Automotive Axles Limited

18th July 2026

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: 505010

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G- Block
Bandra (E)
Mumbai – 400 051
Scrip Symbol: AUTOAXLES

Attn: Listing Department

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report for FY 2025-26.

Please find enclosed herewith the Business Responsibility and Sustainability Report (‘*BRSR*’) of Automotive Axles Limited (‘*the Company*’) for Financial Year 2025-26. The BRSR forms part of the Company’s Annual Report for the Financial Year 2025-26.

The Annual Report for the Financial Year 2025-26 is available on the website of the Company at https://www.autoaxle.com/agm

This is submitted pursuant to Regulation 34(2)(f) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with applicable SEBI Circulars, if any.

This is for your information and records.

Thanking you,

Yours Truly,

For Automotive Axles Limited
DEBADAS PANDA
Digitally signed by DEBADAS PANDA
Date: 2026.07.18 16:12:13 +05'30'
Debadas Panda
Company Secretary & Compliance Officer

Encl: As Above

Regd. Office & Mysuru Unit :
Hootagalli Industrial Area, Off Hunsur Road,
Mysuru - 570 018, Karnataka, INDIA.
+91 - 821 - 719 7500
info@autoaxle.com
www.autoaxle.com

CIN : L51909KA1981PLC004198 ISO 9001 : 2015 / IATF 16949 : 2016, EMS : ISO : 14001 : 2015 & OHSAS : ISO : 45001 : 2018

Business Responsibility & Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L51909KA1981PLC004198
2. Name of the Listed Entity	Automotive Axles Limited
3. Year of incorporation	1981
4. Registered office address	Hootagalli Industrial Area, Off. Hunsur Road, Mysore, Karnataka - 570018
5. Corporate address	Hootagalli Industrial Area, Off. Hunsur Road, Mysore, Karnataka - 570018
6. E-mail	sec@autoaxle.com
7. Telephone	+91 821 - 7197500
8. Website	www.autoaxle.com
9. Financial year for which reporting is being done:	2025-26
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE)
11. Paid-up Capital	151.12 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. Nagaraja Gargeshwari President & Wholetime Director +91 821 - 7197500 Email: Nagaraja.Gargeshwari@autoaxle.com
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements taken together).	**Standalone Basis** - The Company does not have any subsidiary or a joint venture company, the disclosures made in this report pertain only to Automotive Axles Limited.
14. Name of assessment or Assurance Provider	Not Applicable
15. Type of assessment or assurance obtained	Not Applicable

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 (FY26)
1	Manufacturing	Manufacturer of Axles and Brakes	100

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Rear And Front Axles	29301	58.31
2	Brakes	29301	25.13
3	Others including Suspension	29301	16.56

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	7*	1	8
International	-	-	-

**Number of plants include 4 (four) warehouses.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	3
International (No. of Countries)	9

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

- Revenue - Outside India – ₹ 2189.62 Million
- Exports a percentage of the total turnover – 10.05%

c. A brief on types of customers

Automotive Axles Limited serves customers from primarily commercial vehicle (CV) space across segments in the transportation industry. These customers include CV OEMs based out of India and outside and government agencies.

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)	337	293	87	44	13
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**337**	**293**	**87**	**44**	**13**
WORKERS						
4.	Permanent (F)	564	564	100	0	0
5.	Other than Permanent (G)	2441	2286	94%	155	6%
6.	**Total workers (F + G)**	**3005**	**2850**	**95%**	**155**	**5%**

b. Differently abled Employees and worker

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)					
2.	Other than Permanent (E)			Nil		
3.	**Total differently abled employees (D + E)**					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	3	3	100	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**3**	**3**	**100**	**0**	**0**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17
Key Management Personnel (KMP)*	3	0	0

**Key Management Personnel includes Whole Time Director, Interim Chief Financial Officer and Company Secretary as defined under Section 203(1) of the Companies Act, 2013.*

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees (%)	6.61	2.01	8.62	9.81	1.33	11.14	7.49	1.60	9
Permanent Workers	2.79	0	2.79	5.23	0	5.23	0.33	0	0.33

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Parola Renewables Private Limited	Associate	26	No
2	Torrent Surya Urja 3 Private Limited	Associate	26	No

VI. CSR Details

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

(ii) **Turnover (in ₹)** – 21,777.29 million

(iii) **Net worth (in ₹)** – 10,987.70 million

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:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	3	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Others(please specify)	No	0	0	NA	0	0	NA

- Communities, Investors & Shareholders - https://www.autoaxle.com/Grievance_handling.aspx
- For shareholders in addition to the above link, they can send the grievances through email to sec@autoaxle.com and through SEBI SCORE portal.
- Employees – Whistle Blower Policy
- Customers: We get customer feedback directly or refer to customer portal on monthly basis and compile the "Voice of Customer report" to identify the areas of concern reported. www.autoaxle.com/contactus
- Value Chain Partners -Through Supplier & vendor meets, Workshops & trainings. www.autoaxle.com/contactus

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	New Technology Adoptions	Risk	• Risk of existing manufacturing /production solutions that do not meet new technological advancements or upgradation of future market needs.	1. Structured technology development projects 2. New focus areas are identified to develop future capability needs 3. Implementation of Industry 4.0, across all plants	**Negative -** Innovation in the industry may impact the business if not considered immediately.
2	Sustained performance & Quality	Risk	• Risk of losing potential customer, during the course of business.	1. Maintaining Quality that enhances customer satisfaction 2. Strategic alignment to be a partner of choice 3. Providing end to end solutions	**Negative -** Impacts the brand reputation in the industry.
3	Training and Education	Opportunity	• Skilled employees and workers form an asset to the Company. • The highly trained employees and worker perform their tasks more efficiently	1. Providing a need based and innovative range of training courses, notably in forward thinking fields of expertise like digitalization 2. Attracting, developing and retaining right talent by offering continuous professional development	**Positive -** Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc.
4	Health, Safety and Environment	Risk	• Non-compliance with safety measures by employees • Non-awareness of hazardous nature of chemicals may lead to potential hazards	1. Strict adherence to BBS (behaviour-based safety system) 2. Focus on reducing the generation of effluent and arresting at the source 3. Detailed SOP, employee training & adherence followed strictly 4. Providing intensified safety training that are specifically designed for roles which require upgraded skills.	**Negative-** Incident's impact employee morale and business reputation leading to negative financial implication.
5	Disaster Recovery	Risk	• Business interruption due to natural calamities like earthquakes, cyclones, floods, etc. • Supply chain interruption, • Risk of inadequate data centre & far sight Disaster Recovery • Business interruptions due to Pandemic	1. Adequate protection against calamities including appropriate insurance 2. Introduced additional mitigation to overcome interruptions due to pandemic situations. 3. Warehouse proximity to customer plant 4. Vendor managed inventory 5 Company has strong data backup recovery in place 6. Disaster Recovery plan of the data centre was completed last year.	**Negative** - Disruption to business operations lead to negative financial implication.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	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	N	Y	Y
b. Has the policy been approved by the Board? (Yes/ No)	Y	Y	Y	Y	Y	Y	N	Y	Y
c. Web Link of the Policies, if available	Standard of Business Conduct Anti-Corruption & Anti-Bribery Policy	Supplier Code of Conduct	Human Rights Policy POSH Policy Whistleblower Mechanism Policy	CSR Policy	Human Rights Policy Whistleblower Mechanism Policy	Health, Safety, and Environment Policy	Nil	CSR Policy	Cyber Security-Data Protection Policy
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes AAL expects its suppliers & service providers to comply with all rules & regulations in force, and follow basic principles related to equal opportunity, Product safety, employee safety etc.								
4. Name of the national and international codes/ certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	**Principle-1** • The Companies Act, 2013 and Corporate Governance under Securities and Exchange Board of India Regulations. **Principle-2** • Quality Management System certified with IATF 16949:2016 • Certified for Environmental Management System, ISO:14001:2015 • Heat Treatment Process certified with CQI 9 • Welding processes certified with CQI 15 **Principle-3** • Certified for Occupational Health and Safety Management System, ISO 45001:2018. • Certified for Environmental Management System, ISO:14001:2015 • Level 2 certification from JUSE, Japan for adhering to the 5S Standard, with our commitment to excellence reaffirmed through a re-certification audit by QCFI in collaboration with JUSE, Japan in December 2023. • TPM Excellence Category A								

