europe SRL	Subsidiary	100.00%	No
3	Harsha Engineers Advantek Limited	Subsidiary	100.00%	No
4	Cleanmax Harsha Solar LLP	Joint Venture	50.00%	No

VI : CSR Details

29. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)**

- Yes

(ii) Turnover (in Rs.): **12,282,029,831**

(iii) Net worth (in Rs.) : **14,306,873,572**


VII : Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If yes, then provide web-link for grievance redress policy	FY (2025-26)			PY (2024-25)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholder) *	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders*	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	Nil	Nil	Nil	2	Nil	Nil
Employees and Workers	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	48	3	Out of three pending complaints, for two complaints the Company has	59	6	All the pending complaints are responded within 14 days of the receipt of the complaints.



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If yes, then provide web-link for grievance redress policy	FY (2025-26)			PY (2024-25)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
				asked to provide some details but no response is given by the customer and one complain was found to be outside the scope after due review and was communicated accordingly to the complainant with reasons.			
Value Chain Partners	Yes, https://www.harshaengineers.com/InvestorRelations/company-policies.php	Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	NA	Nil	Nil	Nil	Nil	Nil	Nil

* Investor complaints also include shareholder complaints.

Notes - No complaint was received by the Company from communities, employees & workers, value chain partners, or other stakeholders during both financial years. We have a proper Grievance Redressal Mechanism in place for all stakeholders, and all received complaints were responded within the stipulated timeline.



Overview of the Entity’s material responsible business conduct issues

31. 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

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)
GHG Emissions (Scope 1, 2 & 3)	Risk & Opportunity	<p>R: - Rising climate regulations globally may create significant compliance and operational risks if our GHG emissions across Scope 1, 2, and 3 are not actively managed and reduced over time.</p> <p>- Failure to align with emission reduction targets may also damage our reputation among customers, investors, and external organisations such as CDP and SBTi.</p> <p>O: - Proactive adoption of renewable electricity and carbon reduction initiatives improves our operational efficiency, reduces input costs, and strengthens long-term sustainability performance.</p>	<p>Scope 1: We have invested in the induction mould heating system, which has led to a reduction in PNG consumption and a measurable reduction in Scope 1 GHG emissions from our Foundry operations.</p> <p>Scope 2: We have invested in renewable electricity projects to increase the share of renewable electricity consumption, which reduces our dependency on grid electricity and directly lowers Scope 2 GHG emissions.</p> <p>Scope 3: We have initiated supplier engagement on sustainability through structured training programmes and have</p>	<p>Positive: Energy savings, reduction in GHG emissions, stronger supplier engagement, and improve our ESG ratings.</p> <p>Negative: Carbon tax exposure, regulatory penalties, and higher compliance costs.</p>



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)
		<p>- Active GHG emission management enhances our customer and investor confidence and supports our commitments under SBTi and broader ESG frameworks including BRSR, CDP, and UN Goals.</p>	<p>commenced a supplier sustainability assessment with our major suppliers.</p> <p>We have signed and registered on the SBTi portal with a near term and long term committed targets to achieve net zero by 2050, aligning our climate strategy with global science-based pathways.</p>	
<p>Air Pollution Compliance</p>	<p>Risk</p>	<p>R: - Our manufacturing operations generate air pollutants as part of production processes. If air emissions are not managed and maintained within statutory limits, it may lead to non-compliance with applicable environmental standards and create regulatory risks for us.</p> <p>- Unmanaged air pollution can also adversely impact the surrounding ecosystem, community health, and our operational license, leading to</p>	<p>- We are certified under ISO 14001 and implement its practices across our manufacturing facilities, which provides a structured framework for identifying, managing, and reducing air pollution risks.</p> <p>- We regularly conduct environmental monitoring and compliance reviews at all manufacturing sites to ensure adherence to consent conditions and applicable statutory emission limits.</p>	<p>Negative: Regulatory penalties, operational disruption including potential plant shutdown in the worst case, and corrective action costs arising from non-compliance.</p>



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)
		reputational and financial consequences.		
Energy Management	Risk & Opportunity	<p>R: - Our manufacturing operations require significant energy consumption. If energy use is not actively managed, it leads to increase of operational costs, higher dependency on non-renewable resources such as grid electricity, PNG etc., and that results to increase of GHG emissions across our operations.</p> <p>- Unmanaged energy consumption also exposes us to energy price volatility and limits our ability to meet our Scope 2 neutral target by December 2030.</p> <p>O: - Investment in Renewable electricity and deployment of energy-efficient equipment help us to reduce energy consumption, lower operational costs, and actively support our climate goals.</p>	<p>Electricity Consumption: We continuously execute energy efficiency projects such as switching to high-efficiency equipment, replacing manual controls with motion sensors, and upgrading motors from low-efficiency to high-efficiency variants, all of which reduce our grid electricity consumption.</p> <p>Renewable Electricity: We use electricity generated from our own renewable electricity projects, which reduces grid dependency and lowers emissions in line with our plan to achieve Scope 2 neutrality from renewable sources by December 2030.</p> <p>Fuel Switching: We have initiated a transition from PNG mould heating to an induction mould heating system. While the switchover is not yet 100%</p>	<p>Positive: Reduce electricity and fuel costs, lower GHG emissions, and improve energy security across operations.</p> <p>Negative: High energy expenses and increase GHG emissions if energy consumption is left unmanaged.</p>



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)
		<p>- Reducing our dependency on grid electricity through Renewable electricity projects also improves our energy security and positions us positively with customers, regulators, and sustainability frameworks.</p>	<p>complete, the portions converted have contributed to a measurable reduction in our Scope 1 GHG emissions.</p>	
<p>Material & Chemical Management</p>	<p>Risk and Opportunity</p>	<p>R: - Improper handling of raw materials and secondary chemicals used in our manufacturing processes may create risks across environmental, social, and governance dimensions:</p> <p>Environmental: Inefficient material use can increase waste generation, contribute to air and ground pollution, and damage the surrounding ecosystem.</p> <p>Social: Exposure to hazardous chemicals may result in occupational health risks for our workforce, including respiratory issues and other health concerns.</p>	<p>- We are certified under both ISO 14001 (Environmental Management) and ISO 45001 (Occupational Health & Safety), which together provide an integrated framework for responsible material and chemical management across all our operations.</p> <p>- ISO 14001 guides us in managing environmental risks related to material use, waste minimisation, and pollution prevention.</p> <p>- ISO 45001 ensures safe chemical handling through structured PPE protocols, hazard identification, and</p>	<p>Positive: Reduce material losses, improve production yield, and enhance ESG performance through responsible resource management.</p> <p>Negative: Waste disposal costs, regulatory penalties, and safety incidents arising from improper handling of materials and chemicals.</p>



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)
		<p>Governance: Non-compliant chemical handling may attract regulatory penalties, compliance notices, and increased monitoring by authorities.</p> <p>O: - Efficient raw material usage and responsible chemical management improve our overall operational efficiency, reduce material losses, and support cost optimisation.</p> <p>Environmental: Responsible material management reduces waste generation, prevents ecosystem damage, and supports our sustainability commitments.</p> <p>Social: Safe chemical handling practices protect worker health, reduce absenteeism, and build a healthier and more productive workplace.</p>	<p>controlled material storage and usage practices.</p> <p>- Together, these certifications help us to manage our resources efficiently, minimise waste, prevent occupational exposure, and maintain compliance with applicable environmental and safety standards.</p>	



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)
		<p>Governance: Strong compliance with material and chemical regulations helps us to avoid penalties, maintain operational continuity, and build stakeholder confidence.</p>		
<p>Climate Transition Risk</p>	<p>Risk & Opportunity</p>	<p>R: As industries globally shift toward low-carbon manufacturing, delays in preparedness may expose us to a range of transition-related risks:</p> <p>Policy and Legal: Evolving carbon pricing mechanisms, including the EU Carbon Border Adjustment Mechanism (CBAM), may increase costs for emission-intensive operations.</p> <p>Technology: Failure to adopt modern, low-emission manufacturing technologies may limit our competitiveness and ability to meet decarbonisation goals.</p>	<ul style="list-style-type: none"> - We are investing in renewable electricity projects and simultaneously in high-efficiency with low-emission equipment's which reduce our Scope 1 and Scope 2 emissions and also align with our science-based targets. - We have commenced Product Carbon Footprint (PCF) calculations and Life Cycle Assessment (LCA) as per ISO standards and the GHG Protocol, which strengthens our ability to respond to CBAM and customer disclosure requirements. - We are actively progressing CBAM preparedness, including GHG emissions accounting and climate disclosure aligned 	<p>Positive: Improve investor and customer confidence, stronger CBAM readiness, and improve market access in sustainability-driven supply chains.</p> <p>Negative: Loss of market access, regulatory penalties, and reduce export competitiveness if transition requirements are not addressed.</p>



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)
		<p>Reputational: Our stakeholders, including customers, investors, and external organisations, may lose confidence in us if we are not seen to be actively managing climate transition risks.</p> <p>O: Early climate action and proactive sustainability investments improve our resilience, enhance our market position, and prepare us for future regulatory and customer requirements.</p> <p>Policy and Legal: CBAM preparedness with LCA compliance position us as a reliable partner for export-oriented customers requiring climate disclosure.</p> <p>Technology: Investment in low-emission technologies and efficient equipment reduces our carbon footprint and lowers long-term</p>	<p>with CDP and SBTi requirements, ensuring our export operations are future-ready.</p>	



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)
		<p>operational costs.</p> <p>Reputational: Demonstrated climate leadership strengthens stakeholder trust and supports our growth in sustainability driven markets.</p>		
<p>Product End-of-Life Management</p>	<p>Risk & Opportunity</p>	<p>R: - Lack of proper recyclability planning and end-of-life practices for our products may increase environmental concerns and create compliance risks linked to extended producer responsibility and circular economy regulations.</p> <p>- Inadequate product end-of-life management may also impact our reputation with customers and stakeholders who increasingly demand evidence of responsible product lifecycle management.</p> <p>O: - Designing products with recyclability in mind and adopting circular economy</p>	<p>- We are strengthening our circularity practices by focusing on proper recycling processes and ensuring responsible handling of product materials.</p> <p>- We are also advancing awareness by providing training on circular economy principles across our operations and supply chain to improve resource efficiency and reduce environmental impact.</p>	<p>Positive: Reduce waste handling costs and improve brand value through circularity practices and sustainable product management.</p> <p>Negative: Regulatory compliance costs and reputational risk if end-of-life recyclability expectations are not met.</p>



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)
		<p>practices improve our sustainability performance, reduce environmental impact, and position us positively within our statutory limits and customer expectations.</p> <p>- Proactive engagement with end-of-life recyclability also enhances our brand value and supports alignment with ESG reporting frameworks including BRSR, GRI, ESRS, CSRD and customer sustainability requirements.</p>		
Waste Management	Risk & Opportunity	<p>R: - Waste generated from our manufacturing operations may create environmental pollution, regulatory risks, and compliance challenges if not properly managed, segregated, and disposed of in accordance with applicable standards.</p> <p>- Improper waste management may also harm the surrounding environment and community, and expose</p>	<p>- We are strengthening waste segregation, recycling tracking, and waste management practices across all our operations to ensure compliance and resource recovery.</p> <p>- We do not landfill any of our waste.</p> <p>- All waste generated at our facilities undergoes recycling or co-processing, ensuring</p>	<p>Positive: Lower disposal costs and potential recycling revenue through responsible waste recovery and resource reutilisation.</p> <p>Negative: Regulatory penalties, waste disposal expenses, and environmental liability if waste is not managed in compliance with applicable standards.</p>



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)
		<p>us to penalties from regulatory authorities.</p> <p>O: - Effective recycling and waste reduction initiatives support our circular economy goals, improve resource efficiency, and reduce our overall environmental footprint.</p> <p>- Responsible waste management demonstrates our commitment to sustainability and strengthens our credibility with customers, regulators, and ESG rating organisations.</p>	<p>that materials are responsibly handled and do not contribute to environmental degradation.</p>	
Water Management	Risk & Opportunity	<p>R: -Our manufacturing operations depend on water as an essential resource, and any disruption caused by water scarcity or inadequate supply may impact our operational continuity and production efficiency.</p> <p>- Unsustainable water usage may also create regulatory</p>	<p>- We have installed rainwater harvesting systems that allow us to utilise rainwater effectively, reducing our dependency on borewell water and third-party water procurement.</p> <p>- We operate a closed-loop water management system where treated water is fully</p>	<p>Positive: Reduce freshwater procurement cost and improve operational continuity through responsible water management.</p> <p>Negative: Treatment, compliance, and infrastructure-related costs associated with maintaining</p>



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)
		<p>and reputational risks, particularly in the context of increasing focus on water stewardship in sustainability frameworks like CDP Water Security and UN Goals.</p> <p>O: - Rainwater harvesting, treated water reuse, and robust water monitoring systems improve our water efficiency, reduce water procurement cost, and strengthen our long-term operational resilience.</p> <p>- Demonstrating strong water stewardship also enhances our sustainability credentials and supports compliance with BRSR and other disclosure requirements such as CDP.</p>	<p>reused within our plant premises.</p> <p>- We do not discharge any treated water outside our premises, and all water reuse is carried out in compliance with applicable consent conditions.</p>	<p>water management systems.</p>
<p>EU CBAM / Carbon Tax Risk</p>	<p>Risk</p>	<p>R: - Our export-oriented operations may face higher costs and additional disclosure obligations due to the EU Carbon Border Adjustment Mechanism (CBAM) and other evolving</p>	<p>- We are strengthening our CBAM readiness by advancing GHG emissions accounting, climate disclosure, and data management systems aligned with CDP and SBTi requirements.</p>	<p>Negative: Additional carbon tax liabilities, increase reporting obligations, and reduce export competitiveness if CBAM requirements are not addressed in a timely</p>



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)
		<p>carbon border tax frameworks.</p> <ul style="list-style-type: none"> - Failure to adequately prepare for CBAM requirements may reduce our competitiveness in export markets and impacting our financial performance. 	<ul style="list-style-type: none"> - We have commenced Life Cycle Assessment (LCA) calculations as per ISO standards and the GHG Protocol, which provides the foundation for product-level carbon data required under CBAM. - Our overall CBAM preparedness programme is actively progressing to ensure that our export operations remain compliant and competitive as carbon border regulations evolve. 	<p>manner.</p>
<p>Employee Health & Safety</p>	<p>Risk and Opportunity</p>	<p>R: - Our manufacturing activities involve the use of heavy machinery, exposure to noise, and various operational hazards that may affect employee health, safety, and wellbeing if not properly managed.</p> <ul style="list-style-type: none"> - Workplace incidents may result in production downtime, regulatory action, and 	<ul style="list-style-type: none"> - We are certified under ISO 45001 and implement its practices across all our manufacturing operations, which provides a structured framework for hazard identification, risk assessment, and safety management. - Our ISO 45001 system includes PPE protocols, controlled material handling 	<p>Positive: Improve employee productivity, stronger workplace culture, and reduce frequency of workplace incidents.</p> <p>Negative: Medical expenses, compensation claims, and production downtime arising from workplace accidents or safety non-compliance.</p>



