Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

1. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L23109MP1972PLC008290
2. Name of the Listed Entity: HEG Limited ('HEG' or 'the Company')
3. Year of incorporation: 1972
4. Registered office address: Mandideep, Near Bhopal Dist. Raisen MP- 462046
5. Corporate address: Bhilwara Towers, A-12, Sector-1, Noida - 201301
6. E-mail: heg.brsr@lnjbhilwara.com
7. Telephone: +91-120-4390300 (EPABX)
8. Website: www.hegltd.com
9. Financial year for which reporting is being done: 2024-25
10. Name of the Stock Exchange(s) where shares are listed: 1. BSE Limited 2. National Stock Exchange of India Limited.
11. Paid-up Capital: Rs. 3,859.59 Lakhs
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. Manish Gulati, Chief Sustainability Officer & Executive Director
    Tel: 07480-405500, 233524 to 233527, E Mail: Manish.gulati@lnjbhilwara.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): The disclosures under this report are made on Standalone Basis.
14. Name of assessment or assurance provider: HEG Limited does not fall within the top 250 listed companies based on average market capitalisation and, therefore, is not mandatorily required to undertake external assessment or assurance for the BRSR as per regulatory guidelines. Accordingly, this requirement is currently 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
1	Manufacturing of Graphite Electrodes	Manufacturing of Graphite Electrodes	90.45%

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	Manufacturing of Graphite Electrode	23994	90.45%

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	2	1	3
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	42

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

The overall contribution of the exports to the total turnover is 66.53%.

c. A brief on types of customers.

HEG Limited serves a diverse and global customer base across multiple industrial sectors. Its comprehensive product portfolio supports a wide range of industries, including iron and steel, metallurgy, refractories, aluminium, chemical, electrochemical, power, cement, and glass.

The Company's core clientele primarily comprises leading steel manufacturers operating Electric Arc Furnaces (EAF) in their production processes. Notable clients include Jindal Steel & Power Limited (JSPL), Steel Authority of India Limited (SAIL), ArcelorMittal, Qatar Steel, Emirates Steel, Tata Steel, CESLA Group, Jindal Stainless Limited, and Acerinox Europia.

In addition to the steel sector, HEG supplies specialized, high-quality graphite products to a variety of other industries, offering tailored solutions to meet diverse technical and operational requirements.

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)	348	327	94%	21	6%
2.	Other than Permanent (E)	50	49	98%	1	2%
3.	**Total employees (D + E)**	**398**	**376**	**94%**	**22**	**6%**
WORKERS*						
4.	Permanent (F)	766	766	100%	0	0%
5.	Other than Permanent (G)**	28	28	100%	0	0%
6.	**Total workers (F + G)**	**794**	**794**	**100%**	**0**	**0%**

**During the reporting year, the Company has revised its internal classification criteria to better align with functional roles and industry practices. Accordingly, technical staff who were previously reported under the category of "Permanent Employees" have now been reclassified under "Permanent Workers".*

***Excludes job-based workers, which are the workers that do not work on fixed number of days, instead they work to finish the specified given task, hired through contractors.*

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	17%
Key Management Personnel*	4	0	0%

**Includes 2 Executive Directors which are also included in the Board of Directors.*

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8%	15%	8%	13%	12%	13%	9%	32%	10%
Permanent Workers	7%	0%	7%	3%	0%	3%	1%	0%	1%

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.	TACC Limited	Wholly Owned Subsidiary	100%	No
2.	Bhilwara Info technology Limited	Wholly Owned Subsidiary	100%	No
3.	HEG Graphite Limited	Wholly Owned Subsidiary	100%	No
4.	Bhilwara Energy Limited	Associate	49.01%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 2,15,270.91 lakhs

(iii) Net worth (in Rs.): 4,15,952.66 lakhs

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 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)*	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	Nil	Not Applicable	-	Nil	Not Applicable	-
Investors (other than shareholders)	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Shareholders	Yes	48	2	Action Taken Reports (ATRs) for the two pending complaints were filed within the prescribed timelines on the SCORES Portal. The complaints were subsequently marked as resolved on the SCORES Portal on 11 April 2025	40	0	-
Employees and Workers	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes	50	45	1. Closure is in progress for 11 cases. 2. Improved material has been supplied and is currently under evaluation at the customer's end; feedback is awaited. 3. Further dispatches are planned in certain cases based on ongoing assessments and customer coordination. 4. In a few cases, there has been limited or no response from the customer despite follow-up efforts.	19**	0#	-
Value chain partners	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Others (please specify)	-	-	-	-	-	-	-

**The Company has a well-defined Business Ethics Policy, Anti-Bribery and Anti-Corruption Policy for all of its employees and stakeholders to report suspected violations of the Company's Code of Conduct, Supplier's Code of Conduct, or any other applicable Laws. In addition to this, the Company also has a separate department namely, "Secretarial Department" to take care of the shareholders' grievances and resolve them appropriately on timely basis.*

There is a specific email ID (heg.investor@lnjbhilwara.com) for addressing queries by any Investors and Shareholders. The Secretarial Department is responsible to monitor and resolve the queries and concerns raised through this email ID, taking inputs and resolutions from the relevant departments within the Company.

The Company also has detailed HR Policies, covering different aspects related to grievance redressal including but not limited to Policy on Prevention of Sexual Harassment (POSH), Whistle Blower Policy to safeguard the interest of the employees and workers (including females)

***The number of customer complaints disclosed for the previous year (FY 2023-24) has been revised and restated to include three additional complaints that were subsequently registered for FY 2023-24 only, based on confirmation received from the customer.*

#All customer complaints that were disclosed as pending resolution as at the end of FY 2023-24 have been subsequently addressed and closed as of the reporting date.

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.	Climate Change and Emission Manage-ment	Risk	Climate change presents both physical and transitional risks, including extreme weather events, rising sea levels, and temperature changes, which can disrupt operations, damage assets, and increase insurance and repair costs.	The Company has undertaken a range of targeted initiatives as part of its broader decarbonization strategy to mitigate climate-related risks and reduce Greenhouse Gas (GHG) emissions. Key measures include the ongoing evaluation of hydrogen blending with natural gas to reduce carbon intensity and enhance fuel efficiency. A 3 MW solar power plant has already been commissioned, with an additional 2.4 MW installation underway to further reduce Scope 2 emissions. The Company is also transitioning its fleet from diesel to electric vehicles, resulting in a 27% reduction in diesel and a 9% reduction in petrol consumption. Concurrently, a structured shift from furnace oil to natural gas is in progress to reduce Scope 1 emissions and improve energy efficiency. Furthermore, the deployment of in-plant trucks has enhanced operational safety, minimized internal emissions, and led to significant cost savings.	Negative
2.	Waste Man-agement	Risk and Opportunity	Improper waste management can lead to environmental damage, legal liabilities, and reputational harm. However, adopting circular economy principles (reduce, reuse, recycle) offers cost-efficiencies and strengthens stakeholder trust.	Waste is disposed through certified recyclers, and the Company aims to achieve zero waste to landfill by FY 2030 underscoring its commitment to sustainable waste practices.	Negative and Positive

