

# AUTOMOTIVE AXLES LIMITED

05<sup>th</sup> January 2026

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

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

**Attn: Listing Department**

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 - ESG Rating.**

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company has received an intimation from **SES ESG Research Private Limited** (SES ESG), a SEBI registered ESG Rating Provider, informing that the Company has been assigned an ESG score of '71.0' for 2025, reflecting an improvement over the score of '68.8' for 2024 through their [Report](#).

SN	Company Name	Sector	ESG Score	Environment	Social	Governance	Latest Report Date	Coverage
1.	Automotive Axles Limited	Automobile And Auto Components	71	58.8	74.2	79.7	02-01-2026	Active

It is informed that the Company has not engaged SES ESG for the purpose of this ESG rating assessment and the rating has been independently determined and assigned by SES ESG based on public disclosures made by the Company during 2024-25.

Kindly note that the aforesaid information will be available on our website [www.autoaxle.com](http://www.autoaxle.com)

This is for your information and record.

Thanking you,

Yours Truly,

For **Automotive Axles Limited**

**Debadas Panda**  
**Company Secretary & Compliance Officer**

Encl : As above



**Regd. Office & Mysuru Unit :**

Hootagalli Industrial Area, Off Hunsur Road, Mysuru – 570 018, Karnataka, India

Telephone : 91-821-719 7500, Fax : 91-821-2402451

Email : [info@autoaxle.com](mailto:info@autoaxle.com) Website : [www.autoaxle.com](http://www.autoaxle.com)

CIN : L51909KA1981PLC004198

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



SES ESG Research Pvt. Ltd. (SES ESG) is registered with SEBI as an ESG Rating Provider under Category II

SES ESG is a wholly owned subsidiary of Stakeholders Empowerment Services, a not for profit organisation

**ESG REPORT  
2025**

# AUTOMOTIVE AXLES LIMITED

Automotive Axles Limited ('AAL' or 'the Company') is primarily engaged in manufacturing of axles and brakes at Mysore, Rudrapur and Jamshedpur.

SEBI REGISTRATION #:

IN/ERP/Category-II/0002

Rating based on FY 2024-25 Data

 Last updated on 2<sup>nd</sup> Jan, 2026

[www.autoaxle.com](http://www.autoaxle.com)

BRSR Reporting | Standalone

 BRSR (FY 2024-25) | [Weblink](#)

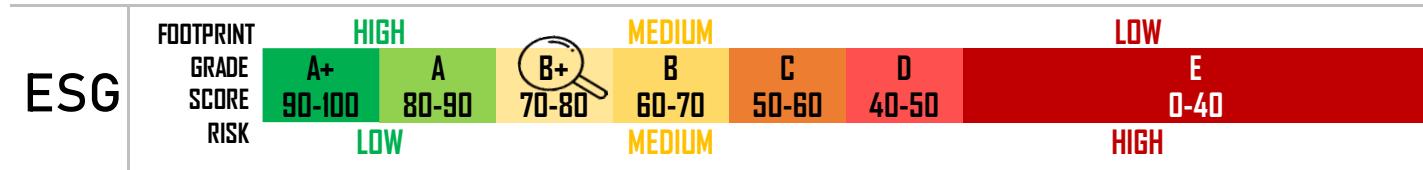
# of Plants | 3

# of Offices | 1

INDUSTRY CLASSIFICATION	ASSURANCE / ASSESSMENT REPORTING		ESG SCORE (ADJUSTED)			
	NAME	TYPE	2024	2025	YOY Change	
Auto Components & Equipment's	Disclosed as "Not Applicable"	Disclosed as "Not Applicable"	68.8	71.0	▲ 2.2	

Source: NSE / SEBI – SIC: SEBI - Standardization of Industry Classification (SEBI Circular)

Note: "Wherever you see "Red" think of future improvement"

 Note: Scoring is out of 100 | For Scoring explanation – Refer [Annexure](#)


## HIGHLIGHTS

- AAL has set target to achieve 80% energy from renewable sources, 80% low emission vehicle, 80% reduction in carbon footprint and end of life product 98% recyclable by 2028.
- ~52.12% energy consumed through renewable sources during the FY 2024-25.
- No operations/offices in/around ecologically sensitive areas.
- Non-compliance with emission control requirements under the Air (Prevention and Control of Pollution) Act, 1981.
- Turnover rate of permanent employees and workers has increased during the FY 2024-25 compared to previous year.
- Zero Fatalities in last three years. However, 1 High consequence work-related injury related to worker reported during the FY 2024-25.
- The Statutory Auditors have not made any qualifications in their Report with respect to the financial statements for the last 3 FYs.
- The Company had proposed Ordinary Resolution for re-appointment of Dr. B. N. Kalyani, NED, who has attained the age of 75 years, which is non-compliant with SEBI LODR 2015.

 For further details on pillar wise summary – [Read more](#)

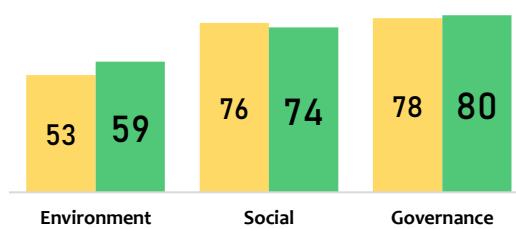
RATING SENSITIVENESS		
FACTORS	% WEIGHT OUT OF 100	
Audit & Financial Reporting	G	10.00
Board Independence & Diversity	G	8.00
Product / Service Quality	S	7.83
CSR, Community Relations & Engagement	S	6.43
Stakeholders Engagement, Ownership & Control	G	6.00

 Note: Rating Sensitiveness refers to factors that could have the potential to impact the ESG profile of the entity. ([Read More](#))

## EVALUATION FACTORS

(Adjusted Scores &amp; Weights)

2024 | 2025

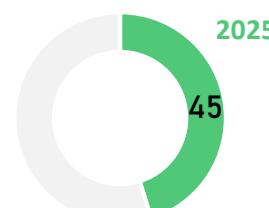


35% | 25% | 40%

 Note: Industry Risk (IR) / Controversy Adjusted Score  
 Refer [ESG Scorecard](#) for details  
 For SES ESG Evaluation Methodology – [Click here](#)

## PARIVARTAN SCORE (Transition)

[Based on quantitative parameters only]



