

B H A R A T F O R G E

July 16, 2024

To,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001
BSE SCRIP CODE – 500493

National Stock Exchange of India Ltd.,
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400 051
Symbol: **BHARATFORG**
Series: **EQ**

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report for the financial year 2023-24

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report ("**BRSR**") for the financial year 2023-24 which also forms part of the Integrated Annual Report of the Company for financial year 2023-24.

The same is also available on the Company's website at the following link:
<https://www.bharatforge.com/investors/agm>

Kindly take the same on record.

Thanking you,
Yours faithfully,
For **Bharat Forge Limited**

Tejaswini Chaudhari
Company Secretary & Compliance Officer

Encl: As above



KALYANI

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1. Corporate Identity Number (CIN) of the Listed Entity	L25209PN1961PLC012046
2. Name of the Listed Entity	Bharat Forge Limited
3. Year of Incorporation	1961
4. Registered office address	Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India.
5. Corporate address	Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India.
6. E-mail	secretarial@bharatforge.com
7. Telephone	+91-20-67042777
8. Website	www.bharatforge.com
9. Financial year for which reporting is being done	FY 2023-24
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE)/BSE Limited (BSE)
11. Paid-up Capital	₹ 931.27 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Mr. Arularasu K, Vice President, Mobile: +91 7391901050/ Telephone: +91 020-67043173/Email ID: Arularasu.K@kalyani.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	<p>The disclosures under this report are made on Standalone basis.</p> <p>There are certain restatements due to change in approach and methodology. The effects and reasons have been included under the respective Principles of this report. Restatements have been done on the following attributes – Percentage of R&D and capital expenditure, Percentage of recycled or reused input material to total material, Disclosure relating to water and waste management. These restatements would enable consistency and comparability of information for the current year and previous year.</p>
14. Name of assurance provider	B S R & Co. LLP
15. Type of assurance obtained	Reasonable Assurance

II. PRODUCTS/SERVICES

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

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity
1.	Manufacturing	• Metal & Metal Products	90.33%

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

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1.	• Steel Forgings	25910	90.33%
	• Finished Machined Crankshafts	3099	
	• Front Axles assembly and components	29301	
	• Road Wheel	3798	
	• Transmission Parts	3548	
	• Seal Rings, Clamp, Hub	29301	
	• Automotive Lightweight Component		

III. OPERATIONS

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

Location	Number of plants [#]	Number of offices [*]	Total
National	5	8	13
International	0	0	0

Operations carried out in Lonikand was carved out from Mundhwa and hence not reported separately. It is planned to be reported separately from FY 2024-25.

* Offices indicated above are for sales and marketing purpose with minimal headcount. These are shared workspaces.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States & Union Territories)	15
International (No. of Countries)	27

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

54.95%

c. A brief on types of customers

Bharat Forge manufactures an extensive array of critical and safety components for several sectors including Automobiles (across Commercial & Passenger Vehicles), Oil & Gas, Defence, Aerospace, Locomotives, Marine, Energy (across renewable and non-renewable sources), Construction, Mining and General Engineering. Bharat Forge continues to leverage its expertise built on 4 'M's (Metallurgy, Metal Forming, Manufacturing and Machining) and R&D capabilities, to provide agile and adaptive solutions to its customers. Famous for world-class products for the Automobile Sector making us one of the best automotive forging companies in India, the Company has transcontinental presence spread across India, Germany, Sweden, France and North America. Bharat Forge is also a leading supplier of various components for the aviation sector making it a renowned name amongst aerospace forging companies in India and around the world.

IV. EMPLOYEES

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	2363	2319	98.14 %	44	1.86%
2.	Other than Permanent (E)	336	310	92.26%	26	7.74%
3.	Total employees (D + E)	2699	2629	97.41%	70	2.59%
WORKERS						
1.	Permanent (F)	1415	1414	99.93%	1	0.07%
2.	Other than Permanent (G)	4627	4597	99.35%	30	0.65%
3.	Total Workers (F + G)	6042	6011	99.49%	31	0.51%

b. Differently abled employees and workers

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

21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	14	2	14.29%
Key Management Personnel*	12	1	8.33 %

* Note: Key Management Personnel includes Senior Management as defined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.76%	20.93%	6.03%	10.37%	21.95%	10.56%	6.94%	30.23%	7.96%
Permanent Workers	1.19%	0.00%	1.19%	8.16%	0 %	8.16%	14.07%	0%	14.07%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**23. Name of the holding/subsidiary/associate companies/joint ventures (A)**

Please refer to Form AOC-1 annexed to the Financial Statements of Integrated Annual Report for the above information.

The Company's subsidiaries, associates, and joint venture companies do not participate in its Business Responsibility initiatives.

VI. CSR DETAILS**24.**

- i. Whether CSR is applicable as per Section 135 of the Companies Act, 2013: Yes
- ii. Turnover: ₹ 89686.34million
- iii. Net worth: ₹ 85687.82million

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.bharatforge.com/contact-us/contact	0	0		0	0	
Investors (other than shareholders)	NA	NA	NA		NA	NA	
Shareholders	Yes As per SEBI Listing Regulations.	8	1	Pending complaint was received in March 2024 and resolved on April 12, 2024	0	0	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes http://bflapp.bharatforge.com/hronline/Pages/GrievancePolicy.aspx	0	0		0	0	
Customers	Yes https://www.bharatforge.com/contact-us/contact	66	3	Action taken against the pending complaints & are under monitoring by customer	113	3	All complaints are resolved
Value Chain Partners	Yes https://www.bharatforge.com/contact-us/contact	0	0		0	0	

Note: The customer complaints received are attributable to Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

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

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
1	Organisation structure	Risk	Organisation structure not aligned with rapid disruptive business environment and continuous innovation.	<ul style="list-style-type: none"> Strategy team to define and track the roadmap for monitoring long-term business plan Organisation structure to be aligned with changes in business requirements. 	Business continuity gets impacted leading to financial loss
2	Innovation	Risk	<ul style="list-style-type: none"> Changes in technology/government policy may result in product obsolescence Consequently, lower sales volumes and lower return on investments than expected. 	<ul style="list-style-type: none"> Increase in product offering and share of business Diversification of product portfolio Structured technology development projects. 	Innovation in the industry may impact the business negatively if not considered immediately

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
3	Sustained performance	Risk	Capital deployment into different businesses leading to reduction in ROCE (Return on Capital Employed)	<ul style="list-style-type: none"> Monitoring of capital allocation made in long-term business plans Further investments based on based on technology, return prospects from strategic nature and the commitment from stakeholders 	Impacts the brand reputation in the industry thereby leading to financial loss
4	IT data centre & far sight disaster recovery (DR)	Risk	Present IT Systems data architecture may not be able to meet the information requirements of dynamic organisation structure and rapidly changing business requirements.	<ul style="list-style-type: none"> Project to address issues with the present system, including harmonisation of master data and critical data points Revamp the process of generating the financial performance data from ERP System Harmonize the IT systems across geographies. 	Business continuity gets impacted leading to financial loss
5	Merger & Acquisitions	Risk	Challenge in achieving the desired synergies during mergers and acquisitions	<ul style="list-style-type: none"> Assessment of vision/cultural alignment and identification of areas of synergy before acquisition Development of plan for integration. Reviews the transition/integration on a regular basis. 	Business continuity gets impacted leading to financial loss
6	Growth & Expansion	Opportunity	Changes in global political and economic environment including trade policies, economic sanctions may have an adverse impact on the Company.	<ul style="list-style-type: none"> Evaluates opportunities to diversify operations across geographies/industries/sectors Monitor the concentration risk across all parameters (geographies in which it operates, customer base, product base, suppliers) 	Impacts the brand reputation in the industry thereby leading to financial loss
7	Human Capital	Risk	Unable to attract, develop and retain top talent and not able to plan succession.	<ul style="list-style-type: none"> Organisation Structure is to be defined as per business strategy. Critical positions are identified and filled with internal candidates Initiate Talent Management Programme to identify and develop "High Performance - High Potential" employees, thereby build Leadership Pipeline. Identified leaders to undergo rigorous development programmes/assignments/Job Rotations 	Consistent efforts would lead to positive impact leading to improvement in quality and productivity thereby financial progress.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
8	Customer Satisfaction	Opportunity	Intense competition in the market impacting the Company's market share and resulting in the reduction of sales volume	<ul style="list-style-type: none"> Increased face time and interactions with customers to understand their needs, pain points, threats & modify our strategy accordingly. Improve customer loyalty through faster response time to delivery Long-term agreements with customer 	Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc
9	Data protection	Risk	Challenges in managing the risks from cyber security, data protection, confidentiality as well as disaster recovery whether from external threat or from internal - employees, subcontractors etc.	<ul style="list-style-type: none"> Web Application Firewall (WAF)/ SIEM - SOC mechanism, Data Leak Protection (DLP) mechanism to protect the data. Restricted access to external devices. Privileged accesses reviewed on a periodic basis. Remote access through VPN needs multi-factor authentication (MFA) Offensive Security practice with Breach and attack simulation started every quarter to protect from real-world attacks. 	Impacts the brand reputation in the industry thereby leading to financial loss
10	Business Continuity	Risk	<ul style="list-style-type: none"> Disruptions in supply chain may adversely affect the Company's operations Availability of raw materials and power Impact of inflation and cost escalations on commodity and utilities prices 	<ul style="list-style-type: none"> Procurement of critical raw material from reliable sources. Pricing arrangements with the customer to address the cost increase in the raw materials on a regular basis. Long-term contracts for logistics Annual evaluation for critical vendors 	Disruption to business operations leads to negative financial implications
11	Regulatory Compliance	Risk	Challenges in managing regulatory compliance in global dynamic regulatory environment	<ul style="list-style-type: none"> Deploy compliance management system to track the compliance on a real-time basis. Implement global compliance tool to monitor and report exceptions. Quarterly compliance certificate from the Management of respective Bharat Forge business unit head and subsidiary companies Trainings on Legal compliance are organised for the process owners periodically 	Impacts the brand reputation in the industry thereby leading to financial loss

