July 20, 2026

National Stock Exchange of India Limited (NSE)
Exchange Plaza,
C-1, Block G Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

NSE Symbol: ELGIEQUIP

BSE Scrip Code: 522074

Dear Sir/Madam,

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

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Business Responsibility and Sustainability Report ("BRSR") for the Financial Year 2025-26. The BRSR is also uploaded on the website of the Company at https://www.elgi.com/in/wp-content/uploads/2026/07/Annual-Report-2025-26.pdf

The above intimation is also being hosted on the website of the Company at www.elgi.com.

We request to kindly take the above intimation on records.

Thanking you,

Yours faithfully,

FOR ELGI EQUIPMENTS LIMITED

ROHIT JAGANNATH GUPTE
Digitally signed by ROHIT JAGANNATH GUPTE
Date: 2026.07.20 12:21:46 +05'30'

ELGI EQUIPMENTS LIMITED ELGi

ROHIT GUPTE
COMPANY SECRETARY & COMPLIANCE OFFICER
MEMBERSHIP No.: A12422

Encl. As above

Always Responsible.
Always Better.

Creating sustainable value through responsible innovation, operations, and governance.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

2025-2026

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

ELGi EQUIPMENTS LIMITED
FY 2025-26

Built on Engineering. | Guided by Responsibility. | Committed to Sustainability.

Engineering energy efficient air solutions while taking responsibility for environmental and social impact across the value chain.

At Elgi Equipments Limited, every strategic decision is guided by a clear purpose- to deliver reliable, energy efficient compressed air solutions that support industrial growth while creating long term value for society. Our journey is anchored in engineering excellence, customer centricity, and a strong commitment to responsible business practices.

We believe that sustainable growth goes hand in hand with ethical conduct, environmental stewardship, and care for people. ELGi's approach to business reflects a deep sense of accountability towards customers, employees, communities, and the environment in which we operate. By focusing on innovation, operational efficiency, and responsible resource use, we aim to contribute meaningfully to industrial progress while reducing our environmental footprint.

Sustainability at ELGi is embedded across our operations from product design and manufacturing to supply chain management and workforce practices. We continuously strive to enhance energy efficiency, ensure workplace safety, promote inclusive growth, and uphold high standards of governance. Through transparent disclosures and responsible actions, we remain committed to building trust with all stakeholders and creating lasting impact.

Our commitment extends beyond compliance. We seek to build a resilient organisation that supports India's industrial aspirations while contributing to a cleaner, safer, and more sustainable future.

Section A: General Disclosures

Overview

This section provides an overview of Elgi Equipments Limited business profile, including its products and services, geographies and markets served, financial performance, workforce profile, and the approach adopted to identify and manage key risks and opportunities. The disclosures aim to present a holistic view of the Company's operating context and its integration of sustainability considerations into business strategy and decision making.

ELGi's Approach: Creating Sustainable Value

Elgi Equipments Limited focuses on delivering long-term value to its stakeholders through a strong commitment to innovation-led growth, operational excellence, and responsible business practices. Sustainability considerations that including economic performance, environmental stewardship, and social responsibility are embedded into the Company's strategy and governance framework.

The Company identifies key issues relevant to stakeholders across its value chain, including customers, employees, suppliers, communities, and investors, and aligns its actions with their evolving expectations. Through continuous improvement in product efficiency, resource optimisation, workplace practices, and ethical conduct, ELGi strives to create shared value while managing risks and leveraging opportunities that support sustainable and resilient growth.

Interlinkage with identified material topic	Stakeholders
• *Economic Performance* • *Customer Centricity* • *Transparency*	Customers, Employees, Shareholders, Communities, Suppliers **Sustainable Development Goals** 8 Clean Water And Sanitation; 9 Affordable and Clean Energy; 10 Industry, Innovation and Infrastructure; 17 Sustainable Cities and Communities

Section A: General Disclosures

I. Details of the listed entity

S. No	Details of the Entity	
1.	**Corporate Identity Number (CIN) of the Listed Entity**	L29120TZ1960PLC000351
2.	**Name of the Listed Entity**	ELGI EQUIPMENTS LIMITED
3.	**Year of incorporation**	1960
4.	**Registered office address**	Elgi Industrial Complex III, Trichy Road, Singanallur Coimbatore-641 005
5.	**Corporate address**	Elgi Industrial Complex III, Trichy Road, Singanallur Coimbatore-641 005
6.	**E-mail**	investor@elgi.com
7.	**Telephone**	0422-2589555
8.	**Website**	www.elgi.com
9.	**Financial year for which reporting is being done**	2025–2026
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited and National Stock Exchange of India Ltd
11.	**Paid-up Capital**	INR 31,69,09,016
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Rohit Gupte, Senior Vice-President, Company Secretary and Compliance Officer M: 97900 04579 E-Mail: rohit.gupte@elgi.com
13.	**Reporting boundary** **Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	The disclosures under this report are made on Standalone basis.
14.	**Name of assurance provider**	Price Waterhouse Chartered Accountants LLP
15.	**Type of assurance obtained**	Limited assurance on BRSR core indicators

II. Products/services

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

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY26)
1.	Manufacture of Air compressors	Electrical equipment, general purpose, and special purpose machinery & equipment	95.51%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Air Compressors	2813 - Manufacture of Compressors	95.51%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	5	2	7
International	None		

19. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States/UTs)	28 states and 8 union territories
International (No. of Countries)	65

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

The contribution of exports as a percentage of the total turnover of the entity is 23.47%.

c) A brief on types of customers

The Company serves industrial customers across all manufacturing and process industries, where air compressors are an essential part of operations.

ELGi serves a diverse and global customer base, primarily comprising industrial and commercial users who rely on compressed air as a critical utility for their operations. Its customers include manufacturing enterprises across sectors such as automotive, engineering, textiles, pharmaceuticals, food and beverages, electronics, and railways, where compressed air solutions are used for applications including braking systems, maintenance, and workshop operations. ELGi caters to customers ranging from small and medium enterprises to large domestic and multinational corporations. In addition, the Company serves customers through an extensive network of authorised distributors, dealers, and service partners, enabling wide market reach and effective after sales support. With a strong domestic presence and exports to more than 100 countries, ELGi's customer profile reflects a broad mix of end users and channel partners across geographies, underpinned by long term relationships focused on reliability, energy efficiency, and responsible business practices.

IV. Employees

20. Details as at the end of the 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)	**1004**	919	92%	85	8%
2	Other than Permanent (E)	**87**	59	68%	28	32%
3	**Total employees (D + E)**	**1091**	**978**	**90%**	**113**	**10%**
	WORKERS					
4	Permanent (F)	**428**	400	93%	28	7%
5	Other than Permanent (G)	**821**	693	84%	128	16%
6	**Total workers (F + G)**	**1249**	**1093**	**88%**	**156**	**13%**

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)	–	–	–	–	–
2	Other than Permanent (E)	–	–	–	–	–
3	**Total differently abled employees (D + E)**	–	–	–	–	–
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	–	–	–	–	–
5	Other than Permanent (G)	–	–	–	–	–
6	**Total differently abled workers (F + G)**	–	–	–	–	–

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14%
Key Management Personnel	4	0*	0%

**Ms. Devika Sathyanarayana was the Company Secretary and Compliance Officer upto June 9, 2025.*

22. Turnover rate for permanent employees and workers

	FY 2025-2026			FY 2024-2025*			FY 2023-2024*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	13%	**10%**	15%	14%	**15%**	19%	11%	**18%**
Permanent Workers	5%	0%	**4%**	5%	0%	**5%**	7%	15%	**7%**

**The turnover figures have been revised in line with the updated calculation methodology aligned to SEBI BRSR guidance.*

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

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

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	ELGI GULF FZE	Subsidiary	100	No
2	Elgi Compressors Do Brasil Imp E Exp Ltda	Subsidiary	100	No
3	Elgi Equipments Australia Pty Ltd	Subsidiary	100	No
4	Industrial Air Compressors Pty Ltd	Subsidiary	100	No
5	F. R. Pulford & Son Pty Ltd	Subsidiary	100	No
6	Advanced Air Compressors Pty Ltd	Subsidiary	100	No
7	Elgi Compressors Italy S.R.L	Subsidiary	100	No
8	Rotair SPA	Subsidiary	100	No
9	Elgi Compressors Europe S.R.L	Subsidiary	100	No
10	Elgi Compressors USA Inc	Subsidiary	100	No
11	Pattons Inc	Subsidiary	100	No
12	Patton's Medical LLC	Subsidiary	100	No

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)
13	PT Elgi Equipments Indonesia	Subsidiary	100	No
14	ATS Elgi Limited	Subsidiary	100	No
15	Adisons Precision Instruments Manufacturing Company Limited	Subsidiary	100	No
16	Ergo Design Private Limited	Subsidiary	100	No
17	Elgi Compressors Southern Europe S.R.L	Subsidiary	100	No
18	Michigan Air Solutions LLC	Subsidiary	100	No
19	Elgi Compressors (M) SDN. BHD	Subsidiary	100	No
20	Elgi Compressors Iberia S.L	Subsidiary	100	No
21	Elgi Compressors Nordics	Subsidiary	100	No
22	Elgi Compressors Eastern Europe SP.Z.O.O.	Subsidiary	100	No
23	Elgi Compressors France SAS	Subsidiary	100	No
24	Elgi Compressors UK and Ireland Limited	Subsidiary	100	No
25	Elgi Equipments Arabia Company*	Subsidiary	-	No
26	Elgi Gulf Mechanical and Engineering Equipment Trading LLC	Subsidiary	100	No
27	Patton's Of California LLC	Joint Venture	50	No
28	Gentex Air Solutions LLC	Joint Venture	33.33	No
29	Evergreen Compressed Air & Vacuum LLC	Joint Venture	50	No
30	Compressed Air Solutions of Texas LLC**	Joint Venture	50	No
31	Pla Holding Company LLC	Joint Venture	50	No
32	Elgi Sauer Compressors Ltd	Joint Venture	26	No
33	Industrial Air Solutions LLP	Joint Venture	50	No

*Incorporated during the current year as a step-down subsidiary of Elgi Compressors USA Inc. No investment has been made in the company as of date, and there were no transactions during the year.

**Ceased to be a joint venture with effect from April 11, 2025.

VI. CSR Details

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

(ii) Turnover (in ₹) – 23,429 million

(iii) Net worth (in ₹) – 19,869 million

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom the complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2025-2026			FY 2024-2025		
		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
Investors (other than shareholders)	The Company does not have any investors other than shareholders	Not applicable	Not applicable	None	Not applicable	Not applicable	None
Communities	Yes, through TELGi app	–	–	None	–	–	None
Shareholders	Yes. Complaints received through the SEBI SCORES platform and the investor mail ID of the Company are resolved within the prescribed timelines www.scores.gov.in/admin	7	–	None	7*	–	None
Employees and workers	Yes, through TELGi app/POSH complaints through ICC (Internal Complaints Committee)*	32*	5	None	14*	0	None
Customers##	Yes, through Customer Care System (CCS), a CRM based tool	–	–	None	–	–	None
Value Chain Partners	Yes, through TELGi app	–	–	None	1	–	None
Others	None	–	–	None	–	–	None

**Previous period figures have been re-grouped/ re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements.*

##Currently, customer interactions (complaints, requests, and other feedback) are not formally classified, and hence not reported. We are now implementing a structured classification framework to enable clear segregation, systematic tracking, and consistent reporting going forward.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change Action	Risk	Shifts toward low carbon technologies and tightening emission norms may reduce demand for diesel powered compressors, posing a potential risk to revenue growth.	ELGi is accelerating the transition to energy efficient and oil free compressor technologies, strengthening R&D, and aligning products with evolving regulatory and customer requirements.	Negative
2	Water Management	Opportunity	Implementation of structured water stewardship practices helps reduce environmental footprint and strengthens operational resilience.	Not applicable	Positive
3	Waste Management	Risk	Manufacturing operations generate waste that requires effective management to avoid environmental and regulatory risks.	ELGi is advancing circular waste management practices, focusing on waste minimization, recycling, and reuse, with a roadmap towards zero waste to landfill (Foundry Waste)	Negative
4	Product Stewardship	Opportunity	Integrating sustainability into product design enhances efficiency, reduces lifecycle impacts, and supports customer sustainability goals.	Not applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Energy Management	Opportunity	Rising energy costs, increasing regulatory focus on energy efficiency, and growing customer preference for low energy solutions present an opportunity for value creation. Effective energy management enhances operational efficiency, reduces greenhouse gas emissions, and strengthens the Company's competitive positioning through energy efficient products and processes.	Not applicable	Positive
6	Responsible Supply Chain	Risk	Dependence on a large supplier base creates exposure to ESG related risks across the value chain.	The Company has initiated supplier sustainability assessments and engagement programmes to strengthen ESG performance across procurement and sourcing activities.	Negative
7	Product Circularity and Remanufacturing	Opportunity	Remanufacturing design and services enable resource efficiency, extended product life cycles, and reduced material consumption. This aligns with circular economy principles and increasing customer and regulatory emphasis on sustainable product solutions, while also opening avenues for lifecycle based service offerings.	Not applicable	Positive
8	Occupational Health and Safety	Risk	Manufacturing operations carry inherent safety risks that can impact employee wellbeing and business continuity.	ELGi maintains a comprehensive occupational health and safety framework, supported by continuous monitoring, training, and improvement initiatives.	Negative

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	Employee Wellbeing	Opportunity	Holistic employee wellbeing programmes enhance workforce engagement, productivity, and long term organizational performance.	Not applicable	Positive
10	Human Rights	Risk	Failure to uphold human rights principles such as fair treatment, diversity, and equal opportunity across operations and the value chain may expose the Company to reputational, legal, and operational risks.	ELGi embeds human rights considerations into its operations through inclusive workplace practices, diversity and inclusion initiatives, and policies addressing discrimination and harassment.	Negative
11	Social Responsibility	Opportunity	A strong commitment to ethical conduct, sustainability, and community wellbeing enhances stakeholder trust and strengthens the Company's social license to operate.	Not applicable	Positive
12	Customer Centricity	Opportunity	Customer focused innovation and lifecycle support drive higher satisfaction, long term relationships, and competitive differentiation.	Not applicable	Positive
13	Economic Performance	Opportunity	Sustained financial performance supports reinvestment in growth, innovation, and sustainability initiatives, strengthening long term business resilience.	Not applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14	Data Privacy & Confidentiality	Risk	Inadequate protection of sensitive business and personal information could result in data breaches, loss of trust, and regulatory consequences.	The Company safeguards confidentiality through a layered information security framework, including robust data protection controls, employee awareness programmes, and ethical data handling practices.	Negative
15	Ethics and Integrity	Opportunity	Embedding ethical conduct and integrity across business interactions strengthens trust with employees, suppliers, customers, and other stakeholders.	Not applicable	Positive
16	Accountability	Risk	Failure to maintain strong accountability mechanisms for social and environmental impacts may expose the Company to governance, reputational, and compliance risks.	ELGi establishes a culture of transparency and accountability through robust governance structures, defined roles and responsibilities, and mechanisms to monitor social and environmental performance.	Negative
17	Brand Strategy	Opportunity	A strong brand anchored in innovation, customer focus, and sustainability supports market leadership and long term value creation.	Not applicable	Positive
18	Diversity and Inclusion	Opportunity	An inclusive and diverse workplace enables collaboration, innovation, and equitable participation, contributing to organizational effectiveness.	Not applicable	Positive
19	Training and Talent Development	Opportunity	Continuous investment in employee learning and skill development builds a future ready workforce and supports sustained business performance.	Not applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
20	Transparency	Risk	Inadequate disclosure of environmental, social, governance, and financial information may reduce stakeholder confidence and increase compliance and reputational risks.	ELGi reinforces transparency through regular disclosures on ESG performance, financial results, and corporate governance practices.	Negative

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.

Management and Process Disclosures

This section outlines the governance architecture, management oversight, and processes adopted by Elgi Equipments Limited to integrate responsible business conduct and sustainability considerations into its operations and decision making. It describes how the principles of the National Guidelines on Responsible Business Conduct (NGRBC) are embedded across policies, systems, and practices to ensure ethical conduct, effective risk management, and long term value creation.