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)
3.	Air Emissions	Risk	Uncontrolled release of air pollutants can lead to severe environmental and health consequences, including smog formation, acid rain, and climate change. These emissions may result in regulatory non-compliance, financial penalties, and increased scrutiny from stakeholders. Additionally, poor air quality can harm employee health and community well-being, potentially leading to reputational damage and loss of social trust.	A dedicated Air Emissions Policy is in place, including real-time monitoring, air quality plans, and installation of advanced pollution control systems like electrostatic precipitators, scrubbers, and baghouse filters.	Negative
4.	Water Management	Risk and Opportunity	Neglecting proper water management can result in regulatory violations, increased operational costs, and environmental degradation. Excessive water withdrawal or inadequate treatment of wastewater may harm aquatic ecosystems and affect the availability of water for nearby communities. These risks can damage an organization's reputation, disrupt operations, and lead to legal and financial repercussions. On the other hand, effective water management enhances operational efficiency while contributing to broader environmental sustainability goals. By optimizing water usage, investing in efficient technologies, and ensuring thorough treatment of wastewater, organizations can reduce costs, safeguard natural ecosystems, and build credibility among environmentally conscious stakeholders. Responsible water stewardship supports regulatory compliance and demonstrates a commitment to preserving water quality for communities and biodiversity.	Our water management strategy is guided by our Water Resource Management Policy and Wastewater Management Policy that ensures responsible use and conservation of water resources. We have implemented key measures such as efficient Effluent Treatment Plants (ETPs) for water recycling and upgraded Sewage Treatment Plant (STP) to handle increased demand from our expansion. These state-of-the-art treatment systems enable us to meticulously treat and repurpose all wastewater for various non-potable purposes, including gardening, thereby achieving Zero Liquid Discharge status and reducing our freshwater dependency.	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Biodiversity	Opportunity	Proactively preserving and enhancing biodiversity allows organizations to align with global conservation goals and demonstrate leadership in environmental stewardship. Initiatives that protect habitats and species not only help meet compliance requirements but also improve relationships with local communities and stakeholders. By actively supporting biodiversity, the Company not only ensure compliance with environmental regulations but also strengthens its social license to operate, gaining the trust and support of communities and stakeholders who value conservation efforts.	NA	Positive
6.	Energy Manage-ment	Risk and Opportunity	Inefficient energy management can lead to excessive operational costs, high emissions, and missed opportunities for innovation. This can expose organizations to reputational risks, reduced investor confidence, and potential financial penalties. Energy-efficient practices are vital in high-consumption industries such as graphite manufacturing. By investing in advanced technologies and optimizing energy use especially during energy-intensive stages like graphitization organizations can significantly reduce production costs and minimize their carbon footprint. Strategic energy management contributes to climate goals, strengthens resilience against energy price fluctuations, and boosts competitiveness in the market.	We at HEG Limited's through our energy management framework thoroughly assess and curtail energy consumption throughout our operations. We prioritize the adoption of best available technologies for energy efficiency and are developing a long-term strategy focused on renewable energy. Our framework includes regular monitoring and reporting of energy consumption, continuous efforts to minimize energy use, and the implementation of leading operational practices. We conduct energy audits for ongoing improvement and work with our supply chain to reduce energy consumption. Additionally, we promote energy conservation awareness and encourage research into innovative energy saving technologies. As part of this initiative, we are replacing older motors with energy-efficient models, and all newly procured motors meet high energy-efficiency standards.	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Human Capital Develop-ment	Opportunity	Investing in human capital development enables organizations to cultivate a skilled, innovative, and agile workforce that drives operational excellence and long-term competitiveness. In specialized industries like graphite manufacturing, upskilling employees and fostering continuous learning ensures adaptability to evolving technologies and market needs. Empowered employees contribute to process optimization, product innovation, and enhanced productivity.	NA	Positive
8.	Employee/ Worker Health & Safety	Risk	Considering the nature of our operations, health and safety are considered as potential risk for our business. One of our Company's key values is putting the health and safety of our employees and workers first. Ensuring a safe work environment not only boosts employee and worker satisfaction but also helps them reach their full potential. Ineffective safety management can lead to accidents, legal consequences, and employee dissatisfaction.	We highly prioritize the safety and well-being of our personnel as a core responsibility. To uphold the highest standards of workplace safety, we rigorously comply with the legal requirements set forth in the Factories Act, 1948. This commitment extends to the maintenance of the ISO 45001:2018 (Occupational Health and Management System), an international standard that specifies requirements for an Occupational Health and Safety (OHS) management system. This enables us to create a framework that consistently identifies, and controls health and safety risks, reduces potential accidents, aids legislative compliance, and improves overall performance.	Negative
9.	Corporate Social Responsi-bility	Opportunity	Effective CSR initiatives strengthen corporate reputation, foster stakeholder trust, and contribute to social and environmental well-being. By supporting local communities, engaging in ethical practices, and addressing social challenges, organizations demonstrate a commitment beyond profits. Strong CSR practices enhance brand loyalty, attract socially conscious investors, and support long-term business resilience.	NA	Positive

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)
10.	Human Rights	Risk	In order to gauge human rights risks, the organization identifies and assesses any actual or potential adverse human rights impacts and considers it as a foundational step for effective management of human right risks	The organization has established a Human Rights Policy, a thorough process, and diligence procedures to assess human rights concerns at all operational levels	Negative
11.	Product Steward-ship	Risk	Product Stewardship involves managing the environmental and social impacts of a product across its lifecycle from design, manufacturing, and distribution to use and end-of-life disposal. Failure to adequately address product responsibility can lead to reputational damage, non-compliance with environmental regulations, customer dissatisfaction, and increased costs from recalls or waste. As customers and regulators increasingly demand environmentally responsible products, gaps in stewardship may pose a business risk.	The Company adopts a proactive approach by embedding sustainability in product design and development, ensuring compliance with relevant environmental standards, and engaging in responsible sourcing. An annual customer satisfaction survey is conducted to capture feedback, identify areas for improvement, and maintain transparency. Continuous improvement initiatives and training programs are in place to support responsible product lifecycle management.	Negative
12.	Innovation	Opportunity	Innovation is key to maintaining a competitive edge in the graphite industry, enabling companies to develop advanced products, optimize processes, and respond to sustainability challenges. Embracing innovation leads to cost-efficiencies, improved product performance, and the ability to meet evolving customer demands and regulatory requirements.	NA	Positive
13.	Economic Perfor-mance	Risk and Opportunity	Economic performance is fundamental to business sustainability and resilience. Strong financial health enables investments in innovation, sustainability, employee development, and stakeholder engagement presenting a key opportunity for long-term value creation. Conversely, poor economic performance can limit operational flexibility, reduce investor confidence, and hinder the Company's ability to respond to market dynamics, thus posing a risk.	HEG employs prudent financial practices, risk management frameworks, cost controls, and transparent reporting to maintain performance and investor trust.	Negative and Positive

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)
14.	Data Privacy and Cyber Security	Risk	Applying strong data protection measures and safeguards protects organization's data, therefore avoiding considerable problems, which may impact organization's confidential information	The Company has adopted global data protection standards and frameworks to ensure compliance and safeguard personal data.	Negative
15.	Supply Chain Sustainability	Opportunity	Responsible and sustainable sourcing is a cornerstone of our operations, aligned with our commitment to global ESG standards. A well-managed and ethical supply chain enhances operational resilience, reduces reputational and compliance risks, and meets growing stakeholder expectations. By thoroughly assessing vendors' sustainability profiles and implementing supplier ESG programs, the Company reinforces its long-term value creation strategy. Our approach such as evaluating suppliers based on ESG criteria, providing ESG training to procurement teams, and securing Board-level oversight strengthens relationships, builds stakeholder trust, and creates a competitive advantage in sustainability-conscious markets.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? * (Yes/No) **Except for certain operational policies, which have been approved by the Executive Director of the Company, rest of the policies have been approved by the Board.*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	**#Link for Policies** **Policy for Preservation of Documents** https://hegltd.com/wp-content/uploads/2020/07/Preservation-of-documents.pdf **Policy on Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees** https://hegltd.com/wp-content/uploads/2022/02/Sexual-Harrassment-Policy_January-2020.pdf **Dividend Distribution Policy** https://hegltd.com/wp-content/uploads/2018/04/Dividend-Distribution-Policy.pdf **Nomination and Remuneration Policy** https://hegltd.com/wp-content/uploads/2022/05/HEG_NRC-Policy_09.02.2022.pdf **Archival Policy for Website for the Events/Information Disclosed to Stock Exchanges** https://hegltd.com/wp-content/uploads/2017/04/Archival_Policy_for_Website_for_the_Events_Information_Disclosed_to_SEs.pdf **Policy for Determination of Materiality of Events / Information and Disclosure to Stock Exchanges** https://hegltd.com/wp-content/uploads/2022/05/HEG_Determination-Materiality-of-Events_09.02.2022.pdf **Policy for Determining Material Subsidiary** https://hegltd.com/wp-content/uploads/2020/07/Material-subsidary.pdf **Whistle Blower Policy** https://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf **Policy on Related Party Transactions** https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Air Emission Management Policy https://hegltd.com/wp-content/uploads/2024/08/AIR-EMISSION-MANAGEMENT-POLICY.pdf **Water Resource Management Policy** https://hegltd.com/wp-content/uploads/2024/08/WATER-RESOURCE-MANAGEMENT-POLICY.pdf **Waste Water Management Policy** https://hegltd.com/wp-content/uploads/2024/08/WASTE-WATER-MANAGEMENT-POLICY.pdf **Waste Management Policy** https://hegltd.com/wp-content/uploads/2024/08/WASTE-MANAGEMENT-POLICY.pdf **Waste Disposal Policy** https://hegltd.com/wp-content/uploads/2024/08/WASTE-DISPOSAL-POLICY.pdf **Quality Policy** https://hegltd.com/wp-content/uploads/2024/08/QUALITY-POLICY.pdf **E-Waste Management Policy** https://hegltd.com/wp-content/uploads/2024/08/E-WASTE-MANAGEMENT-POLICY.pdf **ESG & Sustainability Policy** https://hegltd.com/wp-content/uploads/2024/08/ESG-SUSTAINABILITY-POLICY.pdf **Environment Policy** https://hegltd.com/wp-content/uploads/2024/08/ENVIRONMENT-POLICY.pdf **Energy Policy** https://hegltd.com/wp-content/uploads/2024/08/ENERGY-POLICY.pdf **Climate Change Policy** https://hegltd.com/wp-content/uploads/2024/08/CLIMATE-CHANGE-POLICY.pdf **Equal Opportunity Policy** https://hegltd.com/wp-content/uploads/2025/01/Equal-Opportunity-Policy.pdf **Human Trafficking Policy** https://hegltd.com/wp-content/uploads/2025/01/HUMAN-TRAFFICKING-POLICY.pdf **Health & Safety Policy** https://hegltd.com/wp-content/uploads/2025/01/SHE-POLICY.pdf **OMBUDS Policy** https://hegltd.com/wp-content/uploads/2025/01/OMBUDS-POLICY.pdf **Code of Conduct Policy** https://hegltd.com/wp-content/uploads/2025/01/CODE-OF-CONDUCT.pdf **Business Ethics Policy** https://hegltd.com/wp-content/uploads/2025/01/BUSINESS-ETHICS-POLICY.pdf **Supplier Code of Conduct Policy** https://hegltd.com/wp-content/uploads/2025/01/SUPPLIER-CODE-OF-CONDUCT.pdf **Anti-Bribery and Anti-Corruption Policy** https://hegltd.com/wp-content/uploads/2025/01/ANTI-BRIBERY-AND-ANTI-CORRUPTION-POLICY.pdf									