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
12	Climate Change	Opportunity	Reducing GHG emissions offers distinct operational and energy supply opportunities.	<ul style="list-style-type: none"> ESG Committee at the Board level to oversee the implementation of climate change initiatives ESG Framework with 7 objectives and 25 measures devised. Target timelines defined for these measures Carbon Footprint Mapping and Validation of Emission Reduction Targets by institutions like SBTi Deployment of Energy Management System for achieving energy efficiency and thereby reducing emissions Utilisation of more green energy in the operations and supply chain 	Initiatives taken around climate change have a positive implication towards business
13	Resource Efficiency	Opportunity	Optimal use of resources such as energy, water and raw materials supports in sustainable business performance	<ul style="list-style-type: none"> ESG Committee at the Board level to oversee the implementation of resource efficiency initiatives ESG Framework with 7 objectives and 25 measures devised. Target timelines defined for these measures 	Initiatives taken around resource efficiency have a positive implication towards business
14	Health, Safety & Environment	Risk	Failure to provide a safe working environment and Non-compliance to safety measures by employees and business partners will lead to liabilities, sub-optimal productivity, loss of business reputation and other costs.	<ul style="list-style-type: none"> Sustenance of existing Occupational Health & Safety Management system Safety observations reporting system, near-miss reporting process, safety committee meetings Strict adherence to BBS (behaviour-based safety system) Detailed SOP, employee training & adherence followed strictly. Use of digital technology such as industry 4.0 and Artificial Intelligence 	Incidents impact employee morale and business reputation leading to negative financial implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocate nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) ^	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No) {Refer Note 1}	Y	Y	Y	Y	NA	Y	Y	Y	Y
c. Web link of the policies, if available	Policies on HR, ISO, CSR, Insider Trading, Related Party etc. are available on links such as: https://www.bharatforge.com/sustainability/governance/#top								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name the national and international codes/certifications/labels/standards	Ya	Yb	Yd	Y	Y	Yc/e	Y	Y	Y

The Company has obtained 26 certifications under national and international codes/certifications/labels/standards

a. Quality systems -

- ISO 9001:2015 (QMS Certification for Non-Automotive Parts)
- IATF 16949:2016 (QMS Certification for Automotive Parts)
- AS 9100 Rev D (QMS Certification for Aviation Parts)
- API-20B & API-Q1 (American Petroleum Institute certification for Petroleum products)
- NABL:ISO/IEC 17025:2017 (National Accreditation Board for Testing and Calibration Laboratories)
- Lloyd's Register (Approved for Closed Die C/S Forgings surface induction hardening of C/S)
- Pressure Equipment Directive 2014 and Pressure Equipment Safety Regulation 2016 Certificate (Lloyd's Register EC Certificate for CDFD and HFD Parts)
- Nadcap (Aerospace, Heat Treating, Measurement and Inspection, Metallic Materials Manufacturing, Non-Destructive Testing)

- b. ISO 27001:2013 (Data Security Management System)
- c. ISO 14001:2015 (Environment Management System Certification)
- d. ISO 45001:2018 (Safety Management System Certification)
- e. ISO 50001: 2018 (Energy Management System Certification)

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

ESG Roadmap with Goals & Targets is available in the ESG/Sustainability section on the Company website.

Link- https://www.bharatforge.com/sustainability/ESG_roadmap/#top

Bharat Forge Limited is committed to obtain SA 8000 (Social Accountability) Certification in the coming year.

6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.

Bharat Forge ESG Roadmap with specific commitments, goals and targets has been developed. This is being measured periodically & updates provided to Board's ESG Committee at regular intervals. Some of the significant accomplishments are listed below:

	FY2023	FY 2024	Change (%)	
GHG Emission (Thousand tons CO2e) Scope 1 & 2	281	249	11.39	↓
% Renewable Energy of Total Electricity Consumed	29.25%	39.45%	10.20	↑
Non-Hazardous Waste (Kg per MT of production)	439.75	390.46	11.21	↓
Specific Water consumption (KL/MT Production)	4.27	4.15	2.81	↓
Use of Secondary raw material	34	40	6	↑

- ESG/Sustainability policy, Sustainable procurement policy and Energy Policy developed and published.
- ISO 50001: 2018 Energy Management System certification obtained for 4 out of 5 sites (Mundhwa, Baramati, Satara, Chakan)
- SBTi approval process for near term emission reduction targets is in progress (Approval obtained in Apr.2024)
- Materiality Assessment (Double Materiality) completed once again (Done previously in FY 2020-21)
- Site Assessment of Hazardous waste recyclers carried out
- Existing external audit protocol modified to include Human Rights due diligence

GOVERNANCE, LEADERSHIP AND OVERSIGHT

7. Statement by the Director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements

“The ESG committee oversees the ESG/Sustainability initiatives of the company. The Roadmap with specific goals and targets is in place. Implementation of actions is monitored for their progress and updates shared with all the stakeholders on a periodical basis.”

The roles & responsibilities of the committee include

- Guide the Board in developing and implementing the ESG Strategy, Initiatives and Policies for the Company.
- Review emerging risks and opportunities associated with ESG issues relative to the Company that have the potential to impact the reputation and business performance of the Company in consultation with the Risk Management Committee of the Board.
- Ensure that the Company is taking appropriate measures to implement actions to further its ESG Strategy. The Committee shall have access to any internal information necessary to fulfil its role, in this regard.
- Review and oversee the development and implementation of targets, standards and metrics established by the management to assess and track the Company's ESG performance.
- Review and reassess the adequacy of corporate governance structure and practices, including the Corporate Governance Guidelines, and recommend any proposed changes to the Board.
- Review any statutory requirements for sustainability reporting including reporting under the Integrated Annual Report of the Company.
- Review and guide for providing any voluntary public disclosure on ESG matters including any material sustainability reports.
- Review the performance and results of key ESG investor surveys and global benchmarks.
- Obtain advice and assistance from internal or external experts and advisors.
- Form and delegate authority to subcommittees or any official subject to the provisions of applicable laws, as may be deemed appropriate.
- Oversee the Company's engagement with stakeholders on ESG issues, including in response to any proposals or other concerns that have been submitted to the Company.
- Maintain written minutes and record of actions taken by the Committee.
- Periodically report to the Board on ESG matters including the Company's ESG strategy, initiatives, policies, performance, public disclosures and engagement with stakeholders.
- Perform such other duties, tasks and responsibilities relevant to the purpose of the ESG Committee as may from time to time be requested by the Board of Directors.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

ESG Committee at the board level is chaired by the Joint Managing Director with two Independent Directors as members. This Committee continuously evaluates the Company's social, environmental, governance and economic obligations.

Management level ESG Team led by Head-ESG ensures the engagement with stakeholders on different ESG/sustainability topics on periodical basis and obtains their feedback. This team works on the identified actions and provides an update to the Board ESG Committee on a regular basis.

9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.

Yes. Bharat Forge has set up an ESG Committee at the board level which is chaired by the Joint Managing Director with two Independent Directors as members. This committee continuously evaluates the Company's social, environmental, governance and economic obligations.

Further details regarding the ESG Committee are provided in the Corporate Governance section in the Integrated Annual Report.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half Yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	The ESG Committee Meetings held on May 5, 2023, and February 9, 2024, discussed issues relating to sustainability initiatives taken up in the organisation, ESG Ratings and recycled quantity. As suggested by the committee, the performance of the company against these issues is to be assessed by the ESG team.									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all legal responsibilities that are relevant to the principles, and in case of any non-compliances, the ESG committee investigates and rectifies the issues.									Annually								

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

Yes. The Policies on Quality, Safety, Health and Environment and Energy are subject to internal and external audits as part of the ISO Systems certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy through the Internal Audit mechanism. DQS India (Deutsch Quality Systems Private Limited) is the agency that carries out these assessments.

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

Not applicable as all principles are covered by respective individual policies.

