



ECHJAY INDUSTRIES PVT. LTD.

SUSTAINABILITY REPORT 2024–25

FORGING A SUSTAINABLE FUTURE



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Executive Summary

ECHJAY Industries Pvt. Ltd. (ECHJAY) presents its first standalone **Sustainability Report** for the financial year **2024–25**, outlining its environmental, social, and governance (ESG) performance and long-term decarbonisation direction towards **Net Zero by 2050**.

This report demonstrates ECHJAY's transition towards responsible manufacturing and is prepared in reference to internationally recognised frameworks such as **GRI Standards**, **UN SDGs**, and **ISO 14064** principles.

Parameter	Unit	FY 2023–24	FY 2024–25	% Change
Total GHG Emissions	tCO ₂ e	73704	71895	-2.46%
Renewable Energy Share	%	25.8	32.8	+6%
Water Reuse	%	28	35	+7%
Waste Diverted from Landfill	%	80	95	+15%
Employees Trained on EHS	No.	1,250	1,900	+52%
CSR Beneficiaries	No.	1,500	2,500	+67%

Key Achievements



Transitioned to 32.8% renewable power.

Avoided **~1800 tCO₂e** emissions through process efficiency and fuel substitution.

Achieved **25% reduction** in freshwater withdrawal.

Expanded CSR outreach to **2,500+** individuals in Rajkot region.

Strategic Goals Ahead

70% Renewable Energy by FY 2030	ISO 50001 Certification by FY 2028	Zero Liquid Discharge (ZLD) by FY 2028	100% Waste Diversion by FY 2030
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Progress towards Net Zero by 2050

1. About the Report

This Sustainability Report presents ECHJAY Industries Pvt. Ltd.'s environmental, social, and governance (ESG) performance for the fiscal year April 1, 2024 – March 31, 2025. It is prepared in reference to the Global Reporting Initiative (GRI) Standards, the UN Sustainable Development Goals (SDGs), and informed by India's SEBI Business Responsibility and Sustainability Reporting (BRSR) framework.

The report boundary covers ECHJAY's two forging and machining facilities located in Rajkot, Gujarat, along with supporting administrative offices. It integrates environmental data from the FY 2024–25 Greenhouse Gas (GHG) Emission Report and strategic insights from the Company's Sustainability Roadmap.

Reporting Principles followed include Accuracy, Balance, Clarity, Comparability, Reliability, and Timeliness, in accordance with GRI's comprehensive disclosure approach.

Reporting Principles:

- *Accuracy* – Data validated by internal audits.
- *Balance* – Inclusion of achievements and improvement areas.
- *Comparability* – Year-on-year trends shown where available.
- *Reliability* – Not verified under ISO 14064 framework.

Reporting Period: April 1, 2024 – March 31, 2025

Frequency: Annual (first edition)

Assurance: Internal verification; third-party limited assurance planned FY 2025–26.

2. Message from the Managing Director

Dear Stakeholders,

Sustainability has always been at the heart of ECHJAY Industries' philosophy. FY 2024–25 marks a significant milestone as we publish our first comprehensive Sustainability Report. We have embarked on a transformative journey that aligns industrial excellence with environmental responsibility. Our actions—ranging from renewable energy adoption to process digitalization—reflect our commitment to reducing our carbon footprint and contributing to a sustainable industrial ecosystem.

"At ECHJAY, we believe sustainability is not just a responsibility — it is our growth strategy.

*FY 2024–25 marks the beginning of a transparent, data-driven sustainability journey. Our manufacturing transformation is guided by efficiency, safety, and inclusivity. With a long-term decarbonisation direction towards **Net Zero by 2050**, we are embedding sustainability across our operations and partnerships."*

We are progressing steadily on our sustainability journey, while continuously improving operational efficiency, promoting safety, and empowering our people and communities.

Warm regards,



Deven Doshi

Managing Director, ECHJAY Industries Pvt. Ltd.

3. Company Overview

Founded in **1970**, ECHJAY Industries Pvt. Ltd. is a leading manufacturer of **steel forgings and precision-machined components**, serving automotive, energy, oil & gas, and defence sectors.

Echjay Industries is a steel-forging and machined-components manufacturer — described by the company itself as “a pioneer and global leader in manufacturing a variety of quality forgings meeting international standards and specifications.” It offers a full spectrum of forging technologies (hot forging, cold forging, ring-rolling), along with machining capabilities and an integrated engineering infrastructure under one roof.

Its products serve multiple sectors:

- Automotive: especially forged & machined components for heavy commercial vehicles (HCV), medium (MCV) & light commercial vehicles (LCV), and tractors. Examples: crown wheels, pinions, transmission gears & shafts, bull gears & shafts, rings, spindles/axle yokes, hubs & sleeves.
- Non-automotive / industrial sectors: Oil & natural gas, petrochemical, heavy & general engineering, earth-moving, railways, and defence.

Scale & Manufacturing Capabilities		
<ul style="list-style-type: none"> • ECHJAY has a manufacturing capacity of around 9000 MT of forgings per month, spread across its factories in Rajkot and Thane. • Its facilities include state-of-the-art forging setups and machining infrastructure, with integrated CAD/CAM/CAE-based product development capabilities, in-house die/tool making (CNC/EDM), testing & validation, and value-engineering processes. • ECHJAY operates as a “single-location production capacity” provider for many core products — meaning forging, machining, toolmaking, quality-control, and engineering are managed in a tightly integrated setup. 		
Business Approach: Mission, Values, & Strengths		
Mission & Vision: To be a trusted global partner delivering world-class forged and machined components, powered by technology,	Core Values: Customer-first approach, ethical & transparent business practices, continual innovation,	Strengths: Wide product portfolio (auto + non-auto segments), integrated manufacturing + engineering + quality assurance

innovation, operational excellence, and environmental sustainability—creating value for our customers and our employees.	operational efficiency, and cost-effective technology adoption.	infrastructure, capacity scalability, cost efficiency through value engineering, and ability to supply critical safety/drive-line components.
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Attribute	Details
Registered Office	Rajkot, Gujarat
Year of Establishment	1970
Total Employees	~2,000
Installed Capacity	~9,000 MT/month
Certifications	ISO 9001, ISO 14001, ISO 45001; ISO 50001 (certification in progress)
Key Products	Axle shafts, gear blanks, flanges, rings, precision parts
Export Markets	Europe, North America, South-East Asia

Locations & Corporate Structure

The company operates two manufacturing facilities in Rajkot, Gujarat, and two manufacturing facilities in Maharashtra (Pune and Mumbai). Its headquarters are located in Mumbai, India.



Corporate Office

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Email: eipl@echjayind.com

Manufacturing Facility – Rajkot (Unit 1)

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Phone: +91-281-2387792

Email: marketing@echjayindustries.com

Manufacturing Facility – Rajkot (Unit 2)

Survey No. 184/1; 186/1,

**Rajkot Wankaner Road, Jiyana, Dist:-Rajkot, Gujarat,
India 360023**

4. Sustainability Strategy

ECHJAY is a leading forging solutions provider, conducts its business responsibly while reducing environmental impacts, strengthening workforce well-being, and integrating robust governance practices. This Sustainability Strategy outlines our priorities and approach, structured in reference to globally recognised frameworks—GRI 2021 Standards, SASB Metal & Mining / Iron & Steel relevant indicators, and the TCFD recommendations on climate disclosure.

Sustainability Governance Framework	Materiality and Stakeholder Engagement
Governance structure informed by GRI and TCFD. A Sustainability Steering Committee governs ESG implementation across departments, with Board oversight on climate-related risks and performance.	ECHJAY engages customers, employees, suppliers, regulators, communities, and investors. Material topics include energy, emissions, water, waste, safety, labour practices, ethics, supply chain sustainability, and climate-related risks.
Environmental Stewardship	Social Responsibility
Includes Climate Strategy, GHG reduction, energy efficiency, water stewardship, waste management, air emissions control, and adherence to GRI 302/303/305/306 and SASB standards.	Focus on health & safety (Zero Harm vision), skill development, labour standards, diversity, and community engagement.
Sustainable Supply Chain	Innovation & Technology
Supplier Code of Conduct-based supplier ESG screening, responsible sourcing of raw materials, and compliance to GRI 308/414.	Digitalization, automation, predictive maintenance, and energy-efficient forging technologies.
Sustainability Metrics & KPIs	Long-Term Sustainability Roadmap (2030 & 2040)
KPIs informed by GRI, SASB, and TCFD covering Environment, Social, Governance, and Climate Risk categories.	2030: 25% renewable energy, 18% emission intensity reduction, 100% scrap recycling. 2040: Progress towards lower carbon operations, increased electrification, and circular economy integration. These roadmap items represent internal objectives and are subject to technical, regulatory, and business feasibility.

