

Gears for Change: Towards a Sustainable Tomorrow

ESG Report FY 2024-2025

Bharat Gears Limited



Project Green Vasundhara

Project Green Vasundhara is Bharat Gears Limited's flagship pilot initiative that anchors the company's sustainability journey. This provides a structure for integrating ESG principles into BGL's operations. Conceived as a holistic platform, the project consolidates key sustainability initiatives across energy efficiency, waste reduction, emissions management, employee wellbeing, and community engagement.

Through Project Green Vasundhara, BGL seeks to move beyond compliance and embed responsible practices into day-to-day operations. This initiative enables a focused approach towards sustainability. This helps us in scaling initiatives across all functions within Bharat Gears. As the foundation of BGL's sustainability roadmap, Project Green Vasundhara reflects the company's commitment to responsible growth, operational excellence, and long-term value creation for all stakeholders.



Forward-Looking Statements

This report includes forward-looking statements that reflect our current views, plans, and expectations related to ESG performance and initiatives. These statements are based on assumptions & information available at the time of reporting. Actual outcomes may differ materially due to evolving business conditions, regulatory developments, climate-related risks, and socio-economic factors. This report is for the period of 1st April 2024 - 31st March 2025. This is our annual Sustainability/ ESG Report. In case of any queries, please reach out at info@bglindia.com.

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About the Report

This is Bharat Gears Limited's ("Bharat Gears", "BGL", "We" or the "Company") second ESG report for the financial year 2024-25. Bharat Gears Limited is one of India's leading automotive gear technology providers and one of the foremost manufacturers of precision-engineered gears and transmission components. With a legacy spanning over five decades, Bharat Gears has consistently integrated responsible practices across its operations. In this ESG report, we share our progress with stakeholders, outlining how BGL has advanced its environmental, social and governance initiatives and reinforced its commitment to sustainable and resilient business practices.

This report has been developed with reference to the GRI Standards for the period starting 1st April 2024 to 31st March 2025. The Reporting Principles, Universal Standards, and Topic Standards outlined in the Global Reporting Initiative (GRI) 2021 Standards have been applied in the preparation of this report. It is further aligned with the Sustainability Accounting Standards Board (SASB) guidelines, the United Nations Sustainable Development Goals (UN SDGs), and the Business Responsibility and Sustainability Reporting (BRSR) Principles prescribed by SEBI. The reporting boundary covers three plant operations of BGL Faridabad, Mumbra and Lonand, unless stated otherwise.

This report is based on the theme, ***"Gears for Change: Towards a Sustainable Tomorrow"***.



About the Company

Founded in 1971, Bharat Gears Limited (BGL) is among the global leaders in gear technology and stands as India's leading manufacturer of gears. With more than five decades of experience, the Company specializes in delivering advanced gear and transmission solutions to customers worldwide. Our products are sold across key markets in Europe, the United States, Mexico, South America, and Asia, reflecting our strong international footprint and long-standing customer relationships.

A strong focus on innovation, quality, and manufacturing excellence enables BGL to consistently meet and exceed customer expectations. This commitment has positioned the Company as a trusted and preferred supplier to leading Original Equipment Manufacturers (OEMs) across global markets.

Our capabilities are organized across three core business divisions that together support our integrated manufacturing model.





Message from the Desk of CMD

Dear Shareholders,

It gives me immense pleasure to present the second Environmental, Social and Governance (ESG) Report of Bharat Gears Limited for FY 2024-2025. Building on the foundation we laid in our inaugural ESG report last year, we continue to strengthen our approach to sustainability. Our emphasis on advanced technology, product innovation, world-class manufacturing, and strong engineering capabilities continues to create long-term value for our customers, shareholders, and wider stakeholder community. By steadily embedding ESG considerations into our business strategy, we seek to balance profitable and diversified growth with responsible and sustainable practices.

Transparency and accountability have long been integral to the way Bharat Gears Limited operates. In the past, our disclosures largely focused on Corporate Social Responsibility initiatives and our contributions to communities and employees. With the launch of Project Green Vasundhara last year, we marked a significant shift toward a more structured and integrated sustainability approach.

In this second year of ESG reporting, we have further deepened and refined our disclosures across key environmental, social, and governance areas. Alongside our continued CSR efforts, this report presents enhanced insights into our environmental footprint, energy and resource efficiency, emissions management, workforce diversity, health and safety performance, and the governance frameworks that underpin our decision-making. These disclosures reflect our growing maturity in measuring, managing, and reporting sustainability performance.

Keeping our sustainability commitment firm, we have set ambitious targets across E, S & G pillars to further strengthen our sustainability ambitions. We aim to reduce energy intensity by 15% by FY2030, achieve 25% renewable electricity in our own operations by FY2034, and reduce freshwater withdrawal intensity by 40% by FY2030, while working towards Zero Liquid Discharge across all manufacturing operations by FY2030 and 100% diversion of waste from landfill across all manufacturing facilities by FY2035. On the social and governance front, we are committed to increasing women representation in our workforce to 10% by 2030 and ensuring 100% employee coverage under our Code of Conduct and ethical standards training framework. Going forward, under Project Vasundhara, we have initiated discussions at the leadership level towards developing SBTi-aligned Net Zero targets.

With these goals in place, we are strengthening the foundation of a robust and forward-looking ESG roadmap. Project Green Vasundhara now serves not only as a reference point for our current performance but as a clear statement of our intent to continuously improve and integrate sustainability into every aspect of our operations. It reflects our commitment to building a resilient, responsible, and future-ready organization.

I would like to express my sincere appreciation to all our stakeholders for their continued trust, support, and constructive engagement as we progress on this journey.

Warm regards,

Surinder Paul Kanwar

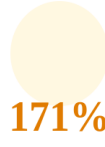
Chairman and Managing Director

Key Highlights FY 2024-25

ENVIRONMENTAL PERFORMANCE



▼ **DECREASE**
in GHG Emissions
Year-over-Year
Scope 1 + Scope 2
Combined Reduction



▲ **RISE IN FY 2025**
Renewable Energy
Consumption Growth
+4,390 GJ increase
in renewable consumption



RECYCLED & REUSED
Water Conservation
Across All Operations
Zero Discharge Goal
Commitment in Progress

SOCIAL PERFORMANCE



LOST TIME INJURIES
LTIFR = Zero



FATALITIES
Across All Locations



TOTAL TRAINING HOURS



AVERAGE PER EMPLOYEE

FY 2025 Training Program
Across All Functions



CASES REPORTED

- ✓ Harassment
- ✓ Discrimination
- ✓ Child Labor
- ✓ Forced Labor

Zero Violations Reported

Corporate Overview

Mission & Vision

Vision

At Bharat Gears Limited, our vision is to be a trusted and inspiring global gear technology leader that consistently delights customers and stakeholders. We are committed to pursuing excellence and innovation through collaborative teamwork, continuous learning, and high ethical standards, enabling us to grow responsibly and shine on the world stage.

Mission

Our mission is to strengthen and expand our position as a premier Indian manufacturer of gears and aggregates for both domestic and international markets. We aim to deliver on-time, zero-defect products supported by responsive service, empowered employees, strong vendor partnerships, and value creation for investors. Through this, we seek to drive sustainable growth, meet stakeholder expectations, and contribute meaningfully to the industry and society.

Product Portfolio

Gears: We manufacture over one million hypoid and spiral ring gears and pinion sets, more than seven million transmission gears, and approximately 0.75 million differential gears annually, along with sub-assemblies for tractors, construction equipment, commercial vehicles (HCV, MCV, LCV), utility vehicles, passenger cars, and electric vehicles.

Furnaces: Leveraging our deep expertise in heat treatment technology, we commenced furnace manufacturing in 1978 and have since built a strong presence in designing and supplying reliable and efficient heat treatment solutions.

Automotive Components: Through our Automotive Components Division, we supply a wide range of precision-engineered automotive components, reinforcing our commitment to quality, reliability, and engineering excellence across the value chain.



Industry Collaborations and Memberships

Bharat Gears Limited actively engages with leading industry bodies such as the Faridabad Industry Association & the Automotive Component Manufacturers Association of India. This is to stay aligned with evolving industry practices & policy developments. These collaborations enable knowledge sharing, advocacy, and collective action, supporting continuous improvement across the automotive & manufacturing ecosystem within India. BGL is a member of the United Nations Global Compact (UNGC).

Awards and Accolades



Eaton Corporation - Premier Supplier Award



Escorts Kubota Limited - Best Delivery



Escorts Kubota Limited - Association of more than 50 years



Mahindra Swaraaj - Special appreciation award (New Product Development)



JD Group - Supplier of the year



JD Group - Partner-level achievement (Highest Rating/Score)



Our Sustainability Strategy

As a manufacturing company, Bharat Gears Limited continues to embed sustainability more deeply into its core business strategy. BGL has been driving meaningful improvements within its operations. Building on the groundwork established last year, we have further strengthened our understanding of ESG issues and set up dedicated ESG targets to be achieved across the three pillars.

Our double materiality assessment conducted last year remains a key tool in this process, that exercise has helped us identify key environment, social & governance issues by evaluating both their impact and financial relevance. In parallel, a sustainability maturity assessment has been used to review our current performance and identify focus areas for enhancement, ensuring our strategy remains practical, targeted, and aligned with evolving industry expectations.

Our sustainability efforts are centered on reducing environmental impact, fostering a safe, inclusive, and engaging workplace, and maintaining strong standards of governance and ethical conduct. We acknowledge that sustainability is an ongoing journey that requires continuous learning, measurable progress, and active stakeholder engagement.

By setting clearer priorities, strengthening internal processes, and adopting proven best practices, we aim to steadily enhance our performance year on year. Looking ahead, we will focus on translating these insights into measurable actions and long-term goals that reinforce responsible growth and create enduring value for our business, society, and the environment.

Stakeholder Engagement

At Bharat Gears Limited, regular and structured engagement with stakeholders is central to shaping a resilient sustainability strategy. We actively engage with a wide spectrum of stakeholders, including employees who drive innovation and operational excellence; our Board and senior leadership, who provide strategic oversight; customers and suppliers, who are integral to our value chain; and local communities, whose trust and well-being are essential to our social license to operate.

In addition, we maintain a continuous dialogue with investors, government and regulatory bodies, and industry associations to stay aligned with evolving expectations and regulatory frameworks. Through surveys, interviews, and focused discussions, we gather stakeholder perspectives on key environmental, social, and governance matters and use these insights to identify and prioritize issues that are most relevant to our business. This open and ongoing engagement helps us integrate stakeholder expectations into decision-making, strengthen transparency, and create long-term shared value.



Materiality Assessment: Focus on Double Materiality

In the previous year, Bharat Gears Limited undertook a structured double materiality assessment to strengthen its understanding of the sustainability issues that are most relevant to the business and its stakeholders.

The assessment was designed to evaluate ESG topics from two perspectives: the potential and actual impact of our operations on people and the environment, and the financial risks and opportunities these issues may present to our long-term growth. This dual lens ensures that our sustainability priorities are grounded in both responsible business conduct and sound commercial decision-making.

The process followed a clear and methodical approach, building on the framework adopted in the previous year and aligning with globally recognized standards such as the GRI standards. It began with the identification of a comprehensive list of sustainability topics relevant to our operations and value chain, followed by stakeholder engagement to understand their relative importance. Each topic was then assessed for impact materiality based on its severity and likelihood, and for financial materiality based on its potential implications for business performance. The outcomes of these assessments were consolidated into a double materiality matrix, which now serves as a key input for prioritizing actions, setting targets, and guiding our ESG strategy going forward.

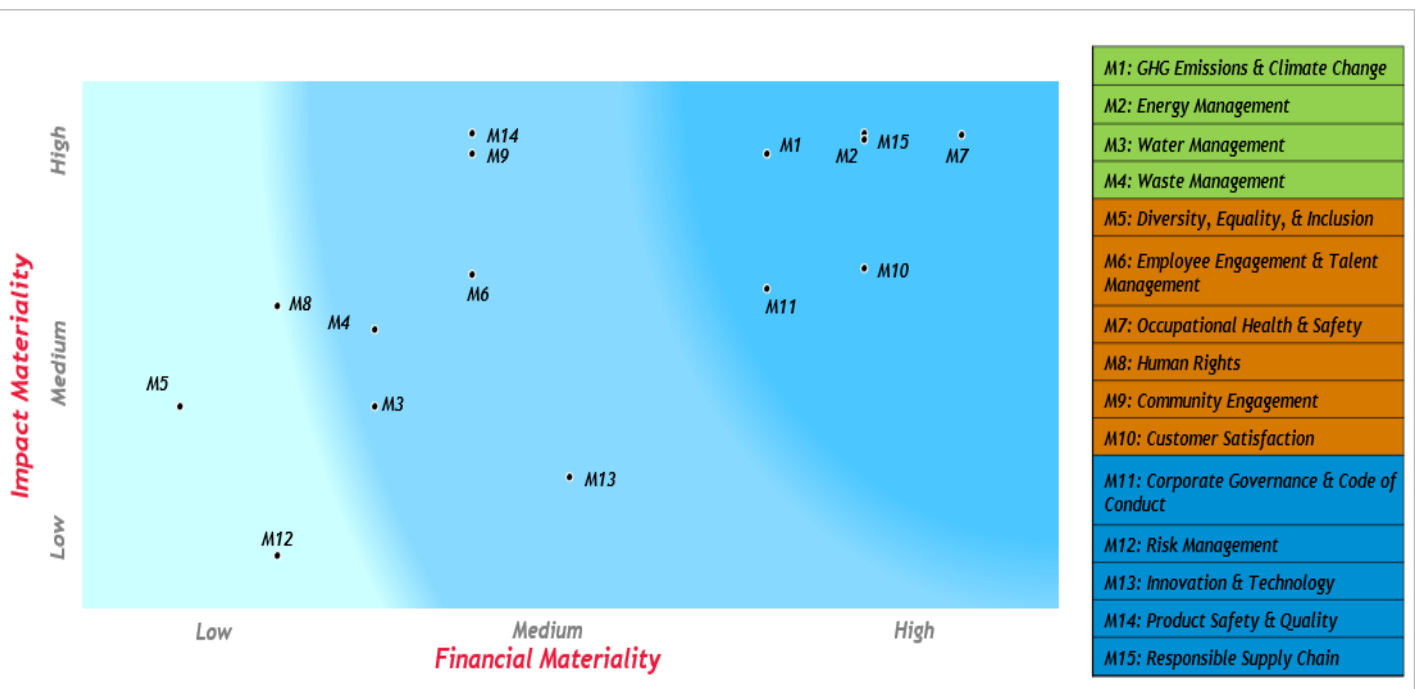


Figure 1. Materiality Matrix

Key ESG Risks

Risk Type	Description	Mitigation Measures
Climate & Environmental Risk	Exposure to extreme weather events, natural calamities, emissions to air and water, hazardous material handling, waste mismanagement, and inefficient use of energy and water may disrupt operations, increase compliance costs, and impact reputation.	ISO 14001-aligned environmental management systems, continuous monitoring of emissions and waste, energy and water efficiency initiatives (including solar implementation and conservation drives), regulatory compliance tracking tools, and site-level contingency planning.
Operational & Manufacturing Risk	Risks relating to product quality failures, high PPM/COPQ, machine breakdowns (MTBF/MTTR), inadequate process capability, tooling delays, premium freight, delivery performance gaps, and inventory inaccuracies that may affect profitability, customer ratings, and business continuity.	Lean manufacturing initiatives, TPM and preventive maintenance programs, digital OEE monitoring (Industry 4.0 tools), structured SOPs and risk control matrices, productivity improvement projects, inventory monitoring systems, and business continuity planning.
Supply Chain & Strategic Risk	Disruptions in raw material supply, geopolitical or market volatility, supplier underperformance, technological obsolescence, aggressive competition, and inability to maintain growth trajectory may affect margins, supply continuity, and market share.	Supplier consolidation and dual sourcing strategies, long-term agreements (LTAs), cost optimization and weight reduction programs, technology upgradation investments, new vendor development, structured business reviews, and diversification into advanced manufacturing technologies.
Governance & Ethical Risk	Risks relating to bribery, corruption, litigation exposure, corporate identity misuse, media mismanagement, payroll irregularities, and weak ethical culture may adversely impact stakeholder trust and corporate reputation.	Code of Business Conduct & Ethics, whistleblower mechanism, structured grievance redressal system, periodic legal reviews, compliance monitoring placed before the Board, and independent director oversight.
People & Human Capital Risk	Talent shortages in critical roles, succession gaps, high attrition, industrial relations challenges, inadequate performance management, skill gaps, unsafe working conditions, and behavioral safety issues may affect operational stability and morale.	Succession planning for critical roles, structured training and skill development centers, performance appraisal refinement, employee engagement initiatives, BBS training programs, health & safety audits, contractor safety modules, and regular IR dialogue.

Technology & Information Security Risk	Misalignment of IT systems with business strategy, cyber threats, data loss, system downtime, or failure of digital transformation initiatives may impact operational continuity and efficiency.	Controlled system access protocols, IT governance framework, data security monitoring, periodic system reviews, disaster recovery planning, and alignment of digital initiatives with operational strategy.
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Bharat Gears' ESG Targets

Building on the insights from our double materiality assessment, Bharat Gears Limited has defined a focused set of ESG targets that address our most critical material issues while aligning with the United Nations Sustainable Development Goals (UN SDGs). This alignment reflects our commitment to contributing to global sustainability priorities and ensures that our initiatives create long-term value for our business, society, and the environment.

Environmental Target	Target Description
Energy Reduction Target	Reduce energy intensity by 15% by FY2030 from FY2024 baseline.
Renewable Electricity Target	Achieve 25% renewable electricity in own operations by FY2034.
Freshwater Withdrawal Intensity Reduction Target	Reduce freshwater withdrawal intensity by 40% by FY2030 from FY2024 baseline.
Zero Liquid Discharge (ZLD) Target	Achieve Zero Liquid Discharge across all manufacturing operations by FY2030.
Zero Waste to Landfill Target	Achieve 100% diversion of waste from landfill across all manufacturing facilities by FY2035.

Social Target	Target Description
100% Training Provided / Conducted for Employees	Maintain 100% training coverage for employees
Women in Workforce	Increase women representation in workforce by 10% by 2030

Governance Target	Target Description
Training on Code of Conduct and Ethical Standards	Achieve 100% employee coverage for Code of Conduct and ethical standards training by 2030
Supply Chain	To achieve 100% supplier ESG audits by 2030



Corporate Governance

At Bharat Gears Limited, corporate governance remains a cornerstone of our overall governance framework and a key enabler of responsible and sustainable business conduct. It shapes the way we make decisions, manage risks, and uphold high ethical standards across all our operations. Our governance approach is designed to balance the interests of stakeholders while ensuring transparency, accountability, and long-term organisational well-being. By embedding strong governance practices, we aim to meet regulatory requirements, manage business risks effectively, and support consistent and sustainable growth.

BGL's philosophy of corporate governance is based on the following principles-

1. Lay Solid Foundations for Management
2. Promote Ethical & Responsible Decision-making
3. Structure the Board to Add Value
4. Encourage Enhanced Performance
5. Safeguard Integrity in Financial Reporting
6. Respect the Rights of the Shareholders
7. Recognize the Legitimate Interest of Shareholders
8. Remunerate Fairly and Responsibly
9. Recognize and Manage Business Risks
10. Make Timely and Balanced Disclosures
11. Legal & Statutory Compliances in its True Spirit

Board of Directors

The Board of Directors of Bharat Gears Limited serves as the highest governance body, providing strategic direction and oversight to ensure responsible business conduct. The governance structure is designed to promote accountability, transparency, and effective decision-making through a balanced mix of executive and non-executive leadership supported by board-level committees.

The Board comprises eight members, including two Executive Directors: Mr. Surinder Paul Kanwar, Chairman and Managing Director (Promoter), and Mr. Sameer Kanwar, Joint Managing Director (Promoter), one Non-Executive Director: Mr. N.V. Srinivasan, and five Non-Executive Independent Directors: Mr. W.R. Schilha, Mr. Rakesh Chopra, Ms. Kavita Jha, Mr. V.K. Pargal, and Mr. Raman Nanda.

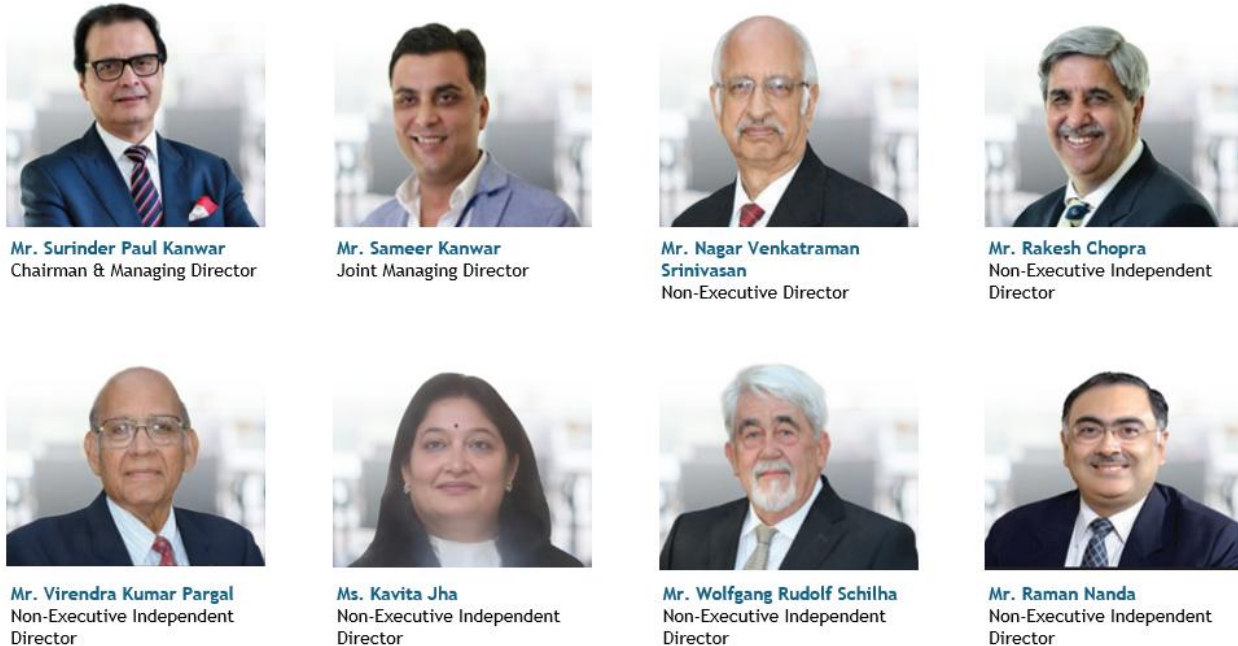


Figure 2. BGL's Board of Directors

The composition of the Board reflects a strong independent presence, with five out of eight directors (62.5%) serving as Non-Executive Independent Directors, ensuring objective oversight and diverse expertise.

