

BIL/SE/2025-26

6th July, 2026

To,

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001

National Stock Exchange of India Ltd

5th Floor, Exchange Plaza

Bandra Kurla Complex

Bandra (E), Mumbai 400 051

Equity Scrip Code: 502355 (Equity)

Scrip Code : 977667 (Debt) (INE787D 08047)

Scrip Code : 977668 (Debt) (INE787D 08039)

Scrip Code : 977669 (Debt) (INE787D 08054)

Trading Symbol: BALKRISIND

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report for the Financial Year 2025-26

In compliance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Business Responsibility and Sustainability Report forming part of the Annual Report of the Company for the financial year 2025-26.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Balkrishna Industries Limited**

Vipul Shah

Director & Company Secretary and

Compliance Officer

DIN: 05199526

Balkrishna Industries Ltd.

CIN No.: L99999MH1961PLC012185

Corporate Office : BKT House, C / 15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India.

Tel: +91 22 6666 3800 Fax: +91 22 6666 3898/99 www.bkt-tires.com

Registered Office: B-66, Waluj MIDC, Waluj Industrial Area, Chhatrapati Sambhaji Nagar– 431 136, Maharashtra, India

Directors' Report & Management Discussion and Analysis

ANNEXURE – VI

Business Responsibility and Sustainability Report (BRSR)

We, **Balkrishna Industries Limited (“BKT” or “the Company”)** are proud to present our Business Responsibility and Sustainability Report (BRSR) for FY 2025-26. This report has been prepared in accordance with the revised Clause 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, following the master circular no. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026. It outlines the Company's business performance and impacts in alignment with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC), reaffirming our commitment to responsible and sustainable business practices. The report reflects our aspiration to build a resilient and responsible corporate that contributes meaningfully to a sustainable society while delivering long-term value. In collaboration with our global customers and stakeholders, we continue to advance our sustainability objectives. This disclosure highlights the progress made and initiatives undertaken as part of our ongoing sustainability journey, underscoring our commitment to stakeholder engagement and collective value creation. Transparency remains central to our approach as we are committed to strengthening investor confidence and addressing the evolving expectations of our stakeholders. Through clear and comprehensive disclosures, we aim to align our operations with stakeholder interests, foster trust, and support sustainable growth. Bureau Veritas (India) Private Limited has issued an Independent Assurance Statement, provided reasonable assurance on the core indicators disclosed in this BRSR.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1961PLC012185
2.	Name of the Listed Entity	Balkrishna Industries Limited
3.	Year of incorporation	1961
4.	Registered office address	B-66, Waluj MIDC, Waluj Industrial Area, Chhatrapati Sambhaji Nagar, 431136 – Maharashtra
5.	Corporate address	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, India
6.	E-mail	shares@bkt-tires.com
7.	Telephone	+91 22 66663800
8.	Website	www.bkt-tires.com
9.	Financial year for which reporting is being done	1 st April, 2025 to 31 st March, 2026
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 3866 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	Vipul Shah Whole Time Director and Company Secretary +91 22 6666 3800 shares@bkt-tires.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).	Disclosures made in this report are on a standalone basis and pertains to Balkrishna Industries Limited.
14.	Name of assessment or assurance provider	Bureau Veritas (India) Private Limited
15.	Type of assessment or assurance obtained	Reasonable Assurance



II. Products/services

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

S. No.	Description of main activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Rubber Tires	BKT is one of the world's leading manufacturers of "Off-Highway Tires" and has made its mark in the specialty segments like Agricultural, Mining, Forestry, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle) and Turf care applications in both cross ply and radial construction. During the reporting year the Company has launched its on-road tires	90.07%

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 Rubber Tires	22119	90.07%

III. Operations

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

S. No.	Location	Number of plants	Number of offices	Total
1	National	10*	1	11
2	International	0	4	4

*Includes 5 Tire manufacturing locations, Carbon Black Plant, 2 Mould Plants, Drum Plant and Windmill.

19. Markets Served by the Entity:

a. Number of locations

S. No.	Locations	Number
1	National (No. of States)	We have PAN India presence
2	International (No. of Countries)	125+ Countries

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

Contribution of exports is over 65% of total turnover.

c. A brief on types of customers

Original Equipment Manufacturers (OEMs): Manufacturers of agricultural, construction, mining, earthmoving and other off-highway equipment, supported through application-specific tire solutions and technical collaboration.

Replacement Market Customers: Farmers, contractors, miners and equipment owners served through BKT's extensive global dealer and distributor network to meet off-highway replacement tire requirements.

Export Customers: International customers across Europe, the Americas, Asia-Pacific and Africa, served through exports of BKT-branded off-highway tyres customised for regional terrains and usage needs.

Carbon Black Customers: Tyre manufacturers and industrial customers supplied with high-quality carbon black for use in tyres and other rubber-based speciality and industrial applications.

Directors' Report & Management Discussion and Analysis

IV. Employees

At BKT, employees are central to long-term value creation and operational excellence. The Company focuses on fostering a safe, inclusive and enabling workplace through structured investments in occupational health and safety, continuous learning and skill development, employee wellbeing and responsible labour practices. Key initiatives include comprehensive safety management systems, regular training and upskilling programmes, digital workforce management tools, and policies supporting ethical conduct, human rights and employee welfare. These efforts are aimed at building a resilient, future-ready workforce, enhancing productivity, and ensuring employee wellbeing across all operations, while maintaining zero tolerance for unsafe or unethical practices.

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	3258	3196	98.10%	62	1.90%
2	Other than Permanent (E)	61	59	96.72%	2	3.28%
3	Total employees (D + E)	3319	3255	98.07%	64	1.93%
WORKERS						
4	Permanent (F)	912	912	100%	0	0
5	Other than Permanent (G)	8260	8213	99.43%	47	0.57%
6	Total workers (F + G)	9172	9125	99.49%	47	0.51%

b. Differently abled employees and workers:

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

21. Participation/Inclusion/Representation of women:

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors (BoD)	10	2	20%
Key Management Personnel (KMP)*	1	0	0%

*Other than Board of Directors

22. Turnover rate for permanent employees and workers:

	FY 2025-26 (Current financial year)			FY 2024-25 (Previous financial year)			FY 2023-24 (Year prior to previous financial year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.82%	12.96%	15.77%	10.32%	16.28%	10.41%	13.86%	12.05%	13.83%
Permanent Workers	4.80%	NA	4.80%	5.12%	NA	5.12%	3.56%	NA	3.56%



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

23. 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	BKT EUROPE S.R.L.	Subsidiary	100%	No, the Company is reporting on Business Responsibility and Sustainability Reporting on standalone basis
2	BKT USA INC	Subsidiary	100%	
3	BKT Tires (CANADA) INC	Subsidiary	100%	
4	BKT Tires INC	Subsidiary	100%	
5	BKT Netherlands B.V.	Subsidiary	100%	

VI. CSR Details:

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

(ii) Turnover (in ₹): ₹ 10,819 Crores

(iii) Net worth (in ₹): ₹ 10,966 Crores

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:

To strengthen our stakeholder engagement, we have implemented a common grievance redressal portal accessible to all pertinent stakeholders. This initiative ensures broad outreach and promotes transparent communication channels. By actively engaging with stakeholders, we gain valuable insights into their concerns and evaluate potential impacts on our operations. Furthermore, we have established a rigorous review mechanism to systematically monitor grievance resolutions and adhere to specified timelines.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Investors (Other than Shareholders)*	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Shareholders / Investors	Yes, https://www.bkt-tires.com/en-gb/contact-us/	12	0	**	19	6	**
Employees and Workers	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Customers	Yes, https://www.bkt-tires.com/en-gb/contact-us/	12,613	1,592	**	12,791	995	**
Value Chain Partners	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Others (Please specify)	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--

*We have considered Non-convertible Debentures' holders as Investors other than Shareholders.

**Subsequent to year end, the Company has resolved pending investors' complaints / grievances and certain other customer complaints / grievances, which were pending as at close of the year. Further, the Company is taking necessary steps to resolve remaining customers' complaints / grievances.

Directors' Report & Management Discussion and Analysis

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

Please indicate responsible material 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.	Product Quality and Safety	Risk	Product failures in the tire industry can lead to serious safety issues, recalls, and substantial financial damage. Ensuring high-quality and safe products is essential to protect consumers and maintain the Company's market position.	We have rigorous quality control procedures and conduct regular product testing to prevent defects. Additionally, we adhere to product safety practices to meet or exceed the highest standards.	Negative: Product recalls and safety failures are costly and can severely impact customer trust and company reputation.
2.	Water Stewardship	Risk	Water scarcity and ineffective water management can cause conflicts with local communities, regulatory fines, and increased operational expenses.	We have adopted water-efficient technologies and wastewater recycling methods to minimise freshwater usage, including Effluent Treatment Plant (ETP), Sewage Treatment Plant (STP), Multi-effect evaporation (MEE), and RO reject reuse. We also engage with stakeholders in water-stressed areas to collaboratively manage shared water resources using customised STP and ETP treated water, improving community relations and ensuring operational stability.	Negative: Poor water management can disrupt operations and lead to additional costs for water procurement and regulatory compliance.
3.	Corporate Governance	Risk	Governance issues can result in significant non-compliance risks, undermining investor confidence and legal standing. The highly regulated tire industry requires strict governance to maintain ethical standards and operational transparency.	We have enhanced board oversight through regular training and internal audits, ensuring alignment with global governance standards. We have also implemented robust internal controls and compliance monitoring systems to effectively manage and mitigate governance risks.	Negative: Inadequate governance can lead to regulatory fines, erode investor trust, and negatively impact market value.
4.	Emissions Management	Risk & Opportunity	Reducing energy consumption and carbon emissions through energy-saving initiatives, renewable energy projects, process optimisation, and logistics network improvements.	We have mapped our emission inventory and are in the process of developing a temporal-based decarbonisation roadmap. We have deployed air pollution control and monitoring devices to reduce and track fugitive emissions for continuous monitoring and reporting.	Positive: With energy-saving initiatives and efforts to mitigate, manage, and minimise emissions are expected to have positive financial and environmental implications.
5.	Energy Management	Opportunity	Efficient energy management lowers operational costs and reduces environmental impact, aligning with global trends towards energy sustainability and providing a competitive advantage.	We have invested in energy-efficient technologies and renewable energy sources to decrease reliance on fossil fuels. We also plan to adopt best practices for energy management, such as ISO 50001 standard, to optimise energy use and reduce costs.	Positive: Effective energy management reduces costs and enhances the Company's sustainability profile, attracting eco-conscious investors and customers.



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)
6.	Sustainable Strategy for Climate Resilience	Opportunity	Developing resilient products and processes to adapt to climate change positions the Company as a leader in sustainability, attracting investments and customers.	We plan to innovate and introduce new tires that can adapt to various climatic conditions. We are continuously investing in Research and development to lower the carbon footprint of our production processes and products. We will enhance our operational flexibility to respond to weather-related disruptions and conduct climate change risk assessments.	Positive: Proactive climate adaptation measures can lead to operational efficiencies, open new markets, and boost brand loyalty, positively affecting the bottom line.
7.	Business Ethics and Compliance	Risk	The Company mandates adherence to the Code of Conduct Policy and ethical behaviour, with zero tolerance for non-compliance.	We have a very stringent Code of Conduct Policy which ensures ethical behaviour and compliance with applicable laws and regulations. The said policy provides a framework for employees and other stakeholders to ensure that business is governed only by ethical practices.	Negative: Failure to adhere to the code of conduct will have a negative reputational impact on employees and stakeholders.
8.	Innovation and Digitalisation	Opportunity	Embracing digital transformation and innovation can significantly enhance operational efficiencies, customer engagement, and open new revenue streams.	We have prioritised investments in R&D and digital technologies that streamline operations and improve product development processes. This fosters a culture of innovation to sustain competitive advantage. We will integrate advanced analytics and IoT technology to enhance our manufacturing and supply chain operations.	Positive: Investments in digitalisation typically yield high returns through improved market positioning and customer satisfaction.
9.	Waste Management & Circular Economy	Opportunity	Enhancing operational efficiency and adhering to resource efficiency results in reduced waste creation, better waste management, and lower environmental impact.	We are working towards reducing the environmental impact of waste generated across our operations. We are driving waste management programmes through partnerships with recyclers who collect, process, and dispose off waste in accordance with relevant guidelines.	Positive: Managing waste at each stage of the manufacturing process directly impacts achieving resource efficiency and compliance with all applicable regulations, leading to positive financial impacts.
10.	Ethical Procurement	Risk	Ethical breaches in procurement can lead to legal penalties and reputational damage.	We have established strict procurement policies that enforce compliance with ethical standards, including third-party certifications and audits. We also leverage industry best practices for ethical procurement to enhance transparency and accountability within our supply chain.	Negative: Ethical lapses could result in regulatory fines and loss of business credibility, adversely impacting financial performance.
11.	Sustainable Supply Chain	Risk	The complexity and global span of tire industry supply chains expose companies to significant sustainability and disruption risks, impacting operational continuity and compliance with environmental regulations.	We have developed a resilient supply chain framework by diversifying suppliers and integrating sustainability criteria into supplier selection. We have also implemented transparent supply chain practices to ensure compliance with environmental and social standards, thereby reducing potential risks.	Negative: Disruptions or non-compliance in the supply chain can lead to increased costs and damage to the brand's reputation.