Sustainability Governance Framework		
Governance Structure (GRI 2; TCFD – Governance)		Key Responsibilities
<ul style="list-style-type: none"> Sustainability overseen by the Board / Senior Leadership with quarterly reviews. A Sustainability Steering Committee drives implementation across Environment, Health & Safety, HR, Supply Chain, and Manufacturing. Risk Management Committee integrates climate-related financial and operational risks into the enterprise risk register. 		<ul style="list-style-type: none"> Board: Oversight, climate risk evaluation, and sustainability priorities. Management: Implementation, KPI monitoring, stakeholder engagement, compliance. Departments: Data management, reporting, and continuous improvement.
Materiality & Stakeholder Engagement		
Stakeholder Engagement (GRI 2-29)		Materiality Assessment (GRI 3)
Key stakeholders include customers, employees, suppliers, regulators, communities, logistics partners, and financial institutions.		Informed by GRI and SASB, ECHJAY identifies the following material topics:
Material Environmental Topics		Material Social Topics
<ul style="list-style-type: none"> Energy efficiency GHG emissions Water use & conservation Waste & scrap management Air emissions from furnaces/heating Climate-related risks (TCFD) 		<ul style="list-style-type: none"> Employee health & safety Skill development Labour standards Community development Diversity & equal opportunity
Material Governance Topics		
		<ul style="list-style-type: none"> Ethics & compliance Supply chain sustainability Responsible sourcing of steel and alloys

Environmental Stewardship	
Climate Strategy & Decarbonization Approach (GRI 302, 305; SASB EM-ME-110a.1 / GHG; TCFD – Strategy & Metrics)	
Focus Areas	Actions
<ul style="list-style-type: none"> Reduce Scope 1 & 2 GHG emissions intensity by 5% by 2030 (baseline 2024). Shift 70% of electricity consumption to renewable energy by 2030. Adopt low-carbon furnace technologies and efficient heating solutions. These focus areas represent internal objectives and are subject to technical, regulatory, and business feasibility. 	<ul style="list-style-type: none"> Furnace optimization & waste heat recovery. Energy-efficient forging hammers, presses, and induction heaters. Power factor improvements, VFDs, compressed air system optimization. Renewable energy procurement (solar & wind hybrid energy PPAs).
TCFD – Climate Risk Assessment	

Climate-Related Risks		
Physical Risks	Transition Risks	Climate Opportunities
<ul style="list-style-type: none"> • Heatwave-induced productivity losses • Water scarcity risks affecting quenching & cooling • Infrastructure damage from extreme weather 	<ul style="list-style-type: none"> • Carbon pricing & regulatory changes • Rising pressure from OEMs for low-carbon supply chains • Technology shifts towards electric/induction heating 	<ul style="list-style-type: none"> • Green forging capability • Renewable energy integration • High-efficiency, low-waste manufacturing • Expansion into low-carbon automotive & aerospace components
Energy Management (GRI 302; SASB EM-ME-130a.1)		KPIs
<ul style="list-style-type: none"> • Annual energy audits and real-time energy monitoring. • Furnace/induction heating efficiency projects. • Renewable energy adoption roadmap. • Replacement of diesel forklifts with electric alternatives. 		<ul style="list-style-type: none"> • Total energy consumption (GJ) • Energy intensity per ton of forged output • Share of renewable energy in total mix
GHG Emissions (GRI 305; SASB EM-ME-110a.1)		KPIs
<ul style="list-style-type: none"> • Annual GHG inventory for Scope 1 and Scope 2, with selective Scope 3 assessment. • Projects for reducing combustion emissions from furnaces. 		<ul style="list-style-type: none"> • Total Scope 1 & 2 emissions • Carbon intensity (tCO₂e per ton of forging)
Water Stewardship (GRI 303)		KPIs
<ul style="list-style-type: none"> • Closed-loop cooling system optimization. • Installation of water meters and leak detection systems. • Drive for zero liquid discharge (ZLD) where feasible. 		<ul style="list-style-type: none"> • Water withdrawal per ton of production • % water recycled/reused • Compliance with GPCB norms
Waste & Circularity (GRI 306; SASB EM-ME-150a.1)		KPIs
<ul style="list-style-type: none"> • Scrap steel recycling through authorized recyclers. • Slag/waste segregation and hazardous waste disposal per GPCB rules. • Aim for 100% scrap to recycling. 		<ul style="list-style-type: none"> • Scrap generated and % recycled • Hazardous waste generated & disposal method • Waste-to-landfill reduction
Air Emissions (GRI 305-7; SASB EM-ME-120a.1)		

<ul style="list-style-type: none"> • SOx/NOx/PM monitoring from furnaces. • Stack monitoring & pollution abatement systems. • Compliance with GPCB consent conditions. 	
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Social Responsibility	
Employee Health & Safety (GRI 403; SASB EM-ME-320a.1)	KPIs
<ul style="list-style-type: none"> • Zero Harm Safety Policy. • Regular safety trainings, toolbox talks, PPE programs. • Incident investigation & root cause analysis. • Heat-stress management plan for shop-floor workers. 	<ul style="list-style-type: none"> • LTIFR / Near-miss reporting • Training hours per employee • Occupational health surveillance coverage (%)
Workforce Management (GRI 401/404/405)	Community Engagement (GRI 413) Focus areas: <ul style="list-style-type: none"> • Skill development for local youth • Education support • Health and sanitation initiatives • Environmental conservation activities

Sustainable Supply Chain	
Supplier ESG Evaluation (GRI 308/414; SASB EM-ME-270a.1)	Innovation & Technology for Sustainability

- Supplier Code of Conduct.
- ESG risk screening for steel, alloys, and critical inputs.
- Supplier ESG screening for environmental, labour, and compliance criteria.
- Preference to suppliers following ISO 14001/45001.
- High efficiency forging presses to reduce energy per cycle.
- Digitalization for process control & predictive maintenance.
- Automation in handling to reduce safety risks.
- Exploring green hydrogen-ready heating systems (future roadmap).

5. Governance & Leadership

At ECHJAY, governance is the foundation upon which the Company builds long-term value, fosters responsible business conduct, and ensures trust among its stakeholders. ECHJAY's governance philosophy is rooted in integrity, ethical leadership, transparency, and accountability. It emphasizes effective management of financial, operational, environmental, and social risks while driving innovation and sustainable growth in the forging sector. Informed by global principles and best practices—including the GRI Standards, SASB requirements, and the governance recommendations of the TCFD framework—ECHJAY has developed a robust governance structure that integrates sustainability into the heart of its business strategy.

ECHJAY is committed to maintaining the highest standards of corporate governance, ethical business conduct, and transparent decision-making. The Company's governance system is designed to safeguard stakeholder interests, foster accountability, and ensure long-term value creation through responsible management of financial, environmental, and social risks.

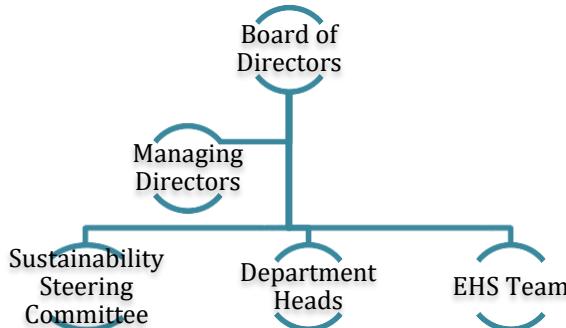
Our governance philosophy is based on:	This governance approach is informed by:
<ul style="list-style-type: none"> Integrity and ethical leadership Transparent and responsible oversight Risk-based decision-making aligned with sustainability priorities Compliance with applicable laws, regulations, and voluntary ESG frameworks Stakeholder inclusiveness 	<ul style="list-style-type: none"> GRI 2: General Disclosures (2021) SASB: Metal Processing & Industrial Machinery Governance Requirements TCFD: Governance Pillar

Board Structure & Responsibilities (GRI 2-9, 2-10)

The Board of Directors provides strategic direction and oversight for ECHJAY Industries. Its members bring rich expertise across manufacturing, metallurgy, operations, finance, regulatory affairs, and sustainability. This diversity ensures a holistic understanding of the challenges and opportunities within the forging industry. The Board meets periodically to review business strategies, financial performance, environmental and safety metrics, and progress on sustainability goals. In alignment with TCFD recommendations, the Board plays an active role in monitoring climate-related risks and opportunities, reviewing energy

and emissions performance, and ensuring that ECHJAY is resilient in the face of evolving environmental expectations and regulatory landscapes.

ECHJAY's corporate governance framework is designed to ensure accountability, transparency, and ethical behaviour across all operations. The company's **Board of Directors** provides strategic oversight, while a **Sustainability Steering Committee (SSC)** ensures alignment of ESG priorities with business objectives, risk management, environmental stewardship, and overall sustainability leadership.



Level	Key Roles & Responsibilities
Board of Directors	Approves sustainability priorities, monitors ESG risks, ensures compliance with applicable regulatory requirements.
Managing Directors (MDs)	<p>Leads sustainability strategy implementation, chairs SSC meetings.</p> <ul style="list-style-type: none"> Approving long-term corporate strategy and annual business plans Reviewing sustainability initiatives and ESG performance. Overseeing risk management, including climate-related and operational risks Monitoring financial and non-financial performance Ensuring compliance with statutory and regulatory frameworks Reviewing policies on ethics, transparency, and corporate responsibility
Sustainability Steering Committee (SSC)	Cross-functional team managing data, emissions, water and waste programs.
Departmental Heads	Integrate sustainability KPIs into operational plans.
EHS Team	<p>Ensures compliance with ISO 14001, monitors emissions and effluents.</p> <ul style="list-style-type: none"> Energy efficiency and emissions reduction efforts Water conservation and waste minimization Worker health & safety performance Climate-related transition and physical risks Stakeholder expectations and market trends

Senior Leadership Accountability (GRI 2-11)

Senior leadership complements the Board's oversight by translating vision into measurable action. The Managing Directors and functional heads are responsible for embedding sustainability principles into operational decision-making. Leadership ensures adherence to environmental regulations, the adoption of cleaner and more efficient technologies, the reduction of emissions and resource consumption, and the promotion of safe and healthy working conditions. Regular management review meetings are conducted to monitor progress against sustainability KPIs, assess performance trends, and identify areas requiring strategic intervention. Through this approach, ECHJAY ensures that sustainability is not an isolated initiative but a continuous operational priority.

- Operationalizing sustainability policies
- Integrating ESG criteria into production and procurement decisions
- Monitoring environmental KPIs: energy use, emissions, water intensity, waste
- Ensuring compliance with EHS standards & lean manufacturing principles
- Driving innovation for low-carbon and resource-efficient forging processes
- Workforce development, safety training, and diversity initiatives

Leadership ensures alignment between corporate strategy and on-ground execution.

Ethics, Integrity & Compliance (GRI 2-23, 2-24, 2-26)

Ethical conduct is a central pillar of governance at ECHJAY Industries. ECHJAY upholds a strict Code of Conduct that outlines expectations related to anti-corruption, fair business practices, human rights, data protection, and responsible supply chain engagement. All employees, contractors, and partners are expected to adhere to the Code, which reinforces transparency and professionalism across the organization. A formal whistleblower mechanism is available to enable employees and business partners to report concerns anonymously and without fear of retaliation. This reinforces a culture of trust and ethical accountability, aligning with both GRI expectations and SASB's focus on corporate integrity.