The tenure of Board members ranges from 24 to 60 months, with most directors having completed 60 months of service, providing both continuity and institutional knowledge, while newer members contribute fresh perspectives.

This governance structure enables BGL to effectively oversee strategy, risk management, compliance, and sustainability priorities in line with stakeholder expectations and regulatory requirements.

The nomination and selection of members to the Board of Directors and its committees are carried out through a structured and transparent process in line with the company's Nomination and Remuneration Committee (NRC) Policy. This committee evaluates potential candidates and recommends suitable appointments to the Board, which are subsequently placed before shareholders for approval, as applicable. Shareholder consent is an integral part of the process, ensuring that the composition of the highest governance body reflects stakeholder confidence and regulatory compliance.

In assessing candidates, the committee considers factors such as integrity, qualifications, professional expertise, industry experience, and overall suitability for the proposed role. The Committee exercises informed judgment to ensure that the Board collectively possesses the diversity of skills and experience required to oversee the company's strategy and operations effectively. Any appointment or continuation of directors beyond their prescribed tenure is subject to shareholder approval through special resolutions, in accordance with applicable laws and internal policies.

The Board of Directors of Bharat Gears Limited brings together a diverse set of competencies that are directly aligned with the Company's operational and strategic priorities. Collectively, the Board possesses deep knowledge of the core automotive gears business, plant management, strategic planning, product development, and marketing, along with a strong understanding of the broader macroeconomic and

industry landscape. Financial literacy and the ability to interpret and analyze financial statements are considered essential capabilities, enabling informed oversight of performance, capital allocation, and risk. While nominating members to the highest governance body, the Nomination and Remuneration Committee (NRC) also evaluates competencies relevant to sustainability, risk management, and stakeholder impacts, ensuring that the Board is well equipped to address evolving ESG considerations alongside business objectives.

The Chair of the highest governance body, Mr. Surinder Paul Kanwar, also serves as the Chairman and Managing Director of the Company. This dual role is intended to ensure strong alignment between strategic direction, operational leadership, and oversight governance. Potential conflicts of interest are addressed through clearly defined roles and responsibilities, active oversight by the Non-Executive Independent Directors, a robust committee structure and adherence to the Company’s Code of Conduct.

The performance of the highest governance body in overseeing the Company’s economic, environmental, and social impacts is evaluated annually. This evaluation process is conducted on a yearly basis, with each director assessing the performance of fellow board members, and the outcomes being reported to the company secretary or compliance officer. The structured review process supports continuous improvement, accountability, and effective governance oversight.

The ratio of the remuneration of directors to the median remuneration of the employees of the Company for the financial year 2024-25 is as follows:

S.No.	Name of the Director	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. Surinder Paul Kanwar - Chairman & Managing Director	45.78
2.	Mr. Sameer Kanwar - Joint Managing Director	31.12

Other directors have been paid sitting fees only, details of which are mentioned in the Corporate Governance Report.

During the reporting period, Bharat Gears Limited generated a direct economic value of **₹36,490.46 lacs** through its operations. Of this, **₹35,608.16 million** was distributed towards operating costs, employee wages and benefits, payments to providers of capital, statutory payments to governments, and community investments. The Company retained **₹882 lacs**, which was reinvested to support business growth, operational resilience, and long-term value creation for stakeholders.

Board Diversity

Bharat Gears Limited recognizes that Board diversity is a key driver for enabling effective governance and sustainable performance. We view diversity at the Board level as an essential element in strengthening decision-making, fostering innovation, and maintaining long-term competitiveness. A diverse Board brings together individuals with varied skills, professional expertise, industry and regional experience, backgrounds, gender representation, and perspectives, enabling more balanced and informed deliberations.

In determining the optimal composition of the Board, BGL considers a combination of competencies, experience, independence, and diversity attributes to ensure a well-rounded and future-ready leadership team aligned with the evolving business environment.

Our Board Diversity Policy, embedded within the Nomination & Remuneration Policy, provides that Board appointments are made strictly on merit, while giving due regard to the skills, experience, independence, and knowledge required for effective governance. Diversity is a key consideration in identifying and recommending suitable candidates, ensuring a balanced and inclusive Board structure. Currently, female representation on the Board stands at 12.5%.

Board Composition by Age and Gender	Below 30 Years		30-50 Years		Above 50 Years	
	Male	Female	Male	Female	Male	Female
	0	0	1	1	6	0

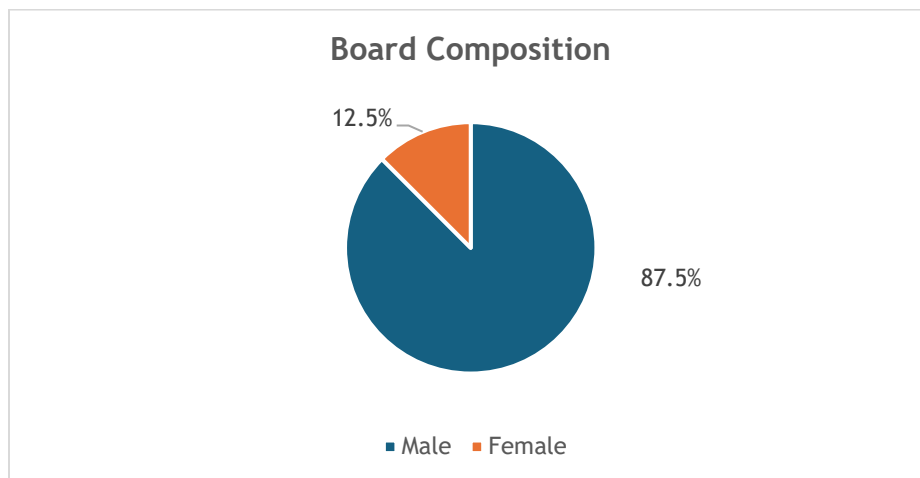


Figure 3. Board Composition by Gender

Board Committees

The Board is supported by key committees, including the Audit Committee (AC), Nomination and Remuneration Committee (NRC), Stakeholders' Relationship Committee (SRC), Corporate Social Responsibility Committee (CSRC), and Finance Committee (FC).



Figure 4. Board Committee Meeting

ESG Governance

At Bharat Gears Limited, ESG governance is anchored at the highest level of the organization, ensuring that sustainability considerations are integrated into strategic decision-making. The Chair of the highest governance body also serves as a senior executive of the Company, enabling close alignment between governance oversight and operational leadership. This structure supports cohesive execution of strategy while maintaining a balance through clearly defined roles, strong oversight by Non-Executive Independent Directors, a robust committee framework, adherence to the Code of Conduct, and withdrawal mechanisms wherever required to mitigate potential conflicts of interest.

To drive focused implementation, a dedicated Steering Committee has been constituted to spearhead the Company's Sustainability Drive across all locations. As the apex-level body for sustainability matters, the Committee ensures coordinated progress on environmental protection, responsible operations, and long-term value creation. Functional heads report to plant-wise leaders for data collection and knowledge sharing, strengthening stakeholder engagement at the operational level and supporting the achievement of sustainability initiatives. Based on the input and feedback received, the Steering Committee develops and refines the roadmap toward meeting the Company's sustainability goals.

The effectiveness of these processes is periodically reviewed by the Steering Committee, and progress reports are placed before the relevant organizational committees below the Board. The Board of Directors is regularly apprised of developments, ensuring oversight and strategic guidance. While the Steering Committee oversees the Company's economic, environmental, and social impacts. Operational responsibility is delegated to management executives through defined policies, performance metrics, and reporting mechanisms, subject to periodic review. Senior executives and responsible employees provide updates through periodic reports and presentations covering key performance indicators, identified risks, incidents, and progress against sustainability targets. The responsibility for sustainability reporting rests with the Central Steering Committee, supported by a central facilitator and location-

based leaders, ensuring that material topics and disclosures are reviewed in a structured and coordinated manner before being presented to the Board for oversight.

The Board of Directors, together with senior management, plays a central role in shaping and approving the Company's strategic direction, policies, and sustainability priorities. To further strengthen oversight of sustainability initiatives, a dedicated Steering Committee has been constituted to spearhead the company's sustainability drive across all locations. This apex-level committee monitors progress, guides implementation, and ensures that sustainability considerations are integrated into decision-making, reflecting the company's commitment to responsible growth and environmental stewardship.

To strengthen oversight of sustainable development, the Company conducts periodic training programmes, briefings, and awareness sessions for Board members on environmental, social, and governance risks and opportunities, regulatory updates, and emerging industry practices. These initiatives help enhance collective knowledge and keep the Board informed of developments that may influence long-term strategy and performance.

Business Ethics and Compliance

At Bharat Gears Limited, ethical conduct forms the foundation of our business practices and governance framework. The Company maintains a zero-tolerance approach to corruption and is committed to conducting business with integrity, transparency, and accountability across all levels of the organization. BGL's anti-corruption policies and procedures have been formally communicated to 100% of our Board members as well as to employees across top management, senior management, middle management, and associate levels, ensuring a uniform understanding of expected standards of conduct.

In FY 2024-25, 100% of Board members and employees across all categories received training on anti-corruption policies and procedures, bribery prevention and ethical business practices, reinforcing awareness and practical application in day-to-day operations. Through consistent communication, structured training, and strong oversight, we strive to foster a culture where ethical decision-making is embedded in every aspect of our business. During FY 2024-25, BGL reported zero whistleblower complaints and zero confirmed corruption incidents or ethics-related internal audit findings, reflecting BGL's adherence to establishing a strong governance and compliance framework.

During the reporting period, 100% operational locations were assessed for risks related to corruption as part of the organization's risk management and governance processes. Based on the assessments conducted, no significant corruption-related risks were identified across the assessed operations. Additionally, all operational sites (100%) were internally assessed on business ethics-related matters to ensure compliance with internal policies and ethical standards. No cases of business ethics violations were identified during the reporting period.

Bharat Gears Limited maintains a structured framework to identify, disclose, and manage potential matters of conflicts of interest, reinforcing transparency and accountability at all levels of governance. Every Director is required to submit an annual declaration disclosing their interests in other entities, along with confirmation of independence and details relating to their relatives, in line with applicable regulatory requirements. In addition, senior management personnel and functional heads provide quarterly declarations confirming that, during the preceding quarter, they have not entered any material, financial or commercial transactions in which they have a personal interest that could potentially conflict with the interests of the company. Bharat Gears has also trained 100% of its employees on child labour, forced labour, and human trafficking during orientation and regular follow-up sessions in FY 2024-25.

Where any matter placed before the Board involves a director who is deemed to be interested, such director does not participate in the discussion or vote on the relevant agenda item. The abstention is formally recorded in the minutes of the meeting, ensuring transparency in decision-making. Through these established processes, the Company seeks to proactively prevent conflicts, safeguard stakeholder interests, and uphold the integrity of its governance practices.

Risk Management

Effective risk management is integral to our governance and operational strategy. We continuously monitor internal and external environments to identify emerging risks and respond proactively, ensuring business continuity, resilience, and long-term stability. Our structured and integrated enterprise risk management (ERM) framework enables systematic identification, assessment, prioritisation, and mitigation of risks across the organisation.

Governance and Regulatory Alignment

In compliance with the Companies Act, 2013 and Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has established a comprehensive ERM framework. Identified risks are reviewed quarterly by the Audit Committee, and management actions to mitigate risk exposure are assessed to ensure timely and effective implementation.

Risk registers are reviewed at the Senior Management level, with a consolidated update presented to the Board on a quarterly basis. The overall risk identification and mitigation framework is reviewed annually to remain aligned with evolving regulatory requirements, industry dynamics, and operational priorities.

Risk Management Approach

Risk management at BGL follows a clearly defined structure:

- **Risk Identification:** Functional Heads act as risk owners and periodically review risks within their respective functions, while also identifying emerging risks.
- **Mitigation Planning:** Risk Owners define mitigation plans, establish internal controls, assign responsibilities, and ensure escalation of significant issues.
- **Consolidation and Prioritization:** The Risk Coordinator (Risk Champion) consolidates identified risks, assigns risk ratings, and updates the risk register.
- **Leadership Review:** The risk register is reviewed with the CEO/CFO, who prioritizes key risks in consultation with the Risk Champion.
- **Board Oversight:** Prioritized risks are presented to the Audit Committee and Board on a quarterly basis to ensure continuous monitoring and oversight.

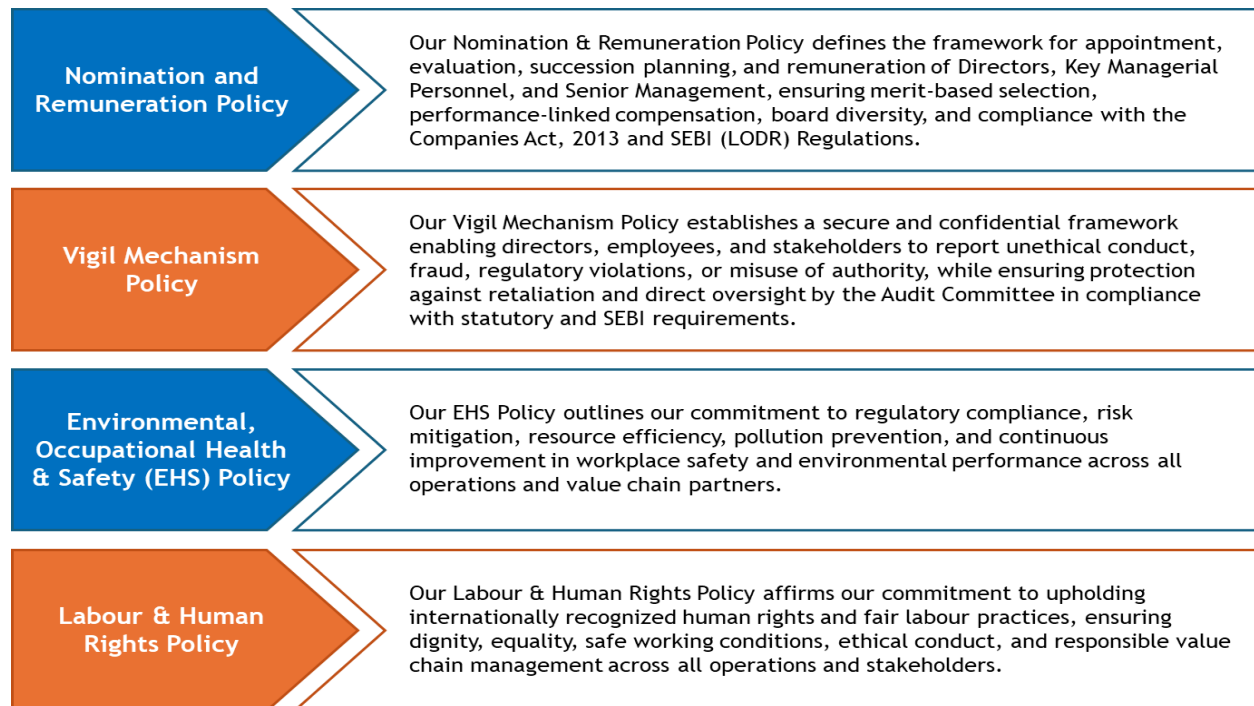
Through this structured approach, we embed risk awareness across all levels of the organization, strengthening our ability to anticipate, manage, and mitigate potential threats while safeguarding stakeholder value.

Our Policies

At Bharat Gears Limited, we believe that strong business ethics form the foundation of sustainable and responsible growth. We are committed to conducting our business with transparency, reliability, integrity, and accountability, while ensuring financial prudence and long-term stability. By embedding ethical principles into our governance framework, we strengthen stakeholder trust and ensure that the Board of Directors exercises its responsibilities with diligence, independence, and moral authority.

To institutionalize these values across the organization, BGL has adopted a comprehensive Code of Business Conduct & Ethics (CoC) applicable to all employees, senior management, and the Board. The CoC promotes responsible behavior, conflict-free and objective decision making, compliance with legal and regulatory requirements, protection of company assets, and strict confidentiality standards. It explicitly prohibits bribery, corruption and facilitates payments, reinforcing our zero-tolerance approach to unethical practices. Independent Directors play a critical role in upholding governance standards by ensuring informed deliberations, active participation in board and committee meetings, and safeguarding stakeholder interests.

Complementing the Code of Conduct, BGL has implemented a structured suite of policies that establish clear expectations on ethical conduct, compliance, accountability, and regulatory adherence. Together, these policies provide a robust governance framework that supports responsible business practices and long-term value creation.





These policies are periodically reviewed and updated to ensure their continued effectiveness, relevance, and alignment with evolving regulatory requirements and organizational practices. Any revisions are formally approved and systematically communicated to all relevant personnel to ensure consistent understanding and implementation across the organization. Our policies can be found on [Bharat Gears Limited's](#) policy page.

BGL’s Environment Excellence

Environmental stewardship stands as a core responsibility for Bharat Gears Limited. The scale and nature of our manufacturing operations lead to high use of energy, materials, and water, along with the generation of emissions and waste. We recognize that embedding sustainable practices across our operations is critical for effectively managing our environmental impacts. This strengthens resource efficiency and ensures compliance with applicable regulatory requirements. In line with this commitment, we have set absolute reduction targets for Scope 1 and Scope 2 GHG emissions, reducing energy intensity (per unit of production) by 15% by 2030 from the FY2024 baseline, and achieving 25% renewable electricity in our own operations by 2034. We have also set a target to reduce freshwater withdrawal intensity by at least 40% by 2030 from the baseline of FY2024 and achieve Zero Liquid Discharge (ZLD) across all manufacturing operations by 2030. We also aim to attain Zero Waste to Landfill (ZWTL) across all manufacturing facilities by 2035. Through these focused targets, we aim to systematically lower our environmental footprint while maintaining high standards of product quality and operational excellence.

During FY 2024-25, we continued to strengthen our environmental performance through a range of operational initiatives. Key actions undertaken during the reporting year included:

- ✦ Company-wide energy optimisation initiatives, resulting in electricity savings of over 13.7 lakh kWh across Faridabad, Lonand, and Mumbra
- ✦ Integration of renewable energy into operations increased 2.7 times as compared to FY 2023-24, with in-house solar power contributing 6.47% of total electricity consumption during FY 2024-25
- ✦ Recycled and reused 5,861 KL of water under a Zero Liquid Discharge (ZLD) framework
- ✦ Achieved recovery and authorised refining of 36,289 litres of used oil, supporting circular resource use and waste reduction

Based on our double materiality assessment, our environmental initiatives contribute to the following SDGs:



Figure 5. Solar Installation at Lonand Facility

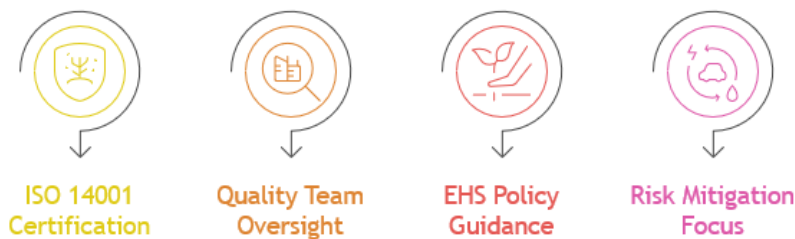
Environmental Policy, Management Systems and Governance

BGL operates under a dedicated Environmental Management System (EMS) certified by ISO 14001, which covers 100% of our manufacturing operations. This certification provides a structured framework for identifying, assessing, and managing environmental risks across all operational sites. This is in line with applicable regulatory requirements and internationally recognised standards.

Our Quality team is responsible for maintaining the effectiveness of the EMS and driving continuous improvement across all sites. This also includes periodic reviews of all environmental controls, monitoring compliance obligations, and identifying opportunities to strengthen environmental performance.

Our approach to environmental stewardship is additionally guided by our Environmental, Occupational Health and Safety (EHS) Policy, which articulates our commitment to environmental protection, sustainable resource use, and workplace safety. The policy emphasises continuous improvement through regular assessment of environmental risks and refinement of processes to reduce operational environmental impacts, optimise resource consumption, and safeguard the well-being of our employees and surrounding communities.

In line with the EHS Policy, we focus on identifying and mitigating environmental risks across our operations. Compliance with applicable environmental laws and regulations remains a key priority and is supported by periodic monitoring, internal reviews, and corrective actions whenever required.



Environmental Targets and Performance Monitoring

To track progress and support continuous improvement, we have set environmental targets addressing our most material topics:

- Reduce energy intensity by 15% by FY 2030 from a FY 2024 baseline
- Achieve 25% renewable electricity share in own operations by FY 2034
- Reduce freshwater withdrawal intensity by 40% by FY 2030 from a FY 2024 baseline
- Achieve Zero Liquid Discharge across all manufacturing operations by FY 2030
- Achieve 100% diversion of waste from landfill across all manufacturing facilities by FY 2035

These objectives will be reviewed periodically as part of our internal performance assessments and management reviews.

Governance and Accountability

Effective governance of environmental performance will ensure that our sustainability goals are tracked, reviewed, and aligned with strategic decision-making at the highest levels of the organization.

Leadership oversight of environmental performance is embedded within our governance framework. Our leadership team is responsible for integrating environmental accountability into business strategy and

operational decision-making. This shows a top-down commitment to furthering our sustainability efforts. Our EHS Heads are leading the implementation of environmental and safety initiatives across all facilities and departments, ensuring consistency in policy application and operational controls.

Our EHS Policy applies to all our operations and, where relevant, extends to our suppliers, subsidiaries, distributors, business partners, agents, advisors, and other entities acting on our behalf. Through this approach, we seek to promote responsible environmental and safety practices across our broader value chain.

Our top management team, along with the EHS and sustainability team, is accountable for overseeing the implementation and progress of environmental action plans, including GHG emissions reduction and waste management initiatives. This group regularly tracks performance against defined targets and monitors progress across facilities. Key environmental matters, including emissions reduction efforts and waste management performance, are periodically reviewed and discussed with the Board to ensure oversight and strategic alignment.

We communicate progress on sustainability topics through monthly newsletters and internal mailers to relevant stakeholders. This helps in building awareness and reinforcing sustainability practices across the organisation.