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Business Continuity Policy https://hegltd.com/wp-content/uploads/2025/01/BUSINESS-CONTINUITY-POLICY.pdf **Human Rights Policy** https://hegltd.com/wp-content/uploads/2025/01/HUMAN-RIGHTS-POLICY.pdf **Board of Diversity Policy** https://hegltd.com/wp-content/uploads/2025/01/BOARD-DIVERSITY-POLICY.pdf Rest of the Policies are available on Company's Intranet, accessible by all employees of the Company								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The following policies of the Company explicitly extend to certain value chain partners such as suppliers, key business partners, contractors, consultants, and third-party service providers: ESG & Sustainability Policy, Climate Change Policy, Equal Opportunity Policy, Health & Safety Policy, Code of Conduct, Business Ethics Policy, Supplier Code of Conduct, Anti-Bribery and Anti-Corruption Policy, Business Continuity Policy, and Human Rights Policy.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001:2018 ISO 14001: 2015 ISO 9001: 2015 NEMA Standards are followed								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has recently formalized a comprehensive set of new ESG commitments, goals, and targets that reflect its evolving sustainability vision and operational priorities. These targets are distinct from the previously disclosed long-term ambition of achieving Net Zero by 2050 or earlier (as reported in the previous year's BRSR). The new targets are aimed at driving measurable progress across key environmental, social, and governance priorities, with defined timelines to ensure accountability and transparency. The following are the specific goals and targets adopted by the Company: **1. Climate Change & Emission Management** Targeting a 25% reduction in Scope 1 & 2 greenhouse gas emissions by FY 2030, using FY 2023-24 as the baseline. Committed to obtaining Science-Based Target initiative (SBTi) validation. **2. Waste Management** Striving to achieve Zero Waste to Landfill by 2030 across all manufacturing locations, with FY 2023-24 as the baseline.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	3. **Water Management** Operating in alignment with Zero Liquid Discharge (ZLD) principles status across all operational sites to ensure responsible water stewardship. 4. **Air Emission** Committed to zero non-compliance with regulatory standards related to air emissions. 5. **Biodiversity** Ongoing commitment to tree plantation drives, both current and in the future, to enhance biodiversity around operational areas. 6. **Energy Management** Targeting 25% of total energy consumption from renewable sources by 2030, using FY 2023-24 as the baseline. 7. **Health & Safety** Working towards a Zero Harm workplace. Ensuring 100% coverage of plant personnel in annual Environment, Health, and Safety (EHS) training programs. 8. **Human Capital Development** Targeting a 10% year-on-year increase in training hours per employee for skill enhancement. Aiming to increase the representation of women employees to 10% in non-shop floor/non-production roles by FY 2027-28, using FY 2023-24 as the baseline. Conducting annual employee satisfaction surveys to improve workplace engagement. 9. **Corporate Social Responsibility** Continually adhering to statutory CSR obligations under the Companies Act, 2013, with a focus on impactful and inclusive development initiatives. 10. **Human Rights** Ensuring 100% of employees and workers receive annual human rights training. 11. **Corporate Governance** Maintaining compliance with SEBI's corporate governance mandates, including ensuring that at least 50% of the Board comprises Independent Directors. 12. **Product Stewardship** Conducting annual customer satisfaction surveys to integrate feedback into product innovation and service enhancement. 13. **Supply Chain Sustainability** Ensuring 100% of key suppliers are assessed on ESG parameters, fostering a responsible and sustainable supply chain. 14. **Risk Management** Integrating Environmental, Social, and Governance (ESG) risks into the Enterprise Risk Management (ERM) framework for proactive risk identification and mitigation. 15. **Economic Performance** Committed to achieving financial growth and profitability in a responsible and sustainable manner. 16. **Privacy & Data Security** Continuously maintaining zero instances of information security breaches, ensuring data protection and stakeholder trust.								

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.	The Company has developed its ESG-related commitments, goals, and targets in FY 2024–25 as part of its enhanced sustainability roadmap. As these targets have been recently formalized, the performance data and progress metrics against them are not yet available for reporting in the current cycle. The Company is committed to monitoring its progress through clearly defined KPIs and governance mechanisms, and will begin disclosing performance against these targets in subsequent reporting periods, starting from FY 2025–26 onwards.								

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).

At HEG Limited, sustainability remains an integral part of our business philosophy and long-term value creation strategy. Our commitment to responsible business conduct is anchored in the principles of environmental stewardship, social responsibility, and sound governance. The evolving landscape of sustainability, marked by growing climate imperatives, social equity concerns, and stakeholder expectations, has led us to recalibrate and intensify our ESG efforts.

In FY 2024–25, we undertook a comprehensive ESG transformation by formalizing a detailed ESG strategy, roadmap, and action plan. This includes definitive targets aligned with our key focus areas: climate action, waste and water management, energy efficiency, occupational health and safety, human capital development, and ethical governance. We have committed to a 25% reduction in Scope 1 & 2 GHG emissions and 25% renewable energy usage by FY 2030, among other impactful goals.

The Company's ESG oversight has been institutionalized through a dedicated Board-level CSR and ESG Committee, which plays a pivotal role in aligning our initiatives with regulatory frameworks and stakeholder interests. Moreover, our internal ESG governance is driven by an inter-functional working group reporting to the Chief Sustainability Officer and the Board.

We have also initiated materiality assessments and stakeholder engagement processes to ensure that our ESG focus is not only relevant but also responsive.

Looking forward, we aim to expand our ESG disclosures and enhance climate resilience across our operations. While our journey is ongoing, our direction is clear: to embed sustainability into the fabric of every decision and action at HEG Limited.

We recognize that meaningful progress requires collaborative efforts, transparency, and consistent performance. Through our commitment to the 17 UN Sustainable Development Goals (SDGs), we endeavour to make a positive and lasting impact on people, planet, and profit.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Manish Gulati, Chief Sustainability Officer and Executive Director Tel: 07480-405500, 233524 to 233527 E Mail: Manish.gulati@lnjbhilwara.com
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has established a Board-level CSR and ESG Committee, chaired by Mr. Ravi Jhunjhunwala, Chairman, Managing Director & CEO. The Committee is entrusted with the responsibility of overseeing and making decisions on sustainability-related matters. It plays a pivotal role in guiding the Company's Environmental, Social, and Governance (ESG) strategy, aligning it with regulatory expectations and stakeholder interests. The Committee comprises the following members: 1. Mr. Ravi Jhunjhunwala, Chairman 2. Mr. Satish Chand Mehta, Member 3. Dr. Kamal Gupta, Member 4. Mrs. Vinita Singhania, Member 5. Mr. Manish Gulati, Member

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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 Company has undertaken independent assessments/ evaluation of the working of certain policies, particularly those falling under ISO standards through external evaluations conducted by Bureau Veritas.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	**Topics:** Ethics, Transparency, Accountability, Environment Protection, Governance, Social Responsibility. **Impact:** The Company considers Governance as an integral part of good management. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and its interaction with various stakeholders	100%
Key Managerial Personnel	4	**Topics:** Ethics, Transparency, Accountability, Environment Protection, Governance, Social Responsibility. **Impact:** The Company considers Governance as an integral part of good management. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and its interaction with various stakeholders.	100%
Employees other than BoD and KMPs	918	**Topics:** Policy for handling Goods & Services and Product Safety, Safety Awareness, Human Rights Policy, Environmental Protection Policy, Public Care and Regulatory Policy, POSH, Code of Conduct & Insider Trading, Business Ethics, Skill Upgradation **Impact:** Overall grooming and increase in functional efficiency of the employees.	80%
Workers	918	**Topics:** Policy for handling Goods & Services and Product Safety, Safety Awareness, Human Rights Policy, Environmental Protection Policy, Public Care and Regulatory Policy, POSH, Code of Conduct & Insider Trading, Business Ethics, Skill Upgradation **Impact:** Overall grooming and increase in functional efficiency of the workers.	88%

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 ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	No fines / penalties /punishment/ award/ compounding fees/ settlement amount were paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions during the current financial year.			
Settlement				
Compounding Fee				

Non-Monetary				
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Punishment	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

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

4. 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, HEG Limited has implemented a comprehensive Anti-Bribery and Anti-Corruption Policy, accessible at: https://hegltd.com/wp-content/uploads/2025/01/ANTI-BRIBERY-AND-ANTI-CORRUPTION-POLICY.pdf.