<table>
<tr><th>Disclosure Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td></td><td colspan="9">
Principle-4

Certified for Environmental Management System, ISO:14001:2015
Occupational Health and Safety Management System Migrated from OHSAS-18001 and certified with ISO 45001:2018.
Level 2 certification from JUSE, Japan for adhering to the 5S Standard, with our commitment to excellence reaffirmed through a re-certification audit by QCFI in collaboration with JUSE, Japan in December 2023.
Quality Management System certified with IATF 16949:2016
TPM Excellence Category A

Principle-5
Nil
Principle-6

Certified for Environmental Management System, ISO:14001:2015

Principle-7
Nil
Principle-8
Nil
Principle-9

Heat Treatment Process certified with CQI 9
Welding processes certified with CQI 15
Level 2 certification from JUSE, Japan for adhering to the 5S Standard, with our commitment to excellence reaffirmed through a re-certification audit by QCFI in collaboration with JUSE, Japan in December 2023.

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<tr><td>5.Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9">
Principle No. 2:

Implementation of scientific manufacturing tools, Total Productive Maintenance (TPM) is in progress at Jamshedpur and Panthnagar plant which is expected to be completed by 2028.

Principle No. 3:

Committed to provide the best and safest workplace with scientific workspace organization and ergonomically designed and ensuring high standards of employees’ safety, health, and work environment.
Focusing on increased diversity to achieve balanced Gender Ratio.

Principle No. 6:

Sustainability initiative to reduce carbon footprint by enhanced renewable energy base, implementation of Solar, Hydel energy efficient appliances.
Target to source 90% of total power consumption from renewable energy by 2028 by progressively increasing the use of renewable energy.
Converting the furnace from Gas fired (Fuel-LPG) into electric heating system project.
Committed towards 100% Recycle, Recovery and Reuse towards reduction of solid and liquid waste.
Under the Natural Resource Conservation, company striving to achieve water positive with rainwater harvesting and water saving with key initiatives. Also, energy consumption optimization through technological transformation.
Journey towards developing the concept of paperless factory through digitalization of conventional operation and processes by 2028.
Focused approach towards achieving sustainability related accreditations with external certifying body over the next five years.

</td></tr>
</table>

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**Principle 6:** **Water Management** Focusing on our vision towards sustainability, we introduced several environmental initiatives including water conservation, reusable packaging, carbon emission control, energy conservation, and waste management. Within our Water Conservation initiative, we installed a rainwater harvesting facility with a capacity of 2200 KL and a storm water harvesting facility with a capacity of 600 KL. **Energy Management:** For energy conservation, we converted LPG-fired furnace to an electrical furnace (Holographic Continuous Carbonization Furnace), resulting in optimized energy consumption. Multiple projects are under progress to contain carbon emissions by adopting solar energy.								

Governance, Leadership and Oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

Our Company is striving to create positive difference on the socio-economic development of key stakeholders by being a responsible business. Communities are a top priority and the company's CSR activities in the areas of Skill Development & Education, Health and Hygiene, Environment, are aimed at addressing concerns and challenges that affect the surrounding communities including underprivileged groups within the community.

The Company works towards enhancement of communities around its operations. Many projects are initiated to partner with small and local producers. Our Company also invests in supplier development through measures such as supplier quality improvement contests, conferences and educating them on best practices that can lead to an improvement in operational and logistical efficiency. Furthermore, new suppliers are assessed on social and environmental criteria during the year under review.

Specific steps on environment include:

- ✓ Actively using renewable energy since 2018 and progressing towards our aspiration of achieving 100%.
- ✓ Substantial reduction in usage of wooden and plastic packaging materials which are replaced with environment friendly (recycling) materials.
- ✓ Working towards paperless office and reduction of usage of papers.

We continue to adopt various initiatives in line with emerging ESG regulatory norms.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/ policies	The Board of the Company is the highest authority responsible for the oversight of the implementation of the Business Responsibility policies.
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Nagaraja Gargeshwari, (DIN: 00839616) President & Wholetime Director oversees the decision making on sustainability related Issues.

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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The Board of Directors of the Company reviews the sustainability initiatives of the Company on an annual basis.									Annually								

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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company has been compliant with the statutory requirements and there have been no instances of non-compliances of NGRBCs except to the extent of disclosure made by the company in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.									On Regular basis								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. The Policies on Quality, Safety, Health, and Environment assessments was carried out by DQS India (Deutsch Quality Systems Private Limited). Assessment for 5S Standards was carried out by Quality Circle Forum of India and Confederation of Indian Industry is the implementing partner for Total Productive Maintenance (TPM). Other policies are periodically evaluated for their efficacy through Internal Audit mechanism. Further, compliances with the policies are also reviewed internally by various departmental heads and business heads.																	

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

Questions	P 7
The entity does not consider the principles material to its business (Yes/No)	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	While the Company may share its expertise to help in the formulation of public policy, it does not directly engage in lobbying or advocacy activities and hence, does not have a specific policy for this purpose
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

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

   Employee training and development play a crucial role in enhancing our workforce's capabilities and fostering a culture of continuous improvement within the organization.

   At AAL, we prioritize "Training" as a means to sharpen specific job-related competencies, while "Development" empowers employees through a broader, long-term approach that nurtures their overall growth and potential. This dual focus is designed to cultivate motivation and drive better job performance across the board.

   In FY 25-26, we successfully facilitated nearly 149 training sessions, accumulating a total of 7666 hours of training for employees other than Board of Directors and KMPs. These sessions encompassed a diverse range of offerings, including technical skill development aimed at equipping employees with the necessary tools to thrive in emerging technologies, as well as awareness and soft skills training to enhance efficiency and competitiveness within our teams.

   For our workmen, the focus continued on implementation of innovative systems such as Total Productive Maintenance (TPM), where trainings were conducted on Jishu Hozen, 16 Losses & awareness programs. Further to maintain high level preparedness towards identified emergencies, Certification training was conducted on Fire Safety & Fire fighting and First Aid. These programs were well received by participants and improved overall awareness of the employees. By executing comprehensive training programs for all workmen, we achieved an impressive total of 14,798 training hours, reinforcing our commitment to their development and ensuring a safer, more productive work environment.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	The Company conducts familiarization program for Independent Directors to familiarize them with the Company, their roles & responsibilities, their rights, nature of industry in which the company operates, business model of the Company etc. through various initiatives. During the Board meetings of the Company various presentations are made by business heads of the Company from time to time on different functions and areas to enable the Directors to better understand the Business and operations of the Company. Presentations are made at the Board and Board Committee Meetings, on Business and performance updates of the Company, business strategy and risks involved, market share and other financial parameters, working capital management, litigations, compliances, and fund flows.	100 Total Hours of training - 4 Hours/Year
Key Managerial Personnel (KMPs)	3	Policy on Standard of Business Conduct & Whistle Blower, Long Term Settlement Awareness, Performance Management Systems. These initiatives reinforce a culture of transparency, ethical conduct, Performance driven culture, and accountability across the organization.	100% Total Hours of training - 12 Hours/Year
Employees other than Board of Directors and KMPs	149	**Technical Trainings:** TPM Training, ISO 14001 & ISO 45001 Awareness, Training on Lean Manufacturing principles and tools, AIAG VDA FMEA 1st Edition, Preventive Maintenance, Cost and Value Management. **Awareness Trainings:** Standard of Business Conduct Training, Fire Fighting Skills, First Aid Training, Behavioral Based Safety, Shift In charge Training, POSH, STRI-HITA Nutrition & Wellness Program for Women, Performance Management Systems, LTS Awareness, Swasth Leave Policy Awareness, Variable Pay Policy Awareness **Soft Skill Trainings:** Leadership Development Training, Conflict Management, Meeting Etiquette & Norms, Advanced Excel Training. These training initiatives have strengthened workforce capabilities, improved day-to-day efficiency, and reinforced a culture of responsibility and continuous improvement.	Coverage – 96% Total Hours of training – 7,666