Training of Employees and Workforce

As part of raising awareness on sustainability, we conduct regular training programs for our employees and workforce throughout the year. This helps in strengthening our capabilities across key environmental topics relevant to our operations. These programs are designed to support employee awareness, promote responsible operational practices, and embed sustainability principles into day-to-day activities.

Our environmental training covers a wide range of topics, including energy efficiency measures, where employees are guided on methods to reduce energy consumption, minimise idle time and improve overall operational efficiency. We also provide training on our EHS Policy, enabling employees to understand our environmental and safety objectives and their individual roles in supporting sustainable practices across functions.

In addition, targeted training is conducted on the safe handling, storage, and disposal of hazardous waste, as well as on the prevention and management of oil leakages and spills. These steps help in minimising the risk of pollution and ensure adherence to applicable environmental regulations. Standard operating procedures and site-level controls support these sessions to reinforce safe and compliant practices.

During FY 2024-25, all our employees and relevant workers received training on one or more environmental topics, including energy management, waste management, policy compliance, and water conservation.

Type of Training	Employees Trained	Training Hours
Waste Management, Reduction & Sorting (including Safe Handling of Hazardous Waste)	100%	175
Energy Conservation	100%	200
Water Conservation	100%	190

EHS Policy	100%	-
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Figure 6. Water Conservation and Effluent Management Training

We periodically review training needs and update training content which reflects regulatory changes and operational requirements. Through these initiatives, we aim to ensure that our workforce remains aligned with the latest industry standards and that environmental responsibility is consistently integrated into our operational practices.

ESG Training and Capacity Building

To strengthen the integration of environmental, social, and governance (ESG) considerations across business functions, BGL conducted ESG awareness and capacity-building sessions for employees across departments as well as senior leadership in all three plant locations. These sessions were designed to build a common understanding of key ESG topics, regulatory expectations, and the company’s sustainability commitments.

The training covered areas such as climate change and GHG emissions, energy and resource efficiency, workplace health and safety, ethical business conduct, and responsible supply chain practices. Department representatives were also guided on their roles in ESG data management, implementation of sustainability initiatives, and alignment with reporting frameworks and regulatory requirements.

Through these sessions, BGL aims to enhance internal awareness, strengthen accountability across functions, and enable leadership and operational teams to integrate ESG considerations into decision-making and day-to-day operations.

Continuous Improvement through Kaizen and “Bad Habits” Initiative

Continuous improvement is embedded into Bharat Gears Limited’s operational philosophy through a structured Kaizen framework and a focused “Bad Habits” corrective initiative. Both these programs enable systematic identification and elimination of inefficiencies, operational risks, material losses, and unsafe practices across manufacturing operations.

The Kaizen program encourages employee-led process improvements across all departments. Initiatives are evaluated based on measurable impact in areas such as productivity, resource efficiency, energy optimization, waste reduction, safety enhancement, and quality improvement.

Complementing this, the “Bad Habits” initiative focuses on identifying recurring operational issues, such as oil leakages, coolant spills, improper storage, metal-to-metal contact, poor housekeeping, and unsafe

practices. Each identified issue is analyzed, corrective action is implemented, and preventive controls are institutionalized.

During FY 2024-25, numerous Kaizen initiatives and corrective actions were implemented across all manufacturing facilities. These initiatives contributed not only to improved operational performance but also to measurable environmental benefits, including:

- Increased material utilization and reduced scrap generation
- Lower energy consumption per unit of production
- Prevention of hazardous oil and coolant leakages
- Reduced rejection due to denting and rust
- Improved housekeeping and safer workplace conditions

Top-performing Kaizen initiatives are recognized and awarded every month, reinforcing a culture of employee engagement, accountability, and sustainability-driven operational excellence.



Figure 7. Kaizen Ceremony

Materials Management

To minimise our environmental impact while improving resource efficiency and productivity, we focus on process optimisation initiatives. This helps in enhancing material utilisation and reducing avoidable waste within our manufacturing operations. By leveraging technological improvements and design modifications at the process level, we aim to reduce inefficiencies associated with material handling, rework, and energy-intensive operations, without compromising product quality or safety.

During FY 2024-25, our initiatives focused on improving fixture design, tray loading patterns, part resting mechanisms, and autoloading systems to enhance material utilization across operations.

In the Heat Treatment department, multiple fixture modifications have enabled higher batch loading capacity. This is without altering part orientation or metallurgical parameters. In machining and hobbing operations, the introduction of double-part fixtures and autoloading mechanisms reduced handling losses

and eliminated rework associated with improper part resting. These interventions helped improve yield while reducing unnecessary material movement.

Collectively, these improvements strengthened material efficiency, reduced internal rejection, and enhanced throughput without additional usage of raw material. Selected examples are outlined below to illustrate how these initiatives contribute to improved material utilisation and operational efficiency.

Case Study: Tray Capacity Enhancement in Heat Treatment Furnace

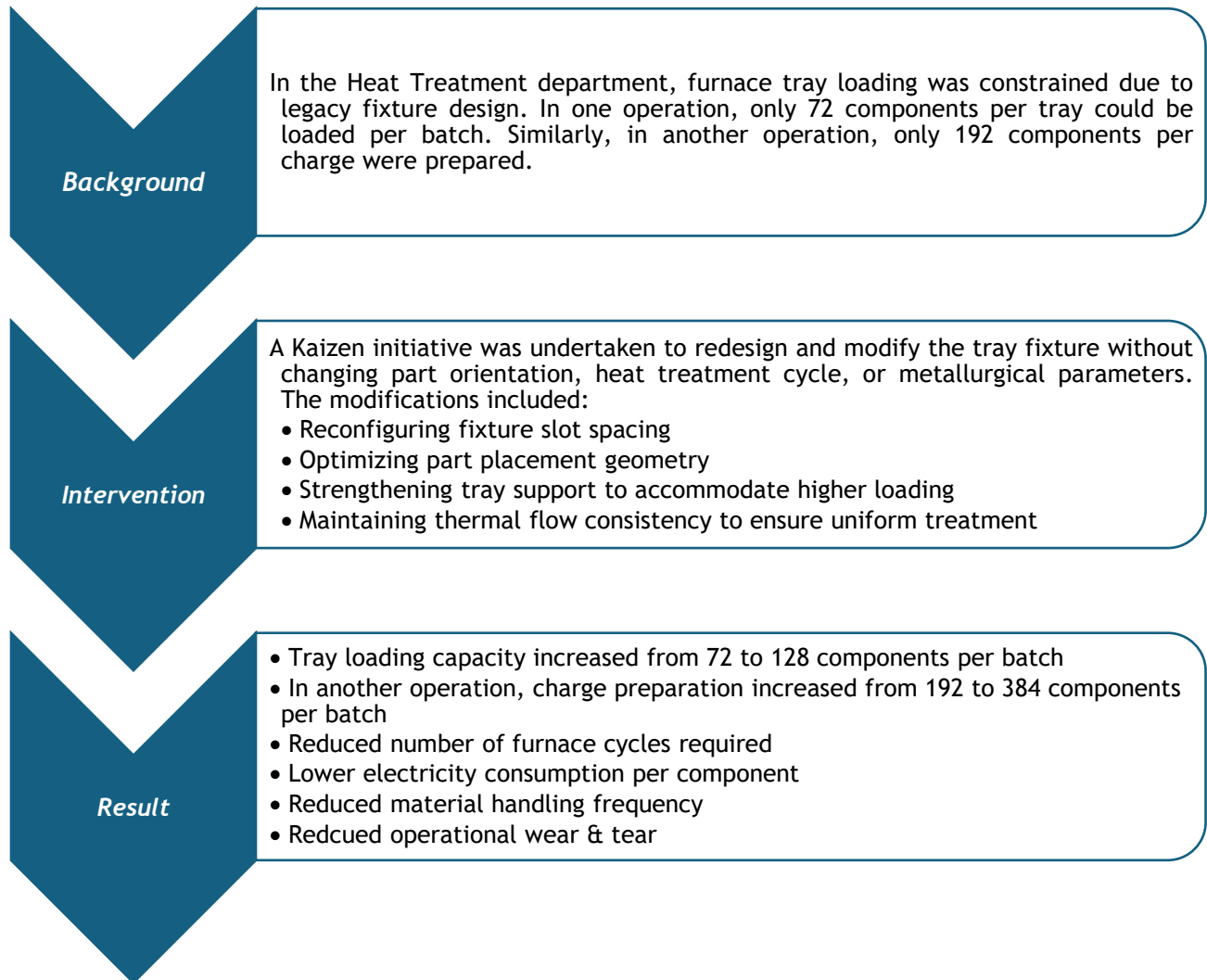




Figure 8. Tray Capacity Increase in Part No. 2804



Figure 9. Tray Capacity Increase in Part No. E110

Case Study: Autoloading System Introduction in Bevel Operations

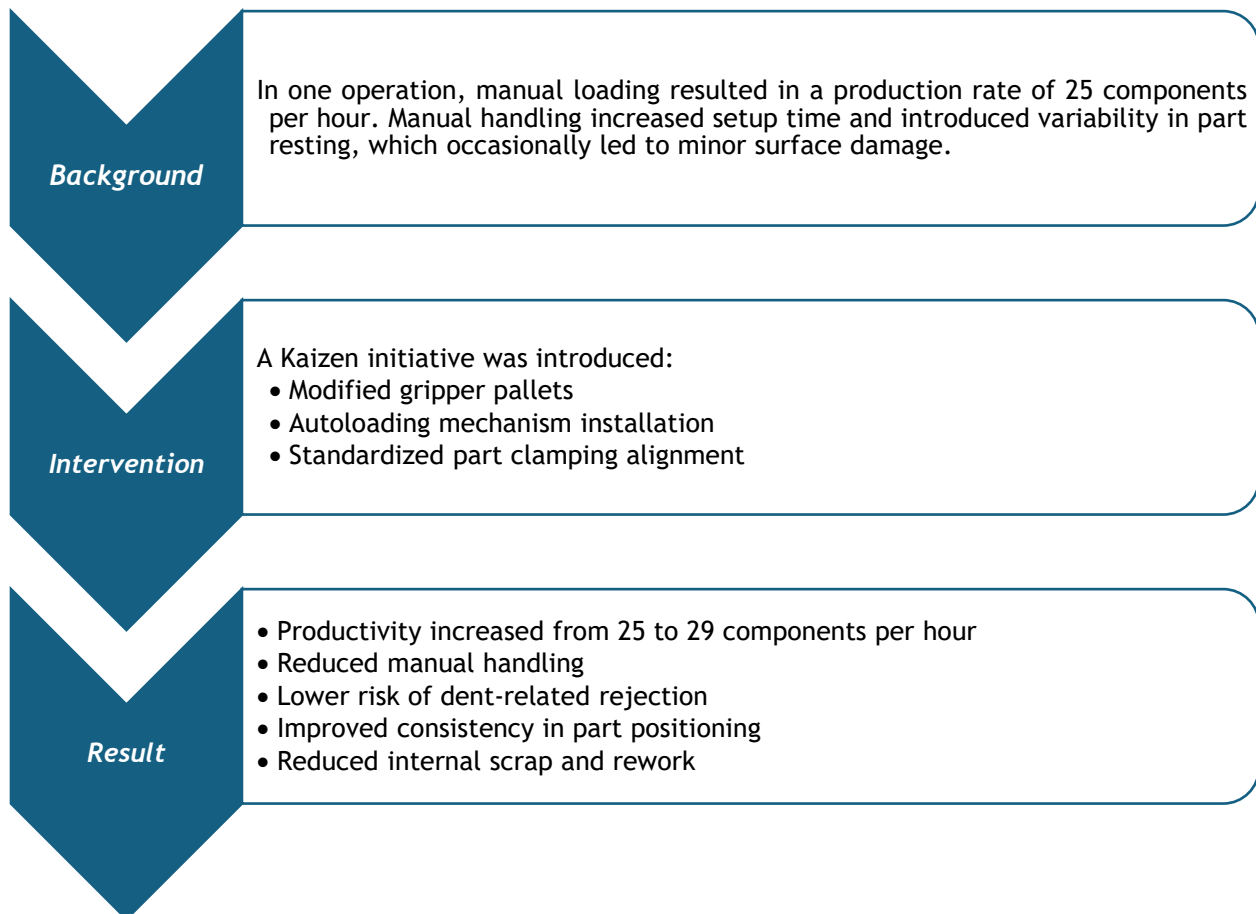




Figure 10. Autoloading Mechanism Installation

Energy Management

Energy management is a strategic priority for us, given the energy-intensive nature of our manufacturing operations. This has a direct linkage to our operational efficiency, cost management, and greenhouse gas emissions. Effective energy management enables us to optimize our resource use, reduce environmental impact, and enhance the long-term sustainability of our operations. Our approach focuses on systematic monitoring of energy consumption, continuous improvement through process optimization, and the progressive integration of renewable energy sources across our facilities. To achieve this, BGL has set a target of reducing energy intensity (in terms of production) by 15% by FY 2030 from the baseline of FY 2024. BGL also plans to achieve 25% of renewable energy consumption in its operations by FY 2034.

Energy Governance and Monitoring

We monitor energy consumption across all locations, covering both fuel-based energy (Scope 1) and purchased electricity (Scope 2). Energy performance data is reviewed quarterly by ESG teams to assess consumption trends, identify inefficiencies, and evaluate the effectiveness of energy-saving measures implemented across plants.

Energy Consumption Profile

Our energy consumption in FY 2024-25 comprised both direct fuel use (Scope 1) and indirect electricity use (Scope 2) across our Faridabad, Mumbra, and Lonand manufacturing facilities. Energy consumption data is tracked on a site-wise basis to support performance monitoring and targeted improvement actions.

Site-wise Energy Consumption Data for FY 2024-25 (in GJ)				
Particular	Faridabad	Mumbra	Lonand	Total
From renewable sources				
Total electricity consumption (A)	-	-	6,954.51	6,954.51
Total fuel consumption (B)	-	-	-	-

Total energy consumed from renewable sources (A+B)	-	-	6,954.51	6,954.51
From non-renewable sources				
Total electricity consumption (C)	56,544.72	27,155.03	16,816.97	100,516.73
Total fuel consumption (D)	112,543.21	12,146.43	18,111.33	142,800.96
Total energy consumed from non-renewable sources (C+D)	169,087.93	39,301.46	34,928.3	243,317.69
Total energy consumed (A+B+C+D)	169,087.93	39,301.46	41,882.81	250,272.19
Energy Intensity (GJ / Ton)	14.51	6.35	6.10	11.30

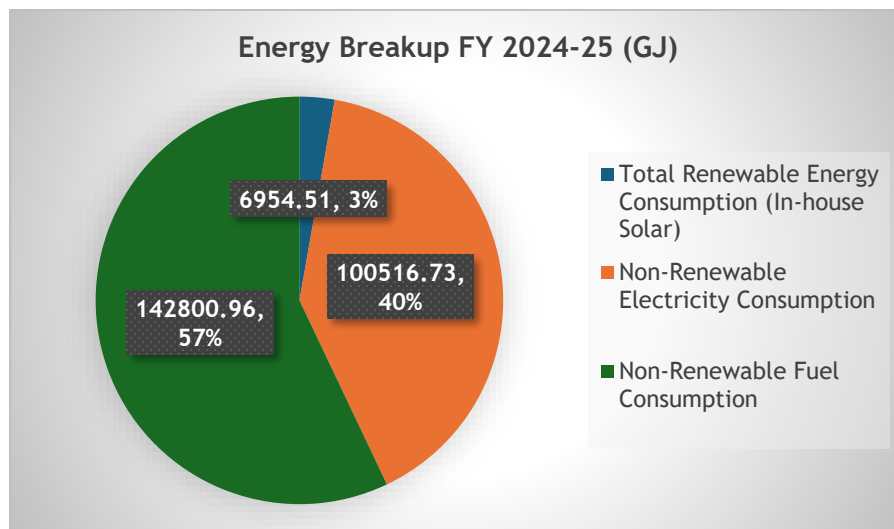


Figure 11. Energy Consumption Breakup FY 2024-25

During FY 2024-25, our energy consumption across the Faridabad, Mumbra, and Lonand manufacturing facilities reflected differences in production scale, fuel mix, and renewable energy adoption. Faridabad accounted for the highest energy consumption (67.56%) due to higher production volumes and greater reliance on non-renewable fuels and grid electricity. In comparison, Mumbra (15.7%) and Lonand (16.73%) had lower shares, with Lonand partially offsetting grid consumption through onsite solar power. The renewable energy share was 2.7% in FY 2024-25 at BGL.

At a consolidated level, total energy consumption was 250,272.19 GJ, with non-renewable sources making up the majority, while renewable energy usage is currently limited to the Lonand facility. BGL's renewable energy consumption increased by 4,390 GJ comparison to the previous year, demonstrating our commitment to utilizing more renewable energy in our operations.

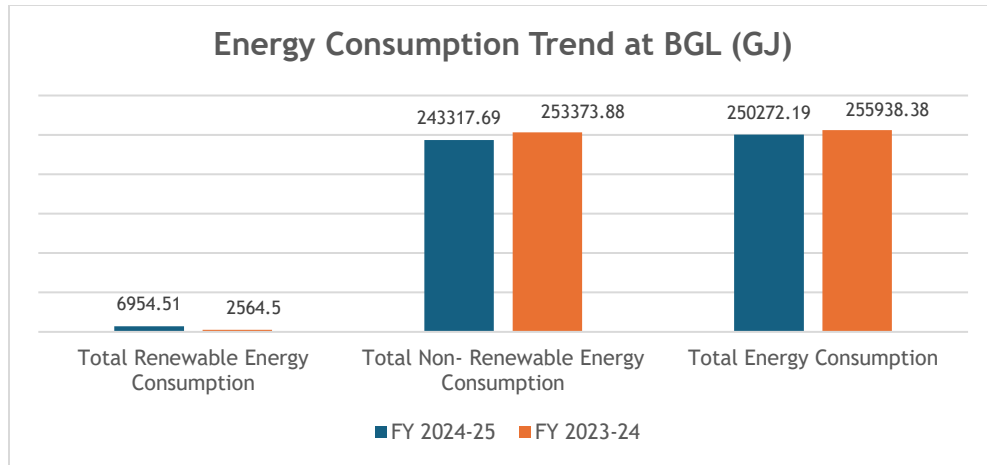


Figure 12. Energy Consumption Trend at BGL

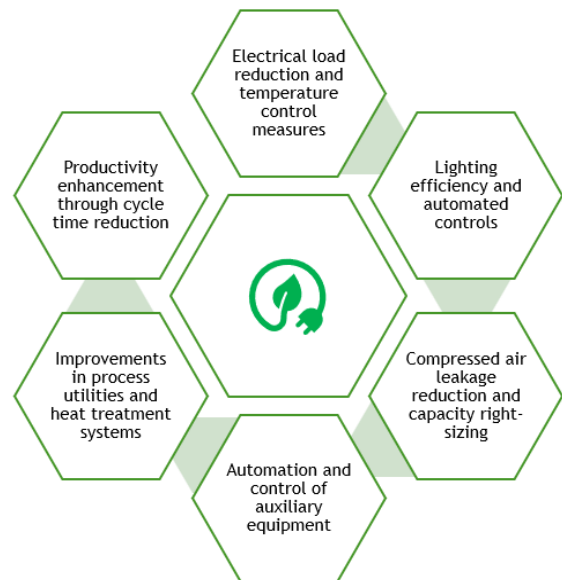
In FY 2024-25, total energy consumption reduced marginally by 2%, indicating an overall improvement in energy management. Non-renewable energy consumption declined by 4%, reflecting a gradual shift away from conventional energy sources. At the same time, **renewable energy consumption increased 2.7 times**, from 2,564.50 GJ to 6,954.51 GJ. This demonstrates BGL’s strong progress in integrating cleaner energy sources in its operations, aligning with our goal of achieving 25% renewable energy by 2034.

Energy Efficiency and Process Optimization

During FY 2024-25, we undertook multiple process optimization initiatives aimed at improving energy efficiency across our manufacturing operations and facilities.

These initiatives majorly focused on optimizing machine operations, reducing unnecessary energy usage during idle periods, and improving process controls without compromising product quality, safety, or throughput.

Such energy efficiency opportunities are identified through periodic operational reviews and implemented in a phased manner across our three facilities in Faridabad, Mumbra and Lonand.



Energy Efficiency Initiatives at Faridabad Facility

❖ Lighting Energy Optimization through Controls and Daylight Utilization

We implemented multiple interventions to optimize lighting energy consumption across shop floors, inspection areas, storage zones, and ancillary spaces.

Key actions included:

- Removal of lights and fans installed in unused areas
- Installation of transparent roofing sheets to improve daylight penetration in sheds

- Provision of bed switches at inspection tables to ensure lights operate only when operators are present
- Modification of emergency lighting systems to activate only during power outages
- Installation of motion sensors and control switches in packaging, stores, and material handling areas

Energy saved: 67,464 kWh

❖ **Compressed Air System Optimization**

To address energy losses associated with compressed air usage, we undertook a focused initiative to identify and eliminate air leakages across the Faridabad plant. Leakage points were rectified through the replacement of push-pull joints with thread-type joints to prevent air leakage over time. Additionally, air-efficient guns were installed to minimize compressed air wastage during operations. The operating air pressure was also optimized by reducing it from 5 kg/cm² to 3 kg/cm² using regulators, ensuring that only the required pressure is supplied. These measures collectively helped reduce compressed air losses and improve overall energy efficiency of the compressed air system.