Directors' Report & Management Discussion and Analysis

SECTION B. MANAGEMENT AND PROCESS DISCLOSURES

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

PRINCIPLE 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
PRINCIPLE 2	Businesses should provide goods and services in a manner that is sustainable and safe
PRINCIPLE 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
PRINCIPLE 4	Businesses should respect the interests of and be responsive to all its stakeholders
PRINCIPLE 5	Businesses should respect and promote human rights
PRINCIPLE 6	Businesses should respect and make efforts to protect and restore the environment
PRINCIPLE 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
PRINCIPLE 8	Businesses should promote inclusive growth and equitable development
PRINCIPLE 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available**	<p>Principle 1 –</p> <ul style="list-style-type: none"> Ethics, Transparency & Accountability Policy Code of Conduct for Employees Whistle-Blower & Vigil Mechanism Policy Anti-Bribery and Anti-Corruption Policy Tax Strategy Policy Preservation of Documents Policy <p>Principle 2 –</p> <ul style="list-style-type: none"> Sustainable Development Policy Natural Rubber Procurement Policy <p>Principle 3 –</p> <ul style="list-style-type: none"> Human Rights and Labor Policy Diversity and Inclusion Policy Employee Welfare Policy POSH Policy HIV-AIDS workplace Policy Equal Opportunity Policy <p>Principle 4 –</p> <ul style="list-style-type: none"> Stakeholder Relationship Policy 								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	<p>Principle 5 –</p> <ul style="list-style-type: none"> Human Rights and Labor Policy <p>Principle 6 –</p> <ul style="list-style-type: none"> Environment, Health and Safety Policy Business Continuity Policy <p>Principle 7 –</p> <ul style="list-style-type: none"> Ethics, Transparency and Accountability Policy Code of Conduct for Employees Advocacy Policy <p>Principle 8 –</p> <ul style="list-style-type: none"> CSR Policy Inclusive Growth and Equitable Development Policy <p>Principle 9 –</p> <ul style="list-style-type: none"> Cyber Security and Data Privacy Policy Customer Relationship Policy <p>** All policies can be viewed under 'Policies' at Investor disclosures BKT Tires</p>								
2. Whether the entity has translated the policy into procedures? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	<p>P1: Our Ethics, Transparency and Accountability Policy provides us the guidance and support we need to conduct our business ethically and comply with applicable laws.</p> <p>P2: Our company is now part of the Global Platform for Sustainable Natural Rubber framework, and we have a Natural Rubber Procurement Policy in place. As part of the Quality Management System, we have adopted ISO 9001:2015 and we also adhere to Kaizen principles. All our plant laboratories are NABL accredited. Further, Sustainable Development Policy is also available on our website.</p> <p>P3: All product manufacturing plants have been certified with ISO 45001:2018. We also have various policies in place such as Employee Welfare Policy, Diversity and Inclusion Policy and Human Rights and Labor Policy.</p> <p>P4: Our Stakeholder Relationship Policy creates awareness among the stakeholders about pursuing business operations in a sustainable manner.</p> <p>P5: Our Human Rights and Labor Policy lays forth guiding principles for upholding and protecting human rights throughout our operations.</p> <p>P6: All OHT and carbon black manufacturing plants are certified as ISO 14001:2015. Further, we also have Environment, Health and Safety Policy Business Continuity Policy.</p> <p>P7: Our Code of Conduct Policy states the importance of being ethical and responsible while dealing with regard to company's public image, finances and products.</p> <p>P8: Our Corporate Social Responsibility Policy is compliant with Companies Act, 2013.</p> <p>P9: Our Cyber Security and Data Privacy Policy serves as an overarching framework for IT security policy and standards. Further organisation has introduced BKT Ai Framework (Version 1.0) for responsible and secure use of Artificial intelligence tools as a part of the Company's digital governance framework. We are certified in accordance with ISO 9001:2015 (Quality Management System) and our BKT Carbon is certified in accordance with IATF 16949:2016 (Quality management system for organisations in the automotive industry)</p>								

Directors' Report & Management Discussion and Analysis

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any Specific.	<p>On an annual basis, the Company identifies and commits to actions aimed at reducing its GHG emissions, waste generation, and water consumption across all plants as part of its sustainability initiatives.</p> <p>The Company has established clearly defined targets across key material topics identified through a comprehensive stakeholder engagement and materiality assessment. These targets cover environmental (emissions, energy, water, waste, biodiversity), social (diversity and inclusion, human rights, human capital development, health and safety, product stewardship, and lifecycle assessment), and governance (ethical business conduct, risk management, and information security) dimensions. Stakeholder engagement has played a critical role in refining these targets, ensuring they are practical, forward-looking, and aligned with shared priorities. Internal goals and targets are set annually, while specific commitments are defined periodically.</p>								

Topic	Goal	Target
Diversity, Equity and Inclusion (P3)	<ul style="list-style-type: none"> To create an inclusive and empowered workplace for supporting personal and professional growth Increase the share of women across all organisational levels Provision of learning opportunities and continuous improvement initiatives for employees 	<ul style="list-style-type: none"> Maintain zero tolerance for Discrimination and Harassment Ensure workplace accessibility for the differently abled Maintain Gender Pay Parity 50% increase in the number of women employees by FY 2030 (Baseline FY 2024)
Labour management and human rights (P5)	<ul style="list-style-type: none"> To develop and maintain a thriving, ethically responsible workplace that prioritises fair labour practices, safeguards human rights and promotes the growth and well-being of its workforce 	<ul style="list-style-type: none"> Maintain 100% training coverage on Human Rights Avoid any human rights violation at workplace Redressal of all human rights grievances within 30 days 100% evaluation of critical suppliers on human rights regulations by FY 2030
Human capital management (P3)	<ul style="list-style-type: none"> To promote the growth and well-being of the workforce 	<ul style="list-style-type: none"> Facilitate ESG training for all permanent employees with a target of achieving 100% participation by FY 2027 (Baseline FY 2025) Increase average training hours per employee by 5% by the end of FY 2027 (Baseline FY 2025) Increase average training hours per worker by 5% by the end of FY 2027 (Baseline FY 2025)
Occupational health and safety (P3)	<ul style="list-style-type: none"> To cultivate a culture of safety and well-being by implementing rigorous health and safety protocols, providing comprehensive training, and continuously improving workplace environments 	<ul style="list-style-type: none"> Ensure 100% product manufacturing units are ISO 45001 certified Sustain a record of zero fatality at workplace 100% training coverage on hazard identification and safety risk assessment



Topic	Goal	Target
Responsible supply chain (P2)	<ul style="list-style-type: none"> To ensure ethical sourcing and procurement by implementing transparent, traceable procedures and promoting continuous improvement in environmental and social performance among our partners 	<ul style="list-style-type: none"> Ensure 100% raw material suppliers undertaking to BKT's Supplier Code of Conduct/Supplier manual 100% critical raw material suppliers trained on sustainable procurement by FY 2027 (Baseline FY 2025) 10% increase in recycled/reused /renewable/sustainable input raw materials purchase (on value) by FY 2030 (Baseline FY 2024) All third-party intermediary contracts (existing and new) to include sustainability clauses by 2027 (Baseline FY 2025) 100% evaluation of critical raw material suppliers on ESG aspects by FY 2027 (Baseline FY 2024). Comply with ISO 20400 frameworks for supply chain practices (standard for sustainable procurement) by FY 2030
Ethical Business (P1)	<ul style="list-style-type: none"> Build trust through transparent and ethical business practices 	<ul style="list-style-type: none"> Maintain 100% employee training on Code of Conduct, Anti-Bribery and Anti-Corruption Maintain 100% of employee training on Prevention of Sexual Harassment (PoSH) ESG training for all Board members /KMP/Senior Management
Risk management (P1)	<ul style="list-style-type: none"> To ensure business continuity through identifying, adapting and mitigating potential threats 	<ul style="list-style-type: none"> To conduct half-yearly Enterprise Risk Management Programme Annual reviews of organisational risk policies
Information technology (P1)	<ul style="list-style-type: none"> Leverage Information Technology to drive innovation, efficiency, and sustainable growth 	<ul style="list-style-type: none"> Attain ISO 27001 certification for ISMS across all operational units, aiming for completion by FY 2028
Air emissions (P6)	<ul style="list-style-type: none"> Continue to comply with the regulatory requirements 	<ul style="list-style-type: none"> Maintain full adherence to statutory environmental standards
Water management (P6)	<ul style="list-style-type: none"> Focus on optimising water usage in production processes, and investing in advanced water recycling & conservation technologies 	<ul style="list-style-type: none"> Install Zero Liquid Discharge at all product manufacturing units by FY 2028
Waste management (P6)	<ul style="list-style-type: none"> Establish a sustainable waste management system by promoting principles of circularity and implementing efficient waste segregation and disposal practices. 	<ul style="list-style-type: none"> Achieve Zero Waste to Landfill by FY 2035
Biodiversity management (P6)	<ul style="list-style-type: none"> To actively protect and enhance biodiversity across operational regions, promoting ecosystem resilience and sustainability 	<ul style="list-style-type: none"> Maintain 33% greenbelt Plant a minimum of 50,000 saplings by 2030
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	<p>The performance against specific commitments, goals, targets, and identified KPIs at the unit level is reviewed periodically by the Management. The Company has disclosed its Environmental, Social, and Governance (ESG) performance in Section C of this report.</p> <p>Furthermore, the Company has aligned its goals and targets with the nine NGBRC Principles to strengthen its vision and commitment, while ensuring a more integrated and holistic approach to its sustainability initiatives.</p>	

Directors' Report & Management Discussion and Analysis

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) -

We are pleased to present our fourth Business Responsibility and Sustainability Report (BRSR) for FY 2025-26, reaffirming our ongoing commitment to integrating environmental, social, and governance (ESG) considerations into our business strategy and operations. Sustainability remains central to our long term value creation approach, as we continue to advance responsible growth across environmental stewardship, social responsibility, and robust governance.

Our sustainability priorities focus on reducing greenhouse gas (GHG) emissions, optimising energy consumption, and strengthening water stewardship across our operations. Through the deployment of energy efficient technologies, increased use of cleaner energy sources, and the integration of climate related considerations into strategic and operational decision making, we are working to enhance resilience to climate related risks while contributing meaningfully to a low carbon and sustainable future. In parallel, we continue to strengthen sustainability practices across our value chain by engaging closely with suppliers and partners, improving transparency, and reinforcing accountability mechanisms.

The tyre industry operates within a complex ESG landscape, shaped by its dependence on carbon intensive raw materials such as rubber and petrochemical derivatives, high energy consumption, and globally dispersed supply chains. Key ESG challenges include climate transition risks arising from evolving regulatory expectations, such as deforestation linked sourcing requirements and potential carbon pricing mechanisms along with rising costs of sustainable raw materials and the need to invest in new technologies, Physical climate risks, including the impact of climate variability on natural rubber supply and logistics, also pose material considerations. Social and governance risks further emerge from supply chain transparency, labour practices, and end of life tyre waste management, given the growing focus on circularity and responsible disposal.

At the same time, the sector offers significant sustainability led opportunities. These include the development of green tyres with low rolling resistance, fuel and energy transition initiatives, circular economy models such as recycling and tyre to tyre recovery, recovery of materials such as carbon black from end of life tyres, and the expansion of green logistics supported by increasing electric vehicle adoption. Shifting consumer preferences towards sustainable products and global OEM net zero commitments further reinforce these opportunities. In the Indian context, these dynamics are amplified by raw material price volatility, evolving regulatory frameworks, rapid growth in EV adoption, and a heightened focus on renewable energy, sustainable manufacturing practices, and innovation by domestic industry participants. Overall, the industry is steadily transitioning from a cost driven paradigm to a sustainability led innovation model, where ESG performance is an increasingly important competitive differentiator.

We remain deeply conscious of our responsibility towards our community of employees, suppliers, dealers, customers, and other valued stakeholders. Protecting the environment and minimising our ecological footprint form an integral part of our global responsibility, reflected in our continued efforts to reduce emissions and develop more eco friendly tyre solutions. Digitalisation and automation are key enablers in this journey, supporting resource optimisation, operational efficiency, and reductions in environmental impact.

Above all, we value our people and their well being and remain committed to nurturing a strong, inclusive corporate culture anchored in innovation, growth, and integrity. Through this BRSR, we present our initiatives, progress, and areas of focus, and we extend our sincere appreciation to all our stakeholders for their continued trust, engagement, and support as we advance our sustainability journey.

<p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies</p>	<p>The Business Responsibility and Sustainability Committee is responsible for implementation and oversight. The composition of the Committee as on 31st March, 2026 is as under:</p> <ul style="list-style-type: none"> • Pannkaj Ghadiali (DIN 00003462) – Chairman • Arvind Poddar (DIN 00089984) – Member • Rajiv Poddar (DIN 00160758) – Member
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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 constituted a dedicated Business Responsibility and Sustainability Committee (BRSC) of the Board, which includes the aforementioned members along with an Independent Director. The Committee is responsible for evaluating ESG risks, assessing the effectiveness of ESG strategies, and monitoring performance. The BRSC works in close coordination with the Risk Management Committee to address matters related to strategy, business growth, risk assessment, risk management, and compliance, thereby ensuring comprehensive oversight and alignment with organisational objectives. The Company's governance framework is further strengthened by a holistic Enterprise Risk Management (ERM) approach, supported by robust internal control systems and a strong commitment to sustainable business practices.

The Board of Directors, supported by senior management, brings together diverse expertise across industry, finance, law, operations, ESG and strategy. This collective capability enables effective oversight of compliance and ethical standards while mitigating legal and reputational risks.

Aligned with its sustainability ambitions, the Company is actively advancing ESG strategies focused on management, mitigation, and resilience. Oversight of these initiatives is entrusted to the BRSC and the Risk Management Committee, which work closely with the Board, including the Chairman and Managing Director, to guide strategic responses to risks and opportunities. Through this coordinated approach, the committees help shape the Company's ESG strategy, manage risks, and ensure consistent implementation across the organisation.

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/committee of the board/ any other committee									Frequency (Annually/ half-yearly/ quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

The policies in relation to sustainability are evaluated and reviewed periodically or on a need basis (at-least once in a year) by the Business Responsibility and Sustainability Committee. The Committee evaluates effectiveness of the policies, and necessary amendments to policies / procedures are done. The Company continues to comply with all applicable regulations' relevance to the principles.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?

P1	P2	P3	P4	P5	P6	P7	P8	P9
Y	Y	Y	Y	Y	Y	Y	Y	Y

Yes, in addition to internal audits, external assessments such as BRSR assurance and ISO certification surveillance/renewal audits rigorously scrutinise our policies aligned with the NGRBC principles, ensuring the integrity of implementation.

We also benchmark our policies against global standards through structured gap assessments. Based on the findings, business units implement targeted management plans and corrective actions, fostering cross-functional collaboration through continuous review, evaluation and documentation to effectively identify and address areas for improvement.

An independent reasonable assurance has been conducted by Bureau Veritas in accordance with the AA1000 Assurance Standard.

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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)									
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)									

This question is not applicable since the answer to question (1) is yes.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

We operate within an ethical and transparent framework, promoting trust and a sense of pride among employees through its stakeholder engagements. It upholds principles of honesty, fairness, and accountability, strengthening stakeholder confidence and supporting sustainable business practices that create value for both the Company and society.

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 program held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programme
Board of Directors	01	<ul style="list-style-type: none"> Business Responsibility and Sustainability Reporting (BRSR), The National Guidelines for Responsible Business Conduct (NGRBC) Evolving ESG-related regulatory requirements 	100%
Key Managerial Personnel *	01	<ul style="list-style-type: none"> Business Responsibility and Sustainability Reporting (BRSR), The National Guidelines for Responsible Business Conduct (NGRBC) Evolving ESG-related regulatory requirements 	100%
Employees other than BoD and KMPs	736	<ul style="list-style-type: none"> Leadership & Management Development: (i) Leadership & Management, Leadership Skills, Strategic Growth Leadership for Managers, Sales Leadership Workshop, (ii) Coaching Skills, Delegation Skills, Managing Hybrid Teams, Team Building, Leadership and Influence, (iii) Resilience & Leadership, Emotional Mastery, Self-Motivation & Positive Attitude, Happiness Skills, (iv) Change Management, Introduction to Change Management, Leadership and Change Management for Sustainability Success, (v) Performance Management, Accountability, Building High-Performance Teams, Ethical and Inclusive Leadership. 	