Weightage: 10.9%

Analyses y-o-y change on key quantitative parameters

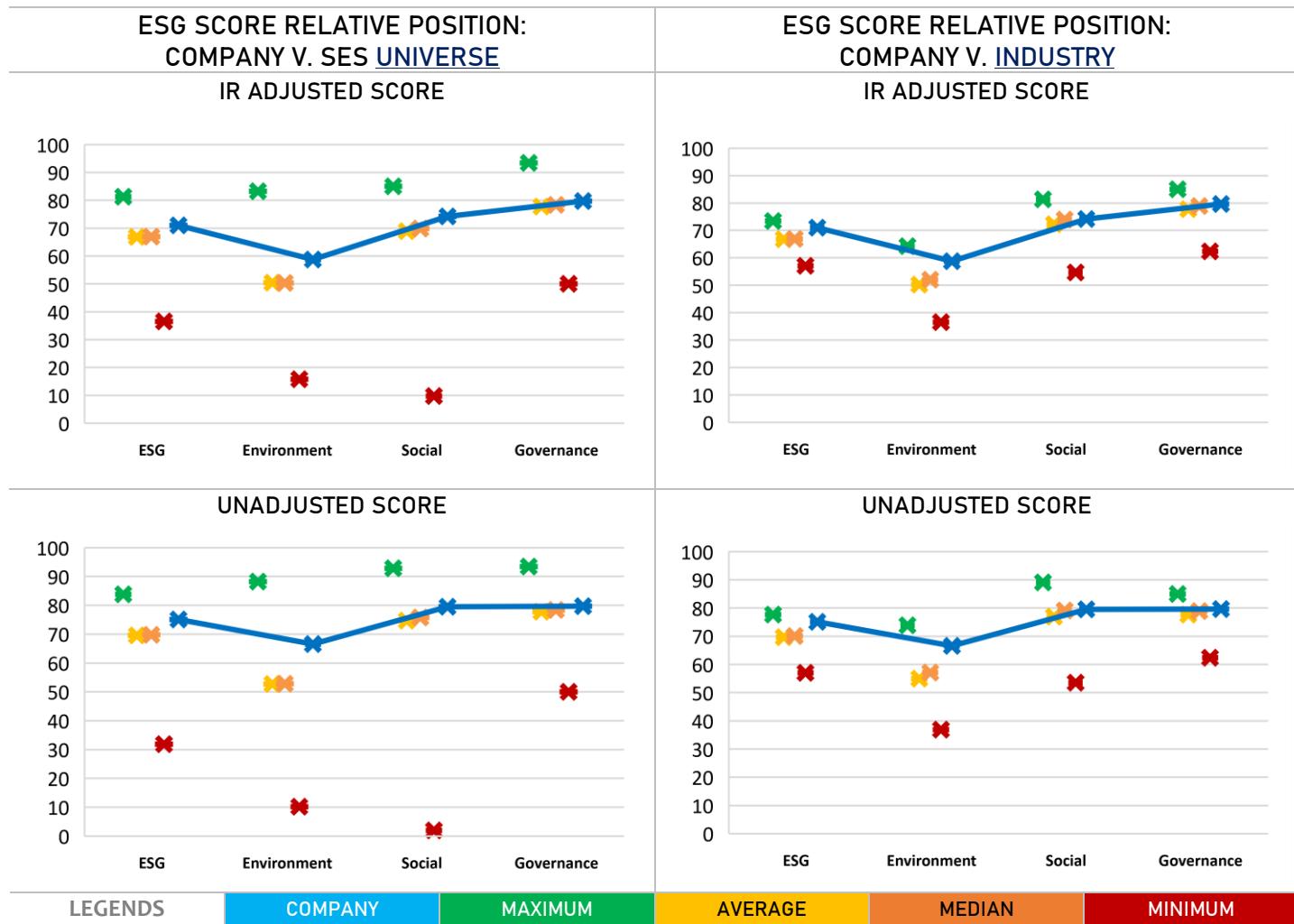
## SASB: INDUSTRY RISK EXPOSURE

CATEGORISATION	Low Risk	Medium Risk	High Risk
	Company's Industry Risk		
			

## SCORECARD - ESG

ESG CATEGORIES & SCORE	AS PER SES MODEL Year: 2025			AS PER	SECTOR AGNOSTIC Year: 2025
	RAW SCORE	CONTROVERSY EXPOSURE (CE)	CE ADJUSTED SCORE	INDUSTRY RISK EXPOSURE (IR)	IR ADJUSTED SCORE
	(A)	(B)	(C) (A*B)	(D)	(C*D)^
<b>ESG</b>	<b>75.1</b>	-	<b>75.1</b>	-	<b>71.0</b>
ENVIRONMENT*	66.6	-	66.6	35.3	58.8
SOCIAL*	79.5	-	79.5	58.2	74.2
GOVERNANCE*	79.7	-	79.7	-	79.7

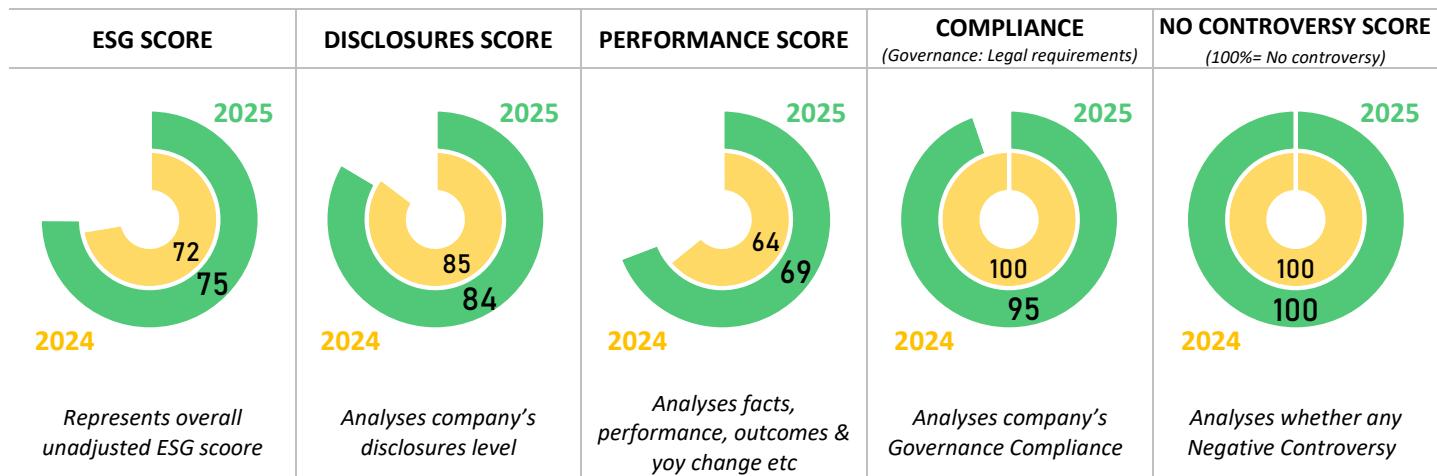
\*Note: For Score Adjustments Scoring – Refer explanation at [Annexure](#) | ^Adjusted Score is calculated based on 75% (C) Score & 25% Risk Exposure (D)



Note: Presently SES Universe refers to companies covered by SES (724) & their scores based on FY 2023-24 data

## SCORECARD – ESG

(UNADJUSTED)



ESG Scores are result of disclosures as well as performance, scored separately. The above scores are based on overall ESG parameters. Detailed breakup E, S & G pillar wise score is given on next page.

## ECOSYSTEM ANALYSIS

INPUT INDUSTRY RISK			COMPANY INDUSTRY RISK			OUTPUT INDUSTRY RISK			
INDUSTRY	E	S	COMPANY	Automotive Axles Limited			INDUSTRY	E	S
Industrial Products	39	57	Automotive Axles Limited			Road Transport			
Iron & Steel	17	58	Auto Components & Equipment's			Passenger Cars & Utility Vehicles			
Integrated Power Utilities	28	51	E 35 S 58			Trading - Auto Components			
Diversified Metals	10	48				Auto Dealer			
						Commercial Vehicles			

*Note: Selection of above Industry is done by SES based on information disclosed & SASB SICS. Industry Risk scores is calculated based on SASB Materiality Map / Standards. | Numeric figures represent particular Industry Risk Exposure (in the scale of 0-100 where 0 represent high risk)*

**ECOSYSTEM ANALYSIS:** SES is of the opinion that no business operates in isolation. Most business have connectivity with its input supplier on one hand and consumers at other hand. It is unlikely that the business in middle will be unaffected by risks at either end and same holds true for ESG risks. For example, if due to ESG issues, there are regulatory action on input supply side companies, the risk will travel to the user company as well and vice versa.

While at present SES is not rating or scoring any company based on entire eco-system, however eventually scoring will cover both ends of business connectivity-input and output. Till such time SES develops a metric, users may take a note of input and output side Industry risks.