Energy saved: 1,15,200 kWh



Figure 13. Installation of Air Efficient Guns to Reduce Compressed Air Consumption

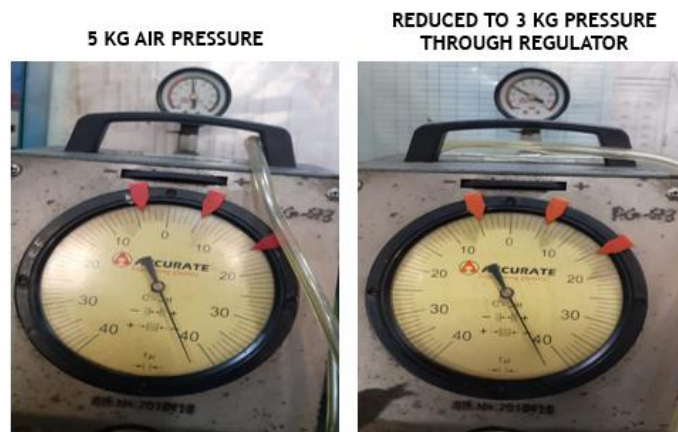


Figure 14. Optimization of Compressed Air Pressure through Regulators

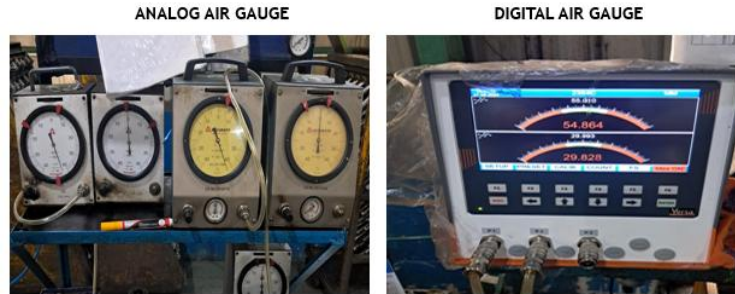


Figure 15. Upgrade from Analog Air Gauges to Digital Air Gauges for Improved Monitoring and Control of Compressed Air Pressure

❖ Automation of Auxiliary Equipment Operations

We optimized the operation of auxiliary equipment that was previously running continuously, irrespective of process requirements. Automated controls were introduced to ensure equipment operates only when required.

Key improvements included:

- Auto ON/OFF control of radiator fans for CGCF 1/2
- PLC-based interlocking of tempering heating systems to avoid continuous operation

Energy saved: 44,650 kWh

❖ Process Equipment Rationalization in Endo Gas Generation

In the Endo gas generation system, three blowers were operating continuously earlier. The system was rationalized by integrating a common duct arrangement, enabling operation with a single blower based on process demand.

Energy saved: 9,543 kWh

Energy Efficiency Initiatives at Lonand Facility

BGL has undertaken a set of process and system-level energy efficiency improvements at the Lonand plant during FY 2024-25. These initiatives focused on optimizing utilities, improving heat treatment efficiency, and reducing auxiliary energy consumption through operational and design modifications.

Key interventions included:

- ❖ Modification of ETP and STP blower pump operations to optimize its energy usage
- ❖ Energy savings achieved through improved water pipeline configuration in the plant water storage and distribution system
- ❖ Process improvements in the CGC furnace, resulting in increased fixture productivity from 60 parts per hour to 90 parts per hour, thereby reducing energy consumption per unit of output
- ❖ Optimization of quench oil tank agitator operating time to eliminate unnecessary runtime
- ❖ Reduction in electrical consumption through optimization of heat treatment cycles
- ❖ Conversion of select hydraulic clamp/declamp mechanisms to pneumatic systems, eliminating dedicated hydraulic power packs and associated electricity consumption
- ❖ Timer-based automation of plant street lighting, reducing non-productive energy use

- ❖ Rationalisation of air blower usage for UBQ furnaces, enabling shared operation instead of individual blowers

Collectively, these initiatives resulted in energy savings of 3,44,952 kWh at the Lonand facility during the reporting year. This helped in contributing to improved energy efficiency and reduced electricity consumption per unit of production.

As part of our continued focus on improving process efficiency at the Lonand facility, we also implemented cycle time optimization measures across select machining operations. In hobbing operations, the introduction of double-part loading reduced the overall cycle time by approximately 90 seconds, achieving nearly a 27% improvement in efficiency. Similarly, optimization of the bore grinding sequence lowered the cycle time from 510 seconds to 260 seconds per cycle, enhancing operational and energy efficiency.

Such process improvements contributed to lower machine runtime and reduced electricity consumption per unit of output. Collectively, these cycle time optimization initiatives resulted in energy savings of 1,05,820 kWh during FY 2024-25 at the Lonand facility.

Additionally, energy efficiency initiatives at the Lonand facility led to an estimated reduction of approximately 136 metric tonnes of CO₂ (Scope 2) in FY 2024-25 through optimized electricity consumption.

Energy Efficiency Initiatives at Mumbra Facility

During FY 2024-25, we implemented a set of utility and equipment-level energy optimization measures at the Mumbra manufacturing facility, aimed at reducing electricity consumption through equipment rationalization, capacity right-sizing, and operational controls.

Key interventions included:

- ❖ Implemented auto-timer controls on hydraulic motors, coolant pumps, chip conveyors, and dust collectors, ensuring machines switch off during idle periods and operate only when required.
- ❖ Installed automatic shutdown systems for shop-floor lighting and ventilation during shift changes and lunch breaks, reducing avoidable electricity consumption.
- ❖ Introduced timer-based operation of street lighting, aligned with daylight hours to eliminate unnecessary night-time power use.
- ❖ Optimised compressed air systems by arresting leakages, reducing air gun pressure from 5 kg to 3 kg, and enabling operation of a single compressor instead of dual units.
- ❖ Downsized air blower capacity from 10 HP to 5 HP, maintaining operational efficiency while significantly lowering energy demand.
- ❖ Optimised compressed air system (CPE Compressor - 525 CFM) by arresting all air leakages and reducing air gun pressure from 5 kg to 3.0 kg, enabling operation of only one 525 CFM compressor instead of running both 700 CFM and 525 CFM compressors simultaneously, resulting in significant energy savings.
- ❖ Reconditioned gas generator Rootz blowers, replacing 10 HP motors with lower-capacity 2 HP motors without compromising performance.
- ❖ Installed timer and temperature controls in the canteen utensil washing system, preventing continuous operation and improving energy efficiency.
- ❖ Optimized centralized office air-conditioning by installing timers and maintaining controlled temperature setpoints instead of continuous operation.

- ❖ Replaced a continuous-running trolley washing pump (5 kW) with a high-speed, lower-capacity single-phase motor (1.6 kW) to reduce power consumption.
- ❖ Streamlined HT cooling tower operations, limiting usage to essential equipment and avoiding redundant tower operations.

Collectively, these initiatives resulted in electricity savings of 8,34,884 kWh at the Mumbra facility during the reporting year.

Thus, the energy efficiency and process optimisation initiatives implemented across our Faridabad, Lonand, and Mumbra manufacturing facilities during FY 2024-25 contributed to a reduction in overall electricity consumption.

Renewable Energy Integration

We continue to integrate renewable energy into our operations as part of our broader energy management approach. Our 1,300 kWp in-house solar power installation at the Lonand manufacturing facility remained operational throughout FY 2024-25 and contributed to meeting a portion of the site's electricity requirements through clean and renewable energy.

During the reporting year, our total electricity consumption across all manufacturing locations amounted to 29.85 million units (kWh). Of this, 1.93 million units (kWh) were generated through in-house solar installation at the Lonand facility, accounting for 6.47% of our total electricity consumption.



Figure 16. In-House Solar Panels Installation at Lonand

BGL plans to add more renewable energy sources going forward with an aim to achieve 25% of renewable energy share by 2034. Hence, we are expanding our in-house solar installations to other locations, further increasing the share of renewable energy in the overall energy mix and strengthening BGL's transition toward cleaner operations. The use of renewable electricity supports BGL's efforts to reduce dependence on grid-based power and reduce Scope 2 emissions.

We periodically review the contribution of renewable energy as part of our energy performance monitoring and continue to assess opportunities to expand renewable energy adoption across our operations, subject to operational feasibility and business requirements.

Climate Change and GHG Emissions Management

At BGL, we recognize that our operations contribute significantly to greenhouse gas (GHG) emissions. This is primarily through energy consumption, fuel usage, and associated industrial processes. We consider climate action to be both an environmental responsibility and a business priority, given its implications for operational efficiency, regulatory compliance, and long-term resilience.

BGL is committed to understanding and managing our climate-related impacts by systematically measuring and monitoring our GHG emissions. This enables us to identify key emission sources across our operations and inform actions aimed at improving efficiency and reducing emissions over time.

BGL has set a target to reduce energy intensity (per unit of production) by 15% by FY 2030, using FY 2024 as the baseline year, as part of our commitment to lowering GHG emissions and improving operational efficiency.

GHG Emissions Accounting Approach

We account for our greenhouse gas emissions in accordance with the Greenhouse Gas (GHG) Protocol, covering emissions from:

- Scope 1 (direct emissions) arising from sources owned or controlled by the Company
- Scope 2 (indirect emissions) arising from the consumption of purchased electricity

Emissions data is compiled using site-level energy consumption records & applicable emission factors.

During the reporting year, we have also initiated steps towards monitoring of select Scope 3 emission categories. This marks an important step towards improving visibility across our value chain and strengthening our overall emissions management approach. Going forward, BGL will be reporting Scope 3 emissions in our annual ESG report.

BGL is also in the process of developing its Net-Zero targets. Bharat Gears has initiated discussions at the senior leadership level to define a clear pathway towards achieving Net Zero emissions. The Company intends to formalize its climate ambition by setting science-based targets and seeking validation from Science Based Targets initiative (SBTi). This helps in reinforcing the credibility & rigor of our sustainability commitments. Through this structured approach, BGL aspires to position itself among the leading auto ancillary companies in India, driving the transition towards a low-carbon and Net Zero future.

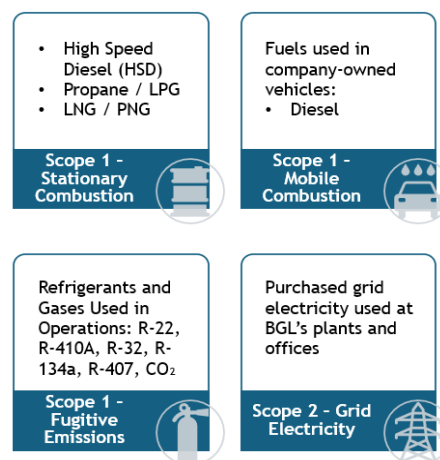


Figure 17. Sources of Scope 1 & 2 Emissions

GHG Emissions Performance

For FY 2024-25, our total Scope 1 and Scope 2 GHG emissions stood at 29,600.57 tCO₂e.

Site-wise Distribution of BGL's GHG Emissions for FY 2024-25				
Scope / Site	Faridabad	Mumbra	Lonand	Total
Scope 1 - Stationary Combustion (tCO ₂ e) (A)	6,837.14	766.48	1,162.17	8,765.79
Scope 1 - Mobile Combustion (tCO ₂ e) (B)	3.46	6.48	21.61	31.55
Scope 1 - Fugitive Emissions (Refrigerants & Fire Extinguishers) (tCO ₂ e) (C)	404.86	38.56	61.01	504.43
Total Scope 1 Emissions (A + B + C) (tCO₂e)	7,245.46	811.53	1,244.78	9,301.77
Scope 2 - Emissions (tCO ₂ e)	11,418.89	5,483.81	3,396.09	20,298.79
Total Scope 1 + Scope 2 Emissions (tCO₂e)	18,664.35	6,295.34	4,640.88	29,600.57
Total Scope 1+2 Intensity (tCO₂e/MT)	2.41	3.29	1.56	2.34

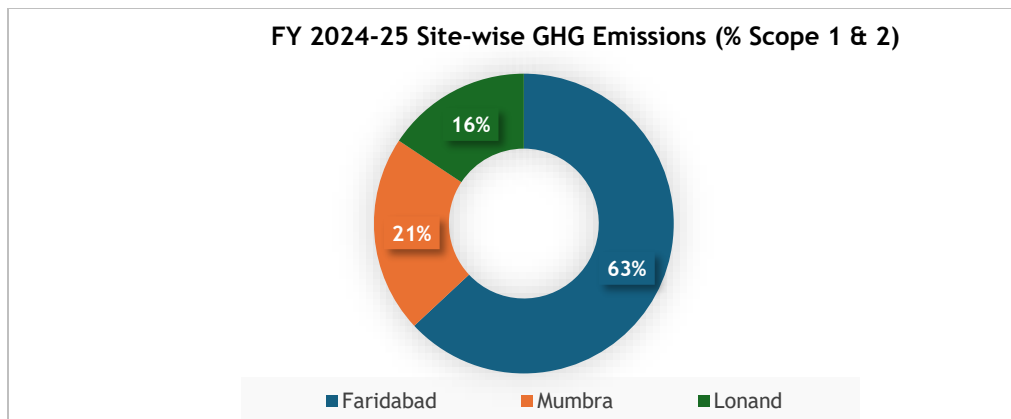


Figure 18. Site-wise GHG Emissions FY 2024-25

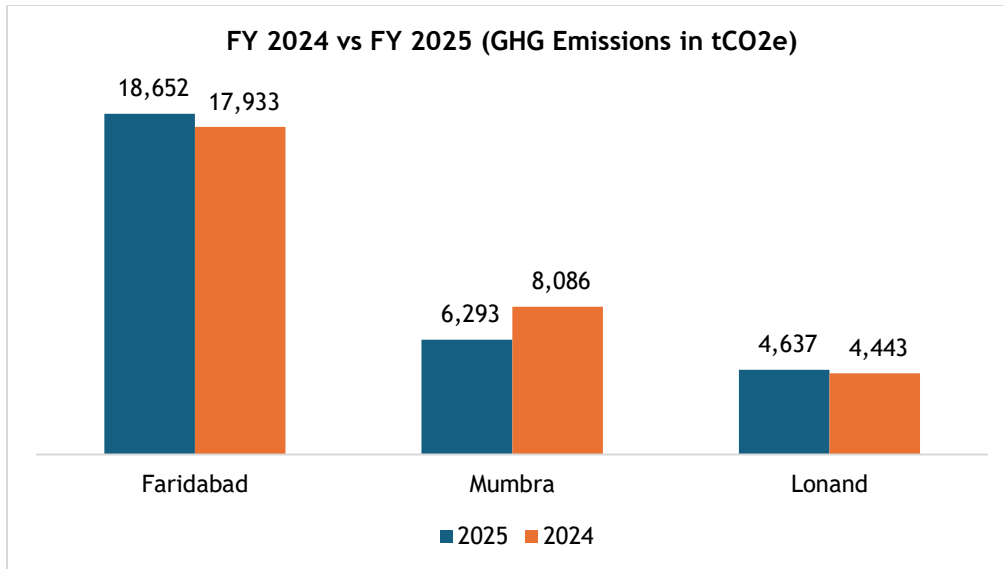


Figure 19. Site-wise GHG Emissions Trend

GHG emissions are monitored across all operational sites and reviewed internally to assess trends and identify emission reduction opportunities.

Emissions Management and Reduction Approach

Energy efficiency improvements, process optimization initiatives, and increased use of renewable energy form the primary levers for managing our Scope 1 and Scope 2 emissions. During FY 2024-25, these efforts included:

- Process optimization and equipment-level interventions to eliminate idle and non-essential electricity consumption across shop floors and auxiliary systems
- Lighting energy optimization through improved controls, daylight utilization, and sensor-based operation in production, inspection, and storage areas
- Optimization of compressed air systems through identification and rectification of leakages and use of air-efficient equipment
- Automation and interlocking of auxiliary equipment, including radiator fans and tempering systems, to ensure operation only when required
- Rationalization of process equipment operation in Endo gas generation to align energy use with actual process demand
- Reduced electricity consumption through process improvements in heat treatment and utility systems
- Continued operation of in-house renewable energy generation to offset a portion of purchased electricity consumption
- Optimization of fuel usage through operational controls and efficiency measures
- As part of our forward-looking emissions management efforts, we have also identified the introduction of electric vehicles (EVs) within the Company fleet, along with the installation of dedicated EV charging infrastructure. This initiative is under management review for phased implementation, subject to operational feasibility and approvals. We continue to assess opportunities to strengthen our emissions management approach and further reduce energy-related emissions across our operations.

Water Stewardship

BGL recognizes that water is a critical natural resource for society as well as for our business. Water is essential for sustaining life, ecosystems, and industrial activity, and its responsible management is fundamental to a sustainable future. As a manufacturing organization, we acknowledge our responsibility to manage water responsibly through our operations.

Our approach to water stewardship focuses on reducing water consumption, maintaining water quality, promoting reuse wherever feasible, and ensuring responsible wastewater management. A robust water management strategy supports business continuity, strengthens regulatory compliance, and reflects our commitment to environmental responsibility.

We have set a target to reduce freshwater withdrawal intensity by 40% by FY2030 from our FY2024 baseline. This reduction will be supported by enhanced water recycling, reuse measures, and process-level water efficiency improvements. We are also working toward achieving Zero Liquid Discharge (ZLD) across all manufacturing facilities by FY 2030.

Water Withdrawal and Consumption

Water for our operations is sourced from third-party suppliers, including municipal authorities and authorized private vendors, to meet potable water requirements. Within our facilities, water is utilized for multiple operational and domestic purposes, including manufacturing processes and cooling systems.

During FY 2024-25, total water consumption across our manufacturing facilities at Faridabad, Mumbra, and Lonand amounted to 61,034 KL.

Site-wise Water Withdrawal, Consumption & Discharge for FY 2024-25 (in KL)				
Scope / Site	Faridabad	Mumbra	Lonand	Total
Water Withdrawal				
- Groundwater	-	-	-	-
- Surface Water	-	-	-	-
- Municipal / Third-party Water	20,582	18,349	22,103	61,034
Total Water Withdrawal	20,582	18,349	22,103	61,034
Total Water Consumption	20,582	18,349	22,103	61,034
Water Discharge				
- Treated Water Discharged	-	-	-	-
- Reused / Recycled within Operations	-	-	-	-
Total Water Discharge	-	-	-	-

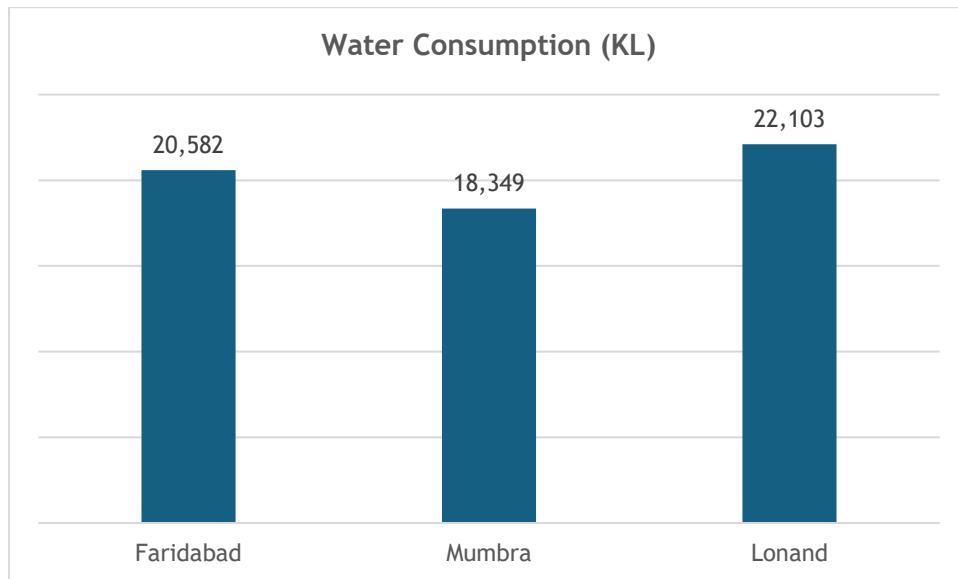


Figure 20. Site-wise Water Consumption FY 2024-25

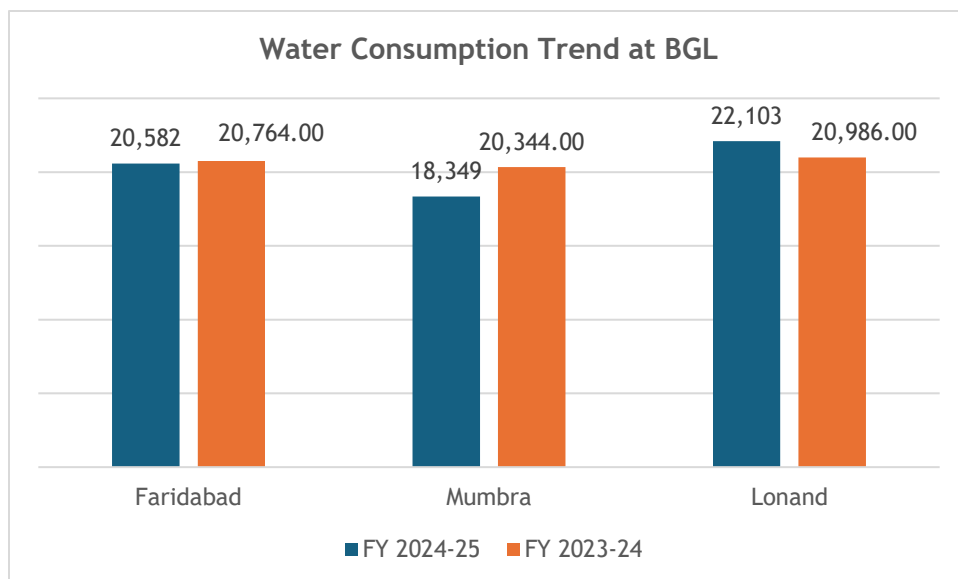


Figure 21. Water Consumption Trend

Reduction of Water Consumption Through Technological Interventions

As part of our water stewardship approach, we have implemented a range of technological and operational measures aimed at conserving water and improving efficiency across our facilities. These measures focus on strengthening groundwater recharge, enhancing water recycling practices, and reducing overall freshwater withdrawal.

Rainwater harvesting systems have been installed to capture and store rainwater, supporting groundwater recharge and reducing dependence on external water sources. Groundwater recharge systems have been introduced to support the replenishment of local water sources and contribute to long-term water availability. In addition, treated water generated within our operations is reused for horticulture, floor

cleaning and other non-potable applications, supporting efficient water utilization and minimizing wastage.

Water Recycling, Reuse and Zero Liquid Discharge (ZLD)

Our manufacturing facilities are progressively strengthening their Zero Liquid Discharge (ZLD) mechanisms. During FY 2024-25, no untreated wastewater was discharged outside plant premises across any of our manufacturing facilities. All wastewater generated from operations was treated through on-site treatment systems and reused within plant boundaries in line with our ZLD approach.

We have formally set a target to achieve ZLD coverage across all manufacturing locations by FY 2030. This target aims to institutionalize uniform wastewater management and ensure sustained long-term compliance across sites.

Water use within our operations is broadly categorized into process water and domestic water. Both these streams are managed through structured treatment, recycling, and reuse processes to support responsible water stewardship and reduce freshwater dependency. Process water includes streams such as sand filter backwash, DM water charging, and soft water backwash and regeneration. Domestic water use covers drinking water, canteen usage, and sanitation facilities. Wastewater from these sources is treated through on-site Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP), and the treated water is then reused for horticulture and other suitable non-potable needs within the facilities.