Particulars	FY 2023-24	Fy 2024-25	Open (delete column)	Closed (delete column)
Whistle Blower	0	0	0	0
Grievances	0	0	0	0
Bribery & Corruption cases	0	0	0	0

ECHJAY Industries upholds an ethical and transparent working culture guided by a formal **Code of Conduct** applicable to all employees, contractors, suppliers, and partners.

Code of Conduct Principles

- Anti-corruption & zero tolerance for bribery
- Fair business practices & non-discrimination
- Compliance with statutory requirements
- Data privacy & responsible information management
- Respect for human rights
- Transparency in procurement and vendor engagements

ECHJAY has established a formal **whistle-blower mechanism** for safe reporting of unethical behaviour.

(ESG Governance Framework (GRI 2-12, 2-13, SASB) – deleted whole sections. Already described SSC committee.)

Sustainability Steering Committee

A cross-functional committee chaired by senior management includes representatives from:

- Quality & Operations
- HR & EHS
- Finance
- Engineering & Maintenance
- Procurement
- Marketing & Customer Relations

Committee Responsibilities

- Setting and reviewing sustainability objectives
- Monitoring KPIs and ESG indicators
- Reviewing environmental performance and compliance data
- Steering climate action initiatives (TCFD-aligned)

- Engaging with external stakeholders and customers
- Reporting progress to senior leadership and the Board

Governance Policies

- Code of Conduct and Ethics Policy
- Employee Health & Safety Policy
- Environmental Policy
- Human Rights and Non-Discrimination Policy
- Supplier Code of Conduct (2025 rollout)
- Whistleblower & Grievance Redressal Mechanism

Risk Management & Internal Control (GRI 2-27, TCFD)

Risk management is an integral component of ECHJAY'S governance architecture. ECHJAY maintains a structured risk management framework that addresses environmental, operational, regulatory, and social risks. Climate-related risks—such as energy price volatility, increased heat exposure, and evolving carbon regulations—are periodically assessed, consistent with TCFD guidelines. Operational and environmental reviews, EHS inspections, internal controls, and third-party assessments further strengthen the risk oversight process. This approach enables ECHJAY to proactively identify emerging risks, mitigate vulnerabilities, and plan for future challenges.

ECHJAY implements a structured approach to identify, assess, and mitigate operational, environmental, and climate-related risks.

Risk Categories Addressed	Risk Monitoring Mechanisms
<ul style="list-style-type: none">• Environmental Risks: emissions, waste, water, hazardous materials• Climate Risks: heat stress on workers, energy price volatility, carbon policy changes• Operational Risks: equipment breakdowns, supply chain disruptions• Social Risks: labour safety, community relations• Regulatory Risks: non-compliance with environmental or labour laws	<ul style="list-style-type: none">• Internal audits and compliance reviews• EHS inspections and incident reporting• Third-party assessments as required by OEMs and customers• Management review meetings• Energy and carbon audits for TCFD alignment

Risk Area	Description	Mitigation
Climate Change	Potential production disruption due to energy volatility	Shift towards renewable sources and energy audits
Water Availability	Scarcity risk in industrial zones	Rainwater harvesting, water reuse
Occupational Health	Workplace injuries and fatigue	Training, automation, safety audits
Supply Chain ESG Gaps	Non-compliance from suppliers	Vendor ESG evaluation and screening.
Regulatory Compliance	Changes in GPCB/CPCB norms	Continuous monitoring, ISO certifications

Stakeholder Engagement & Transparency (GRI 2-29)

Stakeholder engagement is another cornerstone of the governance system at ECHJAY. The Company maintains transparent and collaborative relationships with customers, employees, suppliers, regulators, and the surrounding community. Customer interactions focus on quality, compliance, and environmental performance, while workforce engagement emphasizes health, safety, training, and career development. ECHJAY also communicates proactively with regulatory authorities to ensure full compliance with statutory requirements. Through responsible engagement and open communication, ECHJAY reinforces its commitment to stakeholder trust and social responsibility.

ECHJAY engages proactively with internal and external stakeholders to ensure responsible and transparent communication.

Key Stakeholder Groups	Engagement Practices Include:
<ul style="list-style-type: none"> Employees Customers (global OEMs & industrial clients) Suppliers & contractors Local community Regulatory authorities Industry bodies 	<ul style="list-style-type: none"> Periodic meetings & performance reviews with customers Transparent data sharing on quality, safety, and environmental performance Workforce training and safety programs Community outreach & CSR initiatives Compliance reporting to government bodies

Overall, governance and leadership at ECHJAY Industries are built on the principles of ethical conduct, transparency, sustainability integration, and continuous improvement. ECHJAY recognizes that strong governance is essential to achieving operational excellence, maintaining customer confidence, and ensuring long-term business resilience. By strengthening its governance practices in reference to leading international frameworks

such as GRI, SASB, and TCFD, ECHJAY reaffirms its pledge to responsible growth and sustained value creation for all its stakeholders.

6. Materiality Assessment & Stakeholder Engagement

ECHJAY recognizes materiality assessment and stakeholder engagement as essential components of its sustainability management approach. These processes guide strategic decision-making, align business priorities with stakeholder expectations, and ensure transparent ESG disclosures. ECHJAY conducted its first formal **materiality assessment** in FY 2024–25, informed by the GRI Standards, relevant SASB topics, and TCFD climate risk considerations.

Stakeholder Engagement Approach

ECHJAY actively engages with stakeholders who influence or are influenced by our operations. Our engagement model promotes transparency, collaboration, and continuous improvement.

Key Stakeholder Groups	
Employee	Safety, welfare, skilling, and grievance redressal.
Customers & OEMs	Quality, reliability, sustainable supply chain, compliance.
Suppliers & Contractors	Ethical sourcing, safety practices, and partnership development.
Regulators & Government Agencies	Compliance with environmental and safety standards.
Local Communities	Employment, environmental impacts, and social development.
Promoters/Shareholders	Business growth, ESG integration, and risk management.
Industry Associations	Technology trends, policy input, and best practices.

Stakeholder Identification

Stakeholder Group	Mode of Engagement	Key Expectations
Employees	Townhalls, safety talks, HR consultations, trainings, and feedback sessions	Safe workplace, fair opportunities
Customers	Performance reviews and product quality meetings	Quality, sustainability, traceability
Suppliers	Supplier ESG screening and capability-building initiatives.	Ethical sourcing, timely payments
Regulators	Regulatory compliance submissions, inspections, reviews and reporting	Legal compliance, transparency
Community	CSR programs, dialogue, employment, environmental impacts, and social development.	Employment, health, education
Investors	ESG reporting, reviews	Sustainable growth, governance

Materiality Assessment Process

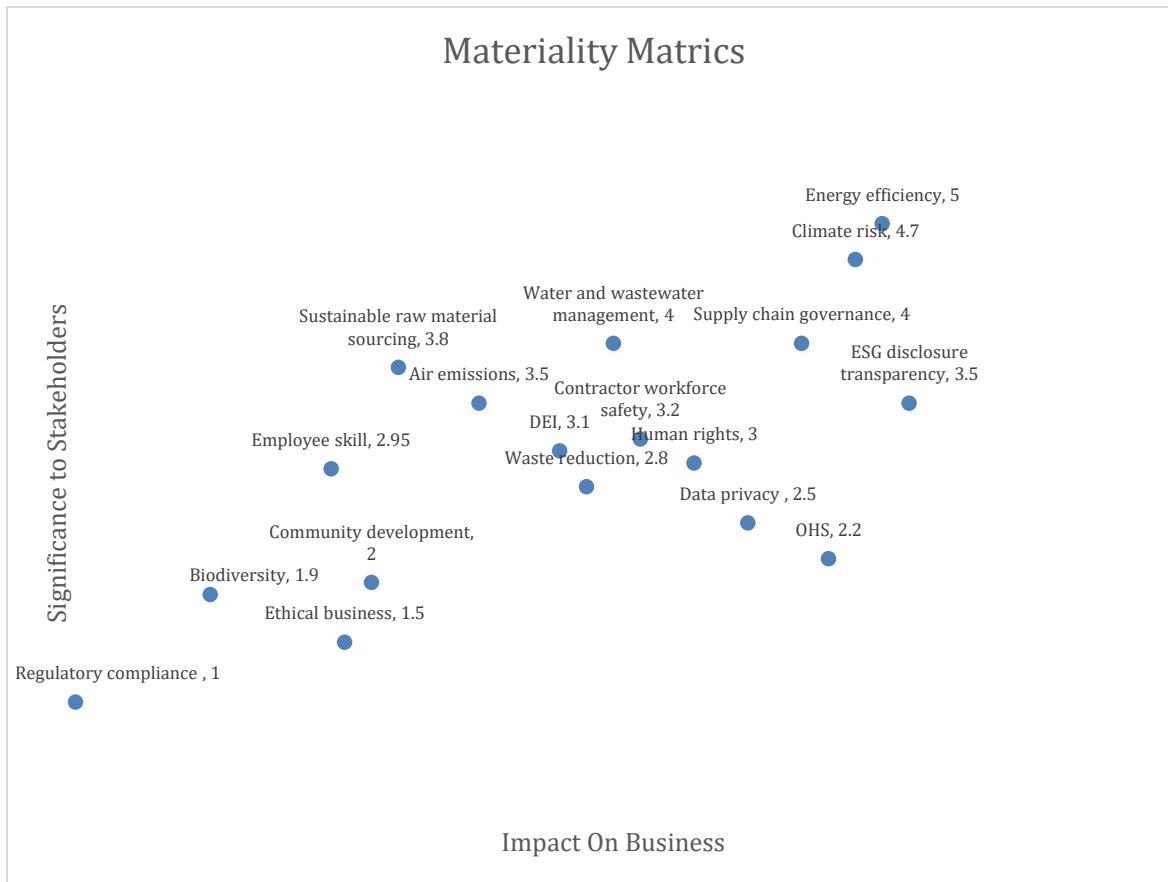
Our materiality assessment follows GRI 2021 guidelines, integrates SASB manufacturing-sector topics, and incorporates TCFD climate risk considerations. This process ensures that material topics reflect both business impact and stakeholder priorities.