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)
		<p>reputational consequences, particularly in the context of our obligations under ISO 45001 and applicable labour laws.</p> <p>O: - Strong PPE awareness programmes, regular safety training, and a proactive occupational health and safety culture improve workplace safety, reduce incidents, and enhance employee wellbeing across our facilities.</p> <p>- A safe and healthy workplace also improves employee morale, productivity, and retention, which contributes to the long-term sustainability and stability of our operations.</p>	<p>procedures, regular safety training, and ongoing monitoring to ensure that workplace health and safety standards are consistently maintained.</p>	
<p>Human Rights & Fair Labour Practices</p>	<p>Risk and Opportunity</p>	<p>R:- Non-compliance with applicable labour standards and human rights obligations may create legal, operational, and reputational risks for us, particularly in the context of</p>	<p>- We have implemented a structured employee grievance mechanism that provides a confidential and accessible channel for employees to raise concerns</p>	<p>Positive: Improve employee retention, greater workforce stability, and enhance stakeholder confidence especially among our customers and ESG</p>



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)
		<p>increasing scrutiny from customers, auditors, and sustainability disclosure frameworks.</p> <p>- Weak labour practices may also result in employee dissatisfaction, high attrition, and potential adverse findings during customer sustainability audits and ESG assessments.</p> <p>○: - Maintaining ethical labour practices and a strong culture of fairness, respect, and inclusion strengthens employee trust, reduces attrition, and supports a positive organisational culture.</p> <p>- Demonstrated commitment to human rights and fair labour practices also improves our standing with customers, investors, and external organisations that evaluate supply chain sustainability.</p>	<p>regarding workplace conduct and labour practices.</p> <p>- We have also rolled out employee wellbeing initiatives and maintain labour compliance practices across our operations, ensuring adherence to applicable statutory requirements and alignment with our sustainability commitments.</p>	<p>evaluators.</p> <p>Negative: Legal liabilities, reputational damage, and potential loss of customer relationships if labour standards are not upheld.</p>
Working Conditions & Employee Wellbeing	Risk and Opportunity	R: -The quality of working conditions and employee		Positive: Higher employee productivity, reduce attrition,



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)
		<p>wellbeing directly influences productivity, retention rates, and overall workforce satisfaction across our manufacturing operations.</p> <p>- Inadequate attention to working conditions may lead to increased absenteeism, lower engagement, and difficulties in retaining skilled employees, which can affect our operational performance and sustainability goals.</p> <p>O: -Proactive employee wellbeing initiatives, a supportive work culture, and improved workplace conditions enhance employee engagement, increase productivity, and contribute to a more stable and motivated workforce.</p> <p>- Demonstrating a genuine commitment to employee wellbeing also strengthens our reputation as a responsible</p>	<p>- We regularly conduct employee wellbeing programmes and occupational health and safety initiatives across our operations, including health check-ups, awareness sessions, and engagement activities.</p> <p>- These programmes are designed to promote physical and mental wellbeing, create a safe and inclusive work environment, and reinforce our commitment to caring for our workforce beyond standard compliance requirements.</p>	<p>and lower hiring and training costs as a result of strong workplace wellbeing practices.</p> <p>Negative: Productivity losses, increase attrition, and higher recruitment costs if employee wellbeing is not adequately prioritised.</p>



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)
		<p>employer and supports positive evaluations from customers and sustainability frameworks.</p>		
<p>Regulatory Compliance & Costs</p>	<p>Risk and Opportunity</p>	<p>R: - Increasing sustainability disclosure requirements and evolving environmental, social, and governance regulations require continuous investment in compliance monitoring, data management, and reporting systems across our operations.</p> <p>- Failure to maintain up-to-date compliance with applicable standards may expose us to regulatory penalties, business disruptions, and erosion of stakeholder trust.</p> <p>O: - Strong compliance systems and robust internal monitoring processes help us maintain operational continuity, reduce legal exposure, and demonstrate accountability to our</p>	<p>- We regularly monitor regulatory requirements and conduct compliance reviews across our operations to ensure that all applicable environmental, safety, and governance standards are consistently met.</p> <p>- We have established a Sustainability Committee and maintain Board-level oversight of our ESG performance and compliance activities, ensuring that sustainability governance is integrated into our overall business management.</p>	<p>Positive: Reduce legal exposure, smoother business operations, and improve stakeholder confidence arising from strong compliance management.</p> <p>Negative: Regulatory penalties, litigation risks, and compliance-related expenses if standards are not maintained.</p>



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)
		<p>stakeholders.</p> <p>- Proactive compliance management also positions us positively in sustainability assessments and supports smoother business operations across all our facilities.</p>		
<p>Anti-Corruption & Business Ethics</p>	<p>Risk and Opportunity</p>	<p>R: - Unethical business conduct, corruption, or non-compliance with anti-briber standards may create significant regulatory and reputational risks for us, and can undermine stakeholder confidence in our governance practices.</p> <p>- Weak governance controls may also lead to fraud, financial losses, and adverse findings during customer audits or external ESG assessments.</p> <p>O: - Maintaining strong ethics, anti-bribery controls, and governance practices improves stakeholder trust,</p>	<p>- We have implemented comprehensive governance systems that include anti-bribery controls, ethics policies, and internal compliance mechanisms to strengthen business integrity across all our operations.</p> <p>- These systems are designed to prevent, detect, and address unethical conduct, and are reviewed periodically to ensure they remain aligned with applicable laws and our evolving governance commitments.</p>	<p>Positive: Improve investor confidence, stronger governance reputation, and continue business continuity through ethical business practices.</p> <p>Negative: Regulatory penalties, fraud-related financial losses, and significant reputational damage arising from ethics violations.</p>



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)
		<p>enhances our institutional reputation, and supports long-term business continuity and sustainable growth.</p> <p>- Demonstrated commitment to business ethics also strengthens our relationships with investors, customers, and external organisations that assess governance quality as part of their sustainability evaluations.</p>		
<p>ESG / BRSR Reporting Transparency</p>	<p>Risk and Opportunity</p>	<p>R: - Stakeholders including regulators, investors, and customers increasingly expect transparent, accurate, and comprehensive sustainability disclosures from us.</p> <p>- Inaccurate, incomplete, or delayed reporting may negatively impact our credibility, create compliance risks, and undermine the confidence of key stakeholders in our ESG performance.</p>	<p>- We are actively strengthening our sustainability data collection, management, and reporting systems to ensure accuracy, completeness, and consistency across all our ESG disclosures.</p> <p>- Our reporting processes are being progressively aligned with GRI, BRSR, and ESRS frameworks to meet the</p>	<p>Positive: Improve sustainability ratings, stronger investor and customer confidence, and enhanced credibility arising from transparent and accurate ESG reporting.</p> <p>Negative: Sustainability compliance penalties and reputational impact if disclosure standards are not maintained.</p>



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)
		<p>O: - Transparent and credible sustainability reporting improves our standing with investors, customers, regulators, and external organisations that rely on ESG disclosures to evaluate our performance.</p> <p>- Strong reporting practices also improve our sustainability ratings, support alignment with frameworks such as BRSR, GRI, and ESRS, and demonstrate our commitment to accountability and continuous improvement.</p>	<p>expectations of diverse stakeholders including customers, investors, regulatory bodies, and external sustainability organisations.</p>	
<p>Supply Chain Due Diligence</p>	<p>Risk and Opportunity</p>	<p>R: - Supplier dependency and sustainability gaps within our supply chain may impact business continuity, create compliance risks, and damage our reputation, particularly in the context of increasing customer and regulatory expectations around responsible sourcing.</p>	<p>- We are strengthening supplier sustainability by conducting structured training programmes, sustainability assessments, and sustainability agreements with our key suppliers.</p> <p>- Our supplier engagement activities are aligned with customer sustainability</p>	<p>Positive: Stronger supplier relationships, improve supply chain resilience, and enhanced export readiness through responsible and sustainable sourcing.</p> <p>Negative: Risk of client rejection, supply disruptions, and audit non-compliance if</p>



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)
		<p>- Supply chain disruptions or adverse findings during customer sustainability audits related to our suppliers may affect our ability to meet delivery obligations and retain key business relationships.</p> <p>●: - Supplier sustainability assessments, structured engagement programmes, and responsible sourcing practices improve our supply chain resilience and ensure alignment with our customers' sustainability requirements.</p> <p>- Strengthening supply chain sustainability also supports our performance in customer assessments such as ASR and CDP, and demonstrates our commitment to responsible procurement aligned with UN Goals and SBTi requirements.</p>	<p>requirements including ASR, CDP, and SBTi, ensuring that our supply chain meets the expectations of our stakeholders and external organisations.</p>	<p>supply chain sustainability gaps are not proactively addressed.</p>

Note: Details about the materiality procedure and all the material topics can be found in ESG section of our Company's Annual Sustainability Report and Annual Report.



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 NGRBC Principles and Core Elements.

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	<p>1. Code of Conduct for Directors & Senior Management Personnel, P1, P7 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>2. Code of Conduct Policy, P1, P7 (available on intranet)</p> <p>3. Whistle Blower Policy, P1 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>4. Risk Management Policy, P2 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>5. Corporate Social Responsibility Policy, P8 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>6. Code for Fair Disclosures, P4 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>7. Sexual Harassment Policy, P3, P5 (available on intranet)</p> <p>8. Forced Labour Policy, P3, P5 (available on intranet)</p> <p>9. Mobile Phone Usage Policy, P1, P9 (available on intranet)</p> <p>10. Supplier Business Integrity Policy, P1, P5, P6 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>11. Policy on Child Labour, P3, P5 (available on intranet)</p>								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
	<p>intranet)</p> <p>12. Dividend Distribution Policy, P4 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>13. Workplace Discipline Policy, P1, P9 (available on intranet)</p> <p>14. Human Rights and Working Condition Policy, P5 (available on intranet)</p> <p>15. Environment, Health & Safety Policy, P2, P6 (available on intranet)</p> <p>16. Policy on Anti-Discrimination & Equal Opportunity, P3, P5 (available on intranet)</p> <p>17. Grievance Redressal Policy, P3, P5, P8 (available on intranet)</p> <p>18. Leave Policy, P3, P5 (available on intranet)</p> <p>19. Non-Retaliation Policy, P4, P8 (available on intranet)</p> <p>20. Policy on Anti-Harassment, P5 (available on intranet)</p> <p>21. Policy on Gender Harassment at workplace, P5 (available on intranet)</p> <p>22. Social Accountability Policy, P1, P2, P6 (available on intranet)</p> <p>23. Policy on Determination and Disclosure of Materiality of Events and Information, P1, (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p> <p>24. Policy on Related Party Transactions, P1 (https://www.harshaengineers.com/InvestorRelations/company-policies.php)</p>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>The Company has following certificates</p> <ul style="list-style-type: none"> - ISO 14001:2015 - ISO 45001:2018 - IATF 16949 - ISO 9001:2015 - TISAX Label 								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Environment: The company is focused on protecting the environment through clear and time bound goals. We are committed to reducing our environmental impact and transitioning towards a low carbon future. Our key environmental goals include achieving Scope 2 neutrality by 2030. We also aim to become net zero by 2050. To support this, we have set a target to generate 100% renewable energy by 2030. We will be submitting our decarbonization targets to SBTi (Science Based Targets initiative) for validation. In addition, we will provide sustainability training to all our employees and ensure that the training is completed by December 2026. These initiatives reflect our strong focus on responsible environmental management and building a culture of sustainability across the organization.</p> <p>Social: We believe in creating an inclusive and diverse workplace with more equitable and representative workplace. For 2026 - 27, we have plan to increase the numbers of women employees compare to the 2025 - 26. We are also committed to promote which embrace diversity and ensure equal opportunity and our approach to hire people with special abilities (PwDs) by creating a respectful, supportive and accessible environment.</p> <p>Governance: We maintain the highest standards of transparency, ethics, and compliance across all our operations. We ensure that all reported cases of corruption or fraud are thoroughly investigated and resolved within three months of reporting. We have also strengthened our compliance management system across the entire Harsha Engineers Group, including all overseas subsidiaries. This helps us uphold good governance practices and maintain full regulatory adherence in every location where we operate.</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with	<p>Environment: We have made good progress on our environmental commitments. Our current</p>								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
reasons in case the same are not met.	<p>renewable energy contribution has already crossed 50%, which strongly supports our targets of achieving Scope 2 neutrality and generating 100% renewable energy by 2030. For our net zero goal by 2050, we have completed the registration process of SBTi and our application has been approved. We are now required to submit our detailed SBTi target information by September 2026.</p> <p>On the sustainability training front, training has been successfully completed for management, managers, employees, and housekeeping staff. Only the operators are remaining, and we are on track to complete their training by December 2026. These efforts are helping us build a strong culture of sustainability across the organization.</p> <p>Social: We continue to focus on building a diverse and inclusive workforce. This year, we have hired more than 30 female employees (includes the contractual women). In addition, to promote inclusivity and diversity, we have onboarded more than 5 specially abled individuals. These steps reflect our ongoing commitment to creating equal opportunities and a more representative work environment.</p> <p>Governance: We uphold the highest standards of ethics and transparency. We have ensured that all reported cases of corruption or fraud are thoroughly investigated and resolved within three months of reporting. During the year, we are pleased to report that there was no whistle blower complaint received.</p>								
Governance, leadership and oversight									
7.Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Our Business Responsibility and Sustainability Report (BRSR) reflect the Company's strong and unwavering commitment to Environmental, Social, and Governance (ESG) principles.</p> <p>In today's fast changing industrial landscape, we face several important challenges, including decarbonizing our operations amid rising energy costs, building a more inclusive and diverse workplace, and strengthening governance practices under increasing global scrutiny. These challenges motivate us to go beyond mere regulatory compliance and drive our ambition to become a truly sustainable and responsible organization.</p> <p>We are pleased with the progress made during the year. Our proactive efforts have enabled us to</p>								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
	<p>achieve more than 50% renewable energy contribution, surpass our diversity hiring targets, successfully complete sustainability training for most of our employees, record zero whistle blower case. These achievements not only demonstrate our commitment but also create long-term value for the Company, stakeholders, and the communities we serve.</p> <p>We remain focused on our long-term goals of achieving Scope 2 neutrality and 100% renewable energy by 2030, and net zero by 2050. We will continue to strengthen our ESG performance with transparency, accountability, and continuous improvement.</p> <p>Looking ahead, we will continue to integrate ESG considerations into our core business strategy. We believe that responsible and sustainable practices are essential for building resilience, fostering innovation, and delivering enduring value to all our stakeholders in the years to come.</p>								
8.Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors								
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.	<p>Yes. We have established dedicated committees to support decision-making on sustainability-related matters and to strengthen our overall governance framework in this area.</p> <p>We have constituted an Enterprise Risk Management Steering Committee (ERM Steering Committee) and an Environmental, Social and Governance Steering Committee (ESG Steering Committee). These committees play an important role in guiding our approach towards sustainability and ensuring that relevant risks and opportunities are appropriately identified and managed.</p> <p>Through the ERM Steering Committee, we focus on identifying, assessing, and managing risks, including those related to environmental, social, and governance aspects. This helps us in integrating sustainability considerations into our overall risk management processes.</p> <p>Through the ESG Steering Committee, we oversee key areas such as environmental stewardship, stakeholder health and safety, community development, corporate social responsibility, ethical practices, and corporate governance. These areas together form our key ESG material</p>								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
	<p>issues, and we regularly review and monitor them. We use these committee structures to ensure that sustainability-related aspects are discussed at the appropriate level and that necessary actions are taken in a timely manner. These committees also support us in aligning our business practices with our sustainability goals and in improving our overall ESG performance.</p> <p>Overall, we aim to strengthen our commitment towards responsible business practices, sustainable growth, and long-term value creation for all our stakeholders through this structured governance approach.</p>								

10. Details of Review of NGRBCs by the Company:

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

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

If yes, provide name of the agency.