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Workers	183	**Technical Training:** Training on 16 Losses, TPM, Jishu Hozen, Quality Assurance Process, IATF 16949:2016 retraining, On-Job-Training, Business Code of Conduct. **Safety:** Fire Safety, Fire Fighting and First Aid. These initiatives have enhanced technical proficiency, strengthened safety awareness, and supported employee well-being through focused health and lifestyle training.	Coverage - 91% Total Hours of Training – 14,798

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

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Department of Factories	₹ 50,000/-	At Mysuru Plant of the Company an accident happened on 13.02.2025. A casual worker placed his hand during gear and pinion inertia rotation without pinion de-check and pinion side home position confirmation, leading to the amputation of the middle finger of his right hand. For this Company received investigation Report on 27.03.25 from Dy. Director of Factories (DDF) which was duly replied with proper explanation by company on 02.04.2025. Further DDF has communicated that the explanation provided is not acceptable and the injury occurred which leads to legal violation & further following legal proceedings. Resolved this case in the JMFC II Court, Mysore, on 12.08.2025, by pleading guilty and settling the matter with payment of penalty of ₹ 50,000/-.	No
	Principle 1	Employees' Provident Fund Organisation	₹ 569/-	The basic salary of a few employees has been revised due to Loss of Pay reversal and salary revisions during July and August 2025. Accordingly, PF arrears have been processed, due to which interest/damages challans were generated automatically.	No

	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)
	Principle 1	Assistant Commissioner of State Tax Audit Wing	₹1,20,144/-	The Office of the Joint Commissioner of State Tax, Jamshedpur had conducted a detailed audit under Section 65 of the CGST/SGST Act, 2017 for the FY 2021-22, vide notice in Form ADT-01, which was concluded by way of issuance of audit report in Form ADT-02 dated 15.09.2025. The Company immediately followed with intimation in Form DRC-01A on the same date, broadly on two issues: Claim of ITC blocked in terms of Section 17(5) of the CGST Act, 2017 and penalty in case of non-generation of E-way bills by suppliers of the Company.	No
	Principle 1	Additional Commissioner of State Tax (Appeal), Jamshedpur, Jharkhand	₹ 6,03,535/-	Excess Input claimed for FY-2019-20 which has been disallowed by Department and hence Demand raised including Tax, Penalty & Interest.	No
	Principle 1	Chamundeshwari Electricity Supply Corporation Limited (CESC)	₹ 31,740/-	Penalty of ₹ 31,740/- paid for consuming more than our existing contract demand in the month of February and March 2026. Due to the Consumption of electricity more than the Contract demand.	No
Settlement	NIL				
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial 8institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil			
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.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil

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

Yes, The Company has zero-tolerance approach to bribery and corruption, it has anti-corruption / anti-bribery policy, applicable to all individuals working at all levels and grades of Automotive Axles Limited.

Our Company is committed to setting up utmost standards for transparency and accountability in its affairs through behaving responsibly, equitably, and with integrity in all its business dealings and relationships wherever it operates. We operate with the highest moral and ethical standards and are committed to working with zero tolerance for bribery and corruption.

The head of the Human Resources Department of the region has primary day-to-day responsibility for implementing this policy. Management at all levels are responsible for ensuring that those reporting to them are made aware of and understand the procedure and, if necessary and appropriate, are given adequate training on regular basis.

Web Link: www.autoaxle.com/assets/pdf/governance/Anti-Corruption%20&%20Anti-bribery%20Policy.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.**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY 2025-26 Current Financial Year		FY 2024-25 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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.**
None

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Number of days of accounts payables	66	63

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

Parameter	Metrics	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	1.66	2.00
	b. Sales (Sales to related parties as % of Total Sales)	5.08	82.03
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments in related parties as % of Total Investments made	7.08	2.17

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Business Ethics and Sustainability	60

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

Yes, the Company has 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.

The Company has also formulated the policy on related party transactions to provide guidelines in relation to identification of related parties.

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 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	15.56	NA

2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
   B. If yes, what percentage of inputs were sourced sustainably?

Yes, the Company's vision has always been to source the materials through sustainable and quality procurement practices. In line with its commitment, the Company has developed the Code of Conduct for Suppliers and Service Providers, which is an extension of its value and is applicable to all its suppliers. The Company expects its suppliers and Service providers to comply with all rules and regulations in force and operate in accordance with the principles as outlined in the policy. The Company is continually engaged with its vendor base to build robust procedures and systems thereby ensuring sustainable sourcing from time to time.

AAL has developed an intelligent and environmentally sustainable Logistics system.

- The wooden pallets used for packing Finished Goods are replaced with metal-based reusable & returnable pallets.
- Rail transport-long chassis trucks & CNG powered vehicles are always given preference for transporting finished goods, which is technically and economically feasible.
- Ensuring truck maximum capacity in all areas of supply chain management.

Percentage of inputs were sourced sustainably – 38%.

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.

Not Applicable, Since the product is directly supplied to the Original Equipment Manufacturers (OEM's), the Company has limited scope for reclaiming it at the end of its life cycle.

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.

No, Extended Producer Responsibility is not applicable to the Company.

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?

NIC Code	Name of Product/ Service	% Of total Turnover contributed	Boundary for which the life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results Communicated in Public domain (Yes/No) If yes, Provide the web-link
No, the company has not conducted LCA for its products/services.					

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

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

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 re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Not Applicable		

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (Including Packing)	Not Applicable					
E-Waste						
Hazardous waste						
Other Waste						

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

Indicate Product category	Reclaimed Products and their packing materials as % of total products sold in respective category
Since the product is directly supplied to the Original Equipment Manufacturers (OEM's), the Company has limited scope for reclaiming it at the end of its life cycle.	Not Applicable

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.

At AAL, we place a strong emphasis on the health, safety, and overall well-being of our employees through a comprehensive range of healthcare, wellness, and safety initiatives. With increase in women at the shop floor, this year, we launched a woman centric wellness program called Stri-Hita. All our women folk underwent wellness sessions conducted by renowned medical practitioners and nutritionists. Free counselling and consultation sessions were organized at OHC for volunteering women to speak up and get necessary guidance. We conduct annual medical examinations in accordance with established health standards for all employees. This process is vital in monitoring their health status and ensuring prompt identification of any potential issues.

Our **Occupational Health Centre (OHC)** is equipped with a team of qualified medical professionals, including Doctors and paramedical staff, along with essential emergency medical equipment to address industry-specific health and safety concerns. To further support our workforce, our medical team continued to organise monthly health education programs that informed employees about work-related health risks and strategies for achieving a healthy work-life balance. These efforts reflect our commitment to safeguarding the well-being of our people and fostering a thriving workplace environment.