Material Topics Identified

Environment	Social	Governance
Energy efficiency and decarbonization	Occupational health and safety	Ethical business practices and anti-corruption
Water usage and wastewater management	Employee skill development and training	Regulatory compliance and risk management
Air emissions management (PM, NOx, SOx)	Human rights and labour compliance	Supply chain governance
Waste reduction and circularity in forging operations	Diversity, equity, and inclusion	ESG disclosure transparency

Climate risk assessment (TCFD)	Community development	Data privacy and cybersecurity
Sustainable raw material sourcing	Contractor workforce safety	
Local environmental impacts		



Monitoring & Review

Materiality topics and stakeholder expectations are reviewed annually to align with evolving market, regulatory, and climate-related developments. TCFD-related risks are monitored continuously through internal risk management systems. Through systematic materiality assessment and structured stakeholder engagement, ECHJAY ensures that sustainability priorities remain relevant, transparent, and aligned with long-term business resilience.

7. Environmental Stewardship

Environmental stewardship is a core pillar of ECHJAY's sustainability commitment. As a leading forging manufacturer, ECHJAY recognizes its responsibility to minimize environmental impacts, use resources efficiently, and transition towards cleaner and more resilient operations. Through systematic environmental management, technology adoption, and responsible resource use, ECHJAY aims to contribute to India's national environmental priorities as well as global sustainability goals.

ECHJAY's environmental initiatives are guided by its **ISO 14001-certified Environmental Management System (EMS)** and its long-term decarbonisation direction towards **Net Zero by 2050**.

Environmental Management Approach

ECHJAY adopts a structured environmental management approach informed by GRI Standards, SASB (Metals & Mining – Forging relevant), and TCFD Environmental Governance.

Core components include:

- Compliance with all applicable environmental laws and consents (CtE, CtO, hazardous waste, air, water).
- Implementation of a risk-based Environmental Management System (EMS).
- Regular environmental monitoring through NABL-accredited labs.
- Internal audits, corrective actions, and continual improvement processes.
- Integration of environmental risks into enterprise risk management and board oversight.

Climate Action & Energy Management

ECHJAY recognizes climate change as a key business risk and opportunity. ECHJAY is committed to reducing its carbon footprint through efficient energy use and transition towards cleaner technologies.

Key Initiatives	Performance
Monitoring of energy intensity (kWh/ton of forged output)	1.10 kWh/MT
Increasing renewable energy share through open access procurement and evaluation of onsite solar feasibility.	Renewable energy inputs increased by 23% compared to FY 2023-24

Electrification of processes where technically viable.	<ul style="list-style-type: none"> Gas-fired furnaces used in forging operations have been replaced with electric induction heating systems wherever technically and economically feasible, resulting in reduced fossil fuel consumption and lower direct emissions. Existing electrical panels with unnecessary wiring have been replaced by compact and optimized electrical panels for hydraulic presses, contributing to reduced energy losses and improved operational accuracy.
Physical risks: extreme heat, water scarcity, and supply chain disruptions.	Heat mitigation measures including shaded areas, tree plantation, water management through recycling, supplier engagement on ESG.
Transition risks: compliance requirements, carbon pricing, and technological shifts.	Energy audits, Fuel Switching by PNG substitution, Renewable Energy offsetting
Mitigation: resource efficiency, technological upgrades, and supplier engagement.	PNG substitution, installation of meters, engaging supply chain partner for their ESG practices in energy and emission reduction

Energy & Emissions

Energy efficiency remains central to ECHJAY's decarbonization efforts. This report presents energy consumption details for ECHJAY's two manufacturing units in Rajkot, Gujarat, India.

ECHJAY transitioned partially to solar power and PNG-based furnaces, reducing Scope 1 & 2 emissions by **3.4% YoY**.

Energy & Emission Summary (FY 2024–25)

Industrial Operations – Forging Industry

Fuel Type	Use Case	Examples of Equipment
HSD	Backup generators, furnaces	DG sets, diesel-fired heaters
LHS	Primary industrial fuel (legacy)	Boilers, high-temp furnaces
PNG	Cleaner replacement for LHS	Industrial burners, heaters
LPG	Supplementary fuel or process fuel	Heating, forging operations

Company Vehicles (Fuel Combustion on Roads)

Fuel Type	Use Case	Examples of Equipment

Diesel	Heavy-duty and light commercial use	Trucks, pickups
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Table Energy Consumption

Energy Sources	UoM	FY 2023-24	FY 2024-25	% Variation
HSD	Liter	120345	118365	-1.65
LSHS	MT	5185	1132	-78.17
PNG	SCM	4223608	8786971	108.04
LPG	Kg	81052	64780	-20.08
Diesel	Liter	101468	105257	3.73
Purchased Electricity	mWh	66808	67517	1.06
Renewable Energy (Offset)	mWh	17259	22149	28.33

Year-on-year variations reflect changes in fuel mix, production volumes, and operational conditions.

Parameter	Unit	FY 2023–24	FY 2024–25	% Variation
Scope 1 Emissions	tCO ₂ e	25869	23563	-8.91
Scope 2 Emissions	tCO ₂ e	47835	48341	1.04
Total GHG Emissions	tCO ₂ e	73704	71895	-2.46
GHG emission offset	tCO ₂ e	-12357	-15859	28.34
Emission Intensity	tCO ₂ e/ton product	1.14	1.10	-3.89

Key Actions

Renewable Energy offset	13.2MW Wind Energy
	1. 1.2 MW Solar Rooftop (Plant 1)
	2. 1.2 MW Solar Rooftop (Plant 2)
PNG fuel substitution	Substitution of LSHS with PNG across operations, reducing approximately ~76 tCO ₂ e

Air Emissions Control

Forging operations generate combustion-related emissions. ECHJAY employs multiple measures to maintain air quality and comply with regulatory norms.

Strategies & Controls

- Low-NOx burners and optimized furnace operations.
- Dust extraction, fume capture, and high-efficiency bag filters.
- Regular stack monitoring and ambient air

Water Management & Conservation

ECHJAY follows a **zero liquid discharge approach (where feasible)** and focuses on reducing freshwater consumption across operations. ECHJAY has taken various initiatives to improve the water performance for recycling of treated wastewater in cooling towers, flushing in sanitation and for gardening activities.

Actions Undertaken

Rainwater harvesting and groundwater recharge structures.	Rainwater Harvesting through Storage Tank
Recycling of process water through settling tanks and filtration.	Reuse of ETP treated water in Cooling Tower Reuse of water from the Ring Rolling process by installation of water recycling plant
Installation of flow meters and benchmarking of water intensity.	Installed Digital flow meter along with Telemetry System to monitor water consumption records
Stormwater management and preventing contamination risks.	Stormwater after filtration collected into the rainwater harvesting tank.

Waste Management & Circularity

ECHJAY is committed to responsible waste handling and maximizing the circular use of materials.

Key Focus Areas

- **Scrap metal recycling:** All forging scrap is segregated and returned to certified recyclers, ensuring value recovery.
- **Hazardous waste management:** Strict adherence to manifest systems, secure storage, disposal for coprocessing and through authorized TSDF facilities.
- **Used oil & lubricant management** under Hazardous Waste Rules.
- Partnering with suppliers for recyclable materials.

Resource Efficiency & Sustainable Production

ECHJAY integrates sustainability principles into production planning and raw material usage.

Key Improvements

Process optimization through automation and digital monitoring.	<ul style="list-style-type: none"> Digital temperature monitoring and data logging systems have been installed on induction heating and heat treatment furnaces to ensure accurate thermal control, traceability, and compliance with customer and quality requirements.
Yield improvement initiatives to reduce material wastage.	<ul style="list-style-type: none"> In-process inspection and quality monitoring systems have been implemented to identify defects at an early stage, reducing rework, rejection, and material wastage. Near-net-shape forging techniques have been implemented to minimize excess material removal during machining, thereby reducing raw material consumption. Cutting length optimization and billet weight standardization have been implemented to reduce end losses and trimming scrap
Preventive maintenance to enhance equipment lifespan and reduce resource use.	<ul style="list-style-type: none"> A structured preventive maintenance program has been implemented for all critical forging, heat treatment, and material handling equipment to reduce breakdowns and extend asset life. Regular inspection and preventive replacement of wear parts such as dies, bearings, seals, and hydraulic components have been implemented to prevent failures and reduce scrap and rework.
Sustainable procurement practices for raw materials, fuels, and chemicals.	<p>Eliminate the use of LSHS substituting with PNG</p>

Biodiversity & Ecosystem Protection

Although ECHJAY's operations are in industrial zones with no direct encroachment on ecologically sensitive areas, the company takes proactive steps to support local environmental enhancement initiatives.