- The Company has undertaken independent assessments through external agencies as part of its compliance and due diligence processes.
- Primarily, the assessments have been carried out by the legal advisor to the Initial Public Offering (IPO). As part of the due diligence process in line with



SEBI guidelines, the Company's statutory policies and related frameworks were independently reviewed through the IPO legal advisor.

- In addition, a safety audit of the Company's operations was conducted in accordance with IS 14489 standards. This audit was carried out by a qualified external agency to evaluate safety practices and ensure compliance with applicable requirements.
- Through these assessments, we ensure that our policies, processes, and practices are aligned with regulatory expectations and industry standards, and we continue to strengthen our compliance and governance framework.

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)	NA								
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)									

Notes:

- All nine NGRBC principles are duly covered by the Company's existing policies; accordingly, the above questions are not applicable. We have established a comprehensive policy framework that addresses each principle and its core elements, ensuring alignment with regulatory expectations and responsible business practices.
- We use a structured and proactive approach to periodically review and update our policies to keep them relevant, effective, and in line with evolving regulatory requirements and industry standards. This reflects our commitment to integrating the NGRBC principles across all aspects of our operations and governance framework.



Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:



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

Essential Indicators

1. % 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	4	Refresher training of Sexual Harassment, Business Code of Conduct, Whistle Blower Policy	The number indicated vary depending on the type and scope of training conducted and are specific to the topics listed in the table. While we conduct a wide range of training programs across various areas, the details presented here are limited to key topics such as refresher training on Sexual Harassment, Business Code of Conduct, Whistle Blower Policy, and SA 8000. Accordingly, this table does not represent the complete spectrum of training initiatives undertaken by the Company, but rather highlights specific focus areas relevant to the disclosures.
Key Managerial Personnel	4	Refresher training of Sexual Harassment, Business Code of Conduct, Whistle Blower Policy	
Employees other than BOD and KMPs Workers	12	Code of Conduct, Sexual Harassment & Social Accountability (SA8000)	
Workers	12	Code of Conduct, Sexual Harassment & Social Accountability (SA8000)	



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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Office of the Commercial Tax Officer	35,240	Wrong availment of ineligible Input Tax Credit of ₹ 352,404 under IGST in contravention of Section 16 of the TNGST Act, 2017. The Penalty of ₹ 35,240 and Interest of ₹ 263,463 was levied under Section 73 and Section 50 of the TNGST Act, 2017 respectively.	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement / agencies/ judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	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
Nil	

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

- Yes, the Company's code of conduct has clause of Anti-Bribery. We have built our



reputation over the years on the strong foundation of our core values and guiding principles. The Company is deeply committed to conducting all its business activities with the highest level of honesty, integrity, fairness, and trust. We treat our customers, employees, suppliers, and all other stakeholders with complete fairness and transparency in dealing. The policy provides a clear and structured framework that guides us on how to identify, prevent, and effectively address any instances related to corruption. Above all, the Company maintains a strict zero-tolerance stance towards any form of corruption or bribery. This policy is readily available on the Company's intranet, ensuring easy access for all employees whenever required.

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

Case Details	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

Case Details	FY (2025-26) (Current Financial Year)		PY (2024-25) (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

- Not Applicable as there were no cases relating to corruption or conflict of interest.

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

	FY (2025-26) (Current Financial Year)	PY (2024-25)* (Previous Financial Year)
Number of days of accounts payables	59	57



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

Parameter	Metrics	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.19%	0.28%
	b. Sales (Sales to related parties / Total Sales)	3.43%	2.06%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	81.47%	57.64%
	d. Investments (Investments in related parties / Total Investments made)	39.13%	46.46%

Notes: Trading houses are entities that primarily focus on the buying and selling of goods, often serving as intermediaries between producers and buyers. They typically do not engage in manufacturing but rather facilitate trade at both domestic and international levels. In this context, the criteria do not appear to be applicable to the Company.



Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Risk assessment for part manufacturing process inline to VDA-AIAG guidelines for Direct material suppliers	41.00%
2	HARSHA's Sustainability journey	33.00%

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

-Yes, the Company has a policy of "Code of Conduct for Directors & Senior Management Personnel" and "Policy on Related Party Transactions". These policies prohibits Directors and Senior Management Personnel of the Company to enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interests of the Company. These policies also provides procedures when a conflict of interest arises between Company and its Directors & Senior Management Personnel. Also, the Company receives a declaration (changes from time to time) from its Board members on the entities they are interested in and ensures requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities / individuals.

Notes: We are strongly committed to conducting and governing our business with the highest level of integrity, ethics, transparency, and accountability. We believe that ethical business practices form the foundation of our long-term success and reputation. Our governing principles provide a clear framework to prevent, identify, and effectively address any issues related to corruption. We ensure that every decision and action taken in the organization is transparent and accountable. All our policies and codes of conduct are regularly reviewed and communicated to employees to promote ethical behavior across the organization. We are dedicated to continuously strengthening our culture of integrity and ethical governance in all aspects of our operations.



PRINCIPLE 2 :



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

Essential Indicators

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

	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year	Details of Improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	6.15%	36.89%	<p>In FY 2025-26, The CAPEX was done for Box wall Mobile Flood Barrier, 20HP Pump & PVC Line, Drinking Water Cooler, Vision System for SRB Line (7A, 7G and 7H), OD-ID papering machine, Roof Replacement and Solar Replacement which provide following benefits:</p> <ol style="list-style-type: none"> 1. Increase protection of premise and employees against flood which also increase safety and business continuity. 2. Efficient removal of excess water from the premise which ensures workplace hygiene, safety, and flood management. 3. Increase employee health by providing clean drinking water at Changodar Plant and Moraiya Plant. 4. Generation of renewable solar energy through rooftop installation which reduce dependency on fuel and decrease the carbon footprint. 5. Elimination of manual inspection process of SRB cage. 6. Automation and elimination Vibro operation of Brass cage. <p>In FY 2024-25, The CAPEX was utilized for Roof Top solar plant, Hand Pallet Truck (Battery Operated), Water Cooler, Revamping of Bundling machine 8" X 8", Ground Mounted Solar Project and land for that, Road Sweeping Machine, Life line installation for Roof Top Solar Plants, Automatic Sprinkler System and Fire Detection System.</p>



Note: Capex includes Capital Work-in progress.

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

- Yes, the Company has a formal policy in place as outlined in its Supplier Business Integrity Policy, which is publicly available on the Company's website. This policy clearly emphasizes that sustainability is a key and integral component of the Company's overall business strategy and long-term vision. It reflects the Company's commitment to conducting business in an environmentally and socially responsible manner while ensuring alignment with global best practices.

Under this policy, suppliers are expected to actively work towards minimizing their environmental impact. This includes taking appropriate measures to reduce greenhouse gas emissions, manage and reduce waste generation, optimize energy consumption, and ensure efficient use of water resources. Suppliers are also required to comply with all applicable local environmental laws and regulations.

Furthermore, the Company has established a Supplier Code of Conduct, which has been in effect since November, 2022. The primary objective of this code is to ensure that all suppliers are fully aware of and compliant with, the Company's requirements regarding the hazardous chemical content of purchased materials. It also aims to restrict and monitor the use of raw materials sourced from prohibited or non-compliant regions, including specific smelters, in order to uphold ethical sourcing standards and regulatory compliance.

This ensures that sustainability and compliance considerations are embedded throughout the supply chain and across all stages of material procurement and usage.

In addition, the Company's supplier policy places strong emphasis on sourcing materials from suppliers who are certified under internationally recognised regulatory frameworks such as Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the Restriction of Hazardous Substances Directive (RoHS). By doing so, the Company ensures that the materials used in its operations meet stringent safety, environmental, and regulatory standards, thereby reinforcing its commitment to responsible sourcing and sustainable business practices.

B. If yes, what % of inputs were sourced sustainably?

- 40%

This proportion reflects the Company's ongoing efforts to integrate environmental and social considerations into its procurement practices and supply chain

management. To determine this percentage, the Company follows a structured internal mechanism that evaluates suppliers against defined sustainability criteria.

This includes verification of certifications such as REACH and RoHS, as well as an assessment of suppliers' environmental performance in areas like emissions management, resource efficiency, and responsible material sourcing.

The Company also undertakes periodic reviews of its supplier base, wherein relevant data and declarations are collected and assessed to ensure continued compliance with sustainability requirements. Suppliers demonstrating consistent adherence to these expectations are considered part of the sustainable sourcing pool. Additionally, preference is given to suppliers who show measurable improvements in sustainability performance or who actively adopt environmentally responsible practices.

This approach enables the Company to systematically track and enhance the share of sustainably sourced inputs over time, while maintaining transparency and accountability within its supply chain.

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

The Company has established defined processes to ensure the safe handling and disposal of waste in line with applicable regulatory requirements and environmental best practices. The approach varies based on the type of waste generated, as outlined below:

<p>(a) Plastics (including packaging)</p>	<p>Plastic waste, including packaging materials, is managed in accordance with Extended Producer Responsibility (EPR) norms. The Company ensures that such waste is systematically collected, segregated, and handed over only to authorized and registered recyclers. This approach supports circularity by diverting plastic waste away from landfills and promoting its reintroduction into the value chain.</p>
<p>(b) E-waste</p>	<p>Electronic waste generated from operations is disposed of strictly in compliance with applicable E Waste norms. The Company channels all E waste to registered recyclers. This ensures that valuable materials are recovered efficiently while preventing environmental contamination and health risks associated with improper handling of electronic waste.</p>
<p>(c) Hazardous waste</p>	<p>Hazardous waste is managed with a high level of control and regulatory compliance. A portion of the hazardous waste is sent to cement plants for co-processing in an environmentally safe manner. Additionally, waste streams such as Effluent Treatment Plant (ETP) sludge and other hazardous residues are disposed of through authorized recyclers in accordance with hazardous waste management rules. This ensures safe handling, treatment, and final disposal without adverse environmental impact.</p>



(d) other waste	All other non-hazardous waste generated during operations is segregated at source and directed to registered recyclers for further processing. The Company prioritizes recycling, thereby reducing landfill dependency and supporting sustainable waste management practices.
------------------------	---

Overall, the Company’s waste management processes emphasize regulatory compliance, environmental safety, and resource efficiency, ensuring responsible end-of-life handling across all waste categories.

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

- Yes, Applicable.

- The EPR annual return for Plastic waste for the FY 2024-25 has been submitted within statutory timeline.
- The annual return for the FY 2025- 26 will be filed within statutory timeline.

Leadership Indicators

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

- No, the Company has not conducted a full Life Cycle Assessment (LCA) for its products. However, we have taken progressive steps towards understanding and managing the environmental impact of our products through alternative assessment approaches. We are currently carrying out Product Carbon Footprint (PCF) calculations for our products with aligning ISO 14040:2006 Environmental management – Life cycle assessment – Principles and framework, ISO 14044:2006 Environmental management – Life cycle assessment – Requirements and guidelines. These calculations are conducted in line with recognised standards and frameworks, enabling us to assess greenhouse gas emissions associated with different stages of the product lifecycle. This helps in identifying key emission sources and areas for improvement. In addition, the Company has also initiated carbon footprint calculations in alignment with the Carbon Border Adjustment Mechanism (CBAM) framework. This further strengthens our approach towards measuring and reporting emissions in line with evolving regulatory and global requirements. Through these initiatives, we aim to enhance transparency, improve environmental performance, and build a strong



foundation for more comprehensive lifecycle assessments in the future. These efforts support better monitoring of emissions across operations and help the Company in identifying opportunities for improving energy efficiency, optimizing processes, and reducing overall environmental impact. The insights derived from these assessments are being gradually integrated into decision-making and operational practices. Going forward, the Company remains committed to strengthening its environmental assessment practices and may consider expanding the scope towards a more comprehensive life cycle approach in the future, in line with business requirements and industry practices.

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

Action taken to mitigate significant social or environmental concerns and/or risks arising from production or disposal of products/services		
Name of Product / Service	Description of the risk / concern	Action Taken
--		

Note :

- We have not conducted a full Life Cycle Assessment (LCA) of our products.
- However, we perform Product Carbon Footprint (PCF) calculations in accordance with ISO standards and the GHG Protocol.
- The scope of our product carbon footprint covers both cradle-to-gate and cradle-to-customer gate boundaries.
- Furthermore, our PCF calculations have been independently verified by a third-party assurance provider, Growlity Inc.

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

Indicate input material	Recycled or re-used input material to total material	
	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Reusable Boxes	10.56%	6.48%

Note - The Company has been consistently focusing on improving resource efficiency and promoting sustainable practices across its operations. One of the key initiatives in this direction is the increased use of reusable packaging materials. Reusable boxes have been an integral part of our operations in previous years as well. However, from FY 2025-26 onwards, the Company has started formally tracking and disclosing the % of reusable input materials, along with corresponding data for the previous financial year



to ensure transparency and comparability. We have also initiated a structured approach towards monitoring this parameter on a quarterly basis. This helps in tracking progress more effectively, identifying improvement areas, and ensuring better implementation of reuse practices across operations. The Company remains committed to further enhancing the use of reusable packaging materials in the coming years. By strengthening internal processes, increasing awareness, and exploring additional opportunities for reuse, we aim to improve resource efficiency and contribute towards reducing environmental impact.

