



भारत हेवी इलेक्ट्रिकल्स लिमिटेड
Bharat Heavy Electricals Limited
(भारत सरकार का उपक्रम / A Government of India Undertaking)
CIN: L74899DL1964GOI004281

From: Dr. Yogesh R Chhabra, Company Secretary,
BHEL, BHEL House, Siri Fort, New Delhi – 110049

To: 1. BSE Limited, Mumbai
2. National Stock Exchange of India Ltd., Mumbai

Sub: Business Responsibility & Sustainability Report for FY 2025-26

Pursuant to Regulation 34 (2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed copy of the Business Responsibility and Sustainability Report of BHEL for the financial year 2025-26.

No. AA/SCY/AGM 62
Date: 10.07.2026

(Dr. Yogesh R Chhabra)
Company Secretary
shareholderquery@bhel.in

Annexure-V to the Board's Report Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1964GOI004281
2.	Name of the Listed Entity	BHARAT HEAVY ELECTRICALS LIMITED
3.	Date of incorporation	13 November 1964
4.	Registered office address	BHEL House, Siri Fort, New Delhi – 110049
5.	Corporate address	BHEL House, Siri Fort, New Delhi – 110049
6.	E-mail	shareholderquery@bhel.in
7.	Telephone	011-66337598
8.	Website	www.bhel.com
9.	Financial year for which reporting is being done	FY 2025-26
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	₹696.41 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ravi Prakash Singh (Sr. DGM– Corporate Strategic Management), email: ravips@bhel.in, Phone: 011-66337392
13.	Reporting boundary-Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis
14.	Whether the company has undertaken assessment or assurance of the BRSR core	Yes, certificate enclosed
15.	Name of assessment or assurance provider	S.R. Asia
16.	Type of assessment or assurance obtained	Reasonable assurance

II. Products/services

17. 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	Manufacture of machinery and equipment n.e.c.	57%
2	Manufacturing	Manufacture of electrical equipment	27%
3	Construction	Specialised construction activities	16%

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

S. No.	Product/Service	NIC Code	% of total contributed turnover
1.	Manufacture of steam or other vapour generating boilers and hot water boilers other than central heating boilers	25131	32%
2.	Construction and maintenance of power plants	42201	20%
3.	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	28110	16%
4.	Manufacture of electric power distribution transformers, arc-welding transformers, fluorescent ballasts, transmission and distribution voltage regulators	27102	9%
5.	Manufacture of electricity distribution and control apparatus (electrical apparatus for switching or protecting electrical circuits (e.g. switches, fuses, voltage limiters, surge suppressors, junction boxes etc.) for a voltage exceeding 1000 volts; similar apparatus (including relays, sockets etc.) for a voltage not exceeding 1000 volts; boards, panels, consoles, cabinets and other bases equipped with two or more of the above apparatus for electricity control or distribution of electricity including power capacitors.)	27104	8%
6.	Manufacture of electric motors (except internal combustion engine starting motors)	27103	3%
7.	Construction/erection and maintenance of power, telecommunication and transmission lines	42202	3%

NIC Code list link: https://www.ncs.gov.in/Documents/NIC_Sector.pdf

III. Operations

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

(Status as on March 31, 2026)

Location	Number of plants	Number of offices	Total
National	16	29	45
International	0	0	0

The company has 16 manufacturing units (or plants), 2 repair units, 4 regional offices, 8 service centres, and 15 regional marketing centres. For plant names and their locations, refer 'Pan India Presence'.

20. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 (States), 8 (Union Territories)
International (No. of Countries)	94

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

Exports contribute to ~ 1.35 % of total turnover (Revenue from Operations)

c. A brief on types of customers

BHEL customers span across Government, Government ministries, Government-owned entities, Semi-Government agencies, CPSEs, State PSUs, State electricity boards, Independent Power Producers (IPP) and Private companies.

IV. Employees

Definition of 'Employees', 'workers', 'permanent employee', 'permanent worker', 'employee other than permanent' and 'worker other than permanent' is in line with "Guidance note for business responsibility and sustainability reporting format". As per the interpretation of the definition, 'Employees' include 'Employees' as well as 'Workers' in 'Permanent' and 'other than Permanent' category in below data points.

21. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	27284	25693	94.17%	1591	5.83%
2.	Other than Permanent (E) *	22740	20673	90.91%	2067	9.09%
3.	Total employees (D + E)	50024	46366	92.69%	3658	7.31%
WORKERS						
4.	Permanent (F)	12500	12200	97.60%	300	2.40%
5.	Other than Permanent (G)*	22581	20524	90.89%	2057	9.11%
6.	Total workers (F + G)	35081	32724	93.28%	2357	6.72%

- b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	816	792	97.06%	24	2.94%
2.	Other than Permanent (E)*	72	55	76.39%	17	23.61%
3.	Total employees (D + E)	888	847	95.38%	41	4.62%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	343	340	99.13%	3	0.87%
5.	Other than Permanent (G)*	72	55	76.39%	17	23.61%
6.	Total workers (F + G)	415	395	95.18%	20	4.82%

*BHEL awards job/ works contracts to contractors at its various Units/ Divisions/ Departments/ Sites as per organizational needs. The number of workers with contractors varies from time to time.

22. Participation/ Inclusion/ Representation of women (Status as on March 31, 2026).

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.50%
Key Management Personnel (KMP)	6	1	16.67%

23. Turnover rate for permanent employees and workers

Turnover rate for the year is defined as 'Number of persons who have left the employment of the entity in the year*100/ Average number of persons employed in the category'.

Category	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	3.05%	3.90%	3.10%	3.60%	4.76%	3.67%	3.34%	4.59%	3.42%
Permanent workers	2.52%	4.67%	2.58%	2.73%	3.30%	2.75%	2.55%	4.43%	2.60%

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

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

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	BHEL-GE GAS TURBINE SERVICES PVT. LTD.	Joint Venture	49.99%	No
2.	NTPC BHEL POWER PROJECTS PVT. LTD.	Joint Venture	50.00%	No
3.	RAICHUR POWER CORPORATION LTD.	Joint Venture	22.14%	No
4.	BHARAT COAL GASIFICATION AND CHEMICALS LTD.	Joint Venture	49.00%	No

VI. CSR Details

25. CSR details

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

Yes, CSR is applicable for BHEL

(ii) Turnover*: ₹33,782 Crore

(iii) Net worth: ₹26,516 Crore

* Turnover mentioned here is Revenue from Operations for FY 2025-26

VII. Transparency and Disclosures Compliances

26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then 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://pgportal.gov.in/	210	1	-	193	4	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes https://www.bhel.com/investor-grievance-redressal-mechanism	9	9	-	2	0	-

Employees and workers	Yes (Internal system)	4	0	-	85	49	-
Customers*	Yes (Internal system)	361	41	-	358	42	-
Value Chain Partners	Yes https://suvridha.bhel.in/	218	44	-	55	10	-

* Grievances are received from customers through multiple channels which are hosted on internal systems for redressal and resolution.

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

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.	Energy Management & Carbon Footprint	O	Opportunity for energy conservation, energy efficiency, adoption of energy management systems, reduction in emission intensity, carbon emission reduction, greater use of renewable energy, maintain existing green cover and planting new saplings. Opportunity to transform the company into 'Green Company' to address cost of fuel and climate change issues. Refer Principle 6	--	Positive Implications
2.	Water Management and waste Minimisation and Circularity	O	Opportunity to enhance environmental sustainability through the efficient utilization of various waste including water and operational waste by adopting the principles of 3R (Reduce, Recycle, Reuse), thereby minimizing environmental impact.	--	Positive Implications
3.	Skilled Manpower	R	The lack of the specialized skills and competencies required for emerging products and businesses poses a risk to revenue generation in diversified areas such as transportation maintenance, coal-to-chemicals, and operation and maintenance (O&M) businesses across various verticals, including solar and transportation. Further, gradual depletion of skilled manpower (due to superannuation) in the core thermal equipment manufacturing and commissioning business may pose operational and execution risks in the future.	Reskilling & upskilling of workforce, succession planning at key positions, fresh induction at entry levels, induction of FTAs and onboarding of consultants to bridge the skill gap.	Negative Implications