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

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

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

ESSENTIAL INDICATORS

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Insider Trading awareness, ESG/sustainability, CBAM (Carbon Border Adjustment Mechanism) impacts, Recent Amendments to SEBI Regulations	100%
Key Managerial Personnel	11	Related Party Transactions, Aerospace supply chain contracting and risk mitigation, Practical aspects of General Data Protection Regulations (GDPR), Digital Data Protection Laws, Ethics and Code of Conduct, Human Rights, POSH, Health & Safety, Environment, Energy & Emissions, Business Strategy etc.	100%
Employees other than Board of Directors or KMPs	65	Business Ethics and Code of Conduct, Human Rights, POSH, Health & Safety, Environment, Energy & Emissions, ESG, Stress Management, Team Building, Communication Skills, Personal Effectiveness, Business Communication Skills etc.	100%
Workers	198	Business Ethics and Code of Conduct, Human Rights, POSH, Health & Safety, Environment, Energy & Emissions, Stress Management, Team Building, Communication Skills, Personal Effectiveness, Business Communication Skills etc.	100%

Note: Key Managerial Personnel includes Senior Management as defined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

2. Details of fines/penalties/punishment/awards/compounding fees/settlement amounts paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine		National Stock Exchange	10,000/-	Delay in intimation of record date for payment of interest and redemption of principal (in part) of Non-convertible Debentures ("NCDs") to NSE pursuant to Regulation 60(2) of the Listing Regulations, which has been paid by the Company within the prescribed time.	NA
Penalty/Fine		Office of the Principal Commissioner of Customs, Bangalore	781/-	The order has been issued in respect of penalty for short levy of duty pursuant to Section 114A of the Customs Act, 1962 ("the Act").	
Settlement	-	-	-	-	-
Compounding fee	-	Additional Chief Judicial Magistrate, Pune	505,000/-	The orders have been issued in respect of the Factory Inspector's complaint of an offence under Section 7A (2) (a) of the Factories Act, 1948 ("the Act") punishable under Section 92 of the Act.	-
Non- Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agency/judicial institution			Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-		-
Punishment	-	-	-		-

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

Not Applicable

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

Yes, Bharat Forge has zero tolerance for any form of corruption or bribery and has an Anti-Corruption & Anti Bribery Policy which commands strict actions against anyone caught engaging in such unethical behaviour. The policy applies to all employees of the Company, its subsidiaries, joint ventures, and affiliates at all levels and in all locations around the world. In every sector of action, all employees are required to act with the utmost honesty. All the Company's facilities must adhere to the Anti-Corruption & Anti-Bribery laws and regulations. All agents, suppliers, contractors, and business partners are informed of the Company's zero-tolerance policy for bribery and corruption during the commencement of the Company's business engagement with them. At the time of joining, new employees are given a copy of the policy to read. All existing associates are also informed of the policy. Trainings are conducted throughout the Company as part of the prevention, identification, and detection of anti-corruption issues.

Wherever it operates, the Company maintains the highest standards and does not tolerate bribery or corruption. The policy can be accessed at: https://www.bharatforge.com/assets/pdf/investor/download/Anti-Corruption_and_Bribery_Policy.pdf

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

No disciplinary action was taken by any law enforcement agency against any of the Company's Directors, KMPs, employees, or workers for the charges of bribery or corruption.

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

No complaints with regard to conflict of interest were reported in the reporting period

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

Not Applicable

8. Number of days of accounts payables (Accounts payable* 366)/costs of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payable	76.09	75.10

9. Openness of Business:

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	1.15%	1.22%
	b. Number of trading houses where purchases are made from	230	193
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	41.50%	47.16%
Concentration of Sales	a. Sales to dealers/distributors as % total sales	NA- BHARAT FORGE products are sent to OEMs (Original Equipment Manufacturers) directly. We do not have dealers/ distributors as part of our supply chain.	
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top dealers/distributors as % of total sales to dealers/distributors		
Shares of RPTs in	a. Purchases (purchases with related parties/total purchases)	37.53%	51.48%
	b. Sales (sales to related parties/total sales)	47.36%	44.32%
	c. Loans and advances (loans and advances given to related parties/total loans and advances) [#]	93.47%	91.41%
	d. Investments (investments in related parties/total investments made) [#]	67.68%	53.28%

Note:

* Trading house is: "Traders (domestic and international) who sell material on "as is" basis i.e. without adding any additional manufacturing process on the product."

** Dealer: A person or a business organisation who is engaged in buying and selling of a particular kind of goods is known as Dealer.

Distributor: A person or business organisation who is involved in supplying goods to dealers and other businesses is known as Distributor.

Purchases from trading house = Purchase of raw materials, components, stores, spares, other expenses and capex

Purchases with related parties= Purchase of raw materials, components, stores, spares and other expenses

^ Amount outstanding as on March 31, 2024 / Total amount outstanding as on March 31, 2024

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

Total no of awareness programmes held	Topics/principles covered in training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	<ul style="list-style-type: none"> Business Ethics & Code of Conduct, Introduction to Sustainability & Decarbonisation, Materiality Assessment 	76.29%

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

Yes, Bharat Forge has processes in place to avoid/manage conflict of interests involving members of the board and it is as per the Terms of Appointment of Directors to Board. The Company's Code of Conduct states that the Board members and Senior Management of the Company are needed to abstain themselves from discussion, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company or must take prior approval from the Company's Board of Directors before accepting such position.

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**ESSENTIAL INDICATORS****1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
Capex	₹ 253.26 million 4.80% of total Capex	₹ 422.74 million 14.06% of total Capex	Investments made in systems such as heaters, cooling systems, compressors, motors, emission control systems etc. to improve the environmental and social impacts of product and processes are part of this reported CAPEX/R&D investments made by the entity.
R & D	₹ 11.42 million 1.98% of total R & D expenditure	₹ 21.41 million 3.55 % of total R & D expenditure	

* The values of R&D and capital expenditure (capex) investments have been restated due to change in approach.

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

Yes. Sustainable procurement policy is in place for the organisation since October 2023. The Company being conscious of the role of sustainability in its business, screens all its suppliers based on social and environmental criteria, and all the Company's operations are reviewed on a regular basis to ensure that the sourced materials are handled responsibly.

Copy of the sustainable procurement policy can be downloaded from the Company website through the below link:
https://www.bharatforge.com/assets/pdf/investor/download/BFL_Sustainable_Procurement_Policy-2023.pdf

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

As part of sustainable sourcing, we have ensured to source secondary raw material (recycled steel) to the extent of 40% out of total raw material sourced in FY 2023-24. The company has a conflict minerals policy to avoid use of conflict minerals in the supply chain. The same has been ensured during the sourcing of material.

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

Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle. The Company, however, has systems in place to recycle plastics (including packaging), e-waste, and hazardous waste in a safe manner. For the disposal of such waste, the Company contracts with authorised recyclers and files returns with the appropriate statutory bodies.

Also, the Company has optimised its processes to the point where most of the waste produced is recycled and reused in its own operations. As a result, the amount of waste that leaves the Company for disposal is reduced.

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

Yes, it is applicable for us under importer category. Returns submitted to Pollution Control Board as required by the Extended Producer Responsibility (EPR).

LEADERSHIP INDICATORS

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

The Company has not conducted any life cycle assessment for the products till date. However, the Company is planning to carry out the LCA for products in the coming years.

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

Not Applicable. We are in the process of carrying out the Life Cycle Assessment in the coming years.

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

Indicate input material	Recycled or reused input material to total material	
	FY 2023-24	FY 2022-23
Water	33%	34%
Raw material	40%	34%

* The values of water for FY 2022-23 have been restated due to change in approach

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

Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle

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

Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle

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

ESSENTIAL INDICATORS

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	2319	2319	100%	2319	100%	NA	NA	-	-	-	-
Female	44	44	100%	44	100%	44	100%	NA	NA	44	100%
Total	2363	2363	100%	2363	100%	44	100%	-	-	44	100%
OTHER THAN PERMANENT EMPLOYEES											
Male	310	310	100%	310	100%	NA	NA	-	-	-	-
Female	26	26	100%	26	100%	26	100%	NA	NA	26	100%
Total	336	336	100%	336	100%	26	100%	-	-	26	100%

Note - The company does not provide paternity benefits and Day care facilities to male employees and workers.

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT WORKERS											
Male	1414	1414	100%	1414	100%	NA	NA	-	-	-	-
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Total	1415	1415	100%	1415	100%	1	100%	-	-	1	100%
OTHER THAN PERMANENT WORKERS											
Male	4597	4597	100%	4597	100%	NA	NA	-	-	-	-
Female	30	30	100%	30	100%	30	100%	NA	NA	-	-
Total	4627	4627	100%	4627	100%	30	100%	-	-	-	-

Note - The company does not provide paternity benefits and Day care facilities to male employees and workers.

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.16%	0.17%

2. Details of retirement benefits for the current and previous financial year

All benefits as per various employment legislations are given to employees

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Leave encashment	100%	100%	Y	100%	100%	Y

* The coverage percentage include only those employees and workers to whom ESI is applicable

3. Accessibility of workplaces:

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

The Company's facilities, including premises/offices, have been equipped with ramps, lifts, and handrails for stairwells to facilitate the movement of differently-abled individuals. Thus, the Company's premises have been made accessible.