**LEGENDS - Following general symbols are used throughout this report to represent company's disclosures & practices:**

✓	Criteria achieved/ Disclosures made
✗	Criteria not achieved/ No disclosure made
■	No analysis possible: Pre-requisite disclosures not made (Negative Score)
■	Not applicable / Not scored

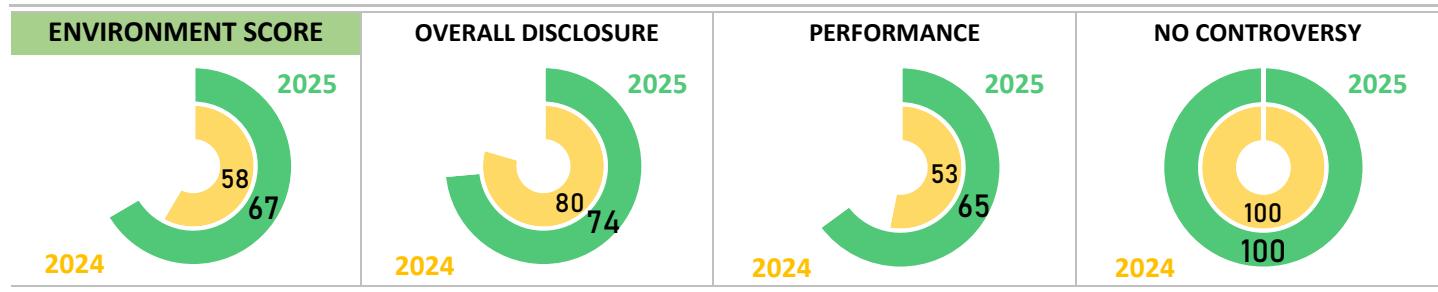
*Note: In case the Company has not disclosed information (E.g. No Policy related disclosure), SES has considered it that it is not in practice (E.g. Policy is not prepared) ([Read more](#))*



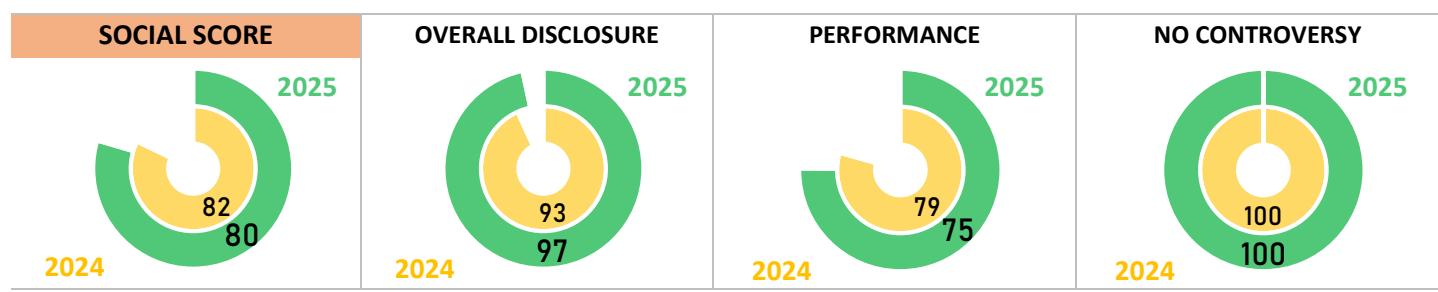
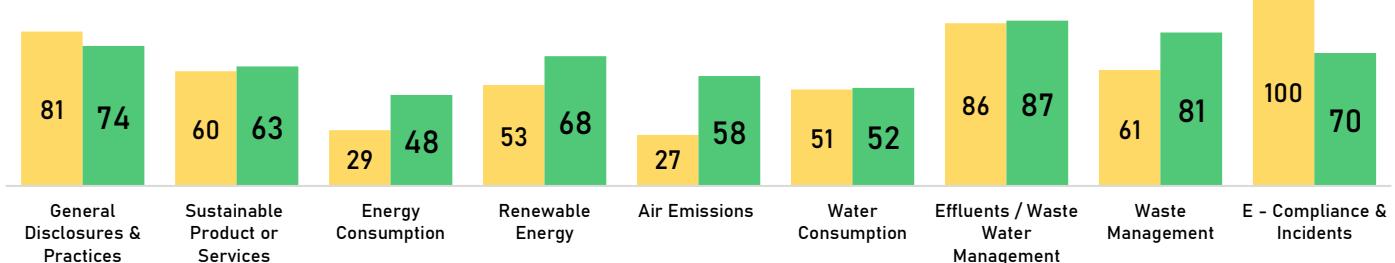
## ESG REPORT

## SCORECARD – ESG PILLARS

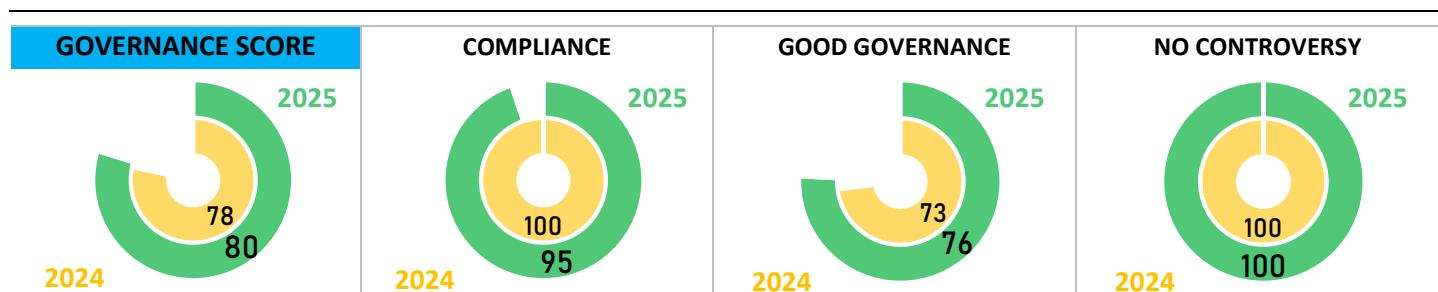
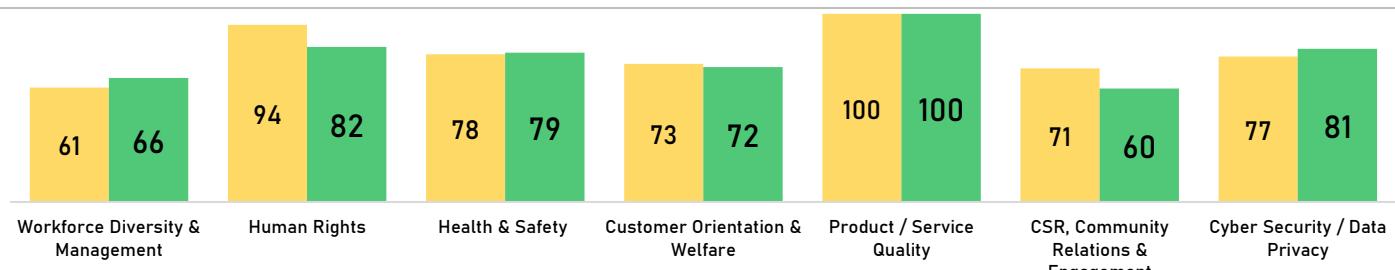
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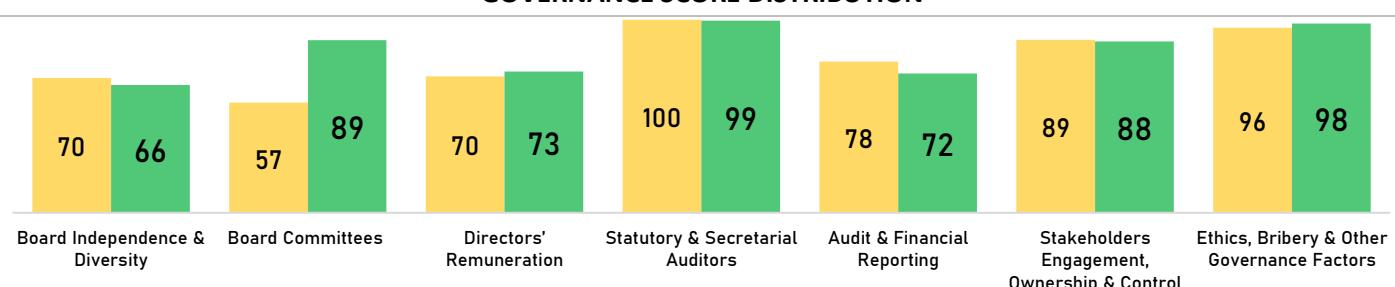
## ENVIRONMENT SCORE DISTRIBUTION



## SOCIAL SCORE DISTRIBUTION



## GOVERNANCE SCORE DISTRIBUTION



## ESG REPORT

## CORE PARAMETERS

Scoring in this section is done purely based on the SEBI identified Core Parameters from BRSR.