Category	Total (A)	% of employees covered by									
		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	293	293	100%	293	100%	0	0	0	0	0	0
Female	44	44	100%	44	100%	44	100%	0	0	0	0
Total	**337**	**337**	**100%**	**337**	**100%**	**44**	**100%**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	Not applicable										
Female											
Total											

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

1) Fostering a culture of safety and sustainability, we ensure that all employees consistently adhere to our comprehensive Environmental, Occupational Health & Safety (EOHS) policies and procedures, creating a secure and environmentally conscious workplace.

2) Our on-site Occupational Health Centre is a state-of-the-art facility, staffed with a qualified medical officer and trained paramedical staff. Equipped with cutting-edge multi-specialty medical equipment, it stands ready to address the diverse health needs of our workforce. In addition to this, AAL has tied up with leading private hospitals which address emergency health situation of our employees.

3) To promote the wellness of our employees, we conduct thorough pre-employment and annual medical examinations in accordance with established guidelines. These routine check-ups are designed to safeguard the health and well-being of our team members proactively.

4) We prioritise the welfare of our workforce by providing comprehensive Health and Accidental insurance, ensuring that all workers have the protection they need in the face of unforeseen circumstances.

Category	Total (A)	% of workers covered by									
		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	564	564	100%	564	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**564**	**564**	**100%**	**564**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent workers											
Female	155	155	100%	155	100%	155	100%	0	0	0	0
Male	2286	2286	100%	2286	100%	0	0	0	0	0	0
Total	**2441**	**2441**	**100%**	**2441**	**100%**	**155**	**100%**	**0**	**0**	**0**	**0**

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company	0.38	0.35

2. Details of retirement benefits.

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	NA	100	100	NA
ESI	0	0	NA	0	0	NA
Others - Welfare Benefits	100	100	NA	100	100	NA

3. Accessibility of workplaces

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

Yes – All premises/ offices are accessible to differently abled employees and workers. The Company is further deploying amenities for the differently abled employees at Plant and other work locations to improve accessibility.

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

Yes, the company is dedicated to fostering an inclusive environment through our robust equal opportunity policy for Persons with Disabilities. We recognise the importance of equality and strive to eliminate discrimination and harassment from our workplace. In all areas of employment—including recruitment, compensation and benefits, training, promotion, transfer, and termination—we are committed to treating individuals fairly and assessing them based on their ability to meet the requirements of their roles.

At AAL, we are focused on building a supportive workplace that benefits all employees, regardless of caste, creed, gender, or background. Our equal opportunity policy actively encourages individuals to contribute their best, utilising their unique abilities and qualifications.

We are committed to ensuring that no person with a disability is denied employment opportunities due to their circumstances. Our hiring process is designed to select candidates based on their competence, adaptability, and overall suitability for the job, ensuring that we fill all positions with the best talent available.

Web Link: www.autoaxle.com/Governance/Human%20Rights%20Policy.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	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

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	Yes	One-on-one interactions, Plant Discussions, Investigating Committee Under Whistle Blower Policy /Recognized unions/ POSH committees
Other than Permanent Workers	Yes	Management Review Committees
Permanent Employees	Yes	One-on-one interactions, Open house sessions Investigating Committee Under Whistle Blower Policy/ POSH committees
Other than Permanent Employees	No	NA

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	**337**	**0**	**0**	**351**	**0**	**0**
Male	293	0	0	305	0	0
Female	44	0	0	46	0	0
Total Permanent Workers	**564**	**553**	**98**	**580**	**569**	**98**
Male	564	553	98	580	569	98
Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

We have been actively identifying and cultivating key talents by implementing comprehensive training and development programs tailored to different career stages. Our offerings range from Campus to Corporate training, designed to smoothly transition fresh graduates into the professional world, to Supervisory Development programs that equip new supervisors with essential management skills. We also provide specialised Managerial Development courses that focus on strategic thinking and operational efficiency, and robust Leadership Development initiatives aimed at shaping the next generation of visionary leaders. Each of these training courses is meticulously crafted to foster the growth and potential of individuals, ensuring they are well-prepared to navigate future challenges and lead with confidence.

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	293	293	100.00	293	100.00	305	305	100.00	305	100.00
Female	44	44	100.00	44	100.00	46	46	100.00	46	100.00
Total	**337**	**337**	**100.00**	**337**	**100.00**	**351**	**351**	**100.00**	**351**	**100.00**
Workers										
Male	2850	564	19.78	564	19.78	2556	580	22.69	580	22.69
Female	155	0	0	0	0	76	0	0.00	0	0.00
Total	**3005**	**564**	**18.77**	**564**	**18.77**	**2632**	**580**	**22.04**	**580**	**22.04**

Note: *We conduct multiple training sessions across health, safety, and skill upgradation for all our employees and workers, including non-permanent workers on the company's payroll. While a large portion of our non-permanent workforce is engaged through third-party payrolls, we ensure that they are regularly provided with necessary safety-related information and protocols. Ensuring their well-being and safety remains a core focus of our operations.*

a. During the onboarding process for new recruiters, we emphasize the importance of Health & Safety by conducting comprehensive training sessions. This mandatory program ensures that all new team members are well-equipped to foster a safe and healthy workplace environment, underscoring our commitment to employee well-being from the very start.

b. As part of our ongoing commitment to professional development, we provide our employees with a series of dynamic technical training sessions tailored to their specific job roles. These programs are designed to deepen their expertise and sharpen their skills in critical areas such as the Internet of Things (IoT), Industry 4.0 advancements, Geometric Dimensioning and Tolerancing (GD&T), Process Failure Mode and Effects Analysis (PFMEA), and essential Core Tools. Additionally, we cover Total Productive Maintenance (TPM), Programmable Logic Controllers (PLC), Lock Out Tag Out (LOTO) practices, Materials Management techniques, and GST Certification training, all aimed at empowering our workforce for greater success in their careers.

9. **Details of performance and career development reviews of employees and worker:**
Performance management is an ongoing process that is essential for inspiring and developing our talented workforce. Its purpose is to enhance organisational outcomes by aligning individual performance with the broader organisational strategy and culture.

As part of our commitment to continuously improving the Performance Management System (PMS), we have implemented several key changes. We have restructured the salary grades of the employees to effectively manage the spans and layers of the organization. This reduction has helped us evaluate and assign grades that are specific to the roles and responsibilities outlined in the Global Positioning Profile. Additionally, appropriate market corrections have been made.

Our promotion policy is no longer limited to just one time each year. Any employee who takes on additional responsibilities or expanded roles will be recognized by grade adjustments through promotions specific to those roles.

In the FY25 performance management system, we emphasize the importance of continuous dialogue and feedback, fostering meaningful conversations between employees and their managers. Additionally, we integrate feedback from various stakeholders to ensure a well-rounded assessment of performance.

We take pride in having a highly skilled, experienced, and passionate team. To cultivate an engaging and supportive work environment, we are dedicated to maintaining a transparent, conducive, and inclusive atmosphere. We prioritise continuous training and offer numerous opportunities for professional growth and career advancement. Our company actively engages with our employees through a variety of initiatives, including specialised functional training programs and employee recognition schemes that celebrate achievements and contributions, reinforcing our commitment to their ongoing development and success.

We have carried the same philosophy of performance-based promotion for workers.

It is important to note that a significant portion of our non-permanent workforce is engaged through third-party payrolls and, therefore, does not fall within the scope of our internal career development framework. Nonetheless, we ensure they receive necessary safety-related information and are supported by maintaining a safe and respectful work environment.

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	293	29	9.90	305	50	16.39
Female	44	9	20.45	46	8	17.39
Total	**337**	**38**	**11.28**	**351**	**58**	**16.52**
Workers						
Male	2850	115	4.04	2556	147	5.75
Female	155	0	0	76	0	0
Total	**3005**	**115**	**3.83**	**2632**	**147**	**5.59**

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, what is the coverage of such a system?**
Yes. Automotive Axle Limited has implemented occupational health & safety management system.