27. Overview of the entity's material responsible business conduct issues (Contd.)

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)
4.	Health and Safety	R	Occupational health and safety play a critical role in the continuity of business operations. Hazards and risks present across workplaces, project sites, and shop floors have the potential to adversely impact employees, workers, and other stakeholders, thereby affecting operational productivity and efficiency.	Enhanced focus on fostering a workplace culture in which safety is a shared responsibility and embedded in day-to-day operations. Same is being implemented through regular safety inspections, health check-up and fitness tests, internal & external safety audits, safety related trainings & workshops etc. Refer Principle 3	Negative Implications
5.	Human Rights & Labour conditions	R	Responsibility to identify and manage Human Rights issues and uphold labour standards in the operations and supply chain. Non-compliance to regulations on Human Rights and labour standards has associated risks and consequential damages.	BHEL policies are in line with the principles of Human Rights, the constitution of India and applicable laws. The company has special provisions for ensuring safeguard of women employees at the workplace. Grievance redressal mechanism is in place for addressing human rights issues. BHEL complies with all the provisions of labour law applicable to BHEL. Refer Principle 5	Negative Implications
6.	Employee engagement, diversity & inclusion	O	<ul style="list-style-type: none"> Employee engagement enhances productivity and hence affects the bottom line. Diversity/ equal opportunity helps in upliftment of the civic society as a whole. The Company is an equal opportunity employer and does not discriminate on the basis of gender, race, caste, religion, linguistic, region etc. in recruitment and employment relationship guided by Govt policies leading to a diverse culture and talent. 	--	Positive Implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Social engagement & impacts	O	Corporate Social Responsibility (CSR) plays a vital role in uplifting vulnerable and marginalized communities through various interventions in the areas of Healthcare, community development, employment generation, skill development, education and livelihood enhancement. It also enhances the company's brand image, strengthens its appeal among customers, employees, and investors, and contributes to overall business growth and sustainability.	--	Positive Implications
8.	Data and Cyber Security	R	Risks emanating from cyber threat leads to loss in revenue on account of operational time loss, critical data loss (organisation & customer) affecting business.	The company has identified cyber security as one of the Top risks of the company. Accordingly, various mitigation measures have been taken for minimisation of the risk viz. the company is certified for ISO/IEC 27001 and has implemented Information Security Management System (ISMS) across organisation; implementation of Centralized solution for Endpoint security, Next-Gen Cyber Security Operations Center (Cyber SOC), Security Orchestration Automation and Response (SOAR) and Web Application Firewalls (WAFs). Threat intelligence from external sources is integrated with Security Information and Event Management (SIEM) to ensure real time action. Further, the company has also implemented a comprehensive, multi-layered cybersecurity framework which include measures viz. Perimeter Security (deployment of Next-Generation Firewalls, Intrusion Prevention Systems (IPS), Zero Trust Network Access (ZTNA) for both Internet and Private Access, and a Secure Email Gateway), Access Protection (Multi-Factor Authentication (MFA) for critical IT services to enhance network and data security), etc. Refer 'Data and Cyber Security' of the Board Report.	Negative Implications

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)
9.	Product Quality & Safety	R	Lack in product quality and safety aspects of product impacts company's brand image, liability claims and increases cost (rework costs) etc.	The manufacturing facilities churn out a wide range of high quality & reliable products adhering to national and international standards. Every product offering of BHEL has product manuals and are labelled with detailed product labels/name plates/test certificates as per the requirement and terms of contracts with customers besides the mandatory statutory requirements. Customers are offered training on operating the products as per the contractual conditions.	Negative Implications
10.	Corporate Governance and business ethics	R	Values/ Ethical behaviour is acting in ways that are consistent with how the company views moral principles and values. Not adhering can lead to reputational risks arising due to integrity, inter- personnel relationships at workplace, conflict of interest and adverse impact on business.	To attain the highest standard of corporate governance, integrity in operations alongside ethical and transparent functioning, continuous reviews and strengthening of compliance to systems and processes are being ensured. BHEL codes/ procedure are in place such as whistle-blower policy, fraud prevention policy, CDA rules etc. Refer Principle 1.	Negative Implications
11.	Climate Change	R	Reduction in demand for capital goods products in future due to emission of GHG. The reduction in demand is a direct consequence to country/ global level policy changes.	Adoption of new technologies & diversifying product portfolio with low emission products, renovation & modernization services, flexible operation solutions and expansion in non-fossil energy sectors like Nuclear and Hydro.	Negative Implications

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)
12.	Sustainable product & services	O	New business opportunities in the field of Nuclear, Defence, Transportation, Coal to Chemical, Hydrogen etc. due to energy transition and climate actions by our customers/ policy changes.	--	Positive Implications
13.	Material Sourcing	R	Any disruptions in the supply chains, arising from geopolitical tensions, trade barriers, or natural disasters, etc. can lead to delays in project execution and increase in operational costs.	Promoting the 'Make in India' initiative through indigenization of materials and components by developing new domestic vendors, placement of developmental orders on such vendors, and exploring alternative materials, technologies, and energy sources to reduce import dependence and enhance sustainability.	Negative Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

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/NA)	Y	N	Y	Y	Y	Y	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No/NA)	Y	NA	Y	Y	Y	Y	NA	Y	N
c. Web Link of the Policies, if available#	i, ii, iv	-	v	vi	v	v	-	vi	iii
2. Whether the entity has translated the policy into procedures. (Yes/No/NA)	Y	NA	Y	Y	Y	Y	NA	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Y	NA	N	N	N	N	NA	N	Y
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.*	e, f, g, h	a, b, c	b, c, e, f	f	e, f, h,	b, c	f, g	f, h	a
*a. ISO 9001; b. ISO 14001; c. ISO 45001; d. ISO 50001; e. ten principles of UNGC on human rights, labour, environment and anti-corruption; f. DPE guidelines g. SEBI LODR requirement; h. Companies Act 2013									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	NIL	50% order book from non-fossil sector (FY23-FY27)	NIL	NIL	NIL	Targets in FY 2025-26 1. Planting of 40,000 saplings 2. GreenCo rating assessment of two manufacturing unit	NA	NIL	NIL
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NIL	22% in four years (FY23-FY26)	NIL	NIL	NIL	• 44,385 saplings planted • 4 manufacturing units have got GreenCo rating in 2025-26 against the target of 2.	NA	NIL	NIL

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*)

BHEL, as a responsible corporate citizen, actively combats pollution through various initiatives, across its operations showcasing our commitment to environmental sustainability. In addition to efforts towards curbing pollution, BHEL has undertaken significant initiatives for promoting environmental sustainability. HARIT BHEL is our transformative initiative to make BHEL a green company, aiming for NET ZERO by 2047. Increasing the use of green energy, reducing water wastage, increasing rainwater harvesting to achieve water neutrality and adopting responsible waste management practices are key focus areas under the HARIT BHEL initiative. BHEL has launched the GreenCo Rating program to assess our green practices and drive continual improvement towards making BHEL an environmentally friendly company.

BHEL is committed to environmental preservation, serving as a catalyst for renewed action towards curbing plastic pollution and advancing the goals of the HARIT BHEL initiative.

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

Name: Shri Tajinder Gupta
Designation: Director (Power) and Additional Charge (HR)
DIN: 10327530

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.

Telephone: 011- 26001003
Email id: dhr@bhel.in

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	CoB	O	D	CoB	D	D	O	CoB	D	Q	O	O	O	O	O	O	O	O
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	CoB	O	D	CoB	D	D	O	CoB	D	Q	O	O	O	O	O	O	O	O
Legend	CoB: Committee of Board, D: Director, O: Any other committee (as required)									Q: Quarterly, O: As per requirement								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policies and procedures of the organization are subject to audits/ reviews by third party viz. CAG, Parliamentary Committees, Administrative Ministry, etc. in addition to ISO certification agencies i.e. ISO 9001, ISO 14001, ISO 45001, ISO 27001. Further, reasonable assurance is also carried out by third party for BRSR core disclosures								

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- <https://www.bhel.com/code-business-conduct-ethics-board-members-senior-management-personnel>
- <https://www.bhel.com/code-conduct-prevention-insider-trading>
- <https://www.bhel.com/quality-policy>



- iv. <https://www.bhel.com/whistle-blower-policy>
- v. <https://www.bhel.com/sites/default/files/HSEPOLICY.pdf>
- vi. https://www.bhel.com/sites/default/files/BHEL_CSR_Policy_2022.pdf

Note: BHEL has practices and procedures established based on these principles, but do not have formal policy document with respect to P2 and P7.

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)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	Yes	No	No	No	No	Yes	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	No	No	No	No	No	No	No	No	No
Any other reason (please specify) *	No	No	No	No	No	No	No	No	No

*In respect of Principle 2 “Product Life Sustainability” and Principle 7 “Policy Advocacy”, although company doesn’t have Board approved policy but follows established practices based on these two Principles in a responsible manner.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Ethics, Transparency and Accountability

Essential Indicators

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

BHEL conducts several training programmes for its employees and the Directors. These training programmes are curated based on the requirements and include several topics (which in some form covers the nine principles) within a program.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by awareness programmes
Board of Directors	7	Production technology and production planning, Leadership, Finance, Strategic management, Arbitration, DPE guidelines, corporate governance and Auditing	50%
Key Managerial Personnel	4	Strategy & Leadership, corporate governance, Auditing, DPE guidelines	43%
Employees [#] other than BoD and KMPs	2620	Technical, functional, safety, managerial and behavioural topics in line with nine principles	68.83%
Workers [@]	645		45.10%

Note: For calculating percentage, the strength of the BoD and KMP for FY 2025–26 has been taken after considering appointments and cessations and is based on the total number of BoDs and KMPs who held office during any part of the reporting period.

This includes BHEL's permanent employees and workers.

@ This includes BHEL's permanent workers

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

Monetary*					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine	NIL	NIL	0	NIL	NIL
Settlement	NIL	NIL	0	NIL	NIL
Compounding fee	NIL	NIL	0	NIL	NIL

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

*Note: It does not include any tax deposit under protest, i.e. mandatory pre-deposit before filing appeal as it is not categorised as fines/ penalties/ punishments/ awards/ compounding fees/ or settlement amounts as those deposits may be refunded to Company subject to appellate outcome.

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
NA	NA

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, BHEL has Whistle Blower Policy in place to fight menace of corruption and bribery and is hosted at <https://www.bhel.com/whistle-blower-policy>. As a part of BHEL's persisting endeavour to set a high standard of conduct among its employees (other than those governed by standing orders), BHEL 'Conduct, Discipline and Appeal Rules-1975' is in place. https://bhel.com/sites/default/files/CDA%20Rules_0.pdf

The Company is subject to RTI Act 2005, audit by Statuary Audit and CAG audit under section 139 of the Companies Act, 2013.