## ASSURANCE STATUS

Applicability	No	Provider Name	-	ASSURANCE STATUS		
				FULLY ASSURED	PARTIALLY ASSURED	UNASSURED
<b>CORE ESG SCORE</b> [Disclosure of Core Parameters] [Weight: 20%]			NA	NA	NA	100
<b>CORE PARIVARTAN SCORE</b> [y-o-y change / transition] [Weight: 80%]			NA	NA	NA	51
<b>CORE COMBINED SCORE</b> [combination of Core ESG & Core Parivartan Score]			NA	NA	NA	61
<i>Impact on Scores (weightage):</i>			NA	NA	NA	9.5%

**Comments:** Assurance was not applicable to the Company for FY 2024-25. It has made adequate disclosures on core indicators in BRSR for FY 2024-25.

## GREEN-HOUSE GAS (GHG) FOOTPRINT

PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Total Scope 1 emissions</b>	MtCO2e	No	6,595.92	4,842.00	⬇️
<b>Total Scope 2 emissions</b>	MtCO2e	No	6,394.51	2,025.91	⬇️
<b>GHG Emission Intensity (Scope 1 + 2)</b> [Total Revenue from Operations adjusted for PPP]	MtCO2e/Crore USD	No	120.395	69.717	⬇️
<b>GHG Emission Intensity (Scope 1 + 2)</b> [Total Output of Product or Services]	MtCO2e/Unit	No	0.027	0.019	⬇️

## WATER FOOTPRINT

PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Total water consumption</b>	KL	No	1,20,289.00	1,71,685.00	⬆️
<b>Water consumption intensity</b> [Total Revenue from Operations adjusted for PPP]	KL/Crore USD	No	1,114.840	1,742.783	⬆️
Water consumption intensity [Total Output of Product or Services]	KL/Unit	No	0.246	0.478	⬆️

## WATER DISCHARGE BY DESTINATION AND LEVELS OF TREATMENT

PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
(i) To Surface water - <b>No treatment</b>	KL	No	0.0	0.0	-
(i) To Surface water - <b>With treatment</b>	KL	No	0.0	0.0	-
(ii) To Groundwater - <b>No treatment</b>	KL	No	0.0	0.0	-
(ii) To Groundwater - <b>With treatment</b>	KL	No	0.0	0.0	-
(iii) To Seawater - <b>No treatment</b>	KL	No	0.0	0.0	-
(iii) To Seawater - <b>With treatment</b>	KL	No	0.0	0.0	-
(iv) Sent to third-parties - <b>No treatment</b>	KL	No	0.0	0.0	-
(iv) Sent to third-parties - <b>With treatment</b>	KL	No	0.0	0.0	-
(v) Others - <b>No treatment</b>	KL	No	0.0	0.0	-
(v) Others - <b>With treatment</b>	KL	No	54,622.0	61,185.0	-
<b>Total water discharged</b> - <b>No treatment</b>	KL	No	54,622.0	61,185.0	-
- <b>With treatment</b>	KL	No	54,622.0	61,185.0	-



## ESG REPORT

ENERGY FOOTPRINT					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Total energy consumed</b>	GJ	No	2,09,280.75	1,77,861.25	⬇️
<b>% of energy consumed from renewable sources</b>	%	No	35.62	52.12	⬆️
<b>Energy intensity</b> [Total Revenue from Operations adjusted for PPP]	GJ/Crore USD	No	1,939.616	1,805.478	⬇️
<b>Energy intensity</b> [Total Output of Product or Services]	GJ/Unit	No	0.428	0.496	⬆️

EMBRACING CIRCULARITY - DETAILS RELATED TO WASTE MANAGEMENT BY THE ENTITY					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Plastic waste (A)</b>	MT	No	327.00	289.00	⬇️
<b>E-waste (B)</b>	MT	No	4.80	5.00	⬆️
<b>Bio-medical waste (C)</b>	MT	No	0.02	0.04	⬆️
<b>Construction and demolition waste (D)</b>	MT	No	0.00	0.00	-
<b>Battery waste (E)</b>	MT	No	0.00	0.54	⬆️
<b>Radioactive waste (F)</b>	MT	No	0.00	0.00	-
<b>Other Hazardous waste (G)</b>	MT	No	266.00	361.40	⬆️
<b>Other Non-hazardous waste (H)</b>	MT	No	13,938.00	14,051.00	⬆️
<b>Total waste generated</b>	MT	No	14,536.00	14,707.00	⬆️
<b>Waste intensity</b> [Total Revenue from Operations adjusted for PPP]	MT/Crore USD	No	134.72	149.29	⬆️
<b>Waste intensity</b> [Total Output of Product or Services]	MT/Unit	No	0.030	0.041	⬆️
<b>Waste Recovered: Recycled</b>	MT	No	8,306.00	13,456.00	⬆️
<b>Waste Recovered: Re-Used</b>	MT	No	1,705.00	1,581.00	⬇️
<b>Waste Recovered: Others</b>	MT	No	1,705.00	1,581.00	⬇️
<b>Total Waste Recovered</b>	MT	No	11,716.00	16,618.00	⬆️
<b>Waste Disposed: Incineration</b>	MT	No	265.00	355.00	⬆️
<b>Waste Disposed: Landfilling</b>	MT	No	0.00	0.00	-
<b>Waste Disposed: Others</b>	MT	No	261.00	191.00	⬇️
<b>Total Waste Disposed</b>	MT	No	526.00	546.00	⬆️

ENHANCING EMPLOYEE WELLBEING AND SAFETY					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Cost incurred on well-being measures as a % of total revenue of the company</b>	%	No	0.28	0.35	⬆️
<b>Number of Permanent Disabilities</b>	Number	No	0	1	⬆️
<b>Lost Time Injury Frequency Rate (LTIFR) [per one million-person hours worked]</b>	per one million-person hours worked	No	0.62	0.55	⬇️
<b>Number of fatalities</b>	Number	No	0	0	-

ENABLING GENDER DIVERSITY IN BUSINESS					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
<b>Gross wages paid to females as % of wages paid</b>	%	No	3.00	4.00	⬆️
<b>Total Complaints on Sexual Harassment (POSH) reported</b>	Number	No	0	0	-
<b>Complaints on POSH as a % of female workforce</b>	%	No	0.00	0.00	-
<b>Complaints on POSH upheld</b>	Number	No	0	0	-



## ESG REPORT

ENABLING INCLUSIVE DEVELOPMENT					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
Directly sourced from MSMEs/ small producers	%	No	32.00	24.00	⬇️
Directly sourced from within India	%	No	97.00	97.00	-
Job creation in smaller towns – Wages paid to persons employed in smaller towns as % of total wage cost					
- Rural	%	No	0.00	0.00	-
- Semi-Urban	%	No	0.00	0.00	-
FAIRNESS IN ENGAGING WITH CUSTOMERS AND SUPPLIERS					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
Percentage of data breaches involving personally identifiable information of customers	%	No	0	0	-
Number of days of accounts payable	Days	No	65	75	⬆️
OPEN-NESS OF BUSINESS					
PARAMETERS	UNIT	ASSURANCE	2024	2025	PARIVARTAN
Purchases from trading houses as % of total purchases	%	No	0.00	0.00	-
Number of trading houses where purchases are made from	Number	No	0	0	-
Purchases from top 10 trading houses as % of total purchases from trading houses	%	No	0.00	0.00	-
Sales to dealers / distributors as % of total sales	%	No	0.00	0.00	-
Number of dealers / distributors to whom sales are made	Number	No	0	0	-
Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	%	No	0.00	0.00	-
Share in RPTs: Purchases [Purchases with related parties / Total Purchases]	%	No	1.81	2.00	⬆️
Share in RPTs: Sales [Sales to related parties / Total Sales]	%	No	80.36	82.02	⬆️
Share in RPTs: Loans & advances [Loans & advances given to related parties / Total loans & advances]	%	No	0.00	0.00	-
Share in RPTs: Investments [Investments in related parties / Total Investments made]	%	No	1.12	2.17	⬆️