At HEG Limited, we are committed to upholding the highest standards of ethical conduct and integrity across all our business operations. The Company maintains a strict zero-tolerance stance towards any form of bribery or corruption, whether undertaken by our employees or by third parties acting on our behalf.

This Policy is mandatory for all employees as well as for business partners representing the Company in any capacity, anywhere in the world.

It outlines clear guidelines and responsibilities to proactively prevent, detect, and report bribery and corrupt practices in any form.

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

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

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

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

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

Not Applicable, as there were no cases of corruption and conflicts of interest which were reported during the year.

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

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	66	70

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)*
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.0493%	0.0482%
	b. Sales (Sales to related parties / Total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	38.06%	39.28%

**The previous year's figures have been revised and restated.*

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
6	1. Environmental, Social, and Governance (ESG) Frameworks 2. Greenhouse Gas (GHG) Emissions Management 3. BRSR Core Principles 4. Materiality Assessment Process 5. Assessment Questionnaires	75% of upstream value chain partners

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 established processes to prevent and manage conflicts of interest involving Board members. HEG Limited maintains a comprehensive 'Code of Conduct for Directors and Senior Management,' which outlines clear guidelines and mechanisms for identifying, avoiding, and addressing potential conflicts of interest, along with a protocol for reporting any such situations.

Additionally, the Company requires annual declarations from Board members and Key Managerial Personnel regarding their interests in any entities. Before engaging in business with such entities or individuals, the Company ensures that all necessary approvals are obtained, in accordance with legal requirements and internal policies.

The Code of Conduct is available on the Company's website, which can be accessed at https://hegltd.com/wp-content/uploads/2017/02/CODE_OF_CONDUCT_HEG_05-02-2015.pdf

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Not Applicable
Capex	58%	69%	As part of the Company's CAPEX investments, the following initiatives were undertaken to improve environmental and social outcomes: 1. **Safe Material Handling:** Introduced ergonomic furniture and upgraded cranes to ensure safer and more efficient material movement, reducing physical strain and injury risks for workers. 2. **Electrical Safety Upgrades:** Replaced outdated electrical systems, including panels and Power Distribution Boards, to enhance safety and compliance with current standards. 3. **Infrastructure Revamping:** Strengthened structural components such as crane columns and replaced plant sheeting, improving operational safety and facility integrity.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
			4. Environment & Energy Efficiency: Implemented dust control measures (e.g., cyclone systems), installed LED lighting, and introduced oil contamination monitoring tools, reducing emissions and energy consumption. **5. Modernization of Production Equipment:** Upgraded CNC controllers, rebuilt furnaces, and replaced old machinery to improve process efficiency, reduce downtime, and lower resource wastage. **6. Operational Safety Enhancements:** Replaced unsafe equipment, enhanced ventilation, and installed safety instruments to improve workplace health and reduce risk exposure. **7. Technology and Information Systems:** Modernized IT infrastructure to support digital operations, enabling better control, monitoring, and sustainability-driven decision-making.

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

   Yes, HEG Limited have procedures in place for sustainable sourcing, wherein, the Company assesses the sustainability parameters of its vendors before procurement of the major input material and maintain consistent sourcing from identified sources.

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

   79.6% of the input material was sourced sustainably.

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.

While the Company does not reclaim its products at the end of their life, we are committed to responsible product lifecycle management and environmental stewardship. We ensure safe handling, reuse, and disposal of our products and associated waste through established systems across key waste categories:

- **Plastics (Including Packaging):**

  Use of plastic packaging is minimal. Where used (e.g., plastic sheets, straps), plastic waste is collected and disposed of through authorized recyclers in compliance with applicable environmental regulations. Customers and logistics partners are encouraged to adopt similar recycling practices.

- **E-Waste:**

  Although our primary product Graphite Electrodes does not generate e-waste in typical applications, any e-waste from auxiliary systems (such as sensors or instrumentation) is stored in designated areas and disposed of via certified e-waste recyclers, in accordance with the E-Waste Management Rules.

- **Hazardous Waste:**

  Graphite Electrodes are inherently non-hazardous. However, when used in processes involving potential contaminants (e.g., oily residues, metallic inclusions), we advise customers to follow local hazardous waste regulations. Within our manufacturing facility, hazardous waste such as used oil, lubricants, and contaminated packaging is handled and disposed of only through State Pollution Control Board authorized vendors.

- **Non-Hazardous Waste:**
  - Scrap Electrodes and Graphite Fines: These are reused internally for specialized applications or supplied to authorized processors.
  - Wooden/Metal Packaging Waste: Such materials are segregated, and disposed of or recycled through approved agencies, following site-specific protocols.

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.

   Not Applicable.

Leadership Indicators

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

   The Company has already determined the respective life cycles of various products manufactured by it, as outlined in the "Product Life Cycle Plan" below:

Product Life Cycle Plan

Sr. No.	Contents in crate	Material	Nature of product	Action - 1	Action - 2
1	Graphite Electrode	Pure Carbon	100% Consumable during use	Unpack the Electrodes with Nipple and keep all the packing items well segregated	Re-machine & use if possible / Reuse the broken pieces in process to maintain carbon percentage
2	Graphite Nipple	Pure Carbon	100% Consumable during use		
3	Thermocol Cap	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
4	Thermocol Plug	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
5	Steel Strip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
6	Steel Clip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
7	Steel Nails	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
8	Wood / Ply Board	Cellulose composite	Recyclable / Reusable		Handover to recyclers
9	Wrap Film	LDPE, Low Density Poly Ethylene	Recyclable		Handover only to authorised recyclers
10	Metwrapp (Polypropylene)	Corrugated PP, Poly Propylene	Recyclable / Reusable		Handover only to authorised recyclers

However, the Company has not yet undertaken the full Life Cycle Assessment i.e., the analytical process for evaluating potential environmental and social impacts throughout a product's life cycle. The Company is expected to initiate this assessment process for its products in the near future.

Accordingly, the detailed information required under this indicator is currently not available.

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.
-	-	-	-	-	-

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
As mentioned in point no. 1 above, since the Company is in the process of doing the life cycle assessment for each of its products, therefore, currently this information is not available.		

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 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Green Scrap	8%	10%
Graphite Fines	1.2%	-

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

	FY 2024-25 Current Financial Year			FY 2023-24* Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

**The previous year's figures have been restated.*

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

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

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	327	327	100%	327	100%	Not Applicable	Not Applicable	-	-	-	-
Female	21	21	100%	21	100%	21	100%	-	-	-	-
Total	**348**	**348**	**100%**	**348**	**100%**	**21**	**100%***	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	49	49	100%	49	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	**50**	**50**	**100%**	**50**	**100%**	**1**	**100%***	**-**	**-**	**-**	**-**

**Employees covered under maternity benefits is disclosed as % of only female employees and not total employees*

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	766	766	100%	766	100%	-	-	-	-		-
Female	0	0	0%	0	0%	-	-	-	-		-
Total	**766**	**766**	**100%**	**766**	**100%**	**-**	**-**	**-**	**-**		**-**
Other than Permanent workers											
Male	28	28	100%	28	100%	-	-	-	-	-	-
Female	0	0	0%	0	0%	-	-	-	-	-	-
Total	**28**	**28**	**100%**	**28**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

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

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the Company*	0.0426%	0.0415%

**Expenditure incurred on Health Insurance, Accident Insurance and other health and safety measures have been considered for the purpose of the aforesaid disclosure.*

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

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity*	100%	100%	Yes	100%	100%	Yes
ESI**	51.29%	4.37%	Yes	50%	5%	Yes
Others – please specify	-	-	-	-	-	-

**Employees who have successfully completed 5 years of tenure are entitled for Gratuity benefits.*

*** Applicable to employees as per the threshold limit prescribed under the Employees State Insurance Act, 1948.*

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.

Presently, majority of our premises / offices are accessible to differently abled employees and workers. However, the Company is planning to improvise the current system in place.

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

Yes, the Company has an equal opportunity policy as per the Rights of Person with Disabilities Act, 2016. The said policy is publicly available on the Company's website and can be accessed at https://hegltd.com/wp-content/uploads/2025/01/Equal-Opportunity-Policy.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%**

**For males, return to work and retention rate is 0, because Company does not have the policy of paternity leave.*

***For females, return to work and retention rate is 0, because none of the female employees have taken maternity leave in the current as well as previous financial year.*

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, HEG Limited is committed to providing a safe, inclusive, and supportive workplace environment for all employees and workers. The Company has established multiple grievance redressal mechanisms to ensure that concerns can be raised and addressed effectively. These include: • A dedicated Grievance Register for employees and workers to record their concerns. • Grievance Boxes installed at various common areas. • Engagement through the Union and its representatives, who are empowered to raise issues via established committees. • Regular weekly meetings at the shop floor level to facilitate open communication and immediate resolution of day-to-day concerns.