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

Bharat Forge provides equal employment opportunities, without any discrimination on the grounds of age, colour, disability, marital status, nationality, race, religion, sex and sexual orientation. The Company strives to maintain a work environment that is free from any discrimination/harassment based on above considerations. This Equal Opportunities Policy is subject to applicable regulations, qualifications, and merit of the individual. The policy is available to the stakeholders on the Company's Website at the following link - https://www.bharatforge.com/assets/pdf/HR_Policies/BFL-22_Equal_Opportunity_for_Persons_with_Disabilities.pdf

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

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

Note: The Company does not provide paternity benefits to male employees and workers.

No female in worker category has taken maternity leave.

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	
Other than Permanent Workers	Yes
Permanent Employees	
Other than Permanent Employees	

The Company has a Grievance Policy to give its employees a way to voice their concerns arising from employment. The Policy ensures that such grievances are handled quickly, in a fair and impartial manner by a Grievance Committee and in compliance with the Organisation's other policies. This comprises employee concerns about a supervisor's, another employee's, or management's behaviour, inaction, or proposed action in relation to them.

According to the policy's grievance redressal system, the first step in resolving any problem is to communicate openly. An employee should seek informal resolution of any concern with his or her immediate supervisor first. If such informal dialogue fails to resolve the issue, and the employee believes his or her complaint has progressed to the level of a grievance, the employee may file a formal grievance as stated in this policy to seek a fair resolution. The policy is available to the stakeholders on the Company's Website at the following link - <https://www.bharatforge.com/sustainability/social/#top>

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

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in the respective category (A)	No of Employees/workers in the respective category who are part of association/union (B)	% B/A	Total employees/workers in the respective category (C)	No of Employees/workers in the respective category who are part of association/union (D)	% D/C
EMPLOYEES						
Total Permanent Employees	2363	0	0	2478	0	0
Male	2319	0	0	2436	0	0
Female	44	0	0	42	0	0
WORKERS						
Total Permanent Workers	1415	1415	100	1435	1435	100
Male	1414	1414	100	1434	1434	100
Female	1	1	100	1	1	100

8. Details of training given to employees & workers:

Bharat Forge provided training on health & safety, wellness measures, behavioural, on-job, soft skill training, data protection, policies, human rights etc. training to all employees including workers. A total of 25.98 hours of training per employee has been achieved in this fiscal year (FY 2023-24).

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety/wellness measures		On skill upgradation (behavioural training/soft skills training)		Total (D)	On health and safety/wellness measures		On skill upgradation (behavioural training/soft skills training)	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Male	2629	2629	100%	2629	100%	2777	1750	63%	1430	51%
Female	70	70	100%	70	100%	53	40	75%	30	57%
Total	2699	2699	100%	2699	100%	2830	1790	63%	1460	52%

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety/wellness measures		On skill upgradation (behavioural training/soft skills training)		Total (D)	On health and safety/wellness measures		On skill upgradation (behavioural training/soft skills training)	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
WORKERS										
Male	1414	1414	100%	1414	100%	1434	700	49%	296	21%
Female	1	1	100%	1	100%	1	1	100%	0	0%
Total	1415	1415	100%	1415	100%	1435	701	49%	296	21%

Note: Employees – No of employees includes other than permanent employees also.

The above-mentioned disclosure excludes numbers relating to other than permanent workers. The trainings for other than permanent workers are managed by respective value chain partners

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
PERMANENT EMPLOYEES						
Male	2319	2319	100	2436	2436	100
Female	44	44	100	42	42	100
Total	2363	2363	100	2478	2478	100
PERMANENT WORKERS						
Male	1414	1414	100	1434	1434	100
Female	1	1	100	1	1	100
Total	1415	1415	100	1435	1435	100

Note: The above-mentioned disclosure excludes numbers relating to other than permanent workers. The performance and career development reviews for other than permanent workers are managed by respective value chain partners.

10. Health and safety management system:

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

Yes. We have implemented the ISO 45001:2018 Occupational Health & Safety Management system in all our manufacturing sites and got it certified by M/s DQS. All the activities of the manufacturing operations are covered as part of this management system. Daily safety walks, regular safety training, periodical safety audits, implementation of permit to work (PTW) system, Energy isolation (LOTO), Safety committee meetings, Behaviour based safety (BBS) and contractor safety management are the critical elements of this management system.

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

Hazard Identification and Risk Assessment (HIRA) process is adopted by us to identify the hazards and assess the risks for routine/non-routine activities. Trainings are conducted on the process of carrying out HIRA. In addition, safety walkthroughs/audits are being carried out regularly by plant leadership, line managers, supervisors, safety coordinators and safety officers. HIRA of all activities are reviewed periodically and updated, whenever changes are made in the system. Also, observations made during external audits by regulatory authorities, customers and other stakeholders are considered for HIRA review. Other hazard identification techniques such as Job Safety Analysis (JSA), Hazard and Operability Study (HAZOP) and Maximum Credible Loss Scenario (MCLS) are also used wherever applicable.

c. **Whether you have processes for workers to report work-related hazards and to remove themselves from such risks.**

Yes. We have defined a process to report work-related hazards as part of ISO 45001:2018 Occupational Health & Safety Management System. In addition, employees are encouraged to utilise the existing safety observations reporting system, near-miss reporting process, safety committee meetings, toolbox talks and safety suggestion schemes to report the hazards. Employees are trained/re-trained on hazard identification and reporting at periodical intervals. Also, in addition to the existing safety control systems, all the employees are provided with appropriate personal protective equipment (PPE) to safeguard themselves from hazards.

d. **Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Yes. Bharat Forge believes in creating an environment for employees in which their financial needs are met beyond their salary. All the Company employees are offered a variety of health and wellness benefits, including medical insurance and accident insurance for the employee and his immediate family, which provides financial assistance in the event of an accident or serious illness. In addition, Bharat Forge offers coverage for dependent parents, periodic health check-ups, wellness programmes, as well as nutritious and subsidised food.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) *	Employees	0.45	0.97
	Workers	1.14	0.50
Total recordable work-related injuries	Employees	3	7
	Workers	17	6
No. of fatalities (safety incident)	Employees	0	0
	Workers	2	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	3

* LTIFR calculation is considered as No. of employees in the month*26 working days * 8hrs of work each day

** Contract workers (other than permanent workers) are included in workers category.

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

We strongly believe in building and sustaining a safety-conscious organisation. To achieve this, we continuously strive to develop and deploy advanced safety systems at the workplace. In addition, systems such as a safety committee, training, awareness promotions, rewards and recognitions have been deployed to ensure a safe and healthy workplace.

Safety interlocks and surveillance systems for high-risk operations, anti-collision/human presence detection systems in material handling equipment (Forklifts), auto diallers for fire protection systems, Energy isolation mechanism (LOTO) are some of the controls through technology that have been made available in the workplace.

Qualified safety officers are deployed as dedicated health and safety coordinators on the shop floor. They ensure the implementation of safe work practices at their respective shop. Regular safety walkthroughs are being taken up by these coordinators along with the central safety team. Cross-functional safety audits are carried out by the leadership team, to identify unsafe acts and conditions. Checklists and schedules are defined for these cross-functional audits.

The change management process is adopted strictly for any changes/new additions in the manufacturing systems. Hazard identification and risk assessment is done as part of change management to identify and address the hazards/risks.

Training and authorisation for the workforce is ensured strictly. Safety trainings are provided on specific topics/related hazards before starting any non-routine activities. Emergency preparedness is ensured by a structured on-site emergency

response plan. Periodical mock drills are conducted to check the adequacy and readiness on this response plan. All the incidents, near-miss and observations are investigated thoroughly to deploy necessary mitigation measures, on a timely basis.

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

No complaints were made by any employee or worker on the working conditions and/or health and safety practices of the Company.

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & safety practices	Third party Audit – 100%
Environmental Compliance	Third party Audit – 100%
Working Conditions	Third party Audit – 100%
Human Rights Due Diligence	Third party audit- 100%

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

A few untoward incidents in this fiscal year prompted us to review and strengthen our existing safety practices. As an outcome of this review, a few areas were identified for deploying additional controls. Artificial intelligence (AI) based systems such as proximity sensors and speed control devices were deployed in the material handling operations (forklifts used on the shop floor). Re-training and authorisation of the workforce was taken up for all high-risk operations. Additional surveillance systems were deployed on the shop floor to spot and rectify all kinds of unsafe acts/conditions. Machine guarding system was strengthened with additional controls such as optical sensors and limit switches, wherever required. The design of safety tools used in the manufacturing operations was reviewed and enhanced. Visual representation was improved in the operating procedures that are displayed on the shop floor. With all these additional controls in place, we ensured the risks were maintained at the ALARP level (as low as reasonably practicable) and re-affirmed our commitment to providing a safe working environment to our employees.

LEADERSHIP INDICATORS

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

Yes, Bharat Forge offers assistance in the event of a tragic occurrence, such as death, and has a Death Relief Policy in place for its employees.

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

The Company takes great care to ensure that the applicable statutory dues are deducted and deposited by the value chain partners. The details are outlined in Bharat Forge Supplier Code of Conduct. All supply chain partners must adhere to it in every way in order to support business responsibility principles and ideals of transparency and accountability.