Figure 22. Effluent Treatment Plant



Figure 23. Sewage Treatment Plant

To optimize water consumption in process cooling applications, BGL utilizes cooling tower systems operating on a recirculation mechanism. Cooling water used in manufacturing processes is continuously

circulated through closed-loop systems, minimizing freshwater withdrawal and reducing overall water consumption. The cooling towers facilitate the reuse of process water after heat dissipation, thereby limiting discharge and supporting our ZLD framework. In addition, Air Handling Units (AHUs) installed for employee comfort operates through controlled water circulation systems designed to optimize consumption and prevent unnecessary water loss.

During FY 2024-25, a total of 5,861 KL of water was recycled and reused across our operations.

We strengthened our water reuse practices through the following initiatives:

- Treated wastewater generated from the Effluent Treatment Plant (ETP) during pressing and drying operations was recycled and reused for horticulture purposes within the premises, resulting in the reuse of 3,273 KL of water.
- Treated wastewater from the Sewage Treatment Plant (STP), including effluent generated from washrooms and canteen facilities, was recycled and reused for horticulture purposes, enabling the reuse of 2,588 KL of water.

These initiatives contributed to a reduction in freshwater consumption while supporting efficient utilization of treated wastewater across our facilities.

We have established standards for effluent quality that align with and, where applicable, go beyond regulatory requirements. These standards are determined based on applicable guidelines issued by the Central Pollution Control Board (CPCB) and respective State Pollution Control Boards (SPCBs) and are monitored through systems such as Online Continuous Emission/Effluent Monitoring Systems (OCEMS). We monitor pH values and chemical dosing parameters on a daily and hourly basis to ensure effective wastewater treatment and compliance with applicable environmental standards. Water quality testing is conducted quarterly through accredited third-party agencies, and monitoring reports are reviewed to ensure effective wastewater management and regulatory compliance.

Waste Management

BGL follows the principles of circular economy, with a focus on reducing, reusing, and recycling waste generated from its operations. As part of our commitment towards sustainable business practices, we ensure the responsible handling, reduction, and disposal of waste generated across manufacturing processes at all our facilities. Our waste management approach aims at minimizing environmental impact, ensuring regulatory compliance, and promoting efficient use of materials and resources. In line with circular economy principles, we have set a long-term objective to achieve 100% diversion of waste from landfill across all manufacturing facilities by FY 2035 through increased recycling, authorised co-processing, and responsible waste recovery practices.

Waste Generation

Waste generated across our operations is categorized into hazardous and non-hazardous waste streams and is tracked on a site-wise basis across our manufacturing facilities at Faridabad, Lonand, and Mumbra.

Site-wise Waste Generation for FY 2024-25 (in MT)				
Category / Waste Type	Faridabad	Mumbra	Lonand	Total
Hazardous				
ETP Sludge	11.56	0.19	0.06	11.81
Oil Sludge	9.37	1.66	-	11.03
Oil Soaked Cotton	3.14	2.05	-	5.19
Used Oil Filter	0.01	-	-	0.01
Empty Oil Drum	9	2.80	4.15	15.95
Waste / Residue Containing Oil	-	-	0.38	0.38
Chemical Sludge from Wastewater Treatment	-	-	-	-
Process Residue and Wastes (Grinding Dust)	-	2.0	0.32	2.32
Process Residue and Wastes (Shot Blasting Dust)	-	-	0.39	0.39
Phosphate Sludge	-	0.50	0.25	0.74
E-waste	-	-	0.02	0.02
Spent Oil	30.84	19.45	-	50.29
Total Hazardous Waste Generated	63.92	28.65	5.56	98.12
Non-Hazardous				
Scrap - Turning & Boring	1080.75	148.76	250.78	1480.29
Scrap - Wood	71.12	12.43	11.05	94.60
Scrap - Corrugated Boxes	-	15.79	3.19	18.98
Metal Scrap	89.58	14.12	6.49	110.19
Heavy Melting Scrap	220.41	5.91	51.30	227.62
Scrap - HSS Hobs, Shaping/Shaving, Oerlikon & Gleason Blades	38.21	0.09	0.215	38.52
Scrap Aluminum	-	-	-	-

Plastic Waste	18.56	1.61	-	20.17
Others	56.51	26.02	-	82.53
Total Non-Hazardous Waste Generated	1575.14	224.73	323.03	2112.90
Total Waste Generated	1639.06	224.38	328.59	2221.02

Hazardous Waste Management and Regulatory Compliance

Hazardous waste generated from our operations, including ETP sludge, oil sludge, oil-soaked cotton, empty oil drums, spent oil, process residue, phosphate sludge, e-waste, and used oil filters, accounts for 4.42% of our total waste generated. This waste is managed with due care to prevent environmental contamination and ensure regulatory compliance. These waste streams are segregated at source, stored in designated and clearly identified areas, and handled strictly in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Containers are appropriately labelled with waste identification, hazard information, and first-aid details to ensure safe handling. For each transportation of hazardous waste, Form 10 is prepared and maintained in accordance with statutory requirements.

BGL has mandated the use of personal protective equipment (PPE) kits, including gloves and goggles, to conduct regular training for employees on hazardous waste handling, associated risks, and emergency procedures. Spill kits, fire extinguishers, and emergency response plans are readily accessible across facilities. Hazardous waste, including used oil, is handed over only to authorized waste management agencies and recyclers for refining, recycling, incineration, or safe disposal, supporting regulatory compliance and circular resource use.

Waste Management Training

Our ESH Policy outlines our commitment to responsible waste management, including objectives related to waste reduction and recycling. To support effective implementation, employees receive training on safe handling, segregation, storage, and disposal of waste, with particular focus on hazardous waste streams. In FY 2024-25, 100% of our employees received training in waste management.

Internal Waste Segregation and Sorting

Waste streams across our operations are identified and categorized based on their nature and regulatory classification. Waste is generated at multiple operational points and managed through defined handling and disposal pathways.

Waste segregation is carried out at source across our plants to enable efficient downstream management. Separate bins and designated collection points are provided for hazardous waste, recyclable waste, non-recyclable waste, and organic waste. This systematic segregation supports improved recycling rates, reduces landfill burden, and enhances overall waste management performance.



Figure 24. Internal Waste Sorting at BGL

Reduction of Internal Waste Through Reuse, Recovery, and Repurposing

As part of our efforts to reduce internal waste generation and promote resource efficiency, we have undertaken several initiatives to reuse, recover, and repurpose waste materials within our facilities. These initiatives include:

- Repurposing used packing strips into flowerpots at the Faridabad plant, enhancing workplace greenery while reducing plastic waste
- Reuse of wooden planks from discarded materials to fabricate chairs and benches for internal use
- Repair and modification of damaged electrical panels into functional almirahs, extending their useful life
- Collection of food waste from canteen operations and diversion to local pig farms for use as animal feed, preventing disposal to landfill
- We collected 36,289 litres of used scrap oil through oil skimmers and manual recovery, which was sent for authorised refining and reused as fresh oil, supporting circular resource use and reducing waste oil generation.

These initiatives support material reuse, reduce waste requiring disposal, and reinforce circular economy principles across operations.

Case Study: Hydraulic Oil Leakage Elimination in Power Pack Systems

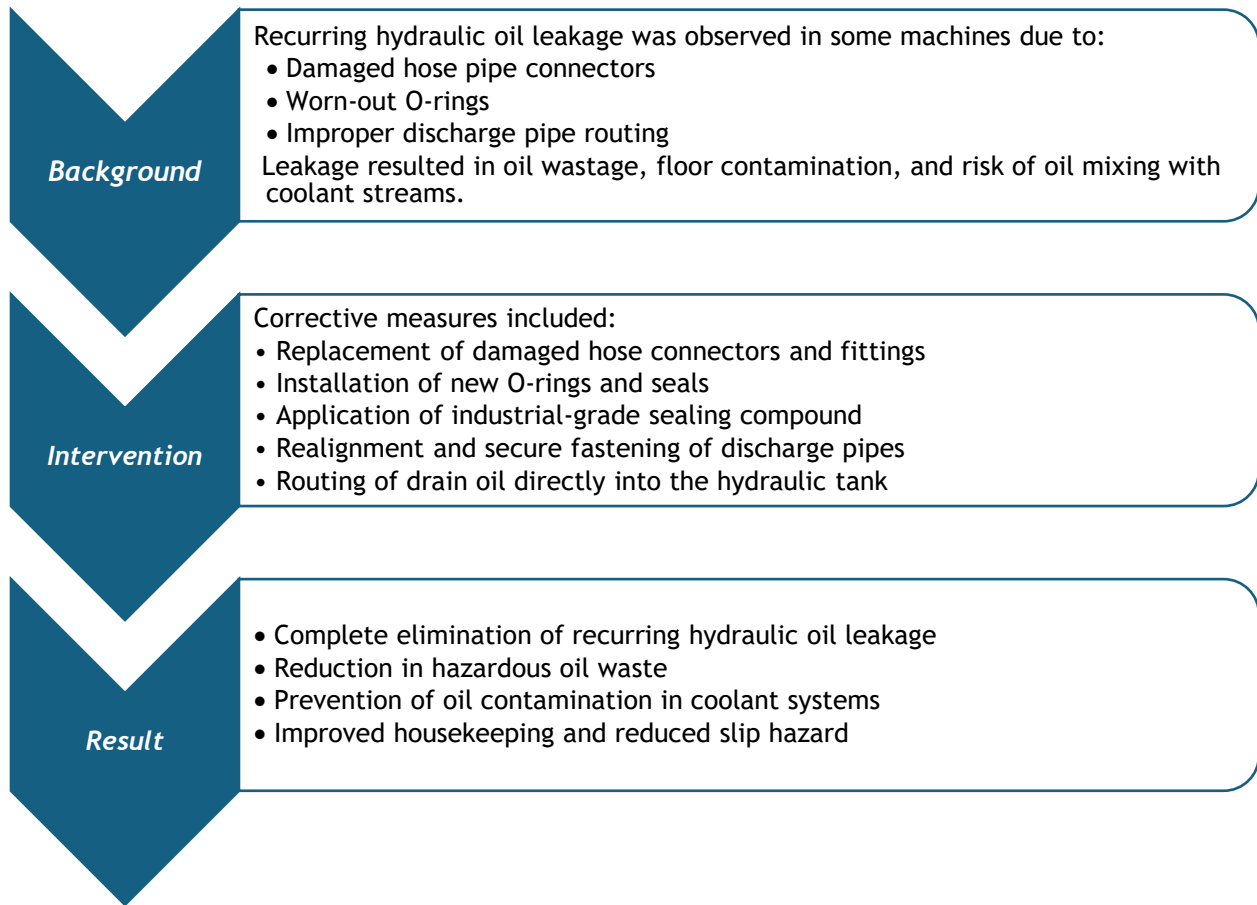


Figure 25. Reduced Hydraulic Oil Leakage

Case Study: Metal-to-Metal Contact Elimination to Reduce Rejection

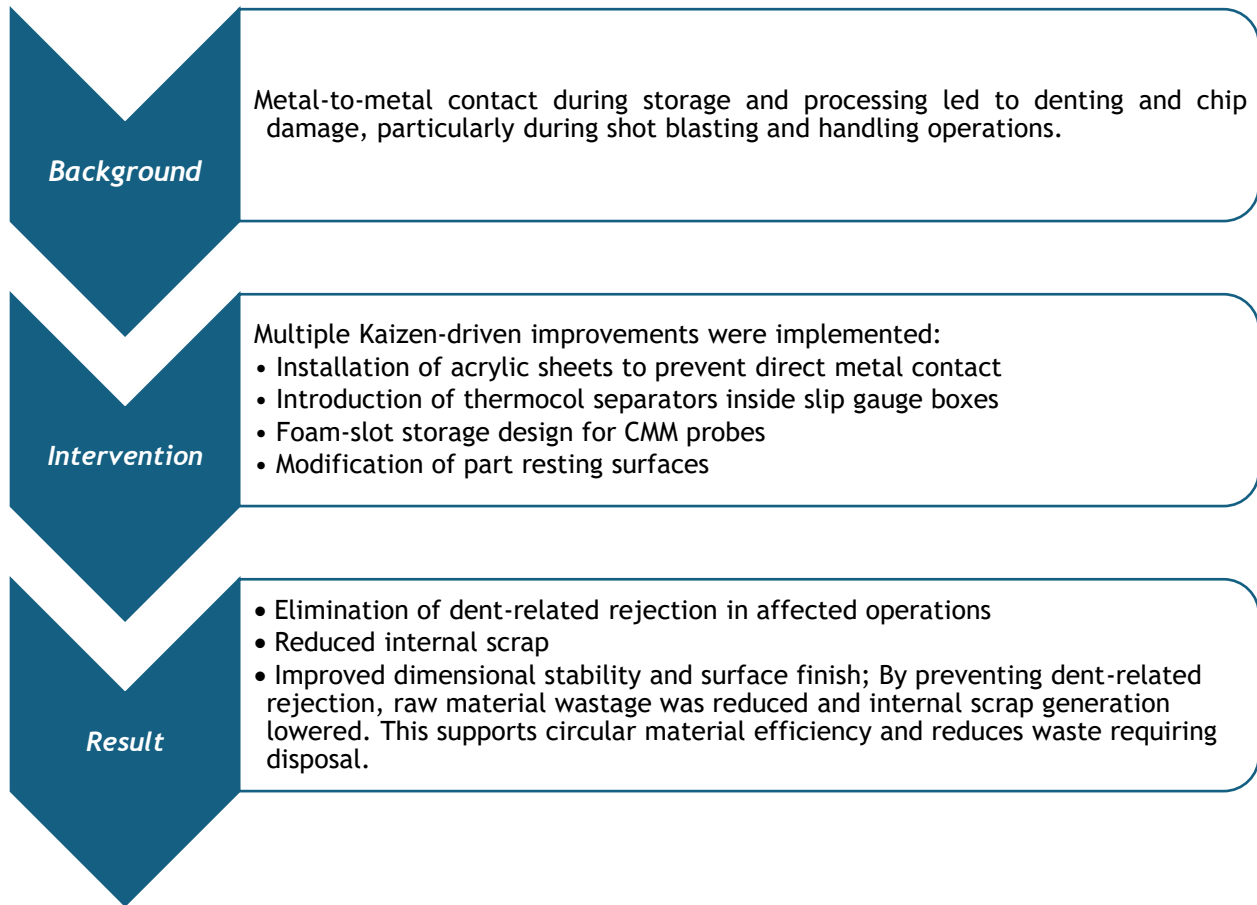


Figure 26. Metal to Metal Contact Elimination (1)



Figure 27. Metal to Metal Contact Elimination (2)

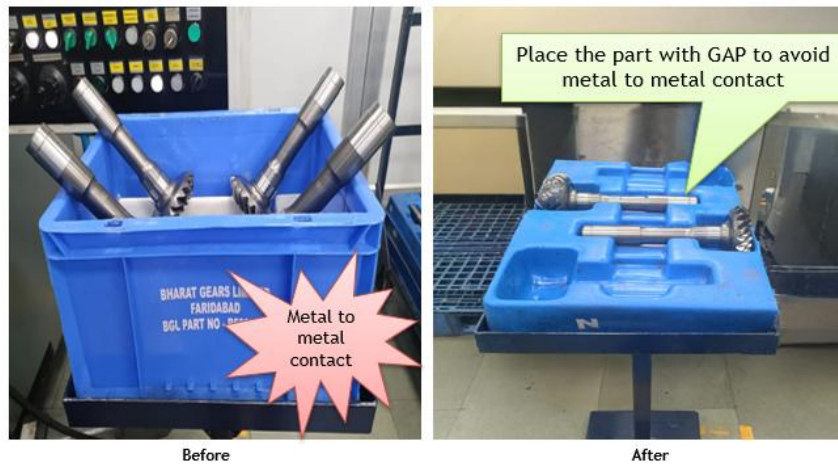


Figure 28. Metal to Metal Contact Elimination (3)

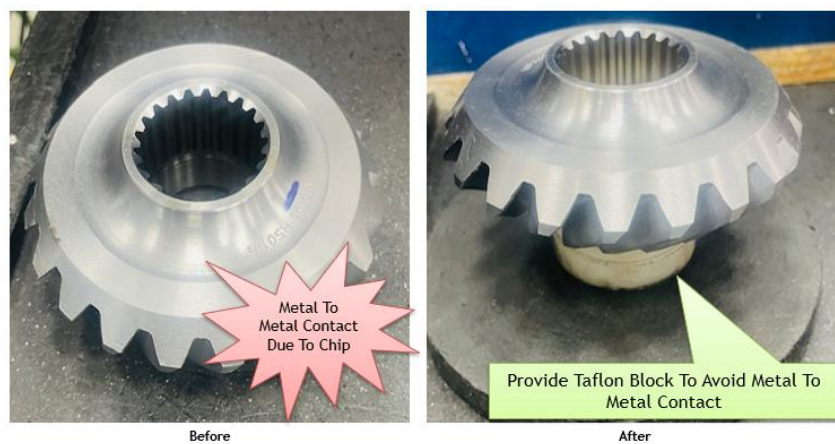


Figure 29. Metal to Metal Contact Elimination (4)

Waste Recovery and Landfill Diversion

During FY 2024-25, waste generated across our operations was managed through a combination of recycling, reuse, recovery, and authorized disposal routes. We diverted 2.26% of waste from disposal to landfills, incineration, etc., by recycling spent oil used in our operations.

Site-wise Waste Recovery & Disposal for FY 2024-25 (in MT)				
Category	Faridabad	Mumbra	Lonand	Total
Hazardous				
Waste Generated	63.92	28.65	5.56	98.12
Waste Recovered / Recycled	30.84	19.45	-	50.29
Waste Disposed (Incineration / TSDF / Co-processing)	33.08	9.20	5.56	47.83
Non-Hazardous				
Waste Generated	1575.14	224.73	323.03	2122.90
Waste Recovered / Recycled	-	-	-	-
Waste Disposed (Landfill / Other)	1575.14	224.73	323.03	2122.90
Total				
Total Waste Generated	1636.06	253.38	328.59	2221.02
Total Waste Recovered / Recycled	30.84	19.45	-	50.29
Total Waste Disposed	1608.22	233.93	328.59	2170.73

Packaging Reuse and Resource Efficiency

As part of our efforts to promote resource efficiency and reduce packaging waste, we encourage the use of reusable packaging solutions across our operations and supply chain. During FY 2024-25, our total packaging value amounted to INR 690 lakhs, of which INR 33 lakhs (4.78%) comprised reusable packaging. We continue to explore opportunities to increase the adoption of reusable packaging to reduce material consumption and minimize waste generation.

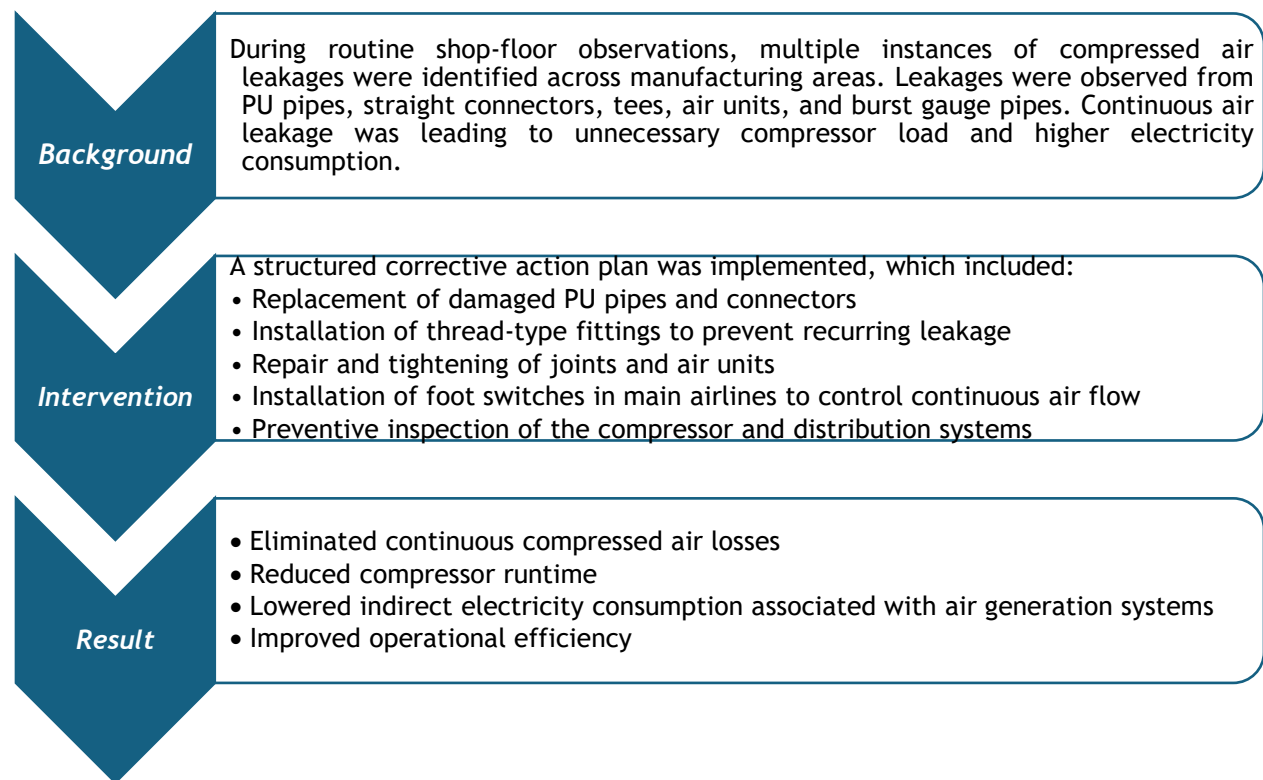
Air Pollution Management

As part of BGL’s commitment to reduce air pollution, BGL has adopted the use of alternative, less hazardous substances across selected operations to support improved air quality within our facilities. One such measure includes the transition to low-fume-emitting oils, which helps reduce the release of airborne contaminants around machinery during operation. The use of these alternative oils contributes to a healthier working environment for employees by lowering fume generation at the source. In addition to improving workplace air quality, these substances support enhanced machine performance and operational reliability, thereby contributing to overall efficiency while reducing potential environmental and occupational health impacts.

Operational Measures to Improve Air Quality

In addition to material substitution, we have implemented a range of engineering and operational controls aimed at reducing air pollution and improving indoor air quality across our plants.

Case Study: Compressed Air Leakage Elimination to Reduce Indirect Emissions



OLD JOINTS

Model: Push-Pull Type (Tee, Elbow, Coupler, Connector)

Issue: Air leakage observed after some time.