In addition, Chief Vigilance Officer (CVO), who functions as a link between Central Vigilance Commission (CVC), Central Bureau of Investigation (CBI) and the Management, heads the Vigilance function in BHEL. Each of the Manufacturing Units and Power Sector Regions of BHEL have a Vigilance set-up, headed by a Vigilance Executive reporting to the CVO. In the area of business dealings with vendors and customers, BHEL has signed an MoU with Transparency International India (TII) to adopt 'Integrity Pact' to make procurement and contracting more transparent by binding

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

Details	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	--	0	--
Number of complaints received in relation to issues of Conflict of Interest of the KMPs (other than directors)	0	--	0	--

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-

Appropriate first-stage advice and system improvement recommendations, were communicated to the concerned functional heads in cases involving disciplinary proceedings.

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

	FY 2025-26	FY 2024-25
Accounts payable x 365 days	₹4,31,97,89,60,00,000	₹4,27,47,74,15,00,000
Costs of goods/service procured (including works)	₹ 2,62,46,00,00,000	₹ 2,13,15,00,00,000
Number of days of accounts payables	165	201

both the parties to ethical conduct. A panel of three (03) Independent External Monitors (IEMs) has been appointed to oversee implementation of Integrity Pact in BHEL, with due approval of Central Vigilance Commission. Details of IEMs are available at the link below.

<https://www.bhel.com/iems-under-integrity-pact-1>

Further, in line with GoI guidelines, CVC exercises superintendence over the vigilance administration along with formulating and updating the Vigilance Manual which serves as the comprehensive guide for vigilance administration, including anti-corruption measures and is applicable to of all Central Government Ministries, Public Sector Undertakings (PSUs), Public Sector Banks (PSBs), and autonomous bodies including BHEL

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

Category	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	8**	1
Workers	0	0

*Generally disciplinary action is taken by BHEL, and not by law enforcement agency. In light of this, the data provided includes current as well as former employees where Regular Cases has been registered by law enforcement agencies within the reporting period.

**includes three former employees, (two retired and one removed).

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. i) Purchases from trading houses (₹)	0	0	
	ii) Total purchases (₹)	1,96,20,00,00,000	1,47,16,00,00,000	
	iii) Purchases from trading houses as % of total purchases	0%	0%	
	b. Number of trading houses where purchases are made	0	0	
	c. i) Purchases from top 10 trading houses (₹)	0	0	
	ii) Total purchases from trading houses (₹)	0	0	
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%	
	Concentration of Sales	a. i) Sales to dealer / distributors (₹)	0	0
		ii) Total Sales (₹)	3,23,59,83,00,000	2,73,55,17,00,000
iii) Sales to dealer / distributors as % of total sales		0%	0%	
b. Number of dealers / distributors to whom sales are made		0	0	
c. i) Sales to top 10 dealers / distributors (₹)		0	0	
ii) Total Sales to dealer / distributors (₹)		0	0	
iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors		0%	0%	
Share of RPTs in	a. i) Purchases (Purchases with related parties) (₹)	2,04,00,000	1,49,00,000	
	ii) Total purchases (₹)	2,62,46,00,00,000	2,13,15,00,00,000	
	iii) Purchases with related parties as % of Total purchases	0.01%	0.01%	
	b. i) Sales (Sales to related parties) (₹)	3,65,90,00,000	3,29,89,00,000	
	ii) Total sales (₹)	3,23,59,83,00,000	2,73,55,17,00,000	
	iii) Sales to related parties as % of Total sales	1.13%	1.21%	
	c. i) Loan & advances given to related parties (₹)	6,00,000	16,00,000	
	ii) Total loans & advances (₹)	37,41,00,00,000	31,90,00,00,000	
	iii) Loan & advances given to related parties as % of Total loans & advances	0.00%	0.01%	
	d. i) Investments in related parties (₹)	4,87,00,000	5,29,49,000	
	ii) Total Investments made (₹)	4,87,00,000	5,29,49,000	
	iii) Investments in related parties as % of Total Investments made	100%	100%	

*Note: Total purchases under 'Concentration of Purchases' pertain to Goods & Services only (excl. works).

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
48	<ol style="list-style-type: none"> 1. Awareness on Public Procurement Policy for Micro and Small Enterprises (MSEs) – Order for MSEs (issued by Ministry of MSME-Gol) and special programmes on SC/ST and Women owned MSEs 2. BHEL SAMVAAD at Unit level and Corporate level with domestic industry to identify local sources for identified items and provide impetus for Atmanirbhar Bharat 3. Online supplier registration portal 4. Government-e-Marketplace (GeM) 5. BHEL General Conditions of Contract 6. Awareness on Public Procurement Policy for preference to Make in India (issued by DPIIT) 7. SUVIDHA - Payments, grievances, Experience certificates 	28%

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

Yes. The Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have detailed provisions which require the Directors of the Board to disclose their concern or interest (including their shareholding) in any company (ies)/ bodies corporate/ firms/ other association of individuals, periodically as well as whenever there is any change in the disclosures already made. In this regard, the Directors also submit a certificate to the Board stating that they do not have any conflict of interest with regard to the business of the Company on account of their concern/ interest and whenever any such conflict/ interest arises they shall promptly inform the same to the Board.

Apart from this, the Company's Board has approved a 'Code of Business Conduct & Ethics for all Board Members and Senior Management Personnel'. The Code encompasses (i) General Moral Imperatives (ii) Specific Professional Responsibilities as well as (iii) Specific Additional Provisions for Board Members and Senior Management Personnel. In addition, for the purpose of clearly defining the roles and responsibilities of the Board and individual Directors and to enable the Board to effectively perform its role, the Board has laid down a Charter of the Board of Directors.

In addition to these processes which are in place to avoid/ manage conflict of interests involving members of the Board, the Independent Directors on the Board are required to comply with certain additional provisions viz., submission of declaration of their independence (i.e. they meet the criteria of independence & that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge his duties with an objective independent judgment & without any external influence) and compliance with Schedule IV of the Companies Act which inter alia provides for (i) Guidelines of professional conduct (ii) Role & functions and (iii) Duties for Independent Directors.

Principle 2: Product lifecycle sustainability

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	0.25%	1.59%	Developmental projects in various areas were taken up to promote environmental Sustainability. Major ones are as follows: <ol style="list-style-type: none"> 1. Photovoltaic panel waste management, 2. Development in 700 MWe Nuclear plant, 3. Controls and Instrumentation of nuclear plant for clean energy, 4. Efficient variant of LP module with advance class blading. 5. Design of fly wheel of synchronous condenser used for integrating renewable energy to Grid 6. e-waste
Capex	5.96%	4.89%	Majorly towards Establishment of Regasified Liquefied Natural Gas (RLNG) Infrastructure at BHEL Trichy, 20 TPH Boiler at BHEL Hyderabad, 30T Electric Arc Furnace (EAF) at BHEL Haridwar, etc.

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

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

Yes, 100% of our inputs are sourced sustainably.

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

BHEL's portfolio primarily consists of capital goods with long lifecycles (typically 25+ years). These assets are transferred to customers upon commissioning. Our end-of-life strategy focuses on life extension through Refurbishment and R&M (Renovation & Modernization) services. Once products reach their functional end-of-life, they are treated as scrap by the owner.

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

No, Extended Producer Responsibility (EPR) is currently not applicable to BHEL's core business activities as BHEL's business model is B2B, involving long-lifecycle capital goods where ownership is transferred to the client.

Leadership Indicators

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

No, company has not conducted Life Cycle Assessments for products.

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.**

Not applicable

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

The company actively promotes the 3R principle (Reduce, Reuse, and Recycle) by prioritizing the recovery of manufacturing scrap. By utilizing internal processes to repurpose metal scraps and reclaim materials like foundry sand for production, BHEL effectively reduces the consumption of virgin resources. While these 3R practices are integral to our operations, the financial value of such reused or recycled inputs is not currently tracked as a separate accounting line item.

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

Not applicable as BHEL's business model is B2B, involving long-lifecycle capital goods where ownership transfers to the client. Consequently, end-of-life reclamation is the responsibility of the asset owner. BHEL supports this phase through R&M services to extend the product life, delaying the need for disposal.

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

Not applicable as BHEL operates in B2B capital goods sector with multi-decadal product lifecycles, the volume of products reclaimed by the company at their end of life is currently negligible. Refer P2, E1, Q no 3.

Principle 3: Employees' well-being

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	25693	25693	100%	25693	100%	--	--	25693	100%	25693	100%
Female	1591	1591	100%	1591	100%	1591	100%	--	--	1591	100%
Other	0	0	--	0	--	0	--	0	--	0	--
Total	27284	27284	100%	27284	100%	1591	5.83%	25693	94.17%	27284	100%
Other than Permanent employees											
Male	20673	20634	99.81%	20673	100%	--	--	0	0%	0	0%
Female	2067	2063	99.81%	2067	100%	2057	99.52%	--	--	2057	99.52%
Other	0	0	--	0	--	0	--	0	--	0	--
Total	22740	22697	99.81%	22740	100%	2057	9.05%	0	0%	2057	9.05%

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

Category	% of workers covered by										
	Total (A)	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	12200	12200	100%	12200	100%	--	--	12200	100%	12200	100%
Female	300	300	100%	300	100%	300	100%	--	--	300	100%
Other	0	0	--	0	--	0	--	0	--	0	--
Total	12500	12500	100%	12500	100%	300	2.40%	12200	97.60%	12500	100%
Other than Permanent workers											
Male	20524	20499	99.88%	20524	100%	--	--	0	0.00%	0	0.00%
Female	2057	2057	100%	2057	100%	2057	100%	--	--	294	14.29%
Other	0	0	--	0	--	0	--	0	--	0	--
Total	22581	22556	99.89%	22581	100%	2057	9.11%	0	0.00%	294	1.30%

Note: BHEL extends medical facility to its employees and their dependents. The facility is extended to its employees/ spouse on superannuation/ death as well. Day care facilities are also extended in several premises including BHEL's manufacturing plants. In case of 'other than permanent workers', insurance is inbuilt in the Works contract.