Segment	Total number of training and awareness program held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programme
		<ul style="list-style-type: none"> • Technical, Digital & Functional Capability Building: <ul style="list-style-type: none"> (i) Manufacturing Excellence, Operations Management, Lean Manufacturing, Lean Management, Kaizen, TPM, Quality 4.0, (ii) Industry 4.0, Digital Manufacturing & Design, Automation, PLC, DCS, Robotics, Smart Factory, (iii) Quality Management Systems – TQM, SPC, Six Sigma, IATF 16949, ISO 9001, IMS Awareness, (iv) Data Analytics, Business Intelligence, Power BI, SQL, Excel, AI for Everyone, Generative AI applications, (v) SAP, MAINTWIZ CMMS, Digitalisation and IT systems. • Safety, Compliance & Risk Management: <ul style="list-style-type: none"> (i) Occupational Health & Safety, ISO 45001, PPE Awareness, Behaviour-Based Safety, Machine Guarding, (ii) HIRA, Incident Investigation, Root Cause Analysis, Permit to Work, LOTO, Confined Space Entry, (iii) Emergency Preparedness, Fire Fighting, First Aid, Disaster Management, ERT Awareness, (iv) Enterprise Risk Management (ERM), MOC, Internal Audits (IMS/ISO), Cyber Fraud Awareness, (v) Regulatory Compliance Management, Environmental Legal Framework, Labour Law Awareness. • Sustainability, Environment & Responsible Business Practices: <ul style="list-style-type: none"> (i) Sustainability, ESG Awareness, Foundations of Sustainability and ESG, BRSR Awareness, (ii) Circular Economy, Energy Management, Renewable Energy Technology, Climate Change Awareness, (iii) Environmental Management, ISO 14001, Hazardous Waste Management, Pollution Prevention, Biodiversity Management, (iv) Responsible Supply Chain, Supplier Partnerships, Sustainable Logistics, EUDR Awareness, (v) Corporate Governance & Transparent Reporting, Sustainable Goals & Targets Setting. • Communication, Collaboration & Stakeholder Engagement: <ul style="list-style-type: none"> (i) Effective communication, presentation and reporting skills, (ii) Cross-functional collaboration and feedback culture, (iii) Governance communication and transparency practices. • Employee Well-being, Ethics & Workplace Culture: <ul style="list-style-type: none"> (i) POSH – Prevention of Sexual Harassment, Human Rights Awareness, Equality & Inclusion, (ii) Health Awareness, Mental Health & Stress Management, Work-Life Balance, Wellness Programmes, (iii) Code of Conduct, Ethics, Behaviour and Attitude, Responsible Workplace Practices, (iv) Personal Development, Individual Development Plans (IDP), Career Growth and Continuous Learning. 	100%

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Segment	Total number of training and awareness program held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programme
Workers	2,632	<ul style="list-style-type: none"> • Health, Safety & Environment (HSE) <ul style="list-style-type: none"> (i) Safety Practices (PPE, Machine Safety, Permit to Work, Fire Fighting), Behaviour-Based Safety, Unsafe Acts & Unsafe Conditions, Near-Miss Reporting, Hand and Finger Safety, (ii) Emergency Planning & Preparedness, Emergency Evacuation Procedures, Emergency Preparedness & Response Plan (Mock Drills), Fire Fighting Training, Use of Fire Extinguishers, First Aid Training, ERT Awareness, (iii) Electrical Safety, Electrical Hazards & Shocks, Machine Guarding, LOTO (Lockout/Tagout), Work at Height and Fall Protection, (iv) ISO 45001 and ISO 14001 Awareness, HSE Legislation Updates, Spill Control Management, Bio-Medical Waste Handling, Environmental Protection Practices. • Technical & Operational Skills <ul style="list-style-type: none"> (i) Machine Knowledge, My Machine My Responsibility, Product Awareness, Product Process Quality, (ii) Identification & Traceability, Non-Conforming Product Handling, Preservation and Shelf-Life, (iii) Defect Analysis including Cured Tire Defects, Component Placement Issues, Cut Section Analysis, Radial Run-out Sessions, (iv) SPC/SQC Awareness, Quality Check sheets, Customer Complaint PI & PII Awareness, (v) Safe Operation of Forklifts, Cranes and Material Handling Equipment. • Workplace Discipline, Compliance & Governance <ul style="list-style-type: none"> (i) Code of Conduct, Workplace Do's and Don'ts, Safety Policies, Workplace Discipline, (ii) Permit to Work System, Contractor Management, Access Control Procedures, (iii) IMS Awareness, Compliance with Internal Procedures and Audit Requirements, (iv) Ownership, Responsibility and Accountability for Safe and Compliant Operations. • Shopfloor Excellence & Lean Practices <ul style="list-style-type: none"> (i) 5S, Housekeeping, Toolbox Talks, My Machine My Responsibility, (ii) Process Control, Quality Awareness, Continuous Improvement on the Shopfloor, (iii) Lean Behaviours supporting productivity, efficiency, defect reduction and standard work practices. • Ethics, Human Rights & Workplace Respect <ul style="list-style-type: none"> (i) POSH – Prevention of Sexual Harassment, (ii) Human Rights Awareness (including for security staff), HIV Awareness, Equality and Respect at Workplace, (iii) Code of Conduct and Ethical Behaviour Expectations for Workers and Contractors. • Health, Hygiene & Well-being <ul style="list-style-type: none"> (i) Health Precautions, Occupational Health Awareness, Hygiene and Sanitation, (ii) Food Hygiene, Personal Health and Safety, (iii) Ambulance and Emergency Handling Awareness, Fitness for Work and Well-being practices. 	100%
Value chain partners	06	<ul style="list-style-type: none"> • The NGBRC Principles including BRSR core parameters • ESG awareness session • Regulatory Updates 	75%

*Other than Board of Directors



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 based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	The Company has been formed built over a strong foundation over the year of ethical behaviour and business conduct. There have been no instances of material fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings with regulators/law enforcement agencies/ judicial institutions, in the FY 2025-26.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

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, the Company's [Code of Conduct](#) incorporates its [Anti-Corruption and Anti-Bribery Policy](#) and is applicable to all employees across the Company, its subsidiaries, and associate companies. The Company is committed to upholding high ethical standards in conducting fair business operations, supported by systems designed to identify, prevent, and address bribery and corruption. It maintains a zero-tolerance approach to any form of corrupt practices.

The Company monitors and investigates potential cases of bribery or corruption through its Vigil Mechanism and Whistle-blower framework, which enables employees and stakeholders to confidentially report suspected misconduct. All complaints are escalated to the chairman of Audit committee, who oversees the preliminary review, coordinates fact-finding with relevant functional heads, and reports instances of non-compliance to the Board. This structured process ensures timely investigation, proper documentation, implementation of corrective actions, and strengthening of systemic controls.

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

	FY 2025-26*	FY 2024-25*
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

*No Directors/KMPs/employees/workers were involved in bribery/corruption both, in FY 2025-26 and FY 2024-25. Hence, no action was taken by any law enforcement agency.

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6. Details of complaints about conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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, no material fines, penalties, or actions have been enforced by regulatory bodies, law enforcement agencies, or judicial institutions regarding corruption or conflicts of interest during this financial year. Consequently, there are no corrective measures to be undertaken.

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

	FY 2025-26	FY 2024-25
Number of days of accounts payable	9.68	9.79

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	19.90%	11.36%
	b. Number of trading houses where purchases are made from	1,276	1,293
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	76.47%	78.50%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	77.55%	86.36%
	b. Number of dealers / distributors to whom sales are made	353	334
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	37.7%	39.35%*
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.52%	0.47%
	b. Sales (Sales to related parties / Total Sales)	3.11%	2.37%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	15.61%	Nil
	d. Investments (Investments in related parties / Total Investments made)	0.02%	0.02%

* This restatement is based on a subsequent review and re-assessment of the audited financial statements.

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	The Company has conducted training sessions to increase awareness on various sustainability topics, BRSR including BRSR Core, regulatory updates.	75%.



2. Does the entity have process 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 a structured process to identify and manage conflicts of interest involving members of the Board. It has adopted the [Code of Conduct for the Board Members and Senior Management](#), which provides clear guidance on the disclosure and avoidance of actual or potential conflicts of interest with the Company. Directors must declare any direct or indirect interest to the Board at the earliest opportunity, abstain from related discussions, and provide an annual general disclosure of interests. Employees are required to report potential conflicts to their Reporting Authority or HR, who then review and resolve the matter transparently in the Company's best interest. The comprehensive framework of the Code promotes transparency, integrity, and accountability among Board members and senior management, thereby protecting the Company's interests and reputation.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

We are prioritising substantial investments in innovation and research to advance sustainable, next-generation products that address evolving customer needs. In alignment with our strategic objectives and established policies, we continue to support value chain partners, contributing to broader economic value creation while delivering quality and value to end-consumers.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	100%	100%	Exploring potential sustainable and environment friendly alternative raw material/recyclable/increased percentage of reclaimed materials with lower emission footprint etc.
Capex	22.72%	19.20%	Pertaining to Energy efficiency, emission reduction, water reduction/recycling equipment, Environment monitoring systems, Improvement of safety infrastructure, Use of Electric vehicles, Renewable energy etc.

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

Yes. BKT has established comprehensive procedures for sustainable sourcing, integrated into its broader sustainability and responsible business framework. The Company follows a structured, step-by-step approach as outlined below:

- Policy framework: Sustainable sourcing is anchored in the Company's Sustainable Supply Chain and Ethical Procurement approach, supported by the [Supplier Code of Conduct](#) and the [Natural Rubber Procurement Policy](#).
- Responsible material sourcing: The Natural Rubber Procurement Policy governs responsible sourcing of natural rubber and mandates compliance with environmental, social and governance requirements, including legal compliance, zero deforestation, protection of community and human rights, environmental protection, occupational health and safety, and anti-corruption practices.
- Supplier onboarding and consent: As part of supplier onboarding and continued engagement, all suppliers are required to formally provide written consent to comply with BKT's sustainability expectations through the Supplier Consent and Supplier Requirement Manual, which is treated as a binding commitment.
- Scope of supplier commitments: Supplier consent requires adherence to the Supplier Code of Conduct, Natural Rubber Procurement Policy, and related ESG requirements, covering legal compliance, zero deforestation, respect for community and human rights, environmental safeguards, health and safety standards, and ethical business conduct.
- Supplier coverage: Major suppliers have provided written consent to comply with BKT's sustainable supply chain requirements.
- Supplier assessment and monitoring: BKT has instituted a structured supplier evaluation process, including quarterly vendor evaluations and rating mechanisms, assessing supplier performance across quality, environmental management, social responsibility, health and safety, regulatory compliance, and ethical business practices.

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- Audits and performance reviews: The Company conducts regular supplier audits and performance evaluations covering quality, environmental management, social responsibility, human rights, health and safety, and regulatory compliance.
- Risk identification and mitigation: These assessments enable identification of gaps, lifecycle-linked risks, and improvement areas associated with raw materials, particularly natural rubber.
- Corrective action and continuous improvement: Where gaps are identified, corrective actions are communicated to suppliers and tracked through follow-up engagements to strengthen supplier capability, resilience, and alignment with BKT's standards.
- Together, these procedures support traceability, strengthen accountability across upstream partners, and enable proactive management of environmental, social, and governance risks in the supply chain, in line with disclosures in the Company's Sustainability Report.

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

The Company assesses the majority of new suppliers during onboarding in accordance with the [BKT Supplier Manual](#), which incorporates the [Sustainable Procurement Policy](#) and [Natural Rubber Procurement Policy](#). These frameworks establish mandatory requirements for ethical and sustainable business practices, reflecting the Company's commitment to responsible and transparent operations.

The Company also promotes awareness of sustainable sourcing across its value chain, integrating social, ethical, and environmental KPIs into supplier evaluations in line with ISO 20400:2017 guidance. Key value chain partners are assessed based on business value and defined criteria within the Supplier Manual. In FY 2025-26, a majority of total raw materials (by value) were sourced from ISO 9001:2015-certified suppliers. During the reporting period feasible input raw materials were sourced sustainably and verified.

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.

Plastics (including packaging): Complying with the Extended Producer Responsibility (EPR) requirements, BKT has partnered with CPCB authorised recyclers for the collection and recycling plastic waste for which the Company is purchasing the EPR credits.

E-waste: Not applicable. The Company's products do not result in post-consumer e-waste.

Hazardous waste: Not applicable. No hazardous waste is generated at the end-of-life stage of products sold to customers.

Other waste: The recycled rubber that we reclaim are managed with diligence, with a commitment to recycling and minimising their environmental impact. In addition to reclaiming recycled rubber, we incorporate third-party and reclaimed products such as crumb powder, recovered carbon black, recycled rubber and rubberised friction compound into our processes, further enhancing our sustainability efforts.

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

Yes, Extended Producer Responsibility (EPR) is applicable to the Company, and it complies with all relevant EPR rules and regulations. The Company's waste collection plan is aligned with EPR requirements and has been duly submitted to the Central Pollution Control Board (CPCB). It is also registered on the CPCB's EPR portal and ensures timely reporting of its plastic and tyre footprint, along with the procurement of corresponding EPR credits.

The Company remains committed to responsible environmental stewardship and strict regulatory compliance through its active participation in India's EPR framework. Its waste collection and management strategy is fully aligned with prevailing EPR regulations and has been formally submitted to the CPCB. The Company maintains consistent and transparent reporting of its plastic and tyre waste footprint through the CPCB's official EPR credit exchange portal.

In line with regulatory requirements, the Company has procured EPR credits and has duly submitted these credits, demonstrating continued compliance and reinforcing its commitment to sustainable waste management practices.



Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No). If yes, provide the web-link
22119	Agri Radial Tyres	35%	Cradle to grave	Yes	Yes, the details have been published in the sustainability report FY 25
-	Carbon black variant	5%	Cradle to grave	Yes	Yes, the details have been published in the sustainability report FY 25

The Company has undertaken comprehensive Life Cycle Assessment (LCA) studies for two of its key products—Carbon Black variants and Agri Radial Tyres—manufactured at its Bhuj facility. These assessments were conducted using SimaPro v9.0.5 software and Eco invent datasets, in alignment with ISO 14040/44 standards, and were supported by independent external assurance.

As part of its broader sustainability strategy, the Company has initiated LCA studies to evaluate the environmental impacts of its primary product categories across all stages of the product life cycle. These assessments enable a detailed analysis of material inputs, manufacturing processes, energy consumption, emissions, and end-of-life considerations.

The LCA findings are being integrated into ongoing circularity initiatives, supporting the development of lower-carbon, resource-efficient, and more circular products. This includes efforts to increase the use of recycled and renewable materials, as well as to enhance process efficiency across operations.

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.

The assessment indicates that a substantial portion of environmental impacts arises from upstream and downstream activities that are largely beyond the Company's direct operational control, including raw material extraction, product use-phase emissions, and end-of-life processes.