Actions

Plantation drives and creation of green areas around facility perimeters.	96 trees are planted in our manufacturing premises.
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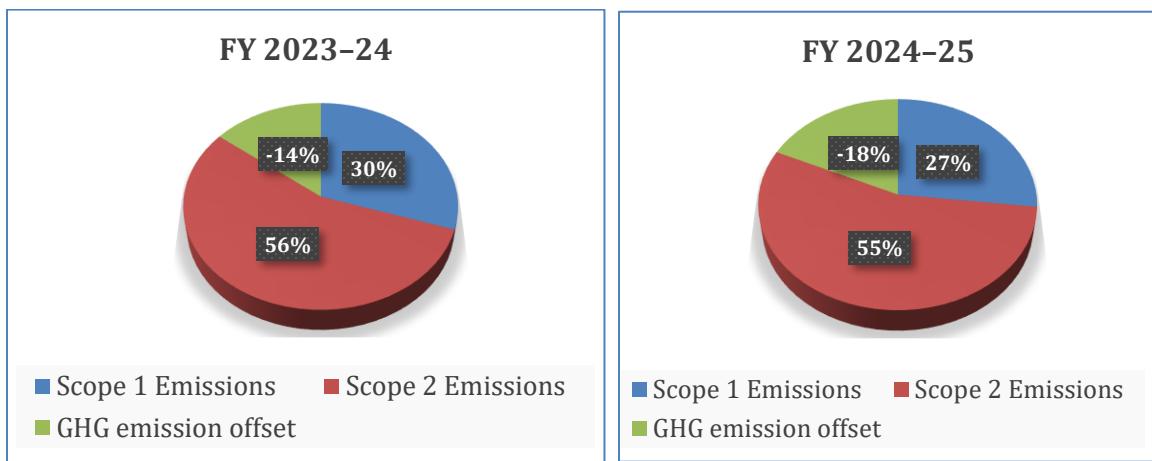
Use of native species to support local ecosystems.	We use native species to support local biodiversity enhancement.
Dust and noise control measures to protect surrounding communities.	This plantation created a good canopy which acts as a natural dust arrestor and protects the nearby community from noise.

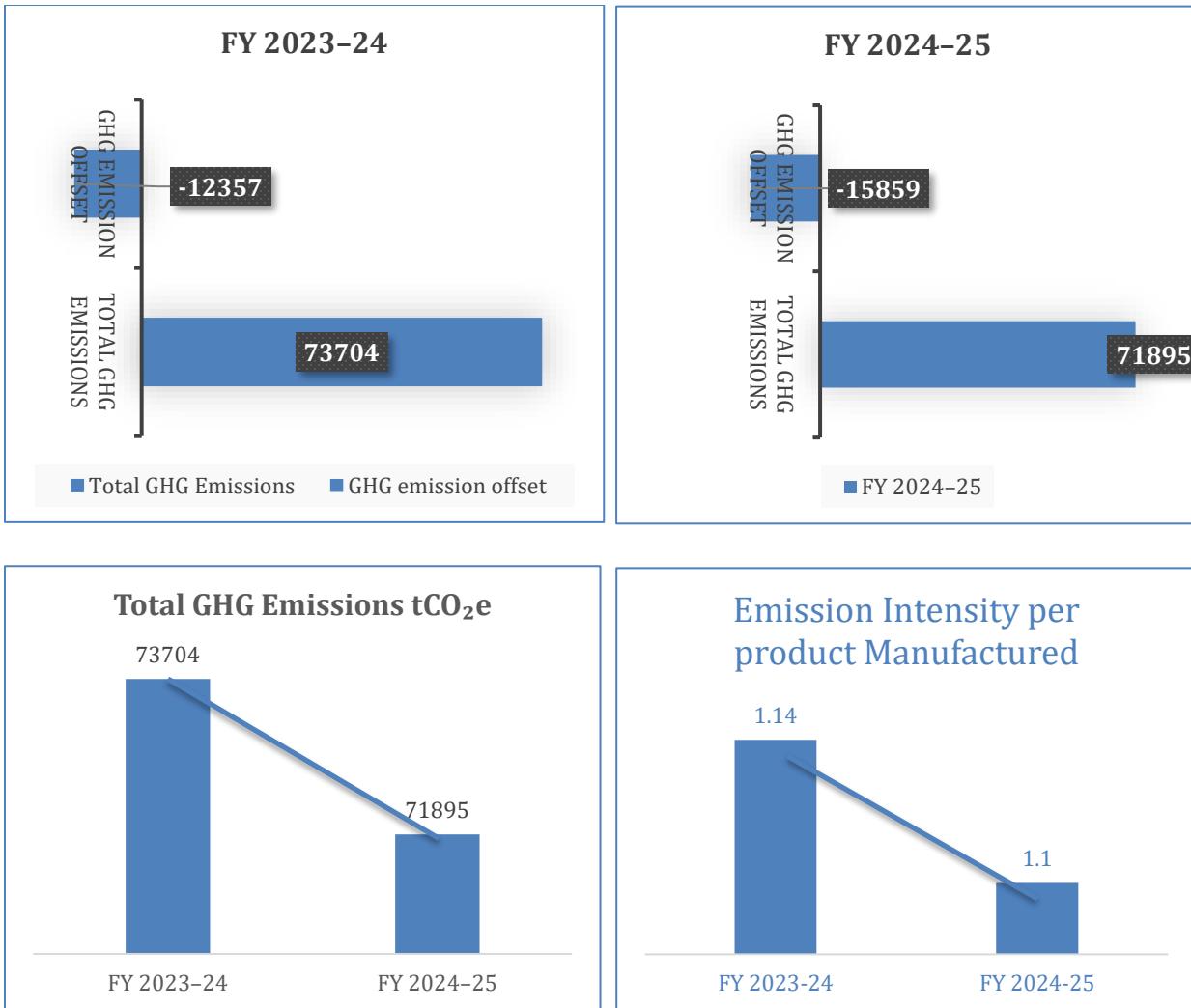
Compliance, Monitoring & Reporting

ECHJAY follows a robust compliance framework to ensure adherence to state and national environmental regulations.

Key Elements

GPCB compliance (CTE, CTO, Hazardous Waste Authorization)	We follow all regulatory compliance
Routine environmental monitoring for air, water, noise, and soil.	We conduct environmental monitoring as per the regulatory compliance management
Transparent reporting through sustainability disclosures, BRSR, and stakeholder communications.	We are transparent for our sustainability disclosure with our stakeholders
Third-party audits and assessments, where required.	Conduct third party audits as per the regulatory requirements such as Water & Energy audits, ISO audits for continual improvements.





7.2 Water Stewardship

ECHJAY recognizes water as a shared resource. Both plants are equipped with closed-loop cooling systems and wastewater treatment plants.

Parameter	Unit	FY 2023-24	FY 2024-25
Total Water Withdrawal	Million Liter	115.760	113.495
Water Consumption	Million Liter	95.883	85.673
Water Recycled/Reused	%	28	35
Freshwater Intensity	m ³ /ton product	0.15	0.13

Actions Implemented

- Rainwater harvesting structure capacity: 3,500 m³/year.
- 2-stage RO + ETP system commissioned.
- Community water conservation through CSR initiatives in nearby villages.

7.3 Waste Management & Circular Economy

ECHJAY follows the **3R Principle (Reduce–Reuse–Recycle)** and works towards **reducing waste sent to landfill through circular economy practices**. ECHJAY has designed the integrated waste management methodology and implemented it in its manufacturing facilities. The waste has been categorised as per the Indian regulatory sustainability reporting framework “Business Responsibility Sustainability Report” designed and developed by the Security Exchange Board of India (SEBI). As per the table given below.

The metal scrap generated from the process has been disposed to the metal scrap recovery company who further recycled the material.

Waste Type	Generated (tons)	% disposed	Disposal Method
Plastic Waste	1.000	100	Vendor recycling
E-Waste	0.730	100	Vendor recycling
Other HW	12.113	50	Vendor recycling
		33	Incineration Cotton Waste
		17	Landfilling of ETP Sludge
Other non-HW	385.705	10	<ul style="list-style-type: none"> 3% Paper waste vendor recycling 7% Wooden waste reused for packaging of products
		90	<ul style="list-style-type: none"> Landfill to MSW

ECHJAY has planned several sustainability initiatives to improve the waste management practices through circular economy.

Initiatives

Other HW	Other non-HW
<p>33% cotton waste will be diverted for energy recovery as per the Rule-9 of the Central Pollution Control Board for co-processing facility from incineration.</p>	<p>ECHJAY will plan to install Organic Waste converter for the kitchen waste management and will divert the organic waste from MSW to value added manure generation which will further be used by the gardening within its premises.</p>

8. Social Responsibility & Workforce Development

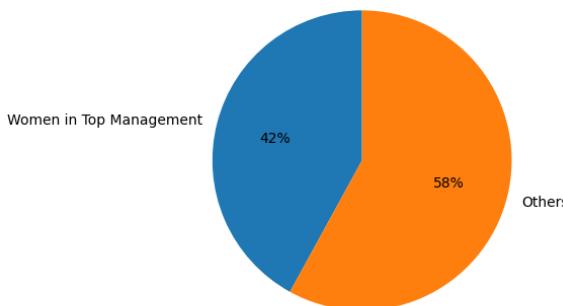
ECHJAY's people are at the core of its success. The Company promotes a culture of safety, diversity, and continuous learning while actively contributing to community development. Women represent 42% of top management positions (3 women in leadership roles). Approximately 31% of the workforce (~673 employees) belong to minority groups.

Workforce Indicator	Overview	Unit	FY 2024–25
Total Employees	No.	~2,171	
Contract Workers	%	25	
Women Employees	%	1.5	
Total Training Hours	Hours/year	8,915	
Employees Covered under EHS Training	%	100	

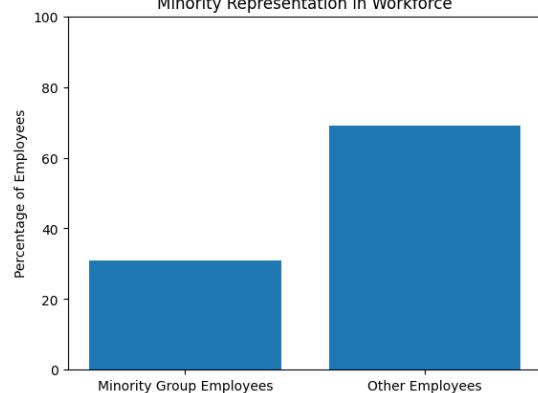
Key Initiatives

- “Safe Start” behaviour-based safety program launched.
- Skill development workshops on forging automation and CNC programming.
- Employee wellness camps in collaboration with Rajkot hospitals.
- Worker canteen upgraded with improved hygiene & waste segregation.