# SUSTAINABLE DEVELOPMENT GOALS

Company has disclosed Mapping of SDG Goals or provided Reference

✗

✓	SDG Mapped/ Disclosures made
✗	SDG not mapped/ No disclosure made

<b>1</b> NO POVERTY 	<b>2</b> ZERO HUNGER 	<b>3</b> GOOD HEALTH AND WELL-BEING 	<b>4</b> QUALITY EDUCATION 	<b>5</b> GENDER EQUALITY 
✗	✗	✗	✗	✗
<b>6</b> CLEAN WATER AND SANITATION 	<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	<b>10</b> REDUCED INEQUALITIES 
✗	✗	✗	✗	✗
<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>13</b> CLIMATE ACTION 	<b>14</b> LIFE BELOW WATER 	<b>15</b> LIFE ON LAND 
✗	✗	✗	✗	✗
<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 			<b>17</b> PARTNERSHIPS FOR THE GOALS 	
✗			✗	

**Note:** "The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States". | [SDG Official Website](#)

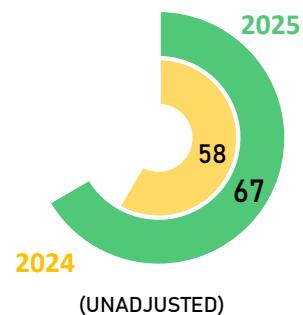




## ENVIRONMENT

(W: 35%)

SES evaluates a company's disclosures concerning the environmental impact of its operations, along with measures undertaken to mitigate such impacts. The analyses also assess whether the Company has made progress in reducing its environmental footprint and whether it is meeting the sustainability targets it has set for itself.



EVALUATION CATEGORIES	WEIGHTAGE	SCORE & QUARTILE					
		OVERALL		DISCLOSURE		PERFORMANCE	
		2024	2025	2024	2025	2024	2025
General Disclosures & Practices	14.29%	81	74	83	72	81	74
Sustainable Product or Services	7.14%	60	63	89	97	53	54
Energy Consumption	16.67%	29	48	73	79	19	40
Renewable Energy	8.33%	53	68	78	89	47	63
Air Emissions	12.5%	27	58	61	76	18	53
Water Consumption	7.14%	51	52	76	83	44	44
Effluents / Waste Water Management	8.33%	86	87	88	90	85	86
Waste Management	16.67%	61	81	80	92	56	80
E - Compliance & Incidents	8.93%	100	70	100	29	100	92

Note: ● - Last Quartile (0-25) (Poor Performance), ● - 3<sup>rd</sup> Quartile (25-50), ● - 2<sup>nd</sup> Quartile (50-75), ● - 1<sup>st</sup> Quartile (75-100) (Best Performance)

	<ul style="list-style-type: none"> <li>The entity does not have operations/offices in/around ecologically sensitive areas.</li> <li>AAL has certification of Environmental Management System (<a href="#">ISO 14001:2015</a>).</li> <li>AAL has published Health, Safety and Environment Policy on its website. (<a href="#">Link</a>)</li> <li>The entity has procedures in place for sustainable sourcing and 38% of inputs were sourced sustainably.</li> <li>15.56% capital expenditure (Capex) investments made in specific technologies to improve the environmental and social impacts of product and processes during the FY 2024-25.</li> <li>Total energy consumption and GHG (Scope 1+2) emission has decreased during the FY 2024-25 compared to previous year. Also reported decrease in intensity related to turnover, adjusted for PPP and physical output except turnover related to physical output of energy.</li> <li>AAL has set target to achieve 80% energy from renewable sources, 80% low emission vehicle, 80% reduction in carbon footprint and end of life product 98% recyclable by 2028. (<a href="#">Link</a>)</li> <li>Renewable energy consumption has increased y-o-y in each of the last three years compared to FY 2021-22. ~52.12% energy consumed through renewable sources during the FY 2024-25.</li> <li>Scope 3 emission has decreased during the FY 2024-25 compared to previous year. Also, reported decrease in intensity related to turnover and physical output/relevant metric.</li> <li>Other categories of emissions (NOx, SOx, Particulate matter (PM), Volatile organic compounds (VOC), etc) has decreased during the FY 2024-25 compared to previous year.</li> <li>No facility / plant located in areas of water stress.</li> <li>100% water discharged with treatment.</li> <li>~96.29% of waste recovered through recycling, re-using and other recovery operations. However, the company has recovered more the waste generated during the FY 2024-25.</li> </ul>
	<ul style="list-style-type: none"> <li>AAL has not disclosed if the company operate in green or environmentally friendly offices or buildings.</li> <li>AAL has not disclosed information related to green credit.</li> <li>AAL has not conducted Life Cycle Assessments (LCA) for any of its products.</li> <li>Total water consumption and waste generation has increased during the FY 2024-25 compared to previous year. Also, reported increase in intensity related to turnover, adjusted for PPP and physical output.</li> <li>Non-compliance with emission control requirements under the Air (Prevention and Control of Pollution) Act, 1981. (Refer <a href="#">#49</a> page of Annual report 2025)</li> </ul>
	<ul style="list-style-type: none"> <li>AAL has not disclosed if the company operate in green or environmentally friendly offices or buildings.</li> <li>AAL has not disclosed information related to green credit.</li> <li>AAL has not conducted Life Cycle Assessments (LCA) for any of its products.</li> <li>Total water consumption and waste generation has increased during the FY 2024-25 compared to previous year. Also, reported increase in intensity related to turnover, adjusted for PPP and physical output.</li> <li>Non-compliance with emission control requirements under the Air (Prevention and Control of Pollution) Act, 1981. (Refer <a href="#">#49</a> page of Annual report 2025)</li> </ul>



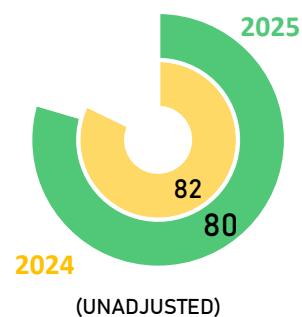
## ESG REPORT



## SOCIAL

(W: 25%)

SES analyses company's disclosures regarding its relationship with human capital and other stakeholders. This includes an evaluation of the practices and policies adopted to ensure fair and equitable treatment of all stakeholders, as well as an assessment of the company's performance in implementing these policies and demonstrating tangible outcomes over time.