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / 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	**348**	**0**	**0%**	**597**	**0**	**0%**
Male	327	0	0%	578	0	0%
Female	21	0	0%	19	0	0%
Total Permanent Workers	**766**	**766**	**100%**	**478**	**478**	**100%**
Male	766	766	100%	478	478	100%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / A)
Employees										
Male	327	190	58%	229	70%	578	486	84%	372	64%
Female	21	6	29%	13	62%	19	15	79%	4	21%
Total	**348**	**196**	**56%**	**242**	**70%**	**597**	**501**	**84%**	**376**	**63%**
Workers										
Male	766	615	80%	425	55%	478	333	70%	158	33%
Female	-	-	-	-	-	-	-	-	-	-
Total	**766**	**615**	**80%**	**425**	**55%**	**478**	**333**	**70%**	**158**	**33%**

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	327	318	97%	578	511	88%
Female	21	19	90%	19	16	84%
Total	**348**	**337**	**97%**	**597**	**527**	**88%**
Workers						
Male	766	758	99%	478	478	100%
Female	-	-	-	-	-	-
Total	**766**	**758**	**99%**	**478**	**478**	**100%**

10. Health and safety management system:

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

At HEG, we are deeply committed to maintaining a safe and environmentally responsible workplace. We consider the safety of our personnel and the protection of the environment among our foremost responsibilities. In line with this commitment, our entire plant is certified under the ISO 45001:2018 standard for Occupational Health and Safety Management Systems, demonstrating our adherence to global best practices and our dedication to continual improvement in health and safety standards.

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

In accordance with ISO 45001:2018, HEG has implemented a structured Hazard Identification and Risk Assessment (HIRA) process to systematically identify occupational health and safety (OHS) hazards and evaluate associated risks to employees and workers. This process is a key component of our Occupational Health and Safety Management System and is regularly reviewed to ensure its continued relevance and effectiveness.

The HIRA procedure includes the following key steps:

- Identification of processes, operations, maintenance, utility services, and other relevant functional activities.
- Defining occupations involved, with a focus on human interaction at each stage.
- Identification of potential occupational hazards, including biological, chemical, physical, electrical, mechanical, fire-related, and ergonomic risks.
- Assessment of all related health and safety risks.
- Estimation of the number of workers potentially exposed to each identified risk.
- Consideration of applicable legal requirements and potential emergency scenarios.
- Risk evaluation based on defined criteria, including compliance with Occupational Health & Safety Regulations, legal obligations, emergency potential, and a quantified risk score.
- Classification of unacceptable risks, particularly where there is legal non-compliance, emergency risk creation, or a risk score of 4 or higher.
- Implementation of appropriate risk controls, following the hierarchy of controls (elimination, substitution, engineering controls, administrative controls, and PPE).
- Annual review of the HIRA, or earlier when significant changes occur that may affect OHS conditions, as per our internal Standard Operating Procedure (SOP).

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, HEG has established a comprehensive safety management framework to ensure effective monitoring, reporting, and resolution of all work-related hazards. This framework is supported by both functional safety committees and formalized systems for incident and accident management.

At the shop level, dedicated Shop Safety Committee is responsible for identifying local safety concerns, addressing hazards, and implementing preventive measures specific to each work area.

At the plant level, a Plant Safety Committee oversees overall safety governance, regularly reviews safety performance, and promotes a proactive safety culture across all operations.

To support this structure, the Company has implemented two robust systems:

- **Incident Reporting and Investigation System (IRIS):** This system ensures prompt reporting and thorough investigation of all incidents, including near misses and unsafe conditions. It facilitates documentation, root cause analysis, and the implementation of corrective and preventive actions, which are tracked to closure.
- **Accident Reporting and Investigation System (ARIS):** ARIS is specifically designed to manage workplace accidents. It enables systematic reporting, investigation, root cause identification, and verification of remedial actions before closing any case.

Together, these systems and committees ensure that all incidents are managed effectively, corrective measures are implemented in a timely manner, and continuous improvement in occupational health and safety is achieved.

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

Yes, HEG ensures that all employees and workers have access to non-occupational medical and healthcare services. These services are designed to support the overall health and well-being of our workforce, extending beyond work-related health concerns.We offer access to general medical care, preventive health check-ups, and wellness programs aimed at encouraging a healthy lifestyle. Health awareness campaigns and lifestyle management initiatives are regularly conducted to promote proactive care. Additionally, employees are covered under medical reimbursement schemes or health insurance, as per Company policy, to address non-occupational health needs.

This comprehensive approach reflects our commitment to the holistic well-being of our employees both at work and in their personal lives.

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

Safety Incident/Number	Category*	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.584	0
	Workers	0.246	0.207**
Total recordable work-related injuries	Employees	1	0
	Workers	1	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including the contract workforce

***The previous year's figure for LTIFR for workers has been rectified and recalculated.*

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

At HEG Limited, we consider the safety, health, and well-being of our employees and workers to be a core responsibility and a top organizational priority. To ensure a safe and healthy work environment, we have implemented a robust and systematic Occupational Health and Safety Management System. Our approach includes the following key measures:

- **Legal Compliance:** We strictly adhere to all applicable statutory requirements, including those outlined in the Factories Act, 1948, and maintain certification under ISO 45001:2018 for Occupational Health and Safety Management Systems.
- **Hazard Identification and Risk Assessment (HIRA):** Regular HIRA activities are conducted in accordance with internal SOPs to proactively identify potential hazards and evaluate associated risks.
- **Safety Policy:** A comprehensive and well-defined Safety Policy is in place, detailing our commitment to maintaining a safe and healthy workplace.
- **Hierarchy of Controls:** We implement the hierarchy of controls methodology to systematically eliminate or mitigate risks, prioritizing the most effective preventive measures.
- **Safety Committees:** Safety Committees at multiple organizational levels actively participate in reviewing safety performance, ensuring resource adequacy, and supporting effective deployment of safety systems.
- **Audits and Inspections:** Periodic safety audits and workplace inspections are conducted across all sites to monitor compliance and continuously improve occupational health and safety practices.
- **Emergency Preparedness:** Regular mock drills including fire and other emergency scenarios are conducted to test preparedness and strengthen emergency response capabilities.

- **Training and Awareness:** Ongoing training sessions and awareness programs are organized to educate employees and workers on occupational health and safety, promoting a strong culture of safety throughout the organization.

These measures collectively demonstrate our commitment to safeguarding our workforce and fostering a culture where safety is integrated into every aspect of our operations.

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

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

14. Assessments for the year:

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

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.

HEG Limited did not identify any significant risks or concerns arising from assessments of health and safety practices and working conditions during the reporting period. However, in alignment with our commitment to continuous improvement, we proactively undertake several measures to maintain and enhance workplace safety and health standards:

- **Third-Party Evaluations:** Our Occupational Health and Safety (OHS) systems undergo regular evaluations by accredited external agencies to ensure compliance with statutory requirements and best practices.
- **Proactive Risk Mitigation:** Even in the absence of significant risks, we implement preventive measures such as the automation of manual processes, employee training in safety practices, and enhanced monitoring and supervision mechanisms.
- **Incident Management and Corrective Action:** All incidents, including near misses, are thoroughly investigated. Learnings are documented and shared organization-wide, with corrective actions verified during follow-up audits to prevent recurrence.
- **Preventive Equipment Maintenance:** Critical machinery and safety systems are subject to routine preventive maintenance and inspections in line with scheduled plans to reduce operational risks.
- **Fire Safety Measures:** Advanced fire detection and alarm systems have been installed in key operational areas to strengthen our emergency response infrastructure.
- **Visible Safety Communication:** Our Safety Policy is prominently displayed at strategic locations, including the main gate, to reinforce safety awareness among all personnel.
- **Inclusive Reporting Culture:** A structured incident reporting and investigation framework is in place. All employees, including contractual workers and management, are encouraged to report hazards, near misses, and unsafe conditions without hesitation.

These ongoing efforts help us uphold a safe and healthy work environment and foster a culture of safety, accountability, and continuous improvement across the organization.

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, at HEG Limited, a provision for a Death Relief Fund (DRF) exists under which the Company provides financial assistance of ₹5 lakhs to the family of a deceased employee or worker.

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 has instituted multiple measures to ensure that statutory dues are duly deducted and deposited by its value chain partners. At the time of onboarding, all business partners are required to furnish valid statutory documentation, including GST registration, PAN, and MSME certificates, as applicable. To promote ongoing compliance, the Company incorporates contractual obligations within all purchase orders and agreements, mandating timely deduction and deposition of statutory dues such as TDS, PF, ESI, and GST. These provisions are legally binding and reinforce the accountability of the partners. In specific cases like work contracts, the Company actively verifies that contractors have deposited Provident Fund (PF) and Employees' State Insurance (ESI) contributions and have submitted valid proof of such compliance.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

   Yes, the Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. As part of this initiative, awareness sessions are conducted for eligible individuals, and selection into the program is based on merit.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	79.6% of upstream value chain partners
Working Conditions	79.6% of upstream value chain partners

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.

   Not Applicable, as there were no significant risks / concerns which have arisen from assessments of health and safety practices and working conditions of value chain partners.