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
i) Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers (including male, female, permanent and other than permanent employees and workers))	₹1,90,43,00,000	₹1,76,75,00,000
ii) Total revenue of the company	₹3,37,82,18,00,000	₹2,83,39,48,00,000
iii) Cost incurred on wellbeing measures as a % of total revenue of the company	0.56%	0.62%

Note: Total Revenue disclosed is Revenue from Operations (excluding other income). In line, data for FY 2024-25 has been restated after exclusion of other income from total revenue of the company as per BRSR guidelines

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

Benefits	FY 2025-26			FY 2024-25		
	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%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI @	-	-	-	-	-	-
Others (BHEL Pension scheme)	100%	100%	NA	100%	100%	NA
Others (BHEL Medical facility)	100%	100%	NA	100%	100%	NA

*This includes only permanent employees (including permanent workers). For "other than permanent" employees, all the statutory requirements are met by their respective contractors.

#This includes only permanent workers. For "other than permanent" workers, all the statutory requirements are met by their respective contractors.

@ESI is not applicable. None of the BHEL permanent employees fall within the eligibility criteria of ESI Act.

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, BHEL's premises and office are accessible to differently abled employees and workers. The structural modifications and other changes (in policies, etc.) are made according to the requirements of the Rights of Persons with Disabilities Act, 2016.

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.

No, the entity does not have an equal opportunity policy.

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	100%	100%	100%	100%
Female	100%	100%	100%	100%
Other	--	--	--	--
Total	100%	100%	100%	100%

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
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

There is a well laid out grievance redressal mechanism through two schemes – one for workers and other for staff and officers. A grievance for the purpose of the scheme means a grievance of individual employee arising out of the implementation of Company policies/rules or Management Decisions. Both these schemes provide for three-tier resolution. Defined timelines are laid down for resolution of grievance at each stage. Besides, an appellate mechanism is also provided under the scheme, in the case of grievance redressal scheme for staff and officers, and aggrieved employee can approach in case he/she is not satisfied with the resolution of the grievance. For 'other than permanent employees/ worker', the grievances are settled on case-to-case basis or through the contractors as the case may be.

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

Category	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	27284	27284	100.00%	27800	27800	100.00%
- Male	25693	25693	100.00%	26183	26183	100.00%
- Female	1591	1591	100.00%	1617	1617	100.00%
- Other	0	0	--	0	0	--
Total Permanent Workers	12500	12500	100.00%	13332	13332	100.00%
- Male	12200	12200	100.00%	12999	12999	100.00%
- Female	300	300	100.00%	333	333	100.00%
- Other	0	0	--	0	0	--

BHEL has 29 participative trade unions represented in the apex level bipartite body, namely the Joint Committee for discussing workers' and the Company's interest related issues, based on the principle of participative management.

All three categories of employees viz. executives, supervisors and workers are represented by their respective associations/ trade unions. However, since there is no check-off facility to ascertain the exact membership of executive/ supervisor associations and workers' unions, a firm number is not available.

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	25693	6464	25.16%	15943	62.05%	26183	3845	14.69%	12794	48.86%
Female	1591	735	46.20%	1347	84.66%	1617	394	24.37%	1071	66.23%
Other	0	0	--	0	--	0	0	--	0	--
Total	27284	7199	26.39%	17290	63.37%	27800	4239	15.25%	13865	49.87%
Workers										
Male	12200	2133	17.48%	4425	36.27%	12999	1614	12.42%	4072	31.33%
Female	300	121	40.33%	174	58.00%	333	104	31.23%	152	45.65%
Other	0	0	--	0	--	0	0	--	0	--
Total	12500	2254	18.03%	4599	36.79%	13332	1718	12.89%	4224	31.68%

Note: Only permanent employees and workers considered

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	25693	25051	97.50%	26183	26055	99.51%
Female	1591	1517	95.35%	1617	1575	97.40%
Other	0	0	--	0	0	--
Total	27284	26568	97.38%	27800	27630	99.39%
Workers						
Male	12200	12113	99.29%	12999	12811	98.55%
Female	300	300	100%	333	304	91.29%
Other	0	0	--	0	0	--
Total	12500	12413	99.30%	13332	13115	98.37%

Note: Only permanent employees and workers considered

10. Health and safety management system:

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

Yes, Occupational Health and Safety Management System (OHSMS) has been implemented across the organization. This system is applicable to all our Manufacturing Units, Power Sector Regions and Divisions covering all the employees working with and for BHEL.

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 maintains robust systems and processes to identify work-related hazards and assess risks on both routine and non-routine bases. Key examples include:

HIRA (Hazard Identification and Risk Assessment) – Implemented as standard practice across all workplaces, HIRA systematically identifies hazards and associated risks for every process or activity at the departmental level, with full employee participation. HIRAs undergo periodic reviews and prompt revisions upon any process changes.

JSA (Job Safety Analysis) – For maintenance and repetitive jobs with high accident potential, JSA analyses hazards at the planning stage and establishes adequate safety measures. Procedures ensure JSA covers jobs selected by accident frequency, potential injury severity, or uncertainty in new tasks. Each job breaks into sequential steps, with hazards identified per step and elimination strategies developed to prevent accidents.

Method Statement – This document outlines the safe execution of specific jobs or projects, communicating necessary precautions and control measures to all involved. It provides evidence that significant health and safety risks have been identified and mitigated through established safety systems.

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

Yes, BHEL employees and contract workers are empowered to report hazards via the 'HSE Observer' mobile application, which allows for real-time submission of unsafe acts, conditions, incidents, and near-misses. BHEL also conducts mandatory safety training, and ensures that procedures strictly mandate that the personnel can stop work if they identify a critical safety violation until the issue is resolved by the concerned execution and reviewed by Safety team.

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

Yes, employees and workers have access to comprehensive non-occupational medical care through both BHEL-operated healthcare facilities and empanelled external providers such as ECHS. BHEL ensures that medical support is available even at remote project sites, with associated costs covered as per company policy.

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	0.414	0.427
Total recordable work-related injuries	Employees	0	0
	Workers	42	43
No. of fatalities	Employees	0	0
	Workers	2	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	42	43

Note: For the purpose of safety statistics, all personnel working within BHEL units (including regular employees and contract workers) have been included in the category of 'workers'

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

BHEL views employees and personnel from partner entities as key stakeholders, prioritizing their health, safety, and well-being for business success. The company continuously strengthens systems, policies, and procedures to achieve "Zero Harm" for its workforce while fostering a safety-centric culture.

Special initiatives at BHEL inculcates safety values across all levels through structured training programs, safety reviews, work permit systems, HIRA, JSA, mega toolbox talks, and internal/external audits. HSE campaigns have significantly boosted awareness, including BHEL Safety Fortnight-2025-26 (March 4–17, 2026), BHEL Environment Awareness Month-2025-26 (June 5–July 4, 2025), Swachhata Pakhwada-2025-26 (August 16–31, 2025), and Special Campaign 5.0 (October 2–31, 2025). These campaigns featured inter-unit competitions to promote innovative safety activities and projects.

These efforts demonstrate BHEL's commitment to providing a safe and healthy environment for all personnel.

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

Benefits	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
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

Systems are in place at all BHEL premises for the registration and tracking of unsafe conditions. These issues are addressed promptly through a continuous monitoring and resolution process managed by the respective departments.

14. Assessments for the year:

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

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

BHEL employs a rigorous system of internal and external safety audits. Any identified gaps are addressed through corrective actions and mandatory Root Cause Analysis (RCA) for all fatal incidents. These findings drive our continuous improvement cycle to enhance safety culture across all premises.

Leadership Indicators

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

Yes, BHEL extends life insurance or compensatory package to both employees and workers in the event of death.

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

BHEL's value chain partners come under PF Act and ESI Act, which makes them liable to deposit statutory dues. Service contract between BHEL and service provider contains clause on 'payment terms' for necessary statutory payment like PF, ESI etc.

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

Category	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	0	0
Workers	42	43	0	0

Note: For the purpose of safety statistics, all personnel working within BHEL units (including regular employees and contract workers) have been included in the category of 'workers'.

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

Yes, BHEL provides transition assistance to facilitate continued employability and the management of career endings resulting from retirement or termination.

5. Details on assessment of value chain partners:

Assessment of	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%



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

No significant risk has come to notice during the reporting period.