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	2	3	0	1

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

Yes, Bharat Forge, as a desirable employer, provides future-oriented opportunities and the right environment for people to grow personally and contribute to the moulding of the future. Employees who are terminated by the Company before their customary retirement date or who accept voluntary redundancy in exchange for these benefits are eligible for termination benefits. The benefits are offered through the VRS scheme and include monetary benefits too.

5. Details on assessment of value chain partners

	% Of value chain partners (by value of business done with such partners) that were assessed
Legal compliance	
Business Ethics & Code of conduct	
Health & Safety Practices	
Working conditions	76.29 %
Environment	
Energy & Emissions	
Human Rights	
Sourcing of raw materials	

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

In compliance with Bharat Forge’s Supplier Code of Conduct, suppliers are assessed and monitored on the above-mentioned topics. All suppliers are mandated to accept the Supplier Code of Conduct at the time of vendor registration. Health and safety topics are given high priority in the operations. The Company recognises the significance of Business Ethics, Human Rights, Environment, Health and safety, Energy and Responsible sourcing of materials in every business. As a result, the Company has offered its assistance in developing such policies for suppliers who do not have them and guide them in the implementation.

PRINCIPLE 4 BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

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

Key Stakeholders are identified on the basis of the material influence they have on the Company or on how they are materially influenced by the Company’s corporate decisions and the consequences of those decisions.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly/Others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Conferences, workshops, publications, newsletters & reports, online portals, employee surveys, Idea management, internal media One-on-one interactions Employee involvement in CSR activities, 	<p>Periodically</p> <p>Half Yearly</p> <p>Quarterly</p>	Information about important updates regarding the Company. This helps the employees expand their knowledge in the industry. Getting employee feedback and resolving their issues.
Investors	No	<ul style="list-style-type: none"> Integrated Annual Report, sustainability report, press releases Investor presentations Corporate website Quarterly & Annual results ESG calls 	<p>Annually</p> <p>Annually</p> <p>Periodically</p> <p>Quarterly</p> <p>Quarterly</p>	Investors prefer to invest in the organisations that are socially and environmentally responsible.
Customers	No	<ul style="list-style-type: none"> Interviews, personal visits, publications, mass media & digital communications, plant visits, Support programmes, social media, Conferences and events 	<p>Weekly and Quarterly</p> <p>Annually</p> <p>Monthly</p>	Customers prefer to connect with the organisation that is socially & environmentally responsible
Suppliers & Service providers	No	<ul style="list-style-type: none"> Email Communication Supplier & vendor meets Policies Official communication letters Supplier sustainability assessments 	<p>Periodically</p> <p>Periodically</p> <p>Periodically</p> <p>Periodically</p> <p>Annually</p>	Supply Chain Management Practice
Business Partners	No	<ul style="list-style-type: none"> Dialogue with sales organisations and coordinating units of importers 	Periodically	Provide service to present business partners while increasing the potential for future growth.
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> Official communication channels, Regulatory audits/ inspections Environmental compliance 	<p>Monthly</p> <p>Annually</p> <p>Annually</p>	Communications with government bodies enable the Company to understand the specific needs of particular geographic location for increased effectiveness in operations
Communities	Need assessment, field visits, Focused group discussions had been conducted at community level based on which stakeholder groups and locations got identified for CSR intervention. Please refer to the following link for information about the Company's community work: https://www.bharatforge.com/sustainability/corporate-social-responsibility			

LEADERSHIP INDICATORS

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

Bharat Forge has established an ESG Committee at the Board level. The ESG committee is responsible for keeping the board informed about various developments and seeking inputs from the Directors. Continuous stakeholder engagement, combined with an in-depth assessment by the ESG committee, aids the organisation in aligning its business with ESG, allowing it to better serve its stakeholders.

Management level ESG Team led by Head-ESG ensures the engagement with stakeholders on different ESG/Sustainability Topics on a periodical basis and obtains their feedback. This team works on the identified actions and provides an update to the Board ESG Committee on a regular basis.

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

Yes, Bharat Forge has always maintained a regular and proactive engagement with the Company's key stakeholders, allowing it to effectively work on its ESG strategies and be transparent about the outcomes. In response to the current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and reissue policies as needed. For instance, inputs from customers are considered while implementing new environmental/social initiatives in the organisation.

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

Please refer to the following link for information about the Company's community work: <https://www.bharatforge.com/sustainability/corporate-social-responsibility>

PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**ESSENTIAL INDICATORS**

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
EMPLOYEES						
Permanent Employees	2363	1908	80.74	2478	1148	46.33
Other than permanent	336	336	100	352	352	100
Total	2699	2244	83.14	2830	1500	53
WORKERS						
Permanent Workers	1415	411	29	1435	400	28

* Human Rights topic is considered as part of the other trainings for "other than permanent workers" category and hence, not stated in the above table.

2. Details of minimum wages paid to employees

Category	FY 2023-24					FY 2022-23						
	Total (A)		Equal to Minimum Wage		More than Minimum Wage		Total (D)		Equal to Minimum Wage		More than Minimum Wage	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)				
EMPLOYEES												
Permanent	2363	0	0	2363	100	2478	0	0	2478	100		
Male	2319	0	0	2319	100	2436	0	0	2436	100		
Female	44	0	0	44	100	42	0	0	42	100		
Other than permanent	336	0	0	336	100	352	0	0	352	100		
Male	310	0	0	310	100	341	0	0	341	100		
Female	26	0	0	26	100	11	0	0	11	100		
WORKERS												
Permanent	1415	0	0	1415	100	1435	0	0	1435	100		
Male	1414	0	0	1414	100	1434	0	0	1434	100		
Female	1	0	0	1	100	1	0	0	1	100		
Other than permanent	4627	0	0	4627	100	4223	0	0	4223	100		
Male	4597	0	0	4597	100	4223	0	0	4223	100		
Female	30	0	0	30	100	0	0	0	0	0		

3. Details of remuneration/salary/wages in the following format:

	Male		Female	
	Number	Median Remuneration/ salary/wages of respective category in ₹**	Number	Median Remuneration/ salary/wages of respective category in ₹**
Board of Directors (BoD) (Whole-time directors)	6	497.02	-	-
Key Managerial Personnel (other than BoD)*	11	110.13	1	46.37
Employees other than BoD and KMP	2517	9.53	50	9.29
Workers	1417	9.52	1	8.88

Note: * Key Management Personnel includes Senior Management as defined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

** Remuneration mentioned above is in lakhs per annum

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	1.19%	1.14%

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

The Company has formulated a Human Rights Policy which states that the employees can address their complaints or grievances to the Human Resources department or to the Senior Management. There shall be no retaliation or reprisal taken against any employee or associate who raises concerns in accordance with the policy. A committee may be formed or delegated to investigate the reported issues. The Committee is responsible for evaluating the reported issues and ensuring that they are addressed and rectified. In collaboration with the Senior Management, the Committee may also recommend a suitable resolution.

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

Bharat Forge recognises the important role that business can play in ensuring the long-term protection of human rights, and the Company is dedicated to upholding the human rights of its employees, communities, contractors, and suppliers in accordance with the International Bill of Human Rights, the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact.

The Company has formulated a Human Rights Policy which works in conjunction with the Grievance Policy to ensure that grievances are addressed promptly and effectively.

The mechanism works by following the instructions outlined below:

1. The employees/affiliates address their complaints or grievances or report instances to the Human Resources department/Senior Management. No reprisal or retaliatory action is taken against any employee/affiliate for raising concerns under this policy.
2. A committee is formed/designated to investigate the violations reported. The Committee evaluates the violations reported and ensures that the same is addressed and resolved. The Committee also, in consultation with the Senior Management, provides a suitable remedy.
3. The Company periodically undertakes a human rights due diligence process for management and oversight/monitoring of the policy and identifies any shortcomings.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	1	Redressal is in progress	4	4	Resolved
Discrimination at workplace						
Child labour						
Forced/Involuntary labour		Nil			NIL	
Wages						
Other human rights issues						

7. Complaints filed under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total complaints reported under sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH))	1	4
Complaints on POSH as a % of female employees/workers	0.73%	7.41%
Complaints on POSH upheld	1 (under process)	4 (resolved)

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

While dealing with the complaints as a part of grievance redressal mechanism every care is taken to conduct the enquiry in a peaceful manner for avoiding any stressful conditions. The entire process is carried out in a highly confidential manner. The Company has a Grievance Policy which states that all members of the Grievance Committee and those entrusted to record keeping, as well as any staff member questioned about an issue, are bound by a duty of confidentiality at all times and must keep all paperwork and information exchanged in the process confidential. Harsh or insulting behaviour of anyone participating in or conducting grievance proceedings is not at all tolerated. Any such behaviour will be viewed as misconduct under the Organisation's disciplinary policies and strict actions will be taken against such unethical behaviour.

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

Yes, human rights requirements form part of the Bharat Forge Supplier Code of Conduct. Suppliers are urged to respect internationally recognised human rights standards and work towards them in all business activities within their own sphere of influence. Any forced or compulsory labour is prohibited. The following statements form part of the Bharat Forge Supplier Code of Conduct.