ELGi's Approach: Integrated ESG Governance

ELGi follows an integrated ESG governance framework anchored in ethical leadership, accountability, and operational discipline. The Company's governance approach is supported by a structured policy framework, clear roles and responsibilities, and periodic oversight by the Board and senior management. Sustainability considerations relating to economic performance, environmental stewardship, people practices, and responsible value chain management are incorporated into business planning and operational controls. Internal policies, codes of conduct, risk assessment mechanisms, and performance monitoring processes are designed to promote compliance, transparency, and continuous improvement.

Through this integrated approach, ELGi seeks to strengthen organisational resilience, manage ESG related risks and opportunities, and align its business practices with stakeholder expectations while supporting sustainable growth.

Interlinkage with identified material topic	Stakeholders
• *Economic Performance* • *Customer Centricity* • *Transparency*	Customers, Employees, Shareholders, Communities, Suppliers **Sustainable Development Goals** 8 Clean Water And Sanitation 9 Afordable and Clean Energy 10 Industry, Innovation and Infrastructure 17 Sustainable Cities and Communities

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	No	Yes (Refer point c below)	Yes	Yes (Refer point c below)	No	Yes	Yes	Yes
c. Web Link of the Policies*, if available	*Please see below for details.								
2. Whether the entity has translated the policy into procedures. (Yes/No)	The entity has initiated efforts to translate the policy into procedures. Formalisation and implementation are currently in progress.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	No	No	No	No	No	No	No
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	**ISO 27001 –** Information Security Management *Supports governance, data protection, integrity of information, and ethical handling of stakeholder data.*	**ISO 9001:2015** – Quality Management Systems *Ensures consistent product quality, customer satisfaction, and process reliability.* **ISO 22000:2018** – Food Safety Management Systems *Ensures safety and compliance in food-related products and processes.*	**ISO 45001:2018** – Occupational Health & Safety Management *Addresses workplace health, safety risks, and employee well-being.*	**ISO 9001:2015** – Quality Management Systems **ISO 14001:2015** – Environmental Management Systems	**ISO 45001:2018 –** OH&S *Supports safe and humane working conditions.*	**ISO 14001:2015** – Environmental Management Systems *Manages environmental impacts, compliance, and continuous improvement.* **ISO 50001:2018** – Energy Management Systems *Drives systematic energy efficiency, reduced consumption and emissions.*	**ISO 9001:2015** – Quality Management Systems **ISO 14001:2015** – Environmental Management Systems	**ISO 9001:2015** – Quality & Customer Satisfaction **ISO 22000:2018** – Product & food safety **ISO 27001 –** Protection of customer and stakeholder information	CE Marking for 24 product groups (Compressors & Dryers) ASME "U" Stamp for Pressure Tanks SONCAP – Nigeria UL-cUL Certification for Control Panels DOSH Certification – Malaysia (Pressure Tanks – 16 models) PED Module H, B+D for Pressure Vessels PED Module A2 for Casting Tanks NB Certification for Pressure Tanks

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		ISO/TS 22163:2017 – *Railway Quality Management (IRIS)* *Ensures safety, reliability, and lifecycle quality in railway sector products.*							AD 2000 – Merkblatt W0 for Foundry ISI Certification for Borewell Compressors SOL Certification – Kenya SOL Certification – Uganda SOL Certification – Ivory Coast SOL Certification – Tanzania SOL Certification – Gabon SOL Certification – Cameroon ISO 14024:2018 – Green Product Certification Inmetro Certification – Brazil ISI Certification for Motors ISI Certification for Grey Iron Castings EN 15085 – Welding Certification GEM Certification for Motors NSF Certification for Lubrication Oils ISO 27001:2022 ISO 22163:2023

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Refer note below #								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Please refer to Question number 5 (Performance of the entity)								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At ELGi, sustainability is embedded in our long term strategy and in the way we create value for our customers, employees, shareholders, and communities. As a global manufacturer of compressed air solutions, we recognise that sustainable growth and competitiveness depend on how effectively we manage environmental, social, and governance (ESG) risks and opportunities. Our short to medium term priorities focus on improving energy efficiency across manufacturing operations, strengthening occupational health and safety systems, reducing dependence on conventional energy and water sources, and advancing responsible sourcing across our value chain. Over the longer term, we aim to progressively decouple business growth from environmental impact through energy efficient product innovation, increased adoption of renewable energy, enhanced water stewardship, and circular waste management practices. A key enabler of our sustainability journey is the institutionalisation of standard operating procedures across people, processes, and technology. We are strengthening accountability and capability among our people, formalising process level controls and monitoring mechanisms, and enhancing technology enabled systems for data management, validation, and reporting, ensuring consistency, traceability, and assurance readiness. Looking ahead, we view ESG as a driver of long term economic value. By integrating sustainability into product design, operational efficiency, supply chain resilience, and data driven decision making, we aspire to unlock cost efficiencies, strengthen customer trust, investing in R&D towards circular economy and create differentiated, future ready offerings. Through responsible conduct and engineering excellence, ELGi remains committed to delivering sustainable, long term value.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/ policies.	Name: Dr. Jairam Varadaraj Designation: Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, Name: Dr. Jairam Varadaraj Designation: Managing Director								

***Web Link of the Policies, if available**

	Principle	Policies required under the Principle	Policies available with Elgi
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	Elgi Code of Business Conduct and Business Ethics Whistleblower Policy Policy for Determining Materiality of Events Anti-Bribery and Anti-Corruption Policy Anti-Money Laundering Policy Anti-Slavery and Anti-Human Trafficking Statement Integrity Policy Code of Conduct for Employees	Elgi Code of Business Conduct and Business Ethics Elgi-Code-of-Conduct-Business-Ethics.pdf Whistle Blower Policy Whistle-Blower-Policy.pdf (elgi.com) Policy for Determining Materiality of Events https://www.elgi.com/in/wp-content/uploads/2019/05/Policy-for-determining-Materiality-of-Events.pdf Supplier code of conduct https://www.elgi.com/in/wp-content/uploads/2022/10/02-Supplier-Code-of-Conduct.pdf Policy on Human rights https://www.elgi.com/in/wp-content/uploads/2022/10/01-Policy-On-Human-Rights.pdf Anti-bribery policy https://www.elgi.com/in/wp-content/uploads/2022/10/03-Anti-Bribery-Policy.pdf
P2	Businesses should provide goods and services in a manner that is sustainable and safe.	Energy Policy Quality policy Health, Safety and Environment Policy	Energy Policy https://www.elgi.com/in/wp-content/uploads/2019/12/Energy-Policy.pdf Quality policy https://www.elgi.com/in/wp-content/uploads/2019/12/Quality-policy.pdf Health, Safety and Environment Policy https://www.elgi.com/in/wp-content/uploads/2019/12/HSE-Policy.pdf These policies have been approved by the Managing Director
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.	Equal Employment Opportunity Policy Employee Loan Policy Employee Health Checkup Policy	Health, Safety and Environment Policy https://www.elgi.com/in/wp-content/uploads/2019/12/HSE-Policy.pdf The following policies are available over intranet. Equal Employment Opportunity Policy Employee Loan Policy Employee Health Check-up Policy These policies have been approved by the Managing Director

	Principle	Policies required under the Principle	Policies available with Elgi
P4	Businesses should respect the interests of and be responsive to all its stakeholders.	Corporate Social Responsibility Policy Dividend Policy Elgi Code of Business Conduct and Business Ethics	Corporate Social Responsibility Policy CSR-Policy.pdf (elgi.com) Dividend Policy Dividend-Policy.pdf (elgi.com) Elgi Code of Business Conduct and Business Ethics Elgi-Code-of-Conduct-Business-Ethics.pdf Supplier Code of Conduct Supplier-Code-of-Conduct.pdf
P5	Businesses should respect and promote human rights.	Human Rights Policy Policy against sexual harassment	Human Rights Policy* https://www.elgi.com/in/wp-content/uploads/2022/10/01-Policy-On-Human-Rights.pdf The following policies are available over intranet. Policy against sexual harassment** *This policy has been approved by the Board **This policy has been approved by the Managing Director
P6	Businesses should respect and make efforts to protect and restore the environment.	Health, Safety and Environment Policy Energy Policy Quality Policy	Health, Safety and Environment Policy https://www.elgi.com/in/wp-content/uploads/2019/12/HSE-Policy.pdf Energy Policy https://www.elgi.com/in/wp-content/uploads/2019/12/Energy-Policy.pdf Quality policy https://www.elgi.com/in/wp-content/uploads/2019/12/Quality-policy.pdf These policies have been approved by the Managing Director
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	Elgi Code of Business Conduct and Business Ethics	The Company does not directly engage in lobbying or advocacy activities and hence does not have a specific policy for this purpose. Elgi Code of Business Conduct and Business Ethics Elgi-Code-of-Conduct-Business-Ethics.pdf

	Principle	Policies required under the Principle	Policies available with Elgi
P8	Businesses should promote inclusive growth and equitable development.	Corporate Social Responsibility Policy	The company's Corporate Social Responsibility policy, to the maximum extent possible, encompasses activities focused on education and the marginalized and vulnerable sections of society. The company contributes to the overall development with a specific focus on disadvantaged, vulnerable and marginalized communities. Corporate Social Responsibility Policy CSR-Policy.pdf (elgi.com)
P9	Businesses should engage with and provide value to their consumers in a responsible manner.	Elgi Code of Business Conduct and Business Ethics	The Company has an online system of addressing customer complaints that is attended to promptly. The Company has a strong customer care system in place with clear benchmarked targets for on-time and reliable resolution with a built-in escalation process. Since the complaints redressal mechanism is an ongoing process, the number of complaints at any given point in time may not convey the correct picture. The Company strives to resolve all complaints to the satisfaction of its customers and in a timely manner. Elgi Code of Business Conduct and Business Ethics Elgi-Code-of-Conduct-Business-Ethics.pdf

 # Elgi has set up a range of goals and targets. The following table presents the goals and targets with its respective deadlines:

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
		Environment	
CO2 emission reduction by 28% in 2027	CO2 emission reduction from 900 Kg Co2/Mn of Sale to 650 Kg Co2/Mn of Sale by 2027	• A 1 MW Open Access (OA) Wind Power Plant was installed in Tuticorin District, with commissioning completed and power received starting April 2025. • Implementation of 2 MW Open Access (OA) Solar Power has been initiated, of which 1 MW became operational from February 2026, while the remaining 1 MW is planned to be received from May 2026. • Carbon footprint reduction and energy efficiency projects were identified across all manufacturing plants through detailed energy audits conducted in collaboration with CII/ TÜV certified energy auditors. • Initiatives have been undertaken to assess and implement 1 MW OA Wind Power or 2 MW OA Solar Power for each manufacturing plant, depending on site feasibility. • The Foundry plant achieved Energy Management System certification during FY 2025-26, strengthening structured energy performance monitoring and improvement. • Plans are underway to establish a 22 kV dedicated power grid line to eliminate reliance on diesel generator (DG) operations at the ACP, Foundry and New GSC facilities. • At the Pressure Vessel Division (PVD), the process of converting LPG based ovens to electrical heaters has been initiated to eliminate fossil fuel usage and reduce direct emissions.	• 63.33% reduction in carbon intensity achieved.

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
Fresh water consumption reduction by 50% in 2027	Fresh water reduction from 2.20 KL/Mn of Sale to 1.10 KL/Mn of Sale	• Surface water storage capacity at the Air Centre Plant (ACP) was increased from 16 KL to 21 KL to enhance water availability. • Rainwater quality parameters were periodically tested and found to be within prescribed limits. • A 60 KLD Daiki Axis water treatment system is planned for implementation, with treated water proposed for reuse in flushing and washroom cleaning at the Head Office. • Canteen food waste segregation at source has been mandated, with separate disposal planned to maintain and improve water quality. • During building renovation activities, conventional water taps are being replaced with sensor based taps to optimize water intake and reduce wastage.	• Fresh water use was reduced by 21.18%.
Lead a technology driven transformation	Technology Product Innovation-improvement in energy efficiency Enhancement of existing products	• Introduction of two-stage airends in oil-lubricated machines across the 75–250 kW range. • Performance improvements in oil-free screw compressors within the Alpha models. • Development of two-stage airends for oil-lubricated compressors in the 18–55 kW range. • Established internal review and cross functional coordination mechanisms to monitor product mix evolution and align future product development with regulatory requirements, market demand, and long term sustainability objectives.	In response to this energy efficiency objective, ELGi has scaled its product standardization and continuous improvement efforts, with 99 out of 149 models already achieving more than 5% improvement in energy efficiency. The distribution of gains indicates that a significant share of models falls within the 5%–10% energy efficiency improvement range, reflecting consistent and incremental progress toward the target.

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
Foundry waste sand Zero land fill (ZLF)	Waste Recycle – Zero foundry waste sand to land fill by 2026–27.	• Utilisation of foundry waste sand for value added applications, including conversion into solid construction blocks, with approximately 80,000 blocks used for GSC compound wall construction and 20,000 blocks utilised for internal civil construction, and plans to extend usage to DPSAC compound wall and other construction activities. • Replacement of virgin construction materials through reuse of foundry sand, including validated use of white fine foundry sand for Plain Cement Concrete (PCC), successfully implemented for construction works at the Jubilee Building over the past three years. • Improvement in foundry sand utilization efficiency through systematic monitoring and operational controls, supporting progressive reduction of waste sent for disposal and advancement towards resource neutral operations.	• 90.23% of Foundry sand is recycled as useful by product.

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
		Social	
Aiming LTIFR - Zero	To achieve Zero Lost Time injury frequency rate by FY26–27	• AI Camera executed to ensure the safety always for manufacturing process, trial conducted for one machine • Identification and mitigation of HIRA (Hazard Identification and Risk Assessment) • All manufacturing plants are certified for ISO 45001:2018 Standards (Safety Management System) except motor plant • Separate Safety syllabus included in EVTS batch and conducting classes • Sustain the practice of identification and mitigation of HIRA • Safety tag system needs to be executed for SMT in shop floor at Sunrise meet • Identify the safety training need for workforce on a regular basis • Create awareness among employees on safety and accident Hot spots through training and safety circles. • Periodical Senior Management review	• This year we have achieved 0.49 LTIFR (overall - employees and workers) and aiming for achieving our target.
Sustaining an employee centric work culture	Employee Experience Enabling best in class work culture by sustaining and improving culture survey score	• Based on My Voice survey results – Key actionable items have been drawn with respect to individual Business Units • Formed CFTs to drive initiatives across all business units • Periodic review is being conducted to assess and monitor the progress on action plans • CFT's – Speakup Culture, Redressal Mechanism, Rewards and recognition – In progress	• During last survey, we achieved a score of 79%, surpassing industry standards.