Key environmental concerns include global warming potential driven by fossil-based raw materials and energy consumption, as well as impacts such as stratospheric ozone depletion, ionising radiation, ozone formation, particulate matter emissions, eutrophication, and ecotoxicity. Additionally, human health risks—such as carcinogenic and non-carcinogenic toxicity—are associated with petroleum-based feedstocks, chemical additives, and energy-related emissions. Land use impacts from natural rubber cultivation and textile production, along with resource scarcity linked to metals, minerals, and fossil inputs, have also been identified. Water consumption, particularly for steam generation and rubber processing, remains area of focus.

To mitigate these risks, the Company has implemented a range of targeted measures. These include increasing the use of renewable energy, utilising off-gases for power generation, and exploring alternative, non-fossil-based raw materials. The Company is also advancing sustainable product design through fuel-efficient, modular, recyclable, and non-toxic material choices. Efforts to enhance circularity include increasing the use of recycled materials, optimising resource utilisation, and adopting advanced simulation tools to improve design efficiency. On the water management front, the Company has undertaken initiatives such as using treated wastewater, enhancing water reuse through STP, ETP, and ZLD systems, and recovering steam condensate to reduce freshwater dependency. Furthermore, the Company is strengthening its engagement with the broader supply chain, promoting sustainable sourcing practices and collaborating with industry platforms to address upstream impacts. Overall, these actions reflect the Company's commitment to proactively managing life cycle risks while advancing resource efficiency, environmental stewardship, and sustainable value creation.

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Crumb powder, recycled rubber, rubberised friction compound, Recovered Carbon Black, recovered oil, bead wire, steel cord with recycle content	1.17%	0.70%

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

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous Waste	NA	NA	NA	NA	NA	NA
Other waste: Crumb powder, Recycled rubber, rubberised friction compound, Recovered Carbon Black, recovered oil*, bead wire, steel cord with recycle content	NA	7713	NA	NA	6744	NA

*Purchased from recyclers

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
Nil	Nil

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

We are committed to promoting the well-being of all employees and extending this care to those within our value chain. Beyond ensuring workplace safety, we focus on holistic well-being, prioritising the physical, mental, and emotional health of individuals

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	3196	3196	100%	3196	100%	NA	NA	0	0%	0	0%
Female	62	62	100%	62	100%	62	100%	NA	NA	0	0%
Total	3258	3258	100%	3258	100%	62	2%	0	0%	0	0%
Other than Permanent employees											
Male	59	59	100%	59	100%	NA	NA	0	0%	0	0%
Female	2	2	100%	2	100%	2	100%	NA	NA	0	0%
Total	61	61	100%	61	100%	2	3%	0	0%	0	0%


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	912	912	100%	912	100%	NA	NA	0	0%	0	0
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	912	912	100%	912	100%	0	0	0	0	0	0
Other than Permanent workers											
Male	8213	8213	100%	8213	100%	NA	NA	0	0%	0	0%
Female	47	47	100%	47	100%	47	100%	NA	NA	0	0%
Total	8260	8260	100%	8260	100%	47	0.57%	0	0	0	0%

Any matter in relation to health or accidents for other than permanent workers is managed through 24* 7 Medical care at locations.

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

	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.12%	0.11%

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

Benefits	FY 2025-26			FY2024-25		
	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 *	100%	100%	Yes	100%	100%	Yes
Others – please specify	N/A	N/A	N/A	N/A	N/A	N/A

*To all eligible employees and workers

3. Accessibility of workplaces

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

Yes, all Company premises and offices are designed and equipped with facilities to ensure accessibility for differently abled individuals, in line with applicable requirements.

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 instituted an [Equal Opportunity Policy](#) and a [Diversity and Inclusion Policy](#), underscoring its commitment to equitable practices in line with the Rights of Persons with Disabilities Act, 2016. These policies reflect the Company's dedication to fair employment, ensuring adherence to applicable regulations while upholding its core values and contributing positively to the communities in which it operates.

The Diversity, Equity, and Inclusion (DEI) framework, guided by senior leadership, promotes a zero-tolerance approach to discrimination and a strong emphasis on equal opportunity. The Company strives to ensure fair access to rewards, recognition, and benefits, fostering an inclusive and engaging workplace where employees are empowered to perform and grow. Building a culture of respect, inclusivity, and belonging remains a key priority. Additionally, the Company focuses on achieving balanced gender representation across committees and is actively working to bridge the gender gap by enhancing women's participation at all organisational levels. The increasing representation of women in managerial roles reflects its ongoing commitment to strengthening diversity and inclusion across the workforce.

Directors' Report & Management Discussion and Analysis

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	NA	NA	NA	NA
Female	0%	0%	NA	NA
Total	0%	0%	NA	NA

Note: No maternity/parental leave was availed during the reporting period.

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

	Yes / No (if yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has established grievance redressal channels for workers. Workers can raise concerns through suggestion boxes or by directly approaching the respective person in charge. In addition, a grievance redressal portal is in place to record and address concerns in a structured manner.
Other than permanent workers	Yes, non-permanent/contract workers have access to grievance redressal mechanisms, including online portal, suggestion boxes, direct escalation to responsible personnel, and a grievance redressal portal to facilitate the reporting and resolution of concerns.
Permanent employees	Yes, the Company has established a formal grievance redressal portal and mechanism through its Whistle-Blower & Vigil Mechanism Policy. The policy enables employees & other than permanent employees to raise concerns regarding unethical behaviour, misconduct, fraud, or violations of the Code of Conduct through defined reporting channels, including escalation to the Chairman of the Audit Committee. The mechanism ensures confidentiality, protection against retaliation, and structured investigation of all reported concerns. The policy is also applicable to stakeholders, defined to include directors, employees and their representative bodies, shareholders, investors, value chain partners, customers, communities, and other security holders, providing a broader framework for reporting concerns related to unethical or improper practices
Other than permanent employees	

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

	FY 2025-26			FY 2024-25		
	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	3,258	0	0%	2,880	0	0%
- Male	3,196	0	0%	2,834	0	0%
- Female	62	0	0%	46	0	0%
Total Permanent Workers	912	204	22%	878	206	23%
- Male	912	204	22%	878	206	23%
- Female	0	0	0%	0	0	0%



8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3,196	3,196	100%	3,196	100%	2,834	2,834	100%	2,834	100%
Female	62	62	100%	62	100%	46	46	100%	46	100%
Total	3,258	3,258	100%	3,258	100%	2,880	2,880	100%	2,880	100%
Workers										
Male	912	912	100%	912	100%	878	878	100%	878	100%
Female	0	0	100%	0	100%	0	0	0%	0	0%
Total	912	912	100%	912	100%	878	878	100%	878	100%

Note: Only Permanent employees and Workers are accounted

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3196	3196	100%	2,834	2,834	100%
Female	62	62	100%	46	46	100%
Total	3258	3258	100%	2,880	2,880	100%
Workers						
Male	912	912	100%	878	878	100%
Female	0	0	0%	0	0	0%
Total	912	912	100%	878	878	100%

Note: Only permanent employees and workers are accounted

10. Health and safety management system:

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

Yes, the Company has implemented comprehensive occupational health and safety (OHS) management systems across all its workplaces, covering both employees and workers through well-defined processes and protocols. Regular training programmes are conducted to ensure that personnel at plant sites possess the necessary safety knowledge and competencies. The [Environment, Health and Safety \(EHS\) Policy](#) is applicable across the organisation and is reinforced by strong leadership commitment, with dedicated EHS departments established at each location. Safety committees, working in coordination with EHS teams, support management in achieving safety objectives and preventing incidents.

The OHS management system, aligned with ISO 45001:2018, is implemented across major production facilities. It includes structured communication of safety-related information to customers and extends safety priorities across the supply chain through robust vendor selection and continuous performance evaluation. Transportation safety is further strengthened through periodic driver training on safe handling and operational practices. The Company's emphasis on innovation and continuous improvement in workplace safety has been recognised through the "Safety Innovation Award 2025," reflecting its proactive risk management approach and strong safety culture.

At the Bhuj facility, safety systems have been further enhanced through increased training capacity (from approximately 1,000 to 1,200 employees per day), the introduction of an online near-miss reporting system, and the establishment of a dedicated Safety Park to drive awareness. These initiatives have earned multiple external recognitions, including a 5-Star rating and the prestigious "Sword of Honour" from the British Safety Council.

Directors' Report & Management Discussion and Analysis

Additionally, BKT Tires has received the GEEF Global Award (Golden in Safety), recognising the strength of its safety management systems, employee participation, and sustained efforts to maintain high workplace safety standards. This is complemented by other accolades such as the Certificate of Merit from the National Safety Council of India (Safety Awards 2025) and the Exceed Occupational Health & Safety Award ("Legend Emerging Award – Safety") for the Bhuj plant. Together, these recognitions highlight effective on-ground implementation of OHS systems and strong employee engagement in fostering a safe working environment.

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

The Company employs a comprehensive risk management approach using qualitative, quantitative, and specialised tools across its operations. Hazard Identification and Risk Assessment (HIRA) processes are used to systematically identify work-related hazards and evaluate associated risks. These are supported by specialised mechanisms such as EHS inspections, fire safety systems, third-party EHS audits, and disaster management planning to assess control effectiveness.

Routine risk assessments are conducted for standard operations, with defined controls implemented to mitigate identified risks. For non-routine activities, additional controls such as work permit systems are applied. The Company maintains a strong safety infrastructure, including regular safety and fire drills, internal and external audits, 5S audits, emergency response systems (sirens, lighting, hydrants, extinguishers, and fire tenders), and active safety committees and patrols. Preventive health measures such as annual medical check-ups and access to occupational health centres are also in place.

Continuous improvement initiatives, such as digital near-miss reporting systems and behaviour-based safety programmes (implemented at facilities such as Bhuj), further strengthen hazard identification and proactive risk management. All OHT and carbon black manufacturing plants are certified under ISO 45001:2018, reinforcing a structured and standardised approach to risk management.

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

Yes, the Company has established processes that enable workers to report work-related hazards and take appropriate action to mitigate risks. These include systems for reporting near-misses and safety observations, supported by structured mechanisms such as toolbox talks, safety awareness programmes, and oversight by Night Duty Officers (NDOs). Compliance is ensured through dedicated EHS personnel at each site, along with periodic audits and monitoring. Workers and contractors are actively involved in hazard control programmes, with roles and responsibilities clearly communicated in local languages to ensure understanding and effective participation. Safety instructions, including signages and visual communication tools, are prominently displayed across facilities. Emergency preparedness measures, including evacuation plans with clearly defined access routes and assembly points, are also in place. Recent enhancements, such as the implementation of digital near-miss reporting tools and behaviour-based safety training programmes (e.g., at the Bhuj facility), have further strengthened worker engagement and responsiveness to workplace hazards.

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

Yes, all employees and workers have access to non-occupational medical and healthcare services. This includes health counselling following periodic medical check-ups. The Company's health and first-aid centres are equipped with essential medical facilities and tie up with local multi-specialty hospitals enable access to specialised care, supported through insurance and ESIC coverage provided by the organisation.



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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0
	Workers	0	0.12
Total recordable work-related injuries	Employees	0	0
	Workers	0	3
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

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

The Company continues to integrate safety across all business processes and maintains internal mechanisms to verify compliance with internal standards as well as statutory requirements. Workers are involved in safety audits and may report unsafe conditions through safety committee meetings and other established reporting channels. All safety incidents are reported, investigated, and analysed, and learnings are communicated across the organisation to drive continuous improvement.

Key measures taken to ensure a safe and healthy workplace across units include:

Training and awareness

1. Reinforcing a safe working environment through regular training and awareness programmes on technical operations, machine handling, fire prevention, and workplace safety.
2. Conducting continuous learning initiatives including training, retraining, toolbox talks, first aid training, and behaviour-based safety programmes to enhance EHS competence.
3. Organising motivational and awareness programmes supported by workplace safety display boards to strengthen safety culture.
4. Promoting safety awareness through initiatives such as Safety Parks and employee engagement programmes during ESG Week.
5. Extending safety awareness beyond shopfloor operations through road safety campaigns, driver awareness sessions, vehicle safety audits, and related engagement activities.

Mock drills

Conducting mock drills at various locations to evaluate the effectiveness of emergency response systems.

Safety systems and protocols

- Providing and maintaining critical safety systems such as fire-protection systems, personal protective equipment (PPE), occupational health surveillance mechanisms, emergency sirens and lights, fire hydrants, portable fire extinguishers, fire tenders, and Material Safety Data Sheets (MSDS) for hazardous and flammable materials.

Directors' Report & Management Discussion and Analysis

Occupational health centres

- Ensuring availability of well-trained medical professionals at Occupational Health Centres (OHCs) to support workplace health and emergency response.
- Conducting periodic medical check-ups for employees. Health check-ups covered 100% of employees engaged in hazardous and non-hazardous processes, including physical examination, vision testing, blood tests, X-rays, and audiometry, as part of the Company's continued focus on employee well-being.

Safety audits and governance

- Involving workers through safety committees and audit processes to identify unsafe conditions and support timely resolution.
- Conducting internal and external audits and inspections to monitor compliance, assess performance, and identify opportunities to further strengthen workplace health and safety practices.

Monitoring and reporting

Improving reporting and monitoring mechanisms, including implementation of online near-miss reporting systems, to enable faster identification and response to unsafe conditions and unsafe acts.

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

	FY2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

There were no complaints filed regarding working conditions or health and safety.

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% All our plants and offices have been internally assessed for health and safety practices and working conditions
Working Conditions	

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

We have analysed the accident rates and implemented engineering control measures which were derived during incident investigation and with Hazard Identification & Risk Assessment. No major injuries or health and safety issues were reported and hence no corrective action(s) to report.

Leadership Indicators

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

The Company verifies that value chain partners have appropriately deducted and remitted statutory dues by reviewing supporting documents such as invoices, challans, and filings available on government portals. In addition, a third-party software solution is used to monitor compliance. Any discrepancies or gaps identified are followed up with the respective partners for validation and rectification.



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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	NA	NA
Workers	0	0	NA	NA

NA. There have been no instances of high consequence work-related injury / ill-health / fatalities during FY 2025-26 and FY 2024-25.

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

No, the Company does not have a formal transition assistance program to support continued employability or manage career transitions following retirement or termination. However, certain highly experienced employees may be retained as advisors after superannuation. In some cases, fixed-term contracts are extended to retiring employees based on business needs. Additionally, the Company provides ongoing skill development and upskilling programmes during employment to support long-term employability.

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	We do assess our value chain partners on certain aspects of health, safety and working conditions and we conduct regular audit and analyse our procurement practices and internal policies to ensure that our value chain partners are complying with applicable laws, regulations, and industry standards.
Working conditions	This year, 50%+ of value chain partners (by value) have been assessed on ESG through onsite and/or desktop assessment. Further, BKT has developed a comprehensive value chain assessment framework considering mandatory requirements, applicable reporting frameworks, best industry practices and BKT's sustainability commitments in alignment with BKT's supplier code of conduct.