Gender Diversity in Top Management



Minority Representation in Workforce



8.1 Employee Turnover Ratio

ECHJAY recognizes that employee stability and engagement are critical to operational excellence, safety, and long-term value creation. The Company monitors employee turnover on a monthly and annual basis for both

Employee Turnover Performance			
Category	FY 2023–24 (Average)	FY 2024–25 (Average)*	Target
Permanent Employees	0.86%	0.95%	< 5%
Contract Workforce	3.66%	4.31%	< 10%

*FY 2024–25 based on available YTD data.

permanent employees and contract workforce.

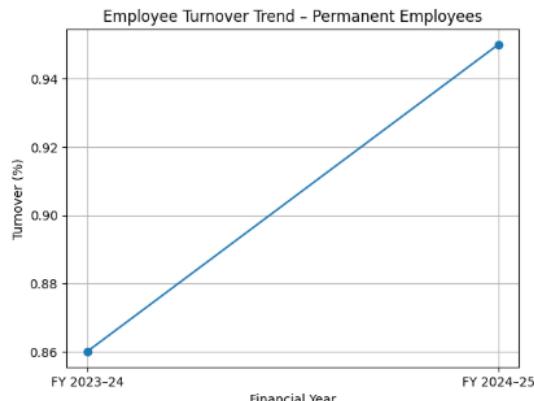
Targets & Commitments – delete section

ECHJAY has established clear workforce-related targets to support employee engagement and retention:

- Maintain permanent employee turnover below 5%
- Maintain contract workforce turnover below 10%
- Improve employee engagement scores year-on-year
- Achieve zero fatal occupational injuries
- Increase participation in training, skill development and wellbeing programs

Key Observations

- Employee turnover for permanent employees remained significantly below the internal threshold of 5%, indicating strong workforce stability.
- Contract workforce turnover remained within the defined limit of 10%, reflecting improved contractor management and engagement practices.
- Slight year-on-year variation reflects normal workforce rationalization and expansion activities.



8.2 Employee Retention Initiatives

The Company follows a structured approach to retain skilled talent and foster long-term association:

Career Development & Skill Enhancement	Performance & Recognition (delete column – repeated)	Engagement & Communication
<ul style="list-style-type: none"> • Regular technical and safety training programs • On-the-job skill development and mentoring • Promotion of internal talent for supervisory and leadership roles 	<ul style="list-style-type: none"> • Regular technical and safety training programs • On-the-job skill development and mentoring • Promotion of internal talent for supervisory and leadership roles 	<ul style="list-style-type: none"> • Periodic employee interactions and feedback sessions • Open-door policy for grievance redressal • Worker participation through safety committees and quality circles

8.3 Employee Health, Safety & Wellbeing

ECHJAY places strong emphasis on employee wellbeing, occupational health, and safe working conditions.

Occupational Health & Safety	Wellbeing Initiatives
<ul style="list-style-type: none"> • Compliance with statutory health & safety requirements • Regular health check-ups for employees and contract workers • Workplace hazard identification and risk assessment • Safety training, toolbox talks, and mock drills 	<ul style="list-style-type: none"> • Clean and hygienic workplace facilities • Access to safe drinking water and sanitation • Awareness programs on hygiene, nutrition and mental wellbeing • Initiatives promoting work-life balance

8.4 Employee Benefits

ECHJAY provides statutory and additional benefits to support employee welfare and social security.

Statutory Benefits	Additional Benefits
<ul style="list-style-type: none"> • Provident Fund (PF) • Employees' State Insurance (ESI) • Gratuity • Paid leave and holidays • Maternity benefits as per applicable law 	<ul style="list-style-type: none"> • Canteen and drinking water facilities • Transportation support (where applicable) • Safety gear and personal protective equipment (PPE) • Medical support and first-aid facilities • Welfare initiatives for contract workforce through principal employer oversight

8.5 Training & Skill Development

Training and continuous skill development are key enablers for enhancing employee competence, operational efficiency, and long-term organizational sustainability. ECHJAY recognizes that a skilled and knowledgeable workforce is essential to maintain product quality, workplace safety, ethical conduct, and business resilience.

Training programs are delivered through:

- Internal subject matter experts
- External professional trainers and consultants
- Structured classroom sessions, toolbox talks, on-the-job training, and awareness programs

Training Governance & Planning

The Human Resources (HR) team at ECHJAY conducts a Training Need Identification (TNI) exercise annually across all levels of the organization. Based on the TNI, a detailed

annual training plan is developed covering employees, shop-floor workers, contract workforce, and senior management.

Training Performance Summary

ECHJAY ensures continuous skill enhancement through an annual Training Need Identification (TNI) process and structured execution of technical, safety, ethical, and operational training programs. Consistent average training hours per employee demonstrate the Company's commitment to human capital development and long-term organizational sustainability.

FY 2023–24 Training Overview

Training Category	No. of Trainings	Employees Trained	Training Hours
Technical	30	191	264
Non-Technical (Safety, Health, 5S, Awareness)	41	951	528.5
Soft Skills	4	53	314
Behaviour / Ethics / Discipline	6	80	80
Human Rights / POSH / Child & Forced Labour	7	1,003	501
Other Operational / Refresher Trainings	180	1,647	4,703
Total	268	3,925	6,390.5

FY 2024–25 Training Overview

Training Category	No. of Trainings	Employees Trained	Percentage of covered employees	Training Hours
Technical / Career Development	80	1007	46.38	2517
Non-Technical (Safety, Fire, 5S, Health)	50	974	44.86	1160
Soft Skills (Induction, Communication)	18	189	08.70	189
Behaviour / Ethics / Discipline	78	827	38.09	372
Human Rights / Anti-Discrimination & Harassment / POSH	93	1011	46.56	1011
Other Operational / Refresher Trainings	179	1,992	91.75	3666
Total	498	6000		8915

Key Focus Areas

- **Technical & Operational Excellence:** Skill enhancement in forging operations, quality, maintenance, and productivity improvement
- **Health & Safety:** Safety induction, fire safety, occupational health, 5S, and emergency preparedness
- **Ethics & Compliance:** POSH, human rights, anti-discrimination, child and forced labour awareness
- **Soft Skills & Leadership:** Communication, induction, behavioural discipline, and people management
- **Continuous Improvement:** Refresher and awareness programs to reinforce standard operating procedures

A detailed training matrix (topic-wise) is maintained and reviewed periodically to track participation, coverage, and effectiveness.

ECHJAY maintained consistent training coverage per employee across reporting periods, reflecting a structured and need-based training approach aligned with long-term workforce capability building.

Average training hours reflect structured, need-based programmes across operational and support functions.

Average Training Hours per Employee	
FY	Avg. Training Hours / Employee
FY 2023–24	1.63 hours
FY 2024–25	1.62 hours

Impact & Outcomes

- Improved employee competency and productivity
- Enhanced workplace safety and compliance culture
- Strengthened ethical conduct and awareness across the workforce
- Support for employee retention and engagement
- Contribution to long-term organizational sustainability and operational resilience

ECHJAY maintained a strong focus on employee capability building through structured training programs across technical, safety, ethical, and operational domains. While total training hours varied year-on-year, comprehensive coverage across workforce categories was ensured.

8.6 Human Rights

ECHJAY is committed to respecting, protecting, and promoting human rights across its operations and value chain. In reference to the UN Guiding Principles on Business and Human Rights (UNGPs), ILO Core Conventions, and GRI Standards (GRI 403, 404, 413, 414), ECHJAY has undertaken a structured assessment of human rights risks to identify,

assess, and mitigate potential human rights risks associated with its manufacturing activities, workforce, contractors, and communities.

Objective of the Assessment	Scope and Methodology	The assessment methodology included:
<p>The primary objectives of the Human Rights Risk Assessment are to:</p> <ul style="list-style-type: none"> • Identify actual and potential human rights risks across operations • Evaluate the severity and likelihood of identified risks • Assess existing controls and residual risks • Strengthen preventive and corrective measures • Ensure compliance with national laws and international human rights norms 	<p>The assessment covers:</p> <ul style="list-style-type: none"> • Direct employees, including permanent and contractual workforce • Migrant and third-party contract workers • Operational sites and associated activities • Security practices and community interface 	<ul style="list-style-type: none"> • Review of company policies and procedures • Management interviews and workforce consultations • Risk scoring based on impact and likelihood, categorized as High, Medium, or Low • Evaluation of residual risk after considering existing controls

Key Human Rights Risk Areas Assessed

1	Child Labour, Forced Labour & Human Trafficking	ECHJAY maintains a zero-tolerance policy towards child labour, forced labour, and human trafficking. Recruitment processes, age verification mechanisms, and contractor compliance requirements significantly reduce risk.	Residual Risk Level: Low
2	Migrant Workers' Labour Rights	Given the presence of migrant and contractual workers, risks related to wages, working conditions, and access to facilities were assessed. ECHJAY has established fair wage practices, documented contracts, and adequate living and welfare facilities.	Residual Risk Level: Medium to Low
3	Workplace Discrimination & Harassment	Risks related to discrimination based on gender, caste, religion, or background were evaluated. ECHJAY promotes diversity and inclusion, supported by anti-discrimination and anti-harassment policies, internal committees, and awareness programs.	Residual Risk Level: Low

4	Occupational Health & Safety	Health and safety remain a critical human rights priority due to the nature of manufacturing operations. Risks include workplace injuries and occupational health exposure. These are mitigated through ISO-aligned safety systems, PPE usage, training, and regular audits.	Residual Risk Level: Medium
5	Working Hours, Wages & Benefits	Compliance with statutory working hours, minimum wages, overtime payments, and employee benefits was assessed. Robust payroll systems and labour law compliance mechanisms are in place.	Residual Risk Level: Low
6	Right to Livelihood	ECHJAY supports stable employment, skill development, and fair remuneration, thereby upholding the right to livelihood for employees and contract workers.	Residual Risk Level: Low
7	Freedom of Association & Collective Bargaining	ECHJAY respects employees' rights to freedom of association and collective bargaining, in line with applicable laws. No restrictions on lawful association were identified.	Residual Risk Level: Low
8	Security-Related Human Rights Risks	Potential risks related to the conduct of security personnel were assessed. Engagement of trained security staff and clear codes of conduct mitigate misuse of authority.	Residual Risk Level: Low
9	Access to Grievance Redressal Mechanism	ECHJAY has established accessible grievance mechanisms for employees and workers, ensuring confidentiality, non-retaliation, and timely resolution.	Residual Risk Level: Low
10	Food Safety and Welfare Facilities	Risks related to hygiene, food safety, and welfare facilities were evaluated. Regular inspections and compliance with food safety norms ensure employee well-being.	Residual Risk Level: Low

Governance and Management Oversight

The Human Rights Risk Assessment is overseen by Company Management, with responsibilities embedded across HR, EHS, and Compliance functions. Findings from the assessment are reviewed periodically, and corrective actions are integrated into operational controls and training programs.