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
Equip employees with the knowledge and skills to be #alwaysbetter	Employee Training Address the identified training needs of office employees by deploying appropriate training initiatives Equip shop floor employees with identified skill enhancements and support upskilling	• Deployed structured capability building and functional training programmes • Implemented comprehensive induction and skill enhancement initiatives	• During the reporting period, training intensity for office-based employees stood at approximately 4 man-days per employee per year
Stay committed to Human Rights	Human Rights Cognizance To create company-wide awareness and organize Human Rights training programs	• Implemented WBT sessions through the LMS to ensure structured onboarding and compliance training for all new joiners, with mandatory completion targeted within 30 days of joining Completed key compliance and ethics trainings, including Code of Conduct Refresher and Anti Bribery Web Based Training, to reinforce ethical standards and regulatory awareness across the workforce	• We have achieved and aim to sustain 100% training of employees on Human Rights
Building a diversified workforce	Gender Diversity: By 2030, increase representation of women in the office workforce to 20%	• 38 Job roles have been finalized across the organization that are marked to be filled only with Women • Exclusive recruitment drive to hire women • Young Leaders – Enhanced Diversity • Initiatives planned to popularize women hires through employee referrals • Committee formed to drive the diversity agenda	• Our gender diversity for permanent employees is 8%

Focus Area/Goals	Targets	Initiatives	Performance of the Entity
		Governance	
Sustaining an ethical business environment for stakeholders	100% Compliance – Applicable Laws Target is to be compliant with all applicable laws to the extent that the company is not exposed to any major penalties or risks. Target is also to abide by the non-bribery, anti-corruption policy of the company. Code of Conduct: 100% supplier compliance with ELGi's Business Code of Conduct	• A Self-assessment process will be introduced for compliance owners and sample checks done in India by internal audit team/ consultants on reported compliances • The supply chain partner is expected to accept and follow ELGi's code of conduct.	• The entity maintained a strong compliance framework with no material instances of non compliance, supported by continuous monitoring across geographies. • 100% identified suppliers have signed the ELGi's Business Code of conduct

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by the Director/the Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow-up action	The adequacy and effectiveness of the Company's policies are periodically reviewed by the respective department and business heads, the Managing Director, and the Committees of the Board, in consultation with relevant stakeholders wherever required.									Periodically								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company ensures compliance with all applicable statutory requirements relevant to the NGRBC Principles. The status of such compliance is monitored by the respective departments and the Secretarial function and is periodically reviewed by the Committees of the Board.									Periodically								

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Yes, the Company's key policies and management systems are subject to independent evaluation by external agencies. As part of its commitment to robust governance, health, safety, environmental management, and product responsibility, ELGi undergoes periodic external assessments through national and international certifications, including ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System), among others. In addition, the Company's information security framework is independently assessed through ISO 27001 certification, which includes evaluation of relevant governance controls and policies related to data security and confidentiality. These certification processes involve independent third party audits, which assess the design, implementation, and effectiveness of the Company's policies, procedures, and controls within their respective scopes. Accordingly, such certifications serve as external validation of the working of the Company's policies. As a matter of good governance, ELGi's policies are periodically reviewed and updated by the respective functional and business heads and are approved by senior management and/or the Board or its Committees, as applicable. The Company follows a structured policy review mechanism to ensure continued relevance, regulatory compliance, and alignment with evolving business and stakeholder expectations.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

Section C: Principle Wise Performance Disclosure

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

At Elgi Equipments Limited, responsible business conduct is integral to how the Company operates, innovates, and creates long term value. The nine principles of the ***National Guidelines on Responsible Business Conduct (NGRBC)*** *serve as a structured framework through which ELGi translates its governance commitments, management systems, and ethical standards into measurable outcomes across its operations and value chain.*

The principle wise disclosures in this section present ELGi’s performance in relation to economic responsibility, product stewardship, people practices, environmental management, stakeholder engagement, and value chain responsibility. These disclosures reflect how the Company monitors the effectiveness of its policies, processes, and controls, identifies risks and opportunities, and responds to stakeholder expectations in a consistent and transparent manner. Together, they demonstrate ELGi’s approach to balancing business growth with accountability, resilience, and sustainable value creation.

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

While business activities are critical to economic development and societal progress, they can also influence stakeholders, markets, and the environment in significant ways. Responsible business conduct requires organisations to operate with integrity, adhere to ethical standards, comply with applicable laws and regulations, and remain accountable for their decisions and actions. Transparency in governance and disclosures enables trust, supports informed stakeholder engagement, and strengthens long term business sustainability.

ELGi’s Approach: Integrated Ethics and Compliance

Elgi Equipments Limited follows an integrated ESG governance approach that embeds environmental, social, and governance considerations into its strategic decision making, risk management, and day to day operations. The Company’s governance framework is anchored in strong ethical values, Board oversight, and management accountability, supported by well defined policies, codes of conduct, and internal control mechanisms. ESG related risks and opportunities are identified, assessed, and monitored through established governance structures to ensure compliance, transparency, and responsible business conduct. This integrated approach enables ELGi to align its operations with stakeholder expectations while supporting long term business resilience and sustainable value creation.

Interlinkage with identified material topic	Stakeholders
• *Ethics & Integrity, Transparency, Accountability*	Investors, regulators, customers, employees, suppliers
	Sustainable Development Goals
	16 Clean Water And Sanitation 17 Afordable and Clean Energy

Essential Indicators

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

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
	2	1. Training on compliance requirements under Prohibition of Insider Trading 2. Updates on: a. Labour Codes 2025 b. Overview of Digital Personal Data Protection Act (DPDPA) & Implementation Timeline c. Amendments/circulars/guidelines under the Companies Act, 2013 and SEBI Regulations d. Circular issued by National Financial Reporting Authority	100%
Key Managerial Personnel (KMPs)	8	1. Training on compliance requirements under Prohibition of Insider Trading 2. Updates on: • Labour Codes 2025 • Overview of Digital Personal Data Protection Act (DPDPA) & Implementation Timeline • Amendments/circulars/guidelines under the Companies Act, 2013 and SEBI Regulations • Circular issued by National Financial Reporting Authority 3. Anti Bribery Awareness 4. ELGI Business Conduct and Ethics 5. ELGI Business Conduct and Ethics - Refresher 6. ESG: Human Rights 7. ESG: Human Rights Refresher Course 8. POSH - Prevention of Sexual Harassment	100%

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs	45	**P1 – Ethics, Integrity & Governance** *(Code of conduct, anti-bribery, compliance, transparency)* • Anti Bribery Awareness • ELGI Business Conduct and Ethics • ELGI: Prohibition of Insider Trading	95%
		P2 – Sustainable Products & Services *(Product quality, safety, lifecycle, technical capability)* • Awareness on Quality Management System • Awareness on Root Cause Analysis • Basics of Vehicle Brake Tester • Basics of Wheel Alignment • Refrigerant Dryer and Components training • Welding Requirements (EN 15085) • Electrical Training for After Market Team • ELGi: Demand = Match Service training • Food Safety Management Systems	
		P3 – Employee Well-being & Development *(Learning, leadership, performance, safety, culture)* • Assertive Communication • Building Business Acumen (both modules) • Change Leadership for Results • Critical Thinking • Cultivating a Growth Mindset • Driving Results Through Accountability • ELGI IMPACT: Performance Management System • ELGi Leadership Competency Model • ELGi Purpose & Values • MaxCap – Maximizing Skills • Microsoft Excel/MS Office Workshops • People Manager Accreditation Programs (Lab 2 & 3) • Project Management for IT Professionals • Team Building Workshop • The Art of Feedback • The Leader as Coach • Train the Trainer Workshop • IRIS Awareness	

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs *continued*		**P4 – Stakeholder Engagement** *(Internal culture, leadership, collaboration)* • Team Building Workshop (ISAAME) • Change Leadership for Results	
		P5 – Human Rights *(Diversity, respect, workplace dignity)* • ESG: Human Rights • POSH – Prevention of Sexual Harassment • POSH training for IC Committee	
		P6 – Environment *(Energy, sustainability systems, environmental awareness)* • Awareness on EnMS – ISO 50001:2018 • Energy Management System (Refresher)	
		P9 – Consumer Value & Data Responsibility *(Customer centricity, product/service responsibility, data protection)* • Building Business Acumen – Customer Centricity • Cyber Security Awareness • Data/IT-related awareness trainings • Information Security Awareness • ISMS 27001:2022 Awareness	
Workers	8	• Safety and First aid; Lean manufacturing; Kaizen; 5S • Dryer Induction to SFEs-CCP shopfloor • Maxwell Training programmes • POSH Training • Pre-retirement counselling session • Anti bribery & CoC • Safety Training • Anti bribery & CoC	100%

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

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

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

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

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

   Yes. The Company's Anti Bribery Policy strictly prohibits all forms of bribery involving both public officials and private sector entities. The policy covers any act of offering, promising, authorizing, or providing anything of value to customers, business partners, vendors, or any other third party with the intent of influencing or rewarding improper conduct in connection with the Company's business activities. Anti-Bribery-Policy.pdf (elgi.com)

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

	FY 2025-2026	FY 2024-2025
Directors	-	-
KMPs		
Employees		
Workers		

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

	FY 2025-2026		FY 2024-2025	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

No fines/penalties/actions were imposed by regulators/law enforcement agencies or judicial institutions on cases related to corruption and conflicts of interest.

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

	FY 2025-2026	FY 2024-2025
Number of days of accounts payables	64	56

Note:

1. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.

2. As per the industry standards released by SEBI, 'cost of goods/ services procured' includes all types of procurement such as raw material, spares, services, capex procurement items made by the company in FY 2025-2026. The numbers reported in FY 2024-2025 related to only material purchases which have been restated to include total purchases to ensure comparability.

3. Closing Accounts Payable (including capital creditors) are considered for the purpose of this ratio.

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 2025-2026	FY 2024-2025
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	3.80%	4.00%
	b. Number of trading houses where purchases are made from	297	307
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	39.12%	38.90%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	50.60%	49.61%
	b. Number of dealers/distributors to whom sales are made	117	88
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributor	39.70%	39.41%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	0.31%	0.36%
	b. Sales (Sales to related parties/Total Sales)	22.42%	22.32%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	86.75%	87.12%
	d. Investments (Investments in related parties/Total Investments made)	61.51%	81.33%

Note:

1. An Independent Limited Assurance has been carried out by Price Waterhouse Chartered Accountants LLP on FY 2025-2026 indicators in the table above.

2. As per the industry standards released by SEBI, 'cost of goods/ services procured' includes all types of procurement such as raw material, spares, services, capex procurement items made by the company in FY 2025-2026. The numbers reported in FY 2024-2025 related to only material purchases which have been restated to include total purchases to ensure comparability.

3. The sales to dealers/distributors and sales to related parties numbers reported in FY 2024-2025 considered 'Revenue from operations', which was restated to ensure comparability.

4. Investments in related parties should be taken as per relevant schedule in the audited balance sheet. The numbers reported in FY 2024-25 related to only investments carried at cost which has been restated to ensure comparability.

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
-	-	-

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, Elgi Equipments Limited has well defined processes in place to identify, avoid, and manage conflicts of interest involving members of the Board. Directors and Senior Management are governed by a formal Code of Conduct that prescribes high standards of ethical behaviour and specifically addresses conflicts of interest, including restrictions on acceptance of benefits and engagement in activities that may conflict with the interests of the Company.

Annual affirmations of compliance with the Code are obtained from Directors and Senior Management, with the Managing Director providing a declaration in the Annual Report. In accordance with SEBI Listing Regulations, any material financial or commercial transactions where personal interests may potentially conflict with those of the Company are disclosed by Senior Management, reviewed by the Board, and appropriately reported in the Corporate Governance section of the Annual Report. No instances of conflict of interest or corruption were identified during the reporting period.

The Company has established robust processes to identify, avoid, and manage conflicts of interest involving members of the Board. In this regard, the Company has adopted a Policy for Determining Related Party Transactions, which provides a structured framework to ensure that any potential conflicts of interest arising during business activities are appropriately identified, reviewed, and addressed, thereby safeguarding stakeholder interests. The policy is available at: https://www.elgi.com/in/wp-content/uploads/2019/05/Related-Party-Transactions-Policy.pdf.

All related party transactions are undertaken only after obtaining the **prior approval of the Audit Committee** where required, in compliance with the applicable regulatory requirements. Such transactions are carried out **at arm's length and in the ordinary course of business**, in accordance with applicable legal and regulatory requirements.

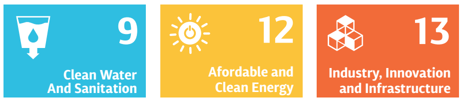
PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

Responsible businesses play a critical role in advancing sustainable production and consumption by adopting resource efficient, safe, and environmentally responsible practices. The development, manufacture, and delivery of goods and services should minimise adverse environmental and social impacts while meeting customer needs and regulatory requirements. Sustainable and safe products contribute to improved quality of life, operational resilience, and the long term conservation of natural resources.

Engineering Sustainable Solutions for a Greener Tomorrow

At Elgi Equipments Limited, sustainability and safety are integral to product design, manufacturing, and service delivery. The Company leverages advanced engineering, energy efficient technologies, and process innovation to develop products that enhance operational efficiency while reducing environmental impact. ELGi emphasises responsible sourcing, quality assurance, and lifecycle considerations to ensure that its products and services meet high standards of safety, reliability, and performance.

Guided by its commitment to responsible business conduct, ELGi embeds environmental and social considerations into its operations through relevant policies, systems, and controls. This approach supports efficient resource utilisation, compliance with applicable standards, and the delivery of sustainable solutions that create value for customers while contributing to environmental protection and societal well being.

Interlinkage with identified material topic	Stakeholders
• *Product Stewardship* • *Customer Centricity*	Customers, dealers/service partners, regulators **Sustainable Development Goals** 

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 2025-2026	FY 2024-2025*	Details of improvements in environmental and social impacts
R&D	54.4%	60%	Improvement in Specific Power Consumption (SPC) of machines (air compressors) to reduce overall energy consumption.
Capex	3.16%	2.30%	Capex investments during the year focused on improving environmental sustainability and workplace safety. Key initiatives include installation of water treatment systems (RO, STP), rainwater harvesting, energy-efficient LED lighting, and energy monitoring systems, resulting in better resource efficiency and reduced environmental impact. Safety improvements include fire alarm systems, ambulance facilities, and advanced monitoring equipment, enhancing occupational health and safety. These projects collectively support sustainable operations and employee well-being.

**The Capex figures have been restated in line with the reclassification applied to the prior year.*

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

The Company has procedures in place to promote sustainable and responsible sourcing through its **Supplier Code of Conduct**, which applies to all vendors and service providers and forms part of the supply and service agreements. The Code sets out expectations for ethical conduct, legal compliance, integrity, and responsible business practices across the supply chain, thereby embedding sustainability and governance considerations into sourcing decisions.

ELGi advocates for a sustainable supply chain and encourages its vendors and service providers to follow management practices aligned with internationally recognised standards such as **ISO 9001 (Quality Management)** and **ISO 14001 (Environmental Management)**. Compliance with the Supplier Code of Conduct is monitored, and non adherence may result in corrective actions, including termination of the supplier relationship.

The Supplier Code of Conduct is available at: https://www.elgi.com/in/wp-content/uploads/2022/10/Supplier-Code-of-Conduct.pdf

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

Not Applicable. The Company plans to formulate a **dedicated Sustainable Sourcing Policy** to strengthen and formalise its approach to sustainability across the supply chain.

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.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	ELGi segregates plastic and packaging waste at source and channels it only through authorised recyclers/waste processors as part of its Reduce–Reuse–Recycle approach across manufacturing facilities. Where ELGi qualifies as an obligated entity under India's Plastic Waste Management (PWM) EPR framework, ELGi enables compliance through the CPCB Centralized EPR Portal for Plastic Packaging by identifying packaging placed in the market, engaging registered plastic waste processors, and maintaining portal based documentation/records (including returns/certificates, as applicable).
b. E-Waste	ELGi ensures end of life electrical and electronic items generated from offices/ plants are inventoried, stored safely, and handed over only to registered/ authorised recyclers/refurbishers for environmentally sound processing in line with the E Waste (Management) Rules, 2022. Where applicable (if any ELGi entity is covered as a "Producer" under the Rules), EPR obligations are managed through registration, reporting, and compliance actions on CPCB's E Waste EPR portal, supported by records of transfer to registered recyclers and portal returns.
c. Hazardous Waste	ELGi manages used/spent oil as hazardous waste in line with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, by ensuring safe segregation and storage, and by handing it over only through authorised transporters to authorised recyclers with complete traceability through mandated records/chain-of-custody.
d. Other Waste	Not applicable

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 the Pollution Control Boards? If not, provide steps taken to address the same.

Yes, ELGi is registered under Extended Producer Responsibility (EPR) for plastic packaging (as both importer and brand owner), e waste (as producer), and used oil (as producer). Waste collection plans are in line with the Extended Producer Responsibility (EPR) plans submitted to the Pollution Control Board for the obligated waste streams.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% Of total Turnover Contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	If yes, provide the web link
The Company has not conducted a formal Life Cycle Assessment for its products during the reporting period. However, ELGi plans to undertake Life Cycle Perspective assessments for select products in a phased manner to strengthen its product sustainability and environmental performance evaluation.						