5. 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.

No significant risks were identified from assessment of health and safety practices and working conditions of value chain partners during the assessment in FY 2025-26.

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

We follow a multi-stakeholder approach that recognises the diverse expectations of all groups connected to our business and ensures timely, meaningful responses to their needs. Our commitment is to create long-term, sustainable value by placing our stakeholders, consumers, customers, employees, shareholders, business partners, and, above all, our planet and society, at the centre of our decisions and actions.

Essential Indicators

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

Our approach to identifying key stakeholder groups is grounded in fostering long-term, constructive relationships across the value chain. We adopt a structured methodology based on the principles of materiality, inclusiveness, and ongoing evaluation. Stakeholders are identified considering the degree to which they are impacted by our operations, as well as their ability to influence our business decisions and performance. This process is further guided by our publicly available Stakeholder Relationship Policy.

Directors' Report & Management Discussion and Analysis

During FY 2023-24, we conducted a comprehensive Stakeholder Engagement and Materiality Assessment. As part of this exercise, a 360-degree review of our business value chain was undertaken to identify key stakeholder groups and map appropriate engagement mechanisms. We engaged with these stakeholder groups to obtain their perspectives and insights, which were instrumental in identifying material issues relevant to them. While this enabled BKT to arrive at key focus areas and also plan initiatives accordingly, during FY 2025-26. The process involved structured engagement with both internal and external stakeholders to capture diverse perspectives on key impacts, risks, and opportunities, along with their significance to stakeholder decision-making.

Engagement was carried out through a range of mechanisms, including interviews, surveys, group discussions, and formal communications. The insights gathered supported the identification and validation of material ESG topics and helped shape our understanding of stakeholder expectations related to sustainability strategy and performance.

The assessment included participation from a broad set of external stakeholders such as suppliers, investors, customers, industry bodies, and NGOs/community representatives. Internal stakeholders' engagement comprised of senior management, departmental heads, and employees across the organisation.

Stakeholder identification is an ongoing process. We periodically reassess our operating context and incorporate learnings from engagement activities to identify emerging stakeholder groups as the business continues to evolve.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ol style="list-style-type: none"> 1. Direct interactions through regional and sales teams. 2. Trade shows 3. Communications through digital platforms. 4. Feedback sessions and product demonstrations 5. Participation in conventions and exhibitions. 	Regular engagement	Engagement focuses on understanding evolving customer expectations on performance, safety, service responsiveness and sustainability. Feedback gathered helps improve product quality, enhance digital support systems, strengthen after sales service, and stay aligned with global and regional market trends.
Employees and Workers	No	<ol style="list-style-type: none"> 1. Leadership interactions and internal communications. 2. Engagement platforms and internal dialogue forums 3. Rewards and recognition Programmes 4. Employee engagement initiatives. 5. Training development workshops and onboarding programmes. 6. Grievance redressal mechanisms. 7. Cultural events and celebrations 8. Suggestion box and feedback channels 	Regular engagement	Engagement aims to strengthen workplace wellbeing, safety, career development and inclusion. Key topics include upskilling, health & safety initiatives, performance management, welfare programmes, work-life balance and transparent communication. Inputs help refine policies, improve efficiency / productivity and foster a supportive, future ready workforce.
Communities / NGO's	Yes	<ol style="list-style-type: none"> 1. Project-level discussions 2. Community interactions with NGOs 3. Community grievance interfaces 4. Information through print media 5. Relief and support activities 6. Partnerships with local representatives. 7. Social initiatives and outreach activities. 	Purpose-driven engagement	Engagement focuses on identifying community needs, supporting social development, and implementing CSR initiatives in areas such as education, health, rural development, and infrastructure. Discussions also address environmental concerns, livelihood improvement, and community resilience, ensuring programmes are aligned with local priorities.



Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government Agencies, Industry Organisations and Educational Institutions	No	<ol style="list-style-type: none"> 1. Online portals and official websites 2. Industry forums, conferences and seminars 3. Academic partnerships and campus interactions 4. Site visits and official meetings 5. Participation in events and sponsorships 	Purpose-driven engagement	Engagement covers regulatory compliance, policy alignment, and contribution to industry wide initiatives. Key topics include environmental regulations, product standards, trade policies, sustainability expectations, and workforce development. Collaboration with academic institutions also supports talent development and research partnerships.
Shareholders and Investors	No	<ol style="list-style-type: none"> 1. Annual shareholder meetings, reports and sustainability disclosures 2. Quarterly results announcements 3. Media updates and investor briefings 4. One-to-one discussions and calls 5. Dedicated mail ID 6. Grievance redressal portal 	Purpose-driven engagement	Engagement centres on transparent communication of financial performance, governance practices, strategic priorities and long-term value creation. Investors also raise queries on risk management, sustainability performance, capital allocation and future growth plans, which are addressed through structured disclosures and dialogue mechanisms.
Suppliers and Vendors	No	<ol style="list-style-type: none"> 1. Email communication, calls and plant visits 2. Awareness and capability-building programmes 3. Vendor assessments and performance discussions. 	Regular engagement	Discussions focus on product quality, delivery performance, responsible sourcing, operational efficiency and compliance with the Supplier Code of Conduct. Engagement also covers expectations on environmental practices, labour standards, safety, ethical conduct and digitalisation of supply processes. A grievance portal enables suppliers to raise concerns for timely resolution.

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.

Consultation with stakeholders at Balkrishna Industries Limited is undertaken through a continuous and structured process, ensuring that stakeholder perspectives and feedback on economic, environmental and social matters is integrated into decision-making at the highest level.

The Company engages both internal and external stakeholders through a combination of surveys, direct interactions, ongoing engagement mechanisms and periodic assessments on key ESG topics. Insights from these engagements, including outcomes from the materiality assessment conducted in FY 2023-24 are consolidated by the Management team and reviewed internally to validate and prioritise material topics on an annual basis. These inputs form an integral part of the Company's sustainability framework and are aligned with its overall ESG strategy and long-term value creation objectives.

Feedback and stakeholder concerns are escalated to the Board through established governance mechanisms. These include periodic management updates, reviews by the relevant Board Committees, and structured reporting on key areas such as enterprise risks, regulatory compliance, sustainability performance and stakeholder expectations. The Board and its committees provide oversight on these matters, ensuring that stakeholder inputs are appropriately considered in strategic planning, risk management and policy formulation. Shareholders are also provided with a formal platform to engage directly with Board members during the Annual General Meeting, where they can raise queries and share expectations on financial performance, governance practices, environmental and social matters.

Directors' Report & Management Discussion and Analysis

In addition, stakeholder feedback captured through engagement channels and internal reviews is periodically assessed to track emerging risks, opportunities and evolving expectations, thereby strengthening the Company's responsiveness and resilience.

This continuous feedback loop supports the refinement of material topics, enhances transparency and ensures that Board-level oversight remains aligned with stakeholder priorities and the Company's sustainability commitments.

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 consultation plays a central role in identifying and managing our environmental and social priorities.

The Company engages with the diverse set of stakeholders – including employees, workers, customers, suppliers, communities, regulators, shareholders, investors, institutions etc. through structured engagement mechanisms such as surveys, direct interactions and periodic assessments. Inputs gathered through these engagements, including the sustainability materiality assessment conducted in FY 2023-24, are systematically analysed to identify, prioritise and validate key environmental and social topics relevant to the business and its stakeholders.

The materiality assessment process incorporates stakeholder perspectives to evaluate the significance of ESG topics from both business and stakeholder viewpoints, forming the basis for the Company's sustainability focus areas.

Stakeholder feedback has informed key decisions such as strengthening workplace health and safety initiatives, enhancing responsible sourcing requirements for suppliers, expanding employee learning programmes, and improving community development Initiatives in areas such as education, healthcare and rural development. The Board and senior management are periodically apprised of material stakeholder concerns, emerging ESG risks and the actions undertaken to address them through structured governance and reporting mechanisms.

Inputs from stakeholders have also contributed to shaping the Company's environmental initiatives, including efforts towards energy efficiency, emissions management and waste reduction, in line with its broader sustainability objectives.

In addition, stakeholder perspectives are considered during periodic internal reviews to assess the effectiveness of existing policies and identify opportunities for continuous improvement.

This integrated approach ensures that stakeholder consultation is not only used for identification of material issues but also for their ongoing management, monitoring and incorporation into business strategy and operational practices.

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

Our Company is committed towards contributing to a sustainable future. We actively engage with community including vulnerable and marginalised groups through dedicated CSR and community development programmes. These engagements focus on understanding local needs and addressing gaps in healthcare, education, livelihood opportunities and rural infrastructure. Inputs from these interactions guide the design and delivery of targeted interventions.

Key actions include:

- Healthcare access: organising medical camps, preventive health screenings, and support for critical care equipment and services for underserved communities.
- Education support: improving learning environments through school infrastructure upgrades, digital learning tools, mid-day meal and teacher-support initiatives.
- Rural and community development: supporting water, sanitation and hygiene (WASH) initiatives, ground water recharge structures, upgrading community facilities, and contributing to local infrastructure that benefits vulnerable households.

These initiatives help strengthen inclusion, improve well-being and enhance long-term resilience among the communities most in need.

For more details, please refer to Annexure - II of Annual report on CSR report.



PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

We prioritise a healthy, safe, and inclusive workplace, extending human rights to policies and benefits to employees and partners. We systematically integrate human rights into operations, fostering decent working conditions, safeguarding stakeholders' rights, and promoting diversity and inclusion.

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 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	3258	3258	100%	2,880	2,880	100%
Other than permanent	61	61	100%	87	87	100%
Total employees	3319	3319	100%	2,967	2,967	100%
Workers						
Permanent	912	912	100%	878	878	100%
Other than permanent	8260	8260	100%	8,283	8,283	100%
Total workers	9172	9172	100%	9,161	9,161	100%

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

Category	FY 2025-26					FY 2024-25				
	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										
Male	3,196	0	0%	3,196	100%	2,834	0	0%	2,834	100%
Female	62	0	0%	62	100%	46	0	0%	46	100%
Other than Permanent										
Male	59	0	0%	59	100%	85	0	0%	85	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
Workers										
Permanent										
Male	912	0	0%	912	100%	878	0	0%	878	100%
Female	0	0	0%	0	100%	0	0	0%	0	100%
Other than permanent										
Male	8,213	0	0%	8,213	100%	8,248	0	0%	8,248	100%
Female	47	0	0%	47	100%	35	0	0%	35	100%

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

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR)	Number	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors (BoD)	08	15,25,000	02	12,25,000
Key Managerial Personnel	01	4,84,48,611	00	-
Employees other than BoD and KMP	3192	8,23,842	62	16,39,332
Workers	912	3,81,000	0	0

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	1.88%	1.31%

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, we have appointed a designated focal point to oversee and address human rights-related matters within the organisation. The Human Resources Heads, working closely with the respective Plant Heads and the Head Office, are responsible for managing any human rights issues or risks arising from or influenced by our business operations. Together, they ensure timely and appropriate responses to concerns or complaints raised by both internal and external stakeholders. Our [Human Rights and Labour Policy](#) is designed to build awareness of human rights across the Company and to strengthen our capability to identify, prevent, and effectively manage human rights-related issues.

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

The Human Rights Policy details the Company's grievance redressal mechanism and is publicly available on the Company's website under the section "[Human Rights and Labour Policy](#)." The policy applies across the value chain. Employees and workers are encouraged to raise grievances with their respective line managers, with the reporting manager or the Site Human Resources Head serving as the primary point of contact for any concerns.

To enable anonymous reporting, the Company has established a dedicated web-based portal accessible to all stakeholders, allowing grievances to be submitted confidentially. The procedure for raising grievances is clearly outlined in the Policy available on the Company's website.

All grievances received are duly examined, and appropriate corrective measures are undertaken to address and resolve the concerns. Where required, disciplinary action is initiated, and support from relevant regulatory authorities is sought to ensure effective and appropriate resolution.

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

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



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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment 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.

We are committed to protecting the rights of all employees and workers by fostering a workplace free from physical, verbal, or psychological abuse. The organisation follows a strict zero-tolerance approach towards harassment or discrimination on the basis of race, colour, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, nationality, disability, or any other conduct that may create an intimidating, hostile, or offensive work environment, including unwelcome or unsolicited sexual behaviour.

To prevent and address sexual harassment at the workplace, the Company has implemented a comprehensive policy supported by clearly defined complaint-handling mechanisms. A dedicated committee has been constituted to ensure effective implementation of the policy. The Company safeguards complainants against any form of retaliation and ensures confidentiality and anonymity throughout the grievance redressal process.

In addition, the Company has established and enforces policies such as the [Whistle-blower Policy](#), [Prevention of Sexual Harassment \(POSH\) Policy](#), and [Diversity & Inclusion Policy](#) to effectively address and mitigate instances of discrimination and harassment. These policies reinforce our commitment to providing an inclusive workplace that ensures equal opportunity for all, free from discrimination. Employees and workers are encouraged to report any discriminatory conduct, with strict confidentiality maintained in relation to all such matters.

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

Yes, our business agreements and contracts consistently incorporate human rights requirements whenever we engage with value chain partners.

BKT integrates respect for human rights into its business operations and engagement with value chain partners. Human rights commitments are embedded within contractual arrangements and operational processes to ensure responsible business conduct across the value chain. The following mechanisms are implemented to promote and uphold human rights:

Partner onboarding and selection: As part of the onboarding and selection process, compliance with applicable labour laws and statutory requirements, including provisions relating to the prohibition of child labour, forced labour, and compulsory labour remain one of the key considerations.

Code of Conduct compliance: All partners are required to adhere to the Company's Code of Conduct, which outlines expectations including human rights, ethical behaviour, and responsible labour practices. Adherence to the Code is formalised through contractual agreements and acknowledged by partners at the time of engagement.

Human rights due diligence: Beyond contractual terms and undertaking, BKT undertakes audits for its key suppliers which also includes aspects of human rights due diligence as well through desktop assessments and, where applicable, on-site evaluations conducted alongside the Company's standard risk assessment processes. These assessments support the identification, assessment, and management of potential and actual human rights risks within the supply chain.

10. Assessments of the year:

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

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Note: The assessments were conducted by an independent third party for the Bhuj facility during reporting year. For the remaining sites, internal assessments were undertaken, with reliance placed on the findings and recommendations from the independent third-party assessment conducted in the previous year.

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

Nil

Leadership Indicators

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

The Company has maintained a robust human rights due diligence framework to continuously assess and strengthen its ability to identify, prevent, and address potential adverse human rights impacts. During the reporting period, no material human rights-related grievances or complaints were reported, and accordingly, no changes or additions to business processes were required.