We are certified with ISO-45001:2018 Occupational Health & Safety Management System across all the units of the Company.

To ensure a healthy and safe work environment for our employees, we strive to create 'Safety First Priority' across the organization at all levels through EOHS induction training, refresher safety sessions, and customized safety workshops, we educate our employees on the prevention of any accidents.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**
- HIRA (Hazard Identification & Risk Assessment) is conducted regularly under ISO-45001:2018 Occupational Health & Safety Management System.

- Theme based audits are conducted regularly to identify Unsafe Conditions (USC), implementing Corrective and Preventive Actions (CAPA).
- Under TPM Jishu Hozen (JH) Implementation to identify USC & implement corrective & preventive actions.
- Safety audits are conducted by external agencies on material handling equipment, electrical chain hoists, Electric overhead travelling (EOT) cranes, pressure vessels, chemicals storage bullets, major electrical installations etc.,
- Periodical inspection of Pressure vessels, Electric overhead travelling (EOT) Crane, lifting Tools and Tackles by competent authority.
- Process wise Job Safety Analysis is conducted to understand & identify hazards at all stages to make provision of control & preventive measures.
- In case of oil and coolant accidental spillage or leakage, a cotton based reusable sorbent was introduced to eliminate any potential fire hazard.
- Conductance of EOHS aspect/element/area/operation/process specific checklist based periodical audits.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No).**

Yes. We engage our employees in different safety training programs to create awareness of total safety standards and further encourage them to develop ideas to continuously improve safety standards and identify/eliminate work hazards through Kaizen Program. We organize various competitions to promote Safety first and 5S culture. The Central Safety Committee has been constituted with workers representatives & monthly meetings are conducted to develop policies, promote, and guide on workplace safety.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No).**

Yes. Automotive Axles Limited have a tie-up with external M/s Apollo & M/s Avant BKG hospitals for major and critical medical care/treatment.

Further we have our inhouse occupational health center (OHC) equipped with qualified doctors, paramedical staff, and emergency medical equipment to deal with industry-specific health and safety issues among our employees. The doctors undertake monthly health programs for all our employees, to educate them on employment-related health hazards and work-life balance. Based on the severity of the issues they are referred to these external non-occupational medical & healthcare services.

Every year, we organize regular annual and bi-annual medical check-ups (vision and color vision tests, audiometry, Pulmonary Function Test, skin tests, and ENT examination) for different personnel.

At regular intervals, the external expert medical practitioners are invited to give an awareness lecture on good health practices to all levels of employees.

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

Safety Incident/Number	Category *	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.3	0
	Workers	0.31	0.55
Total recordable work-related injuries	Employees	1	0
	Workers	2	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	1

**Workers (Workman plus Flexi Labour) & Employees (Staff)*

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

Safety Management:

To ensure a healthy and safe work environment for our employees, we strive to create 'Safety First Priority' across the organization at all levels. We have been systematically training all our employees and contractors through our safety induction training, refresher safety sessions, and workshops. To further safety, health and environmental standards, the Company has enhanced its environmental management system by adopting EMS ISO 14001 and OH & S ISO 45001.

We incorporated various visual displays on all the machinery on operational hazards and defined and displayed various safety protocols within the factory's premises to promote 'Safety.' Every year, we observe National Safety Month and Chemical Disaster Prevention Day to create awareness among employees on the importance of safety and safe chemical management.

Under the accident prevention program, the safety levels at source are improved through various hazard mitigation initiatives by conducting 4M analysis (Man, Machine, Method & Material). To reduce operator fatigue, we practice Rapid Upper Limb Assessment (RULA) and Rapid Entire Body Assessment (REBA) for studying employee posture at the workplace.

1) Regular awareness and training given to all the employees to follow safety precautions and use of PPEs at work.
2) Fire Hydrant Points & sprinklers provided at highly fire prone, sensitive & potential Hazard area/process. Fire Emergency Rescue Plan (FERP) Installed & Displayed across all the office block areas.
3) Early warning, gas & smoke detection, CO2 flooding system provision in High Tension/Low Tension Substation.
4) Lock Out and Tag Out (LOTO) provision for all kinds of major utility supply locking during major maintenance work.
5) Based on Zonal classification & safety sensitive area, checklist-based audit is conducted on regular basis.
6) Semi-automated vacuum-based chip collection and transportation system for efficient chip collection and to eliminate manual handling of chips.

Health Management:

We conduct several healthcare practices for employees at all levels to ensure good health. We organize several annual and bi-annual medical check-ups (vision & color vision tests, audiometry, skin tests, Pulmonary Function Test and ENT examination). Onsite fully equipped Occupational Health Centre with qualified medical practitioners is made available for employees 24/7.

Periodical whitewashing, disinfectants, fumigation has been conducted, and total plant hygiene audits are being conducted regularly.

Appointed female duty doctor for 1st shift at our OHC.

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year

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

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**
    1) Overall plant safety has been enhanced through various initiatives involving machine guarding, safety curtains, electronic poka-yoke systems, power switch replacement for LOTO application, front cage guards, and two-hand operation systems provisions for machinery. These measures were implemented to prevent human body part exposure at points of operation and to minimize the risk of unsafe incidents.
    2) As per the scientific PPE mapping for specific operation / process / machine conducted & PPEs logo non-breakable displays made on all the machines / equipment across the plant.
    3) Safety violation ticketing machines are introduced to record and monitor safety violations across the plant.
    4) All the welding machines are provided with Fume killer, dust extraction system for grinding & blasting machines and Oil mist collector for Gear cutting machines to ensure safe & healthy work environment.

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, Company has covered its employees, workmen and trainees under Group Personal Accident Policy for accidental death and Group Term Life policy for workmen & Staff to cover any kind of death.

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 statutory dues applicable are deducted and deposited by the value chain partners.

   The details are outlined in the Automotive Axles Limited Supplier Code of Conduct. All supply chain partners must adhere to it 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 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Employees	0	0	0	0
Workers	0	1	0	Accident investigation and root cause analysis was conducted and Corrective Action and Preventive Action (CAPA) implemented to prevent repetition of same such accident

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

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	100% Health & Safety conditions are assessed in periodic audits conducted by the company for strategic suppliers.
Working conditions	

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 Automotive Axles Supplier Code of Conduct, suppliers are periodically audited. The suppliers & service providers as expected to comply with relevant legal regulations for health and safety in the workplace.

   No corrective action plan has been necessitated towards the above-mentioned parameters.

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.**
   The company has mapped its internal and external stakeholders, its principal stakeholders are its employees, shareholders, suppliers, customers, vendors, JV partners, government and regulatory authorities, trade union, general public etc. These stakeholders are mapped in a structured manner through systematic communication platforms which helps us to understand the customer needs and the improvement opportunities for the Company in all prospects.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Conferences, workshops, online portals, employee surveys, One-on-one interactions	Periodically/ Annually	Inform about important advances in the Company. Help the employees expand their knowledge in the industry. Getting employee feedback and resolving their issues.
Investors	No	Annual report, news paper publication, email, Investor Call, publication on the Company's website, Quarterly & Annual results, social media platform	Annually/ Periodically/ Quarterly	Investors prefer to invest in the organizations that are transparent in their activities and performance. We inform the current performance of the Company and its future plans regularly to Investors.
Customers	No	Personal visits & plant visits, communication through email Conducting training and field trials at customer site Online & face to face meeting and discussion	Periodically	To cater to needs of customers Updating customers on new product launches.
Suppliers & Service Providers	No	Supplier & vendor meets Workshops & trainings, Audits Supplier risk assessments, Supplier Portal	Annually/ Periodically	Supply of material & services
Regulatory Bodies	No	Official communication channels Regulatory audits/ inspections Environmental compliance Good governance	Periodically	They help and guide in terms of connecting with Govt. Schemes & effective governance.
Communities	Yes	Corporate Social Responsibility engagements, Meeting with community representative, Company website	Frequent and as need based	Please refer to the following link for information about the Company's community work: autoaxle.com/Corporate_Social_Responsibility.aspx

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**
   Management is responsible for keeping the board informed about various developments and seeking input from the Directors. Continuous stakeholder engagement, combined with an in-depth assessment by the management, aids the organisation in aligning its business with ESG, allowing it to better serve its stakeholders.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**
   Yes, the company 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 current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and reissue policies as needed.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**
   The Company is committed to creating sustainable social impact and actively engages with disadvantaged, vulnerable, and marginalised communities through its Corporate Social Responsibility (CSR) initiatives. During the year, the Company undertook and supported several programmes aimed at improving access to healthcare, education, skill development, and community welfare.