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.

   HEG is a globally recognized organization that interacts with a diverse range of stakeholder groups, each with unique priorities and interests. The Company has established a robust system for identifying key stakeholder groups, understanding their concerns, and integrating their perspectives into its sustainability strategy. Both senior and middle management teams actively engage with stakeholders throughout the year. Key issues identified through these engagements are incorporated into the Company's risk management process.

   The Company has mapped its internal and external stakeholders.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	- Training programmes, events, seminars, workshops - Awards – plant level reward programmes Surveys - Employee centric application	As needed	- Foster innovation, motivation, and teamwork - Address issues and resolve concerns - Prevention from accidents and health hazards
Shareholders/ Investors	No	- Annual General Meeting - Annual Report - Shareholder meetings - Sustainability report - Grievance redressal mechanism	Annually and need based	- Garner stakeholder/in vestor confidence - Ilustrate our market leading initiatives and value creation - Market our sustainability initiatives and disclose our targets
Customer	No	- Customer technical services for queries and feedback	As needed	Gather feedback to enhance operations, services, and product offerings
Suppliers and Service Providers	No	- Supplier meetings - Assessment surveys	Need based	Strengthen supplier relationships, receive market feedback, be abreast with supplier challenges
Government/ Regulators	No	- Regular compliance report	Need based	Ensure compliance with government regulations
Media	No	- Media meets - Press conference - Management interviews	Need based	Share annual progress and enhance brand perception
Local Communities and NGO's others	Yes	- Regular interactions & field surveys	Need based	Gather community feedback on ESG concerns and CSR impact

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.

   Stakeholder consultations are regularly conducted by relevant business heads, group leaders, and Company officers. Any feedback or issues of corporate concern are escalated to the Board level, either through direct channels or via various Board Committees, such as the Audit Committee, CSR and ESG Committee, Risk Management Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, as necessary. The Company firmly believes that consistent and proactive engagement, including regular conference calls with key stakeholders, enhances communication of its strategies and performance. This ongoing engagement fosters the concept of shared growth, promoting a prosperous future for both the Company and society as a whole.

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, stakeholder consultations play a key role in identifying and managing environmental, social, and governance (ESG) related topics. This is achieved through various channels, including focused group meetings, gathering feedback, and incorporating their insights into future strategies built around the triple bottom line approach (i.e., Environmental, Social, and Governance). Examples of this include developing strategies to combat climate change, reduce carbon footprints, enhance energy efficiency, conserve water, manage waste, create a sustainable supply chain through responsible sourcing, and invest in the growth of our people by enhancing their skills and capabilities through various learning initiatives. Additionally, we prioritize balancing Diversity & Inclusion, Occupational Health & Safety, Human Rights, and Supplier Diversity, among other key areas.

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

   The Company identifies communities around its manufacturing facilities at Mandideep, Bhopal and Tawa Nagar. The Company offers the marginalized/vulnerable communities the help they need through its CSR initiatives. For further details of engagement with them, refer Annexure VI of Annual Report – 2024-25.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	348	327	94%	597	204	34%
Other than permanent	50	3	6%	41	3	7%
Total Employees	**398**	**330**	**83%**	**638**	**207**	**32%**
Workers						
Permanent	766	271	35%	478	83	17%
Other than permanent	28	0	0%	16	3	19%
Total Workers	**794**	**271**	**34%**	**494**	**86**	**17%**

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

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	348	-	-	348	100%	597	-	-	597	100%
Male	327	-	-	327	100%	578	-	-	578	100%
Female	21	-	-	21	100%	19	-	-	19	100%
Other than Permanent	50	-	-	50	100%	41	-	-	41	100%
Male	49	-	-	49	100%	41	-	-	41	100%
Female	1	-	-	1	100%	0	-	-	-	-
Workers										
Permanent	766	-	-	766	100%	478	-	-	478	100%
Male	766	-	-	766	100%	478	-	-	478	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	28	-	-	28	100%	16			16	100%
Male	28	-	-	28	100%	16			16	100%
Female	-	-	-	-	-	-			-	-

3. Details of remuneration/salary/wages

a. Median remuneration* / Wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In Lakhs)	Number	Median remuneration/ salary/ wages of respective category (In Lakhs)
Board of Directors (BoD)**	10	13.13	2	12
Key Managerial Personnel#	2	63.91	0	-
Employees other than BoD and KMP	324	6.21	21	5.16
Workers	766	3.79	0	-

**The aforesaid calculations have been provided on the basis of Cost to the Company.*

***The calculation of median remuneration includes two Executive Directors (male), whose compensation comprises salary and commission. The remaining ten Non-Executive Directors (including Independent Directors), which include two female directors, receive only sitting fees. Accordingly, the median remuneration has been computed based on this composition.*

#Only CS & CFO are considered as KMP for this calculation, as the median remuneration of 2 Executive Directors (KMPs) is covered as a part of Board of Directors, therefore not included in the median remuneration paid to KMPs.

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

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages*	2.24%	1.78%

**The aforesaid calculations have been provided on the basis of Cost to the Company.*

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. As per Clause 17 of the Company's Code of Conduct Policy, the Head of Human Resources (HR) has been designated as the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

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

   Yes, HEG Limited is committed to providing a safe, inclusive, and supportive workplace environment for all employees and workers. The Company has established multiple grievance redressal mechanisms to ensure that concerns can be raised and addressed effectively. These include:

   - A dedicated Grievance Register for employees and workers to record their concerns.
   - Grievance Boxes installed at various common areas.
   - Engagement through the Union and its representatives, who are empowered to raise issues via established committees.
   - Regular weekly meetings at the shop floor level to facilitate open communication and immediate resolution of day-to-day concerns.

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

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

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

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	0	0

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

   At HEG Limited, we ensure that individuals who raise concerns related to discrimination or harassment are fully protected against retaliation, punishment, or any other adverse actions for voicing legitimate concerns in good faith. Our Grievance Redressal Policy, Whistleblower Policy, and POSH (Prevention of Sexual Harassment) Policy contain specific provisions to safeguard the confidentiality of complainants. These policies state that all reports, records, and information exchanged during the investigation process will be treated as confidential, and access to this information will be restricted by the Company as deemed appropriate.

9. Do human rights requirements form part of your business agreements and contracts?

   No, currently, human rights requirements do not form part of our business agreements and contracts; however, the Company is in the process of implementing the same in the coming years.

10. Assessments for the year:

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

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

    Not Applicable, as no significant risk/concerns were identified from the assessment carried out on topics as mentioned above during the year.

Leadership Indicators

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

   Not Applicable, as no grievances/complaints were received with respect to human rights during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

   We Conducted regular internal due diligence assessments on human rights, beginning with the employee onboarding process. This includes verifying age and other criteria to ensure new hires meet our rigorous employment standards. All employees, including security personnel, undergo regular training to remain compliant with our norms on human rights, and code of conduct.

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?

   Presently, majority of our premises / offices are accessible to differently abled visitors. However, the Company is planning to improvise the current system in place.

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	79.6% of upstream value chain partners
Discrimination at workplace	79.6% of upstream value chain partners
Child Labour	79.6% of upstream value chain partners
Forced Labour/Involuntary Labour	79.6% of upstream value chain partners
Wages	79.6% of upstream value chain partners
Others- please specify	79.6% of upstream value chain partners

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

   No significant risks/ concerns were identified from assessments of the value chain partners at Question 4 above

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From Renewable sources		
Total electricity consumption (A) (In Giga Joules)	14,920	14,310
Total fuel consumption (B) (In Giga Joules)	0	0
Energy consumption through other sources (C) (In Giga Joules)	0	0
Total energy consumption from renewable sources (A+B+C) (In Giga Joules)	**14,920**	**14,310**
From Non-Renewable sources		
Total electricity consumption (D) (In Giga Joules)	15,16,351	13,41,646
Total fuel consumption (E) (In Giga Joules)	9,12,574	6,23,304
Energy consumption through other sources (F) (In Giga Joules)	0	0
Total energy consumption from non-renewable sources (D+E+F) (In Giga Joules)	**24,28,925**	**19,64,950**
Total energy consumed (A+B+C+D+E+F) (In Giga Joules)	**24,43,845**	**19,79,260**
Energy intensity per rupee of turnover (Total energy consumed (Giga Joules)/ Revenue from operations)	0.00011	0.00008
Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP) (Total energy consumed (Giga Joules) / Revenue from operations adjusted for PPP)*	0.0023	0.0017
Energy intensity in terms of physical output (Giga Joules/Metric Tonnes)**	24.5	28.9
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

**The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.66 as per the 2025 update.*

***Total graphite production is considered as the unit of physical output for reporting intensity.*

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.

   Not applicable, as the Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Target (PAT) Scheme of the Government of India.