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

Our organisation is dedicated to upholding human rights within our operations and among our value chain partners. We are currently enhancing our human rights due diligence processes and mechanisms to adopt a more risk-based approach at each location. Additionally, we regularly evaluate and motivate our suppliers to adhere to relevant laws that encompass critical aspects of human and workers' rights, in alignment with both national and international regulations. Human rights considerations are integral to our supplier onboarding process, and all suppliers must comply with our [Supplier 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?

Yes, our Company endeavours to ensure that its premises and offices are accessible to all individuals, including persons with disabilities, in line with applicable regulatory requirements.

We are committed to fostering an inclusive and equitable workplace, and accessibility forms an integral part of its broader approach to employee well-being, diversity and inclusion. As part of its focus on creating a safe and enabling work environment, our Company has implemented workplace practices and infrastructure considerations that support ease of access, mobility areas and safety for employees and visitors, including those with differing abilities.

This approach is aligned with our Company's emphasis on employee welfare, health and safety, and equal opportunity, as highlighted in its sustainability and human capital initiatives. Our Company continues to strengthen its policies and practices to ensure that individuals are able to access its facilities with dignity and independence. Accessibility considerations are also supported through ongoing workplace improvements, employee engagement and adherence to applicable statutory guidelines, reinforcing our Company's commitment to inclusive growth.

4. Details on assessment of value chain partners:

We acknowledge that our value chain partners function autonomously, yet their actions can significantly influence our operations. To address this, we consistently audit and evaluate our purchasing practices and internal policies against our governance mechanism and international frameworks, which we follow. This ongoing process assures that our partners adhere to applicable laws, regulations, and industry standards. Moreover, we have developed a new value chain assessment program, which encompasses social aspects as part of our supplier code of conduct. The code has been aligned with global frameworks such as the United Nations Global Compact, industry best practices and BKT's social commitments.



	% Value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	
Discrimination at workplace	
Child labour	This ongoing process guarantees that our partners adhere to applicable laws, regulations, and industry standards. This year, around +50% of value chain partners (by value) have been assessed on ESG including social aspects through onsite and/or desktop assessment.
Forced/involuntary labour	
Wages	
Others – please specify	

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

No such significant risk has been identified during this reporting year.

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

BKT recognises that responsible environmental stewardship is central to long-term business resilience and sustainable value creation. We are committed to respecting, protecting, and restoring the environment by integrating sustainable practices across our operations and value chain. Through resource-efficient processes, innovation, and continuous improvement, we work to minimise our ecological footprint while contributing to the conservation of natural ecosystems. By placing environmental responsibility at the core of our decisions, we aim to support a healthier, more sustainable planet for present and future generations.

Essential Indicators

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

Parameter	Unit	FY 2025-26	FY 2024-25
From Renewable Sources			
Total electricity consumption (A)	GJ	42,686	35,280
Total fuel consumption (B)	GJ	32,259 [#]	897
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	74,945	36,177
From Non-Renewable Sources			
Total electricity consumption (D)	GJ	4,13,173	4,14,389
Total fuel consumption (E)	GJ	71,24,237	66,80,665
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	75,37,410	70,95,054
Total energy consumed (A+B+C+D+E+F)	GJ	76,12,356	71,31,231
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)*	GJ/Lakh INR	6.89	6.85
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) ^{#, *}	GJ/Lakh INR	140.15	137.52
Energy intensity in terms of physical output*	GJ/Mt of production	14.67	14.85

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 for previous year. Energy intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

[#]Augmentation of renewable fuel in place of PNG.

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure, aligned with the AA1000 assurance standard (version 3).

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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.

We do not operate any sites or facilities that fall under the Government of India's Performance, Achieve and Trade (PAT) Scheme as Designated Consumers (DCs). Therefore, this indicator is not applicable to BKT.

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) To Surface water	-	-
(ii) Groundwater	2,23,513	1,68,633
(iii) Third party water (Municipal water supplies)	19,22,116	19,09,277
(iv) Seawater / desalinated water	-	-
Others (Rainwater)	24,788	9,371
Total volume of water withdrawal (in kilolitres) (i + ii + -iii + iv + v)	21,70,418	20,87,281
Total volume of water consumption (in kilolitres)	21,67,070	20,84,842
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (kilolitres/Lakh INR)*	1.99	2.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (kilolitres / Lakh INR) ^{#, *}	40.40	40.20
Water intensity in terms of physical output (kilolitres/Mt of production)*	4.23	4.34

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 for previous year. Water intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
To Seawater		



Parameter	FY 2025-26	FY 2024-25
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Sent to third parties		
- No treatment	3,347	2,439
- With treatment – please specify level of treatment	-	--
Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	3,347	2,439

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

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

We have implemented Zero Liquid Discharge (ZLD) systems at our major manufacturing facilities in Bhuj and Waluj, while ZLD installation is currently underway at the Bhiwadi and Chopanki plants. All product manufacturing site ensure that no liquid effluents are discharged into the environment. Our ZLD framework combines advanced treatment technologies—ETP, RO, UF, and Multi-Effect Evaporator (MEE) systems—to achieve complete recycling of treated wastewater. Treated water is again utilised into operations.

Further, our sites have installed Sewage Treatment Plant (STP) to treat domestic effluents. Treated water is used for horticulture purpose. We ensure that no liquid effluents are discharged from all our manufacturing units, and water resources are utilised with utmost care.

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

Parameter	Please specify unit	*FY 2025-26	FY 2024-25
Nox	Tonnes, mg/Nm ³	21.46	131.32
Sox	Tonnes, mg/Nm ³	48.93	61.14
Particulate Matter (PM)	Tonnes, mg/Nm ³	18.71	23.40
Carbon monoxide (CO)	Tonnes	10.43	NA
Volatile organic Compounds (VOC)	Tonnes	0.06	NA

*Reporting unit of Air emissions for FY 2025-26 is migrated to Tonnes from mg/NM3, which is used for FY 2024-25.

NA: Not monitored during previous reporting period.

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)**	MtCO ₂ e	7,27,419	6,75,773
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	81,487	83,684
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)*	MtCO ₂ e/Lakh INR	0.73	0.73
Total Scope 1 and Scope 2 emission intensity adjusted for Purchasing Power Parity (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) ^{#, *}	MtCO ₂ e/Lakh INR	14.90	14.65
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	MtCO ₂ e/Mt of production	1.56	1.58

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 for previous year. Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

Note: Our calculation methodology of Greenhouse gas (GHG) inventory includes Carbon Dioxide (CO₂), Methane (CH₄), and Nitrous Oxide (N₂O), aligned with globally recognised protocol, whereas, certain biogenic emissions and fugitive emissions from Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) are identified as immaterial and excluded.

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.

Yes, the Company has undertaken multiple initiatives across its manufacturing locations to reduce Greenhouse Gas (GHG) emissions. These projects focus on enhancing energy efficiency, increasing renewable energy usage, optimising fuel consumption, and adopting low-emission technologies. Key highlights include:

- **Renewable Energy and Low-Carbon Fuel Transition:** Biomass boiler conversion at Bhiwadi, replacing PNG gas usage with biomass, with negligible emissions, contributing to corporate sustainability goals.
- **Automation of curing press hydraulic systems:** At the Waluj manufacturing plant, PLC-based automation was implemented on curing press hydraulic power packs. Hydraulic pumps that earlier operated continuously were modified to run only during active press operations, eliminating idle energy consumption. Reduced electricity demand lowers Scope 2 GHG emissions associated with grid electricity usage.
- **VFD installations, TCU optimisation, motor upgrades, and cooling tower optimisation:** Across the Waluj and Bhuj plants, multiple energy efficiency measures were implemented, including the installation of Variable Frequency Drives (VFDs) on motors and cooling tower fans, Thermal Control Unit (TCU) optimisation, replacement of inefficient and repeatedly rewound motors with higher-efficiency motors, and optimisation of cooling tower operations. These measures ensure equipment operates in line with actual process demand, avoiding excess electricity consumption.
- **Waste Heat and Steam Recovery:** Flash Steam recovery at Chopanki, were installed to recover flash steam and pre-heat boiler feed water further reducing the fossil fuel demand in the boilers resulting in the reduction of scope 1 emissions.
- **Adoption of high-efficiency technologies:** At the Bhuj and Chopanki plants, conventional induction motor-based systems were replaced with high-efficiency technologies, including EC fans, FRP fan blades, and Permanent Magnet Motors (PMM) in compressors, directly contributing to improved energy efficiency, especially under partial load conditions, and reduce electrical losses.



- **Electrification of Material Handling Equipment:** At the Chopanki warehouse and plant operations, diesel-powered forklifts were largely replaced with electric forklifts eliminating ~90% on-site diesel combustion, directly reducing Scope 1 GHG emissions.

Collectively, these initiatives demonstrate the Company's strong commitment toward GHG reduction through renewable energy adoption, operational efficiency, technological upgrades, and fossil fuel substitution.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,595.15	2,030.32
E-waste (B)	19.98	14.54
Bio-medical waste (C)	0.10	0.06
Construction and demolition waste (D)	0.00	0.00
Battery Waste (E)	20.84	42.15
Radioactive waste (F)	0.00	0.00
Other Hazardous waste, please specify, if any. (G)	3,372.49	1,013.63
Other non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Other Non-Hazardous Wastes (H)	16,218.07	17,393.41
Total (A+B + C + D + E + F + G + H)	21,226.63	20,494.12
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Mt/Lakh INR)*	0.02	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (Mt/Lakh INR)#, *	0.40	0.40
Waste intensity in terms of physical output (Mt of total waste generated/ Mt of production)*	0.04	0.04

#: *The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 for previous year. Waste intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

	FY 2025-26	FY 2024-25
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	15,800.82	12,266.38
(ii) Re-used	4,303.22	7,853.30
(iii) Other recovery operations	0.00	0.00
Total	20,104.04	20,119.68
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
Incineration	33.43	21.24
Landfilling	1,089.16	353.21
Other disposal operations	0.00	0.00
Total	1,122.59	374.45

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

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

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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.

The Company follows a structured waste management approach aligned with circular economy principles, focusing on waste minimisation, recycling, and regulatory compliance. Waste is managed responsibly across inputs, operations, and outputs through source-level planning, process optimisation, and continuous monitoring to reduce environmental impact and enhance resource efficiency.

All waste streams—including hazardous, non-hazardous, e-waste, and battery waste—are managed in strict accordance with applicable regulations. A comprehensive Hazardous Waste Handling Procedure ensures safe segregation, storage, handling, and disposal through authorised recyclers and disposal agencies. Dedicated storage areas and segregated bins are maintained for process and non-process scrap across facilities.

To reduce the use of hazardous and toxic chemicals, the Company continuously evaluates products and processes to identify safer alternatives, optimise material usage, and adopt cleaner technologies. Packaging reduction, reuse of materials, and logistical optimisation further minimise waste generation.

Key initiatives include reduced polythene usage through reuse practices, improved bladder life, reduction of fabric and steel wire scrap, and reuse of salvaged steel from discarded equipment. Through these measures, the Company aims to minimise waste disposal, ensure environmental safety, and strengthen sustainable operations.

Further to keep control on input side, we place strong emphasis on responsible sourcing and the use of raw materials that meet applicable regulatory and quality standards, including alignment with internationally recognised frameworks such as REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), where applicable. We undertake appropriate checks on input materials to ensure compliance with regulatory requirements and to reduce the presence of substances of concern in our products.

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.
Nil [#]			

[#]We do not have any operational sites that fall under the ecologically sensitive zones as stated by government authorities.

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
Project title as Expansion of Carbon Black Manufacturing Facility, Tyre plant, power plant, with mould / drum/ Tire Plant Accessories	EC ID No. EC25A2301GJ5667388N	17 th July, 2025	Yes	Yes	https://parivesh.nic.in

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, the Company is 100% compliant with the applicable environmental law / 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:

2. (i) **Name of the area:** Bhuj, Bhiwadi and Chopanki are located in over exploited category of water stress area as per Central Ground Water Board (CGWB).

(ii) **Nature of operations:** Tire Manufacturing

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2,23,513	1,68,633
(iii) Third party water	17,82,572	17,42,424
(iv) Seawater / desalinated water	-	-
(v) Others – Rainwater	21,187	7,545
Total volume of water withdrawal (in kilolitres)	20,27,272	19,18,602
Total volume of water consumption (in kilolitres)	20,27,272	19,18,602
Water intensity per rupee of turnover (Water consumed / turnover) (kilolitres / Lakh INR)	1.86	1.84
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.

Yes, Bureau Veritas (India) Private Limited has carried out Reasonable assurance for the above disclosure aligned with the AA1000 Assurance Standard (version 3).

Directors' Report & Management Discussion and Analysis

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	The Company is in the process of quantifying Scope 3 emissions for FY 2025-26.	45,37,502
Total Scope 3 emissions per rupee of turnover	MtCO ₂ e/Lakh INR		90.03
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	MtCO ₂ e/Mt of production		9.45

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

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.

None of the Company's manufacturing facilities or office locations are situated within or near ecologically sensitive areas requiring environmental approvals or clearances; accordingly, this is not applicable.

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Reduced freshwater intake and enhanced water reuse	Large Scale Rooftop Rainwater Harvesting, Condensate Recovery & Boiler Optimisation, Reuse of Dry Cooler Return Water, RO Skid for Curing Water Reuse, Vacuum Pump Sealing Water Recovery, Optimisation of Water Use in ERS Chemical Preparation, Raw Water Use in MEE Surface Condenser, RO / DM Sample Water Reuse	Water Conservation
2	Reduced energy consumption through heat recovery and system optimisation	Cooling Tower Evaporation Reduction Using Plate Heat Exchanger, Air Cooled Heat Exchanger for Hydraulic Power Pack, Tire Curing Flash Steam Recovery & Reuse, Flash Steam Recovery for Boiler Feed Water Preheating	Energy Conservation
3	Reduced electricity consumption and improved operational efficiency	PLC Based Thermal Control Unit (TCU) Runtime Optimisation, Lightweight FRP Cooling Tower Fan Blades, EC Fans for Fumes & Dust Extraction, Energy Efficient Air Compressor Upgrade, Flash Steam Utilisation in Solid Tire Plant, VFD Based Energy Efficiency Projects, Motor Right Sizing & Efficiency Improvement, Anti Tack Dip Tank Air Purging Optimisation	Electrical Energy Saving
4	Increased renewable energy share	Rooftop Solar Power Plant	Reduced grid dependency
5	Reduction in greenhouse gas emissions	Conversion of Gas Boiler to Biomass Boiler, Rooftop Solar Power Plant, Electrification of Material Handling Equipment	GHG Emission Reduction
6	Reduced fossil fuel consumption and improved fuel efficiency	Boiler RO Water Pre Heating Using Flash Steam, Conversion of Gas Boiler to Biomass Boiler	Fuel Saving / Substitution
7	Reduced waste generation and improved material circularity	Carbon Jumbo Bag Reuse Programme, Packaging Material Optimisation for Auto Chemicals	Waste Reduction / Circularity



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

Yes. The Company has implemented a structured Business Continuity framework, which includes:

- A Board-approved [Business Continuity Policy](#) supported by unit-level disaster management plans.
- Integration with the Enterprise Risk Management system and maintenance of a corporate risk register.
- Periodic Business Impact Assessments to identify and mitigate operational, climate, supply chain, cyber, and health-related risks.
- Alignment of site-level plans with National Disaster Management Authority guidelines and conduct of regular mock drills.
- Defined internal communication protocols for stakeholder coordination during disruptions.
- Supplier engagement to strengthen supply chain resilience and backup arrangements.
- Ongoing cybersecurity risk assessments and IT audits to safeguard systems and data.