The Company's Supplier Code of Conduct can be viewed on the following link: https://www.bharatforge.com/assets/pdf/investor/download/Supplier_Code_of_Conduct.pdf

To be a part of the Company's value chain, the supplier must meet the following human rights requirements:

- 1. Child Labour:** Only workers who meet the minimum employment age requirement in the country where they are working, may be hired by a Supplier. The Suppliers must comply with all the applicable labour laws, including those related to hiring, wages, hours worked, overtime and working conditions. The Suppliers are urged to formulate work-study programmes and government-sponsored educational programmes for the younger working section of society.
- 2. Wages, Benefits and Working Hours:** Working hours, wages, overtime pay and other elements of compensation must comply with all applicable laws. Workers must be paid at least the minimum legal wage or a wage that meets local industry standards and will provide all legally mandated benefits. Workers should be provided annual leave and holidays as per the applicable laws.
- 3. Work Environment and Equal Opportunities/Anti-Discrimination:** Suppliers are obliged to refrain from any discrimination and ensure equal employment. Supplier shall not discriminate the employees, on the basis of nationality, colour, origin, ideology, religion, race, caste, creed, trade union or political activity, sexual orientation, age, sex, illness, disability, pregnancy or any medical condition. Supplier's employees should be treated with dignity and the work environment should be free of all types of harassment, whether physical, verbal or psychological.

10. Assessments for the year:

Bharat Forge has assessed 100% of its plants and offices by external auditors who have audited the statutory compliances in relation to the indicators mentioned below. The assessments are done on a quarterly basis.

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	100%
Discrimination at workplace	
Wages	
Other Human Rights aspects	

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

All the plants and offices of the Company were found to be complying with the human rights requirements and as a result no corrective actions were required on the criteria stated above.

LEADERSHIP INDICATORS

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

2. Details of the scope and coverage of any human rights due diligence conducted.
Human rights due diligence requirements have been incorporated in the checklists used by external auditors who conduct compliance audits at our facilities on a regular basis. Also, human rights aspects are included in the supplier sustainability assessments carried out to assess our value chain partners. Thus, with the human rights requirements being included in the checklists the human rights due diligence is ensured in our facilities as well as in the facilities of our value chain partners.

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

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Child labour	
Forced labour/Involuntary labour	
Sexual harassment	76.29%
Discrimination at workplace	
Wages	
Other Human Rights aspects	

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

No significant risks/concerns observed in the assessments till date. All suppliers are instructed to comply with Bharat Forge’s Supplier Code of Conduct at the time of Vendor Registration. All Critical Suppliers are assessed and monitored for compliance every year.

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

ESSENTIAL INDICATORS

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

Parameter	Unit	FY 2023-24	FY 2022-23
From Renewable sources			
Total electricity consumption (A)	GJ	5,52,233	3,81,214
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	NA	0	0
Total energy consumption from renewable sources (A+B+C)	GJ	5,52,233	3,81,214
From Non-Renewable sources			
Total electricity consumption (D)	GJ	8,47,582	9,22,150
Total fuel consumption (E)	GJ	13,17,478	12,51,303
Energy consumption through other sources (F)	NA	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	21,65,060	21,73,453
Total energy consumed (A+B+C+D+E+F)	GJ	27,17,293	25,54,667
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/₹ millions	30.30	33.74
Energy intensity per rupee of turnover adjusted for Purchasing power parity (PPP) (Total energy consumption/turnover in USD)	GJ/million USD	693.21	771.86
Energy intensity in terms of Physical output	GJ/MT	9.98	10.36

* The value for purchasing power parity has been referred from the World Bank and 2022 value has been considered for the calculations.

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

Yes, as part of BRSR Core Assurance by B S R & Co. LLP

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

No

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

Parameter	Unit	FY 2023-24	FY 2022-23
Water Withdrawal by the Source (in kilolitres)			
(i) Surface Water	kilolitres	6,39,830	5,72,572
(ii) Ground Water	kilolitres	1,95,098	1,84,317
(iii) Third Party Water	kilolitres	2,93,751	2,95,716
(iv) Sea Water/Desalinated Water	kilolitres	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	kilolitres	11,28,679	10,52,605
Total volume of water consumption (in kilolitres)	kilolitres	11,28,679	10,52,605

Parameter	Unit	FY 2023-24	FY 2022-23
Recycled Water (ETP+ STP)	kilolitres	3,74,332	3,63,193
Water intensity per rupee of turnover (Total Water consumption/Revenue from operations)	(KL/₹ millions)	12.58	13.90
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) ** (Total Water consumption/Revenue from operations adjusted for PPP)	(KL/million USD)	287.94	318.03
Water intensity in terms of physical output	(KL/MT)	4.15	4.27

* The values of water withdrawal by source for FY 2022-23 has been restated. The municipal water and private supplied water has been classified as 'third party water' while in previous year, it was reported as 'surface water'. The values of water consumption for FY 2022-23 have been restated due to change in approach.

** The value for purchasing power parity has been referred from the World Bank and 2022 value has been considered for the calculations.

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

Yes, as part of BRSR Core Assurance by B S R & Co. LLP.

4. Provide the following details related to water discharged:

The effluent generated is treated & reused in the plant, hence there is no effluent or water discharged in any of our facilities in the current & previous financial year.

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

Yes, as part of BRSR Core Assurance by B S R & Co. LLP.

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

Bharat Forge has effectively controlled the industrial wastewater generated by its activities, products, and services, and formulated the waste management systems for handling wastewater properly. The Company makes the best utilisation of the wastewater treatment system and as a Zero Liquid Discharge (ZLD) plant, the Company is not discharging wastewater as well as treated water. ZLD is an approach to water treatment where all water is recovered, and contaminants are reduced to solid waste. While many water treatment processes attempt to maximise the recovery of freshwater and minimise waste, ZLD is the most demanding target since the cost and challenges of recovery increase as the wastewater gets more concentrated. Salinity, scaling compounds, and organics all increase in concentration, which adds costs associated with managing these increases. ZLD is achieved by stringing together water treatment technology that can treat wastewater as the contaminants are concentrated. Since Bharat Forge has installed an ETP & STP plant to treat its generated wastewater, the treated wastewater is recycled for use to reduce the consumption of freshwater.

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

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Mg/Nm3	16.35	11.98
SOx	mg/Nm3	11.48	9.28
Particulate matter (PM) (Less than 2.5 Micron)	mg/Nm3	22.08	20.11
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

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

Yes, Mahabal Enviro Engineers Pvt Ltd done the evaluation on the data reported under this indicator.

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	82,745	79,276
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,67,163	2,02,362
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total scope 1 and scope 2 GHG emissions/revenue from operations)	tCO ₂ e	2,49,908	2,81,668
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted	tCO ₂ e/₹ millions	2.79	3.72
For Purchasing Power Parity (PPP) * (Total scope 1 and scope 2 GHG emissions/revenue from operations adjusted for PPP)	tCO ₂ e/million USD	63.75	85.10
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	tCO ₂ e/MT	0.92	1.14

Note: GHG emission calculations are based on World Resource Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards)"

* The value for purchasing power parity has been referred from the World Bank and 2022 value has been considered for the calculations.

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

Yes, as part of BRSR Core Assurance by B S R & Co. LLP

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

Bharat Forge is constantly improving and innovating ways to reduce the energy consumption and resulting emissions in the Company's manufacturing processes. The Company has taken the following projects to reduce Green House Gas emissions in FY 2023-24:

I. Projects taken for utilising alternative source of energy:

- The Company has utilised 1,18,234 MWh of solar electricity and 35,165 MWh of electricity from wind-based turbines to reduce the GHG emissions. It is part of the Company's Decarbonisation plan, which includes the improvement of energy mix towards the adoption of renewable energy and the replacement of fossil dense fuels with those having comparatively lesser emissions.
- Replacement of Oils (Furnace oil, LDO, Biodiesel & SKO) with cleaner fuels (PNG & LPG) in furnace operations.

Initiatives mentioned in points a and b above contributed to a reduction in oil consumption to the extent of 2,015 KL, & reduction of emissions by 1,09,075 tCO₂e.

**II. Projects taken for conservation of energy: (Energy efficiency)
Process Equipment**

- Installation of energy-efficient induction billet heater

- b. Replacement of fuel fired furnace with induction billet heater
- c. Replacement of inefficient motors in the induction billet heater operation
- d. Reduction of idle time in the exhaust blower operations

Compressors

- e. Replacement of inefficient compressors
- f. Replacement of air-cooled compressors with water-cooled compressors
- g. Modification in nozzle design to reduce the air pressure requirement

Cooling Tower and Chiller

- h. Replacement of open loop cooling towers with closed loop cooling towers
- i. VFD installation in the cooling tower operations
- j. Energy-efficient pumps for coolant circulation in cooling towers/chillers operation
- k. Interlocking of cooling tower pump with the press operations
- l. Reduction of idle time of coolant pumps used in the machine operations

Lighting and Automatic Power Factor Correction Panel

- m. Replacement of metal halide lamps with energy-efficient LEDs
- n. Installation of automatic Power factor correction panel

Energy efficiency projects mentioned above contributed to a reduction of electricity consumption by 5,630 MWh/Annum & reduction of emissions by 3,997 tCO₂e.