Principle 4: Stakeholder engagement

Essential Indicators

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

Stakeholders are individuals or groups concerned or interested with or impacted by the activities of BHEL and vice-versa currently or in future. BHEL, being a listed Company, the shareholders of the Company have been identified as one of the key stakeholders of the Company. Further, suppliers or value chain partners are stakeholders w.r.t procurement and they are identified against registration process and through pre-qualification requirements in open tenders. Further, customers and employees also are identified as important stakeholders. Communities, in and around our units, which are directly or indirectly impacted by BHEL's operations are too considered as stakeholders.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website), 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
Shareholders	No	Email, Newspaper Advertisement, Disclosure available on Stock Exchanges and BHEL Website	Engagement is done on Quarterly, Half-yearly & Annual basis as well as whenever the event occurs	All material events affecting the Company as well as disclosures required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Suppliers	No	Email, Advertisement, Vendor meets, website etc.	Need based	To make suppliers aware of: <ul style="list-style-type: none"> Public Procurement Policy (Preference to Make in India and to MSEs) Import substitution Participating in tenders issued on GeM portal Lodging and tracking grievances on BHEL's grievance redressal portal, SUVIDHA BHEL's quality objectives Tracking payment status on Unified Suppliers Payments Portal (USPP)

Stakeholder Group	Whether identified as Vulnerable & Marginalized 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
Employees	No	Email, Monthly Newsletter, Notice Boards, Intranet Websites, Shop Floor, Shop Council, Plant Council and Joint Council Meetings, Goonj-employee satisfaction survey	Regular	Leadership engagement with employees, motivate them and foster a sense of community within the organization. Employees contribute as change champions with their suggestions on various facets of the organization including policy, process, innovation, structure, financial management, safety etc. Employee engagement survey to periodically revisit the engagement levers.
Customers	No	Email, Advertisement, telephone calls, meetings, website etc.	Continuous	Assessment of customer needs, their requirements, business enquiries, addressing grievances etc.
Communities	Yes	Community Meetings	Case-to-case basis	To assess the impact of the project, derive key learnings for replicating similar initiatives in other locations, and identify scope for further improvement.

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.

The most important forum for the shareholders of BHEL to have access to the Board of Directors is at the Annual General Meeting of the Company. During these meetings, shareholders raise various queries regarding the performance, strategies and outlook of the company, share their grievances as well as provide valuable feedback regarding improvements in the company's performance, not only from a business perspective but also on critical economic, environmental and social topics/ areas.

Further, shareholders get to vote on critical matters including appointment of directors, payment of dividends, related party transactions, auditor's fees etc. which ensures transparency and good corporate governance practices at the Board level. For tenders above a threshold value, BHEL value chain partners can consult with the Independent External Monitors (IEMs). These IEMs are nominated by CVC.

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. Stakeholders have provided their support to various environmental and social endeavours of BHEL viz., indigenization under Atmanirbhar Bharat, utilization of solar energy and water harvesting capacity in BHEL's factories and project sites, empowerment of woman employees etc. Few examples supporting social and environmental topics are as follows which are based on the feedback received during the interactions with stakeholders. For eg. Foraying into new Business areas like Coal to Chemical etc.

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

For the underprivileged sections of the community, BHEL undertakes CSR projects and allocates funds based on baseline surveys conducted by local NGOs. These NGOs engage directly with communities during the surveys to understand their needs and challenges.

Principle 5: Human rights

Essential Indicators

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

Category	FY 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	27284	8461	31.01%	27800	5445	19.59%
Other than permanent	22740	1880	8.27%	20422	1321	6.47%
Total Employees	50024	10341	20.67%	48222	6766	14.03%
Workers						
Permanent	12500	1999	15.99%	13332	2243	16.82%
Other than permanent	22581	1880	8.33%	20327	1321	6.50%
Total Workers	35081	3879	11.06%	33659	3564	10.59%

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

Category Total (A)	FY 2025-26					FY 2024-25				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
	No. (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Nos. (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	27284	0	0%	27284	100%	27800	0	0%	27800	100%
Male	25693	0	0%	25693	100%	26183	0	0%	26183	100%
Female	1591	0	0%	1591	100%	1617	0	0%	1617	100%
Other	0	0	--	0	--	0	0	--	0	--
Other than Permanent	22740	10507	46.20%	12233	53.80%	20422	8752	42.86%	11670	57.14%
Male	20673	9609	46.48%	11064	53.52%	18758	8101	43.19%	10657	56.81%
Female	2067	898	43.44%	1169	56.56%	1664	651	39.12%	1013	60.88%
Other	0	0	--	0	--	0	0	--	0	--
Workers										
Permanent	12500	0	0%	12500	100%	13332	0	0%	13332	100%
Male	12200	0	0%	12200	100%	12999	0	0%	12999	100%
Female	300	0	0%	300	100%	333	0	0%	333	100%
Other	0	0	--	0	--	0	0	--	0	--
Other than Permanent	22581	10507	46.53%	12074	53.47%	20327	8752	43.06%	11575	56.94%
Male	20524	9609	46.82%	10915	53.18%	18664	8101	43.40%	10563	56.60%
Female	2057	898	43.66%	1159	56.34%	1663	651	39.15%	1012	60.85%
Other	0	0	--	0	--	0	0	--	0	--

3. Details of remuneration/salary/wages

a. Median remuneration/ wages

Salary/ wage structure of BHEL employee and workers are set as per the guidelines of DPE.

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	₹72,12,288	1	₹76,30,270
Key Managerial Personnel (other than BoD)	1	₹57,32,813	0	0
Employees other than BoD and KMP	25688	₹17,71,607	1590	₹25,88,698
Workers	12200	₹15,02,488	300	₹14,97,838

Note: Data pertains to permanent employees of BHEL who were on rolls as on March 31, 2026.

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

Details	FY 2025-26	FY 2024-25
Gross wages paid to females (₹)	₹4,25,95,83,829	₹4,08,48,17,799
Total wages (₹)	₹60,11,37,15,971	₹57,77,59,26,057
Gross wages paid to females as % of total wages	7.09%	7.07%

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. Grievance Redressal officers are there in each BHEL premise for addressing human rights issues.

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

There is formal well laid out grievance redressal mechanism related to human rights issues. The mechanism provides for three-tier resolution. First stage with Controlling Officer, second stage with Head of the Department and third stage with Grievance Redressal Committee.

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	Filed during the year	Pending resolution at the end of year
Sexual Harassment	1	1	5	1
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:

Details	FY 2025-26	FY 2024-25*
i) Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013 (POSH)	1	5
ii) Female employees / workers	3661	3310
iii) Complaints on POSH as a % of female employees/ workers	0.03%	0.15%
iv) Complaints on POSH upheld	1	3

*Note: Data for FY 2024-25 has been restated after taking both permanent and other than permanent employees into account to ensure consistent reporting.

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

As a preventive step, identity of complainant is known only to Internal Complaints Committee and is protected. All meetings in the Enquiry (Complainant and Respondent) are never done face to face.

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

Yes, human rights requirement forms a part of business agreement or contract.

10. Assessments for the year:

Enforcement Officers from labour department, ESI, EPFO, and pollution control board etc. keep on visiting BHEL plants for assessment from time to time. Further, documents and details are also sought by the authorities for assessment of compliance.

Assessment w.r.t.	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%

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

No significant risk/ concern was identified.

Leadership Indicators

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

Upholding of Human Rights is central to the Company's value system, and it strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. The Company is committed to provide a safe inclusive environment for one and all, irrespective of the caste, colour, religion, gender, divyang-jan etc. The same is ensured in company's policies, procedures and practices.

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

Plants and offices are assessed periodically during the preventive/ statutory audit for ensuring compliance with all the Statutory laws/Regulatory requirement, and the rules made thereunder. The company also conducts training programmes/ sensitization sessions for its employees and trainees including apprentices on the subject.

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

4. Details on assessment of value chain partners:

Direct assessment of Value Chain Partners on human rights is done by the relevant Government authorities. BHEL takes care that the payment dues of value chain partners are cleared only after statutory compliances to the laws of land w.r.t. human rights are met. In 2025-26, no significant risks have been reported by relevant Government authorities during the assessment of Value Chain Partners.

Assessment w.r.t.	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Wages	100%

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

Not applicable in line with reply to point 4 above as no significant risk was identified/ reported.

Principle 6: Environment

Essential Indicators

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

Financial Year	FY 2025-26	FY 2024-25
Revenue from Operations (₹)	3,37,82,18,00,000	2,83,39,48,00,000
Parameter		
From renewable sources		
Total electricity consumption (A) (in Giga Joules)	158747.00	142139.08
Total fuel consumption (B) (in Giga Joules)	0.00	0.00
Energy consumption through other sources (C) (in Giga Joules)	0.00	0.00
Total energy consumed from renewable sources (A+B+C) (in Giga Joules)	158747.00	142139.08
From non-renewable sources		
Total electricity consumption (D) (in Giga Joules)	823486.00	798375.20
Total fuel consumption (E) (in Giga Joules)	1831939.00	1679014.11
Energy consumption through other sources (F) (in Giga Joules)	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F) (in Giga Joules)	2655425.00	2477389.31
Total energy consumed (A+B+C+D+E+F)	2814172.00	2619528.39

Energy intensity per rupee of turnover (in kilo Joule per ₹ of turnover) (Total energy consumed/ Revenue from operations)	8.33	9.24
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (in kilo Joule per \$ of turnover adjusted for PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	169	188*
Energy intensity in terms of physical output#	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*Note A: Figures for FY 2025-26 reflect updated measurement protocols and PPP value taken from IMF, resulting in restated comparative data for FY 2024-25 to ensure consistent reporting.

#BHEL is a diversified, multi-product organization with outputs expressed in heterogeneous units such as MW, MVA, numbers, meters and weight. In the absence of a common and comparable physical denominator across such varied product lines, computation of a single, meaningful physical-output-based intensity is not feasible and hence not disclosed.

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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report

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.

None of the BHEL facilities has been identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme.