Key initiatives undertaken include:

a) Supporting breast cancer treatment for underprivileged women through partnership with Bharat Hospital & Institute of Oncology, a unit of Sada Sharada Tumor and Research Institute.

b) Providing healthcare infrastructure facilities through Amrita Kripa Charitable Hospital, operated by Integral Yoga Satsanga.

c) Facilitating medical treatment and healthcare support for underprivileged children through Apollo Hospitals.

d) Contributing advanced CNC machines to Government Polytechnic, Holenarasipura, to enhance technical education and skill development opportunities for students.

e) Supporting vocational skill training programmes for underprivileged candidates through PAN IIT Alumni Reach For India (PARFI) Foundation.

f) Assisting in infrastructure development at Vishwakshema Trust, which provides educational support to underprivileged students.

g) Providing mid-day meals and supporting the basic needs of inmates residing in a nearby home for destitute persons.

h) Distributing tricycles to persons with disabilities to enhance their mobility, independence, and livelihood opportunities.

i) Supporting infrastructure development at a Lower Primary Tribal School to improve educational facilities for tribal children.

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:**
   The Company has a Human Rights Policy dedicated to respecting human rights and preventing violations. To achieve this, we have implemented due diligence procedures and established appropriate grievance redressal systems for all stakeholders.

We strive to foster a culture of mutual respect, valuing individual rights and recognising the differences of others. Our goal is to create an environment free from discrimination and bias. The Company strictly prohibits all forms of forced labor, including bonded labor, modern slavery, and any form of human trafficking.

Link: www.autoaxle.com/Governance/Human%20Rights%20Policy.pdf

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	337	324	96%	351	351	100%
Other than permanent	0	0	0%	0	0	0%
Total employees	**337**	**324**	**96%**	**351**	**351**	**100%**
Workers						
Permanent	564	299	53%	580	14	2.41%
Other than permanent	2441	0	0%	2052	0	0%
Total workers	**3005**	**299**	**10%**	**2632**	**14**	**0.53%**

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

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**337**	**0**	**0**	**337**	**100**	**351**	**0**	**0**	**351**	**100**
Male	293	0	0	293	100	305	0	0	305	100
Female	44	0	0	44	100	46	0	0	46	100
Other than Permanent	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	**564**	**0**	**0**	**564**	**100**	**580**	**0**	**0**	**580**	**100**
Male	564	0	0	564	100	580	0	0	580	100
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	**2441**	**0**	**0**	**2441**	**100**	**2052**	**0**	**0**	**2052**	**100**
Male	2286	0	0	2286	100	1976	0	0	1976	100
Female	155	0	0	155	100	76	0	0	76	100

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

a. Median Remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	-	1	0
Key Managerial Personnel (KMP)	3	38,20,100	0	0
Employees other than BoD and KMP	290	9,15,104	44	6,60,149
Workers	564	8,66,951	0	0

Note: *1) BoD excluding Whole Time Director (WTD) receives only sitting fee and commission, hence median is not calculated.*

2) KMP includes Whole Time Director, Interim Chief Financial Officer and Company Secretary as defined under Section 203(1) of the Companies Act, 2013.

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females (Gross wages paid to females as % of total wages)	4	4

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

Yes, the Company has formulated a Human Rights Policy which states that the employees can address their complaints or grievances to the Human Resource department or to the Senior Management as per the process mentioned in the Policy of Standards of Business Conduct. No reprisal or retaliatory action will be taken against any employee/ affiliate for raising concerns under this policy. The Investigation Committee formed under Whistle Blower Policy investigates the reported violations.

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

The mechanism works by following the instructions outlined below:

1. The employees/ affiliates address their complaints or grievances or report instances to the Human Resource department/ Senior Management as per the process mentioned in the Policy of Standards of Business Conduct.
2. Investigation Committee formed under Whistle Blower Policy shall investigate the reported violations. The Committee shall evaluate the violations reported and ensure that the same is addressed and resolved. The Committee may also, in consultation with Senior Management, provide a suitable remedy.
3. The Company periodically undertakes human rights due diligence process for management and oversight/monitoring of the policy and identify any shortcomings.

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
i) Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Complaints on POSH as % of female employees/ workers	0	0
iii) Complaints on POSH upheld	0	0

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

In handling complaints through our grievance redressal mechanism, the company prioritises conducting inquiries peacefully and confidentially to avoid creating any stressful situations. We have established a Grievance Redressal Policy, which includes our Whistleblower Policy, Policy for the Prevention, Prohibition, and Redressal of Sexual Harassment in the Workplace, and Human Rights Policy. This policy mandates that all members of the Grievance Committee, as well as anyone involved in record-keeping and any staff member questioned during the process, must maintain confidentiality at all times. They are required to keep all documentation and information exchanged throughout the process confidential.

We do not tolerate any harsh or insulting behavior from anyone involved in or conduct grievance proceedings. Such behavior will be considered misconduct under the organisation's disciplinary policies, and strict actions will be taken against any unethical actions.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**
Yes, human rights requirements form part of company's Code of Conduct for Suppliers and Service Providers.

10. **Assessments of the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**
None

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**
None

2. **Details of the scope and coverage of any Human rights due diligence conducted**
We are planning to take it up in the coming years.

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

4. **Details on assessment of value chain partners*:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	80% of Strategic Suppliers
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

**Health & Safety conditions are assessed in periodic audit conducted at supplier's place*

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**
In compliance with Company's Code of Conduct for Suppliers and Service Providers, suppliers are audited and monitored on a variety of sustainability topics. Health and safety topics are given high priority in this operation. The Company has offered its assistance/advise in developing such policies for suppliers who do not have them.

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	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	93242.880	92704.885
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	93242.880	92704.885
From non-renewables sources		
Total electricity consumption (D)	7105.669	9202.381
Total fuel consumption (E)	74555.852	74884.120
Energy consumption through other sources (F)	1841.301	1069.855
Total energy consumption from non-renewables sources (D+E+F)	83502.822	85156.356
Total energy consumption (A+B+C+D+E+F)	176745.702	177861.250
Energy intensity per rupee of turnover in GJ / Crore (Total energy consumed/Revenue from operations)	83.067	87.390
Energy intensity per rupee of adjusted for Purchasing Power Parity (PPP) in GJ / Crore USD (Total energy consumed/Revenue from operation adjusted for PPP)	1714.646	1805.478
Energy intensity in terms of physical output in GJ/Unit*	0.180	0.496
Energy Intensity (Optional)- the relevant metric may be selected by the entity.		-

** The physical output intensity has been computed based on the total number of axle and brake units produced during the reporting period*

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. 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	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
i) Surface water (Concrete floor & Roof rainwater)	8,878	12834
ii) Ground water (Borewell)	74,411	95923
(iii) Third party water (AAL Mysore - KIADB)	1,207	1741
(iv) Seawater / desalinated water	0	0
(v) Others	280	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	84,776	1,10,498
Total volume of water consumption (in kiloliters)	1,47,950#	1,71,685
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	69.533	84.355
Water intensity per rupee of turnover adjusted for Purchasing power parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	1435.292	1742.783
Water intensity in terms of Physical output*	0.150#	0.478
Water intensity (optional)- the relevant metric may be selected by the entity.		