NEW JOINTS

Model: Thread Type (Tee, Coupler, Connector)

Improved sealing and reduced risk of air leakage.

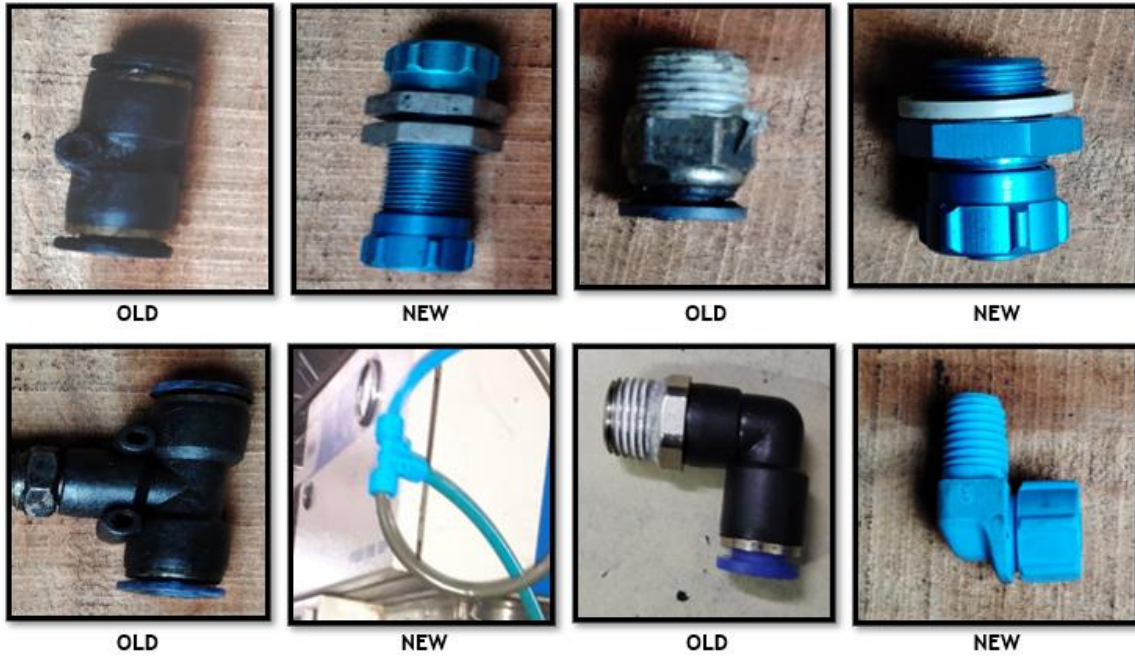


Figure 30. Interventions to Reduce Air Leakage

Air Emissions Monitoring and Performance

We monitor air emissions arising from our operations through periodic testing and assessments conducted at emission sources and locations. We conduct periodic testing of stack emissions and ambient air quality at multiple locations within our plants. This is done for all the key parameters, such as particulate matter (PM), sulphur oxides (SOx), nitrogen oxides (NOx), and carbon dioxide (CO₂), to ensure effective monitoring and regulatory compliance.

Site-wise Air Emissions for FY 2024-25*				
Air Pollutant	Unit	Faridabad	Mumbra	Lonand
Sulphur Oxides (SOx)	µg/m ³	29.5	34	18.8
Nitrogen Oxides (NOx)	µg/m ³	38.8	31	21.6
Particulate Matter (PM _{2.5})	µg/m ³	54.2	23	20.7
Carbon Monoxide (CO)	µg/m ³	2280.8	-	-
Other Air Emissions (specify)		-	-	-
Total Air Emissions	µg/m ³	2,403.3	88	61.1

*The Air emissions remain compliant within the standard limit

Noise Management and Preventive Maintenance

Noise generated from machinery and equipment is managed through operational controls and maintenance practices. Equipment is inspected monthly to identify abnormal noise levels and ensure safe and compliant operation.

Noise generated from machinery and utility equipment is managed through structured preventive maintenance practices and periodic monitoring. We maintain a preventive maintenance plan that includes routine inspection, lubrication, alignment checks, and timely replacement of machine components that have the potential to generate abnormal noise, such as bearings, belts, couplings, and rotating parts.

Noise levels are periodically measured at identified locations within the plant premises to ensure compliance with applicable regulatory limits. Attention is given to high-noise areas such as compressor rooms and DG (Diesel Generator) rooms. DG sets are installed with acoustic canopies to control noise emissions and reduce impact on surrounding work areas.

Through regular maintenance, we aim to prevent abnormal noise generation, ensure employee comfort, and maintain compliance with environmental standards. In designated high-noise zones, employees are required to use appropriate hearing protection equipment such as earplugs or earmuffs. PPE usage is monitored by supervisors to ensure compliance on the shop floor.

Biodiversity & Green Cover Enhancement

As part of our environmental stewardship initiatives, we conducted plantation drives across our three locations on World Environment Day. For instance, at Mumbra, in coordination with the Forest Department of the Maharashtra State Government, a total of 344 saplings were planted, including 100 Amla, 100 Kanchan, and 144 Karanj species. These native and climate-resilient species were selected to promote ecological balance, improve air quality, and strengthen local biodiversity. The initiative reflects our commitment to enhancing environmental sustainability in communities surrounding our operational footprint.



Figure 31. Plantation Drive on World Environment Day at Lonand

Emergency Preparedness and Response

BGL has established structured environmental emergency preparedness and response measures to identify, manage, and mitigate potential environmental incidents across our operations. Aspect-impact analyses are conducted at defined frequencies for each process and operational area to identify potential environmental risks. Mock drills are conducted on an alternate-month basis to test preparedness for emergencies such as oil spills and gas leaks. All environmental emergencies are addressed through a documented emergency preparedness and response plan. This is then supported by periodic internal and external audits. Waste streams are segregated at source using separate bins and stored in designated locations to enable safe handling and disposal. Employees receive regular training on environmental emergency response procedures.

Environmental Risk Assessment and Coverage

Identification and assessment of environmental risks form an integral part of our environmental management approach. Environmental risk assessments are conducted to identify and manage risks related to site-specific environmental aspects.

Environmental risk assessments are conducted at the operational level to support compliance with regulatory requirements, strengthen preventive controls, and inform prioritization of environmental improvement actions. The assessments consider the nature and scale of operations, applicable legal requirements, and potential environmental impacts associated with routine and non-routine activities.

During FY 2024-25, 100% of our operational sites were assessed for site-specific environmental risks, including risks related to energy consumption, water use, wastewater management, waste generation, air emissions, and regulatory compliance. These assessments covered all manufacturing facilities located at Faridabad, Mumbra, and Lonand.

These assessments are reviewed internally and used to inform site-level action plans, operational controls, and monitoring priorities. We continue to strengthen the consistency and documentation of environmental risk assessments to ensure comprehensive coverage across all operational locations.



People and Social Progress

At Bharat Gears Limited, our people form the foundation of our performance and resilience. We strive to create a workplace where safety is integral to operations, opportunities for growth are actively enabled, and dignity and respect guide all interactions. Our social commitments span employee development, workplace well-being, and community outreach, reflecting our belief that responsible business starts from within and creates positive impact beyond our boundaries.

Our social initiatives contribute to the following SDGs:



Social Policies, Management Systems and Governance

BGL has established a comprehensive policy framework to uphold ethical conduct, human rights, and inclusive workplaces, and to promote continuous employee development across its operations. Oversight of social policies and labor-related commitments is embedded within BGL's governance structure. This framework is designed to ensure safe working conditions, fair labor practices, transparent engagement, and respect for human dignity, while remaining fully aligned with applicable Indian regulations and globally recognized standards.

BGL's Working Conditions Policy and Labor & Human Rights Policy set out clear commitments on fair wages, regulated working hours, and occupational health and safety. Other policies related to the prohibition of child and forced labor, freedom of association, and non-discrimination are guided by the principles of the ILO Declaration and the UN Universal Declaration of Human Rights.

Ethical behavior and accountability are reinforced through the Code of Business Conduct and Ethics. This applies to the Board, senior management, and employees, and covers confidentiality and transparent reporting, supported by formal grievance redressal and whistleblower mechanisms.

BGL's commitment to inclusion is further strengthened through our Diversity, Equity, and Inclusion (DEI) Policy. This policy promotes equal opportunity and an inclusive work culture across all locations and employment categories. BGL has put in place a Prevention of Sexual Harassment (POSH) Policy that establishes a zero-tolerance framework aligned with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This helps in ensuring a safe and dignified work environment.

Additionally, BGL's Environmental, Occupational Health and Safety (EHS) Policy outlines the company's commitment to ensuring a safe and healthy workplace by identifying and managing occupational hazards, preventing work-related injuries and illnesses, and promoting a strong culture of safety across its operations.

To safeguard employees, a structured Internal Complaints Committee has been established, along with confidential grievance redressal mechanisms, to protect against retaliation. Our Social Dialogue Policy facilitates structured and transparent communication between employees and management, enabling

employee participation, engagement, and collective bargaining, and strengthening trust and accountability across the organisation.

All policies are periodically reviewed and updated to ensure continued compliance with legal requirements, ethical standards, and evolving stakeholder expectations.

Social Highlights FY 2024-25

At BGL, our social performance reflects our commitment to employee well-being, workplace safety, inclusive practices, and responsible community engagement. Key highlights for the reporting year are as follows:

- ✚ 2,050 total employees across the permanent and temporary workforce
- ✚ 100% of employees covered under health, statutory and retirement benefits
- ✚ 100% of employees received training and performance & career development reviews, with 11,084 total training hours and an average of 10.39 training hours per employee
- ✚ 0 Lost Time Injury Frequency Rate (LTIFR) and 0 fatalities across all locations
- ✚ 100% operational sites covered health & safety and human rights risk assessments
- ✚ 0 cases of sexual harassment, discrimination, child labor, or forced labor reported
- ✚ INR 22.99 Lakh invested in CSR initiatives

In line with our people-first philosophy and insights from our materiality assessment, we have defined focused social targets to strengthen workforce capability, inclusivity, and long-term organizational resilience:

- Maintain 100% training coverage across all employee categories
- Increase women representation in the workforce by 10% by 2030

Progress against these social targets will be periodically reviewed by senior management and integrated into workforce planning, training calendars, and diversity initiatives to ensure sustained improvement and accountability.

BGL's Workforce & Employee Well-Being

Our Workforce

BGL is supported by a skilled and diverse workforce that plays a critical role in driving operational efficiency, product quality, and innovation. Employees are engaged across key functions, including manufacturing, engineering, quality assurance, and corporate support, enabling seamless execution across the value chain.

Employee engagement and recognition are strengthened through structured platforms and initiatives such as Annual Day celebrations, Quality Month activities, and Kaizen ceremonies, which encourage participation, acknowledge performance, and promote a culture of continuous improvement across locations.

Our workforce in FY 2024-25 is as follows:

Employee Category	Below 30		30-50		Above 50		Total
	Male	Female	Male	Female	Male	Female	
Permanent Employees (Associates, including Workers & Operators; Management - Top, Senior, Middle, Junior)	271	3	649	5	138	0	1,066
Temporary Employees (Contractual Workers, Trainees, Non-Guaranteed Hours Employees)	436	0	513	0	35	0	984
Total Number of Employees	707	3	1,162	5	173	0	2,050

Freedom of Association and Collective Bargaining

BGL respects the right of our employees to freedom of association and collective bargaining in line with applicable labor laws. Through a structured dialogue mechanism, we facilitate constructive and transparent engagement. These engagements between employee representatives and management range from matters related to working conditions, wages, and employee welfare. We have collective bargaining arrangements in place, and we conduct these processes in a fair, inclusive, and non-discriminatory manner, with a focus on maintaining harmonious industrial relations and supporting continuity of operations across our manufacturing locations.

The number of permanent employees covered by collective bargaining (covered under tripartite settlement) is as follows:

Faridabad	Mumbra	Lonand
162 (17%).	83 (13.8%)	101 (22.4%)

Our Hiring Practices

BGL follows a structured, transparent, and merit-based recruitment process designed to attract and retain top talent across our operations. Our hiring approach includes open job postings, technical and behavioral assessments, and ensuring suitability and fairness at every stage of selection. Expectations related to roles, responsibilities, and workplace conduct are clearly communicated to candidates.

We are an equal opportunity employer and ensure that all employment decisions, including hiring, promotions, and compensation, are made without any discrimination. This is in line with our Diversity,

Equity and Inclusion (DEI) Policy. A formal onboarding process, followed by a defined probation period, supports effective integration of new hires into the organization and its safety, quality, and ethical standards.

Our new hires for FY 2024-25 are as follows:

Employee Category	Below 30		30-50		Above 50		Total New Hires
	Male	Female	Male	Female	Male	Female	
Top Management	0	0	0	0	1	0	1
Senior Management	0	0	7	0	1	0	8
Middle Management	14	0	13	0	0	0	27
Associates / Operators	55	0	20	0	0	0	75
Contract Workers	12	0	18	0	1	0	31
Others (Interns, Trainees, Part Time Employees, etc.)	137	0	14	0	0	0	151
Total	218	0	72	0	3	0	293

Employee Retention and Turnover

We place strong emphasis on employee retention through regular engagement initiatives, fair and competitive compensation practices, and structured opportunities for growth and development. Mechanisms such as periodic performance reviews, continuous feedback loops, and employee recognition support motivation, transparency, and long-term workforce stability.

We monitor employee turnover across age and gender categories to better understand workforce dynamics and to inform targeted retention strategies, particularly at leadership and critical skill levels.

The voluntary turnover rate for the reporting period stood at 16.24%. Our employee turnover for FY 2024-25 is as follows:

Employee Category	Below 30		30-50		Above 50		Total Turnover
	Male	Female	Male	Female	Male	Female	
Top Management	0	0	0	0	4	0	4
Senior Management	0	0	8	0	3	0	11

Middle Management	41	0	11	0	2	0	54
Associates / Operators	24	0	12	0	0	0	36
Contract Workers	45	0	58	0	5	0	108
Others (Interns, Trainees, Part Time Employees, etc.)	108	0	12	0	0	0	120
Total	218	0	101	0	14	0	333

Employee Welfare and Well-Being

Employee welfare is central to our people’s strategy. We support employees’ physical, mental, and psychological well-being through initiatives such as health insurance coverage, periodic medical check-ups, mental health awareness sessions, and access to medical facilities, promoting preventive healthcare and overall well-being.

Our employee benefit framework includes parental benefits in line with statutory requirements, including maternity leave provisions. Additionally, BGL organizes targeted training programs on work-life balance, stress management, and mental health to support employees across key life stages.

We foster a supportive and inclusive workplace culture through employee engagement initiatives such as annual family day celebrations and annual functions. Our workplaces are equipped with clean sanitation facilities, rest areas, subsidized canteen services, and provision for flexible working hours, subject to written requests and management approval.

Psychological safety is promoted through compliance with the Prevention of Sexual Harassment Act, anti-harassment awareness programs, and the reinforcement of respectful workplace norms. We ensure full compliance with applicable wage and labor regulations, with compensation reviews aligned to government-mandated standards.

In line with ethical labor practices, the Company strictly prohibits the retention of employee identification documents. All original identity documents collected during onboarding are verified and returned immediately, ensuring respect for employee rights and freedom of movement.

Our comprehensive HR Policy further strengthens employee welfare by governing the entire employee lifecycle, from transparent recruitment and structured induction to performance-based growth, statutory compliance, defined working hours, safety protocols, and structured leave administration. It ensures clarity in attendance, payroll, benefits, grievance redressal, workplace discipline, and leave entitlements (including casual, sick, earned, and maternity leave), thereby creating a fair, compliant, and well-regulated work environment that supports employee security, dignity, and long-term well-being.

Parental Leaves in FY 2024-25		
Particular	Male	Female
Number of employees entitled to parental leave	100%	100%
Number of employees who took parental leave in FY 2024 -25	0	0
Number of employees who returned to work after parental leave ended	NA	NA
Number of employees who returned to work after parental leave ended, who were still employed 12 months after their return	NA	NA
Return to work and retention rates of employees who took parental leave	NA	NA

Benefits Provided to Employees					
Benefits	Senior Management	Middle Management	Junior Management	Associate	Contractual/ Part-time Workers
Life Insurance	100%	100%	100%	100%	NA
Health Care	100%	100%	100%	100%	100%
Disability & Invalidity Coverage	100%	100%	100%	100%	100%
Parental Leave	100%	100%	100%	100%	100%
Retirement Provision	100%	100%	100%	100%	NA

Access to Healthcare and Health Promotion Initiatives

We facilitate access to non-occupational medical and healthcare services through multiple channels:

- Quarterly health check-up camps and health awareness talks are organized for employees and workers.
- An on-site medical room is available at the workplace, supported by a visiting doctor who attends the facility twice a week.
- Health insurance coverage is provided to all employees, and half-yearly medical check-ups are conducted.
- Employees eligible under statutory provisions are covered under the Employees' State Insurance scheme.
- Corporate tie-ups with nearby hospitals enable employees to access discounted and hassle-free medical services.

In addition, we offer voluntary health promotion programs to address major non-work-related health risks:

- Talks on work-life balance, risks related to smoking and alcohol consumption, mental health, and stress management.
- Yoga and meditation sessions are organized at a defined frequency for employees across categories.
- Provision of healthy and nutritious food through the canteen.
- Periodic health check-ups, including screening tests, for canteen employees.
- Annual sports and recreational activities encourage physical activity across age groups.

We respect employees' right to privacy in relation to personal health information. Personal health data is not retained by the organization, and all medical information is shared directly with the individual employee. Health-related information is collected only when required and is not used for any favorable or unfavorable employment-related decisions.

Employee Engagement, Survey and Feedback

We encourage open, two-way dialogue between employees and management to strengthen engagement, workplace safety, and overall employee experience. Feedback is gathered through employee surveys, structured performance reviews, open forums, and regular interactions, enabling us to respond to employee concerns and continuously improve workplace practices.

Engagement is further reinforced through initiatives such as Safety Week, the 2S (Sort and Set in Order) program, and employee celebrations, which provide platforms for participation, recognition, and feedback across locations.

We believe that safe and supportive working conditions are built on transparent communication and employee participation. As part of our commitment to continuous improvement, we have institutionalized the 2S activity, which encourages structured employee feedback on workplace organization, safety, and working conditions.

In addition, safety committee meetings, comprising both worker and management representatives, are conducted regularly to facilitate dialogue on health, safety, and well-being matters. These meetings are formally documented through minutes of meeting (MoM), capturing key issues raised, agreed action plans, and defined timelines for closure, ensuring accountability and effective follow-through.

During FY 2024-25, structured exit interviews were conducted with 36 exiting employees across all levels. The feedback covered key aspects such as work environment, freedom to work, innovation, initiative, teamwork, communication, and assessment of reporting managers. The overall average score received through the exit interview process was 4.3 out of 5, reflecting a positive employee experience and providing actionable insights to further strengthen engagement and workplace practices.

Diversity, Equity and Inclusion

We promote an inclusive and respectful workplace culture through regular DEI training, workshops, and awareness programs that recognize and value individual differences. Our approach to diversity, equity, and inclusion is guided by our DEI policy, which applies to all employees and relevant external stakeholders. This reinforces our commitment to equal opportunity, non-discrimination, and fair people practices.

We view DEI as a key driver of innovation, collaboration, and employee engagement. This helps in integrating DEI principles into our recruitment, training, performance management, and decision-making processes. Initiatives such as Women’s Day celebrations and dedicated DEI training sessions help build awareness and foster inclusive behavior across the organization. These training sessions include topics like POSH, workplace harassment, bullying and inappropriate workplace behavior, company policies and Code of Conduct, etc.

We maintain a zero-tolerance approach to sexual harassment through our Prevention of Sexual Harassment (PoSH) Policy, which applies to all employees as well as vendors, contractors, and business associates. An Internal Complaints Committee (ICC) has been constituted at all administrative units to ensure fair, impartial, and timely redressal of complaints. Our PoSH framework mandates confidentiality, protection against retaliation, and time-bound inquiry and resolution, with provisions for both informal and formal grievance redressal mechanisms.

We also maintain a zero-tolerance approach toward workplace harassment and are committed to providing a safe, respectful, and inclusive work environment. The organization has established policies and grievance redressal mechanisms to address concerns related to harassment in the workplace. Employees are encouraged to report concerns through designated channels, and all complaints are handled confidentially and in accordance with established procedures to ensure a fair and timely resolution.

Additionally, BGL follows structured recruitment practices to minimize the risk of discrimination during the hiring process. Clearly defined job descriptions, standardized evaluation criteria, and structured interviews help ensure that candidates are assessed consistently based on their skills, qualifications, and role requirements, supporting fair and inclusive hiring practices.

Regular awareness and training programs are conducted to reinforce a culture of dignity, equity, and accountability at all levels of the organization.

Discrimination and Harassment Cases & Training in FY 2024-25	
Particular	Description
Number of complaints of sexual harassment received in the reporting year	0
Number of complaints disposed of during the reporting year	0
Number of cases pending for more than ninety days	0
Nature of action taken by BGL	NA

Percentage of employees trained on diversity, anti-discrimination and harassment, including sexual harassment and workplace harassment	100%
Total number of incidents of discrimination during the reporting year	0

Ratio of Basic Salary and Remuneration of Women to Men			
Category	Median Basic Salary - Male	Median Basic Salary - Female	Ratio
Top Management	NA	NA	NA
Senior Management	NA	NA	NA
Middle Management	1,11,795	99,405	1.12: 1
Junior Management	83,660	79,493	1.05: 1
Associates / Non-Management	43,771	43,117	1.01: 1

The Company does not currently capture workforce data based on ethnicity, religion, or other sensitive characteristics. Accordingly, no employees have been classified under minority or vulnerable group categories for reporting purposes.

The share of permanent female employees across our operations and offices currently stands at 0.75%. We have set a target to increase women representation in our workforce by 10% by FY 2030. This target reflects our commitment to strengthening gender diversity. We aim to achieve this through inclusive hiring practices, equal opportunity policies, supportive workplace infrastructure, and continued focus on diversity and inclusion initiatives.

BGL also promotes disability inclusion by ensuring barrier-free access through ramps at all facility entrances, supporting safe and equitable workplace access for persons with mobility challenges.

Case Study: Promoting Gender Inclusion through Women’s Day Engagement

To strengthen gender inclusivity and encourage the participation of women employees across all functions, BGL organized Women’s Day celebrations at its manufacturing locations.