Continuous Improvement

ECHJAY is committed to:

- Periodic reassessment of human rights risks
- Strengthening supplier and contractor due diligence

- Expanding awareness and training on human rights
- Enhancing grievance mechanisms and transparency

Through this proactive approach, ECHJAY aims to foster a safe, inclusive, and rights-respecting workplace, while contributing positively to employees, communities, and society at large.

8.7 Occupational Health & Safety (OHS)

ECHJAY's OHS management is informed by ISO 45001 standards. Regular risk assessments and safety drills ensure preparedness and prevention.

OHS Initiatives

Parameter	Unit	FY 2023–24	FY 2024–25
Recordable Injury Rate	per 200,000 hrs	7.22	4.97
Lost Time Injury (LTI)	No.	11.27	7.71
Fatalities	No.	0	0
Near Misses Reported	No.	22	45

- Installation of IoT-based safety sensors in furnace zones.
- Fire and evacuation mock drills across both plants.
- Contractor safety training prior to site induction.
- Monthly “Safety Champion” recognition program.

8.8 Diversity, Equity, and Inclusion

While the forging industry has traditionally been male-dominated, ECHJAY is steadily fostering a more inclusive work environment. The Company has taken several initiatives to hire women and persons with disabilities wherever job roles are suitable and aligned with their skills and capabilities.

Initiatives include:

- Apprenticeship programs for women in machine operations.
- Maternity benefit compliance for all eligible employees.
- “Equal Work, Equal Pay” policy implementation.

As of 31 March 2025, ECHJAY has employed 34 women employees and 35 differently disabled employees. The Company firmly believes in inclusive growth and is committed to providing equal opportunities to all, irrespective of gender or physical ability.

9. Sustainable Procurement & Supply Chain Management

Sustainable procurement is a strategic priority and forms an integral part of ECHJAY's long-term sustainability and responsible sourcing framework. The Company seeks to embed environmental, social, and ethical considerations across its supply chain to enhance resilience, manage risks, and create shared value.

As part of this commitment, ECHJAY has developed and implemented a **Supplier Code of Conduct**, which outlines minimum expectations related to **business ethics, human rights, labour practices, occupational health and safety, environmental protection, and regulatory compliance**. The Code serves as a foundational tool for engaging suppliers and aligning them with ECHJAY's sustainability principles.

Supplier Engagement and Awareness

The Company has initiated structured engagement programs with its **Tier 1 suppliers** to build awareness of ECHJAY's sustainability journey and communicate expectations under the Supplier Code of Conduct. These engagements include formal communication and on-boarding discussions aimed at reinforcing sustainability expectations.

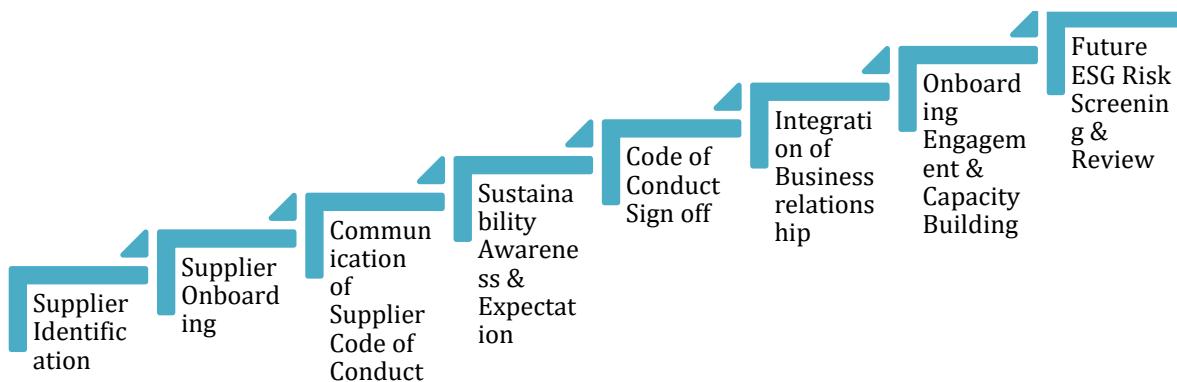
This section outlines ECHJAY's sustainable procurement approach, supplier engagement mechanisms, key performance indicators (KPIs) for BRSR disclosure, and climate & ESG risk management aligned with TCFD recommendations.

Supplier KPIs for BRSR Disclosure (Principle 2)

KPI Category	Indicator	Unit	FY Reporting Value	Remarks / Methodology
Supplier Base	Total Tier 1 Suppliers	Number	63	Direct procurement suppliers
Supplier Engagement	Suppliers communicated on sustainability	%	100%	Formal onboarding & communication
Supplier Code of Conduct	Suppliers signed Code of Conduct	%	48% (30)	Signed ethical & ESG commitment
Responsible Sourcing	Suppliers contractually bound to Code	%	48%	Linked to business relationship

ESG Screening	Risk	Suppliers screened for ESG risks	%	Initiated	Phased rollout planned
Environmental Compliance	Environmental compliance expectation	Qualitative	Yes	Via Supplier Code	
Social Compliance	Labour & OHS compliance expectation	Qualitative	Yes	Child labour, wages, safety	
Capacity Building	Supplier awareness sessions	Number	Ongoing	Sustainability engagement	

Supplier Engagement Flow



TCFD-Aligned Supply Chain Risk Management

ECHJAY recognizes that its supply chain may be exposed to **climate-related, environmental, and social risks**, which could have potential implications for operational continuity, cost structures, and long-term value creation.

To manage these risks, ECHJAY follows an engagement-driven approach supported by its Supplier Code of Conduct and structured supplier communication. Priority is given to Tier 1 suppliers based on spend, criticality, and potential ESG impact. Over time, ECHJAY plans to integrate ESG risk screening and strengthen supplier resilience in alignment with TCFD risk management recommendations.

From a **TCFD perspective**, key supply chain risks identified include:

Transition risks	Physical risks	Social and governance risks
Such as evolving environmental regulations, compliance costs, and supplier readiness for sustainability expectations	Including climate-related disruptions affecting supplier operations, logistics, or availability of raw materials	Including labour practices, occupational health and safety, and ethical compliance within the supply chain

Sustainability expectations are communicated during supplier onboarding, and priority is given to **Tier 1 suppliers** based on spend, criticality, and potential ESG impact.

<p>While formal climate and ESG risk screening of suppliers is at an early stage, ECHJAY plans to progressively:</p> <ul style="list-style-type: none"> • Integrate ESG risk screening into supplier evaluation • Prioritize high-impact and high-dependency suppliers • Strengthen supplier resilience through awareness and capacity-building initiatives 		
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This approach aligns with ECHJAY's broader climate risk management strategy and supports long-term supply chain resilience in line with **TCFD recommendations on risk identification, mitigation, and governance**.

TCFD Alignment	Supply Chain Coverage and Performance
<ul style="list-style-type: none"> • Risk Management: Identification and management of climate-related risks in the value chain • Strategy: Enhancing supplier resilience to climate and regulatory transitions • Governance: Oversight through procurement and sustainability functions 	<ul style="list-style-type: none"> • Total Tier 1 suppliers: 60% (60% of what?) delete point • Tier 1 suppliers engaged on sustainability and Code of Conduct: (100%) • Tier 1 suppliers who have signed the Supplier Code of Conduct: (48%)

The Company continues to actively engage with the remaining suppliers to increase adoption and compliance with the Supplier Code of Conduct.

ESG Risk Management in the Supply Chain

ECHJAY recognizes that supply chain operations can present **environmental, social, and governance (ESG) risks**, including labour practices, environmental impacts, and compliance gaps. To address these risks, ECHJAY:

- Integrates sustainability expectations during supplier onboarding
- Prioritizes engagement with high-spend and high-impact suppliers
- Encourages adherence to legal, environmental, and occupational health and safety requirements
- Promotes continuous improvement rather than exclusion-based supplier management

Targets and Way Forward

To strengthen sustainable procurement practices, ECHJAY has set the following medium-term objectives:

Increase Supplier Code of Conduct sign-off to over 75% of Tier 1 suppliers by the next reporting cycle

Initiate ESG risk screening for critical Tier 1 suppliers

Introduce periodic supplier sustainability assessments or self-declarations

Enhance supplier capacity building through focused awareness and training programs

These initiatives support the Company's broader sustainability goals while reinforcing responsible sourcing, ethical business conduct, and long-term supply chain resilience.