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

Name of Product/Service	Description of the risk/concern	Action Taken
Although a formal LCA has not been conducted, the Company identifies and manages potential social and environmental risks associated with its products through established environmental, energy, and occupational health & safety management systems, regulatory compliance mechanisms, and internal audits. Action plans covering energy efficiency, waste management, safe disposal, and employee safety are implemented. The Company plans to undertake LCA studies for select products in a phased manner going forward.		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-2026	FY 2024-2025
	At present, ELGi does not quantify the percentage of recycled or reused input materials used in production. ELGi is working towards strengthening its material traceability and data capture mechanisms to enable systematic monitoring and disclosure of recycled and reused input materials in line with evolving sustainability practices.	

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

	FY 2025-2026			FY 2024-2025*		
	Re-Used (MT)	Recycled (MT)	Safely Disposed (MT)	Re-Used (MT)	Recycled (MT)	Safely Disposed (MT)
Plastics (including packaging)	–	22.00	31.00	–	29.80	68.20
E-waste	–	3.41	–	–	21.70	–
Hazardous waste (Used Oil)	–	31.20	–	–	10.70	–

*Was not disclosed in FY 2024-25

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastics Packaging	100%
E-waste*	–
Hazardous waste (Used Oil)	10%

*Not estimated

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

Sustainable businesses recognise that employee well being is fundamental to long term performance and resilience. Treating employees and workers across the value chain with dignity, fairness, and respect requires robust systems that promote safe and healthy workplaces, equal opportunity, fair working conditions, and continuous capability development. Policies and practices spanning the employee lifecycle play a critical role in building engagement, productivity, and overall, well being.

ELGi's Approach: Building a Safe, Inclusive and Enabling Workplace

At Elgi Equipments Limited, people are central to the Company's growth and success. ELGi is committed to providing a safe, inclusive, and supportive work environment that promotes employee well being, professional development, and engagement. The Company's people practices are guided by its values, Code of Conduct, and human resource policies, which emphasise fairness, diversity, occupational health and safety, and respect at the workplace.

ELGi focuses on building workforce capabilities through structured training and development initiatives while maintaining strong systems for workplace safety, employee engagement, and grievance redressal. By extending responsible labour practices across its operations and value chain, ELGi seeks to create an environment where employees feel valued, supported, and empowered to contribute to sustainable business performance.

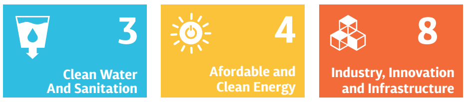
Interlinkage with identified material topic

- *Employee wellbeing*
- *Occupational health and safety*
- *Training & Talent Development*

Stakeholders

Employees, contract workforce, unions/worker reps

Sustainable Development Goals



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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	**919**	919	100%	919	100%	NA	NA	0	0%	919	100%
Female	**85**	85	100%	85	100%	85	100%	NA	NA	85	100%
Total	**1004**	**1004**	**100%**	**1004**	**100%**	**85**	**100%**	**0**	**0%**	**1004**	**100%**
Other than Permanent employees											
Male	**59**	59	100%	59	100%	NA	NA	0	0%	59	100%
Female	**28**	28	100%	28	100%	28	100%	NA	NA	28	100%
Total	**87**	**87**	**100%**	**87**	**100%**	**28**	**100%**	**0**	**0%**	**87**	**100%**

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	**400**	400	100%	400	100%	NA	NA	0	0%	400	100%
Female	**28**	28	100%	28	100%	28	100%	NA	NA	28	100%
Total	**428**	**428**	**100%**	**428**	**100%**	**28**	**100%**	**0**	**0%**	**428**	**100%**
Other than Permanent workers											
Male	**693**	693	100%	693	100%	NA	NA	0	0%	693	100%
Female	**128**	128	100%	128	100%	128	100%	NA	NA	128	100%
Total	**821**	**821**	**100%**	**821**	**100%**	**128**	**100%**	**0**	**0%**	**821**	**100%**

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

	FY 2025-2026	FY 2024-2025
Cost incurred on wellbeing measures as a % of total revenue of the company	0.17%	0.12%

Note:

1. *An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.*
2. *For the purpose of calculating the spending on measures towards wellbeing of employees and workers, the Company has only considered the expense incurred towards employees/workers' Health Insurance, Accidental Insurance, Life Insurance, Parental Leaves, Creche Facilities and other medical expenses, net of any recoveries made from the employees/workers. The Company had included all the staff welfare expenses in FY 2024-2025, which has been restated now to ensure comparability.*
3. *The wellbeing cost includes salary paid to the employees during parental leave computed based on cost to company.*

2. Details of retirement benefits.

Benefits	FY 2025-2026			FY 2024-2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity						
ESI*						
Other (Bonus)						

* ESI coverage is applicable only to eligible employees as per statutory provisions.

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.

ELGi is committed to providing an inclusive and accessible work environment and has taken steps to align its premises with the requirements of the Rights of Persons with Disabilities Act, 2016. Key administrative and office locations have incorporated accessibility features such as step free access, ramps, accessible entry points, and suitable workplace infrastructure to support differently abled employees and visitors, wherever applicable.

Yes, ELGi has an Equal Opportunity Policy in place in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016. While the Company currently does not have any employees with disabilities, it remains committed to promoting an inclusive and non discriminatory workplace and ensuring equal opportunity for all individuals.

Recognising that ELGi operates across multiple manufacturing plants and offices, accessibility provisions may vary based on the age, layout, and functional design of individual facilities. The Company continues to assess its infrastructure and is progressively implementing additional accessibility measures, including improved physical access and workplace accommodations, as part of ongoing facility upgrades and workplace inclusion initiatives.

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.

Elgi Equipments Limited has an Equal Opportunity Policy in place in accordance with the Rights of Persons with Disabilities Act, 2016. As an inclusive employer, the Company is committed to providing equal opportunity in recruitment, development, and retention of persons with disabilities. ELGi endeavours to provide a safe, accessible, and healthy work environment that supports dignity, respect, and effective participation at the workplace. The Equal Opportunity Policy is available to employees through the Company's intranet.

Additionally, we also have a Policy on Human Rights that underscores its commitment to equality of opportunity, non discrimination, and fair treatment for all individuals, including persons with disabilities. The policy aligns with internationally recognised human rights standards and the Rights of Persons with Disabilities Act, 2016, and applies across ELGi's operations and value chain.

Policy link: https://www.elgi.com/eu/wp-content/uploads/2023/12/Policy-On-Human-Rights.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	NA	NA	NA	NA
Female	100%	67%	NA*	NA*
Total	**100%**	**67%**	**NA***	**NA***

*No Permanent worker was on maternity leave

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

	Yes/No	*(If Yes, then give details of the mechanism in brief)*
Permanent Workers	Yes. The Company has assigned a helpline TELGi (https://telgi.app) on which the employees & workers can report or send a written complaint to the Company. TELGi is Elgi Equipments Limited's formal whistle blower and ethics helpline mechanism enabling confidential reporting of unethical conduct, policy violations, and regulatory non compliance, with oversight by the Audit Committee and Board.	
Other than Permanent Workers		
Permanent Employees		
Other than Permanent Employees		

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

	FY 2025-2026			FY 2024-2025		
Category	**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	-*			-*		
Male						
Female						
Total Permanent Workers						
Male						
Female						

**Elgi Equipments Limited does not have a formally recognised employee or worker union. The Company follows a direct employee engagement approach, supported by structured communication and grievance redressal mechanisms. The Company's commitment to respecting freedom of association and collective bargaining is articulated in its Human Rights Policy.*

Policy on Human Rights (Freedom of Association covered):
https://www.elgi.com/eu/wp-content/uploads/2023/12/Policy-On-Human-Rights.pdf

8. Details of training given to employees and workers:

Category	FY 2025-2026					FY 2024-2025#				
	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	**978**	978	100%	872	89%	**863**	863	100	575	67%
Female	**113**	113	100%	80	71%	**90**	90	100	58	64%
Total	**1091**	**1091**	**100%**	**952**	**87%**	**953**	**953**	**100**	**633**	66%
Workers										
Male	**1093**	1093	100%	400	37%	**991**	991	100	419	42%
Female	**156**	156	100%	28	17%	**125**	125	100	28	22%
Total	**1249**	**1249**	**100%**	**428**	**34%**	**1116**	**1116**	**100**	**447**	40%

**HSE training coverage is determined based on (i) formal HSE induction provided to all ELGi employees as part of the structured orientation programme, and (ii) basic safety instructions mandatorily administered to all contract employees at the time of site entry, supported by continued reinforcement of safety practices to ensure sustained awareness prior to and during execution of assigned activities.*

#The employee and worker disclosure for FY 2024–25 has been restated to include both permanent and non-permanent employees and workers. In the previous reporting period, contractual employees and workers were classified under the "Other than Permanent" category and were not fully reflected within the overall workforce composition. To ensure consistency and comparability across reporting periods, workforce data has now been aligned to include all categories of employees and workers

^The Company has evaluated the applicability of training hours on upskilling across employee categories. At present, this metric is not applicable for contract staff and certain segments of the workforce; however, mechanisms for future tracking are under consideration.

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

Category	FY 2025-2026			FY 2024-2025		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	**919**	919	100%	**826**	826	100%
Female	**85**	85	100%	**68**	68	100%
Total	**1004**	**1004**	**100%**	894	894	**100%**
Permanent Workers						
Male	**400**	400	100%	**419**	419	100%
Female	**28**	28	100%	**28**	28	100%
Total	**428**	**428**	**100%**	447	447	**100%**

10. **Health and safety management system:**

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

Yes. The Company has implemented a comprehensive Occupational Health and Safety (OHS) Management System across its operations.

A detailed risk assessment is conducted for all activities within the facility, and appropriate control measures are implemented to mitigate identified occupational health and safety risks and hazards. All buildings are equipped with adequate firefighting and emergency response systems. Regular safety training and simulation-based drills are conducted for employees and contractual personnel to enhance safety awareness and preparedness. Visual safety communication, including safety posters, is displayed across the premises to reinforce safe work practices.

Periodic safety awareness training is provided to shop floor employees. Additionally, a dedicated safety curriculum forms part of the ELGi Vocational Training School (EVTS), with employee understanding and compliance assessed through structured evaluations.

The Company has adopted internationally recognized management systems, including ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System), which are actively implemented across operations.

Employee health is monitored periodically through structured health surveillance and medical check-ups. The Company recognizes that employee well-being is integral to sustained business performance and continuously enhances physical, mental, and emotional well-being initiatives to support a safe, healthy, and productive workplace.

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

Risk assessment is an integral component of ELGi's Occupational Health and Safety Management System. The process involves systematic identification of work related hazards and assessment of risks arising from both routine and non routine activities. Key considerations include the nature and complexity of operations, workplace conditions, suitability of risk assessment methodologies, and inputs from domain experts. Risk assessments are conducted periodically as well as on an annual basis across campuses and office locations to ensure ongoing identification of hazards and effective risk mitigation.

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

Yes. The Company has established formal processes that enable workers to report work related health and safety hazards and to raise concerns without fear of retaliation. Multiple reporting and engagement channels are available, including **Safety Tags, Safety Committee meetings, Sun Rise interactions**, and **Self Management Team (SMT)** platforms. These mechanisms ensure timely identification, escalation, and resolution of occupational health and safety risks, and empower employees to proactively address unsafe conditions.

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

Yes. All employees of the Company, along with their eligible family members, have access to non occupational medical and healthcare services.

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

Safety Incident/Number	Category	FY 2025-2026	FY 2024-2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.40	-
	Workers	0.65	1.79
Total recordable work-related injuries	Employees	1	1
	Workers	5	3
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill health (excluding fatalities)	Employees	-	-
	Workers	-	-

An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators covering LTIFR and No. of fatalities in the table above.

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

Elgi Equipments Limited ensures a safe and healthy workplace through a comprehensive Occupational Health and Safety (OHS) management framework guided by its Health, Safety and Environment (HSE) Policy, applicable to all employees, contract workers and stakeholders across global operations, with a strong focus on fostering a zero accident culture. The Company proactively identifies, assesses and mitigates workplace risks through a structured Hazard Identification and Risk Assessment (HIRA) process, embedded risk reduction programs, and clearly defined safe systems of work including standard operating procedures, machine safeguarding, permit to work systems and Poka Yoke mechanisms for critical equipment. Safety practices are reinforced through ISO 45001 aligned management systems, internal and external audits across manufacturing plants, continual monitoring through MIS reporting, and regular management reviews.

ELGi emphasizes building safety competence through focused training programs covering material handling, emergency preparedness, fire drills, waste management, first aid and electrical safety, supported by refresher training and knowledge sharing enabled through the Document Management System. Employees and contractors are encouraged to actively participate in safety initiatives, including near miss reporting and grievance redressal through multiple channels such as safety tags and safety committees. Occupational health surveillance, workplace hygiene, ergonomic interventions and employee well being initiatives are complemented by robust emergency preparedness plans, periodic mock drills and upgraded safety infrastructure.

Additionally, the deployment of advanced digital initiatives such as AI enabled camera systems for real time safety compliance monitoring, along with monthly plant level safety audits and cross functional reviews, strengthens preventive controls and drives continuous improvement in workplace health and safety performance.

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

	FY 2025-2026			FY 2024-2025		
	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	799	37	Resolved after financial year-end	644	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year

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

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

The Company addresses safety related incidents and significant risks through periodic safety audits, risk assessments, and implementation of corrective and preventive actions, including hazard elimination and risk reduction measures. Continuous monitoring of working conditions, employee training, management reviews, and defined responsibilities for contractors support ongoing improvement in health and safety performance, in line with the Company's HSE Policy.

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).

a. ***Employees (Yes/No):*** Yes, the Company extends life insurance/compensatory package in the event of the death of its employees.

b. ***Workers (Yes/No):*** Yes, the Company extends life insurance/compensatory package in the event of the death of its employees.

ELGi extends life insurance coverage to both (A) Employees and (B) Workers through a group term insurance policy. In the event of death, a compensatory cover equivalent to three (3) times the annual Cost to Company (CTC) of the individual is provided, in line with the Company's employee and worker welfare provisions.

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

Not Applicable

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-2026	FY 2024-2025	FY 2025-2026	FY 2024-2025
Employees	0	0	0	0
Workers	0	0	0	0

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. ELGi provides transition assistance to support employees in managing career endings arising from retirement. During the reporting year, the Company conducted a **pre-retirement counselling session** for employees nearing retirement. The session focused on key aspects such as financial planning, health and wellness considerations, legal matters related to retirement, and emotional readiness to facilitate a smooth transition beyond active employment.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	ELGi does not have a documented process for assessing the performance of its value chain partners, which is tentatively planned to be carried out in FY26-27
Working conditions	

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

   We are currently in the process of developing a sustainable supply chain program aimed at evaluating the social and environmental practices of our suppliers.

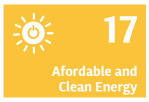
PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

Sustainable businesses recognise that long term success depends on building and maintaining positive relationships with stakeholders, including employees, customers, suppliers, communities, investors, and vulnerable or marginalised groups. Responsiveness to stakeholder interests requires organisations to understand stakeholder expectations, assess the impacts of their activities, and take informed decisions that balance business objectives with social, environmental, and economic considerations.

ELGi's Approach: Creating Shared Value Through Stakeholder Engagement

At Elgi Equipments Limited, stakeholder interests are integral to the Company's strategic and operational decision making. ELGi engages with a diverse set of stakeholders across its value chain to understand their expectations, concerns, and priorities, and to incorporate relevant feedback into business planning and performance management processes.

The Company's structured stakeholder engagement mechanisms support transparent communication, proactive identification of issues, and responsible response to stakeholder concerns. By aligning business objectives with stakeholder expectations and focusing on shared value creation, ELGi seeks to build trust, strengthen relationships, and support sustained business performance in a responsible and inclusive manner.

Interlinkage with identified material topic	Stakeholders
• *Brand Strategy* • *Transparency* • *Customer Centricity*	Communities, customers, regulators, investors, employees
	Sustainable Development Goals
	 

Essential Indicators

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

ELGi identifies its key stakeholder groups based on their relevance to business operations, value chain activities, and sustainability impacts, focusing on those who are impacted by or can influence the Company's decisions, performance, and long term objectives. The process begins with a comprehensive mapping of business activities, products and services, and the extended value chain, covering both upstream and downstream lifecycle stages, to ensure holistic identification of internal and external stakeholders influencing economic, environmental, and social performance. Inclusivity has been integral to Elgi's ethos since inception, reflected in its diverse workforce, long term supplier relationships, commitment to customers, and sustained contribution to social causes, which has historically guided stakeholder identification and engagement.