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?

No significant adverse environmental impacts from the Company's value chain came to our notice during the reporting period. The Company conducts periodic assessments of its value chain partners based on ESG and quality parameters and supports them in improving their sustainability performance. Additionally, partners are encouraged to adopt ISO 14001:2015 Environmental Management Systems (EMS) to strengthen their environmental management practices.

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

The Company conducts periodic assessments of its value chain partners as part of its supplier engagement programmes, focusing on high-value raw material and packaging suppliers. During the reporting period, around 50% of value chain partners (by value of business) were assessed through questionnaires, self-declaration and physical audits. These assessments are aligned with the Company's sustainable procurement practices, including our [Supplier Code of Conduct](#) and [Natural Rubber Procurement Policy](#), which integrate environmental considerations into supplier selection and monitoring processes.

In alignment with SEBI's BRSR guidelines and BRSR Core requirements under Principle 9, the Company engaged with and trained 75% of its identified value chain partners on BRSR Value Chain disclosure requirements, in line with the BRSR Core Principles. Subsequently, a structured questionnaire was deployed through the ESG digital platform to enable systematic data collection from value chain partners. The details of the data collated, and the corresponding analysis have been disclosed in the Annexure to the BRSR. While value chain reporting under BRSR Core is voluntary for the current reporting year, BKT is committed to transparently disclosing the findings and further strengthening the scope, quality, and coverage of value chain disclosures in subsequent years.

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

By the listed entity: Nil

By the top 10 (in terms of value of purchases and sales respectively) value chain partners: Nil

BKT intends to leverage on the Green Credit platform, once further details are available. BKT will explore feasibility to align this program to further strengthen its decarbonisation roadmap and climate action.

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

We are dedicated to strengthening our capacity to engage a broad and diverse audience within the tire market. Our efforts focus on policy advocacy, awareness-building, employee engagement, and securing support from key stakeholders. Guided by strong ethical principles, we prioritise gender equality and inclusivity, while leveraging technology and research to advance sustainability and address environmental challenges effectively.

Directors' Report & Management Discussion and Analysis

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

We actively engage with multiple trade and industry chambers to build strong relationships and address shared challenges affecting businesses and communities. We are currently members of 13 leading organisations, enabling knowledge exchange and driving positive change within our sectors. These associations create valuable opportunities for us to support industry progress and development. Our participation reflects our commitment to advancing sustainable practices and delivering meaningful benefits to the communities we operate in.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	All India Rubber Industries Association (AIRIA)	National
2.	Bombay Chamber of Commerce (BCC)	National
3.	Chemical and Allied Export Promotion Council of India (CAPEXIL)	National
4.	Federation of Indian Export Organisation (FIEO)	National
5.	IMA Chief Human Resource Officer Forum (CHRO)	National
8.	Bhiwadi Manufacturers Association (BMA)	National
9.	Chambers of Marathwada Industries and Agriculture (CMIA)	National
6.	The European Tire and Rim Technical Organisation (ETRTO)	International
7.	The Tire and Rim Association (T and RA)	International
10.	Global Platform for Sustainable Natural Rubber	International
11.	Smithers Laboratories USA	International
12.	Tire and Rubber Association of Canada (TRAC)	International
13.	The Tire Society	International

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 case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, of applicable
	BKT engages in public policy dialogue through industry associations and trade bodies to support responsible manufacturing, sustainable natural rubber sourcing, renewable energy adoption, circular economy practices and road safety. The Company's advocacy is primarily undertaken through formal consultations, position submissions and participation in industry forums. These engagements are aligned with BKT's sustainability strategy and regulatory compliance objectives and are periodically reviewed by senior management and the Board, as applicable.				



PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

Globalisation and technological progress have accelerated growth, but the benefits remain uneven. At BKT, we aim to close this gap by ensuring our progress uplifts communities and supports equitable development. We demonstrate this commitment through large-scale training initiatives of employee and worker development, community and environmental programmes, including tree plantation across manufacturing plants.

Through circular manufacturing, increased use of renewable and recycled materials, and alignment with global sustainability frameworks, we embed inclusive growth into core business decisions. This ensures our economic advancement contributes directly to shared prosperity and long-term community resilience.

Essential Indicators

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

S. No.	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
No SIA conducted in the reporting period						

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						

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

We have a structured [Grievance Redressal Mechanism](#) in place to support all stakeholders, including local community members. Our ongoing engagement with residents reflects our commitment to their well-being and to addressing issues that may arise. Any concerns identified during these interactions are promptly reviewed and resolved through appropriate actions. Community members are encouraged to approach the plant administration for any further communication or assistance.

Moreover, any CSR initiative at BKT, the team always connects with the stakeholders from the village local community and has formal and informal consultations, to understand the existing scenario and arrive at the community needs. This helps curate programmes that are most impactful and support the community in the right manner.

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

	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/ small producers by BKT Tires	14%	9%
Sourced directly from within the district and neighbouring districts by BKT Tires	61%	59%

Directors' Report & Management Discussion and Analysis

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	BKT Tires	
	FY 2025-2026	FY 2024-2025
Rural Semi	13.28	13.57
Semi-urban	12.10	12.23
Urban	48.04	45.77
Metropolitan	26.56	28.43

(Places are categorised as per RBI Classification System - rural / semi-urban / urban / Metropolitan)

- Numbers mentioned above are specific to India geography.
- Classification is based on the RBI Guidelines and Census 2011. As per the latest census all urban would be classified as Metropolitan based on the population index.

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 social impact identified	Corrective action taken
Not Applicable	

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 (INR)
Nil			

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

No, we do not have a preferential policy, as we support suppliers across. We do work with SMEs, MSMEs and local suppliers to the extent feasible and their availability.

- (b) **From which marginalised /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 sharing (Yes/No)	Basis of calculating benefit sharing
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 case	Corrective action taken
Not Applicable		



6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups*
1.	KEM Hospital, Mumbai: The project supports the establishment of a new Sports Injury and Rehabilitation Centre within KEM Hospital by contributing towards the procurement of essential medical equipment and undertaking required interior and civil works. This includes the development of operation theatres, ward rooms, physiotherapy lab, rehabilitation unit, and a sports science lab. The initiative aims to create a state-of-the-art Sports Injury Rehabilitation Centre (SIRC) equipped with modern facilities to provide free rehabilitation services to sports persons and athletes from all sections of society on all hospital working days.	1,500	100%
2.	The Akshaya Patra Foundation, Bengaluru: Through this partnership, mid-day meals are being provided to approx. 25,000 school children across multiple schools in Bhuj, Gujarat. The initiative supports improved nutrition, school attendance, and overall well-being of children by ensuring access to wholesome meals during the school day.	23,372	100%
3.	Shri Ram Rikh Das Poddar Balika Vidya Mandir Samiti, Fatehpur: The project supports the provision of quality, holistic, and inclusive education at Shri Ram Rikh Das Poddar Balika Vidya Mandir. Through this contribution, educational services are being provided to approximately 400 students ranging from Nursery to Grade 12, helping strengthen academic development and overall growth of students across different age groups.	400	100%
4.	Parkinson's Disease and Movement Disorder Society: The project provides corpus fund support to strengthen multidisciplinary rehabilitation services for Persons with Parkinson's (PwPs) and their caregivers. This initiative focuses on extending comprehensive care including therapy, counselling, and medical support to economically weaker patients, thereby improving quality of life and long-term disease management.	95	100%
5.	Bhuj Gujarat (Various Projects): Various projects in the area towards education, health and infrastructure support for the benefits of Bhuj and nearby villages.	1,76,878	100%
6.	Kanya Ashram, Madhi, Surat: Kanya Ashram continues to promote women empowerment by providing vocational training in sewing, beauty parlour skills, small-scale business development, along with social activities, dance, and health awareness programmes. However, the existing building is very old and faces severe water seepage during the monsoon. To safeguard the infrastructure and ensure continuity of activities, the project supported the construction of a corrugated steel sheet roof over the building.	350	NA
7.	Have A Heart Foundation, Mumbai: The project supports underprivileged children up to 18 years of age by sponsoring life-saving surgeries and comprehensive post-operative care for vascular and congenital heart conditions. This includes procedures such as coil closures, ballooning or stenting, intra-cardiac repairs, Ventricular Septal Defect (VSD) closures, and Bidirectional Glenn (BDG) shunt surgeries, enabling timely medical intervention and improved health outcomes for affected children.	15	100%
8.	Kushtarog Niwaran Samiti, Panvel: The project supports the construction of a well-equipped science laboratory at Kewale High School, Kewale Village, Raigad, Maharashtra. This initiative aims to enhance the quality of science education for 206 students from Std. 5 th to 10 th by providing improved learning infrastructure and practical exposure to scientific concepts.	206	100%
9.	KEM Hospital, Mumbai: The project supports the enhancement of robotic surgery capabilities at KEM Hospital through the provision of critical accessories and surgical tools for the robotic system. This includes Chuck Sleeves and Quick Lock Chucks, 6.2 mm cutter tools, navigation marker snap-easy fittings, and UKA cutters. These additions strengthen the hospital's robotic surgery infrastructure, enabling improved precision, efficiency, and outcomes in advanced surgical procedures.	NA	NA

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Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups*
10.	Rajsthani Sammelan Education Trust, Mumbai: The project supports the university construction initiative of Rajsthani Sammelan Education Trust. The contribution is directed towards strengthening educational infrastructure, facilitating the development of academic facilities, and advancing access to quality higher education for students.	Ongoing	Ongoing
11.	Miscellaneous (Waluj): As part of flood relief efforts in the Marathwada region, 100 food packets were distributed to support affected communities. This initiative aimed to provide immediate nutritional support to families impacted by the floods.	100	100%
12.	Miscellaneous (Bhuj): The project involved the provision of aprons and silk sarees to The Akshaya Patra Foundation for its Bhuj kitchen. This contribution supports kitchen operations and recognises the efforts of staff involved in the preparation and distribution of mid-day meals.	NA	NA
13.	Panna Narendra Dalal Charitable Trust, Mumbai: The project supports the Trust's ongoing food distribution initiative for the needy in Borivali, Mumbai. Through this contribution, over 250 food packets are distributed daily, totalling approximately 10,000 food packets, helping address food insecurity and provide consistent nutritional support to vulnerable communities.	10,000	100%
14.	The People's Medical Relief Society, Mumbai: The project supports the medical treatment of Mrs. Chhaya B. Pawar through assistance provided by The People's Medical Relief Society. This contribution helps ensure access to necessary healthcare services and supports her treatment and recovery.	1	100%

*Considering that the participant belongs to a vulnerable population, including elderly individuals, socioeconomically disadvantaged groups, or children.

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

We are committed to responsible consumer engagement and to consistently delivering value to our customers. Our focus is on building meaningful, trust-based relationships by offering products and services that meet customer needs while upholding the highest ethical standards. By embedding responsible practices across our operations, we strengthen customer confidence and loyalty. This ensures that every interaction with our brand contributes positively to customer experience and supports sustainable, long-term business growth.

Essential Indicators

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

As an organisation, we place strong emphasis on customer satisfaction and have built a structured system to capture, track, and resolve customer queries and grievances. We maintain multiple communication channels to ensure customers can reach us easily and receive timely support. Over the years, we have strengthened our customer feedback and grievance management processes to ensure accurate logging of complaints, clear assignment of responsibilities, and prompt resolution. Customers can contact us through our grievance portal, dedicated email addresses, telephone support, and other direct communication channels. All feedback and concerns are routed to our specialised Techno-Commercial team, which evaluates each case and provides appropriate and timely resolutions. These teams follow defined procedures for verification, root-cause analysis, corrective action, and customer communication.

In addition, we regularly conduct customer assessment, satisfaction surveys, trade fairs, and service visits, to capture insights on product performance, service experience, and emerging expectations. The findings from these surveys are reviewed by management and inform continuous improvements in product quality, service responsiveness, and overall customer experience.



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

Environmental and social parameters relevant to the product	As a percentage to 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 2025-26			FY 2024-25	
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year
Data privacy	0	0	-	0	0
Advertising	0	0	-	0	0
Cyber-security	0	0	-	0	0
Delivery of essential services	NA*	NA*	-	NA*	NA*
Restrictive Trade Practices	0	0	-	0	0
Unfair Trade Practices	0	0	-	0	0
Other – Product related**	12,613	1,592	*	12,791	995

*Pending complaints are in process of resolution.

**We do not deliver essential services.

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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 adopted a [Cyber Security and Data Privacy Policy](#), which serves as an overarching framework for information security and data privacy. The policy is designed to safeguard business and sensitive data and to ensure compliance with applicable laws, regulations, and recognised privacy principles.

The policy establishes governance principles and responsibilities for protecting confidentiality, integrity, and availability of information. It provides high level guidance on the responsible collection, transfer, storage, and processing of business and sensitive data and promotes the secure and reliable use of information systems across the organisation. The framework also aims to prevent unauthorised access, misuse, or illegal use of information.

To support effective cyber risk management, the policy provides for regular risk assessments and audits, monitoring systems for anomalies or potential incidents, and reporting of suspected information security breaches through defined incident reporting and grievance mechanisms. The Company is responsible for providing appropriate resources, training, and awareness programmes to promote cybersecurity and data privacy consciousness across the organisation. The policy also includes enforcement provisions, under which violations may attract disciplinary action in accordance with internal policies and regulatory requirements.

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In alignment with this framework, the Company has implemented multiple cybersecurity measures, including the engagement of a Managed Security Service Provider (MSSP) and the operation of a Security Operations Centre (SOC) for round-the-clock monitoring, threat detection, and incident response. Periodic Vulnerability Assessments and Penetration Testing (VAPT) are conducted to proactively identify and remediate potential vulnerabilities, supported by Endpoint Detection and Response (EDR) solutions that provide real time protection across digital assets. The Company has also implemented an external threat surface visibility solution to monitor internet facing assets and identify potential exposure to emerging cyber threats. Established security incident management processes enable timely containment and resolution of incidents, thereby minimising operational and customer impact.

The Company also undertakes phishing simulation exercises and structured training and awareness programmes to strengthen employee preparedness and promote responsible information handling and cybersecurity best practices. In addition, a structured cybersecurity evaluation process for external vendors is followed prior to onboarding and during deployment, helping to reduce third party technology risks and ensure alignment with internal security requirements.