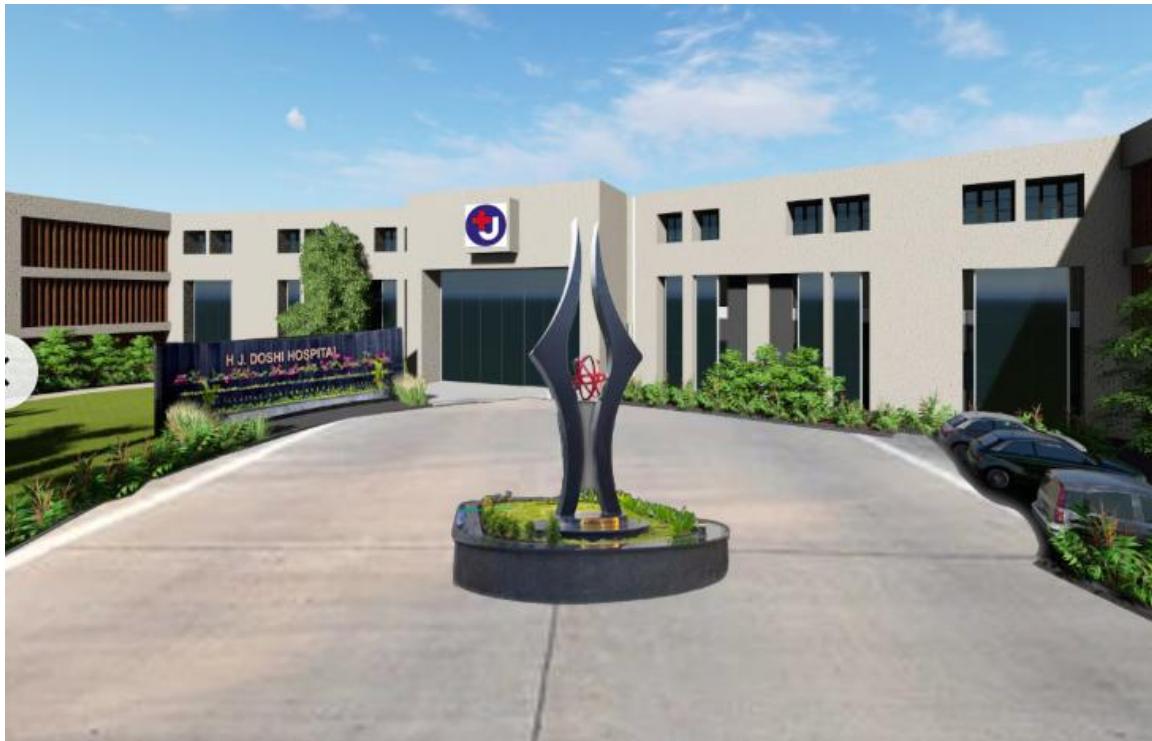
10. CSR Investment & Community Development

Local communities are a key stakeholder for ECHJAY and the organisation is committed to contributing towards inclusive social development and nation-building. In line with its corporate values and statutory obligations, Corporate Social Responsibility (CSR) initiatives are undertaken in accordance with Section 135 read with Schedule VII of the Companies Act, 2013.

CSR investments focus on creating long-term social value, supporting local communities, and addressing key societal needs through structured interventions.

CSR Governance & Approach

- CSR initiatives are identified and implemented in compliance with **Schedule VII permitted activities**
- Focus on areas relevant to community needs and social priorities
- Preference for sustainable, impact-oriented programs
- Monitoring of CSR activities to ensure transparency and accountability



Flagship CSR Initiative – H.J. Doshi Hospital Trust

Healthcare access is a key focus area of ECHJAY's CSR efforts. Through the H.J. Doshi Hospital Trust, the Company supports the delivery of affordable and accessible healthcare services to the local community. The hospital operates as a not-for-profit healthcare

institution and provides essential medical and emergency services, contributing to regional healthcare access.

- Established in 1979 in Rajkot.
- 180,000 sq. ft. facility with 150 beds.
- 24x7 emergency services.
- Fully-stocked pharmacy.
- OPD, Gynaecology, CT Scan, MRI, Dialysis, Pathology, Cath Lab, Suite Rooms.

Permitted CSR Contribution Categories (Schedule VII, Companies Act, 2013)
 ECHJAY's CSR investments fall under the following permitted categories and sub-categories:

CSR Investment Summary FY 2024–25

Sr No.	CSR Focus Area	ECHJAY Activities
1	Health, Sanitation & Nutrition	<ul style="list-style-type: none"> • Contribution towards healthcare initiatives to support hospitals in providing improved medical treatment • Support for construction and provision of sanitation blocks (3 nos.) for needy communities • Assistance to community members for access to food and hygiene facilities
2	Education & Skill Development	<ul style="list-style-type: none"> • Financial assistance provided to 1,146 talented students towards payment of education fees • Sponsorship support to 50 physically challenged children through provision of education kits, books, school bags, and essential learning tools • Encouragement of municipal school children by providing art and craft materials to enhance creativity and skill development
3	Upliftment of Society	<ul style="list-style-type: none"> • Distribution of essential materials to large groups of society during cultural and social events organized by the Government of India
4	Cultural Activities	<ul style="list-style-type: none"> • Promotion of cultural activities within the community • Financial assistance to encourage individuals interested in art and music, supporting preservation of cultural heritage

Annexures

Annexure I – GRI Content Index

GRI Standard	GRI Disclosure	Topic	Relevant UN SDGs	TCFD Pillar	Report Section	Ref pg. no.
A. Universal & Governance Disclosures						
GRI 2	2-1 to 2-5	Organizational details & reporting practices	SDG 12, SDG 16	Governance	About the Report, Company Overview	4
GRI 2	2-9, 2-10	Governance structure & composition	SDG 16	Governance	Governance & Leadership	13
GRI 2	12-15	Senior leadership responsibility	SDG 16	Governance	Governance & Leadership	2, 12, 42, 44
GRI 2	2-23, 2-24	Code of Conduct & ethics	SDG 16	Governance	Ethics, Integrity & Compliance	14, 42
GRI 2	2-26	Whistle-blower mechanism	SDG 16	Governance	Ethics & Compliance	8-9, 13-14, 16, 33-34
GRI 2	2-29	Stakeholder engagement	SDG 17	Governance	Materiality & Stakeholder Engagement	8
GRI 3	3-1 to 3-3	Material topics identification & management	SDG 12, SDG 13, SDG 8	Strategy		8-9, 20, 43
B. Environmental Disclosures						
GRI 302	Energy	Energy consumption, intensity, renewable share	SDG 7, SDG 13	Metrics & Performance	Environmental Stewardship – Energy	3, 5-6, 8-10
GRI 305	Emissions	Scope 1 & 2 GHG emissions, intensity, reduction actions	SDG 13	Metrics & Performance	Climate Strategy & GHG Emissions	3-5, 8-10, 13-15
GRI 303	Water	Water withdrawal, recycling, intensity	SDG 6	Risk Management	Water Stewardship	3, 8-10, 13, 20, 22
GRI 306	Waste	Waste generation, recycling, hazardous waste	SDG 12	Strategy	Waste Management & Circularity	3-4, 8-9, 13, 15, 17, 21-22, 25, 29

GRI 305-7	Air Emissions	NOx, SOx, PM monitoring	SDG 3, SDG 12	Risk Management	Air Emissions Control	8-10, 21, 25
GRI 304*	Biodiversity (limited)	Plantation & greenbelt initiatives	SDG 15	Strategy	Biodiversity & Ecosystem Protection	21, 26
C. Social Disclosure						
GRI 401	Employment	Workforce composition, turnover	SDG 8	–	Workforce Overview	19-20
GRI 403	OHS	LTIFR, training, Zero Harm	SDG 3, SDG 8	Physical Risk (Heat Stress)	Health & Safety	35, 37
GRI 404	Training & Education	Training hours, skill development	SDG 4, SDG 8	Transition Readiness	Training & Skill Development	11, 17-20, 30-33
GRI 405	Diversity & Equal Opportunity	Gender diversity	SDG 5, SDG 10	–	DEI	9, 11, 26
GRI 413	Community Engagement	CSR initiatives & beneficiaries	SDG 1, SDG 3, SDG 4	–	CSR & Community Development	11
D. Supply Chain Disclosure						
GRI 204	Procurement Practices	Local sourcing, supplier engagement	SDG 8, SDG 12	Strategy	Supply Chain	26, 29
GRI 308	Supplier Environmental Assessment	ESG screening & supplier engagement	SDG 12, SDG 13	Risk Management	Sustainable Supply Chain	45
GRI 414	Supplier Social Assessment	Labour & OHS compliance	SDG 8, SDG 16	Risk Management	Supplier ESG Evaluation	45
Climate Change & TCFD-Specific Alignment						
Governance	Board & management oversight of climate risks	GRI 2-9, 2-12	SDG 13, SDG 16	Governance & Leadership	2, 12, 42, 44	
Strategy	Climate risks, opportunities, decarbonization roadmap	GRI 3, GRI 305	SDG 7, SDG 13	Climate Strategy	8-9, 17, 20-21	
Risk Management	Identification & mitigation of physical & transition risks	GRI 2-27	SDG 13	Risk Management	9, 13, 16, 20-22	

Metrics & Performance	GHG emissions, energy intensity, RE targets	GRI 302, 305	SDG 7, SDG 13	KPI Dashboard & Environmental Section	24
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UN SDG ECHJAY Contribution Areas	
SDG 3	Occupational health & safety, medical CSR
SDG 4	Training, skill development, education CSR
SDG 6	Water reuse, rainwater harvesting
SDG 7	Renewable energy transition
SDG 8	Safe employment, training, decent work
SDG 12	Circularity, waste recycling
SDG 13	Climate action, Net Zero roadmap
SDG 15	Greenbelt & plantation initiatives
SDG 16	Ethics, governance, transparency
SDG 17	Supplier & community partnerships

Annexure II – SDG Mapping

SDG	Description	ECHJAY Initiative
SDG 6	Clean Water and Sanitation	Water reuse & CSR water projects
SDG 7	Affordable & Clean Energy	Renewable power transition
SDG 8	Decent Work & Economic Growth	Employee training & safety
SDG 12	Responsible Consumption & Production	Waste recycling & circularity
SDG 13	Climate Action	Net Zero roadmap
SDG 17	Partnerships for Goals	Supplier ESG partnerships