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

	FY (2025-26) Current Financial Year			PY (2024-25) Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0.00	11.04	0.00	0.00	10.72	0.00
E-waste	0.00	0.00	0.00	0.00	0.00	1.07
Hazardous waste	0.00	276.06	188.81	0.00	0.00	195.88
Other waste: (Total)	0.00	666.57	1.42	0.00	614.90	0.00
1) Glass Waste	0.00	0.00	1.42	0.00	0.00	0.00
2) Office waste	0.00	78.99	0.00	0.00	68.11	0.00
3) Paper waste	0.00	29.53	0.00	0.00	23.46	0.00
4) Wooden Waste	0.00	163.88	0.00	0.00	143.29	0.00
5) Packaging waste	0.00	394.17	0.00	0.00	380.04	0.00

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

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

Note - We are intermediaries in supply chain, where major quantum of our products is directly and indirectly supplied to the OEMs. Hence the Company has no scope for reclaiming it at the end of its lifecycle.

Notes: We believe that sustainability and product safety are essential parts of our responsibility towards customers, society, and the environment. We focus on delivering high quality products that meet the highest standards of safety while minimizing our environmental impact. We continuously work towards adopting cleaner and more sustainable practices across our operations. Sustainability is deeply embedded in our business approach. We strive to balance business growth with environmental care and long-term resource conservation. Through these efforts, we aim to create lasting value for our stakeholders while contributing positively to a more sustainable future. We remain dedicated to continuously improving our products and processes to make them safer and more environmentally responsible.



PRINCIPLE 3:



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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	646	50	7.74%	646	100.00%	NA	NA	646	100.00%	0	0.00%
Female	24	0	0.00%	24	100.00%	24	100.00%	NA	NA	0	0.00%
Total	670	50	7.46%	670	100.00%	24	3.58%	646	96.42%	0	0.00%
Other than Permanent employees											
Male	13	0	0.00%	13	100.00%	0	0.00%	13	100.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	13	0	0.00%	13	100.00%	0	0.00%	13	100.00%	0	0.00%

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	1,055	0	0.00%	1,055	100.00%	0	0	1,055	100.00%	0	0.00%
Female	20	0	0.00%	20	100.00%	20	100.00%	0	0.00%	0	0.00%
Total	1,075	0	0.00%	1,075	100.00%	20	1.86%	1,055	98.14%	0	0.00%
Other than Permanent workers											
Male	1,421	0	0.00%	1,421	100.00%	0	0	0	0.00%	0	0.00%
Female	105	0	0.00%	105	100.00%	105	100.00%	0	0.00%	0	0.00%
Total	1,526	0	0.00%	1,526	100.00%	105	6.88%	0	0.00%	0	0.00%

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

	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.089%	0.077%

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

Benefits	FY (2025-26) Current Financial Year			PY (2024-25) 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/NA)	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/NA)
PF	100%	100.00%	Yes	100.00%	100.00%	Yes
Gratuity	100%	100.00%	Yes	100.00%	100.00%	Yes
ESI	7.03%	26.70%	Yes	2.07%	33.86%	Yes
Others – please specify	We have added the details of benefits in the principle 3.					

3. **Accessibility of workplaces**

Are the premises / offices of the Company 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 Company in this regard.

- Yes. The Company ensures that its premises and offices are accessible to differently abled employees and workers. We are committed to creating an inclusive and barrier-free work environment where all employees can work with ease, safety, and dignity. Accessibility is considered an important aspect of our workplace design and operations. We aim to provide a supportive environment that promotes equal participation and independence for all employees. Wherever required, appropriate arrangements and basic facilities are ensured to enhance mobility and ease of access within the workplace. Awareness and support from colleagues further help in creating a comfortable and encouraging work environment for differently abled employees. The Company continues to review and



improve its facilities and practices to strengthen accessibility and inclusivity, ensuring that all employees feel valued and supported in the workplace.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.
- Yes. The Company has implemented an Equal Opportunity Hiring Policy for Specially Abled Individuals, it reflects the Company's commitment towards building an inclusive, diverse, and equitable workplace for all.
 - The policy is designed to ensure that persons with disabilities are provided with fair and equal opportunities at every stage of employment. The Company ensures that employment decisions are based on merit, skills, and qualifications, without any form of discrimination.
 - We focus on creating a work environment where specially abled individuals feel respected, supported, and empowered to contribute effectively. Necessary support and reasonable considerations are provided, wherever required, to enable them to perform their roles efficiently. The Company also promotes awareness and sensitivity among employees to foster a culture of inclusion and mutual respect.
 - In addition to this policy, the Company's Code of Conduct further strengthens the commitment to equal opportunity by encouraging all employees to treat each other fairly, equally, and with dignity. It clearly discourages any form of discrimination or bias in the workplace.
 - The policy is communicated to employees through internal channels and forms an integral part of the Company's people practices. Through these combined efforts, the Company continues to promote diversity, inclusion, and equal opportunity, ensuring a positive and supportive work environment for specially abled individuals as well as the entire workforce.



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	100.00%	84.00%	100.00%	90.00%
Female	100.00%	00.00%	No One Taken Leave	No One Taken Leave
Total	100.00%	80.00%	41.00%	90.00%

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 <i>(If Yes, then give details of the mechanism in brief)</i>
Permanent Workers	<p>Yes. The Company has established a well-defined, structured, and transparent mechanism to receive, address, and effectively resolve grievances of employees and workers in a timely and fair manner. This mechanism forms an important part of the Company's governance framework and reflects its commitment to maintaining a positive, inclusive, and respectful workplace environment. All grievances raised by employees and workers are dealt with in accordance with the Company's Grievance Redressal Policy. The policy provides a formal and accessible platform for individuals to report concerns related to workplace practices, employee welfare, working conditions, or any other issues that may impact their professional environment. The process ensures that every concern is acknowledged, reviewed, and resolved through a systematic approach, with due consideration given to confidentiality and impartiality.</p> <p>We do encourage employees and workers to openly communicate their concerns without fear of retaliation. Grievances can be raised through designated channels, and appropriate actions are taken after careful evaluation of the issue. The mechanism also ensures proper documentation, tracking, and closure of grievances, thereby strengthening accountability and continuous improvement in workplace practices. In addition to the grievance redressal mechanism, the Company has implemented a robust Whistle Blower mechanism that allows employees, workers, and other stakeholders to report genuine concerns related to unethical behaviour, misconduct, fraud, or violation of Company policies. Such concerns can be reported confidentially, ensuring protection of the identity of the complainant. All whistle blower complaints are reviewed by the Whistle Blower Review Committee, which evaluates the matter independently and takes appropriate corrective and preventive actions based on the findings.</p> <p>Further, to ensure transparency and independence in handling sensitive matters, the Company has provided a direct escalation</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	



	Yes/No (If Yes, then give details of the mechanism in brief)
	channel. In cases where a complaint involves any Director, stakeholders have the option to directly report the concern to the Chairperson of the Audit Committee. This ensures that such complaints are addressed objectively, without any conflict of interest. Through these comprehensive mechanisms, the Company aims to foster a culture of trust, integrity, and accountability, where employees and workers feel empowered to raise their concerns and are assured that their grievances will be addressed in a fair, transparent, and timely manner.

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

Category	FY (2025-26) (Current Financial Year)			PY (2024-25) (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 / A)	Total employees / worker 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	670	0	0.00%	562	0	0.00%
- Male	646	0	0.00%	536	0	0.00%
- Female	24	0	0.00%	26	0	0.00%
Total Permanent Workers	1,075	0	0.00%	1,084	0	0.00%
- Male	1,055	0	0.00%	1,067	0	0.00%
- Female	20	0	0.00%	17	0	0.00%



8. Details of training given to employees and workers:

Category	FY (2025-26) Current Financial Year					PY (2024-25) Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	659	250	37.94%	485	73.60%	554	190	34.30%	549	99.10%
Female	24	12	50.00%	22	91.67%	26	8	30.77%	26	100.00%
Others	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	683	262	38.36%	507	74.23%	580	198	34.14%	575	99.14%
Workers										
Male	2,476	1,395	56.34%	1,947	78.63%	2,591	633	24.43%	1010	38.98%
Female	125	86	68.80%	111	88.80%	89	12	13.48%	17	19.10%
Others	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	2,601	1,481	56.94%	2,058	79.12%	2,680	645	24.07%	1027	38.32%

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

Category	FY (2025-26) Current Financial Year			PY (2024-25) Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	659	524	79.51%	554	494	89.17%
Female	24	22	91.67%	26	24	92.31%
Others	0	0	0.00%	0	0	0.00%
Total	683	546	79.94%	580	518	89.31%
Workers						
Male	2,476	1,151	46.49%	2,591	1,042	40.22%
Female	125	21	16.80%	89	17	19.10%
Others	0	0	0.00%	0	0	0.00%
Total	2,601	1,172	45.06%	2,680	1,059	39.51%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage such system?
 - Yes, we have implemented a structured Occupational Health and Safety Management System as an integral part of its sustainability framework. We focus on continuously maintaining and enhancing workplace health, safety, and environmental standards across all operations. We have developed and implemented a

comprehensive Health, Safety, and Environment (HSE) management system in alignment with applicable standards and industry practices. This system is designed to ensure safe working conditions, prevent workplace incidents, and promote a culture of safety across the organization. The framework is consistently applied across both manufacturing plants and extends to all operational and support functions. It enables the identification of risks, implementation of preventive controls, and continuous monitoring of safety performance, thereby ensuring that all employees and workers operate in a safe and secure environment. We continuously strengthen our safety practices through regular monitoring, internal audits, and safety initiatives. Our approach focuses not only on compliance but also on building a culture where safety is considered a shared responsibility and an integral part of daily operations.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
- The Company follows a structured, systematic, and participative approach for the identification of work-related hazards and assessment of associated risks across routine and non-routine activities. Our safety team plays a central role in driving this process in close coordination with plant employees and workers. This collaborative approach ensures that potential hazards are identified at an early stage, leveraging both technical expertise and on-ground experience of the workforce.
 - We maintain a detailed Hazard Identification and Risk Assessment (HIRA) register, which serves as a key tool for evaluating risks. Each activity is assessed based on defined parameters such as likelihood of occurrence and severity of impact. Based on the risk rating, appropriate control measures, preventive actions, and mitigation strategies are identified and implemented.
 - The process is dynamic and continuously updated to reflect changes in operations, introduction of new processes, or modifications in existing systems. In addition to routine assessments, special attention is given to non-routine activities such as maintenance work, shutdowns, or new installations to ensure that associated risks are effectively managed.
 - To further strengthen our safety practices, we conduct regular safety patrolling, near-miss reporting, and safe workstation



mapping. These initiatives help in identifying unsafe conditions and behaviour's, encouraging early reporting, and preventing potential incidents. Periodic reviews and updates of the HIRA register ensure that all identified risks are tracked and addressed in a timely manner.

- Through this structured and ongoing process, we aim to create a safe working environment and continuously improve our risk management practices.
- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)
- Yes. The Company has established clear and accessible processes that enable workers to report work-related hazards and unsafe conditions, as well as take appropriate action to avoid exposure to such risks. We actively encourage all employees and all workers to participate in safety-related activities and to promptly report any unsafe conditions, near-miss incidents, or potential hazards to their supervisors or the safety team. Regular safety inspections, patrolling activities, and interactive sessions provide platforms for workers to raise concerns and share observations. All reported hazards are reviewed, and necessary corrective and preventive actions are implemented in a timely manner. This ensures that risks are addressed effectively and do not escalate into incidents.
 - We promote a culture of openness and accountability, where workers feel empowered to speak up about safety concerns without hesitation. This participative approach not only strengthens hazard identification but also reinforces a sense of shared responsibility towards maintaining a safe workplace.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**
- Yes. The Company provides access to non-occupational medical and healthcare services as part of its commitment to employee well-being and overall welfare. We extend support beyond statutory requirements to ensure that employees have access to timely and adequate medical care. Ambulances are available at all plant locations to handle emergency situations efficiently, and tie-ups with nearby hospitals within a 10 to 15 minutes radius ensure quick access to advanced medical treatment when required.



- Eligible employees are covered under the ESIC scheme, which provides access to government healthcare facilities and medical benefits. This ensures that employees and their families have access to essential healthcare services. In addition, the Company has established an in-house occupational health centre equipped with necessary medical facilities. The centre is supported by a qualified nurse who is available 24 hours a day to provide immediate medical assistance and first aid support.
- We continue to focus on strengthening healthcare support systems and ensuring that employees feel secure and supported in terms of their health and well - being. Through these initiatives, we aim to promote a healthy workforce and a safe working environment across all our operations.

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

Safety Incident/Number	Category*	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.00	0.00
Total recordable work-related injuries	Employees	0.00	0.00
	Workers	0.00	0.00
No. of fatalities	Employees	0.00	0.00
	Workers	0.00	0.00
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0.00	0.00
	Workers	0.00	0.00

*Including in the contract workforce

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

- We are firmly committed to create and maintain a safe and healthy workplace where all our employees and workers can perform their duties without undue risk of injury, illness, or adverse health effects. We aim to maintain a safe and healthy workplace by systematically reducing the risk of injuries, health hazards, and accidents, while strictly adhering to all applicable safety-related laws and regulations. Our approach to workplace safety is comprehensive, multi-faceted, and based on the recognition that occupational health and safety is an integral part of our overall business operations and our commitment to sustainability.



- We have established comprehensive training and communication programs that ensure all employees understand the hazards associated with their work, the safety procedures and practices they must follow, and the personal protective equipment they must use. We conduct regular safety training sessions, safety awareness campaigns, and toolbox talks to keep safety at the forefront of employees' minds and to reinforce the importance of following safety procedures. We ensure that all new employees receive comprehensive safety induction training before beginning work, and that all employees receive regular refresher training to keep their knowledge and skills current.
- We have implemented Safety Kaizen initiatives that bring together workers, supervisors, and management to identify small but meaningful improvements to safety practices and work processes. Through Safety Kaizen initiatives, we empower frontline workers to identify safety improvements and participate in implementing these improvements, creating a culture of continuous safety enhancement throughout our organization. Regular safety patrolling is conducted by health and safety professionals, managers, and trained employee representatives who walk through our facilities on a systematic schedule to observe work practices, identify potential hazards, and ensure compliance with safety procedures. Safety patrols enable us to identify unsafe conditions or unsafe work practices in real-time and to take immediate corrective action. Near-miss reporting is an important part of our safety culture where workers are encouraged to report incidents that could have resulted in injuries but did not, as well as unsafe conditions.
- Safe workstation mapping involves assessing individual workstations to ensure that they are designed and equipped in ways that minimize risk of injury and promote worker comfort and efficiency. This process includes evaluation of ergonomic factors, proper positioning of equipment and materials, adequate lighting and ventilation, and elimination of unnecessary hazards. By mapping and improving individual workstations, we ensure that the immediate work environment of each employee supports safe and healthy work practices.
- Through these comprehensive measures and initiatives, Harsha Engineers International Limited demonstrates our genuine commitment to creating and maintaining workplaces where all employees and workers are protected from occupational hazards and can work safely and healthily. We recognise that workplace safety is not achieved through a single initiative or program but rather through a comprehensive, integrated, and sustained commitment to identifying



hazards, implementing controls, training workers, monitoring performance, and continuously improving our safety practices and systems.