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

Parameter	FY 2023-24	FY 2022-23
Total Waste Generated in Metric Tonnes		
Plastic waste (A)	191.43	145
E-waste (B)	1.74	8.57
Bio-medical waste (C)	0.0085	0.013
Construction and demolition waste (D)	0	0
Battery waste (E)	0.23	5.74
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)		
G1. (Cotton Waste (Qty.) kg Chemical Sludge from ETP, Paint Sludge/Residues, Spent Bath Sludge)	253.78	166
G2. Used/Spent Oil (Liquid)-HW	282.78	191.42
G3. Discarded Containers/Barrels (Solid)-HW	185.43	141.2
G4. Waste & Residues Containing Oil (Liquid)-HW	454.04	341.702
G5. Asbestos Sheet	1.93	0
Other Non-hazardous waste generated (H)*		
H1. MS Scrap/Scale/Bur/Flash (Solid)	1,04,185.81	1,00,246.72
H2. Aluminium Scrap	491.61	7376.48
H3. Titanium Scrap	6.03	25.68

Parameter	FY 2023-24	FY 2022-23
H4. Paper & Corrugated boxes	256.60	123.61
H5. Rubber	53.06	48.45
H6. Wood	892.30	826.35
Food Waste Generated (I)	221.735	211.47
Total (A+B + C + D + E + F + G + H+ I)	1,07,478.505	1,09,858.40
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations) (MT/₹ millions)	1.20	1.45
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP) (MT/ million USD)	27.42	33.19
Waste intensity in terms of physical output (MT/MT)	0.39	0.45

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of Waste		
(i) Recycled	107222.79	109692.39
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	107222.79	109692.39

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	253.788	166.013
(ii) Landfilling	1.93 **	0
(iii) Other disposal operations	-	-
Total	255.718	166.013

Note:

* The values for FY 2022-23 have been restated with the inclusion of new categories of non-hazardous waste in the above disclosure.

** In current fiscal year, there is landfill waste due to replacement of old asbestos roof in the shop floor.

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

Yes, as part of BRSR Core Assurance by B S R & Co. LLP

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

Bharat Forge has made waste management a priority by incorporating the 3R waste management principles into the Company decision-making. Using the principles of the solid waste management hierarchy, the Company encourages its teams to innovate and divert waste. The Company is constantly working to reduce hazardous and non-hazardous waste in its manufacturing sites. Throughout the year, the Company has implemented measures such as recycling waste oil via a change in disposal pathway, which reduces hazardous waste load and recycling ETP sludge, which reduces disposal to landfills.

In order to better understand the Company's waste profile, its sites mapped their waste generation and disposal methods. In addition, the Company improved its data collection systems and incorporated waste volumes into its monthly environmental dashboard. These activities enabled the Company to identify the three primary barriers preventing its facilities from diverting waste from landfills: cost, regulatory challenges, and lack of resources.

Managing Hazardous Waste

Hazardous wastes are handled as per the requirements and a waste registry is maintained. They are transported to the relevant authorised agencies for proper handling. Bharat Forge complies with all MPCB rules and regulations on how these products must be properly stored, labelled, handled, shipped, or recycled to limit exposure potential as well as all international standards that apply to the Company in the locations where it operates.

Managing Non-Hazardous Waste

For non-hazardous waste, Bharat Forge's priority is to reduce waste at the source by purchasing and bringing into its facilities only what is needed. The Company has found solutions requiring little, if any, investment, ensuring that its progress makes business as well as environmental sense. Some of the shared successes includes the use of recycled cardboard boxes as filler for packing materials, biodegradable plastics for packaging, creating re-usable pallets for parts delivery from vendors, as well as product delivery to customers to eliminate the use of wood pallets, and recycling initiatives for paper and plastic from offices and break rooms.

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

Bharat Forge does not operate in/around ecologically sensitive areas. Since the Company operates in industrial areas/estates, its influence on biodiversity is very modest. In all the areas of its activities, the Company is dedicated to regulatory environmental compliance and ethical conduct.

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

Not Applicable

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

The Company is in compliance with all applicable environmental laws.

LEADERSHIP INDICATORS

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

As indicated in the water risk assessment, the Company operates in a region with moderate water stress and faces potential risks associated with water quality and regulatory compliance. We have taken necessary mitigation measures to address the identified risk. However, the identified risk is not related to the availability.

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

No

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

Scope-3 emissions are considered in Bharat Forge emission calculations presently. Following are the calculated emission values:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5,64,161	5,64,947
Total Scope 3 emissions per rupee of turnover	Tonnes of CO ₂ e per rupee of turnover	6.29	7.46
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Tonnes of CO ₂ e per Ton of Production	2.07	2.29

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

Yes, Deutsch Quality Systems (India) Private Limited has provided the assurance on the data provided in the above indicator.

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

In all areas of its activities, Bharat Forge is dedicated to regulatory environmental compliance and ethical conduct. Since the Company operates in industrial areas/estates, its influence on biodiversity is very modest.

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

Sr. No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Use of Industry 4.0	Energy Meters connected to Central Energy Monitoring System	System will trigger automatic notification for excess energy consumption without manual intervention

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

Yes, the Company recognises the importance of business continuity in its business and has put in place policies to ensure mission-critical operations continue in the event of an interruption.

The policy is available in - <https://www.bharatforge.com/assets/pdf/investor/download/risk-management-policy>

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

The supplier is expected to implement its binding Supplier code of conduct and make reasonable efforts to promote the Supplier Code's principles in its supply chain. During the fiscal year 2023-24, the Company screened all of its critical suppliers (35 in total) using social and environmental criteria and found no negative social or environmental impacts on its value chain.

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

Bharat Forge has assessed 76.29 % of its value chain partners for environmental impacts and found no negative social or environmental impacts on its value chain.

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

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.
Bharat Forge is affiliated with 19 trade and industry chambers/associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industries [CII]	National
2.	Automotive Components Manufacturers' Association [ACMA]	National
3.	Society of Indian Defence Manufacturers	National
4.	Association of Indian Forging Industry [AIFI]	National

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
5.	Indo German Chamber of Commerce [IGCC]	National
6.	Swedish Chamber of Commerce in India [SCCI]	National
7.	Indo American Chamber of Commerce [IACC]	National
8.	Indo French Chamber of Commerce in India [IFCCI]	National
9.	Federation of Indian Chambers of Commerce & Industry [FICCI]	National
10.	Mahratta Chamber of Commerce Industry & Agriculture [MCCIA]	State

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

There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2023-24)

LEADERSHIP INDICATORS

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

The Company directly or through trade bodies and other associations puts forth a number of suggestions with respect to the industry in general and its activities in particular.

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

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

Name and Brief details of the Project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable					

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

NIL

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

Bharat Forge has a CSR Team to monitor the CSR projects regularly which continuously interacts with the concerned communities in the areas of operation. The grievances as and when arise are addressed on a timely basis & resolved by the CSR Team

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	2.86%	5.94%
Directly from within India	91.73%	91.98%

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

Location	FY 2023-24	FY 2022-23
Rural	2.56%	2.46%
Semi-urban	1.52%	1.72%
Urban	20.35%	20.96%
Metropolitan	75.57%	74.86%

Note: As per RBI Classification Mundhwa and Keshavnagar are classified as Semi-Urban but for the purpose of disclosure have been classified as Metropolitan as part of Pune District. Similarly, Tandulwadi has been classified as Rural but has been considered as Urban at Sub-district level.

LEADERSHIP INDICATORS

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

Not Applicable

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

Sr. No.	State	Aspirational District	Amount spent (In INR)
	-	-	-

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

Yes

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

The required aprons and boiler suits (uniform) by Bharat Forge are procured from Self Help Groups of women from community centres.

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

The boiler suits and aprons required (uniform) by Bharat Forge are provided by Self Help Groups from community centres having approximate value of ₹ 22,20,457 (38.78 % of total Personal Protective Equipments (PPEs) procurement).

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

Not Applicable

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

Not Applicable

6. Details of beneficiaries of CSR projects:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% Of beneficiaries from vulnerable and marginalised groups
1.	Village Development Project in more than 100 villages in Maharashtra State.	2,30,000+ people from more than 100 villages	>90
2.	Education Project in collaboration with Pratham Pune Education Foundation	5,000+ children from Pune	100
3.	Education Project in collaboration with Jnana Prabodhini	380+ children from 5 different communities	100
4.	Education Project in collaboration with Vidyarthi Sahayak Samiti	45 girl students pursuing engineering or diploma	100
5.	Women Empowerment - Community centres, vocational training and income generation activities	900 women from all community centres located in Pune	>75
6.	Skilling through CoE (Centre of excellence) at Vidya Pratishthan, Baramati	184 students pursuing Engineering	>75
7.	Skill Development Project - Working with (ITIs)	1454 Students pursuing diploma	>75
8.	Waste management	1090 families	>75

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

ESSENTIAL INDICATORS

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

Customer response and customer satisfaction are among the most important factors for Bharat Forge. The Company engages with its customers through various platforms to understand their expectations. The Company obtains customer feedback directly or by referring to customer portal on a monthly basis and compiles the "Voice of Customer Report" to identify the areas of concern reported. Accordingly, corrective measures are planned and implemented. Customer satisfaction trends are compiled, monitored and reviewed by top management at defined intervals to get the directives for improvement.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about- Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal:

Products sold by Bharat Forge are completely recyclable as they are metal components. However, the estimation of environmental and social parameters relevant to the product as a percentage of total turnover is not being done.