The initiative included recognizing women employees, interactive sessions, and engagement activities aimed at reinforcing respect, dignity, and equal opportunities in the workplace.

The interactive listening sessions provided women employees with a platform to share their experiences, perspectives, and suggestions, reinforcing the organization’s commitment to fostering an inclusive and supportive workplace.



Figure 32. Women’s Day

BGL supports women's professional development by fostering an inclusive workplace and providing opportunities for learning, skill enhancement, and career progression. The organization encourages equal participation of women across roles and supports their growth through training, mentorship, and fair performance evaluation processes, helping create an environment where women can build long-term careers and contribute meaningfully to the organization.

Training & Career Development Practices

BGL seeks to prevent discrimination in professional development and promotion processes. Opportunities for training, career advancement, and role progression are guided by transparent performance evaluations, competencies, and business needs, helping ensure that employees have equitable access to growth and advancement within the organization.

We promote continuous learning and professional development through a comprehensive Training and Development Policy and framework that supports capability building across technical, functional, behavioural, and leadership domains. Our training programmes are designed to strengthen job-specific competencies, operational excellence, safety performance, and management effectiveness across all employee categories.

BGL is committed to maintaining 100% training coverage for employees across all categories. This includes technical, functional, behavioural, safety, and leadership development programs aligned with operational requirements and compliance standards.

Our Training and Development Policy support structured capability building through systematic training need identification, continuous skill enhancement, and leadership development to drive operational excellence and long-term growth. Technical programs cover core manufacturing and quality competencies such as CNC operations, machining, gear cutting and heat treatment. Other trainings include preventive maintenance, metrology, Six Sigma and quality tools, process validation, and compliance with ISO 9001, IATF 16949, and ISO 45001 standards.

While functional training focuses on workplace organization and safety (S5), emergency preparedness, energy and waste management, ERP systems, inventory control, statutory compliance, vendor development, and process efficiency. Behavioral and people centric initiatives address industrial safety, communication, customer engagement, ethics, prevention of sexual harassment, labor and human rights, and sustainability awareness. Leadership and management development is further strengthened through structured programs and external workshops covering leadership styles, problem-solving, decision-making, team building, time management, corrective and preventive action processes, quality systems, and evolving business dynamics.

Training is delivered across departments and employee levels. We systematically track and document training needs, delivery, and training hours to support performance management, capability development, and ESG disclosures. Employees are also encouraged to undertake self-initiated training programs aligned with their roles and development plans, subject to approval by the respective Head of Department.

In FY 2024-25, 100% of employees across all categories participated in the mentioned regular skills-related training programs and structured performance and career development reviews.

Employees who Received Skills-related Training at BGL in FY 2024-25		
Employee Category	Unit	Value
Top Management	% of Employees Trained	100%
Senior Management	% of Employees Trained	100%
Middle Management	% of Employees Trained	100%
Associates	% of Employees Trained	100%
Total Training Hours		11,084
Average Training Hours per Employee		10.39



Figure 33. Employees Receiving Training at BGL

Individual Development and Career Planning

BGL follows a structured goal-setting and annual performance review process across employee categories, with a focused development framework at the management level. At the beginning of each financial year, management employees set defined goals aligned with departmental and business objectives. Performance against these goals is evaluated during the annual appraisal cycle.

Performance reviews include assessment of:

- Key Result Areas (KRAs)
- Technical and functional competencies
- Behavioral and leadership capabilities

Based on review outcomes, development needs are identified and addressed through targeted training, role enhancement, or cross-functional exposure.

The Company also provides monetary support for higher education and professional certifications on a case-by-case basis, subject to management approval and role relevance.

Employees Who Received a Performance and Career Development Review in FY 2024-25		
Employee Category	Unit	Value

Top Management	% of Employees	100%
Senior Management	% of Employees	100%
Middle Management	% of Employees	100%
Associates	% of Employees	100%

Internal Mobility at BGL

BGL encourages internal mobility to support employee growth and optimize talent utilization across the organization. Internal promotions are implemented through both vertical progression (role elevation within the same function) and horizontal movement (cross-functional transitions based on skill alignment and business needs). Employees have been transitioned across functions such as Engineering, HR, Planning, and other operational roles, enabling broader exposure and competency development.

Internal job movements are assessed through performance reviews, skill evaluation, and management recommendations, ensuring role suitability and continuity of operations while supporting long-term career development.

Occupational Health and Safety

Occupational Health and Safety Management System

Safety remains a core operational priority for Bharat Gears. Our manufacturing operations are certified under the Occupational Health and Safety Management System standard - ISO 45001 - covering 67% of operations. We have implemented a comprehensive Occupational Health and Safety Management System (OHSMS), aligned with ISO 45001 and ISO 14001, and supported by a formal legal register to monitor and ensure compliance.

The system applies to all employees, as well as contractors and visitors performing on-site activities. A Corporate EHS Policy is in place to guide implementation and oversight across locations. High-risk operations, fieldwork, and office-based activities are addressed through structured hazard identification, risk assessment, and safety controls. No workers, activities, or workplaces are excluded from the scope of the system.

Continual improvement of the OHSMS is driven through a structured process that includes regular safety audits, identification and reporting of unsafe acts and conditions, implementation of corrective and preventive actions, and periodic safety training programs across departments.

Governance & Risk Management

Oversight of occupational health and safety is supported through a dedicated safety committee, along with safety officers and coordinators who are directly employed by the company. In addition, trained first aiders and firefighting team members are identified across locations to support emergency preparedness and incident response. The Committee has representation from both management and workers across all levels, comprising competent personnel. Safety Committee meetings are conducted monthly with full participation of all members.

Occupational health and safety training is implemented in line with an annual training calendar. Safety training topics and key workplace hazards are discussed and mutually agreed upon in consultation with trade union representatives. Adherence to safety norms is also embedded within the tripartite agreement with the trade union, reinforcing joint responsibility and worker participation in occupational health and safety management.

To address health and safety risks arising from changes in operations, we have established procedures to identify, assess, and manage potential risks associated with operational changes. During the reporting period, 100% of our operational sites underwent employee health and safety risk assessments. No risks were identified.

We also have a joint Labor-Management Safety Committee comprising management and employee representatives that actively monitors workplace safety performance, reviews incidents, and recommends corrective actions.

Hazard Identification and Risk Assessment (HIRA)

We follow a structured Hazard Identification and Risk Assessment (HIRA) process to identify work-related hazards, assess risks, and apply the hierarchy of controls to eliminate or minimize occupational health and safety risks. Hazard identification and risk assessments are conducted on both routine and non-routine bases across operations. Routine activities include daily safety rounds, workplace inspections, and ongoing monitoring of operational activities. Non-routine assessments are triggered by events such as equipment or process modifications, incident and accident investigations, worker complaints, changes in workflow, and findings related to occupational exposure to noise, vibration, and dust.

Key tools supporting the HIRA process include hazard and accident registers, permit-to-work systems, operational control procedures, safety committee meetings, shopfloor (GEMBA) visits, internal and external safety audits, incident reporting and analysis, daily safety scorecards, and safety training programs conducted in local languages. Identified risks are addressed through appropriate engineering, administrative, and personal protective controls.

The HIRA framework is supported by documented procedures that define hazards, injury classifications (major, minor, and near-miss events), and reporting requirements to ensure consistent identification, recording, and response across operations.

The effectiveness of the HIRA process is supported through worker participation and periodic training programs to build competency in hazard identification and risk management. Outcomes from risk assessments, audits, and incident investigations are periodically reviewed through management review mechanisms to drive continual improvement of the Occupational Health and Safety Management System. Workers are encouraged to report hazards through established reporting and grievance redressal mechanisms, with safeguards in place to protect against retaliation. Employees are also empowered to stop work and remove themselves from situations that pose an imminent safety risk, with corrective actions implemented before work resumes.



Figure 34. Health & Safety Training

Occupational Health and Safety Initiatives

We actively promote safety awareness through structured initiatives such as National Safety Week observance, implementation of a PPE matrix, and Fire Safety programs, reinforcing safe behaviors and compliance at all levels of the organization. Our health and safety programs are designed to prevent occupational injuries and illnesses, promote employee well-being, and ensure compliance with applicable legal and regulatory requirements. Key elements of our approach include:

- **Provision of Personal Protective Equipment (PPE):** We provide appropriate PPE to all employees and workers exposed to operational risks, particularly those working in high-risk areas, to ensure tasks are performed safely.
- **Chemical Handling and Hazard Management:** We follow stringent procedures for the safe handling, storage, use, and disposal of chemicals and hazardous substances, in compliance with applicable regulations and internal safety standards.
- **Multilingual Safety Communication:** Health and safety instructions, signage, and procedures are communicated in multiple languages commonly spoken by our workforce to ensure clarity, understanding, and effective implementation.
- **Preventive Measures for Stress and Noise:** We implement measures to address workplace stress and noise exposure, including ergonomic interventions, work scheduling practices, and periodic monitoring of exposure levels.
- **Preventive Maintenance & Machine Safety:** Regular preventive maintenance of all machinery is carried out, including verification and replacement of worn-out pulleys, belts, and spindles, overhauling of equipment, and immediate repair of abnormal noise sources. Machine guards are also repaired and rectified to enhance operator safety and control workplace noise levels.
- **Health Awareness Talks:** Sessions conducted on neurological, cardiac, and respiratory health, including



Figure 35. Health Talks

ergonomic awareness to reduce musculoskeletal risks in manufacturing operations.

- **Safety Equipment Inspections:** We conduct half-yearly inspections and audits of safety equipment to ensure functionality, availability, and compliance with regulatory requirements.
- **Internal Safety Audits:** Annual internal safety audits are carried out to identify gaps, assess compliance, and continuously strengthen safety management systems.
- **Age Verification and Child Labor Prevention:** We strictly verify the age of all candidates during recruitment to ensure compliance with labor laws and maintain a zero-tolerance approach to child and forced labor. No instances of child or forced labor were recorded during the reporting period.
- **Emergency Preparedness Measures:** These include the availability of trained first aiders, a designated medical attendant, and an on-site medical room to ensure timely medical response. In addition, a full-time ambulance with a designated driver is available at the plant to support prompt medical evacuation and emergency response.

Safety Week at BGL

Safety Week is observed annually to promote awareness and strengthen a culture of workplace safety across the organization. In FY 2024-25, activities such as slogan competitions, poster-making activities, and safety quizzes were organized to encourage employee participation and reinforce safe work practices.



Figure 36. Safety Week at BGL FY 2024-25

Mandatory Health Check-Ups



Figure 37. Ongoing Health Check-Up in FY 2024-25

Mandatory health check-ups are conducted to support employee well-being and promote early detection of potential health concerns. As part of this initiative, quarterly health check-ups are organized for employees in collaboration with partner hospitals to monitor overall health and enable timely identification and management of potential medical issues.

Health and Safety Performance

Health and safety performance is monitored through HIRA, supported by operational controls and the Environment, Occupational Health and Safety Policy.

Work-related Injuries and Fatalities in FY 2024-25			
Particulars	Faridabad	Mumbra	Lonand
Total Recordable Work-related Injuries	0	0	0
Lost Time Injuries (LTI)	0	0	0
Number of Fatalities (Employees)	0	0	0
Number of Fatalities (Workers / Contractors)	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	0	0
High-consequence Work-related Injuries (excluding Fatalities)	0	0	0
Number of Days Lost	0	0	0
Number of Work-related Ill Health	0	0	0
Number of Work-related Accidents	0	0	0
Number of Hours Worked	24,22,920	15,64,040	10,15,040
Total Number of Hours Worked	50,02,000		

The numbers include both employees and workers.

Health & Safety Training

BGL has established a structured EHS Annual Training Calendar to ensure systematic capacity building and continuous improvement in Environment, Health & Safety (EHS) practices across functions. The calendar covers diverse employee groups, including QA, Maintenance, Heat Treatment (HT), Transmission (TXN), Bevel, and all employees, and includes both internal and external faculty-led programs. All scheduled training for the reporting year was completed as planned, demonstrating strong implementation and management oversight.

The key EHS training topics covered during the year include:

- Material Handling & 5S
- Fire Fighting
- EHS Awareness
- HIRA & Aspect/Impact Identification
- PPEs & General Safety
- First Aid Basics

- Electrical Safety
- Near Miss Identification
- Sustainability Awareness

This structured approach ensures improved hazard identification, risk mitigation, regulatory compliance, emergency preparedness, and enhanced safety culture across operations.

Training programs are delivered either in-house by trained internal teams or through certified external agencies, with all associated costs borne by the Company. The effectiveness of training is evaluated approximately three months after completion or during fire drills and mock drills, as applicable. In addition, safety quizzes are conducted monthly to assess awareness and retention of key safety topics.

In FY 2024-25, OHS-related training covered 100% of our employees and workers.

Health and Safety Training				
Particulars	Faridabad	Mumbra	Lonand	Total
Percentage of employees trained on health & safety	100%	100%	100%	100%
Drivers & operators trained on health and safety risks and good working practices	885	375	255	1,515
Percentage of drivers & operators trained on health and safety risks and good working practices	100%	100%	100%	100%



Figure 38. Health and Safety Training

Human Rights at BGL

At BGL, respect for human rights is embedded in our policy framework and day-to-day operations. Our commitments are guided by the Labour & Human Rights Policy, Code of Business Conduct and Ethics, which collectively uphold principles of non-discrimination, fair labour practices, safe working conditions, and zero tolerance for child or forced labour. These commitments are supported through structured risk assessments, grievance redressal systems, employee awareness programmes, and ongoing compliance monitoring.

During the reporting period, 100% of operational sites were assessed for human rights impacts and risks. No human-rights risks were identified at any site. We also provide regular training to our security personnel on human rights issues and relevant policies. During FY 2024-25, 100% of our security personnel received human rights training conducted by a third-party security agency.

In addition, during the reporting period, no incidents involving violations of the rights of indigenous peoples were identified.

Human Rights in our Supply Chain

BGL extends its human rights commitments across its value chain through robust supplier governance mechanisms. Our Supplier Code of Conduct clearly outlines expectations related to labour rights, ethical conduct, prohibition of child and forced labour, non-discrimination, and respect for freedom of association and collective bargaining. The Code is formally shared with all suppliers, and written acknowledgements are obtained to ensure accountability and alignment with our standards.

Human Rights in BGL's Supply Chain	
Particulars	Description
Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	0
Measures taken to support rights to exercise freedom of association and collective bargaining	The Supplier Code of Conduct is shared with all suppliers, and formal acknowledgements are obtained to ensure adherence to labour rights standards.
Operations and suppliers considered to have significant risk for incidents of child labor	0
Measures taken to contribute to the effective abolition of child labor	Child labour is strictly prohibited across all supplier premises. Clear notices and signboards are displayed at operational locations, and compliance is reinforced through contractual obligations.

Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor	0
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Community Engagement & CSR

At BGL, Corporate Social Responsibility (CSR) is an integral part of our commitment to inclusive, equitable, and sustainable development. Beyond regulatory compliance, our CSR approach focuses on creating meaningful and long-term positive impact in the communities around our operations, while supporting social well-being and environmental sustainability.



Figure 39. Vocational Training - Specially-abled Adults Packing Agarbattis

CSR Vision and Policy Framework

Our CSR initiatives are guided by the provisions of Section 135 of the Companies Act, 2013 and are governed by BGL's Board-approved CSR Policy. The CSR Committee, comprising members of the Board, including the Chairman and Managing Director, provides strategic oversight and monitors the planning, implementation, and performance of CSR programs.

Our CSR interventions are aligned with the UN Sustainable Development Goals (SDGs), with a focus on priority areas such as education, healthcare, disability inclusion, women's empowerment, rural development, and environmental sustainability, with an emphasis on community relevance.

CSR Governance

BGL has established a robust CSR governance framework to ensure transparency, accountability, and effective implementation. Key elements include:

- A Board-approved Annual CSR Action Plan
- Periodic monitoring through internal reviews and progress reporting
- Outcome tracking based on defined deliverables and feedback from implementing partners

Any unspent CSR amounts, if applicable, are disclosed transparently and managed in accordance with statutory timelines, including transfer to designated accounts or funds, in line with the CSR Rules.

Stakeholder Engagement

We actively collaborate with NGOs, charitable trusts, and local institutions to implement CSR programs effectively and responsibly. Wherever feasible, we encourage employee involvement and community participation, strengthening local engagement and shared ownership of development outcomes.

CSR Initiatives FY 2024-25

During the reporting year, our CSR interventions focused on education, healthcare, disability inclusion, and environmental sustainability. We supported educational access for underprivileged children, strengthened preventive healthcare and nutrition support for vulnerable communities, and advanced disability inclusion through initiatives benefiting individuals with special needs and autism. Our efforts also extended to community welfare and food security, addressing the immediate needs of underserved populations, while continuing to promote environmental sustainability.



Figure 40. CSR Focus Areas FY 2024-25

CSR Initiatives FY 2024-25			
CSR Theme	Implementing Partner / Beneficiary	Nature of Intervention	Amount (INR Lakhs)
Education	Myra Foundation, Faridabad	Educational support for underprivileged children	1.00
Disability Inclusion	Association of Parents of Mentally Retarded Children (ADHAR)	Support for lifetime care, training, treatment, and rehabilitation for children with special needs	2.50
Disability Inclusion	Aaddit Charitable Trust	Support for individuals with autism and related disabilities	1.00
Health & Nutrition	Robin Hood Army, Faridabad	Distribution of food grains and essential items to needy communities	2.99
Preventive Healthcare	Yatharth Foundation for Development	Support for preventive healthcare initiatives for underserved local populations	5.00

Preventive Healthcare	Vidya Jagat Cancer Foundation (Asian Hospital, Faridabad)	Support for preventive health care initiatives	7.50
Environmental Sustainability	Save Aravali Trust	Support for environmental conservation and sustainability initiatives, including the plantation of 500 saplings	2.00
Total CSR Spend in FY 2024-25 (INR Lakhs)			22.99

In addition, as part of our community outreach efforts at Mumbra, we extended assistance to the Traffic Police Welfare Fund for the purchase of essential summer gear. By supporting frontline personnel responsible for traffic regulation and road safety, we aim to contribute to safer communities and reinforce our commitment to local stakeholder well-being.



Figure 43. Yoga Sessions at Adhar Special Home



Figure 42. BGL & Robin Hood Army



Figure 41. Myra Foundation

Responsible Procurement and Supplier Management

Responsible operations form the foundation of our manufacturing philosophy. We integrate resource efficiency, occupational health and safety, regulatory compliance, and ethical business conduct across all stages of our operations and value chain to ensure consistent, responsible performance.

Our supply chain efforts support the following SDGs:



We are committed to building a resilient, transparent, and responsible supply chain that supports operational excellence while contributing to sustainable development. ESG considerations are progressively embedded into our supplier onboarding, evaluation, and performance monitoring processes. This is also aligned with customer expectations, internal quality requirements, and applicable regulatory standards.

Supplier Code of Conduct and Sustainable Procurement Framework

All direct material suppliers are required to comply with applicable legal and regulatory requirements. These include regulations related to labor standards, human rights, environmental protection, and workplace safety. Compliance is supported through documented supplier requirements and periodic assessments. Suppliers are assessed for adherence to ISO 9001, IATF 16949, ISO 14001, and ISO 45001 standards.

We have implemented a Supplier Code of Conduct that defines minimum expectations for legal compliance, labor standards, human rights, environmental protection, occupational health and safety, ethical conduct, and anti-corruption practices across the supply chain. These requirements are contractually applicable and form the basis for supplier engagement, assessment, and ongoing relationship management. Our Sustainable Procurement Policy integrates environmental, social, and ethical considerations into sourcing decisions. This helps with promoting responsible supplier practices, ESG due diligence, and risk management aligned with the Company's sustainability commitments.

The Supplier Code of Conduct includes provisions on the prohibition of child and forced labor, non-discrimination, freedom of association, safe working conditions, environmental compliance, ethical business conduct, and the right of BGL to conduct audits and seek corrective actions. The Sustainable Procurement Policy further integrates ESG due diligence into sourcing decisions and supplier onboarding, with oversight from senior management.

To date, 100% of our key suppliers have signed our Supplier Code of Conduct.

Our supplier contracts also reference our Supplier Code of Conduct. The contracts include provisions requiring adherence to ESG principles, and 100% of our key suppliers have formally acknowledged and signed these contracts as part of their engagement with us.

Sustainability Screening and Self-Assessment

In alignment with the expectations of global customers, direct material suppliers are required to participate in Supplier Sustainability Self-Assessments. These assessments evaluate supplier practices across key ESG areas, including:

- Human rights and labor standards
- Environmental performance
- Occupational health and safety
- Ethics and governance
- Diversity and inclusion

Participation in these assessments is voluntary, and performance outcomes influence supplier sustainability ratings and continued eligibility for engagement. 100% of our targeted suppliers have participated in such sustainability assessments.

Audit and Evaluation Processes

We conduct annual on-site audits at supplier facilities, including forging and machining units, to evaluate operational and sustainability performance. These audits cover environmental compliance, quality management and controls, occupational health and safety practices, and labour conditions. Audits are conducted using BGL’s standardised audit formats and the scope typically includes:

- Raw material sourcing and traceability
- Quality management systems (IATF 16949:2016, ISO 9001:2015, etc.) and process controls
- Health and safety systems
- Environmental management systems (ISO 14001, etc.), process and controls
- Laboratory infrastructure and testing capabilities
- Forging and machining process controls
- Effectiveness of corrective and preventive action mechanisms

Audit outcomes are scored using a defined rating framework. Suppliers with identified gaps are required to implement time-bound corrective action plans, with follow-up surveillance or reassessment audits conducted to verify closure. Persistent non-compliance may result in enhanced monitoring, revised sourcing decisions, or phased disengagement.

Supplier Sustainability On-Site Audits in FY 2024-25	
Number of Targeted Suppliers	21
Targeted Suppliers who Completed Supplier Sustainability Self-Assessments	100%
On-Site Audit Coverage of Targeted Suppliers	100%
Suppliers with Certified QMS (ISO 9001, IATF 16949)	100%
Suppliers with Certified EMS (ISO 14001)	24%

Additionally, all key suppliers are subject to a due diligence process covering aspects such as corruption risk and information security practices. These assessments are conducted as part of our supplier evaluation and onboarding procedures to ensure alignment with our ethical and governance standards. During the reporting period, no cases of corruption or information security violations were identified among assessed suppliers.

Traceability and Material Assurance

We maintain robust material assurance processes to ensure product integrity and compliance. These include heat code identification, mill test certification, and in-house or third-party laboratory testing for material composition, hardness, and grain flow characteristics. Suppliers are also required to retain samples and maintain appropriate quality records to support traceability and verification.