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

	FY (2025-26) (Current Financial Year)			PY (2024-25) (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	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

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

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

- Through our comprehensive assessments of health and safety practices and working conditions at our manufacturing plants and operational facilities, no significant risks or concerns have been identified. This positive outcome reflects the effectiveness of our occupational health and safety management systems, the commitment of our employees and management to maintaining safe working environments, and the proactive approach we take towards identifying and addressing health and safety issues before they become significant problems. However, we remain vigilant and responsive to any unsafe conditions that may be observed at our plants during routine operations and monitoring activities. We have established a culture and organizational approach where corrective actions are taken promptly during the year whenever any unsafe conditions are observed at our plants or operational facilities. Our commitment is not simply to maintain current levels of safety but to continuously identify opportunities



for improvement and to address any emerging safety concerns before they result in injuries or serious incidents.

- When unsafe conditions are observed during our regular safety patrols, maintenance activities, or through worker reports, our health and safety team, along with plant management, takes immediate action to assess the situation and implement appropriate corrective measures. These corrective actions may include removing or isolating hazards, implementing engineering controls to prevent worker exposure to hazards, providing additional personal protective equipment where necessary, modifying work procedures or work methods to eliminate unsafe practices, conducting training and retraining of workers on safe work practices, or implementing systemic changes to processes or equipment to eliminate unsafe conditions. We maintain detailed records of all unsafe conditions identified, corrective actions taken, and the timeline for implementation of corrections. By maintaining this proactive approach to identifying and correcting unsafe conditions as they arise, we ensure that our plants continue to maintain high standards.
- Our commitment to continuous improvement in occupational health and safety, combined with our responsive approach to addressing unsafe conditions when they are identified, demonstrates our genuine dedication to protecting the health and safety of all workers at our facilities. We recognise that workplace injuries and illnesses are preventable and that our responsibility as an employer is to eliminate or minimize hazards and to create work environments where all workers can perform their jobs safely and return home healthy to their families at the end of each workday.

Leadership Indicators

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

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

- We are ensuring compliance with statutory obligations is a fundamental responsibility that extends not only to our direct operations but also throughout our value chain, particularly to our contractors and service providers who engage workers on our behalf. We understand that statutory dues including provident fund contributions, employee state insurance contributions, professional tax, and goods and services tax represent legal obligations that must be fulfilled by all our value chain partners, and that failure to comply with these obligations can expose workers to financial insecurity and can expose our company to legal and reputational risks.
 - The Company regularly monitors the Provident Fund (PF), Employee State Insurance (ESIC), Professional Tax (PT), and Goods and Services Tax (GST) compliance of our contractors through a systematic and ongoing monitoring process.
 - Our commitment to ensuring that statutory dues are properly deducted and deposited by our value chain partners reflects our recognition that contract workers depend on contractors to protect their statutory rights and entitlements, and that our company has responsibility for the welfare of workers engaged through our contractors. By implementing comprehensive monitoring mechanisms and holding contractors accountable for statutory compliance, we ensure that workers' rights are protected and that statutory obligations are fulfilled. Through these measures, Harsha Engineers International Limited demonstrates our commitment to responsible contracting practices and to ensuring that all workers associated with our business, whether direct employees or contract workers, are treated fairly and have their statutory entitlements protected.
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

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

- Yes, our company does provide transition assistance programs designed to facilitate continued employability. We believe that it is our responsibility as a responsible employer to provide appropriate support and assistance to help these employees navigate these transitions successfully and to prepare them for the next phases of their careers and lives. By providing transition assistance programs, we help minimize the disruption and challenges associated with the end of employment and enable employees to move forward with greater confidence and security.
- Our transition assistance programs may include counselling, skills training and development opportunities that help employees develop new skills or update existing skills to make themselves more competitive in the job market and to enhance their employability in their current or new fields. We believe that transition assistance programs are an important investment in the well-being of our employees and in the maintenance of our reputation as a responsible and caring employer.
- Our commitment to transition assistance also reflects our recognition that many of our former employees become members of the communities we serve, customers of our business, or advocates or critics of our company based on their experiences with us. We ensure that information about our transition assistance programs is communicated clearly to employees so that they understand what support is available to them in the event that their employment ends due to retirement or termination. Our transition assistance programs are designed to be practical, accessible, and responsive to the real needs of employees facing the end of their employment. We periodically

review and update our transition assistance programs to ensure that they remain relevant and effective in meeting employee needs. We seek feedback from employees who have used our transition assistance programs to understand whether the programs were helpful and to identify areas where improvements can be made.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	33.00%
Working Conditions	33.00%

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

- We have not identified significant risks or concerns requiring immediate corrective action, we remains committed to supporting continuous improvement in health and safety practices throughout our value chain. We recognise that even organizations with good health and safety records can find opportunities for further improvement and enhancement of their practices.
- We are committed to maintaining these positive relationships and to supporting our partners in their ongoing efforts to enhance their health and safety practices and protect the well-being of their workers. Through our comprehensive assessment of value chain partners and our collaborative approach to continuous improvement, we ensure that health and safety standards are maintained throughout our business operations and value chain.

Notes: We are committed to respecting and promoting the wellbeing of all our employees and workers, including those in our value chain. We believe that the growth and happiness of our people are fundamental to our success as a responsible organization. We provide a safe, healthy, and inclusive working environment for all our employees. We maintain zero tolerance towards any form of discrimination, harassment, or forced labour. We remain dedicated to continuously strengthening our practices to ensure the highest standards of human rights and well-being for all employees and workers across our operations and value chain.



PRINCIPLE 4:



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

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.
 - We understand that our success is not achieved in isolation but rather through strong and collaborative relationships with diverse groups of individuals and organizations who have varying interests in our business operations and who are affected by our business decisions and activities. We are privileged to share strong relationships with our investors and other stakeholder groups, relationships that are built on a deep understanding of their expectations, concerns, and priorities, combined with our genuine and consistent commitment to fulfilling the expectations we have established with them. We analyse the impact and influence of each stakeholder group on our business and, conversely, the impact of our business on each stakeholder group. This analysis helps us understand the relative significance of different stakeholder groups and helps us prioritize our stakeholder engagement efforts. We assess factors such as the financial or operational dependence of our business on each stakeholder group, the ability of each stakeholder group to influence our business decisions or operations, the dependence of each stakeholder group on our business for their own success or well-being, and the vulnerability of each stakeholder group to negative impacts from our business operations. We have developed a clear and comprehensive understanding of our stakeholder landscape. This understanding enables us to prioritize our stakeholder engagement efforts, to allocate resources to engaging with the most significant stakeholder groups, and to ensure that our policies and practices are responsive to the concerns and expectations of our key stakeholders. Through our systematic and comprehensive approach to stakeholder identification and engagement, we demonstrate our recognition that our long-term success depends on building and maintaining positive, transparent, and mutually beneficial relationships with all our key stakeholders.



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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Emails Internal Meetings Engagement Activities Internal Portal Townhall Meeting One-To-One Interaction 	<ul style="list-style-type: none"> Need Basis 	<ul style="list-style-type: none"> Employee Wellbeing Career Development Business Plans
Shareholders	No	<ul style="list-style-type: none"> Email Teleconference Investor Presentation Plant Visits Website AGM 	<ul style="list-style-type: none"> Quarterly Annually Need Basis 	<ul style="list-style-type: none"> Financial Performance Prospective Investment Investor Relationship Dividend Profitability Financial Stability
Investors	No	<ul style="list-style-type: none"> Email Teleconference Investor Presentation Plant Visits Website Roadshows Investor Conference 	<ul style="list-style-type: none"> Quarterly Need Basis 	<ul style="list-style-type: none"> Financial Performance Prospective Investment Investor Relationship Dividend Profitability Financial Stability
Suppliers	No	<ul style="list-style-type: none"> Email Meetings 	<ul style="list-style-type: none"> Need Basis 	<ul style="list-style-type: none"> Commercial Quality On Time Delivery
Customers	No	<ul style="list-style-type: none"> Email Exhibitions Meetings 	<ul style="list-style-type: none"> Need Basis 	<ul style="list-style-type: none"> Business Enhancement Customer Satisfaction



		<ul style="list-style-type: none"> • Plant visits 		
Suppliers/ Contractors	No	<ul style="list-style-type: none"> • Email • Meetings 	<ul style="list-style-type: none"> • Need Basis 	<ul style="list-style-type: none"> • Quality
Community	Yes	<ul style="list-style-type: none"> • One-To-One Interactions 	<ul style="list-style-type: none"> • Need Basis 	<ul style="list-style-type: none"> • CSR Projects • Community Needs



Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
 - We recognise that meaningful and regular consultation with our stakeholders on economic, environmental, and social topics is fundamental to our ability to operate responsibly, identify emerging risks and opportunities, and make informed strategic decisions that benefit all our stakeholders. We recognise that effective stakeholder consultation requires a decentralized and locally responsive approach that is sensitive to the specific needs, concerns, and characteristics of different stakeholder groups in different locations. Therefore, consultation with stakeholders on economic, environmental, and social topics has been delegated to the relevant departments and teams within our organization who are best positioned to engage with stakeholders on a continuous and ongoing basis. We are committed to ensuring that the process of collecting and communicating stakeholder feedback is transparent, fair, and responsive. By establishing robust processes for stakeholder consultation and ensuring that feedback from stakeholders informs Board-level decision-making, we demonstrate our commitment to stakeholder-inclusive governance and our recognition that our long-term success depends on building and maintaining positive relationships with all our stakeholders.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
 - Our stakeholder consultation is actively used to support the identification and management of environmental and social topics within our organization. We recognise that our stakeholders have valuable insights, concerns, and perspectives regarding the environmental and social impacts of our business operations, and we deliberately incorporate these perspectives into our processes for identifying and managing economic, environmental, and social topics. We engage with multiple stakeholder groups including our employees, customers, investors, and local communities through

relevant and appropriate mechanisms to understand their perspectives on environmental and social and governance topics through double materiality assessment.

- We engage with customers to understand their expectations regarding the environmental performance of our products, our social responsibility practices, our supply chain management, and other factors that influence their purchasing decisions and brand loyalty. By consulting with our customers and understanding their environmental and social requirements, we ensure that our practices remain responsive to market expectations and competitive pressures in our industry.
 - We believe that the integration of stakeholder consultation into our environmental and social management processes is essential for building credibility with our stakeholders, for ensuring that our practices remain responsive to emerging concerns and opportunities, and for driving continuous improvement in our environmental and social performance. We are committed to maintaining and strengthening our stakeholder engagement mechanisms, to giving serious consideration to stakeholder feedback in our policy and practice development, and to communicating back to stakeholders about how their input has influenced our decisions and actions. Through these commitments and practices, we demonstrate that stakeholder voices are valued in our organization and that we are serious about identifying and managing environmental and social topics in ways that address stakeholder concerns and contribute to sustainable and responsible business practices.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.
- The Company has demonstrated a commitment to supporting vulnerable groups by engaging in various initiatives. The Company has partnered with an independent NGO, Aastha Charitable Trust, to provide a residential complex called “ANAND DHAM” for the mentally challenged and those with aging or posthumous parental care needs. In the similar manner the Company has made a Corporate Social Responsibility (CSR) contribution to the Make a Difference Education & Medical Welfare Foundation, Sant Vinoba Gram Swarajya Ashram, Institute Management Committee(IMC) of ITI Bavla, Lenco Alumni Association. During FY 2025-26 the Company has contributed

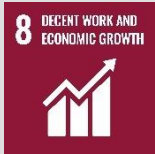


approximately 199.93 lakhs towards the welfare of vulnerable groups, and ensured that the outreach programs address their needs.

Note: At Harsha Engineers International Limited (HEIL), we believe that strong, transparent, and mutually beneficial relationships with our stakeholders are essential for our long-term success and responsible growth. We systematically identify key stakeholder groups by assessing their influence on our business and our impact on them, enabling us to understand their expectations and concerns better.

We regularly engage with our Employees on well-being and career development, Shareholders & Investors on financial performance and returns, Suppliers & Contractors on quality and delivery, Customers on satisfaction and business growth, and local Communities – recognised as a vulnerable group – through CSR initiatives. We actively consult stakeholders on economic, environmental, and social topics, using their valuable feedback – including through double materiality assessment – to inform our policies, decisions, and Board-level discussions. At HEIL, stakeholder engagement remains a continuous journey of listening, learning, and creating shared value for all.