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) Surface water	0.00	0.00
(ii) Groundwater	3456351.00	3292052.00
(iii) Third party water	6707655.00	5960580.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	10164006.00	9252632.00
Total volume of water consumption (in kilolitres)	10144396.00	9249212.00*
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations – Litre per ₹)	0.030029	0.0326372*
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) – Litre per \$ of turnover adjusted for PPP	0.61	0.66 [®]
Water intensity in terms of physical output[#]	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*Water consumption data and Water intensity per rupee of turnover for FY 2024-25 has been restated. Water consumption has been calculated as (Water withdrawal-water discharged)

[®]Note A: Figures for FY 2025-26 reflect updated measurement protocols and PPP value taken from IMF, resulting in restated comparative data for FY 2024-25 to ensure consistent reporting.

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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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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)		
(i) To Surface water		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(ii) To Groundwater		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iii) To Seawater		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third-parties		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Others[#]		
No treatment	19610	3420
With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	19610	3420

The figure of water discharge in 2024-25 has been restated to exclude the sewage discharge from township. Further, in one of our unit, the sewage discharge was estimated last year but it has been metered this year depicting the increase in effluent discharge.

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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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

Yes, as part of the company's sustainability initiatives, 11 of its manufacturing units have achieved zero liquid discharge status, i.e. they do not release any effluent outside their premises. The treated effluent and sewage are utilized for horticultural purposes within the plant premises to maintain green spaces across the campuses.

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

Parameter	Unit	2025-26	2024-25
NOx	Tonne/year	193.59	230.69
SOx	Tonne/year	368.13	357.93
Particulate Matters (PM)	Tonne/year	479.52	314.38
Persistent organic pollutants (POC)	Tonne/year	0.00	0.00
Volatile organic compounds (VOC)	Tonne/year	477.29	230.07
Hazardous air pollutants (HAP)	Tonne/year	2.94	3.65
Others – Carbon Monoxide	Tonne/year	38.44	48.76

Note A: Carbon Monoxide emission has reduced by replacing Fuel oil with PNG in one of the manufacturing units. In another manufacturing unit, coal consumption has increased by 108% increasing the PM and VOC emissions.

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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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

Parameter	Unit	2025-26	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)	tCO ₂ e	137298.00	135975.14

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)	tCO ₂ e	162410.00	161227.44
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Gram of CO ₂ emitted per ₹ of turnover achieved	0.8872	1.0487
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Gram of CO ₂ emitted per \$ of turnover achieved adjusted to PPP	18.04	21.33 ⁶
Total Scope 1 and Scope 2 emission intensity in terms of physical output[#]		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

⁶**Note A:** Figures for FY 2025-26 reflect updated measurement protocols and PPP value taken from IMF, resulting in restated comparative data for FY 2024-25 to ensure consistent reporting.

[#]BHEL is a diversified, multi-product organization with outputs expressed in heterogeneous units such as MW, MVA, numbers, meters and weight. In the absence of a common and comparable physical denominator across such varied product lines, computation of a single, meaningful physical-output-based intensity is not feasible and hence not disclosed.

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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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

Yes. BHEL has established nearly 43.25 MWp of solar power capacity, including rooftop installations, significantly reducing GHG emissions. In FY 2025-26, FSIP Jagdishpur added a capacity of 750 kW rooftop solar plant. Total solar power capacity led to avoidance of 31,308 MT of carbon emissions during the year.

Further, Manufacturing Units of BHEL routinely implement energy conservation and efficiency projects to support demand-side energy management, thereby curbing associated carbon emissions that would otherwise occur at higher levels.

For more details Refer to Annexure-IV to the Board's Report (4.1.2 Energy Efficiency and Management; 4.1.5 Carbon Footprint Reductions).

9. 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)*	108.39	107.68
E-waste (B)	89.97	117.78
Bio-medical waste (C)	11.31	11.68
Construction and demolition waste (D)	774.81	267.00
Battery waste (E)	103.87	70.75
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	1432.58	1133.21
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	54349.7	54588.30
Total (A + B + C + D + E + F + G + H)	56870.63	56296.40
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) – Gram per ₹	0.1683	0.1987

Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) – Gram per \$ in PPP	3.42	4.04 [®]
Waste intensity in terms of physical output #	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled [^]	5755.31	391.13
(ii) Re-used	705.12	455.49
(iii) Other recovery operations	0.00	0.00
Total	6460.43	846.62
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	24.73	2.94
(ii) Landfilling	806.54	178.20
(iii) Other disposal operations	48436.44	42740.70
Total	49267.71	42921.84

[®]**Note A:** Figures for FY 2025-26 reflect updated measurement protocols and PPP value taken from IMF, resulting in restated comparative data for FY 2024-25 to ensure consistent reporting.

[^]From BAP Ranipet Unit 4990 MT ferrous scrap has been transported to CFFP Haridwar unit for recycling during 2025-26.

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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, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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.

BHEL's waste management adheres to the 3Rs: Reduce, Reuse, Recycle approach and implements a "Waste to Wealth" culture, prioritizing source segregation and in-house recycling. Metal scraps are either reused/recycled or sold to authorised agencies and biodegradable waste is composted at Units like HERP Varanasi and FSIP Jagdishpur. Hazardous and e-waste are handled as per regulatory norms with comprehensive documentation.

The Special Campaign 5.0 on Swachhata led to the disposal of scrap worth approximately ₹59.20 crore during the year. Furthermore, all 15 BHEL Townships have maintained their status as "Single Use Plastic Free" certified townships, reflecting our commitment to cleaner living spaces.

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:

Not applicable. BHEL does not have operations or facilities located within or in the immediate vicinity of ecologically sensitive areas such as national parks, wildlife sanctuaries, or biodiversity hotspots.

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

Not applicable

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

Yes, BHEL is compliant with the extant 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:

i Name of the area: NIL

ii Nature of operations: NIL

iii Water withdrawal, consumption and discharge – Not Applicable

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

Yes, assurance has been carried out by S R Asia for BRSR Core, as given in the Independent Assurance Statement, at end of BRSR report.

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)	tCO ₂ e	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

While the company remains conscious of its indirect environmental impact, the quantification of Scope 3 emissions is currently under review. We are in the process of exploring suitable methodologies and frameworks to assess value-chain emissions as part of our evolving sustainability roadmap.

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

Not applicable in line with response to Question 11 of Essential Indicators in Principle 6.

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Zero Effluent Discharge outside premises	To prevent water pollution and promote sustainable wastewater management, the company has set up 22 Effluent Treatment Plants (ETPs) and 18 Sewage Treatment Plants (STPs). Effluents treated by these plants are reused within our premises for various purposes such as industrial processes, toilet flushing, and gardening. Consequently, 11 units have achieved zero effluent discharge outside their boundaries due to these initiatives.	Due to non-discharge of effluent outside the premises, we have avoided land and water pollution.
2.	Single use plastic free townships	BHEL townships has been declared as single use plastic free through 3rd Party Audit.	BHEL Townships has been developed as sustainable habitats and citizens have developed a habit of avoiding single use plastic resulting in avoidance of land and water pollution on account of plastic waste.
3.	Installation of Energy Efficient Electrical appliances	Installation of: (i) 5-star window and split AC 491 Nos. - New 5-star, 1.5 TR, Inverter Window AC in place of Old 5-star, fixed speed, 1.5 TR, Window AC (ii) 61 Nos. Brand new 3-Star, 2 TR, Hot & Cold, Inverter Split AC in place of old 3-star, 2 TR, Cooling only Inverter Split AC etc.	Will result in annual avoidance of electrical energy to the tune of 5,61,286 units at HEEP Haridwar Unit.
4.	Energy efficient lighting	Installation of 200W LED high bay fittings	Will result in annual avoidance of electrical energy to the tune of 4,96,000 units at Trichy.
5.	Installation of Inhouse Solar Power Plants	The solar power plants installed across BHEL has reached an installed capacity of around 43.25 MW generating green energy for its internal consumption.	It has resulted in generation of 275.86 million units of green electricity in the last 9 years and avoiding equivalent amount of conventional power and consequently reducing the carbon footprint.

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

Yes, BHEL has a business continuity and disaster management plan which are internal to the organisation and are hosted on Intranet as a restricted document. Due to security concerns, these are not available on web/internet.

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 impact came to notice.

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

100%

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

a. By the listed entity

Nil

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

Nil

Principle 7: Policy advocacy

Essential Indicators

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

Seven (7) affiliations.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	CIGRE India	International
2	Indian Electrical and Electronics Manufacturers' Association (IEEMA)	National
3	Confederation of Indian Industry (CII)	National
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
5	Standing Conference of Public Enterprises (SCOPE)	National
6	Project Exports Promotion Council of India (PEPC)	National
7	Central Board of Irrigation and Power (CBIP)	National

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

No instance of anti-competitive conduct by BHEL has been raised.