 # Total volume of water consumption includes total water withdrawal and total water recycled.

**Physical output includes Axles and Brakes*

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,

- Ganesh Consultancy & Analytical Services (Ministry of Ecology & Forest Recognised, FSSAI Notified), Biocrat Environmental Service and Eko Pro Engineers Pvt Ltd.
- Every three months, KSPCB regional office collects the STP & ETP treated samples for laboratory analysis & confirm.

4. Provide the following details related to water discharged

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface Water	0	0
No Treatment		
With Treatment – please specify level of treatment		
(ii) To Ground water	0	0
No Treatment		
With Treatment – please specify level of treatment		
(iii) To Sea Water	0	0
No Treatment		
With Treatment – please specify level of treatment		
(iv) Sent to third-parties	0	0
No Treatment		
With Treatment – please specify level of treatment		
(v) Others		
No Treatment		-
With Treatment – please specify level of treatment*	63,174	61185
Total water discharged (in kiloliters)	63,174#	61185

** After treating water confirming to quality norms, the treated water is used for in-house gardening as per our Consent for Operation (CFO) terms and Conditions (Primary & Secondary ETP & STP)*

 # Reduction in water withdrawal due to process and operational improvements that lowered water consumption. Total treated water discharged increased as the treated effluent reuse & discharge network got extended to include the nearby facilities for gardening

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, the Water Audit is carried out by external authorized competent geology consultant.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
No.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	ppm	1775	2047
SOx	ppm	475	589
Particulate matter (PM)	mg/Nm3	1682	2075
Persistent organic pollutants (POP)	ppm	0	0
Volatile organic compounds (VOC)	mg/Nm3	34	20
Hazardous air pollutants (HAP)	ppm	0	0
Others – please specify (Phosphating - Acid mist)	mg/Nm3	6.5	7

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, only monitoring & analysis is done for the air emissions. i.e., flue gas.

- AAL Mysore - Ganesh Consultancy & Analytical Services (MoEF Recognized, FSSAI Notified).
- AAL Jamshedpur - Biocrat Environmental Services LLP
- AAL Pantnagar – Eko Pro Engineers Private Limited

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

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent*	5030.695	4841.998
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent**	1739.689	2025.913
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tons of CO2 equivalent per crore	3.182	3.374
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tons of CO2 equivalent per rupees adjusted for PPP (MT/crore)	65.681	69.717
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	Metric tons of CO2 equivalent per unit produced	0.007	0.019
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity.			

The physical output intensity has been computed based on the total number of axle and brake units produced during the reporting period.

** Scope 1 CO2 emissions from LPG, Diesel consumption*

*** Scope 2 CO2 emissions from Power*

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

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

Yes, Sustainability Key Initiatives to contribute towards reducing carbon footprint and ensuring incorporation of sustainability across all operations, the Company focuses on various initiatives - using Solar Power, modern regenerative combustion technology for all furnaces, recycled water usage for gardening, reduced hazardous waste generation with recycle & recovery & adoption of ecofriendly waste disposal, implementation of scientific tree plantation to reduce atmospheric pollution etc. in its manufacturing operations.

1. Conventional method for CO2 Emission reduction through Renewable energy usage-Sources of Energy (Solar, Hydel)
2. Developing a Miyawaki forest for carbon sequestration within the premises.
3. Installation of Roof Top Wind driven Turbo Ventilators across the plant to ensure adequate general ventilation under the renewal energy use initiative.
4. Year on year trees plantation internally & externally towards greenery enhancement.
5. Pipeline project – Installation of 20KLD capacity ETP with Zero Liquid Discharge (ZLD) and installation of Ultra Filtration for STP treated water to reuse for flushing at toilets.

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste **(A)***	250	289
E-waste **(B)**	3.21	5.0
Bio-medical waste **(C)**	0.04	0.04
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0.54
Radioactive waste **(F)**	0	0
Other Hazardous waste (Hazardous Waste from process + Hazardous Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc.) **(G)**	Grinding muck, ETP sludge, Paint sludge, Phosphating sludge, Empty barrels – 435 Used Oil – 7.6 Oily Cotton – 12.6	Grinding muck, ETP sludge, Paint waste, Phosphating sludge, Empty barrels -369 Used Oil – 3.4 Oily Cotton – 14
Other Non-hazardous waste generated **(H)**. MS Scrap + Aluminum scrap (Break-up by composition i.e. by materials relevant to the sector)	Liner grinding dust – 75 Cardboard waste - 214 Paper waste – 84 Wood pallets/wood waste-856 Scrap Metal – 6,013	Liner grinding dust - 110 Cardboard waste - 263 Paper waste – 89 Wood pallets/wood waste-979 Scrap Metal – 4,493#
Total (A+B + C + D + E + F + G + H)	**7,950**	**6,615#**
Parameter	**FY 2025-26 (Current Financial Year)**	**FY 2024-25 (Previous Financial Year)**
Waste intensity per rupee of turnover (Total water consumption/Revenue from operations) (MT/Crores)	3.736	3.250
Waste intensity per rupee of turnover adjusted for Purchasing power parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) (MT/Crores)	77.125	67.150
Waste intensity in terms of Physical output	0.0081	0.0184
Waste intensity (optional)- the relevant metric may be selected by the entity.		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled**	7,916	6,622
(ii) Re-used**	1544	1581
(iii) Other recovery operations**	1544	1581
Total	**11,004**	**9,784**
Category of waste ^		
(i) Incineration	209	355
(ii) Landfilling	0	0
(iii) Other disposal operations	277	191
Total	**486**	**546**

** Cumulative data provided Generation per month*
***Recycled- Coolant & Neat Cutting oil (Inhouse reuse), Cardboard, paper, plastic, Wood pallets & Scrap Metal, Empty barrels (Disposed to external authorized recyclers)*
Reused – Coolant & Neat Cutting Oil (Inhouse reused)
Other recovery – Coolant & Neat Cutting Oil (Inhouse recovery)
^100% of hazardous waste sent to Pollution Control Board authorized recyclers/agencies.
 # We have restated the number based on e-manifest report which we are filing with the KSPCB hence the number has been revised.