Our framework formalises this approach through structured internal consultations with senior management and functional teams, review of regulatory and statutory obligations, assessment of business dependencies, and evaluation of risks and opportunities. Ongoing stakeholder engagement and consultations on sustainability aspects provide continuous inputs that inform materiality assessment, policy formulation, strategy development, and goal setting. Stakeholders are prioritised based on the significance of their impact on the organisation and the organisation's impact on them, with focused and continuous engagement maintained through structured two way dialogue. Engagement mechanisms are periodically reviewed for effectiveness to ensure responsiveness to evolving stakeholder expectations and to strengthen long term relationships.

Channel partners are identified and engaged as a key external stakeholder group based on business needs and strategic fit, through a structured evaluation of market presence, service capability, financial stability, and alignment with Elgi's operational and sustainability objectives.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Digital platforms and applications (Email, SMS, In person Meeting, Virtual Meeting, Website) • In - person engagement • Reference installations • Feedback mechanisms	• Monthly/ Quarterly • Need-based	• Customer relationship management • Post Sales experience • Technical Training • Strategic workshops • Business Reviews • CSI/NPS score • Product and Service Quality • Complaint resolution • On time delivery • Product Safety • Market Share
Local communities	Yes	• Personal Meetings, • Focused Group Discussions, • Field Visits by Program Teams • Corporate Social Responsibility initiatives	• Need-based	• Enhanced quality of life through improved access to healthcare, education, and skill development programs. • Providing disaster relief as needed to support affected communities. • Partnership with Coimbatore Marathon boosts community health and supports early cancer detection, treatment, and rehabilitation nationwide.
NGO partner	No	• Corporate Social Responsibility initiatives	• Periodically • Need-based	• Enhancing capacity for greater efficiency and effectiveness. • Achieving CSR objectives through strategic initiatives and partnerships. • Partnered with Olympic Gold Quest to support Indian athletes in their quest for Olympic Gold medals, building sporting excellence.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	• Website, E-mail, dissemination of information on the website of the Stock Exchanges, • Press Releases, Annual Reports, General Meetings, Earnings call and Investors Meets • Press releases and publications. • Investor conferences • Annual General Meeting • Stock Exchange announcements	• Quarterly/ Annually/Event-based • Need-based	• Dissemination of information having a bearing on the performance/operations of the Company, • Updating Shareholders on various statutory requirements with respect to their shareholding in the Company, addressing shareholders' queries at the General Meetings, earnings call with investors/ analysts in respect of quarterly/ half-yearly/annual financial results financial performance • Business updates • Growth plans • ESG performance
Regulators	No	• Website, Portals, E-mails, • Filings, • Industry Forums/ Associations/ Committees	• Need-based	• Statutory compliance requirements: governance, social, environmental, Engagement, • Advocacy (if required)

Employees	No	• E-mails, SMS, Meetings, Surveys, Feedback, Letters, Website and Internal portals
		• Internal Communication Channel Including
		  ◦ Global Employee Newsletters [Quarterly/Annual]
		  ◦ What's your Finish Line Challenge
		  ◦ Steps for Change Campaign
		  ◦ Inspiring the future Campaign
			Frequency of Communication
			• Quarterly
			• Annual
			• Need-based
				• To understand employee needs and opinions
				• To keep employees informed about the organization's plans and procedures
				• To promote a positive workplace culture through open communication and collaboration.
				• To build global environmental awareness and encourage an environmentally responsible workplace.
				• To recognize women's achievements and drive an inclusive gender-equal workplace.

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.**

   Each functional team within ELGi actively engages with their stakeholders, and understand their concerns and provides feedback regarding economic, environmental, and social matters to the Board members. The Company also has a ESG Steering Committee which reviews and approves new initiatives and monitors progress of integration of the ESG parameters in business and operations.

   The Board of Directors (BOD) obtains feedback as well as oversees the implementation of initiatives related to the topics and performance through its various committees.

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 input received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   ELGi periodically refreshes its material topics by considering stakeholder inputs alongside evolving industry trends, growth drivers, regulatory developments, and peer practices within the industrial and manufacturing sector. During the reporting year, the Company reviewed material ESG topics in the context of increasing focus on energy efficiency, decarbonisation, circular economy, material efficiency and human capital practices within the global compressor and capital goods industry. Inputs from internal leadership were evaluated in parallel with an assessment of peer disclosures, industry frameworks, and market developments.

   Whenever the full fledged materiality identification exercises are undertaken by involving stakeholders such as customers, channel partners, suppliers, employees, etc., the Company also considers industry growth trends, peer benchmarking, and emerging sustainability risks and opportunities to refresh and validate its material topics.

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

   ELGi engages with vulnerable and marginalised stakeholder groups primarily through its CSR initiatives, which focus on inclusive education, healthcare, skill development, and community development in areas where it operates. These groups are identified through community interactions, needs assessments, and engagement with local NGOs and implementation partners.

   During the year, ELGi supported underprivileged children and youth through education and employability oriented skill development programs, facilitated access to healthcare for underserved communities through medical camps and health initiatives, and undertook community development interventions aimed at improving basic infrastructure and social inclusion. Select initiatives also support differently abled and disadvantaged groups by enhancing access to education, training, and livelihood opportunities.

   Continuous engagement with beneficiaries, community representatives, and partner organisations enables ELGi to address identified concerns effectively and refine programme design to ensure sustained social impact.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Businesses should respect and promote human rights

Businesses are required to operate in a manner that respects and upholds the inherent dignity and rights of all individuals affected by their activities. Respect for human rights extends across employees, workers in the value chain, customers, and communities, and must be embedded into governance systems, policies, and operational practices. Alignment with applicable laws, national values, and internationally recognised human rights principles is essential to responsible and sustainable business conduct.

ELGi's Approach: Upholding Human Dignity Across Operations and the Value Chain

At Elgi Equipments Limited, respect for human rights forms an integral part of the Company's ethical framework and governance philosophy. ELGi is committed to conducting its business in a manner that upholds fundamental human rights, including dignity, equality, non discrimination, and fair treatment, in line with applicable legal and regulatory requirements.

The Company embeds human rights considerations into its policies, codes, and operational practices, including employee conduct standards and value chain expectations. ELGi promotes a workplace culture grounded in respect, fairness, and inclusion, while extending responsible practices across its business relationships. Through this approach, the Company seeks to prevent adverse human rights impacts and reinforce trust with its stakeholders while supporting sustainable and responsible growth.

Interlinkage with identified material topic	Stakeholders
• Human rights, • Diversity & Inclusion	Employees, contract workforce, suppliers' workforce, communities
	Sustainable Development Goals
	8 Clean Water And Sanitation; 9 Afordable and Clean Energy; 10 Industry, Innovation and Infrastructure; 17 Sustainable Cities and Communities

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 2025-2026			FY 2024-2025[##]		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	**1004**	1004	100%	**894**	851	95%
Other than permanent[#]	**87**	0	0%	**59**	0	0%
Total Employees	**1091**	**1004**	**92%**	953	851	**89%**

Workers						
Permanent	**428**	428	100%	**447**	447	100%
Other than permanent#	**821**	0	0%	**669**	0	0%
Total Workers	**1249**	**428**	**34%**	**1116**	**447**	**40%**

The employee and worker disclosure for FY 2024-25 has been restated to include both permanent and non-permanent employees and workers. In the previous reporting period, contractual employees and workers were classified under the "Other than Permanent" category and were not fully reflected within the overall workforce composition. To ensure consistency and comparability across reporting periods, workforce data has now been aligned to include all categories of employees and workers.

**Human Rights training is mandatorily conducted and ensured for all relevant stakeholders on a biennial basis, in line with our compliance requirements.*

#The Company has evaluated the applicability of training hours on Human Rights across employee categories. At present, this metric is not applicable for contract staff and certain segments of the workforce; however, mechanisms for future tracking are under consideration.

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

Category	FY 2025-2026					FY 2024-2025				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	919	-	-	919	100%	826	-	-	826	100%
Female	85	-	-	85	100%	68	-	-	68	100%
Other than permanent										
Male	59	-	-	59	100%	37	-	-	37	100%
Female	28	-	-	28	100%	22	-	-	22	100%
Workers										
Permanent										
Male	400	-	-	400	100%	419	-	-	419	100%
Female	28	-	-	28	100%	28	-	-	28	100%
Other than permanent										
Male	693	-	-	659	100%	572	-	-	572	100%
Female	128	-	-	100	100%	97	-	-	97	100%

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

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category#	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	6	26,95,000	1	12,60,000
Key Managerial Personnel	2	2,05,58,408	NA	NA
Employees other than BoD and KMP	915	13,83,996	85	13,25,004
Workers	400	9,16,452	28	3,87,852

#Median remuneration has been computed for employees on rolls as of 31st March of the reporting period, ensuring alignment with employee headcount disclosed under BRSR.

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

	FY 2025-2026	FY 2024-2025
Gross wages paid to females as % of total wages	7.33%	5.00%

Note:

1. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-26 indicators in the table above.

2. For the calculation of gross wages paid to females and total wages, payments to both permanent and other than permanent employees and workers have been considered in FY 2025-2026. However, the Company reported only gross wages paid to permanent employees and permanent workers for FY 2024-25. To this extent, the values reported are not comparable between FY 2025-2026 and FY 2024-2025.

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)

The responsibility for addressing human rights impacts or issues is undertaken through cross functional collaboration involving the Human Resources function, which focuses on embedding human rights principles within employees, and the Operations function, which is responsible for extending these principles to the Company's suppliers and service providers. Overall oversight and guidance are provided by the Legal function, supported by external consultants, where required.

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

The Company has established internal mechanisms under its Whistle Blower Policy to address grievances related to human rights. Stakeholders may raise concerns or complaints with the Chief Human Resources Officer, Director–Operations, or the Internal Auditor. The Company is committed to reviewing, investigating, and addressing grievances in a timely manner, implementing corrective actions where necessary, monitoring progress, and communicating outcomes to stakeholders in accordance with the timelines specified under the Whistle Blower Policy and applicable laws.

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

	FY 2025-2026			FY 2024-2025#		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	–	Resolved	3	–	Resolved
Discrimination at workplace	–	–	–	–	–	–
Child Labour	–	–	–	–	–	–
Forced Labour/ Involuntary Labour	–	–	–	–	–	–
Wages	–	–	–	–	–	–
Other human rights related issues	–	–	–	–	–	–

#During FY 2024–25, only permanent employees and workers have been considered.

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

	FY 2025-2026	FY 2024-2025
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	3
Complaints on POSH as a % of female employees/workers	0.38%	3.53%
Complaints on POSH upheld	0	0

1. For FY 2025–26, the average female headcount was used in the computation includes permanent and non-permanent employees and workers, whereas for FY 2024–25, the closing headcount of permanent employees and permanent workers were considered. The values for FY 2024-2025 are recomputed considering average headcount of permanent employees and permanent workers only. To this extent, the values are not comparable between FY 2025-2026 and FY 2024-2025.
2. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-26 indicators in the table above.

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

ELGi has clear and well defined mechanisms in place to ensure that employees who raise concerns related to discrimination or harassment are protected from any form of retaliation or adverse impact. The Company follows a strict non retaliation approach, ensures confidentiality of complaints, and provides safe, formal channels such as the Internal Complaints Committee (ICC) and grievance/whistle blower mechanisms for raising issues. During the inquiry process, suitable interim safeguards, such as changes in reporting relationships, work arrangements, or other protective measures, may be put in place to support the complainant. ELGi also ensures that no unfair impact is caused to the complainant's performance evaluation, role, or career progression due to the complaint. Any retaliation, intimidation, or breach of confidentiality is treated seriously and addressed through disciplinary action, reinforcing the Company's commitment to a respectful, fair, and safe work environment for all.

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

Yes. Human rights requirements are integrated in the business agreements through the Supplier Code of Conduct, which forms an integral part of all procurement and supplier contracts.

10. Assessments of the year

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

**The assessment was done by entity and is based on internal compliance monitoring processes, policy implementation reviews, and adherence to statutory requirements across all plants and offices during the reporting period.*

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 findings identified.

Leadership Indicators

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

   While no specific human rights grievances or complaints were reported during the year, the Company has proactively strengthened its business processes to prevent potential human rights concerns. As part of this preventive approach, ELGi has reinforced mandatory training programs such as the Code of Conduct and Creating a Respectful Workplace across employee categories. These programs are periodically refreshed and have been integrated into onboarding and annual compliance learning cycles to enhance awareness, early identification, and appropriate escalation of human rights-related issues. The grievance redressal and ethics reporting mechanisms are also periodically reviewed to ensure accessibility, confidentiality, and non retaliation, thereby strengthening the Company's readiness to address any future human rights concerns effectively.

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

   Human Rights considerations is guided by the Company's Human Rights Policy and aligned with internationally recognised standards, including the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The scope of due diligence covers employees and workers across all operations and is implemented through adherence to statutory labour and employment laws, policy implementation, internal compliance monitoring, management oversight, and accessible grievance and whistle blower mechanisms. While no standalone human rights due diligence audit was conducted during the reporting period, the Company continues to monitor, prevent, and address potential human rights risks through ongoing governance and awareness processes.

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?**

   The Company ensures full accessibility and necessary accommodations for differently abled employees, ensuring an inclusive and supportive workplace.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	While a formal value chain assessment was not undertaken during the reporting year, the Company has commenced steps toward assessing the performance of its value chain partners as part of its ongoing improvement initiatives.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

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

   While a formal assessment as referred to in Question 4 was not undertaken during the reporting period, ELGi maintains a Supplier Code of Conduct which sets out clear expectations on ethical conduct, statutory compliance, labour practices, health and safety, and environmental responsibility. As a corrective and preventive measure, adherence to the Supplier Code of Conduct is communicated to all relevant suppliers and forms a key baseline requirement for engagement.

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

Environmental stewardship is fundamental to long-term business resilience and responsible growth. This principle emphasises the need for businesses to conduct operations in a manner that minimises adverse environmental impacts while proactively addressing key environmental challenges. Organisations are expected to adopt resource-efficient practices, prevent pollution, mitigate climate change impacts, conserve biodiversity, and ensure responsible management of energy, water, emissions, and waste in a systematic and transparent manner.

Driving Efficient, Low-Impact Industrial Solutions for a Sustainable Future

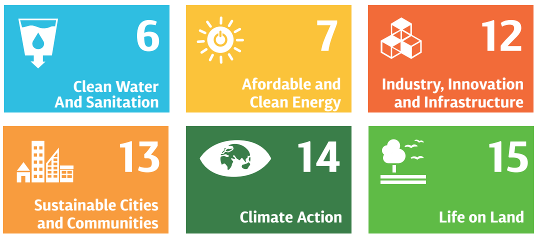
Elgi Equipments Limited recognises environmental protection as an integral part of its business strategy and product philosophy. As a global manufacturer of energy efficient air compressor solutions, ELGi focuses on reducing the environmental footprint across the product lifecycle—from responsible sourcing and manufacturing to customer use-phase efficiency.

The Company continuously invests in energy efficient technologies, lean manufacturing practices, and process optimisation to minimise emissions, resource consumption, and waste generation across its operations. ELGi actively monitors and manages key environmental parameters such as electricity usage, water consumption, waste segregation, and air emissions at its manufacturing locations.

ELGi's environmental management framework is guided by applicable regulations and internationally recognised standards, with a strong emphasis on pollution prevention, resource efficiency, and compliance assurance. Through sustainable product design, increased adoption of oil free and high efficiency compressors, and focused initiatives on waste reduction and recycling, ELGi supports its customers in lowering their operational emissions while contributing to broader climate and environmental goals.

By integrating sustainability into operational controls, capital investments, and product innovation, ELGi remains committed to protecting natural resources, reducing environmental risks, and enabling a more energy efficient and sustainable industrial ecosystem.