PRINCIPLE 5:



Businesses should respect and promote human rights

Essential Indicators

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

Category	FY (2025-26) Current Financial Year			PY (2024-25) 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	670	263	39.25%	562	190	33.81%
Other than permanent	13	12	92.31%	18	3	16.67%
Total Employees	683	275	40.26%	580	193	33.28%
Workers						
Permanent	1,075	227	21.12%	1,084	263	24.26%
Other than permanent	1,526	416	27.26%	1,596	261	16.35%
Total Workers	2,601	643	24.72%	2,680	524	19.55%



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

Category	FY (2025-26) Current Financial Year					PY (2024-25) Previous Financial Year				
	Total (A)	Equal Minimum Wage to		More than Minimum Wage		Total (D)	Equal Minimum to Wage		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
Employees										
Permanent	670	0	0.00%	670	100.00%	562	0	0.00%	562	100.00%
Male	646	0	0.00%	646	100.00%	536	0	0.00%	536	100.00%
Female	24	0	0.00%	24	100.00%	26	0	0.00%	26	100.00%
Others	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other Permanent than	13	0	0.00%	13	100.00%	18	0	0.00%	18	100.00%
Male	13	0	0.00%	13	100.00%	18	0	0.00%	18	100.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Others	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Workers										
Permanent	1,075	5	0.465%	1,070	99.535%	1,084	29	2.68%	1,055	97.32%
Male	1,055	5	0.47%	1,050	99.526%	1,067	29	2.72%	1,038	97.28%
Female	20	0	0.00%	20	100.00%	17	0	0	17	100.00%
Others	0	0	0.00%	0	0.00%	0	0	0	0	0.00%
Other than Permanent	1,526	489	32.04%	1,037	67.96%	1,596	665	41.67	931	58.33 %
Male	1,421	468	32.93%	953	67.07%	1,524	637	41.80%	887	58.20%
Female	105	21	20.00	84	80.00%	72	28	38.89%	44	61.11%
Others	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

3. Details of remuneration/salary/wages.

1. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	4,052,502	2	5,152,500
Key Managerial Personnel	6	11,220,064	1	10,185,000
Employees other than BoD and KMP	654	625,745	26	510,909
Workers	1229	368,987	20	296,350



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

	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Gross wages paid to female	44,477,940	28,849,578
Total wages	1,361,957,778	1,267,668,573
Gross wages paid to females as % of total wages	3.27%	2.28%

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

- Yes

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

- We recognise that having comprehensive grievance redressal mechanisms is essential for protecting human rights, identifying problems early, addressing issues before they escalate, and demonstrating our genuine commitment to respecting and protecting the rights of all individuals affected by our business operations.
- At the core of our grievance redressal mechanism is the establishment of a dedicated Human Resources Single Point of Contact (HR SPOC) for each division of our organization. This is a significant and strategic commitment that demonstrates the importance we place on grievance redressal and human rights protection. By designating an HR SPOC in each division, we ensure that employees and workers in every part of our organization have access to a trained, accessible, and responsive official who is responsible for receiving and addressing human rights grievances. The division-level structure of our HR SPOC system ensures that grievances are handled at the closest possible level to where the issues arise, enabling faster response times, better understanding of local context and issues, and more personalized support for grievant. We recognise that having a grievance redressal mechanism is not sufficient by itself; the mechanism must be widely known, easily accessible, and genuinely trusted by employees to be effective. Through our comprehensive internal mechanisms to redress grievances related to human rights issues, we demonstrate our unwavering commitment to protecting human rights, creating safe and respectful workplaces, and ensuring that all individuals affected by our business have access to effective remedies when human rights violations occur.



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

	FY (2025-26) Current Financial Year			PY (2024-25) 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	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other Human Rights related issues	0	0	NA	0	0	NA

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

	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Average number of female employees/workers at the beginning of the year and as at the end of the year	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0.00%	0.00%

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

- We recognise that creating an effective mechanism to address discrimination and harassment complaints requires not only clear policies and procedures but also robust protections for complainants to ensure that they do not face any adverse consequences, retaliation, or negative treatment as a result of filing complaints or participating in investigations. Our organization has established comprehensive mechanisms and safeguards specifically designed to prevent adverse consequences to complainants in discrimination and harassment cases.



- Our Human Resources Single Point of Contact (HR SPOC), who serves as the central focal point for all matters related to sexual harassment, discrimination at the workplace, and related issues.
- We have established a culture of respect and accountability where all employees understand that discrimination and harassment are serious violations of company values and applicable law. We communicate clearly that complainants are not the wrongdoers and that the organization will support and protect them rather than blame them for the problems that existed in their work environment. By fostering a culture where employees understand that coming forward with complaints is the right thing to do and that doing so will be rewarded with protection and support rather than punishment, we encourage employees to report problems early, enabling us to address issues before they escalate.
- All employees are trained on our sexual harassment and discrimination prevention which emphasizes the organization's zero-tolerance approach towards both discrimination and harassment.
- Harsha Engineers International Limited recognises that creating a safe environment for complainants requires more than just policies and procedures; it requires a genuine commitment from leadership and all employees to protecting complainants and ensuring that discrimination, harassment, and retaliation are not tolerated.
- Through our comprehensive mechanisms and unwavering commitment to protecting complainants, Harsha Engineers International Limited demonstrates our dedication to creating workplaces free from discrimination, harassment, and retaliation, where all employees can work with dignity, respect, and security.

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

- Yes

10. Assessment for the year:

Name of other assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Others – please specify	-
Code of Conduct	100.00%
SA 8000	100.00%
Whistle blower policy	100.00%



11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.
- We are pleased to report that no significant risks or concerns arising from the comprehensive assessments conducted at our premises. This positive outcome reflects the effectiveness of our governance systems, policies, and operational practices in maintaining high standards of ethical conduct, labour rights protection, and human rights compliance across all our facilities.
 - Our comprehensive assessment program, as detailed in Question 10, involved a thorough evaluation of all our plants and offices across multiple critical dimensions including child labour prevention, forced or involuntary labour prevention, sexual harassment prevention, discrimination at workplace prevention, wages and compensation practices, Code of Conduct compliance, Prevention of Sexual Harassment policy implementation, SA 8000 standard compliance, and Whistle Blower Policy effectiveness.
 - We remain committed to regularly monitoring our practices, updating our policies to address emerging issues, providing ongoing training and awareness to our employees, and maintaining open channels for employees to raise concerns and grievances. Our commitment to human rights and ethical labour practices is unwavering, and we will continue to invest in building and maintaining robust systems and processes that protect and promote human rights throughout our organization.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
- With respect to business processes being modified or introduced as a result of addressing human rights grievances and complaints, we report the following status.
 - We initiate necessary actions and implement appropriate responses as and when human rights grievances or complaints are brought to our attention through our grievance mechanisms. We take all human rights concerns seriously and respond promptly to address the issues raised by our employees, contractors, or other stakeholders. Our approach to addressing human rights grievances is focused on understanding the root causes of the issue, implementing appropriate measures, and preventing recurrence of similar issues in the future.

-
- However, during the reporting period, no business process was modified or introduced as a result of addressing human rights complaints.
 - We recognise that the absence of business process modifications does not imply complacency in our human rights practices. Rather, it reflects that our existing governance structures, policies, and procedures are functioning effectively in addressing the human rights concerns that arise. We have in place comprehensive policies, clear grievance mechanisms, and trained personnel who are capable of responding to human rights issues promptly and appropriately. We are committed to continuously evaluate our human rights governance practices and making improvements wherever necessary. Our commitment to human rights is unwavering, and we will continue to invest in building robust systems and processes to protect and promote human rights throughout our organization.
2. Details of the scope and coverage of any Human rights due-diligence conducted.
- We recognise the importance of human rights protection in our business operations and have taken proactive measures to ensure that our organizational practices align with human rights principles. We have adopted multiple comprehensive policies that establish clear expectations and guidelines for ensuring that correct human rights practices are undertaken throughout our organization. These policies serve as the foundational framework for our human rights governance and provide guidance to all our employees, on what is expected of them with respect to human rights protection and promotion.
 - We believe that our comprehensive policy framework, combined with our commitment to implementing the policies throughout our organization, effectively addresses the core human rights issues that are relevant to our business operations. Our policies are regularly reviewed and updated to ensure that they remain current, relevant, and aligned with evolving human rights standards. All our policies are reviewed periodically as and when required to ensure their continued relevance and effectiveness. While we acknowledge that a formal Human Rights Due Diligence in the comprehensive sense has not been conducted, we are committed to strengthening our human rights governance practices over time. We recognise the value of conducting periodic human rights assessments and due diligence to identify potential risks and gaps in our human rights protections. We will continue to evaluate our practices and consider implementing more formal human rights due diligence processes in the future as part of our ongoing commitment to improving our human rights governance and performance.

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

- Yes, we are conscious about the difficulties differently abled visitors and rights of them and accordingly we make arrangement of accessibility for them.
- Our staff members are trained to provide assistance and support to differently abled visitors, ensuring that they receive the help they need without making them feel uncomfortable or treated differently.
- Our commitment to accessibility extends to ensuring that persons with disabilities have equal employment opportunities within our organization. We are committed to continuously improving the accessibility of our facilities and services. We believe that building an inclusive and accessible organization is an ongoing journey that requires continuous commitment, investment, and improvement. Our accessibility initiatives demonstrate our deep commitment to respecting the rights and dignity of persons with disabilities and ensuring that they are treated with equal respect and provided with equal opportunities to access our facilities and participate in our organizational activities.

4. Details on assessment of value chain partners

Name of other assessment	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100.00%
Discrimination at workplace	100.00%
Child Labour	100.00%
Forced Labour/Involuntary Labour	100.00%
Wages	100.00%
Others – please specify	-
Supplier Vendor Assessment	100.00%
Supplier	100.00%
Vendor	100.00%
Recruiting	100.00%
Staffing	100.00%
Manpower	100.00%
Services	100.00%

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

- We recognise that our value chain partners, plays a crucial role in our business operations and have a significant impact on our overall



sustainability and human rights performance. We are committed to ensuring that all our value chain partners adhere to the same high standards of ethical conduct, human rights, and responsible business practices that we ourselves uphold. Our assessment of value chain partners includes a thorough evaluation of their policies and practices. We assess whether our partners have implemented comprehensive policies, complaint mechanisms, and preventive measures to protect their employees. We require all our value chain partners to maintain safe and respectful working environments.

- Beyond the core human rights and labour practice assessments, we have also carried out a comprehensive Supplier Vendor Assessment that evaluates and ensures that we have comprehensive visibility and control over all our value chain partners' practices. This comprehensive assessment demonstrates our commitment to ensuring that all categories of our business partners maintain appropriate standards of conduct and practice.

Notes: We are strongly committed to respecting and promoting human rights across all our operations. We believe that every individual deserves to be treated with dignity, respect, and fairness. We provide equal opportunities to all employees irrespective of caste, creed, gender, religion, or background. We respect the fundamental rights of all our stakeholders, including employees, workers, contractors, and communities. We have established transparent grievance redressal mechanisms so that any concerns related to human rights can be raised and addressed promptly and fairly. We are dedicated to creating a workplace and business ecosystem where human rights are protected, promoted, and respected at all times. We remain committed to continuously strengthening our human rights practices across the organization and our value chain.

PRINCIPLE 6:



Business should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format. Whether total energy consumption and energy intensity is applicable to the company?



Revenue from operations (in Rs.)	FY(2025-26) (Current Financial Year)	PY(2024-25) (Previous Financial Year)
		12,282,029,831

Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
From renewable sources (GJ)		
Total electricity consumption (A)	77,379.36	38,393.42
Total fuel consumption (B)	0	0
Energy consumption through sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	77,379.36	38,393.42
From non-renewable sources (GJ)		
Total electricity consumption (D)	111,580.31	102,675.89
Total fuel consumption (E)	88,421.86	122,701.61
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	200,002.17	225,377.50
Total energy consumed (A+B+C+D+E+F)	277,381.53	263,770.92
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/Rs.)	0.000023	0.000022
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/Rs.)	0.000517	0.000506
Energy intensity in terms of physical Output (Total GJ Consumed / MT of Production) (GJ/MT)	20.27	16.62
Energy intensity (optional) - the relevance metric may be selected by the entity	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.

- Yes, Growlity Inc.

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



been achieved, provide the remedial action taken, if any.

- [Ambica Associates](#)

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

Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0.00
(ii) Groundwater	34,601.00	28,824.00
(iii) Third party water	14,425.61	4,218.38
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	49,026.61	33,042.38
Total volume of water consumption (in kilolitres)	49,026.00	33,000.00
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000040	0.0000030
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000009	0.000007
Water intensity in terms of physical Output (KL / MT of Production)	3.58	2.36
Water intensity (optional)- the relevant metric may be selected by the entity	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.

- [Yes, Growlity Inc.](#)

4. Provide the following details related to water discharged:

Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(ii) To Groundwater	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(iii) To Seawater	0.00	0.00
- No treatment	0.00	0.00



Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
- With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third-parties	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(v) Others	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	0.00	0.00

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

- Yes, Growlity Inc.

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

- We are pleased to confirm that **Yes**, our company has implemented a comprehensive mechanism to reuse all the treated water within our plant premises as mentioned in our consent. We are deeply committed to responsible water management and environmental protection, recognizing that water is a precious natural resource that must be conserved and managed sustainably. Our system represents our proactive approach towards minimizing our environmental impact and demonstrating our commitment to sustainable water management practices.

- Our mechanism is built on the principle that all wastewater generated during our manufacturing processes should be treated and reused within our facilities, thereby eliminating the need to discharge any liquid effluent into water bodies or the environment. This practice not only helps us conserve precious freshwater resources but also reduces our operational costs associated with freshwater procurement and wastewater treatment. One of the primary applications of our treated water is toilet flushing throughout our facilities. This practice demonstrates our commitment to water conservation at every level of



our operations. Our treated water is also being utilized for solar panel cleaning at our facilities. Rather than using freshwater for cleaning our solar panels, we use treated wastewater, thereby reducing our freshwater consumption while maintaining our solar equipment. This practice ensures that our renewable energy investments continue to generate maximum benefits while we also conserve water resources. Another significant application of our treated water is for cooling tower because it requires substantial quantities of water for their operation, and by using treated wastewater instead of freshwater, we are able to reduce our demand on freshwater resources. We also utilize our treated water for gardening and plantation activities at our facilities. All our gardening and plantation activities are sustained using treated wastewater, which provides the necessary water for nurturing plants and maintaining green areas within our facilities. This practice demonstrates how we can integrate environmental sustainability into our everyday operational activities.

- We have implemented this system with the understanding that it aligns with our broader sustainability objectives and helps us move towards a circular economy model where resources are used efficiently and waste is minimized. The implementation of our mechanism has required significant investment in wastewater treatment infrastructure, regular maintenance and monitoring, and continuous process optimization. However, we believe that this investment is worthwhile as it contributes to environmental protection, resource conservation, and long-term operational sustainability. We conduct regular monitoring and testing of our treated water to ensure that it meets all required quality standards before it is reused in our facilities. Our environmental management team maintains detailed records of all wastewater treatment activities, water quality testing results, and water reuse data. We ensure full compliance with all applicable consent conditions and environmental regulations related to water management and wastewater treatment. Our mechanism represents our genuine commitment to becoming an environmentally responsible organization that minimizes its impact on water resources and contributes positively to environmental conservation.

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

Whether air emissions (other than GHG emissions) by the entity is applicable to the company?

<i>Parameter</i>	<i>Please specify unit</i>	<i>FY (2025-26) (Current Financial Year)</i>	<i>PY (2024-25) (Previous Financial Year)</i>
NOx	PPM	15.30	6.22
SOx	PPM	14.43	18.8
Particulate matter (PM)	mg/Nm ³	57.90	46.23
Persistent organic pollutants (POP)	mg/Nm ³	0.00	0.00
Volatile organic compounds (VOC)	mg/Nm ³	0.00	0.00
Hazardous air pollutants (HAP)	mg/Nm ³	0.00	0.00
Others – please specify	-	-	-

Note: **Yes**, air emissions other than greenhouse gas emissions are applicable to us. We acknowledge that our manufacturing operations generate various air emissions including NOx (Nitrogen Oxides), SOx (Sulfur Oxides), and Particulate Matter (PM), which are regulated air pollutants that require monitoring, control, and reporting. We are committed to managing and minimizing these air emissions through proper operational controls, regular monitoring, and compliance with all applicable environmental regulations and consent conditions issued by the competent environmental authorities.