Supplier Performance Monitoring and Continuous Improvement

Supplier performance is tracked through a structured performance rating framework, which is periodically updated to assess quality performance, delivery reliability, sustainability compliance, and audit results. Suppliers with performance gaps are supported through corrective action plans, while continued non-performance may lead to phased disengagement.

Capacity Building and Collaboration

BGL actively engages with suppliers to support capability enhancement through technical training, awareness programs, and collaborative risk mitigation initiatives. Suppliers are encouraged to align their practices with Sustainable Development Goals (SDGs) and relevant industry ESG frameworks, strengthening long-term partnerships and shared value creation.

Inclusive Sourcing Practices

We promote inclusivity within our supply chain by encouraging procurement from local vendors and micro, small, and medium enterprises (MSMEs). We seek to engage a diverse supplier base, supporting local economic development while strengthening supply chain resilience. By providing opportunities for local and MSME suppliers to participate in our procurement processes, we aim to foster long-term partnerships and contribute to the growth of smaller businesses within the communities where we operate.

Cyber Security at BGL

We recognise that strong information security practices are essential to business continuity, data protection, and maintaining stakeholder confidence. Our IT security framework is designed around layered security controls, risk-based access management, continuous monitoring, and alignment with recognised IT governance best practices. This has enabled us to safeguard critical information about our assets and systems.

During FY 2024-25, we received 0 consumer complaints related to data privacy, marketing, advertising, cybersecurity, delivery of essential services, restrictive or unfair trade practices, or other matters. There were also 0 cases of breach of customer privacy or loss of customer data, and 0 data breaches or information security incidents during the year. Accordingly, 0 cases were pending at the end of FY 2024-25.

Information Security Governance

BGL operates under a formal IT Security Policy that defines controls for data access, identity management, system security, and authorization processes. Core elements of our governance framework include:

- Role-based access controls, supported by periodic user access reviews and clear segregation of duties
- Structured approval workflows for granting, modifying, or revoking system access, validated by relevant department heads and IT administrators
- Timely deactivation of user access during employee leave or separation to prevent unauthorised system use

These measures help ensure the security and integrity of key systems, including ERP platforms, email servers, and file storage environments.

Data Backup and Recovery

To protect data availability and minimize operational disruption, we maintain a multi-layered Disaster Recovery Plan (DRP). Key components of this framework include:

- Daily and weekly data backups across on-premises and cloud-based storage environments

- Defined data retention protocols for critical backup media
- Established Recovery Time Objectives (RTOs) and escalation mechanisms to support timely restoration
- Periodic reviews and version-controlled updates to ensure the continued effectiveness of recovery strategies

Business Continuity and Risk Mitigation

To enhance operational resilience and reduce technology-related risks, we have implemented:

- Uninterruptible Power Supply (UPS) systems and redundancy across core IT infrastructure
- Continuous monitoring and secure logging of critical environments, including temperature-controlled server rooms and disaster recovery sites
- Comprehensive audit trails capturing IT incidents, access changes, and system modifications to support traceability and accountability

Together, these measures strengthen our ability to anticipate risks, respond to incidents effectively, and maintain the reliability of our digital infrastructure.

IT Risk Assessment and Monitoring

We conduct quarterly internal IT risk assessments to identify, evaluate, and manage potential risks related to information systems, data security, and digital infrastructure. These assessments help ensure that appropriate controls and safeguards are in place to protect business operations and sensitive information. Regular monitoring and periodic reviews enable us to strengthen our cybersecurity posture, address emerging threats, and maintain the reliability and integrity of our IT systems.

Information Security Training

Information security training is conducted twice every month for different employee categories and covers key areas, including:

- Data privacy policies and procedures
- Information security governance requirements
- Password management and authentication best practices
- Malware and ransomware awareness
- Phishing prevention and cyber hygiene
- Incident identification, escalation, and reporting protocols

The training framework is aligned with globally recognized information security best practices and supports compliance with our internal IT security governance standards.

Employee Category	Coverage (%)	Details
Top Management	100%	All members trained
Middle Management	100%	All members trained
Lower Management (Executives)	100%	All PC users covered
Operators	25%	Coverage is limited to employees permitted PC access



Figure 44. IT Training

Quality, Product Responsibility, and Customer Safety

We place a strong emphasis on product quality, safety, and regulatory compliance across all stages of our manufacturing and delivery processes. Ensuring that our products meet stringent quality and safety requirements is integral to customer trust, operational excellence, and responsible business conduct.

Product Health and Safety Assessment

We systematically assess the health and safety impacts associated with our products and services to identify risks and opportunities for improvement across the product lifecycle. During FY 2024-25, 100% of significant product and service categories were covered under structured health and safety risk assessments. These assessments are integrated into our operations and quality planning processes, aligned with our certified quality management systems.

Compliance with Product Health and Safety Regulations

We maintain strict compliance with applicable laws, regulations, and voluntary codes relating to the health and safety impacts of our products and services. During the reporting period, there were zero incidents of non-compliance, including incidents resulting in fines, penalties, warnings, or breaches of voluntary codes.

Accordingly, there were zero product recalls during FY 2024-25, reflecting the effectiveness of our quality assurance, testing, and preventive control mechanisms.

In FY 2024-25, 100% of employees were trained on product quality and safety to strengthen awareness and adherence to quality and safety standards.



Figure 45. Training of Employees on Product Safety & Quality

Product Information, Labelling, and Traceability

Given the nature of our products and customer-specific manufacturing requirements, public-facing product information and labelling requirements are generally not applicable. However, we maintain robust internal systems to ensure accurate product identification, traceability, and compliance with customer and regulatory requirements.

All significant product categories are covered by established internal procedures for identification and traceability, ensuring end-to-end linkage from raw material receipt through production and dispatch. These controls are aligned with ISO 9001 and IATF 16949 requirements, supporting defect prevention, root cause analysis, and effective recall preparedness, where applicable.

During the reporting period, there were zero incidents of non-compliance related to product and service information and labelling.

Product Quality Incidents in FY 2024-25	
Products & services covered under health and safety risk assessments	100%
Number of product recalls	0
Incidents of non-compliance with product health & safety regulations	0
Incidents of non-compliance with product & service information and labelling	0
Incidents of non-compliance with marketing communications, including advertising, promotion, and sponsorship	0

Continuous Improvement in Quality Management

Our quality management systems are designed to drive continual improvement through preventive controls, internal audits, corrective and preventive actions, and periodic management reviews. These systems support consistent product quality, customer satisfaction, and sustained compliance with applicable safety and regulatory standards.

Customer Feedback and Grievance Redressal Mechanism

Bharat Gears Limited has established a structured mechanism to receive and address customer complaints and feedback. Each manufacturing facility has a dedicated Single Point of Contact (SPOC) with designated official email IDs to ensure clear communication and accountability.

All complaints are logged, reviewed, and investigated in coordination with quality and production teams. Corrective and preventive actions are implemented where required, and resolution status is communicated to the customer within defined timelines. Periodic reviews of complaints help identify recurring issues and support continuous improvement in product quality and customer satisfaction.

Appendix

Annexure I

Site-wise Energy Consumption Data for FY 2024-25 (in GJ)				
Particular	Faridabad	Mumbra	Lonand	Total
From renewable sources				
Total electricity consumption (A)	-	-	6,954.51	6,954.51
Total fuel consumption (B)	-	-	-	-
Total energy consumed from renewable sources (A+B)	-	-	6,954.51	6,954.51
From non-renewable sources				
Total electricity consumption (C)	56,544.72	27,155.03	16,816.97	100,516.73
Total fuel consumption (D)	112,543.21	12,146.43	18,111.33	142,800.96
Total energy consumed from non-renewable sources (C+D)	169,087.93	39,301.46	34,928.3	243,317.69
Total energy consumed (A+B+C+D)	169,087.93	39,301.46	41,882.81	250,272.19
Energy Intensity (GJ / Ton)	14.51	6.35	6.10	11.30

Site-wise Distribution of BGL's GHG Emissions for FY 2024-25				
Scope / Site	Faridabad	Mumbra	Lonand	Total
Scope 1 - Stationary Combustion (tCO _{2e}) (A)	6,837.14	766.48	1,162.17	8,765.79
Scope 1 - Mobile Combustion (tCO _{2e}) (B)	3.46	6.48	21.61	31.55
Scope 1 - Fugitive Emissions (Refrigerants & Fire Extinguishers) (tCO _{2e}) (C)	404.86	38.56	61.01	504.43
Total Scope 1 Emissions (A + B + C) (tCO_{2e})	7,245.46	811.53	1,244.78	9,301.77
Scope 2 - Emissions (tCO _{2e})	11,418.89	5,483.81	3,396.09	20,298.79
Total Scope 1 + Scope 2 Emissions (tCO_{2e})	18,664.35	6,295.34	4,640.88	29,600.57
Total Scope 1+2 Intensity (tCO_{2e}/MT)	2.41	3.29	1.56	2.34

Site-wise Water Withdrawal, Consumption & Discharge for FY 2024-25 (in KL)				
Scope / Site	Faridabad	Mumbra	Lonand	Total
Water Withdrawal				
- Groundwater	-	-	-	-
- Surface Water	-	-	-	-
- Municipal / Third-party Water	20,582	18,349	22,103	61,034
Total Water Withdrawal	20,582	18,349	22,103	61,034
Total Water Consumption	20,582	18,349	22,103	61,034
Water Discharge				
- Treated Water Discharged	-	-	-	-
- Reused / Recycled within Operations	-	-	-	-
Total Water Discharge	-	-	-	-

Site-wise Waste Generation for FY 2024-25 (in MT)				
Category / Waste Type	Faridabad	Mumbra	Lonand	Total
Hazardous				
ETP Sludge	11.56	0.19	0.06	11.81
Oil Sludge	9.37	1.66	-	11.03
Oil Soaked Cotton	3.14	2.05	-	5.19
Used Oil Filter	0.01	-	-	0.01
Empty Oil Drum	9	2.80	4.15	15.95
Waste / Residue Containing Oil	-	-	0.38	0.38
Chemical Sludge from Wastewater Treatment	-	-	-	-
Process Residue and Wastes (Grinding Dust)	-	2.0	0.32	2.32
Process Residue and Wastes (Shot Blasting Dust)	-	-	0.39	0.39
Phosphate Sludge	-	0.50	0.25	0.74
E-waste	-	-	0.02	0.02
Spent Oil	30.84	19.45	-	50.29
Total Hazardous Waste Generated	63.92	28.65	5.56	98.12
Non-Hazardous				
Scrap - Turning & Boring	1080.75	148.76	250.78	1480.29
Scrap - Wood	71.12	12.43	11.05	94.60
Scrap - Corrugated Boxes	-	15.79	3.19	18.98
Metal Scrap	89.58	14.12	6.49	110.19
Heavy Melting Scrap	220.41	5.91	51.30	227.62
Scrap - HSS Hobs, Shaping/Shaving, Oerlikon & Gleason Blades	38.21	0.09	0.215	38.52
Scrap Aluminum	-	-	-	-
Plastic Waste	18.56	1.61	-	20.17
Others	56.51	26.02	-	82.53

Total Non-Hazardous Waste Generated	1575.14	224.73	323.03	2112.90
Total Waste Generated	1639.06	224.38	328.59	2221.02

Site-wise Waste Recovery & Disposal for FY 2024-25 (in MT)				
Category	Faridabad	Mumbra	Lonand	Total
Hazardous				
Waste Generated	63.92	28.65	5.56	98.12
Waste Recovered / Recycled	30.84	19.45	-	50.29
Waste Disposed (Incineration / TSDF / Co-processing)	33.08	9.20	5.56	47.83
Non-Hazardous				
Waste Generated	1575.14	224.73	323.03	2122.90
Waste Recovered / Recycled	-	-	-	-
Waste Disposed (Landfill / Other)	1575.14	224.73	323.03	2122.90
Total				
Total Waste Generated	1636.06	253.38	328.59	2221.02
Total Waste Recovered / Recycled	30.84	19.45	-	50.29
Total Waste Disposed	1608.22	233.93	328.59	2170.73

Site-wise Air Emissions for FY 2024-25				
Air Pollutant	Unit	Faridabad	Mumbra	Lonand
Sulphur Oxides (SOx)	µg/m ³	29.5	34	18.8
Nitrogen Oxides (NOx)	µg/m ³	38.8	31	21.6
Particulate Matter (PM _{2.5})	µg/m ³	54.2	23	20.7
Carbon Monoxide (CO)	µg/m ³	2280.8	-	-
Other Air Emissions (specify)		-	-	-
Total Air Emissions	µg/m³	2,403.3	88	61.1

Employee Category	Below 30		30-50		Above 50		Total
	Male	Female	Male	Female	Male	Female	
Permanent Employees (Associates, including Workers & Operators; Management - Top, Senior, Middle, Junior)	271	3	649	5	138	0	1,066
Temporary Employees (Contractual Workers, Trainees, Non-Guaranteed Hours Employees)	436	0	513	0	35	0	984
Total Number of Employees	707	3	1,162	5	173	0	2,050

Employee Category	Below 30		30-50		Above 50		Total New Hires
	Male	Female	Male	Female	Male	Female	
Top Management	0	0	0	0	1	0	1
Senior Management	0	0	7	0	1	0	8
Middle Management	14	0	13	0	0	0	27
Associates / Operators	55	0	20	0	0	0	75
Contract Workers	12	0	18	0	1	0	31
Others (Interns, Trainees, Part Time Employees, etc.)	137	0	14	0	0	0	151
Total	218	0	72	0	3	0	293

Employee Category	Below 30		30-50		Above 50		Total Turnover
	Male	Female	Male	Female	Male	Female	
Top Management	0	0	0	0	4	0	4
Senior Management	0	0	8	0	3	0	11
Middle Management	41	0	11	0	2	0	54
Associates / Operators	24	0	12	0	0	0	36
Contract Workers	45	0	58	0	5	0	108
Others (Interns, Trainees, Part Time Employees, etc.)	108	0	12	0	0	0	120
Total	218	0	101	0	14	0	333

Parental Leaves in FY 2024-25		
Particular	Male	Female
Number of employees entitled to parental leave	100%	100%
Number of employees who took parental leave in FY 2024 -25	0	0
Number of employees who returned to work after parental leave ended	NA	NA
Number of employees who returned to work after parental leave ended, who were still employed 12 months after their return	NA	NA
Return to work and retention rates of employees who took parental leave	NA	NA

Benefits Provided to Employees					
Benefits	Senior Management	Middle Management	Junior Management	Associate	Contractual/ Part-time Workers
Life Insurance	100%	100%	100%	100%	NA
Health Care	100%	100%	100%	100%	100%
Disability & Invalidity Coverage	100%	100%	100%	100%	100%
Parental Leave	100%	100%	100%	100%	100%
Retirement Provision	100%	100%	100%	100%	NA

Discrimination and Harassment Cases & Training in FY 2024-25	
Particular	Description
Number of complaints of sexual harassment received in the reporting year	0
Number of complaints disposed of during the reporting year	0
Number of cases pending for more than ninety days	0
Nature of action taken by BGL	NA
Percentage of employees trained on diversity, anti-discrimination and harassment, including sexual harassment and workplace harassment	100%
Total number of incidents of discrimination during the reporting year	0

Ratio of Basic Salary and Remuneration of Women to Men			
Category	Median Basic Salary - Male	Median Basic Salary - Female	Ratio
Top Management	NA	NA	NA
Senior Management	NA	NA	NA
Middle Management	1,11,795	99,405	1.12: 1

Junior Management	83,660	79,493	1.05: 1
Associates / Non-Management	43,771	43,117	1.01: 1

Employees who Received Skills-related Training at BGL in FY 2024-25		
Employee Category	Unit	Value
Top Management	% of Employees Trained	100%
Senior Management	% of Employees Trained	100%
Middle Management	% of Employees Trained	100%
Associates	% of Employees Trained	100%
Total Training Hours		11,084
Average Training Hours per Employee		10.39

Employees Who Received a Performance and Career Development Review in FY 2024-25		
Employee Category	Unit	Value
Top Management	% of Employees	100%
Senior Management	% of Employees	100%
Middle Management	% of Employees	100%
Associates	% of Employees	100%

Work-related Injuries and Fatalities in FY 2024-25			
Particulars	Faridabad	Mumbra	Lonand
Total Recordable Work-related Injuries	0	0	0
Lost Time Injuries (LTI)	0	0	0
Number of Fatalities (Employees)	0	0	0
Number of Fatalities (Workers / Contractors)	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	0	0

High-consequence Work-related Injuries (excluding Fatalities)	0	0	0
Number of Days Lost	0	0	0
Number of Work-related Ill Health	0	0	0
Number of Work-related Accidents	0	0	0
Number of Hours Worked	24,22,920	15,64,040	10,15,040
Total Number of Hours Worked	50,02,000		

Health and Safety Training				
Particulars	Faridabad	Mumbra	Lonand	Total
Percentage of employees trained on health & safety	100%	100%	100%	100%
Drivers & operators trained on health and safety risks and good working practices	885	375	255	1,515
Percentage of drivers & operators trained on health and safety risks and good working practices	100%	100%	100%	100%

Human Rights in BGL's Supply Chain	
Particulars	Description
Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	0
Measures taken to support rights to exercise freedom of association and collective bargaining	The Supplier Code of Conduct is shared with all suppliers, and formal acknowledgements are obtained to ensure adherence to labour rights standards.
Operations and suppliers considered to have significant risk for incidents of child labor	0
Measures taken to contribute to the effective abolition of child labor	Child labour is strictly prohibited across all supplier premises. Clear notices and signboards are displayed at operational locations, and compliance is reinforced through contractual obligations.

Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor	0
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Supplier Sustainability On-Site Audits in FY 2024-25	
Number of Targeted Suppliers	21
Targeted Suppliers who Completed Supplier Sustainability Self-Assessments	100%
On-Site Audit Coverage of Targeted Suppliers	100%
Suppliers with Certified QMS (ISO 9001, IATF 16949)	100%
Suppliers with Certified EMS (ISO 14001)	24%

Employee Category	Coverage (%)	IT Training Details
Top Management	100%	All members trained
Middle Management	100%	All members trained
Lower Management (Executives)	100%	All PC users covered
Operators	25%	Coverage is limited to employees permitted PC access

Product Quality Incidents in FY 2024-25	
Products & services covered under health and safety risk assessments	100%
Number of product recalls	0
Incidents of non-compliance with product health & safety regulations	0
Incidents of non-compliance with product & service information and labelling	0
Incidents of non-compliance with marketing communications, including advertising, promotion, and sponsorship	0



GRI Index

Statement of use: Bharat Gears Limited has reported the information cited in this GRI content index for the period 1st April 2024 to 31st March 2025, with reference to the GRI Standards.

GRI used: GRI 1: Foundation 2021

GRI Standard	Disclosure	Page No.
GRI 2: General Disclosures 2021		
2-1	Organizational details	6, 7, 10
2-2	Entities included in the organization's sustainability reporting	6
2-3	Reporting period, frequency and contact point	2
2-4	Restatements of Information	No Restatement
2-6	Activities, value chain and other business relationships	10, 12
2-7	Employees	59, 60
2-8	Workers who are not employees	59, 60
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2-11	Chair of the highest governance body	19
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2-14	Role of the highest governance body in sustainability reporting	21, 22
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2-18	Evaluation of the performance of the highest governance body	19
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2-24	Embedding policy commitments	24, 25

2-25	Processes to remediate negative impacts	14, 86
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2-29	Approach to stakeholder engagement	12
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3-2	List of material topics	13
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205-3	Confirmed incidents of corruption and actions taken	22
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305-3	Other indirect (Scope 3) GHG emissions	41
305-4	GHG emissions intensity	41

305-5	Reduction of GHG emissions	42
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306-2	Management of significant waste-related impacts	46, 48, 49, 50, 51
306-3	Waste generated	47, 48
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306-5	Waste directed to disposal	53
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418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	82

SASB Index

The SASB Index is aligned with the Auto Parts (TR-AP) industry standard under the Sustainable Industry Classification System® (SICS®).

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Energy Management - TR-AP-130a.1	Total energy consumed	33, 34
	Percentage grid electricity	33, 34
	Percentage renewable	33, 34, 39
Waste Management - TR-AP-150a.1	Total amount of waste from manufacturing	47, 48
	Percentage hazardous	47, 48
	Percentage recycled	53
Product Safety - TR-AP-250a.1	Number of vehicles/products recalled	85
Materials Efficiency - TR-AP-440b.2	Percentage of input materials from recycled or remanufactured content	53

BRSR & UN SDG Mapping

BRSR Principle	SDGs Mapped	Page No.
Principle 1 - Businesses should conduct and govern themselves with integrity in an ethical, transparent and accountable manner	SDG 16 - Peace, Justice and Strong Institutions	17 - 25
Principle 2 - Businesses should provide goods and services in a manner that is sustainable and safe	SDG 3 - Good Health and Well-being, SDG 12 - Responsible Consumption and Production	70 - 75 84 - 85
Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains	SDG 3 - Good Health and Well-being, SDG 4 - Quality Education, SDG 5 - Gender Equality, SDG 8 - Decent Work and Economic Growth, SDG 10 - Reduced Inequalities	69 - 74
Principle 4 - Businesses should respect the interests of and be responsive to all stakeholders	SDG 17 - Partnerships for the Goals	11
Principle 5 - Businesses should respect and promote human rights	SDG 5 - Gender Equality, SDG 8 - Decent Work and Economic Growth, SDG 10 - Reduced Inequalities, SDG 16 - Peace, Justice and Strong Institutions	65 - 69, 75 - 76
Principle 6 - Businesses should respect and make efforts to protect and restore the environment	SDG 6 - Clean Water and Sanitation, SDG 7 - Affordable and Clean Energy, SDG 12 - Responsible Consumption and Production, SDG 13 - Climate Action, SDG 15 - Life on Land	26 -57
Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a responsible and transparent manner	SDG 16 - Peace, Justice and Strong Institutions, SDG 17 - Partnerships for the Goals	11
Principle 8 - Businesses should promote inclusive growth and equitable development	SDG 8 - Decent Work and Economic Growth, SDG 9 - Industry, Innovation and Infrastructure, SDG 11 - Sustainable Cities and Communities	77 - 82
Principle 9 - Businesses should engage with and provide value to their consumers in a responsible manner	SDG 3 - Good Health and Well-being, SDG 12 - Responsible Consumption and Production, SDG 16 - Peace, Justice and Strong Institutions	84 - 86