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

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	73,440	77,180
(iii) Third party water	3,20,988	3,51,351
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,94,428	4,28,531
Total volume of water consumption (in kilolitres)	3,94,428	4,28,531
Water intensity per rupee of turnover (Total water consumption (kilolitres) / Revenue from Operations)	0.00002	0.00002
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption (kilolitres) / Revenue from operations adjusted for PPP)	0.00038	0.00041
Water intensity in terms of physical output (Kilolitres/Metric Tonnes)	4	6.3
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	0	0
- With treatment -please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(iv) Sent to third parties		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharge (in kilolitres)	**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. No

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

   HEG Limited has implemented robust water resource management practices across all its operational sites, guided by its Water Resources Management Policy and Waste Water Management Policy. Effluent Treatment Plants (ETPs) are fully operational at all manufacturing facilities, ensuring 100% treatment of wastewater generated from operations.

   To further strengthen our commitment to sustainable water management, we have added a supplementary Sewage Treatment Plant (STP) to our existing ETP system. This integrated approach enhances our capability to treat and reuse both industrial and domestic wastewater.

   The treated water is reused within the plant premises for various non-potable applications such as gardening, cooling towers etc, thereby reducing dependence on freshwater sources and minimizing the water consumption and reflects our dedication to responsible environmental stewardship; we claimed ourself as a ZLD Plant.

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

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	MT	51.39	34.38
Sox	MT	149.15	112.92
Particulate matter (PM)	MT	145.47	160.36
Persistent organic pollutants (POP)	-	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	-	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	-	Not Applicable	Not Applicable
Others – please specify	-	Not Applicable	Not Applicable

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

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

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,78,393	1,34,263*
Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	3,06,219	2,66,839
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/rupee turnover	0.00002	0.00002

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
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)	tCO2e/rupee turnover adjusted for PPP	0.00047	0.00035
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO2e/Metric Tonnes	4.9	5.85
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

** Scope 1 emissions have been recalculated to include emissions resulting from packing grain loss*

***Grid emission factor has been updated to 0.727 kgCO_2e/kWh as per CEA Version 20. In the previous year, a factor of 1.716 kgCO_2e/kWh was used.*

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, the entity has undertaken multiple projects aimed at reducing Greenhouse Gas (GHG) emissions as part of its broader sustainability and decarbonization agenda. Key initiatives include:

- **Installation of Solar Power Plant**

  The Company successfully commissioned a 3 MW solar power plant in the previous financial year, reducing intake of grid electricity and contributing to the reduction of Scope 2 greenhouse gas emissions. Building on this progress, the Company is currently executing an additional 2.4 MW solar power project to further increase the share of renewable energy in its operations and advance its long-term carbon reduction objectives.

- **Hydrogen Blending with Natural Gas**

  The Company is actively exploring the blending of hydrogen with natural gas to reduce reliance on conventional fossil fuels and lower carbon emissions. This initiative leverages existing gas infrastructure and aligns with global clean energy goals. Technical feasibility, infrastructure requirements, and safety protocols are currently under evaluation.

- **Reduction in Diesel and Petrol Consumption**

  In the last financial year, the Company replaced three diesel-powered vehicles with electric vehicles (EVs), resulting in a 27% reduction in diesel consumption and a 9% reduction in petrol consumption. This marks a key milestone in the ongoing transition to a cleaner and more sustainable transport fleet.

- **Transition from Furnace Oil to Natural Gas**

  A structured initiative is underway to replace Furnace Oil with Natural Gas in operations. This shift is expected to reduce Scope 1 GHG emissions, improve combustion efficiency, and ensure compliance with evolving environmental norms.

- **Use of In-Plant Trucks for Efficient Transport**

  Introduced a 12 MT capacity truck to enhance internal logistics efficiency, along with two battery-operated forklifts, contributing to a reduction in diesel consumption.

- **Tree Plantation Drive within Plant Premises**

  As part of its carbon offset initiatives and commitment to biodiversity, the Company undertook the plantation of 1,061 trees within the plant premises during the year. This effort enhances green cover, supports ecological balance, and aids in long-term carbon sequestration.

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

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	249.9	208.14
E-waste **(B)**	8.9	2.32
Bio-medical waste **(C)**	0.0027	0.003312
Construction and demolition waste **(D)**	-	5
Battery waste **(E)**	4	-
Radioactive waste **(F)**	Nil	Nil
Other Hazardous waste. Please specify, if any. **(G)** (Oil waste, oil drums waste, cotton waste & Chemical waste)	65.1	40.44
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Garbage, paper waste, process waste, metallic scrap, electrical waste, old machinery, refractory waste, wood waste, horticulture waste.)	4,423.4	9160.504
Total (A+B + C + D + E + F + G + H)	**4,751.3**	**9416.41**
Waste intensity per rupee of turnover (Total waste generated (Metric Tonnes) / Revenue from operations)	0.0000002	0.0000004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated (Metric Tonnes) / Revenue from operations adjusted for PPP)	0.000005	0.000009
Waste intensity in terms of physical output (Metric Tonnes/Metric Tonnes)	0.05	0.14
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 tonnes)		
Category of waste		
(i) Recycled	2,508.3	1,332.77
(ii) Re-used	2,199.2	7,728.87
(iii) Other recovery operations	0	0
Total	**4,707.5**	**9,061.64**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.4	0.0033
(ii) Landfilling	43.2	349.76
(iii) Other disposal operations	0	5
Total	**43.6**	**354.76**

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 wastes.

At HEG Limited, we are committed to responsible and sustainable waste management as part of our broader environmental stewardship goals. Our approach is guided by a comprehensive Waste Management Policy, aligned with the globally recognized "waste hierarchy" approach, which emphasizes:

- Prevention of waste generation
- Reuse of materials where feasible
- Recycling of recoverable waste
- Safe and compliant disposal of residual waste

We have established structured procedures for the collection, segregation, storage, and disposal of different categories of waste, in strict compliance with applicable environmental laws and regulations.

Hazardous wastes generated at our facilities are carefully identified, safely segregated, and stored in designated areas before being handed over to authorized agencies certified by the State Pollution Control Board for environmentally sound disposal. Regular monitoring and analysis of hazardous waste streams are conducted to ensure regulatory compliance and to explore opportunities for source reduction.

In addition to the Waste Management Policy, the Company has also adopted the following supporting policies to reinforce its waste and resource management practices:

- Waste Disposal Policy
- E-Waste Management Policy
- Water Resources Management Policy
- Waste Water Management Policy

These policies collectively reflect our commitment to managing all forms of waste in a safe, efficient, and environmentally responsible manner.

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, as the Company does not have any operations/offices in/around ecologically sensitive areas.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No environmental impact assessment of projects was undertaken by the Company during the current Financial Year. Hence, this requirement is 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:

Yes, HEG Limited has complied with the applicable environmental laws/regulations/guidelines applicable in India.

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
Not Applicable, since there is no non-compliance with the applicable environmental laws/ regulations/ guidelines in India.				

Leadership Indicators

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

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

   (i) Name of the area: N.A.

   (ii) Nature of operations: N.A.

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

   Not Applicable, as we do not have any operations in areas of water stress.

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

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	3,60,639	3,60,255*
Total Scope 3 emissions per rupee of turnover		0.00002	0.00002
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: The following categories of Scope 3 greenhouse gas (GHG) emissions have been assessed and reported:

- *Category 1 Purchased goods and services*
- *Category 2 Capital goods*
- *Category 3 Fuel and energy related emissions*
- *Category 4 Upstream transportation*
- *Category 5 Waste generated in operations*
- *Category 6 Business travel*
- *Category 7 Employee commute*
- *Category 9 Downstream transportation*

**Scope 3 emissions for the previous reporting year were not disclosed in the BRSR of that year as the data collection and assessment were ongoing at the time of reporting. Subsequent to the end of the previous reporting year, the Company completed a comprehensive evaluation of its Scope 3 emissions. The calculated figures have now been included in the current year's BRSR under the section for previous year's data to ensure continuity, transparency, and completeness in disclosure.*

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 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Installation of Solar Power Plants	The Company successfully commissioned a 3 MW solar power plant in the previous financial year. This initiative is part of the Company's strategic transition toward clean energy and sustainable operations, significantly reducing reliance on grid-based electricity, which is primarily fossil-fuel dependent. Building on this success, the company has initiated the installation of an additional 2.4 MW solar power plant, currently under execution. Once operational, this will further increase the share of renewable energy in the Company's energy mix and contribute to long-term emission reduction goals.	- Energy consumption from renewable sources increased by 4% as compared to last year. - Enhanced renewable energy capacity, contributing to improved energy efficiency and climate resilience.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2.	Replacement of Diesel Vehicles with Electric Vehicles (EVs)	In line with our commitment to reducing fossil fuel consumption and vehicular emissions, the Company began transitioning its internal fleet from diesel-powered to electric vehicles. During the previous reporting period, three diesel vehicles were replaced with electric alternatives, contributing to more sustainable operations and a reduction in Scope 1 emissions.	- Achieved diesel savings of 15.5 kilolitres (KL) in FY 2024–25, representing a 26.8% reduction compared to FY 2023–24. - Direct contribution to reduced Scope 1 emissions from mobile combustion sources.
3.	Introduction of a 12 MT Capacity In-Plant Transport Truck and Battery-Operated Forklifts	To improve internal logistics efficiency and optimize material handling within the facility, the Company introduced a 12 MT capacity in-plant transport truck along with two battery-operated forklifts. These additions have enhanced intra-plant movement and operational productivity, supporting the Company's broader objective of reducing fuel consumption and improving resource efficiency.	- Diesel consumption reduced from 3.9 to 3.8 litres per Finished MT over the last six months. - Projected annual diesel savings of approximately 10,000 litres, contributing to lower operating costs and emissions. - Improved internal logistics and reduced environmental impact of plant operations.
4.	Afforestation and Biodiversity Efforts	As part of its commitment to environmental stewardship and biodiversity conservation, the Company undertook targeted afforestation activities during the reporting period. The initiative focused on enhancing green cover in and around its operational areas, aiming to improve local ecological balance and support habitat restoration efforts.	- A total of 1,061 saplings were planted during the reporting period. - The effort contributes to biodiversity enhancement, carbon sequestration, and microclimate improvement in the region.