During the reporting period, the Company reported no incidents of data breaches, reflecting the effectiveness of its governance framework, monitoring practices, and security controls in safeguarding information assets.

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 consumers; recurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There has been no such incident during this reporting year and adverse action taken by any authority.

7. Provide the following information relating to data breaches:

	BKT Tires
Number of instances of data breaches	0
Percentage of data breaches involving personally identifiable information of consumers	0
Impact if any of the breaches	No Cyber incident occurred in FY 2025-2026

Leadership Indicators

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

Information on our products and services is accessible through our official website at <https://www.bkt-tires.com/ww/us/>. In addition, we actively participate in industry exhibitions, trade fairs, and outreach events to showcase our offerings and engage with customers. Stakeholders may also reach out to us through our established communication channels, including email, telephone support, and distributor networks, for any further product-related queries or assistance.

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

BKT ensures that its products are designed, tested, and manufactured in compliance with applicable country-specific regulatory requirements, international tire and rim standards, and customer-specific specifications, including Original Equipment Manufacturer (OEM) requirements. Product development and validation are aligned with recognised industry standards such as those issued by the European Tire and Rim Technical Organisation (ETRTO), covering parameters related to tire dimensions, load and speed ratings, inflation pressures, and performance and safety requirements. BKT also complies with OEM and customer standards, which include stringent technical specifications, application-specific safety criteria, and quality assurance protocols to ensure product reliability across diverse operating conditions.



To promote safe and responsible usage, BKT provides clear product usage guidelines, including instructions on installation, recommended operating limits, maintenance practices, and inspection requirements, aligned with ETRTO standards, applicable regulations, and customer or OEM specifications. We also conduct regular training and awareness programmes for dealers, distributors, and customers through technical training, field engagements, and channel-partner initiatives. These efforts are supported by technical and field engineering teams that assist customers in understanding correct application and safe operating practices, thereby strengthening consumer awareness and responsible product use.

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

Although we do not deal with any essential services, the Company has established clear mechanisms to keep stakeholders informed in the event of any service disruption or operational interruption. Communication is carried out through multiple channels, including our official website, email notifications, telephonic communication and updates shared through our distributor network. Our Business Continuity Policy outlines these protocols and ensures that all relevant stakeholders receive timely and accurate information to minimise inconvenience and maintain transparency.

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 about 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, we provide product information that meets all applicable regulatory and export-market requirements, and we also share additional technical and safety details to help customers use our products more effectively. These enhanced disclosures support better understanding of tire specifications, performance parameters and safe usage guidelines.

We also conduct periodic customer satisfaction surveys covering major product categories and key customer touchpoints. The findings are reviewed during management review meetings and integrated into our ongoing quality improvement processes. In addition to formal surveys, regular interactions at customer forums, trade fairs, and service visits provide valuable real-time feedback that contributes to product enhancements and service excellence.

Directors' Report & Management Discussion and Analysis

ANNEXURE TO THE BRSR: ESG DISCLOSURES FOR VALUE CHAIN

Regulatory Framework

Pursuant to SEBI Circular No. SEBI/HO/CFD/SEC-2/P/CIR/2023/122 dated 12 July 2023, read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated 28 March 2025 (introducing relaxations and transition provisions), and further read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30 January 2026, the top 250 listed entities (by market capitalisation) are required to undertake voluntary ESG disclosures for their value chain in accordance with the BRSR Core framework.

Approach to Value Chain ESG Disclosure

During the year, Balkrishna Industries Limited (BKT) initiated engagement and data gathering from value chain partners to build a foundation for ESG reporting under the given framework. Using a risk- and value-based approach, BKT identified key suppliers and customers, with over 150 partners invited to disclose information under the BRSR Core framework.

A structured outreach programme was conducted over two years, including eight engagement sessions on NGRBC principles and BRSR Core requirements to build awareness. This was followed by a detailed ESG questionnaire administered through a dedicated platform, supplemented by publicly available disclosures for select listed partners.

Due to the extensive data requirements and reporting timelines, most partners submitted information for FY 2024-25. It is pertinent to mention that data collection became more challenging considering the exposure of the company to international trade wherein value chain partners follow different reporting cycles.

Data Coverage and Key Observations

Responses were received from about 25% of value chain partners, supplemented with public BRSR disclosures used for a few large, listed partners. Together, this covers around 50% of total purchase and sales by value. Analysis indicates that social KPIs were the most recorded across the value chain, followed by governance and environmental metrics. However, certain data limitations, including gaps and inconsistencies, constrained from presenting the detailed analytics and intensity-based metrics.

Way Forward

As this is BKT's first year of value chain ESG disclosures under BRSR Core, it serves as a baseline for structured partner engagement. Initial awareness and data collection efforts have laid the foundation for improved data quality and coverage. These efforts will facilitate to improve year-on-year comparability and enable more robust and transparent value chain disclosures with assessment or assurance over time.



BALKRISHNA INDUSTRIES LIMITED



for
Reporting Period:
01st April 2025 – 31st March 2026



Bureau Veritas (India) Private Limited

EcoCenter, EM Block 16th Floor, Unit 1601/2 Bidhan Nagar, Sector V,
Salt Lake, Kolkata, West Bengal 700091

Directors' Report & Management Discussion and Analysis

Independent Assurance Statement



Introduction and Objective of Work

BUREAU VERITAS has been engaged by the Balkrishna Industries Limited (hereinafter referred to as "BKT" or the "Company") to conduct an independent and reasonable assurance of its Business Responsibility and Sustainability Reporting (hereinafter abbreviated as "BRSR" or "Report") for the reporting period from 01.04.2025 to 31.03.2026, based on BRSR & BRSR Core Parameters consisting of the Key Performance Indicators (KPIs) under Environment, Social and Governance (ESG) attributes, which are mentioned in Annexure 17A, of the Securities and Exchange Board of India (SEBI) Master Circular dated January 30, 2026.

The verification of the BRSR including BRSR Core parameters adopted by BKT under respective plants & Corporate Office and the review of documents and disclosures were conducted at all the Plants of BKT including the Corporate Office as a part of the BRSR assurance.

The **reporting boundaries** considered for this reporting period are as follows:

A. Corporate Office:

BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 (Maharashtra)

B. Manufacturing Plants:

Gujarat:

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, District – Kutch (Gujarat): **Tyre, Carbon Black & Mould Manufacturing**

Rajasthan:

- SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019, District- Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301 707, District – Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- Village Soda Mada, Tehsil: Fatehgarh 345 027, District – Jaisalmer (Rajasthan): **Wind farm**

Maharashtra:

- F 19/20, Gut no 62, 65, 66, MIDC, Village: Wadgaon Kolhati, Waluj, Chhatrapati Sambhaji Nagar-431 136 (Maharashtra): **Tyre Manufacturing**
- B-66, Waluj MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra): **Tyre Manufacturing**
- C-21, M.I.D.C, Phase No. I, Dombivili (E) 421 203, District – Thane (Maharashtra): **Mould Manufacturing**
- Plot No. TS- 1, MIDC Phase II, opposite to Don Bosco School Manpada Road, Sagaon, Dombivili (E) 421204 (Maharashtra): **Drum Manufacturing**

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of BKT. Bureau Veritas was not involved in the drafting or preparation of the back-up data of the said BRSR report. The responsibility of BV was to provide independent assurance, as described in the scope of assurance.

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Independent Assurance Statement



Intended User

The assurance statement is made solely for “Balkrishna Industries Limited” as per the governing contractual terms and conditions of the assurance engagement contract between “BKT” and “Bureau Veritas”. To the extent that the law permits, we owe no responsibility and do not accept any liability to any other party other than “BKT” for the work we have performed for this assurance report or for the conclusions stated in the paragraph below.

Assurance Type and Scope

Bureau Veritas conducted assurance on BRSR including Core parameters in accordance with the “Type 2 High” as per Accountability Assurance Standard (AA1000 AS) version 3, which is equivalent to “reasonable” assurance as defined in ‘International Standards on Assurance Engagements’(ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015) issued by the International Auditing and Assurance Standards Board ensuring that the information in the report meets key principles of relevance, completeness, materiality, reliability, neutrality, and understandability.

The scope of the engagement, as agreed with BKT, included the review and verification of policies, practices, initiatives, and performance presented in the report. It also involved assessing the underlying management and reporting processes in line with the BRSR & BRSR Core Parameters and evaluating the report’s adherence to the “in accordance” criteria of these parameters. Furthermore, the verification covered standard disclosures listed in the BRSR & BRSR Core Annexure to ensure transparency and accountability in Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) reporting.

Scope And Boundary of Assurance

Assurance has been provided for selected BRSR & BRSR Core parameters presented in the BRSR Report. The reporting boundary covers data and information across BKT’s offices and Plants as mentioned above, in alignment with the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) Parameters of non-financial disclosures for the period from 1st April 2025 to 31st March 2026, based on the BRSR including BRSR Core Parameters. The assurance process included the verification of sample data and information on selected BRSR Including Core Parameters from all the Plants including Corporate Office.

The Scope of Assurance for BRSR Indicators based on BRSR including BRSR Core Parameters includes:

- An assessment of the procedures or approaches followed for data compilation and reporting of non-financial disclosures of BRSR including Core parameters for the above-mentioned locations.
- Testing, on a sample basis, of evidence supporting the data disclosed.
- Verification of the sample data evidence and information on selected BRSR including BRSR Core Parameters reported at the above-mentioned operations for the defined reporting period.
- Assessment of the suitability between the backup data for the selected BRSR including Core parameters of non-financial disclosures and the information presented in BRSR Report.
- Completion of assurance statement for inclusion in the report reflecting the verification, findings, and conclusion of the disclosure’s assurance.

Directors' Report & Management Discussion and Analysis

Independent Assurance Statement



The Methodology Adopted for Assurance

The Bureau Veritas BRSR assurance process involves specified procedures to obtain evidence regarding the reliability of the data provided by the entity. The nature, timing, and extent of these procedures depend on the data and evidence presented, including the verification of risks associated with the selected BRSR disclosures and their relevance. While assessing these risks, the internal strategy is considered during report preparation to design the assurance procedures and fully validate their appropriateness possible.

As per the scope of assurance, sample evidence, information, and explanations necessary for the assurance process were reviewed. Based on this, the following assessments were conducted:

- Ensuring that the report is prepared in accordance with the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) parameters, based on the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core Parameters), applicable to the operations of BKT.
- Evaluating the appropriateness of various assumptions applied by BKT for data estimation.
- Reviewing the report to ensure there is no misrepresentation of disclosures within the defined assurance scope.
- Assessing the systems used for data compilation and reporting based on Universal Disclosures and Topic-Specific Disclosures of material topics outlined in the assurance scope.
- Verifying the systems and procedures for quantification, collation, and analysis of BRSR including BRSR Core parameters included in the report.
- Examining month-wise data for consistency, reliability, and accuracy.
- Validating selects key performance data based on information from plants, including corporate office:
 - Testing data reliability and accuracy on a sample basis.
 - Assessing the stakeholder engagement process and approach to addressing key topics and concerns as defined in the report.
 - Conducting a reasonable review of the materiality assessment process based on the information provided for the respective plants.
 - Reviewing processes for data collection, compilation, and reporting of BRSR & BRSR Core parameters of non-financial performance disclosures.
 - Classifying observations and findings, followed by the issuance of the Assurance Statement.

Sample data were collected to support Bureau Veritas' conclusions regarding the verified information and data. The assurance process was conducted based on the details available during the review of the all the Plants and Corporate office.

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Independent Assurance Statement



Limitations and Exclusions

The assurance is reasonable to the above-mentioned scope of work and excludes the information relating to:

- Data related to the BKT's financial performance disclosures.
- Activities and practices followed outside the defined assurance period stated hereinabove.
- Positional statements, expressions of opinion, belief, aim, or future intention by "BKT" and statements of future commitment and any of the statements related to organizational aspects or reputation.
- The assurance does not extend to the activities and operations of "BKT" outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with "BKT".
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.

Alignment with AA1000 Principles

Inclusivity	BKT actively engages with its key stakeholders, including socially responsible investors, value chain partners, government officials, and local community representatives. The company has implemented structured stakeholder engagement processes and regularly undertakes related activities. Additionally, BKT is committed to supporting the local community through various Corporate Social Responsibility (CSR) initiatives.
Materiality	The BRSR Report covers the key environmental, social, and economic issues that BKT has identified as most material. These issues were determined through a comprehensive process of stakeholder engagement and dialogue. The materiality assessment took into account both internal evaluations of business risks and opportunities, as well as the perspectives and concerns of stakeholders.
Responsiveness	BKT is actively addressing the issues it has identified as material, reflecting its commitment through relevant policies, objectives, performance indicators, and targets. The company has undertaken several initiatives aimed at providing environmentally responsible services, while also prioritizing occupational health and safety. Additionally, it has implemented appropriate measures for emergency preparedness, control mechanisms, and risk management across its operations.
Impact	Our assessment found no evidence that BKT has failed to monitor, measure, or take accountability for its actions concerning its identified material topics. The company demonstrates a consistent approach to tracking and managing its performance in these areas.

Directors' Report & Management Discussion and Analysis

Independent Assurance Statement



Our Findings

- Nothing has come to our attention to indicate that the non- financial disclosure in the BRSR Report based on BRSR & BRSR Core Parameter are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that BKT has established appropriate systems for the collection, aggregation, and analysis of data on Non-Financial performance disclosures.
- The disclosures in the BRSR provides a fair representation of the BKT's activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the BKT and status during the reporting period.

Management Responsibilities

BKT is completely responsible for the report contents, identification of material topics, and data reporting structure. The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of "BKT". Bureau Veritas (BV) was not involved in the drafting or preparation of the report and any other backup data for the reporting period. The responsibility of BV was to conduct independent assurance for the BRSR including BRSR core performance of non-financial disclosures as described in the scope of assurance.

The said assessment is properly based on the assumption that the data and information provided in the report are proper and without any discrepancy. Bureau Veritas shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitations and scope as mentioned above.

Statement of Independence, Impartiality, and Competence

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social, and Environmental Management with almost 198 years of history in providing independent assurance services. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with "BKT", its Directors, Management, or officials beyond that required of this assignment. We have conducted this verification independently and there have been no conflict of interest.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of BRSR Report.

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Independent Assurance Statement

**Restriction on use of Our Report**

Our assurance report has been prepared and addressed to the Board of Directors of the BKT at the request of the BKT solely to assist the BKT in reporting on the BKT's BRSR including core performance and activities. Accordingly, we accept no liability to anyone, other than the BKT. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.



M Rama Mohan RAO
Lead Assuror
Bureau Veritas (India) Private Limited
Hyderabad, India
Dt: 16.06.2026

Rupam BARUAH
Technical Reviewer
Bureau Veritas (India) Private Limited
Mumbai, India
Dt: 17.06.2026