An Integrated Approach to Sustainable Growth

Interlinkage with identified material topic	Stakeholders
• Climate change action, • Water Management, • Waste Management • Energy Management • Product Circularity and Remanufacturing	Communities, regulators, employees, customers, investors **Sustainable Development Goals** 

Essential Indicators

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

Parameter	FY 2025-2026	FY 2024-2025
From renewable sources (in GJ)		
Total electricity consumption (A)	36,810	23,092
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**36,810**	**23,092**

Parameter	FY 2025-2026	FY 2024-2025
From non-renewable sources (in GJ)		
Total electricity consumption (D)	27,428	36,330
Total fuel consumption (E)	23,678	21,338
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**51,106**	**57,668**
Total energy consumed (A+B+C+D+E+F)	**87,916**	**80,760**
Energy intensity per rupee of turnover (Total energy consumed in GJ/Revenue from operations in million rupees)	3.75	3.88
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in GJ/Revenue from operations adjusted for PPP in million USD)	76.32	80.16
Energy intensity in terms of physical output	1.85	1.96

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:

1. Yes, an independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.
2. For calculating revenue-adjusted Purchasing Power Parity (PPP), the conversion factor of @20.34 INR/USD as per IMF website (Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/SAU/IND) has been considered. The PPP for FY 2024-2025 was considered @20.66 INR/USD.
3. For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Audited Standalone Financial Statements.
4. For physical output, intensity metrics are calculated by dividing total annual energy consumption by total number of products manufactured. "Intensity in terms of physical output for FY 2024-2025 has been restated to ensure consistency with the methodology followed in the current financial year."
5. Percentage of energy consumed through renewable sources with respect to the total energy consumed is 42% in FY 2025-26 as compared to 29% in FY 2024-25.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

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

Parameter	FY 2025-2026	FY 2024-2025
Water withdrawal by source (in kiloliters)		
(i) Surface water (Rainwater ponds)	6,055	2,870
(ii) Groundwater	18,696	21,658
(iii) Third party water (Municipal water & bottled water)	21,934	23,294
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	46,685	47,822

Parameter	FY 2025-2026	FY 2024-2025
Total volume of water consumption (in kiloliters)	46,088	47,822
Water intensity per rupee of turnover (Total water consumption in kiloliters/Revenue from operations in million rupees)	1.97	2.30
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in kiloliters/Revenue from operations adjusted for PPP in million USD)	40.01	47.51
Water intensity in terms of physical output	0.97	1.16

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

1. Yes, an independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.
2. Water consumption is calculated as the difference between water withdrawal and water discharge. It includes water consumed for domestic, gardening and process.
3. Water consumption for offices are estimated by multiplying the average seated headcount by the stipulated per head per working day consumption in litres based on Central Ground water Authority guidelines (https://cgwb.gov.in/cgwbpnm/public/uploads/documents/1767356717630008751file.pdf).
4. For calculating revenue-adjusted Purchasing Power Parity (PPP), conversion factor of @20.34 INR/USD as per IMF website (Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/SAU/IND) has been considered. The PPP for FY 2024-2025 was considered @20.66 INR/USD.
5. For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Audited Standalone Financial Statements.
6. For physical output, intensity metrics are calculated by dividing total annual water consumption by the total number of products manufactured. "Intensity in terms of physical output for FY 2024-2025 has been restated to ensure consistency with the methodology followed in the current financial year."

4. Provide the following details related to water discharged:

Parameter	FY 2025-2026	FY 2024-2025#
Water discharge by destination and level of treatment (in kilo liters)		
(i) To Surface water		
– No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
– No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater		
– No treatment	-	-
With treatment – please specify level of treatment	-	-

Parameter	FY 2025-2026	FY 2024-2025#
Water discharge by destination and level of treatment (in kilo liters)		
(iv) Sent to third parties		-
– No treatment	597.24*	0*
With treatment – please specify level of treatment	-	-
(v) Others		
– No treatment	-	-
With treatment – Tertiary treatment	-	-
Total water discharged (in kilo liters)	597.24	0

#Water discharge figures for FY 2024-2025 have been restated to reflect actual operations, as ELGi reuses all treated water exclusively for on site gardening within factory boundaries and does not discharge water outside its facilities.
** Waste water generated at office locations is domestic in nature and is discharged to municipal sewer systems. Discharge data for the previous year is not reported due to limited availability of data, and hence a reliable estimation methodology was not applied; the current year establishes a standardized approach to ensure consistent and auditable reporting.*

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. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.

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

   Yes. The entity has implemented a Zero Liquid Discharge (ZLD) mechanism across all its manufacturing locations. During the current year, no waste water is discharged outside the plant boundaries. All water used in operations is collected, treated through STP/ETP systems up to the tertiary treatment level, and reused within the factory premises, primarily for gardening and other non potable applications. This approach ensures complete containment, treatment, and internal reuse of water, thereby achieving effective Zero Liquid Discharge in line with actual operational practices across the covered sites.

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

Parameter	Please specify unit##	FY 2025-2026	FY 2024-2025
NOx	Tonne	0.86	0.95
SOx	Tonne	0.70	0.91
Particulate matter (PM2.5)	Tonne	13.68	20.85
Particulate matter (PM10)	Tonne	NA	NA
Persistent organic pollutants (POP)	Tonne	NA	NA
Volatile organic compounds (VOC)	Tonne	NA*	0.70
Hazardous air pollutants (HAP)	Tonne	NA	NA

##Please note that the reporting approach has been revised from intensity based (tonne per million of sales) to absolute values (tonnes).
***VOC values could not be quantified as absolute values were not established in the test report; however, the observed levels are within regulatory limits.**

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

No independent assurance has been carried out for this parameter.

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

Parameter	Unit	FY 2025-2026	FY 2024-2025
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tons of CO2 equivalent*	2,364	1,456
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tons of CO2 equivalent*	5,412	7,340
Total Scope 1 and Scope 2 emissions	*Metric tons of CO2 equivalent*	7,776	8,796
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	*Metric tons of CO2 equivalent/turnover in million rupees*	0.33	0.42
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	*Metric tons of CO2 equivalent/turnover in million USD*	6.75	8.68
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.16	0.21

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. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.

1. For calculating revenue adjusted Purchasing Power Parity (PPP), conversion factor 20.34 INR/USD as per IMF website (Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/SAU/IND) has been considered. The PPP for FY 2024-2025 was considered 20.66 INR/USD.
2. Intergovernmental Panel on Climate Change (IPCC) 2006 emission factors have been used for fuel consumption (scope 1 emissions),Version 21 of CEA baseline emission factors have been used for grid emission factors (scope 2 emissions) and GHG Protocol IPCC Global Warming Potential values have been used for refrigerants.
3. For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Audited Standalone Financial Statements.
4. For physical output, intensity metrics are calculated by dividing total annual GHG emissions by total number of products manufactured. Intensity in terms of physical output for FY 2024-2025 has been restated to ensure consistency with the methodology followed in the current financial year.

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

Yes. The entity has undertaken and initiated multiple renewable energy, energy efficiency, and fuel-switching projects aimed at reducing greenhouse gas (GHG) emissions across facilities. Key initiatives during the reporting period include:

- **Renewable Energy – Open Access Wind (1 MW)**
  - A **1 MW Open Access (OA) Wind Power Plant** was installed in **Tuticorin District**.
  - **Commissioning was completed,** and **power supply commenced from April 2025,** contributing to reduced Scope 2 emissions through renewable electricity procurement.

- **Renewable Energy – Open Access Solar (2 MW)**
  - Implementation of **2 MW OA Solar Power** has been initiated.
  - **1 MW became operational from February 2026.**
  - The **remaining 1 MW is planned to be received from May 2026**, further increasing renewable energy sourcing and reducing grid electricity-related emissions.
- **Energy Audits & Identification of Reduction Projects**
  - **Carbon footprint reduction** and **energy efficiency opportunities** were identified across all manufacturing plants through **detailed energy audits** conducted in collaboration with **CII/TÜV certified energy auditors**.
  - The audits have enabled plant-wise identification of priority projects for energy performance improvement and emissions reduction.
- **Renewable Scale-up Plans (Plant-wise OA Wind/Solar)**
  - Initiatives are underway to assess and implement **either 1 MW OA Wind Power or 2 MW OA Solar Power for each manufacturing plant**, depending on site feasibility and technical suitability, with the objective of increasing renewable energy penetration across operations.
- **Energy Management System (EMS) Certification**
  - The **Foundry plant achieved Energy Management System certification during FY 2025–26**, strengthening structured monitoring, control, and continuous improvement in energy performance, indirectly supporting emissions reduction outcomes.
- **Grid Infrastructure Enhancement to Reduce DG Usage**
  - Plans are underway to establish a **22 kV dedicated power grid line** to reduce/eliminate reliance on **diesel generator (DG) operations** at the **ACP, Foundry, and New GSC** facilities, leading to reduction in diesel consumption and Scope 1 emissions.
- **Fuel Switching/Electrification of Thermal Processes**
  - At the **Pressure Vessel Division (PVD)**, conversion of **LPG-based ovens to electrical heaters** has been initiated to eliminate fossil fuel usage in the process and reduce direct (Scope 1) emissions.

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

Parameter	**FY 2025-2026**	**FY 2024-2025**
Total Waste generated (in metric tons)		
Plastic waste ***(A)***	61.98	61.34
E-waste ***(B)***	0.68	0.92
Bio-medical waste ***(C)***	0.01	0.00
Construction and demolition waste ***(D)***	1,982.00	-
Battery waste ***(E)***	12.09	9.45
Radioactive waste ***(F)***	-	-
Other Hazardous waste ***(G)***	227.03	184.49
Other Non-hazardous waste generated ***(H)***	3,870.02	3,304.59
Total (A+B + C + D + E + F + G + H)	**6,153.81**	**3560.80**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.26	0.17
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in metric tons/Revenue from operations adjusted for PPP in million USD)	5.34	3.54
Waste intensity in terms of physical output	0.13	0.09

Parameter	FY 2025-2026	FY 2024-2025
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	3,619.43	1,726.09
(ii) Re-used	38.70	865.09
(iii) Other recovery operations	-	-
Total	**3,658.13**	**2,591.18**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	136.75	692.50
(ii) Landfilling	2,356.89	277.12
(iii) Other disposal operations	2.04	-
Total	**2,495.68**	**969.62**

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. An independent assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-2026 indicators in the table above.

Notes:

1. C&D waste tracking and management were initiated in FY 2025–2026.
2. General waste generation and disposal for warehouses and branch offices is calculated based on seated headcount with the daily average generation of 123.45 gm/head/day as per guidelines provided by the Annual report of Solid Waste Management Rule 2021-2022 by CPCB.
3. For calculating revenue adjusted Purchasing power parity (PPP), the conversion factor @20.34 INR/USD as per IMF website (Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/SAU/IND) has been considered. The PPP for FY 2024-2025 was considered @20.66 INR/USD.
4. For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Audited Standalone Financial Statements.
5. For physical output, intensity metrics are calculated by dividing total annual waste generation by the total number of products manufactured. Intensity in terms of physical output for FY 2024-2025 has been restated to ensure consistency with the methodology followed in the current financial year.
6. Waste is accounted for at the time of disposal and therefore waste recovered and disposed has been considered as waste generated.
7. The method of disposal of waste is as per the certificates received from respective waste traders/handlers/aggregators. Where such certificates are not available, the waste generated is assumed to be disposed through 'other disposal operations'.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At Elgi Equipments Limited, resources and materials used across manufacturing operations are optimally managed to minimise waste generation, supported by the deployment of efficient technologies and operational best practices. The Company's waste management framework prioritises waste reduction, internal utilisation, resource recovery, reuse and recycling, with off site disposal undertaken strictly in compliance with applicable regulatory requirements. All manufacturing locations are ISO 14001 certified, facilitating the implementation of robust and environmentally sound waste management systems. For hazardous waste management, requisite authorisations are duly obtained from the respective State Pollution Control Boards (SPCBs), and all prescribed conditions are fully complied with. ELGi adheres to the provisions of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Efforts are made to maximise internal reuse of waste streams, while recyclable waste is channelled through authorised recyclers and preprocessors for recovery of valuable resources.

The Company has implemented structured waste management practices across its establishments, with a strong focus on resource recovery, reuse, and minimization of environmental impact. Foundry waste sand is recycled and gainfully utilized for applications such as brick making, RCC concrete works, and interlocking blocks, supporting community development initiatives. These measures form part of the Company's commitment to achieve Zero Landfill for foundry waste (Sand Waste) by FY 2026-2027. Across the compressor portfolio, the Company has already limited foundry waste (Sand Waste) sent to landfill to 90.23% and has planned to achieve Zero Waste to Landfill for foundry waste (Sand Waste) by FY 2026-2027 through enhanced recycling and reuse initiatives.

The Company prioritizes reducing the use of hazardous and toxic chemicals in its products and processes through process optimization, material substitution where feasible, and controlled usage. Hazardous wastes generated are segregated, safely stored, and disposed of through authorized recyclers and disposal agencies in compliance with regulatory requirements. Overall, the waste management strategy is aligned with circular economy principles and focuses on minimizing risk, maximizing resource recovery, and reducing environmental impact.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
The Company does not have any operations or offices in ecologically sensitive areas requiring specific environmental approvals or clearances; hence, this disclosure is not applicable.					

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

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

Leadership Indicators

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

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

(i) Name of the area: Compressor Centre Plant, Air Centre Plant and Foundry Plant at Singanallur & Kinathukadavu in Coimbatore district

(ii) Nature of operations: Manufacturing

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

Parameter	FY 2025-2026	FY 2024-2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	6,055	2,870
(ii) Groundwater	15,173	18,987
(iii) Third party water	21,013	23,089
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**42,241**	**44,946**
Total volume of water consumption (in kilolitres)	**42,241**	**44,946**
Water intensity per rupee of turnover *(Water consumed in kiloliters / turnover in million rupees)*	**1.80**	**2.16**
Water intensity in terms of physical output	0.89	1.09
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
– No treatment	-	-
– With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	0	0
– No treatment	-	-
– With treatment – please specify level of treatment	-	-
(iii) Into Seawater	0	0
– No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	0	0
– No treatment	-	-
– With treatment – please specify level of treatment	-	-
(v) Others	0	0
– No treatment	–	–
– With treatment – please specify level of treatment	–	–
Total water discharged (in kilolitres)	**0**	**0**

Note: For physical output, intensity metrics are calculated by dividing total annual water consumption by the total number of products manufactured. "Intensity in terms of physical output for FY 2024-2025 has been restated to ensure consistency with the methodology followed in the current financial year."

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

No

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

Parameter	Unit	FY 2025-2026	FY 2024-2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not measured	Not measured
Total Scope 3 emissions per Crore of turnover		Not measured	Not measured
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		Not measured	Not measured

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

No

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

   Not Applicable

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

S. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Chiller performance improvements (Aircenter)	Aircenter – Chiller unit: Duct modification in KAPP machine cabin; BTU meters installation; IoT-based chiller monitoring system; IE4 motor installation for primary pump system. Period: May-25 to Dec-25 (Completed). Annual energy saving: 47,720 kWh.	Reduced chiller energy consumption vs FY 2024–25; improved chiller performance per production output (kWh/Air end equivalent); minimized insulation leakage losses; shifted from manual checks to online daily monitoring.
2.	100% energy-efficient hi-bay lighting (Aircenter)	Aircenter – Lighting: Replaced MH fixtures with LED energy-efficient fixtures (105 nos) in machine & assembly shop floor; optimized 50 MH fixtures due to efficient lighting. Period: Nov-24 to Apr-25 (Completed). Annual energy saving: 31,752 kWh.	Reduced electricity consumption through LED replacement and fixture optimization across shopfloor lighting.
3.	IoT DG monitoring + digital diesel flow meters (Aircenter)	Aircenter – DG sets: Implemented IoT DG monitoring system; installed 6 digital diesel flow meters. Period: May-25 to Jan-26 (Completed). Energy saving: NA.	Enabled digital diesel measurement in addition to manual monitoring, improving accuracy and control of diesel usage.
4.	IE4 motor installation in AHU-001 (Aircenter)	Aircenter – AHU: Installed IE4 energy-efficient motor in Air Handling Unit 001 (11 kW motor). Period: Jun-25 to Jul-25 (Completed). Annual energy saving: 2,520 kWh.	Reduced energy consumption of AHU due to higher efficiency motor replacement.

S. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
5.	HVLS fans energy optimization via programmable timer (Aircenter)	Aircenter – RCD machine shop: Installed programmable timer for HVLS fans. Period: Jun-25 to Jun-25 (Completed). Annual energy saving: 2,178 kWh.	Reduced avoidable running hours of HVLS fans through timer-based operation.
6.	Machine energy optimization (Eco 31A & Eco 35) (Aircenter)	Aircenter – RCD: Implemented energy interlock and process optimization for Eco 31A & Eco 35. Period: May-25 to May-25 (Completed). Annual energy saving: 3,267 kWh.	Lowered energy use by interlocking sub-systems and improving process controls.
7.	Mazak machines energy optimization (FJV-1 to FJV-4) (Aircenter)	Aircenter – Casting Bay: Implemented energy interlock for machine subsystems and process optimization for Mazak FJV-1, FJV-2, FJV-3, FJV-4. Period: May-25 to Jun-25 (Completed). Annual energy saving: 44,421 kWh.	Reduced power consumption through subsystem interlocks and optimized machining processes.
8.	LED lighting in RCD & Airend assembly (Aircenter)	Aircenter – Assembly: Installed LED well-glass fittings replacing T5 tube lights in RCD and Airend assembly. Period: Apr-25 to Jun-25 (Completed). Annual energy saving: 11,634 kWh.	Reduced lighting energy demand; enhanced safety by eliminating potential hazards.
9.	Mazak MTV machine energy optimization (Aircenter)	Aircenter – Casting Bay: Implemented energy interlock for subsystems and process optimization for Mazak MTV. Period: Jul-25 to Jul-25 (Completed). Annual energy saving: 1,584 kWh.	Lower energy consumption through subsystem interlocks and improved operating logic.
10.	AC drive provided for Josts stacker (Compressor center)	Compressor center – Railway: Provided AC drive for traction motor (12 VDC drive to 3-phase 16 VAC). Period: Jul-25 to Aug-25 (Completed). Energy saving: NA.	Improved operational efficiency; reduced power consumption and maintenance requirement.
11.	Single blower motor in paint booth (Compressor center)	Compressor center – Railway paint booth: Earlier 2 blowers (25 HP). New setup uses single 12.5 HP motor. Period: Oct-25 to Nov-25 (Completed). Annual energy saving: 25,200 kWh.	Significant reduction in paint booth blower energy demand by shifting from twin-blower to single-blower configuration.
12.	Harmonic panel connected to MV panel (Compressor center)	Compressor center – Powerhouse: Harmonic panel connected to MV panel to improve power quality, reduce losses and extend equipment life. Period: Jun-25 to Jul-25 (Completed).	Enhanced energy efficiency through lower losses; improved power quality; protected transformers/motors/cables.
13.	Replace 110 kW MG set with 50 kW MG set (Dryer line) (Compressor center)	Compressor center – Dryer assembly line: Installed 50 kW MG set to eliminate 110 kW MG set operation. Period: Dec-25 to Jan-26 (Completed).	Reduced energy consumption by downsizing MG set and lowering no-load/magnetizing losses.
14.	Automatic diesel filling system (dual float sensor) (Compressor center)	Compressor center – Maintenance: Installed automatic diesel filling system (dual float sensor). Period: Apr-25 to May-25 (Completed).	Eliminated manual diesel filling operation and reduced risk of diesel overflow.

S. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
15.	Synchronizing 160 kW & 250 kW MG sets (Compressor center)	Compressor center – Lepsac: Synchronized 160 kW and 250 kW MG sets to eliminate DG set 400 kVA operation. Period: Jul-25 to Aug-25 (Completed).	Reduced dependency on DG set and lowered diesel consumption.
16.	High bay LED replacement (Compressor center)	Compressor center – All departments: Replaced 250 W mercury vapour high bay fittings with 200 W LED (36 nos). Period: Jul-25 to Dec-25 (Completed). Annual energy saving: 2,268 kWh.	Reduced lighting load through wattage reduction and LED adoption across shopfloor.
17.	Zero-loss auto drain valves for compressors (Foundry)	Foundry – Compressor: Installed 4 zero-loss auto drain valves replacing timer-based drains. Period: Jul-25 to Sep-25 (Completed). Annual energy saving: 480 kWh.	Reduced compressed air losses and saved compressor energy by draining only when required.
18.	Sand cooler water line modification (Foundry)	Foundry – Reclamation plant: Sand cooler water line modification improved efficiency; reduced waiting time by ~10 min/day. Period: May-25 to Jul-25 (Completed). Annual energy saving: 1,920 kWh.	Improved operational efficiency and reduced avoidable equipment runtime.
19.	Air line bypass for night shift shutdown (Foundry)	Foundry – Core shop: Added air line bypass circuit enabling shutdown during night shift. Period: Jul-25 to Sep-25 (Completed). Annual energy saving: 240 kWh.	Reduced compressor energy consumption by avoiding pressurization during off-hours.
20.	Heat radiation reduction at mould drying oven doors (Foundry)	Foundry – Mould drying oven: Reduced heat radiation at side doors. LPG reduced by 0.2 kg/hr. Period: Oct-25 to Dec-25 (Completed). Annual energy saving: 13,200 kWh.	Lowered LPG fuel consumption by improving thermal containment and reducing heat loss.
21.	Reclamation cooler pipeline modification (Foundry)	Foundry – Mechanical reclamation: Increased capacity from 8 TPH to 12 TPH. Period: May-25 to Jul-25 (Completed). Annual energy saving: 6,000 kWh.	Reduced operating hours and energy use while improving throughput capacity.
22.	Wet scrubber damper motor system correction + VFD optimization (Foundry)	Foundry – Furnace wet scrubber: Corrected damper motor system; reduced 45 kW motor frequency from 50 Hz to 35 Hz. Period: Jul-25 to Sep-25 (Completed). Annual energy saving: 2,400 kWh.	Lowered motor power consumption through VFD-based speed reduction.
23.	BLDC fans replacing induction fans (Foundry)	Foundry – Shopfloor: Installed 3 BLDC fans replacing 250 W induction fans. Period: Dec-25 to Feb-26 (Completed). Annual energy saving: 720 kWh.	Reduced fan energy consumption through BLDC technology.
24.	VFD on shot blasting dust collector (Foundry)	Foundry – Shotblasting: Installed VFD; 15 kW motor frequency reduced during door opening. Period: Jun-25 to Oct-25 (Completed). Annual energy saving: 960 kWh.	Reduced electricity consumption by lowering motor speed during low-demand periods.
25.	Booster timing reduction in pneumatic sand transport (Foundry)	Foundry – Reclamation plant: Reduced booster timing from 45 sec to 30 sec per cycle. Period: Jul-25 to Oct-25 (Completed). Annual energy saving: 2,400 kWh.	Reduced pneumatic transport time and compressor runtime, lowering energy consumption.
26.	Auto ON/OFF control for cooling tower fan (Thermal reclamation) (Foundry)	Foundry – Thermal reclamation cooling tower fan: Implemented auto ON/OFF; eliminated idle running. Period: Dec-25 to Feb-26 (Completed). Annual energy saving: 1,280 kWh.	Cut idle fan running and reduced electricity use through automated control.

S. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
27.	Auto ON/OFF control for reclamation tower cooling tower fan (Foundry)	Foundry – Mechanical reclamation cooling tower fan: Auto ON/OFF installed. Period: Dec-25 to Feb-26 (Completed). Annual energy saving: 4,320 kWh.	Reduced idle runtime and improved energy efficiency of cooling tower operation.
28.	LED lights in canteen (Foundry)	Foundry – Canteen: Installed LED lights replacing 56 W tubes. Period: Apr-25 to Jun-25 (Completed). Annual energy saving: 360 kWh.	Reduced lighting load and electricity consumption through LED retrofit.

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

   Yes. Elgi Equipments Limited has a robust Business Continuity and Disaster Management framework embedded within its enterprise risk management system. The Company proactively identifies and mitigates risks related to operations, supply chains, information technology, health & safety, climate-related events, geopolitical developments, and trade policy changes that may disrupt business continuity. Key controls include alternate sourcing strategies, IT system safeguards, emergency response protocols, employee safety measures, and insurance coverage aligned with business requirements. ELGi has engaged a leading insurance solutions provider to assess global coverage and implement risk mitigation measures through a centrally controlled global master insurance program. The effectiveness of these measures is periodically reviewed by senior management and the Board to enhance operational resilience and preparedness for unforeseen events.

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?**

   While a formal value chain assessment was not undertaken during the reporting year, the Company has commenced steps toward assessing the performance of its value chain partners as part of its ongoing improvement initiatives.

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

   While a formal value chain assessment was not undertaken during the reporting year, the Company has commenced steps toward assessing the performance of its value chain partners as part of its ongoing improvement initiatives.

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

   a. **By the listed entity**

   We have not generated or purchased any green credit during the FY 2025-26

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

   Not monitored

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

Businesses are expected to engage with governments, regulators, and industry bodies in an ethical, lawful, and transparent manner. Such engagement should aim to contribute constructively to policy formulation, address industry wide challenges, and advocate for regulations that promote sustainable development, innovation, and stakeholder welfare, while maintaining clear accountability and avoiding conflicts of interest.

Enabling Responsible Industry Dialogue and Transparent Policy Engagement

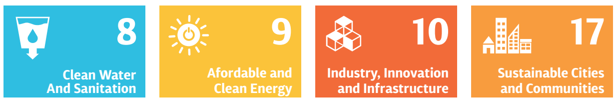
Elgi Equipments Limited recognises the importance of responsible participation in public and regulatory policy discourse, particularly in areas impacting industrial efficiency, energy use, environmental protection, occupational health and safety, and manufacturing excellence. The Company engages with policymakers, regulatory authorities, and industry associations in a transparent and ethical manner, with the objective of contributing technical insights and practical perspectives relevant to the engineering and manufacturing sector.

ELGi's policy engagement is primarily undertaken through industry forums, recognised trade bodies, and consultative platforms, focusing on standards development, sectoral best practices, and regulatory improvements aligned with national and global sustainability objectives. The Company does not engage in lobbying activities that are inconsistent with applicable laws or its internal code of conduct, and all interactions are guided by principles of integrity, accountability, and compliance.

Through collaborative engagement, ELGi aims to support the development of progressive, balanced policies that encourage energy efficiency, responsible manufacturing, skills development, and innovation, while safeguarding societal and environmental interests. This approach ensures that ELGi's participation in the policy ecosystem remains aligned with long term value creation and the broader public good.

Interlinkage with identified material topic	Stakeholders
• Transparency • Accountability • Social Responsibility	Regulators, Government

Sustainable Development Goals



Essential Indicators

1. a) **Number of affiliations with and industry chambers/associations.**
   Elgi Equipments is a part of 6 associations.

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

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Indo Australian Chamber of Commerce	International
2	India Asia Sri Lanka Chamber of Commerce and Industries	International
3	Indo German Chamber of Commerce and Industries	International
4	Indo Italian Chamber of Commerce and Industries	International
5	Indian Chamber of Commerce and Industries	National
6	Confederation of Indian Industry (CII)	National

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

   Not Applicable. No adverse orders relating to anti-competitive conduct of India or other competition regulators during the reporting period; hence, no corrective action was required.

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others – please specify)	Web Link, if available
During the reporting year, the entity did not advocate any public policy positions. However, the entity provided technical inputs as part of Government-led standard/specification consultations for railway air compressor requirements through RDSO (Reasoned document on draft specification).					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Sustainable businesses play an important role in fostering inclusive growth and equitable development. By working in partnership with government, civil society and local communities, businesses are expected to contribute to the socio economic development of disadvantaged, vulnerable and marginalised sections of society.

ELGi's Approach: Driving Inclusive Growth through Responsible Operations and Community Development

Elgi Equipments Limited recognises its responsibility to contribute to inclusive growth and equitable development in the communities where it operates. As a manufacturing led organisation with a global footprint, ELGi integrates inclusive growth considerations into its business operations, workforce practices and community focused initiatives.

ELGi's community development efforts are guided by its Corporate Social Responsibility (CSR) Policy and are aligned with national development priorities. The Company undertakes CSR initiatives aimed at improving access to education, healthcare, skill development and livelihood opportunities, particularly for underserved and vulnerable communities. These initiatives are implemented through structured programmes and partnerships with implementing agencies to ensure effective outreach and measurable impact.

In addition to CSR activities, ELGi promotes inclusive growth through responsible employment practices. The Company emphasises local hiring, workforce skill enhancement and safe working conditions at its manufacturing locations, thereby contributing to local economic development. Training and capability building programmes are implemented to enhance employability and long term career progression for employees and contract workers.

ELGi also engages with local stakeholders, including community representatives and authorities, to identify community needs and design context specific interventions. The Company endeavours to ensure that its operations and value creation processes do not adversely impact local communities and that opportunities for shared value creation are pursued wherever feasible.

Through these efforts, ELGi aims to contribute to balanced socio economic development, strengthen community resilience and support inclusive growth in a manner consistent with its values and the expectations under Principle 8 of the BRSR framework.

Interlinkage with identified material topic	Stakeholders
• Social Responsibility	Communities, NGOs, local administration, employees
	Sustainable Development Goals

1 Clean Water And Sanitation | 3 Afordable and Clean Energy | 4 Industry, Innovation and Infrastructure | 8 Sustainable Cities and Communities | 10 Climate Action | 11 Life on Land | 17 Economic Growth

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable, as there were no projects that require SIA as per applicable laws					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

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

Community members can submit grievances through the Company's Whistle-blower mechanism. Information on the process is provided in the Whistle-blower Policy, which is accessible on the Company's website and the TELGI. app portal. The TELGI App may be downloaded via a web browser or by scanning the QR code available on the website/portal. The platform enables individuals to report incidents securely, with the option to remain anonymous. Users may also upload supporting materials, including documents or recordings, to substantiate their grievances prior to submission.

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

Parameter	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/small producers	48.30%	46.72%
Directly from within India	87.65%	87.27%

1. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-26 indicators in the table above.
2. As per the industry standards released by SEBI, total purchases include all types of procurement such as raw material, spares, services, and capex procurement items made by the company.
3. The data in the above table for financial year 2024-25 has been restated to ensure consistency with the methodology followed in the current financial year.

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 2025-2026	FY 2024-2025
Rural	-	-
Semi-urban	0.46%	0.45%
Urban	1.12 %	0.32%
Metropolitan	98.38%	99.19%

1. The employee and worker disclosure for FY 2024–25 has been restated (in accordance with the RBI classification) to include both permanent and non-permanent employees and workers. In the previous reporting period, contractual employees and workers were classified under the "Other than Permanent" category and were not fully reflected within the overall workforce composition. To ensure consistency and comparability across reporting periods, workforce data has now been aligned to include all categories of employees and workers.
2. For FY 2025-2026 and FY 2024-25, wages paid to employees/workers employed outside India contributing to 0.04% of total salaries and wages, has not been considered in the above classification.
3. An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the FY 2025-26 indicators in the table above.

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

State	Aspirational District#	Amount Spent (In ₹)
NIL		

#The Company does not undertake CSR programs in aspirational districts. CSR initiatives are predominantly concentrated in Tamil Nadu, and no material expansion into aspirational districts is envisaged in the near term.

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

Not Available

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

ELGi currently does not classify any of its suppliers as being from marginalized or vulnerable groups.

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

Not Applicable

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

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable as no intellectual property owned or developed which is based on traditional knowledge				

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

Name of authority	Brief of the Case	Corrective action taken
The company is not involved in any dispute wherein usage of traditional knowledge is involved.		

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

S. No.	CSR Projects	No. of persons benefited from CSR Projects 2025-2026*	% of beneficiaries from vulnerable and marginalized groups
1	**Education:** ELGI School	1,228	-
2	**Sports:** Training to promote Paralympic sports and Olympic sports	-	-
3	**Promotion of Sports**	1	-
4	**Health Care:** Cankids Kidscan	-	-
5	**Health Care:** Coimbatore Cancer Foundation		-
6	**Education:** Amrit Centre for special needs	-	-
7	**Education Sponsorship:** Rotary Club of Coimbatore West	-	-
8	**Environment:** Ecological Conservation Projects	Not determinable	-

**Beneficiary numbers are not consistently available across programs due to limitations in data availability and the nature of certain interventions, where quantification is challenging. Disclosures have been made to the extent feasible based on currently available and verifiable information. Going forward we will implement the methodologies to track the beneficiaries number.*

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

Businesses are responsible for providing safe, reliable and high quality products and services that minimise adverse impacts on consumers, society and the environment. They are also expected to ensure transparent, accurate and complete information on products and services to enable informed decision making, fair competition and long term customer trust.