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
1.	BHEL SAMVAAD - Dialogue with success partners of BHEL for strengthening self-reliance through innovation and collaboration	BHEL SAMVAAD initiative serves as a strategic platform to strengthen domestic supply chains and promote indigenization by fostering collaboration among industry, academia and government stakeholders and has emerged as an important enabler in building a resilient and self-reliant manufacturing ecosystem by facilitating meaningful dialogue and partnerships across the value chain. SAMVAAD happens at Unit level and as well as Corporate level (last being conducted on 07.08.2025 - Steel SAMVAAD).	Yes	--	--
2.	Participation in various activities/ meetings/ inputs for Ease of Doing Business (EoDB), etc. to boost Capital Goods Sector.	Through interaction with Industrial Bodies (CII, FICCI), Government Ministries (viz. MHI & MoP) and their consultants.	No	--	--
3.	Facilitation of international trade and collaboration	Through inputs to Industry Bodies/ Government agencies for FTAs, etc.	No	--	--
4.	Inputs on matters such as Customs, Export promotion and Export incentives, support indigenization, reducing carbon footprints etc.	Through input to Ministries, pre-budget memorandum for Union Budget 2026 to Industry association.	No	--	--

Principle 8: Inclusive growth

Essential Indicators

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

Not applicable. The Company did not engage in social-related capital investment projects during the year and executed only in-house projects for its internal operational requirements. Accordingly, the requirement of conducting Social Impact Assessments is not applicable

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

Not applicable

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

Community raises their grievances through Centralised Public Grievance Redress and Monitoring System (CPGRAMS)/ Public Grievance Portal which are then assigned to Public Grievance Officer in BHEL.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	54.8%	39.7%
Sourced directly from within the district and neighbouring districts	15%	14%

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

Location	FY 2025-26	FY 2024-25
Rural		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	₹3,78,53,17,213.00	₹3,88,11,79,474.48
ii) Total Wage Cost	₹60,11,37,15,971.00	₹57,77,59,26,056.80
iii) % of Job creation in Rural areas	6.30%	6.72%
Semi-urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	₹14,82,02,60,084.00	₹14,30,62,56,604.75
ii) Total Wage Cost	₹60,11,37,15,971.00	₹57,77,59,26,056.80
iii) % of Job creation in Semi-urban areas	24.65%	24.76%
Urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	₹15,88,85,70,404.00	₹14,91,64,76,621.57
ii) Total Wage Cost	₹60,11,37,15,971.00	₹57,77,59,26,056.80
iii) % of Job creation in Urban areas	26.43%	25.82%
Metropolitan		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	₹25,61,95,68,270.00	₹24,67,20,13,356.00
ii) Total Wage Cost	₹60,11,37,15,971.00	₹57,77,59,26,056.80
iii) % of Job creation in Metropolitan areas	42.62%	42.70%

Note: Employees considered here are permanent

Leadership Indicators

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

Not applicable in line with reply to Question 1 of Essential Indicators above

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

Amount spent on CSR projects in designated aspirational districts during FY 2025-26:

S. No.	State	Aspirational District	Amount Spent (in ₹ Lakh)
1	Uttarakhand	Haridwar	120.34

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

Yes

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

Company has been supporting Micro and Small Enterprises (MSEs). MSEs tend to employ a larger share of the vulnerable sectors of the workforce, such as SC/ST, women, youth, and people from poorer households. Regular Vendor Meets and Supplier Development programs are being organized by BHEL units, specifically for MSEs (including local suppliers) as well as specific to SC/STs and women, which serves as a platform for identification of needs and formulation of action plan for mutual benefits. Further, preferences as mandated in the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order for MSEs (issued by Ministry of MSME-Gol), are given. To support all

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project (FY 2025-26)	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Support for running schools located in BHEL manufacturing units at Haridwar, Jagdishpur and Jhansi	1200	100.00%
2	Financial Support for providing Nutritional food to overcome Nutritional deficiency among children at Miyapur, Hyderabad.	120	100.00%
3	Financial Support for providing Nutritional food to Desire Society - Caring for HIV/AIDS Children, IDA, Bolaram, Secunderabad, Hyderabad	65	100.00%

MSME/ MSE vendors, BHEL has onboarded itself on all the operating Trade Receivables Electronic Discounting System (TReDs) portals (mandated vide notification of MoMSME dated 07.11.2024). BHEL onboarded RXIL on 26-12-2018, Invoicemart on 15-12-2020, M1Xchange on 07-08-2021, KREDX on 11-12-2025, and C2treds on 24-03-2026. Further, for enhanced visibility, GeM has provided for integration of BHEL's enterprise resource planning (ERP) with GeM and the same is in place for BHEL. In FY 2025-26, ₹8,772 Crore procurement was done through GeM out of total procurement of ₹19,620 Crore for Goods and Services. The company also carried out 100% timely payments to MSE Vendors directly or through TReDs within the prescribed timelines (as mandated by MSMED Act, 2006). These initiatives affirm BHEL's full compliance with DPE guidelines.

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

In FY 2025-26, out of total procurement of ₹19,620 Crore for Goods and Services, ₹10,752 Crore (54.8%) is from MSE, ₹58 Crore (0.3%) is from MSEs owned by SC/ST entrepreneurs and ₹767 Crore (4%) from MSEs owned by women entrepreneurs.

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:

The company does not own or acquire Intellectual Property based on traditional knowledge. The company's products and corresponding IPs are based on knowledge derived through scientific evidence.

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

No Intellectual Property dispute regarding usage of traditional knowledge during FY 2025-26.

S. No.	CSR Project (FY 2025-26)	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
4	Financial support extended through provision of medical supported devices/equipment at Sivananda Rehabilitation Home, Kukatpally, Hyderabad.	35	100.00%
5	Financial support for Construction of one 5 seated Sulabh Toilet Complex at Kapildhara, Varanasi and six months maintenance of 11 Existing Toilet Complexes in District Varanasi (at 4 Places) & Chandauli (at 7 Places), Uttar Pradesh.	500000	100.00%
6	Financial support for project on Swastha Bharat in 350 villages from 10 Blocks of Amravati District, Maharashtra	6223	100.00%
7	Distribution of Aids & Appliance to the persons with Disabilities (PWDs) at District Sangareddy, Rangareddy, Hyderabad, Vikarabad, Malkajgiri, Telangana	32	100.00%
8	Supply and distribution of Surgical equipment to MPHC Ramachandrapuram, Sangareddy, Telangana	3600	100.00%
9	Providing mobility aids like artificial limbs, CP Chairs, Wheel chairs etc to the physically disabled people in the districts of Perambalur and Pudukkottai, Tamil Nadu	75	100.00%
10	Providing nutritional support kit to nearly 90 patients of Tuberculosis in Thiruverumbur Taluk –Tiruchy & LED microscope at Tiruchirapalli, TamilNadu	90	100.00%
11	Financial support to Arivalayam - a special school and rehabilitation Centre for intellectually challenged children, at Trichy	150	100.00%
12	Community Development: Yoga Classes at Bhopal, Madhya Pradesh	100	100.00%
13	Procurement and Distribution of Medical Equipment to Primary Health Centres (PHCs) at Bapuji Nagar, Avalahalli, Vijaynagar and Karenahalli, Bidadi, Bengaluru	30000	100.00%
14	Providing medical equipment's to rural Hospitals at Walaja and Urban Primary Health Centre, Ranipet, Tamil Nadu	20000	100.00%
15	Improve nutritional status and health outcomes of malnourished pregnant women at Varanasi, Uttar Pradesh	38	100.00%
16	Supply and Installation of 4 set Water Cooler Tank & UV Purifier at 04 locations, Rudrapur, Uttarakhand	300	100.00%
17	Installation of Water Cooler, Water Purifier and stabilizer and steel benches at nearby Govt. Hospitals, Amethi, Uttar Pradesh	4000	100.00%
18	Medical Camp for sugar patient, High BP etc., Amethi, Uttar Pradesh	300	100.00%
19	To construct a toilet block in Government hospital at Panki Thermal Power Station Panki, Kanpur, Uttar Pradesh	3500	100.00%
20	Distribution of BiPAP (Ventilation) Machine, Cardiac Monitor, Air Bed, Suction Machine & Wheelchairs, Nagpur	8	100.00%
21	Anaemia Screening Camp: Diagnosis, Counselling, Distribution of Medicines & Supplements at Angul, Odisha	282	100.00%

Principle 9: Customer value

Essential Indicator

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

Customer value is prominent part of BHEL's culture and is reflected in our Vision, Mission and Values statement. The company constantly focusses to create value for customers through products and services.

Complaints of customers are received through various channels like letters, emails, phone calls and during meetings and are handled through internal systems. The complaints are subsequently escalated for resolution to respective departments for immediate resolution. Root Cause Analysis is done in parallel to avoid reoccurrences.

Apart from complaints, feedback is collected through meetings/ video-conferencing and in-person interaction with customers.

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

Parameter	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%

The company provides capital goods accompanied by comprehensive documentation, which includes detailed guidance on safe operation, maintenance, and environmental stewardship. Furthermore, we provide professional knowledge-transfer sessions for customer personnel to support the safe and efficient operation of these systems throughout their designated lifecycle as per the requirement.

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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution end of year	Remarks	Received during the year	Pending resolution end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	Not applicable					
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	361	41	-	358	42	-

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

Particulars	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recall	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, BHEL has an established and approved cyber security policy, which is internal to the organisation and are hosted on Intranet. Due to security concerns, these are not available on web/internet. Moreover, BHEL is in B2B business and does not deal with individual customers. Hence, any individual customer data is not stored.

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

No such issue has been raised

7. Provide the following information relating to data breaches:

- Number of instances of data breaches:
0
- Percentage of data breaches involving personally identifiable information of customers:
0%
- Impact, if any, of the data breaches:
Not applicable

Leadership Indicators

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

Information on products and services of BHEL can be accessed from www.bhel.com

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

Operation Manual and Training on products or systems are provided to customers as per the contractual requirements. Trainings are also provided to the customers w.r.t. the safe operation of the products and systems.

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

Not Applicable as BHEL operates in the capital goods sector, supplying equipment/systems against specific contractual requirements. Product-related information is governed by detailed technical specifications, drawings, manuals and contractual documents. All the required and standard information are always displayed on the products dispatched by BHEL as per industry practice. Accordingly, additional product information beyond statutory requirements is not applicable.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. BHEL conducts customer satisfaction survey for major products/ services and feedback is obtained from the customer's time to time. However, no survey was conducted during FY 2025-26.