- Hazardous Wastes (ETP sludge, Phosphate sludge & grinding muck, biomedical waste & oil-soaked cotton) – Incinerated.
- Hazardous waste – Paint sludge (co-processing).
- Other Waste (Special waste/Liner dust)- Co-processing

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

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 waste.**
    - Educating & creating Awareness on understanding the standard procedures on transport, storage & disposal of waste.
    - Scientific Segregation & collection of waste at generation source with color coded bins.
    - Separate storage compartments provision made for different types of hazardous waste generated.
    - Hazardous waste is stored in leak proof area as per the standard guidelines and disposed to Pollution Control Board authorized recyclers/agencies.
    - All types of other waste is segregated and stored in concreted scrap yard which is disposed to Pollution Control Board authorized recyclers as per the standard guidelines.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

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

Leadership Indicators

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

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

   (i) Name of the area

   (ii) Nature of operations

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Sent to third-parties	0	0
(v) Others	0	0
Total Volume of water withdrawal (in kiloliters)	0	0
Total Volume of water Consumption (in kiloliters)	0	0
Water intensity per rupee turnover (water consumed/turnover)	0	0

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	0	0
- No Treatment		
- With Treatment – please specify level of treatment		
(ii) Into Groundwater	0	0
- No Treatment		
- With Treatment – please specify level of treatment		
(iii) Into Seawater	0	0
- No Treatment		
- With Treatment – please specify level of treatment		
(iv) Sent to third-parties	0	0
- No Treatment		
- With Treatment – please specify level of treatment		
(v) Others	0	0
- No Treatment		
- With Treatment – please specify level of treatment		
Total Water discharged (in kiloliters)	0	0

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 - Not applicable

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

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	5,183	2838*
Total Scope 3 emissions per Rupee of turnover	Metric tons of CO2 equivalent per crore	2.4	1.4
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent/ Unit produced	0.005	0.008

**Scope 3 CO2 emissions from Supply Chain & Employee vehicles*

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

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Nil

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:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1.	Semi- automation	Installed semi-automated STP sludge dewatering machine to eliminate manual intervention during sludge handling.	Process Improvisation, Efficient Solid Waste Management.
		Installed a Semi-automated vacuum-based chip collection and transportation system for efficient chip collection and elimination of manual handling	Process Improvisation, Efficient Waste Management
2.	Finished Goods packaging – wood packaging eliminated with reusable metal based stillages & pallets	Implemented returnable, reusable, and rigid metal-based stillages and pallets for safe and scientific material handling, resulting in approximately 81% reduction in wood consumption for dispatch activities.	• Reduction in natural resource consumption and solid waste generation. • Approximately 81% elimination of wooden pallet packaging along with improved transportation quality.
3.	Electrification of Holographic Continuous Carbonization Furnace	Converted the LPG-based gas-fired furnace into an electrical heating type furnace.	Reduction in carbon emissions and utilization of 100% renewable energy.
4.	Digitalization	Developed and implemented a Digital Work Permit System (WPS), which is currently live and in use.	Process improvement and reduction in paper usage, leading to conservation of natural resources.

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

As a part of Business Continuity:

- We have warehouse at key customers' location to maintain continuous supply and onsite VMI warehouse established for key suppliers/critical components.
- Multiple supplier bases have been established for all critical components.

As a part of Disaster Management:

- Well defined & documented Onsite Emergency Response Plan & Preparedness considering the related major disasters.
- 24/7 CCTV Surveillance systems; Manual Fire Call points provision & an emergency control room to respond immediately to any unforeseen adversities.
- Periodical Onsite Emergency Mock drill & bi-monthly Fire drill conducted with different emergency scenarios to check & ensure our readiness to combat any emergency situation.
- Early warning, gas & smoke detection, CO_2 flooding system provision made in fire sensitive/fire prone areas.
- Part of Onsite emergency plan & preparedness, Mini fire tender with technology of Compressed Air-Foam System-CAFs is available.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**
The Supplier is expected to implement its binding Supplier code of conduct and make reasonable efforts to promote the Code's principles and establish environmental management systems (ISO 14001) and continuously improve environmental performance.

During the current fiscal year, the Company screened its critical suppliers (80 numbers) 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.**
80%

8. **How many Green Credits have been generated or procured:**
a. By the listed entity - 0

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - 0

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.**
   The Company is a member of 5 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.	Automotive Component Manufacturers Association of India (ACMA)	National
2	Confederation of Indian Industry (CII)	National
3	TPM Club of India - CII	National
4	National Safety Council-NSC	National
5	Quality Forum Of India-QCFI	National

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.**

Name of authority	Brief of the case	Corrective action taken
	NIL	

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Company directly or through trade bodies and other associations puts forth several 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 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:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
				Nil		

3. **Describe the mechanisms to receive and redress grievances of the community.**
   The Company continuously interacts with the concerned communities in the areas of its operation through various means and have the mechanism to redress the grievances in timely manner.

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/ small producers	24	24
Sourced directly from within India	97	97

5. **Job Creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or no-permanent/ on contract basis) in the following locations as % of total wage cost**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	0	0
Semi-Urban	0	0
Urban	8.4	7.4
Metropolitan	91.6	92.6

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):**
   The Company has not taken any Social Impact Assessment as it is not applicable to it.

Details of negative social impact identified	Corrective action taken
Nil	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**
   None

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**
   No, the Company does not have any preferential procurement policy focusing on suppliers from marginalised/ vulnerable groups. It follows a standardized Code of Conduct for Suppliers and Service Providers.

   (b) **From which marginalized /vulnerable groups do you procure?**
   Not Applicable

   (c) **What percentage of total procurement (by value) does it constitute?**
   Not Applicable

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

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

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare facility through Bharat Hospital & Institute of Oncology, a unit of Sada Sharada Tumor and Research Institute	47 Patient	100
2	Infrastructure development at Amrita Kripa Charitable Hospital through Integral Yoga Satsanga	1,500+ Persons	100
3	Providing Interactive Learning Equipment at Chamarajanagar, Karnataka through Rotary Foundation	4693+ Students	100
4	Construction of pink toilet at Chamarajanagar, Karnataka through Rotary Foundation	91250+ Persons	Not able to ascertain
5	Infrastructure development at a Lower Primary Tribal School to improve educational facilities for tribal children	25+ Students	100
6	Skill development in collaboration with PanIIT Alumni Reach For India Foundation	84+ Persons	100

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
7	Sustainability initiatives by Lake Rejuvenation in Koorgali Lake	8,000+ Persons	100
8	Promoting culture in Mysuru Dasara Celebration.	1,13,000+ Persons	Not able to ascertain
9	Infrastructure Development at Schools	360+ Students	100
10	Skill Development at Government Polytechnic Holenarasipura	120+ Students	100
11	Healthcare facility through Apollo Hospital	18	100
12	Infrastructure Development in collaboration with Vishvakshema Trust for Educational Support	95+ Persons	100

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.**
   We are getting information directly from customers / portal / mail communication on the concerns reported.

   Accordingly, corrective measures have been provided and implemented as per timelines. Customer satisfaction trends are compiled, monitored, and reviewed by top management at defined intervals for getting the directives for improvement.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

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

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

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

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

	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**
   Yes, the Company has a Cyber Security/Data Protection Policy to safeguard all critical information and information processing assets to ensure legal compliance and fulfilling statutory due diligence requirements.

   Web Link www.autoaxle.com/assets/pdf/governance/Cyber%20Security-Data%20Protection%20Policy.pdf

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.**
   Not Applicable

7. **Provide the following information relating to data breaches**
   a) **Number of instances of data breaches** - 0

   b) **Percentage of data breaches involving personally identifiable information customers** - 0%

   c) **Impact, if any of the data breaches** - Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   Information regarding the Company's products and services is available on the official website, accessible at: www.autoaxle.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   Service manuals are provided to customers (OEMs) and dealerships to facilitate awareness and understanding of the correct usage of our products. Training will be provided by service engineers based on requests from OEM / dealerships.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   Not applicable

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.**
   Yes, The Company's products are original equipment manufacturer (OEM) specific, the Company displays product requirements on packaging consistent with applicable laws and as per OEM requirements. Typical information displayed on product includes details of make, model, serial number, month of manufacture & part number.

   Guidelines to customers about eco-friendly re-cycle methods for axle waste handling. Instructions include the oil contents from end-of-life axles, Metals, Rubber, Plastics, and other non-biodegradable parts and to be recycled without environmental pollution. Material related information will be declared in IMDS (International Material Data System) portal based on customer requirements.

5. **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, Customer response and customer satisfaction feedback are one of the most crucial factors. The Company engages with its customers on various platforms to understand their expectations and take their feedback for improvement.