EVALUATION CATEGORIES	WEIGHTAGE	SCORE & QUARTILE					
		OVERALL		DISCLOSURE		PERFORMANCE	
		2024	2025	2024	2025	2024	2025
<b>Workforce Diversity &amp; Management</b>	7.6%	61	66	74	95	57	58
<b>Human Rights</b>	5.03%	94	82	100	100	93	78
<b>Health &amp; Safety</b>	12.51%	78	79	100	100	73	74
<b>Customer Orientation &amp; Welfare</b>	8.94%	73	72	100	97	67	65
<b>Product / Service Quality</b>	31.28%	100	100	100	100	100	100
<b>CSR &amp; Community Relations</b>	25.7%	71	60	92	93	66	52
<b>Cyber Security / Data Privacy</b>	8.94%	77	81	70	90	79	79

Note: ● - Last Quartile (0-25) (Poor Performance), ● - 3<sup>rd</sup> Quartile (25-50), ● - 2<sup>nd</sup> Quartile (50-75), ● - 1<sup>st</sup> Quartile (75-100) (Best Performance)

	<ul style="list-style-type: none"> <li>Retirement benefits such as PF and Gratuity provided to 100% eligible workforce.</li> <li>Cost incurred on well-being measures as a % of total revenue of the company has increased during the FY 2024-25 compared to previous year.</li> <li>Over the past three years, zero complaints reported related to sexual harassment, discrimination at workplace, child, force labour, wages and other human rights related issues.</li> <li>Zero fatalities reported in the last three years.</li> <li>Lost Time Injury Frequency Rate (LTIFR) and total recordable work-related injuries of workers has decreased during the FY 2024-25 compared to previous year.</li> <li>Zero complaints reported related to working conditions and health &amp; safety in the last three years.</li> <li>During the last 3 FYs, zero complaints reported related to data privacy, advertising, cyber security, delivery of essential services, restrictive trade practices and unfair trade practices.</li> <li>Zero customer complaints reported in the last three years.</li> <li>AAL has certification of Occupational health and safety management systems (<a href="#">ISO 45001:2018</a>) and Quality Management System (<a href="#">ISO 9001:2015</a>) (<a href="#">IATF 16949:2016</a>).</li> <li>Zero instances of product recall on accounts of safety / quality issues reported in the last two years.</li> <li>Zero case of data breach reported in the last three years.</li> </ul>
	<ul style="list-style-type: none"> <li>Only ~4.09% women representation in the total workforce.</li> <li>Turnover rate of permanent employees and workers has increased during the FY 2024-25 compared to previous year.</li> <li>AAL has reported return to work and retention rate of permanent employees and workers as "0" and has provided no explanation for the same.</li> <li>Training on skill upgradation and health &amp; safety not provided to any non-permanent workers.</li> <li>Training on human rights issues and policy(ies) of the entity not provided to all workers.</li> <li>Material gap (more than 20%) reported in the median remuneration comparison of male and female employees.</li> <li>As disclosed, well-being benefits such as health, accident insurance not provided to all non-permanent workers, paternity benefits and day care facilities not provided to any workforce.</li> <li>1 High consequence work-related injury related to worker reported during the FY 2024-25. (PY: 0)</li> <li>Number of days of accounts payable has increased from 65 days in the FY 2023-24 to 75 days during the FY 2024-25.</li> <li>0% Job creation in smaller towns - Rural &amp; Semi-Urban in the last three years.</li> <li>Not disclosed if the company has IT related Certification (E.g. ISO/IEC 27001), if any.</li> </ul>

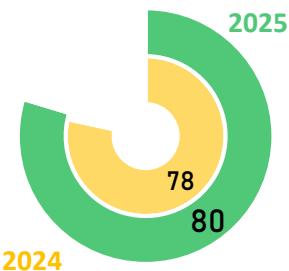




## GOVERNANCE

(W: 40%)

SES evaluates companies against applicable legal mandates and leading governance standards. The analysis includes a detailed review of Board composition, director remuneration, committee constitution, and the effectiveness of Board performance. It also encompasses an assessment of statutory auditors, audit quality, financial reporting integrity, and stakeholder engagement practices.



EVALUATION CATEGORIES	WEIGHTAGE	SCORE & QUARTILE					
		OVERALL		COMPLIANCE		GOVERNANCE	
		2024	2025	2024	2025	2024	2025
<b>Board Independence &amp; Diversity</b>	20%	70	66	100	87	61	60
<b>Board Committees</b>	10%	57	89	100	100	48	87
<b>Directors' Remuneration</b>	12%	70	73	100	100	64	66
<b>Statutory &amp; Secretarial Auditors</b>	8%	100	99	100	100	99	99
<b>Audit &amp; Financial Reporting</b>	25%	78	72	100	83	75	70
<b>Stakeholders Engagement</b>	15%	89	88	100	100	85	84
<b>Ethics, Bribery &amp; Other Governance</b>	10%	96	98	100	100	94	96

Note: ● - Last Quartile (0-25) (Poor Performance), ● - 3<sup>rd</sup> Quartile (25-50), ● - 2<sup>nd</sup> Quartile (50-75), ● - 1<sup>st</sup> Quartile (75-100) (Best Performance)

	<ul style="list-style-type: none"> <li>Board &amp; Committees of the company are compliant with law.</li> <li>The company has a women Independent director on board ensuring gender diversity at board-level.</li> <li>During the year, all the members attended 100% committee meetings of all the board committees.</li> <li>All Committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.</li> <li>The Statutory Auditors have not made any qualifications in their Report with respect to the financial statements for the last 3 FYs.</li> <li><a href="#">Secretarial Audit Report</a> does not contain any qualification, reservation or adverse remarks.</li> <li>The Company has disclosed the Key Financial Ratios and has explained significant changes thereon.</li> <li>The company has disclosed <a href="#">Earning</a> / Quarterly Calls held during the year on its website along with <a href="#">Call transcripts</a>.</li> <li>The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years.</li> <li>Disclosed Dividend Distribution Policy is objective in nature. (Refer SES PA report - <a href="#">Link</a>)</li> <li>Zero whistle blower complaints reported in the last three years.</li> <li>Zero cases/ complaint received regarding bribery, corruption and conflict of interest in the last three years.</li> </ul>
	<ul style="list-style-type: none"> <li>Chairman of the board is Non-Independent. No designated Lead Independent director on board.</li> <li>SES in PA report of AGM 2025 had raised compliance concern regarding appointment of Dr. B. N. Kalyani due to non-compliance with Regulation 17(1A) of SEBI LODR 2015 as re-appointment sought through ordinary resolution for Director who has already attained 75 years of age. (Refer SES PA report - <a href="#">Link</a>)</li> <li>SES in PA report of PB April 2025 had raised concern regarding appointment of Dr. Venkata Ramana Murthy Pinisetti due to non-compliance with SEBI (LODR) &amp; Companies Act, 2013 as terms and conditions of the Independent Director not disclosed on the website. (Refer SES PA report for PB April 2024 - <a href="#">Link</a>)</li> <li>Not disclosed if Executive pay include remuneration criterion relating to climate parameters / performance or if the Executive Directors remuneration terms &amp; conditions include 'Clawback &amp; Malus' Clause.</li> <li>The Company proposed a Special resolution seeking members' approval to enter into material related party transactions with Meritor HVS (India) Ltd, Promoter Group, with an aggregated value of ₹ 2,500 crores for the year from 1st April, 2025, to 31st March, 2026. However, the resolution was rejected by the shareholders. Refer <a href="#">PA Report</a> &amp; <a href="#">Addendum Report</a>, where SES had questioned the basis of pricing and rationale for entering into the transaction.</li> </ul>



## UNDERSTANDING SES ESG SCORES

ESG SCORE (ADJUSTED)			This section provides disclosure on change in ESG Score / Ratings (referred as "ESG Score") compared to last financial year. The change would ideally be based on change in disclosure and performance on E&S parameters; and deviations in governance practices.						
2024	2025	YOY Change							
-	-		-						
<b>ESG</b>	<b>FOOTPRINT</b>	<b>HIGH</b>							
	<b>SCORE</b>	<b>90-100</b>	<b>80-90</b>	<b>70-80</b>	<b>60-70</b>	<b>50-60</b>	<b>40-50</b>	<b>0-40</b>	
	<b>RISK</b>	<b>LOW</b>							
<b>ESG GRADE</b>	<b>A+</b>	<b>A</b>	<b>B+</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>		

- ESG Ratings / Score (Final Adjusted ESG Score or Combined ESG Score):** This represents the final ESG score of the company, derived after evaluating all relevant parameters under Environment, Social, and Governance themes. It incorporates all applicable adjustments, including controversy adjustments and industry risk exposure, to provide a comprehensive and objective assessment of the company's ESG performance.
- ESG Grade:** The ESG score is presented in both a numeric format (on a scale of 0 to 100) and as an equivalent alphabetical grade (Alpha Grade), providing a simplified yet effective representation of the company's ESG performance.