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

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Delivery of essential services	NA	NA		NA	NA	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	0	0		0	0	

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

No such instances were reported in the reporting period FY2023-24.

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

Yes, Bharat Forge follows the ISO 27001:2013 framework and is certified for IT services, design and the Defence department. The details are provided in the Company's Privacy policy which is available at <https://www.bharatforge.com/privacy-policy/>

An Information Security Policy has been implemented which provides support, management direction and documents on how Information Security is managed throughout Bharat Forge; it outlines the appropriate measures through which the Company will facilitate the secure and reliable flow of information, both within the Company and externally.

The policy sets out the principles and an overarching framework for Information Security. It also details the supporting policies and guidelines, which will address the aspects of security. The approach being adopted is based upon the International Standard ISO/IEC 27001: 2013 -The Code of Practice for Information Security Management. Bharat Forge's IT and Engineering division has been certified for ISO 27001 since 2006. Recently, the Defence division has been added to this certification scope.

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

NA

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches - NIL

b. Percentage of data breaches involving personally identifiable information of customers - NA

c. Impact, if any, of the data breaches - NA

LEADERSHIP INDICATORS

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

Bharat Forge's website has information about all the products it offers. The link for the Company website is <https://www.bharatforge.com/>.

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

Since the products of the Company are directly supplied to the OEMs who assemble and send the end product to the general customer, Bharat Forge has limited scope for informing and educating the end user about the safe and responsible usage of its products.

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

Since the products of the Company are directly supplied to the OEMs who assemble and send the end product to the general customer, Bharat Forge has limited scope for informing the end user about the risk of disruption/discontinuation of its essential service.

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

Yes. Since the Company's products are OEM-specific and as per OEM requirements, the Company displays product requirements on the packaging itself. This is consistent with applicable laws. Typical information displayed on the products includes details of the manufacturer, heat code, process no., dispatch no., part no. etc.

Yes. Customer response and customer satisfaction are among the most important factors for Bharat Forge. The Company engages with its customers at various platforms to understand their expectations.

The Company obtains customer feedback directly or by referring to customer portal on a monthly basis and compiles the "Voice of Customer Report" to identify the areas of concern reported. Accordingly, corrective measures are planned and implemented. Customer satisfaction trends are compiled, monitored and reviewed by top management at defined intervals for getting the directives for improvement.

INDEPENDENT PRACTITIONERS' REASONABLE ASSURANCE REPORT

To the Directors of Bharat Forge Limited

Assurance report on the sustainability disclosures in the Business Responsibility and Sustainability Reporting (BRSR) Core attributes of Bharat Forge Limited (the 'Company') for the period April 1, 2023 to March 31, 2024. The BRSR Core attributes are included in the Business Responsibility and Sustainability Reporting of the Company for the period April 1, 2023 to March 31, 2024.

Opinion

We have performed a reasonable assurance engagement on whether the Company's sustainability disclosures in the BRSR Core attributes (refer to Annexure 1) for the period April 1, 2023 to March 31, 2024 have been prepared in accordance with the reporting criteria (refer table below).

BRSR Core attributes subject to assurance	Period subject to assurance	Reporting criteria
BRSR Core (refer Annexure 1)	April 1, 2023 to March 31, 2024	<ul style="list-style-type: none"> - Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) - Guidance note for BRSR format issued by SEBI

This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and environmental and social practitioners.

In our opinion, the Company's BRSR Core attributes for the period April 1, 2023 to March 31, 2024, subject to reasonable assurance are prepared, in all material respects, in accordance with the Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) and basis of preparation set out in Question 13 of the BRSR.

Basis for opinion

We conducted our engagement in accordance with Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information" issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We are required to comply with the independence and other ethical requirements of the Code of Ethics issued by the ICAI.

Our firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" issued by the ICAI. This standard requires the firm to maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report (but does not include the BRSR Core attributes and assurance report thereon).

Our reasonable assurance opinion on the BRSR Core attributes does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance report of the BRSR Core attributes, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the BRSR Core attributes or our knowledge

obtained in the assurance or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The BRSR for the period April 1, 2022 to March 31, 2023 was not subject to limited/reasonable assurance engagement and, accordingly, we do not express an opinion/conclusion, or provide any assurance on such information.

Our opinion/conclusion is not modified with respect to this matter.

Intended use or purpose

The BRSR Core attributes and our reasonable assurance report are intended for users who have reasonable knowledge of the BRSR Core attributes and the reporting criteria and who have read the information in the BRSR Core attributes with reasonable diligence and understand that the BRSR Core attributes are prepared and assured at appropriate levels of materiality.

Our opinion is not modified in respect of this matter.

Responsibilities for the BRSR Core attributes

The management of the Company acknowledge and understand their responsibility for:

- designing, implementing and maintaining internal controls relevant to the preparation of the BRSR Core attributes that is free from material misstatement, whether due to fraud or error;
- selecting or establishing suitable criteria for preparing the BRSR Core attributes, taking into account applicable laws and regulations, if any, related to reporting on the BRSR Core attributes, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the BRSR Core attributes in accordance with the reporting criteria;
- disclosure of the applicable criteria used for preparation of the BRSR Core attributes in the relevant report/statement;
- preparing/properly calculating the BRSR Core attributes in accordance with the reporting criteria; and
- ensuring the reporting criteria is available for the intended users with relevant explanation;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- responsible for providing the details of the management personnel who takes ownership of the BRSR Core attributes disclosed in the report;
- ensuring compliance with law, regulation or applicable contracts;
- making judgments and estimates that are reasonable in the circumstances;
- identifying and describing any inherent limitations in the measurement or evaluation of information subject to assurance in accordance with the reporting criteria;
- preventing and detecting fraud;
- selecting the content of the BRSR Core attributes, including identifying and engaging with intended users to understand their information needs;
- informing us of other information that will be included with the BRSR Core attributes;
- supervision of other staff involved in the preparation of the BRSR Core attributes

Those charged with governance are responsible for overseeing the reporting process for the Company's BRSR Core attributes.

Inherent limitations

The preparation of the company's BRSR information requires the management to establish or interpret the criteria, make determinations about the relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain reasonable assurance on the sustainability disclosures in the BRSR Core attributes are free from material misstatement, whether due to fraud or error, in accordance with the Reporting Criteria in line with the section above.
- Forming an independent opinion, based on the procedures we have performed and the evidence we have obtained, and
- Reporting our reasonable assurance opinion to the Directors of Bharat Forge Limited.

Exclusions

Our assurance scope excludes the following and therefore we will not express a conclusion on the same:

- Operations of the Company other than those mentioned in the “Scope of Assurance”.
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the BRSR Core attributes.
- Data and information outside the defined reporting period i.e., April 1, 2023 to March 31, 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Summary of the work we performed as the basis for our opinion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

The nature, timing, and extent of the procedures selected depended on our judgement, including an assessment of the risks of material misstatement of the information subject to reasonable assurance, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the information subject to reasonable assurance and the engagement circumstances. We also obtained an understanding of the internal control relevant to the information subject to reasonable assurance in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, we:

- assessed the suitability of the criteria used by the company in preparing the reasonable assurance information;
- evaluated the appropriateness of reporting policies, quantification methods and models used in the preparation of the information subject to reasonable assurance and the reasonableness of estimates made by the company; and
- evaluated the overall presentation of the information subject to reasonable assurance.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration No. 101248W/W-100022

Shiraz Vastani
Partner
Membership No: 103334
ICAI UDIN: 24103334BKGEOZ6277

Date: June 28, 2024

Place: Pune

ANNEXURE - 1

BRSR CORE ATTRIBUTES - REASONABLE ASSURANCE FOR FY 2023-24

Sr No	BRSR indicator	Description of indicator
1	Section C – Principle 1 – E8	Number of days of accounts payable
2	Section C – Principle 1 – E9	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties
3	Section C – Principle 3 – E1(c)	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company
4	Section C – Principle 3 – E11	Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities
5	Section C – Principle 5 – E3(b)	Gross wages paid to females as % of wages paid
6	Section C – Principle 5 – E7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees, and complaints upheld
7	Section C – Principle 6 – E1	Details of total energy consumption (in Joules or multiples) and its intensity
8	Section C – Principle 6 – E3	Total volume of water withdrawal by source and water consumption in Kilolitres and its intensity
9	Section C – Principle 6 – E4	Water discharge by destination and level of treatment (in kilolitres)
10	Section C – Principle 6 – E7	Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity
11	Section C – Principle 6 – E9	Details related to waste generated by category, waste recovered through recycling, re-using or other recovery operations, waste disposed by nature of disposal method and its intensity
12	Section C – Principle 8 – E4	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India
13	Section C – Principle 8 – E5	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost
14	Section C – Principle 9 – E7	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events