Monitoring and Measurement of Air Emissions

We observe that there has been an increase in NOx emissions in the current financial year, and we are investigating the root causes of this increase and implementing corrective measures to bring the emissions back to lower levels. The increase in NOx emissions may be attributed to changes in operational load, fuel quality, or combustion process parameters, and we are working with our technical teams to optimize our processes and reduce these emissions. In Particulate Matter (PM) emissions, we observed that there has been an increase in particulate matter emissions in the current financial year, and we recognise that this requires our immediate attention and corrective action. We are evaluating our dust control systems to identify areas where improvements can be made to reduce particulate emissions.



Emissions Not Applicable to Our Operations

We confirm that certain air emission parameters are not applicable to our manufacturing operations based on the nature of our processes and the specific conditions outlined in our environmental consent orders. Specifically, we report that Persistent Organic Pollutants (POP), Volatile Organic Compounds (VOC), and Hazardous Air Pollutants (HAP) emissions are recorded as 0.00 mg/Nm³. These parameters do not apply to our operations as per the issued environmental consent conditions for both of our manufacturing plants.

Changodar Plant - Environmental Consent

Our Changodar manufacturing plant operates under the environmental consent under Consent Order Number AWH-129023, which is valid and effective up to March 31, 2028. This consent order specifies the applicable air emission parameters for our Changodar plant and prescribes the permissible limits for various air pollutants that we are required to monitor and comply with.

Moraiya Plant - Environmental Consent

Our Moraiya manufacturing plant operates under the environmental consent issued under Consent Order Number AWH-142666, which is valid and effective up to January 23, 2028. The Moraiya plant also operates under the framework established through its respective consent order, and we maintain strict compliance with all applicable terms, conditions, and emission limits prescribed in this consent.

Regulatory Compliance and Consent Compliance

We are fully committed to comply with all the terms and conditions specified in our environmental consent orders for both our manufacturing facilities. We understand that the consent orders represent a legal contract between our company and the regulatory authorities, and strict compliance with these orders is not only a legal obligation but also a moral responsibility towards environmental protection and public health. We believe that proactive maintenance and continuous monitoring are the keys to ensuring sustained compliance with our consent orders and regulatory requirements.

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

- Yes, [Growlity Inc.](#)

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

Whether greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, is applicable to the company?

Parameter	Unit	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
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	5,160	6,487
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	8,276	12,785
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/rupee	0.00000109	0.00000177
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO ₂ e/rupee	0.000025	0.000041
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent/ MT of production	0.98	1.33
Total Scope 1 and scope2 emission intensity (optional)- the relevant metric may be selected by the entity	-	NA	NA

Note: We are committed to effectively managing and reducing our greenhouse gas emissions as part of our environmental responsibility. We continuously monitor and work towards controlling Scope 1 emissions, which are generated directly from our own operations within our premises. At the same time, we focus on reducing Scope 2 emissions that result from the purchase of electricity for our facilities. Through various energy efficiency improvement initiatives, adoption of modern technologies, and process optimizations across our plants, we strive to lower our overall carbon footprint. These efforts help us minimize our impact on the environment while maintaining operational efficiency. We remain dedicated to regularly reviewing our energy consumption patterns and implementing suitable measures to achieve sustained reduction in both Scope 1 and Scope 2 emissions. This reflects our long-term commitment towards responsible and sustainable manufacturing practices.

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

- Yes, Growlity Inc.



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

- We are deeply committed to addressing the global challenge of climate change and reducing our greenhouse gas emissions across all our operational facilities and value chain. Our company has undertaken several significant and ambitious projects directly focused on reducing greenhouse gas emissions and achieving our long-term sustainability objectives. Our greenhouse gas emission reduction strategy is comprehensive and incorporating various initiatives that address different aspects of our operations and encompassing both direct and indirect emissions. We have developed a clear roadmap with specific targets and timelines that guides our efforts towards building a more sustainable and environmentally conscious organization.
- We have set an aspirational long-term goal to achieve net zero greenhouse gas emissions by the year 2050. This commitment represents our vision for a truly sustainable organization that operates in complete harmony with the environment and contributes positively to global climate change mitigation. Our net zero emissions target encompasses both Scope 1 (direct emissions from our operations) and Scope 2 (indirect emissions from purchased electricity) emissions, and potentially Scope 3 emissions (indirect emissions from our value chain) as we expand our sustainability initiatives. Achieving net zero emissions by 2050 will require comprehensive and transformative changes across all aspects of our business operations, value chain, and strategic decision-making processes. We are committed to continuously improving our operational efficiency, investing in clean technologies, and exploring innovative solutions that can help us reduce our absolute emissions towards zero. Our net zero commitment demonstrates our belief that climate change is one of the most critical challenges of our time, and that businesses have a responsibility to play an active and meaningful role in addressing this global challenge.
- We are genuinely committed to reduce our greenhouse gas emissions and building a more sustainable organization for future generations. Our comprehensive portfolio of GHG reduction projects, combined with our ambitious targets for renewable energy adoption, net zero emissions, waste management, water conservation, and supply chain sustainability, demonstrates our unwavering commitment to environmental responsibility and climate action. We recognise that achieving these targets will require sustained effort, continuous innovation, and significant investment, but we are fully committed to this transformative journey towards sustainability. Through these initiatives, we aim to set an example of responsible corporate citizenship and meaningful climate action in our industry.

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

Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	11.04	10.72
E-waste (B)	0.00	1.07
Bio-medical waste (C)	0.00	0.00
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.00	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	464.87	195.88
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0.00	0.00
Office waste	78.99	68.11
Glass Waste	1.42	0.00
Packaging Waste	394.17	380.04
Wooden Waste	163.88	143.29
Paper waste	29.53	23.46
Total of Other Non-hazardous waste generated (H) .	667.99	614.90
Total (A+B + C + D + E + F + G + H)	1,143.89	822.57
<i>Note: Other non-hazardous waste is the quantity of Office Waste, Glass Waste, Packaging Waste, Wooden Waste and Paper Waste.</i>		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000093	0.000000076
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000021	0.0000017
Waste intensity in terms of physical output (MT / MT of Production)	0.084	0.057
Waste intensity(optional)- the relevant metric may be selected by the entity	NA	NA
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	955.08	115.83
(ii) Re-used	0.00	0.00



Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
(iii) Other recovery operations	0.00	0.00
Total	955.08	115.83
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration & Co-processing	188.81	180.85
(ii) Landfilling	0.00	0.00
(iii) Other disposal operations -please specify (Safety Disposal Plastic)	0.00	49.00
Total	188.81	229.85

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

- Yes, Growlity Inc.

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

- Our waste management approach is guided by the principles of the ISO 14001:2015 Environmental Management System standard, which provides us with a structured framework to identify, manage, and minimize waste generation at all our facilities. We have established a detailed and comprehensive Waste Disposal Standard Operating Procedure (SOP) document bearing the reference number HEO810000010, which serves as the foundational guidance document for all waste management activities conducted across our establishments. This SOP document provides clear, step by step instructions and protocols that all our employees, contractors, and operational staff must follow when handling, segregating, storing, and disposing of waste generated during our manufacturing and operational processes. By focusing on process optimization and continuous improvement, we have been able to achieve better resource utilization and reduced environmental impact from our operations.
- We understand that the responsible disposal of hazardous waste is crucial for environmental protection and public health. Therefore, we have established partnerships with authorized and registered recyclers and co-processors who are duly certified and licensed to handle, treat, and dispose of hazardous waste in accordance with the Hazardous and Other Wastes



Management Rules, 2016 and all other applicable environmental regulations. All hazardous waste generated during our manufacturing processes is carefully segregated, properly stored in designated containers, and regularly transferred to our registered waste management partners for appropriate treatment and disposal.

- Our waste management practices are regularly monitored and reviewed through both internal audits and external compliance checks to ensure that all procedures are being followed correctly and that we are achieving our waste reduction objectives.
 - Through these comprehensive and well-structured waste management practices, we demonstrate our commitment to environmental stewardship, regulatory compliance, and sustainable business operations. We are dedicated to continuously improving our waste management systems and reducing the generation of hazardous waste, thereby contributing to a cleaner and healthier environment for all our stakeholders.
11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:
- We confirm that as per the current operational status and geographical footprint of the company, the organization does not have any operations in or around ecologically sensitive areas. Our operations and offices are not situated within or in proximity to national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, designated forest areas, or coastal regulation zones as defined under the Environmental Protection Act and other applicable environmental laws and regulations of India.
 - We have carefully evaluated its current operational footprint across all its facilities spread across various locations in Ahmedabad, Gujarat, India. We have implemented comprehensive environmental management systems and practices to ensure that all its operations are conducted in an environmentally responsible manner. We regularly monitor our operations to ensure compliance with all applicable environmental regulations, guidelines, and best practices. We believe that responsible business practices and environmental protection are not mutually exclusive but rather complementary objectives that should be pursued simultaneously.
 - We also ensure that even though its current manufacturing operations are not in ecologically sensitive areas, it remains vigilant and committed to



minimizing its overall environmental footprint. This includes measures such as reducing greenhouse gas emissions, reducing water consumption, managing waste responsibly, and promoting the use of renewable energy. We have recognised that our environmental responsibility extends beyond the operational locations and encompasses the entire value chain, supply chain, and the communities in which the company operates. Therefore, in response to this specific question we confirm that the status is Not Applicable (NA) to the company's current operations sites. We will continue to uphold our commitment to environmental stewardship and sustainable business practices in all its future endeavours and growth initiatives.

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.
NA			

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

- We are committed to conduct our operations and projects in an environmentally responsible manner and adheres to all applicable laws and regulations. We confirm that the disclosure on details of environmental impact assessments is Not Applicable. No projects undertaken by the Company or the Company itself required an Environmental Impact Assessment (EIA) as per the applicable laws and regulations. We carefully select and plan our projects in such a way that they do not trigger the requirement for formal environmental impact assessments under the prevailing environmental laws. This approach helps us to ensure that our activities remain in full compliance with regulatory requirements while minimizing any potential environmental concerns from the planning stage itself.
- We will continue to evaluate every new project thoroughly and will carry out necessary environmental impact assessments if and when any future project falls under the purview of applicable EIA regulations. This responsible approach supports our broader commitment to sustainable development and environmental protection.

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



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:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
No				

Note: We are fully committed to complying with all applicable environmental laws, regulations, and guidelines in India. This includes the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment Protection Act, and all rules made thereunder. We are pleased to confirm that it has remained fully compliant with all the above-mentioned environmental laws and regulations during the reporting period. There have been no instances of non-compliance. Since we have maintained full compliance, the details of non-compliances are Not Applicable. As our company has not faced any penalties or fines related to environmental laws and regulations in FY 2025-26, all fields have been marked as "NA" (Not Applicable). The Company continues to maintain strict adherence to environmental norms and remains committed to upholding the highest standards of environmental compliance in all its operations.

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

- Yes, Growlity Inc.

Leadership Indicators

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

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

(i) Name of the area – NA

(ii) Nature of operations – NA

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



Parameter	FY (2025-26) (Current Financial Year)	PY (2024-25) Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: As our Company is not located in areas of water stress area so there for the above table is not applicable.

- We do not operate in or around any ecologically sensitive areas. Therefore, no independent assessment, evaluation, or assurance by an external agency has been carried out in this regard. Since there is no presence or operational activity near ecologically sensitive zones, the requirement for any external independent assessment related to



biodiversity impacts does not arise. This disclosure reflects our responsible approach to site selection and operations, ensuring that we avoid any potential interaction with ecologically sensitive areas and thereby eliminate the need for such external assessments.

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

- Yes, Growlity Inc.

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

Whether total Scope 3 emissions & intensity is applicable to the company?

Parameter	Unit	FY (2025-26) (Current Financial Year)	PY (2024-25) (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	8,075	4,748
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent /Turnover Rupee	0.0000007	0.0000004
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity (Metric tonnes of CO₂ equivalent / MT of Production)	Metric tonnes of CO ₂ equivalent /MT of Production	0.59	0.33

Note: As a responsible manufacturer with a global supply chain, we address all 15 categories of the GHG Protocol where applicable. In our ASR and BRSR disclosures, we currently report the three applicable Scope 3 categories, namely waste generated through operations, upstream transportation, and downstream transportation. However, for CDP disclosures and specific customer requirements, we disclose all relevant and applicable Scope 3 categories. Going forward, we are further strengthening our disclosures by expanding the coverage of applicable categories, including alignment with SBTi requirements and evolving stakeholder expectations means whenever our customers demand transparency into the full scope of our emissions, we proactively disclose all applicable Scope 3 categories to them.



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

- Yes, Growlity Inc.
3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
 - We operate with a strong focus on environmental responsibility and biodiversity protection. With respect to the ecologically sensitive areas, we confirm that this disclosure is Not Applicable to us because we do not operate in or around any ecologically sensitive areas. As a result, there are no significant direct or indirect impacts on biodiversity from our operations in such areas. Since we do not have any presence or activities near ecologically sensitive zones, no specific prevention or remediation activities related to biodiversity impacts are required at present. This reflects our ongoing efforts to minimize any potential negative effects on the environment and biodiversity through responsible site selection and operational practices.
 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative (Saved in KWH per Month)	Corrective action taken, if any
1)	Installation of auto idle stop system in Tapper Auto Division (GHG Emission)	Implemented PLC-based timers for automatic machine shutdown during idle conditions across multiple machines, including: 9A Facing line (Elevators 1 & 2, Bowl Feeder, H. Conveyor, SPD, Loader, Dryer, Vision systems), 8B Facing line, and 10B line (Facing, Notching, Coining).	Achieved energy savings of approximately 160 kWh per month after completion of the project, through reduced idle-time electricity consumption, contributing to improved energy efficiency and lower Scope 2 emissions.	Monitoring of machine utilization and periodic optimization of timer settings to ensure minimal impact on production while maximizing energy savings.



Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative (Saved in KWH per Month)	Corrective action taken, if any
2)	Installation and use of IE4 energy-efficient motors at Changodar facility (GHG Emission)	In the Changodar division (Maintenance – Utility and SRB areas), initiatives have been undertaken to install and utilize IE4 (high-efficiency) motors to improve energy performance.	Estimated energy savings of approximately 560 kWh per month (after completion of the project) leading to improved energy efficiency and reduction in electricity consumption.	Continued replacement of conventional motors with IE4 motors and monitoring of performance to ensure optimal energy savings.
3)	Installation of on and off switch for transformer in Changodar Tool Room (Environment = GHG Emission)	In the tool room division (Changodar), this initiative leads to the electricity consumption reduction.	Achieved energy savings of approximately 1400 kWh per month, after completion of the project through re installation and reduced the electricity consumption, contributing to improved energy efficiency and lower Scope 2 emissions.	Regular monitoring will be done to ensure the electricity savings.
4)	Installation of induction mold heating system in Foundry Division (GHG Emission)	Installed 1.5 meter and 3-meter induction mold heating systems to replace conventional PNG-based mold heating, thereby reducing dependency on fossil fuel usage in the foundry process.	Significant reduction in PNG consumption leading to lower Scope 1 GHG emissions. Achieved emission intensity of <0.15-ton CO ₂ per ton (average) against internal target of 0.165-ton CO ₂ per ton (average).	Continuous monitoring of fuel consumption and performance optimization of induction systems to sustain and further improve emission reduction.
5)	Returnable Box Utilization (Resource Utilization)	Monthly tracking is carried out to monitor utilization trends across operations. – The returnable packaging figures are dependent on domestic order volumes, hence, setting a fixed target is not feasible.	Reduction in packaging waste and its related GHG emission like Scope 3 – Improved circular utilization of materials.	Continuous monitoring of usage trends.

Note: Saved KWH values represent energy savings that begin from the project completion date. Energy savings are only counted once a project becomes operational.

- Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
Details of entity at which business continuity and disaster management plan is placed/weblink.



- Yes, we have a well-defined contingency plan in place that serves as the Company's Business Continuity and Disaster Management Plan. The plan clearly outlines the various risks that we may face, assesses the severity of each risk, and describes the corresponding mitigation measures to be taken in the event of any such occurrence. This structured approach helps us to respond effectively and minimize disruption to business operations during emergencies or unforeseen events.
 - The contingency plan has been effectively communicated to all functional heads of our Company. It has also been shared with all employees to ensure comprehensive awareness and better preparedness across the organization. This wide dissemination ensures that everyone in the Company understands their role and responsibilities in case of any contingency, thereby strengthening overall readiness and resilience.
 - The Business Continuity and Disaster Management Plan is an important part of our risk management framework and reflects the Company's commitment to safeguarding its operations, people, and stakeholders even in challenging situations.
6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
- We remain committed to responsible supply chain practices and continuously monitors the environmental performance of its value chain. We understand that our overall environmental footprint is influenced not only by our own operations but also by the activities of our suppliers and business partners. Based on the current practices and assessments carried out during the reporting period, the Company has not identified any significant adverse environmental impacts arising from its value chain.
 - We regularly engage with our value chain partners through training sessions and assessments focused on CO₂ calculation, GHG emissions, and sustainability. As of now, no major or significant negative environmental effects have been observed or reported from the value chain. Since no significant adverse impacts were identified, specific mitigation or adaptation measures were not required during the year. However, the Company continues to take proactive steps to prevent any future risks. We will keep strengthening our engagement with value

chain partners, expand the coverage of environmental assessments, and promote better sustainability practices across the supply chain. This ongoing approach helps us maintain a responsible and low impact value chain while supporting our long-term environmental goals. We will continue to monitor the situation closely and take necessary actions promptly if any significant adverse impacts are identified in the future.

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

- During the reporting period, we continued our efforts to engage with value chain partners on environmental and sustainability matters. We understand that our environmental performance is closely linked with the practices of our suppliers and business partners. Therefore, assessing the environmental impacts of our value chain is an important part of our sustainability journey.
- We are pleased to report that 33.00% of our value chain partners (by value of business done with such partners) were covered under this assessment. These selected value chain partners were provided with dedicated training sessions on Greenhouse Gas (GHG) Emissions, Product Carbon Footprint and we have shared our journey related to the Sustainability which includes the topics like Tree Plantation, CBAM, Initiatives taken to reduce the electricity consumption, diesel consumption, water consumption, PNG consumption etc., The training helped them to understand key sustainability concepts and enabled a proper assessment of their impacts.
- We aimed to build awareness and encourage better sustainability practices among our key value chain partners. The initiative focused on equipping them with the knowledge and tools needed to measure, monitor, and manage their greenhouse gas emissions more effectively. This step is expected to create a positive ripple effect across our supply chain and support our broader goal of reducing the overall environmental footprint of our operations.

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

1. By the listed entity: Nil, during the reporting period, Harsha Engineers International Limited has not generated or procured any Green Credits. The Company has not purchased any Green Credits from

listed companies. We continue to focus on our own internal efforts towards environmental sustainability rather than participating in the Green Credit market at this stage. Our current priority remains on increasing the share of renewable energy, improving energy efficiency, and reducing our carbon footprint through direct operational improvements.

2. By the top ten (in terms of value of purchase and sales, respectively) value chain partners: Nil, the top ten value chain partners of the Company (in terms of value of purchase and sales respectively) have not purchased or generated any Green Credits on behalf of Harsha Engineers International Limited. The Company has not procured any Green Credits through its value chain partners during the year under review. We maintain regular engagement with our value chain partners on various sustainability matters, but Green Credits have not been part of these engagements so far.

Notes: The Company has not bought, generated, or procured any Green Credits during the reporting period. We are currently concentrating on strengthening our internal environmental and sustainability initiatives. These include progressing towards our targets of Scope 2 neutrality and 100% renewable energy by 2030, as well as working towards net zero by 2050. We will continue to monitor the Green Credit mechanism and evaluate its relevance in the future as and when it aligns with our long term decarbonization goals and overall ESG strategy.

PRINCIPLE 7 :



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

Essential Indicators

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

- 4

- 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	GCCI	State
2	CII	National
3	AMA	State
4	ACMA	National

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

Name of authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators

- Details of public policy positions advocated by the entity:

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

Notes: At Harsha Engineers International Limited (HEIL), we believe in engaging responsibly with industry bodies and associations to contribute to the growth and development of the engineering and manufacturing sector. We are currently affiliated with four respected trade and industry chambers/associations. These memberships enable us to stay updated with industry trends, share best practices, and participate in constructive dialogues that support the overall progress of the sector.

During the year, we have not advocated any specific public policy positions. There have also been no instances of anti-competitive conduct, and we have not received any adverse orders from regulatory authorities in this regard. We remain committed to transparent, ethical, and responsible engagement in all industry forums while strictly adhering to the highest standards of integrity and compliance.

PRINCIPLE 8:



Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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
NA					

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
None of the Company projects undertaken required rehabilitation and resettlement.						

Note - Harsha Engineers International Limited is committed to responsible business practices and ensures that all our projects are executed with due care for the local communities and the environment.

During the reporting period, none of the projects undertaken by the Company required any Rehabilitation and Resettlement (R&R). This means that no project activities involved displacement of people or communities that would necessitate rehabilitation or resettlement measures. However, in the current financial year, our operations and new projects did not trigger any such requirements.

All our project sites were selected and developed in a manner that avoided the need for R&R activities. The Company remains fully committed to following all applicable laws, guidelines, and best practices related to Rehabilitation and Resettlement. We will continue to assess every new project carefully and ensure that, if any R&R becomes necessary in the future, it is carried out in a fair, transparent, and humane manner, with proper support provided to the affected communities.

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

- [Grievance Redressal Mechanism \(GRM\)](#) plays a very important role in building and maintaining strong relationships with the local community. It

helps the Company to earn the trust and support of the people living around our operations. This mechanism also gives the Company a social license to operate smoothly and carry out different community development projects in a successful way.

- To handle community grievances effectively, the Company has put in place a practical and proactive system. We have deployed our local employees who regularly visit the nearby communities. These employees meet and interact with the local people on a regular basis.
- Through these interactions, they listen to the concerns and feedback of the community members and try to understand any issues they may be facing. This regular engagement helps us address community concerns quickly and in a friendly manner. So far, based on all these interactions, the Company has not received any specific grievances from the community.
- Apart from interactions, the Company also follows a clear process for recording external complaints. Any complaints related to health, safety, and environment coming from outside the Company are properly recorded on the Company's intranet. Once recorded, we take suitable and sufficient steps to resolve these complaints. The Company makes sure that all such complaints are closed in a timely manner. We also do proper follow ups after resolving the issues so that the same problems do not happen again in the future.
- This simple and transparent approach helps us stay connected with the community. It shows our sincere efforts to listen to people, solve their concerns, and act responsibly. We believe that by handling grievances in this way, we can continue to build long-lasting trust and goodwill with the communities around us.

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

	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Directly sourced from MSMEs/ small producers	7.71%	4.56%
Directly from within India (within the district and neighboring districts)	75.51%	70.55%

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

Location	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Rural	0	0



Location	FY (2025-26) Current Financial Year	PY (2024-25) Previous Financial Year
Semi-urban	0	0
Urban		
1) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	1,361,957,778	1,267,668,573
2) Total Wage Cost	1,361,957,778	1,267,668,573
3) % of job creation in Urban areas	100%	100%
Metropolitan	0	0

Note –The job creation in urban area is given and shared as our all employees are from urban location.

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
NA	

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

- We are deeply committed to Corporate Social Responsibility and actively contribute to the social and economic development of the communities where we operate. We believe that responsible businesses have a vital role to play in nation building by supporting inclusive growth, education, healthcare, skill development, and environmental sustainability. As part of our CSR philosophy, we regularly assess various opportunities to create meaningful impact through well planned and impactful projects.

- We recognise the importance of aspirational districts as priority areas for accelerated development and inclusive growth. The Government’s initiative to identify and develop these districts aims to bridge regional imbalances and improve the quality of life for citizens in underdeveloped regions. While we have not initiated projects in these districts this year, we remain fully open and committed to exploring suitable opportunities in the future. We will

continue to monitor and assess potential projects that can make a meaningful difference in aspirational districts, in line with our CSR policy and in collaboration with credible implementing partners. However, we did not undertake any CSR projects specifically in these aspirational districts. This decision was taken after careful review of our current CSR focus areas, ongoing initiatives, resource allocation, and alignment with our long-term sustainability objectives.

-We will keep strengthening its overall CSR framework and will strive to expand its social footprint in a phased and sustainable manner. Our focus will always be on creating long-term value for society while ensuring that our CSR efforts are impactful, transparent, and aligned with national development priorities.

S. No.	State	Aspirational District	Amount spent (In INR)
Nil			

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

- No, the Company does not have preferential procurement policy in place but on needs basis the Company sources paper cutting activities from Aastha Charitable Trust for Welfare of the Mentally Challenged.

(b) From which marginalized /vulnerable groups do you procure?

- NA

(c) What % of total procurement (by value) does it constitute?

- NA

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

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

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

Name of authority	Brief of the Case	Corrective action taken
Not applicable, as except Trademark, the Company has no other intellectual property		



6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Anandham – Welfare of Mentally Challenged People*	40	100.00%
2	Education and Welfare for Underprivileged and needy individuals/students through Make a Difference Education & Medical Welfare Foundation	89	100.00%
3	Education and Welfare for Underprivileged and needy individuals/students	75	100.00%
4	Animal Welfare through Sant Vinoba Gram Swarajya Ashram#	177	100.00%
5	Education and Skill Development for Students through Institute Management Committee (IMC) of ITI Bavla	41	100.00%
6	Education and Skill Development for Students through LENCO Alumni Association	750	100.00%

*The project is commenced in the FY 2025-26 and will be completed in the FY 2026 – 27, benefitting 40 families.

Project commenced in FY 2024-25 and completed in FY 2025-26 is not considered.

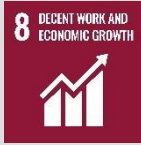
#This CSR Contribution was provided for constructing shed for 177 Cows.

The detailed information related to the CSR is given in the Board Report, which forms part of this Annual Report.

Notes: During the year, we implemented several CSR projects focused on supporting vulnerable and marginalized sections of society. These initiatives included welfare programmes for mentally challenged people, education and welfare support for underprivileged and needy students, animal welfare activities, and skill development programmes for students. We are pleased that all beneficiaries from these projects belonged to vulnerable and marginalized groups.



PRINCIPLE 9:



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

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback:
 - Consumer complaints and feedback are received through the customer portal, and timely responses are provided through detailed 8D reports to address issues and implement corrective actions.
- Turnover of products and/ services as a % of turnover from all products/service that carry information:

	As a % to total turnover
Environmental and social parameters relevant to the product	100.00%
Safe and responsible usage	100.00%
Recycling and/or safe disposal	100.00%

Note :

- We strictly follow IMDS and REACH guidelines in our processes to minimize environmental impact and promote responsible practices.
- We are committed to designing and manufacturing products that can be used safely by our customers.
- We focus on responsible product design and material selection that enables effective recycling and safe end-of-life disposal. By following IMDS and REACH standards, we ensure our products have minimal environmental impact at the end of their life cycle.

- Number of consumer complaints in respect of the following:

	FY (2025-26) (Current Financial Year)		PY (2024-25) (Previous Financial Year)	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	0	0	0	0
Advertising	0	0	0	0
Cyber-security	0	0	0	0
Delivery of essential services	0	0	0	0



	FY (2025-26) (Current Financial Year)		PY (2024-25) (Previous Financial Year)	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Restrictive Trade Practices	0	0	0	0
Unfair Trade Practices	0	0	0	0
Other	0	0	0	0

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

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

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

- Yes, the Company has a well-defined policy on cyber security and risks related to data privacy. This policy outlines the guidelines, procedures, and best practices to be followed by all employees to safeguard sensitive information and protect the organization from cyber threats. The policy is readily available on the Company's intranet for easy access by all employees. Additionally, the Company holds the prestigious TISAX label, which demonstrates our strong commitment to information security and data protection, particularly in the automotive supply chain. This certification reflects our adherence to the highest standards of information security management.

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

- The Company did not receive any complaint in this regard during the reporting period.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches along- with impact – 0
- % of data breaches involving personally identifiable information of customers – 0.00%
- Impact, if any, of the data breaches – NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
 - Product information is available on the Company's website at this link: <https://www.harshaengineers.com/>
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
 - Measurement Methods
 - Packaging Data Sheets
 - WI for Product handling
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
 - E-mail communication to customers in place.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company manufactures products strictly as per the detailed print designs and technical specifications provided by our customers. This particular clause is not applicable to us. We regularly carry out comprehensive surveys and feedback sessions of our major products in close coordination with our esteemed customers, who are primarily leading bearing manufacturers. These interactions help us understand their evolving requirements and ensure continuous alignment with their expectations. No major changes have been observed or implemented based on the recent customer feedback.

Notes: At Harsha Engineers, we are committed to engaging with our customers in a responsible and transparent manner. We have a structured system in place to receive customer feedback and complaints and respond to them promptly.

The company maintains a strong policy on cyber security and data privacy to protect customer information. We provide product information through our website to ensure continuous improvement.