In addition to the overall ESG Score and Grade, the following statutory scores are provided in alignment with SEBI's CORE ESG Framework:

**Core ESG Score:** This section evaluates the parameters identified or to be identified, by SEBI under CORE Framework. Core ESG Score is calculated based on the following criteria:

- CORE ESG SCORE:** This score is based on the disclosure of SEBI identified Core parameters. Full disclosure on all Core Parameters corresponds to a 100% score.
- CORE PARIVARTAN SCORE:** This score reflects the year-on-year progression or transition for Core Parameters. Positive improvements (such as reduction in Scope 1 Emission Intensity) or maintain optimal performance levels (such as Zero Fatalities) are awarded a full 100% score.
- CORE COMBINED SCORE:** This score represents the weighted combination of the Core ESG Score (20%) and the Core Parivartan Score (80%). It reflects both the disclosure practices and the performance outcomes of the Core Parameters.

**Parivartan Score:** This score evaluates the quantitative parameters and reflects the incremental changes that a company has made in its transition journey. However, it is limited to quantitative data where year-on-year change can be measured. Since, the SES ESG Model also incorporates qualitative parameter analysis, the percentage change in final ESG score may not directly align with the percentage change in Parivartan score; as Parivartan constitute only certain part of the overall ESG score.

**WHAT IS BEING SCORED?** SES Model scores policy disclosures, targets set, adequacy of disclosure, initiatives taken and performance and for three factors viz. E S & G, through well researched questions (approx. 650+ indicators), these questions are aimed to get binary answers based on disclosures made by a company. These binary answers are used to give section wise numerical score and then finally giving the company a Rating / Grading. In order for model to work and reflect true picture, absolute precondition is that the relevant information or data on key ESG factors is disclosed properly.

The SES ESG Model follows the concept of Double Materiality, recognizing that ESG factors must be assessed from two perspectives: the risks that environmental, social, and governance issues pose to the organization, and the impacts the organization has on the environment and society. This dual lens ensures a holistic evaluation of ESG performance capturing both financial materiality and societal materiality.

**SECTION WEIGHTAGE:** A commonly raised question is how identical evaluation criteria can be applied uniformly across fundamentally different sectors, such as mining, services, or consumer products?

Conscious of the fact that one size does not fit all, SES applies a carefully considered and logical framework to assign weightages to Environmental, Social, and Governance (E, S & G) factors in an objective manner. These weightages are tailored based on the specific industry classification.



## ESG REPORT

In establishing the weightages for the primary categories and their sub-components, SES references the standards and guidelines set forth by the Sustainability Accounting Standards Board (SASB) and its Materiality Map, which are now part of the IFRS Foundation and the International Sustainability Standards Board (ISSB). These sources serve as authoritative guidance.

Based on **SASB** Standards and SASB Materiality Map, SES ESG determines weightages that vary by industry, reflecting the materiality of sustainability issues pertinent to each sector.

It is important to highlight that:

**"SES ESG licenses and applies the IFRS® Sustainability Disclosure Standards, SICS and the SASB® standards in ESG Work"**

For example, companies in the chemical industry typically have a higher weightage assigned to the Environmental pillar due to the nature of their operations, whereas pure service-based companies may have a greater emphasis on Social or Governance factors.

ENVIRONMENT	SOCIAL	GOVERNANCE
15-40%	15-40%	35-45%
Varies from Industry to Industry		

**RATING SENSITIVITIES:** The factors mentioned in 'Rating Sensitiveness' refers to the factors that could have the potential to impact the ESG profile of the entity. These factors of environmental and/ or social and/or governance performance levels could trigger a rating change, upward and downward. However, there could be combination of other factors which may also trigger a rating change, upward and downward. The weightage of all factors is disclosed in summary section.

#### EVALUATION MODEL - DYNAMIC

With continuous changes in both regulatory and voluntary ESG requirements, SES has consistently adapted its evaluation model to incorporate relevant and significant developments. The SES ESG Model is not static, rather, it is dynamic and evolves over time to reflect the changing ESG landscape. As a result, when evaluations are conducted using updated or newly added parameters in addition to existing ones, a company's score may vary compared to the previous year. For example: a company's score may decline if it fails to address or comply with a newly added parameter.

With introduction of BRSR and several other ESG related initiatives recommended and planned by SEBI in phased manner, SES expects that ESG disclosures will likely stabilize over the next few years. However, given the current pace of change in ESG domain, SES has no choice but to continuously adopt these developments to ensure its evaluations remain meaningful and relevant.

SES firmly believes that ESG evaluation if conducted using outdated, historical or static models, would lack relevance and utility. Since, any updates made to the model is agnostic to any company in particular, its impact is uniform across all companies which ensures fairness and consistency across all evaluations.

#### OTHER TERMS:

- Raw Score:** The score arrived based on the pre-determined parameters set for the particular Industry based on SES Proprietary Model (without any exposure adjustments).
- Risk Exposure:** To determine the risk exposure of an Industry, SES has referred SASB Materiality Map or Materiality Finder. Based on the issue materiality information and inputs from SES, SES through its methodology has arrived at E&S Risk Exposure Score of a particular Industry. Based on the E&S Risk Exposure score, the ESG Score of the Company will be accordingly adjusted.
- Risk Exposure Score:** Risk exposure scores showcase the inherit E&S risk of the particulars industry. SES has based on its methodology and information available as per SASB Materiality Map have arrived at the E&S Risk Exposure Score. Lower the Risk Exposure, higher is the risk of E&S in that particular industry. For instance, finance industry will have High E&S Risk Exposure Score vs. chemical industry having low E&S Risk exposure score, indicating that risk in finance industry is lesser as compared to chemical industry.
- Controversy Exposure:** As a policy, SES ESG applies negative score adjustment of up to 25% (depending on severity) whenever there is an extraordinary issue or concern that is highly subjective, and cannot be fully captured through the standard model evaluation (i.e. raw scores). This includes instances such as material irregularities, significant negative controversies, or regulatory actions.

#### E&S RISK EXPOSURE - SCALE

0-100

HIGH

MEDIUM

LOW

**⚠ Note:** Only authentic and verifiable information from credible sources (such as regulatory bodies, official filings, official disclosures, or court records) will be considered for controversy assessments. Unsubstantiated allegations, rumours, or unverified claims are excluded to maintain objectivity and fairness in the scoring process.



## ESG REPORT

## INSTITUTION SHAREHOLDING VIS-À-VIS FREE FLOAT

Institutional Holding	GRADE*	Grade Description
More than 75%	A	Generally, it is expected that a higher Institutional shareholding would result in better Corporate Governance Practices due to stewardship activities of investors. To analyse the entry and exit of Institutional shareholders in a Company and to capture such triggers, SES has come up with Institutional grading criteria as given in the table. The grading criteria provides a higher grade in case the percentage of Institutional shareholding vis-a-vis free float is higher and vice versa.
>50% to 75%	B	
>25% to 50%	C	
0% to 25%	D	

\*Percentage is proportion of Public Institutional shareholding vis-a-vis Free float. Free Float is total shareholding reduced by Promoter and Non-Promoter Non-Public shareholding.