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

   We at HEG Limited have a Business Continuity Policy and Onsite Emergency Plan. The purpose of having such Policy and Plan is to make sure that, in the event of an occurrence that might disrupt or endanger the Company, all business operations can be maintained at normal or nearly normal performance levels.

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 Company, being engaged in manufacturing operations, is part of a broad value chain involving upstream and downstream partners such as raw material suppliers, service providers, logistics partners, and customers. It is acknowledged that the various stages of this value chain may have environmental impacts, including emissions, resource consumption, and waste generation.

   At present, the Company has not identified or disclosed any specific significant adverse environmental impacts arising directly from its value chain. However, recognizing the potential for such impacts, the Company is taking steps to promote environmental responsibility across its operations and among its value chain partners.

   Some of the mitigation and adaptation measures undertaken include encouraging sustainable sourcing practices, complying with relevant environmental regulations, optimizing resource usage, and fostering greater awareness among suppliers and partners regarding sustainability goals. The Company remains committed to continuously improving its environmental performance and strengthening its value chain through collaborative and sustainable practices.

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

   79.6% of Upstream Value Chain Partners (by value of business done with such partners) were assessed for environmental impacts.

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

   a. By the listed entity: The Company has generated 71,180 Renewable Energy Certificates (RECs) for the FY 2024-25.

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: According to SEBI's circular issued on 28 March 2025, Green Credits has been identified as a new non-mandatory leadership indicator. HEG is committed to incorporate this in Value Chain Partners disclosures from FY 2025-26 onwards, in line with SEBI's guidelines.

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.

   6

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Export Organisations (FIEO)	National
2	Chemical and Allied Export Promotion Council (CAPEXIL)	National
3	PHD Chamber of Commerce and Industry (PHDCCI)	National
4	Federation of India Chambers of Commerce and Industry (FICCI)	National
5	Confederation of Indian Industry (CII)	National
6	Quality Circle Forum of India	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
Not Applicable, since the Company has not received any adverse order from any regulatory authorities on any issues relating to anti-competitive conduct.		

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 public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others- please specify)	Web Link, if available
HEG Limited is a member of various industrial and trade bodies and is part of task forces and forums within these bodies, wherein the Company actively participates in these forums to promote and pursue numerous issues that are in the greater interests of its stakeholders, industry as a whole, economy, society and general public.					

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, as there were no projects that required SIA based on applicable laws in the current year.					

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 INR)
Not Applicable, as there were no projects requiring R&R.						

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

Grievances from the community can be submitted via email to heg.mbp@lnjbhilwara.com. Additionally, community members may approach the Human Resources team at any of the Company's plant locations to raise concerns or submit complaints.

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

	FY 2024-25 Current Financial Year	FY 2023-24* Previous Financial Year
Directly sourced from MSMEs/ small producers	9.85%	18.93%
Directly from within India	32.34%	41.43%

The previous year's figures have been revised and restated.

Note: For this Indicator, the Company has considered only input materials, excluding services and capital procurement items.

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

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	2%	2%
Semi-Urban	90%	89%
Urban	-	-
Metropolitan	8%	9%

(Place to be categorized as per RBI classification system – rural / semi – urban / urban / metropolitan)

**The aforesaid calculations have been provided on the basis of Cost to the Company.*

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable, as there were no projects that required SIA based on applicable laws in the current year.	

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

S. No.	State	Aspirational District	Amount Spent (In ₹)
The Company has not undertaken any CSR projects in designated aspirational districts as identified by the government bodies during the current financial year.			

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

No, as of now the Company does not have a preferential procurement policy where it gives preference to purchase from suppliers comprising marginalized/vulnerable groups.

(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
Not Applicable				

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

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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Projects	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Apna Ghar Ashram	550	100%
2	Akshay Patra Foundation	50,000	100%
3	Global Vikas Trust	25,700	100%
4	Graphite Higher Secondary School	1,900*	12%

**Note: Includes 66 as School staffs*

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.

The Company has established robust mechanisms to receive, address, and monitor consumer complaints and feedback in a timely and effective manner. All consumer complaints are handled in accordance with a well-defined Standard Operating Procedure (SOP), ensuring that every complaint is acknowledged and responded to within 48 hours. To enhance customer experience and responsiveness, the Company has implemented a formal Grievance Redressal Policy supported by a dedicated customer service team. This team is responsible for managing and resolving grievances efficiently and works in close coordination with senior management to escalate issues where necessary. In addition, the Company regularly collects and reviews customer satisfaction feedback to identify areas for improvement. Insights from this feedback help the organization enhance its processes, policies, and employee interactions, ensuring continuous improvement in customer service.

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

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

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

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential Services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Others (Technical Complaints)	50	45	1. Closure is in progress for 11 cases. 2. Improved material has been supplied and is currently under evaluation at the customer's end; feedback is awaited. 3. Further dispatches are planned in certain cases based on ongoing assessments and customer coordination. 4. In a few cases, there has been limited or no response from the customer despite follow-up efforts.	19*	0**	-

**The number of customer complaints disclosed for the previous year (FY 2023-24) has been revised and restated to include three additional complaints that were subsequently registered for FY 2023-24 only, based on confirmation received from the customer.*

***All customer complaints that were disclosed as pending resolution as at the end of FY 2023-24 have been subsequently addressed and closed as of the reporting date.*

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	

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 Policy on Cyber Security and risks related to data privacy, which can be accessed at http://hegltd.com/Policies/Group_IT_Policy.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, as neither any complaints with respect to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls were received during the reporting period nor any penalties were paid to, or actions were taken by regulatory authorities on account of safety of products / services.

7. Provide the following information relating to data breaches:

a.	Number of instances of data breaches	No instances of data breaches were identified.
b.	Percentage of data breaches involving personally identifiable information of customers	Not Applicable, as no instances of data breaches were identified.
c.	Impact, if any, of the data breaches	Not Applicable, as no instances of data breaches were identified.

Leadership Indicators

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

   Information on products and services of the Company can be accessed at the Company's official website i.e., www.hegltd.com

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

   The Company is committed to promoting the safe, efficient, and responsible usage of its products and services. To this end, several proactive steps are taken to inform and educate consumers, which include:

   - **Customer Training Programs:** The Company conducts training sessions to educate customers on the effective use of its products, with a particular focus on process efficiency and optimal energy utilization.
   - **Value-Added Services:** As part of its customer support, the Company offers complimentary services that include special application analyses. These help customers optimize product use and reduce energy consumption.
   - **Material Safety Data Sheets (MSDS):** All relevant products are accompanied by MSDS that provide comprehensive information on safe handling, storage, usage, and disposal to ensure user safety and regulatory compliance.
   - **Product Marking:** Clear and standardized markings are used on products to communicate key information such as weight, dimensions, and location-specific details to assist in correct installation and usage.
   - **Handling and Packing Instructions:** Every shipment includes detailed instructions on safe methods for handling, packing, and unpacking the products to minimize the risk of damage or injury.

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

   The Company has established a robust Business Continuity Plan (BCP) to proactively manage and respond to any potential disruptions or discontinuation of its services.

   In the event of any risk or occurrence of service disruption, the Company promptly informs affected customers through appropriate communication channels, which may include direct emails, official letters, phone calls, or updates via digital platforms, depending on the nature and urgency of the situation.

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

   Yes, the Company displays product information beyond what is legally mandated. Each product is assigned a unique identification number to ensure complete traceability up to the point of end use. Product packaging is also labelled with essential information such as safe handling instructions, product specifications, origin details, and treatment stamps (e.g., for wood, where applicable), to support responsible usage and enhance transparency for customers.

   Yes, the Company conducts structured customer satisfaction surveys covering its major products and operations. These surveys are conducted through a standardized questionnaire, and customer feedback is systematically collected and analyzed. The insights gained help the Company better understand customer expectations and are used as key inputs for strategic planning and investment decisions.

   The surveys typically assess performance on the following parameters:

   - Product Quality
   - Delivery Performance
   - Container Stuffing
   - Packaging
   - Technical Support (Material & Operations)
   - Documentation
   - Responsiveness in Communication