Customer Centricity: Enabling Reliable and Responsible Compressed Air Solutions

Customer centricity is central to Elgi Equipments Limited's business philosophy. As a global manufacturer of air compressors and compressed air solutions, ELGi focuses on delivering products and services that are safe, energy efficient, reliable and aligned with customer operating requirements across diverse industries.

ELGi integrates customer requirements at every stage of the product lifecycle, from design and engineering to manufacturing, testing, installation and after sales support. Product design and development processes emphasise performance reliability, energy efficiency, noise reduction and compliance with applicable safety and quality standards, ensuring responsible use across industrial, commercial and infrastructure applications.

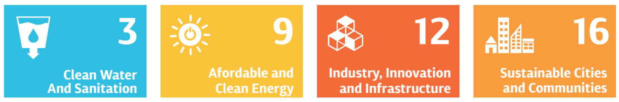
The Company provides transparent and accurate product information, including technical specifications, operating manuals, safety instructions and maintenance guidance, enabling customers to make informed decisions and operate equipment safely and efficiently. Continuous engagement with customers through service networks, feedback mechanisms and digital platforms supports timely resolution of concerns and ongoing product improvements.

ELGi's after sales service framework focuses on uptime assurance, preventive maintenance and quick response through trained service teams and authorised partners. Customer grievances and service requests are tracked through defined escalation mechanisms to ensure prompt and effective resolution.

In parallel, ELGi promotes responsible consumption by offering energy efficient compressor technologies, system optimisation solutions and advisory support that help customers reduce energy consumption, operating costs and environmental footprint during the use phase of the equipment.

Through these measures, ELGi seeks to build long term relationships based on trust, product reliability and responsible business conduct, while continuously enhancing customer value across global markets.

Interlinkage with identified material topic	Stakeholders
• *Customer Centricity* • *Confidentiality* • *Product Stewardship*	Customers, end-users, channel partners, regulators **Sustainable Development Goals**



Essential Indicators

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

   ELGi has a strong customer grievance mechanism. We maintain an integrated online and offline customer care system to receive and resolve consumer complaints promptly. Customers can reach our dedicated support team via a toll-free helpline (1800-203-3544), email (customercare@elgi.com), or by filling out an online enquiry form on our official website. This superior customer care system allows us to log and track each service request in real time, ensuring on-time responses and resolution. Our customer care operates six days a week (Mon–Sat, 8 AM to 9:30 PM) to promptly address queries and feedback. We also have an escalation process with clear timelines and benchmarks to guarantee that all customer complaints are resolved to the customer's satisfaction.

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

ELGi acknowledges the importance of providing customers with adequate environmental, health, and safety information associated with its products, including guidance on safe and responsible usage, and end-of-life handling (recycling and/or safe disposal). At present, such information and product guidance are provided across applicable product lines and are aligned to the parameters indicated above. During the next financial year, ELGi intends to implement a formalized mechanism to extend and integrate these disclosures and labelling requirements across its railway product lines as well.

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	82.71%
Safe and responsible usage	82.71%
Recycling and/or safe disposal	82.71%

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

<table>
<tr><th rowspan="2"></th><th colspan="2">FY 2025-2026</th><th rowspan="2">Remarks</th><th colspan="2">FY 2024-2025</th><th rowspan="2">Remarks</th></tr>
<tr><th>Received during the year</th><th>Pending resolution at end of year</th><th>Received during the year</th><th>Pending resolution at end of year</th></tr>
<tr><td>Data privacy</td><td colspan="2" rowspan="7">–</td><td rowspan="7">–</td><td colspan="2" rowspan="7">–</td><td rowspan="7">–</td></tr>
<tr><td>Advertising</td></tr>
<tr><td>Cyber-security</td></tr>
<tr><td>Delivery of essential services</td></tr>
<tr><td>Restrictive Trade Practices</td></tr>
<tr><td>Unfair Trade Practices</td></tr>
<tr><td>Other</td></tr>
</table>

** Currently, customer interactions (complaints, requests, and other feedback) are not formally classified, and hence not reported. We are now implementing a structured classification framework to enable clear segregation, systematic tracking, and consistent reporting going forward.*

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

<table>
<tr><th></th><th>Number</th><th>Reasons for recall</th></tr>
<tr><td>Voluntary recalls</td><td colspan="2">–</td></tr>
<tr><td>Forced recalls</td><td colspan="2">–</td></tr>
</table>

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.

Elgi Equipments Limited has established a framework to address cyber security and data privacy risks. The Company has:

- A documented Information Security Policy, which is available internally on the Company's intranet and defines controls, responsibilities, and governance mechanisms for managing information security and cyber risks.
- A publicly available Privacy Policy, which outlines the Company's approach to collection, use, storage, and protection of personal data in accordance with applicable laws and best practices.

Web link (Privacy Policy):
https://www.elgi.com/in/privacy-policy/

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

   No Incidents reported.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches –** NIL

   b. **Percentage of data breaches involving personally identifiable information of customers –** NIL

   c. **Impact, if any, of the data breaches –** Not applicable

Note: An independent limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the 'Percentage of data breaches involving personally identifiable information of customers' above for FY 2025-26.

Leadership Indicators

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

   Information on Elgi Equipments Limited's products and services is accessible through the following channels:
   Official Website:

   - The Company's website provides comprehensive information on all of its product ranges, including product specifications, applications, features, and technical details.
     Web link: https://www.elgi.com/eu/air-compressor-products/
   - Digital Product Catalogues and Brochures:
     Product brochures, technical datasheets, and application notes are available for download through the Company's website.
   - Authorized Dealers and Distributor Network:
     Detailed product information and guidance are also made available through ELGi's authorized dealers and distributors across regions.
   - Customer Support and Sales Touchpoints:
     Customers can obtain product related information through ELGi's customer support channels and direct sales interactions.

   Detailed technical specifications are also shared to customers while submitting techno-commercial proposals.

   - The company also publishes information on different social media platforms – Linkedin, Facebook.
   - Periodically product launch/introductions are also shared via press meets/articles in magazines.

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

   Elgi Equipments Limited undertakes multiple measures to inform and educate customers on the safe and responsible use of its products across the product lifecycle (installation, commissioning, operation, maintenance, and end-of-life). Key initiatives include:

   1) Comprehensive product documentation (physical + digital)

   - All products are supported with operating manuals, installation guides, and maintenance instructions that outline safe operating practices, do's and don'ts, hazard precautions, and recommended maintenance schedules.
   - Documentation is made available in print and/or digital formats, enabling easy access for operators, technicians, and maintenance personnel.

   2) Standardised pictography, safety decals and symbols (on-product warnings)

   - ELGi uses standardised safety decals and pictograms to communicate hazards and safe practices in a clear and universally understandable manner, supporting usage even where language proficiency may vary.

- The Company follows ISO 3864 principles for safety colour and signage design and ISO 7010 for safety symbols/icons displayed on compressors and relevant touchpoints.
- These pictograms and decals highlight hazards, mandatory actions (e.g., PPE), prohibited actions, and warning information at the point of use.

3) QR-code enabled access to safety information and guidance (where applicable)

- Where deployed, QR codes on product labels, documentation, or packaging direct users to digital resources such as:
  - operating manuals and quick-start guides,
  - safety instructions and checklists,
  - installation/commissioning guidance, and
  - troubleshooting and best-practice usage information.
- This enables real-time access to updated guidance and reduces dependence on physical documents alone.

4) Brochures, catalogues and product literature (pre-purchase and usage-stage education)

- ELGi communicates safe and responsible usage practices through product brochures, catalogues, technical datasheets, and application notes, which include:
  - key operating parameters and safe operating envelopes,
  - recommended usage conditions, and
  - maintenance and efficiency best practices.
- Such literature is disseminated through sales teams, authorised dealers, and digital channels to ensure consistent messaging.

5) Training, demonstrations and commissioning support

- Customers receive on-site demonstrations, installation support, commissioning guidance, and operational training delivered by ELGi service engineers and/or authorised channel partners.
- Training focuses on safe operation, risk controls, correct operating practices, preventive maintenance, and appropriate responses to abnormal conditions.

6) Digital channels and ongoing user communication

- Product specifications, safety guidance, application details, and usage best practices are available through:
  - the official website,
  - digital brochures, and
  - technical datasheets/product pages.
- Where relevant, updates and advisories may be shared to reinforce safe practices and maintenance requirements.

7) After-sales service and periodic engagement

- ELGi and its distributors, service and maintenance teams engage with customers through scheduled servicing, audits/health checks, troubleshooting visits, and preventive maintenance support, reinforcing correct usage practices and safety compliance during the operational phase.

8) Customer support, grievance and feedback mechanisms obtained through ELGi and distributor networks

- Dedicated customer support channels enable users to raise queries, seek clarifications, and report safety concerns.
- Feedback received is used to strengthen product design, documentation, labelling (including pictography), training content, and customer communication, supporting continual improvement.

Outcome intent: Through these measures, ELGi aims to promote safe operation, improve user awareness, reduce misuse-related risks, and strengthen product stewardship across the lifecycle.

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

Not applicable.

ELGi is primarily a manufacturing company supplying industrial air compressors and related equipment. It does not provide continuous or essential public services (such as utilities, telecom, transport, water, electricity, healthcare, or financial services) where service disruption would directly impact consumer access to essential needs.

Air compressors are capital goods/products, not essential services delivered on a continuous basis. Hence, this disclosure is not directly applicable in the strict sense intended under BRSR.

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

Yes, Elgi Equipments Limited provides product information beyond local legal requirements to improve customer awareness, support safe and responsible use, and ensure optimal performance across the product lifecycle.

Products carry durable metallic nameplates (e.g., CE-aligned) with key equipment and compliance details, while packaging (where applicable) includes logistics and identification information to support traceability and safe handling. ELGi also issues comprehensive manuals and guides covering safe operation, precautions, and maintenance, and uses standardised safety decals/pictograms aligned with ISO 3864 and ISO 7010 for clear hazard communication. Additional technical information is shared through brochures, datasheets, and digital channels (including QR-enabled access where deployed), helping customers quickly find manuals, safety instructions, best practices, and troubleshooting support.

Independent Practitioner's Limited Assurance Report on Identified Sustainability Information in Elgi Equipments Limited's Business Responsibility and Sustainability Report pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Elgi Equipments Limited

We have undertaken to perform a limited assurance engagement for Elgi Equipments Limited (the "Company") vide our Engagement Letter dated November 20, 2025, in respect of the agreed Sustainability Information referred to in "Identified Sustainability Information" paragraph below (the "Identified Sustainability Information") in accordance with the Criteria stated in the "Criteria" paragraph below. The Identified Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") section in the Annual Report of the Company for the financial year ended March 31, 2026, pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations").

This engagement was conducted by a team comprising assurance practitioners and engineer/ environment expert.

Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2026, is summarised in Appendix 1 to this report.

Our limited assurance engagement was only with respect to such Identified Sustainability Information included in the BRSR of the Company for the financial year ended March 31, 2026. We have not performed any procedures with respect to prior periods or any other elements included in the BRSR, and therefore, do not express any on thereon

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is the "BRSR Core", which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A read with the format of BRSR and the guidance note given in Annexure 16 and 17, respectively, of the Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and the 'Industry Standards on Reporting of BRSR Core' issued by the Securities and Exchange Board of India ("SEBI") vide circular SEBI/HO/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

Management's Responsibilities

The Management of the Company is responsible for determining the Reporting Boundary of the BRSR, and for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations including the SEBI Circulars related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, and content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation of the BRSR, and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of the LODR Regulations and the SEBI Circulars in relation to the BRSR Core.

Inherent Limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standard Board for Accountants ("IESBA Code"), which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Price Waterhouse Chartered Accountants LLP (the "Firm") applies Standard on Quality Control 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", the International Standard on Quality Management ("ISQM") 1 "Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements" and ISQM 2 "Engagement Quality reviews", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements ("SSAE") 3000, "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements ("SAE") 3410, "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI, and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements", both issued by the International Auditing and Assurance Standards Board (collectively referred to as "the Standards").

These Standards require that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement. A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement, and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the selected information.
- Obtained an understanding of the Company's organisation structure, including functions such as Sustainability, Environment, Social and Governance, Human Resource, etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and evaluated the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Information including the sites to be covered.
- Based on the above understanding and the risks that the selected information may be materially misstated, determined the nature, timing and extent of our procedures.
- Performed substantive testing on a sample basis of the Identified Sustainability Information at the corporate office, and in relation to a sample of sites, to verify that data had been appropriately measured, recorded, collated and reported.
- Assessed the records and performed testing including recalculation of sample data to establish an assurance trail.
- Assessed the level of adherence to the Criteria, the reporting framework followed by the Company in preparing the BRSR.
- Performed procedures, on a test basis, to assess whether the information reported in the BRSR in respect of the Identified Sustainability Information is inconsistent with the underlying source data and supporting documentation.
- Agreed to the audited financial statements and the trial balance for the financial year ended March 31, 2026 for the data which will flow from the audited financial statements and/ or the trial balance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Information have been prepared, in all material respects, in accordance with the Criteria.

Exclusions

Our limited assurance scope excludes the following and, therefore, we do not express a conclusion on the same:

- The operating effectiveness of controls.
- Operations of the Company other than the Identified Sustainability Information listed in Appendix 1 to this report.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period, i.e., the financial year ended March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/ or data.

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information summarised in Appendix 1 to this report and included in the BRSR, for the financial year ended March 31, 2026, are not prepared, in all material respects, in accordance with the Criteria specified in the "Criteria" section of our report.

Other Matter

The BRSR of the Company includes corresponding information pertaining to the prior financial year ended March 31, 2025, which was not subject to assurance and is as furnished by the Management of the Company.

Restriction on Use

Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

This report has been issued at the request of the Board of Directors of the Company to whom it is addressed, solely to enable them to comply with the requirements of the SEBI Circulars and LODR Regulations on reporting the Company's sustainability performance and activities, and for publishing the same as a part of the BRSR Report forming part of the Company's Annual Report and will be published on the Company's website. Our report should not be used for any other purpose or by any person other than the addressee of our report. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Place: Chennai
Date: July 7, 2026

Arun Kumar R
Partner
Membership Number: 211867
UDIN: 26211867NPATDS1859

Appendix 1

Identified Sustainability Information (BRSR Core Indicators)

S. No.	Principle and indicator reference*	Attribute	Parameters (key performance indicators) assured
1	Principle 6 - E7	Green-house gas (GHG) footprint	1. Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 3. GHG Emission Intensity (Scope 1 +2)
2	Principle 6 - E3 and E4	Water footprint	1. Total water consumption 2. Water consumption intensity 3. Water Discharge by destination and levels of Treatment
3	Principle 6 - E1	Energy footprint	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity
4	Principle 6 - E9	Embracing circularity- details related to waste management by the entity	1. Total waste generated a) Plastic waste (A) b) E-waste (B) c) Bio-medical waste (C) d) Construction and demolition waste (D) e) Battery waste (E) f) Radioactive waste (F) g) Other Hazardous waste. Please specify, if any. (G) h) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) i) Total waste generated (A + B + C + D + E + F + G + H) 2. Waste intensity 3. Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 4. For each category of waste generated, total waste disposed by nature of disposal method

S. No.	Principle and indicator reference*	Attribute	Parameters (key performance indicators) assured
5	Principle 3 - E1(C)	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the company
	Principle 3 - E11		2. Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)
6	Principle 5 - E3(b)	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid
	Principle 5 - E7		2. Complaints on POSH
7	Principle 8 - E4	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and from within India
	Principle 8 - E5		2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8	Principle 9 - E7	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events
	Principle 1 - E8		2. Number of days of accounts payable
9	Principle 1 - E9	Open-ness of business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties
			2. Loans and advances & investments with related parties

** E refers to Essential indicators.*

Always Better.

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