## UNDERSTANDING SYMBOLS &amp; TICK MARKS

ESG PERFORMANCE		
Quartile	Score	COLOR
1 <sup>st</sup> Quartile (Best Performance)	75-100	Green
2 <sup>nd</sup> Quartile	50-75	Yellow
3 <sup>rd</sup> Quartile	25-50	Orange
Last Quartile (Poor Performance)	0-25	Red

**Legends** - Following symbols are used across this report to represent company's disclosures & practices:

✓	Criteria achieved/ Disclosures made
✗	Criteria not achieved/ No disclosure made
■	No analyses possible: Prerequisite disclosures not made (Negative Score)
■	Not applicable / Not scored

*Note: In case the Company has not disclosed information (E.g. No Policy related disclosure), SES has considered it that it is not in practice (E.g. Policy is not prepared)*

Following are examples of 'Symbols' used to represent company's disclosures & practices:

## Example 1: Fatalities / Injuries

SALIENT PARAMETERS	
Disclosed number of fatalities	✓
No fatalities in last 1 year	✗
Disclosed number of injuries	✗
No injuries in last 1 year	■

## Example 2: Fatalities / Injuries

SALIENT PARAMETERS	
Disclosed number of fatalities	✓
No fatalities in last 1 year	✓
Disclosed number of injuries	✗
No injuries in last 1 year	■

CONDITION	SYMBOL
Fatalities data disclosed	✓
Fatalities = 1 i.e. criterion not met for no fatalities	✗
Injuries data not disclosed	✗
Whether there are injuries or not could not be analysed	■

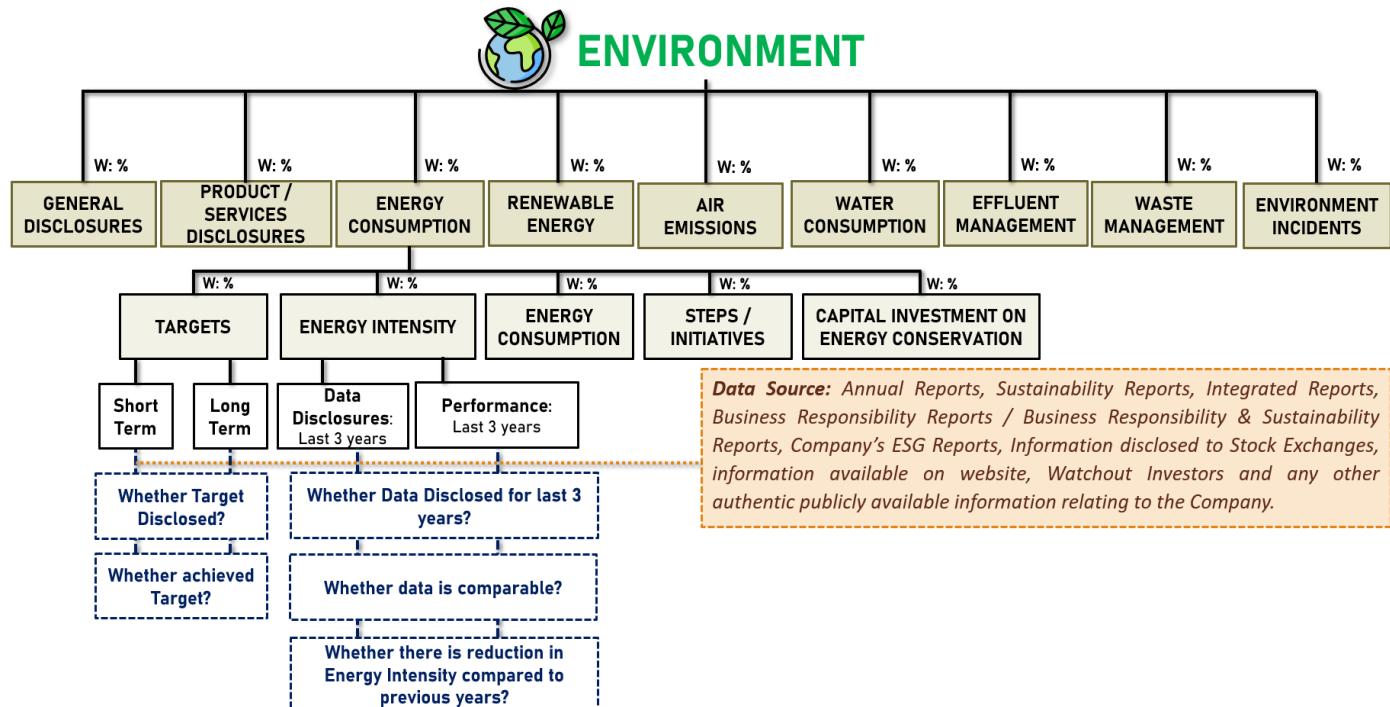
CONDITION	SYMBOL
Fatalities data disclosed	✓
Fatalities = 0 i.e. criterion met for no fatalities	✓
Injuries data not disclosed	✗
Whether there are injuries or not could not be analysed	■

*Note: Above cited examples are just for reference purpose to understand presentation of symbols. Use of symbols largely depends on Company's disclosures practices.*



## ESG REPORT

## EXAMPLE: FLOWCHART FOR ARRIVING AT ENVIRONMENT SCORE



- The above example highlights salient parameters related to 'Energy Consumption'.
- The weight assigned to a company varies across different sectors or industries, depending on the ESG impact relevant to that sector / industry. For instance, manufacturing companies will carry a higher weightage under the 'Environmental' factor, whereas for financial services companies, the weight will be comparatively lower.
- Each category score is derived from set of questions and parameters within that category and is expressed on a scale of 0-100%.
- The Weighted Score is calculated by applying the category weight to the category score [Example: If the category score is 75 and the weight assigned is 20%, the weighted score will be 15 (i.e. 75\*20%)]
- The sum of all weighted score within a section (such as sections within Environment, Social, or Governance pillars) constitutes the total score for that pillar. [Example: If Weighted Score 1 = 15, Weighted Score 2 = 20 and Weighted Score 3 = 30, then the total score for respective Section / Factor / Pillar would be 65]
- In the event of any significant negative controversies / incidents, a 25% deducted will be applied to the relevant score.



## SES ESG SCORES - INTENT AND CONSTRAINTS

The SES ESG Model has been developed with utmost care, objectivity and diligence. Our intention is highlighting the importance of good ESG practices based on the concept of double materiality. SES understands that stakeholders take decisions based on variety of factors, ESG being an important factor. SES ESG scores alone cannot be used for decision to invest and are to be used as a supplement / an additional tool to help stakeholders to make a considered and holistic view about the company.

SES ESG Ratings or Scores, when considered in isolation, are not intended to predict a company's future performance or serve as the sole basis for investment decisions.

**⚠ Note: ESG ratings / scores do not constitute recommendations to buy, hold or sell any securities**

The scores are derived from publicly available data and rely on the accuracy and completeness of information disclosed by the company, which is assumed to be true and accurate in good faith. Examples of such sources include the Business Responsibility and Sustainability Report (BRSR), Sustainability Reports, Auditor Reports, Certificates of Compliance with mandatory requirements, Directors' Statements, and other disclosures included in Annual Reports. These documents (sources of information) are accepted at face value, without any independent verification or forensic investigation.

As an independent ESG rating provider, SES does not know the internal happenings of a company, nor do we have an inside view of the company's practices. It may be possible that while on paper based on available information everything might appear to be in order but in reality, there could be concerns plaguing the company or vice versa. It is beyond scope of our work, nor we possess such expertise to cross verify the public documents and / or visit the company to check its internal controls, checks and practices. Users may take a note of same and read our Ratings / scores accordingly.

## DISCLOSURES

**Analyst(s):** Pradeep Kumar Yadav

**SES ESG Research Pvt. Ltd. - SEBI ERP Registration No.:** IN/ERP/Category-II/0002

**SES ESG / Analyst conflict disclosure:** No conflict | SES follows 'Subscriber Pay' business model

**Research:** SES ESG relies solely on publicly available information, in accordance with its 'Policy on Source of Information for ESG Ratings'.

**Source:** Annual Reports, Sustainability Reports, Business Responsibility & Sustainability Reports, Integrated Reports, Information disclosed to Stock Exchanges, information available on website, and any other authentic publicly available information relating to the Company.

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## DISCLAIMER

It is strongly recommended that users read "understanding SES ESG Rating" in order to understand the concept of our ESG scoring.

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