For and on behalf of the Board of Directors of
BHARAT HEAVY ELECTRICALS LTD.



K. Sadashiv Murthy

Chairman & Managing Director

Place: New Delhi
Date: July 07, 2026



Social Responsibility Asia (SR Asia) (ISO 9001: 2015 Certified)

Independent Practitioners' Reasonable Assurance Statement

To the Management of
Bharat Heavy Electricals Limited
BHEL Sadan, Film City, Noida (201301), India

Introduction

SR Asia (Social Responsibility Asia) is an international, licensed assurance provider recognized by AccountAbility UK, with a proven track record of delivering independent assurance engagements for leading Indian public sector and private entities. A specialized sustainability and ESG advisory firm, SR Asia possesses deep expertise across the entire sustainability landscape, including BRSR report preparation, third-party assurance, and ESG data validation. Aligned with the stringent requirements of the International Standard on Assurance Engagements (ISAE) 3000 (Revised), the firm brings a rigorous, data-backed methodology and a multidisciplinary team of assurance practitioners to its engagements, ensuring a credible and trustworthy opinion on an organization's sustainability performance.

Scope of Work

SR Asia was engaged by Bharat Heavy Electrical Limited (the 'Company') to conduct an independent assurance of Business Responsibility and Sustainability Report (BRSR). The assurance was conducted in accordance with the SEBI Circular dated 12, July 2023 and amended Circular No.: SEBI/HO/CFD/CFD-PoD1/P/CIR/2024/177 dated Dec 20, 2024. The assurance engagement was undertaken for the reporting period FY2025-26.

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

Assessment Criteria and References

Our engagement was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) and the guidelines issued by SEBI.

SR Asia complies with the International Quality Management System (IQMS), which is applicable to firms undertaking assessments or reviews of non-financial information, as well as other assurance and related services engagements, as prescribed by the IAASB.



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We believe that the evidence obtained during the course of our engagement is sufficient and appropriate to provide a reasonable basis for our opinion.

Work Performed

1. A kick-off meeting was conducted at corporate office Noida with the representative from deferent department and project location joined through Webex platform. SR Asia team briefed the participants about Assurance scope and project location selected, objectives, methodology, and timelines.
2. This was informed that both on-site and online assurance activities for identified different business units and locations will be carried out.
3. A comprehensive review of the BRSR Report for FY 2025–26 was undertaken with reference to the applicable disclosures and data requirements prescribed under the relevant SEBI circulars. The review assessed the completeness, consistency, and alignment of disclosures with the BRSR and BRSR Core frameworks, and a detailed gap analysis was subsequently shared with the designated nodal officer.
4. Assurance activities were performed through site visits to HEEP (Haridwar), TP (Jhansi), and the Corporate Offices (Delhi and Noida), and BAP (Ranipet), EDN (Bangalore), and HPBP (Trichy) were covered through online.
5. The assurance activities covered core indicators such as Energy Consumption, Energy Savings, Water Management, Hazardous and Non-Hazardous Waste Management, Greenhouse Gas Emissions, Air Emissions, Environmental Expenditure, Occupational Health and Safety, Labour Practices, and other applicable Essential and Leadership Indicators.
6. The verification process included a review of applicable statutory and regulatory compliances specifically in relation to the (LODR) and an assessment of the completeness, accuracy, and reliability of the reported information against supporting records and evidence obtained from authentic sources, in accordance with the requirements of a Reasonable Assurance engagement.
7. Site wise assurance reports were prepared and submitted, following the completion of each site assessment. These reports documented key observations, findings, and supporting photographs, where applicable, and were subsequently reviewed with relevant stakeholders for validation and incorporation of feedback.
8. Upon completion of the assessment procedures, an Independent Assurance Statement was issued in accordance with the applicable assurance standards, using ISAE 3000 (Revised), providing an independent opinion on the accuracy, completeness, and reliability of the reported information.

Intended Use or Purpose

The Reasonable Assurance statement is intended for users and stakeholders of BHEL.

The Management of the organization acknowledges and understands their responsibility for:

- Designing, implementing and maintaining internal controls relevant to the preparation of the BRSR report that is free from material mis-statement, whether due to fraud or error.
- Selecting or establishing suitable criteria for preparing the report taking into account applicable laws and regulations as amended, if any, related to reporting, identification of key aspects, engagement with stakeholders, content preparation and presentation in accordance with the reporting criteria.
- Disclosure of the applicable criteria used for preparation of the relevant report/statement.
- Calculating the data and figures in accordance with the reporting criteria.
- Ensuring the reporting criteria is available for the intended users with relevant explanation.
- Establishing subjective targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures.
- Responsible for providing the details of the management personnel who take ownership of the disclosures in the report.
- Ensuring compliance with law, regulation or applicable standards.
- Making judgments and estimates that are reasonable in the circumstances.
- Identifying and describing any inherent limitations in the measurement or evaluation of information, subject to assurance in accordance with the reporting criteria.
- Preventing & detecting fraud and taking suitable action.
- Selecting the content of the BRSR report, including identifying and engaging with intended users to understand their information needs.

Inherent limitations in preparing the Assurance statement

The following inherent limitations were identified during the assurance engagement, which affect the completeness, accuracy, and verifiability of the reported information:

1. **Data Reported limited to plants:** GHG emissions data is recorded using CO2 emission and limited to the plants only. Key ESG parameters, including energy



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records, water consumption and recycled water utilization data, and waste collection vehicle logs needs improvements.

2. **Compliances:** The assurance engagement identified a few open regulatory compliances which needs to be expedited. These findings indicate gaps in compliance monitoring and reporting which needs improvement.
3. **Sample based Verification and Remote/Physical Access Constraints:** Given the multi-site scope and the virtual nature of certain site visits, physical inspection of assets, meters, and waste storage areas was limited. While professional standards permit remote procedures, the lack of physical access to certain locations represents an inherent practical limitation on evidence gathering.

Our Responsibilities

- To plan and perform the assurance engagement in order to obtain Reasonable Assurance that the BRSR disclosures are free from material misstatement, whether arising from fraud or error, and are prepared in accordance with the applicable Reporting Criteria outlined above.
- To evaluate the evidence obtained through the assurance procedures performed and form an independent assurance opinion based on the findings of the engagement.
- To communicate our Reasonable Assurance opinion on the BRSR disclosures to BHEL through the issuance of this Independent Assurance Statement.

Exclusions

Our assurance scope excludes the following and therefore we do not express an opinion on the same:

- Data related to the Company's financial performance disclosures.
- Operations of the Company other than those mentioned in the "Scope of Assurance".
- Data and Information outside the defined reporting period i.e., from 1st April 2025 to 31st March 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Compliance with any Environmental, Social, and Legal issues related to the regulatory authorities.
- Any of the statements related to company's reputation.

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Reasonable Assurance Opinion

We conducted a reasonable assurance engagement on the selected ESG information forming part of BHEL's BRSR Core Report and Sustainability Report for FY 2025-26, in accordance with ISAE 3000 (Revised). Our procedures included assessing processes, testing data, evaluating methodologies, and reviewing supporting evidence across multiple operational sites.

Conclusion

Based on the evidence obtained, the Company has established foundational sustainability systems, including environmental and safety management frameworks, renewable energy infrastructure, and reporting processes for BRSR disclosures. We acknowledge management's cooperation and transparency during the assurance process and timely resolutions of the areas of improvements.

Opinion

In our opinion, except for the effects of the matters described in inherited limitation, the information subject to reasonable assurance is presented, in all material respects, in accordance with the applicable Reporting Criteria. We recommend that management prioritise action plan to address these observations in subsequent reporting cycles.

Statement of Independence, Impartiality, and Competence

SR Asia confirms that no financial, commercial, or personal relationships exist between the assurance team and BHEL or any of its locations that could compromise, or be perceived to compromise, the independence, impartiality, or objectivity of this engagement. The assurance fee is not contingent upon the outcome or conclusion of the assurance opinion.

A pre-engagement review was conducted to identify and evaluate any potential threats to independence, including self-interest, advocacy, familiarity, intimidation, and management participation threats. No such threats were identified, and appropriate safeguards were documented.

The assurance team adheres to a strict professional code of ethics, including the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. The engagement was carried out in accordance with the independence requirements of ISAE 3000 (Revised) and the AA1000 Assurance Standard (2020).

The team collectively possesses deep competence and demonstrated experience in:

- BRSR Core requirements and Indian sustainability reporting framework



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- ISAE 3000 (Revised) for reasonable assurance engagements
- ISO 26000 (Social responsibility) and AA1000 AccountAbility Principles
- GRI Standards (2021) for materiality, topic management, and disclosure
- GHG Protocol for Scope 1, 2, and 3 emissions quantification
- Environmental, social, and governance (ESG) data validation and internal control assessment

All team members have completed relevant training on assurance methodologies and remain current with evolving sustainability disclosure regulations.

This statement remains valid for the FY 2025-26 assurance engagement and is without prejudice to the qualified conclusion expressed in the assurance opinion.

**BIRENDR
A DUTT
RATUR**

Digitally signed by
BIRENDR DUTT RATUR
DN: cn=BIRENDR DUTT
RATUR, c=IN, o=PERSONAL
Reason: I am the author of
this document
Location:
Date: 2026-06-22
15:05+05:30

Birendra Raturi
(Director /Team Lead)
SR Asia
Date: 11th June 2026
Place: New Delhi, India