Press Release

CareEdge-ESG Assigns ESG Rating to the Sugar Sector

CareEdge ESG RATINGS
A subsidiary of CARE Ratings Limited

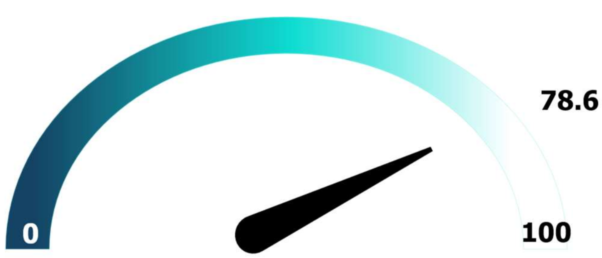
CARE ESG Ratings Limited (CareEdge-ESG) assigns ESG rating to Balrampur Chini Mills Limited

CARE ESG Ratings Limited (CareEdge-ESG), a Securities & Exchange Board of India (SEBI)-registered Issuer-pays ESG Rating Provider (ERP) and a wholly owned subsidiary of CARE Ratings Limited, assigned ESG Rating to a sugar sector entity. CareEdge-ESG assigned an ESG Rating to Balrampur Chini Mills Limited (BCML).

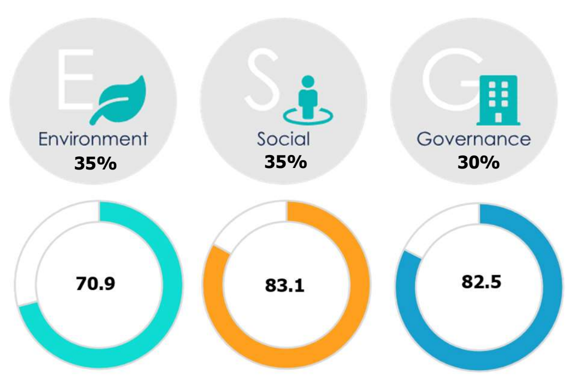
Balrampur Chini Mills Limited (BCML), headquartered in Kolkata, is one of India's largest integrated sugar manufacturing companies with operations spanning sugar production, ethanol manufacturing, and renewable power generation through cogeneration. The company plays a significant role in supporting India's rural economy, renewable energy, and ethanol blending objectives through its diversified business model and extensive agricultural value chain. BCML has demonstrated a strong commitment towards sustainability, focusing on climate change mitigation, renewable energy utilisation, water stewardship, responsible sourcing, community development, and robust governance practices. BCML received a CareEdge-ESG 1 rating with an ESG score of 78.6. The ESG rating reflects its leadership position in managing ESG risk through best-in-class disclosures, policies, and performance. Please follow the link for a detailed rationale of BCML's ESG rating.

The rating assigned to BCML reflects its well-integrated approach towards sustainability across environmental, social, and governance dimensions. BCML has demonstrated leadership in climate change management, resource efficiency, responsible supply chain practices, community development, human rights, and governance transparency. The company has showcased strong performance in renewable energy utilisation, water management, value chain engagement, product stewardship, and ESG oversight. The company's continued focus on sustainable agriculture, operational efficiency, employee welfare, and transparent governance practices positions it well to support long-term sustainable growth and resilience.

ESG Score



Pillar Weights and Scores



Rating Scale

CareEdge-ESG's ratings are derived from a comprehensive analysis of the environmental, social, and governance risks and opportunities associated with a company. A composite score is calculated based on the company's performance across key indicators, addressing significant themes from the three pillars of ESG. CareEdge-ESG's methodology encompasses approximately 300 indicators across 18 themes for the sugar industry. Given the sector's dependence on agricultural raw materials, water resources, and a large workforce, themes such as climate change risk management, water usage & management, employee health & safety, and community support & development are particularly material to long-term sustainability and business resilience. Accordingly, the Environmental and Social pillars have been assigned equal weightages of 35% each.

Although ESG ratings are relatively new, their importance is rapidly increasing among investors, regulators, and other stakeholders. These ratings help investors make informed decisions by highlighting an entity's exposure to and management of non-financial risks as well as long-term performance objectives and values. Companies with strong ESG credentials often demonstrate superior financial performance and are more successful in attracting a diverse array of investors and raising capital. Moreover, ESG ratings offer valuable insights to rated entities through peer benchmarking and industry medians, allowing them to pinpoint areas for improvement, incentivise sustainable transitions, and encourage responsible business practices.

Saikat Roy, Chief Executive Officer, CareEdge-ESG, commented, "At CareEdge-ESG, we view BCML's rating as recognition of its efforts to strengthen business resilience through sustainable resource utilisation, stakeholder-centric growth and responsible governance. In the current macroeconomic environment, where investors are increasingly focused on long-term sustainability and risk-adjusted returns, a strong ESG profile can provide an important source of differentiation. BCML's performance positions it favourably with capital providers seeking businesses that are well-equipped to navigate evolving environmental, social and economic priorities."

Nikunj Dube, Chief Ratings Officer, CareEdge-ESG, commented, "BCML's rating of 78.6 reflects a relatively mature sustainability framework supported by consistent performance across key environmental, social and governance parameters. Compared with industry peers, the company demonstrates stronger integration of sustainability within its operations and value chain, resulting in favourable outcomes across resource management and stakeholder engagement. The assessment highlights BCML's ability to balance operational efficiency with broader socio-economic impact, particularly through its engagement with farming communities and rural livelihoods."

Ms Avantika Saraogi, Executive Director, Balrampur Chini Mills Limited, commented, "We are delighted to receive our inaugural ESG Rating from CARE ESG Ratings. This recognition reflects our unwavering commitment towards integrating environmental, social, and governance principles into our business strategy and day-to-day operations. Over the years, we have made consistent progress in enhancing resource efficiency, advancing climate action, promoting employee well-being, strengthening farmer relationships, and upholding the highest standards of transparency and corporate governance. These efforts are integral to our strategy of creating sustainable value for all stakeholders. While we are encouraged by this milestone, we view it as an opportunity to strengthen our ESG performance further and continuously improve our practices as we work towards building a resilient, responsible, and future-ready enterprise."

Mr Manoj Agarwal, Company Secretary and Head CSR, Balrampur Chini Mills Limited, commented, "Being recognised with an ESG Leadership Rating is a proud milestone in the Company's sustainability journey. This recognition reflects Balrampur Chini Mills Limited's steadfast commitment to embedding sustainability, responsible governance, and stakeholder value creation into every aspect of our business. It is a testament to the collective efforts of our Board, workforce, and other stakeholders. At BCML, sustainability is not a standalone initiative but a fundamental driver of our Stretch philosophy and long-term value creation. This recognition inspires us to strengthen our commitment further to sustainable growth and build a resilient, responsible, and future-ready organisation that creates enduring value for all our stakeholders."

About CARE ESG Ratings Limited

CareEdge-ESG is a Category I ERP registered with SEBI and a wholly owned subsidiary of CARE Ratings Limited. With over thirty years of experience as an Indian credit rating agency, CARE Ratings' move to expand into ESG ratings through its subsidiary would help to enhance investor confidence while promoting accountability and transparency in businesses. Through our comprehensive and nuanced ESG assessments, CareEdge-ESG enables stakeholders to make informed sustainability decisions, fostering positive transformation and enhancing stakeholder trust.

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CareEdge is a knowledge based analytical group that aims to provide superior insights based on technology, data analytics and detailed research. CARE ESG Ratings Limited (CareEdge-ESG) is one of the India's leading ESG rating provider fostering sustainability with ESG insights. With an aim of being a catalyst of change for a sustainable future with the most credible ESG assessments, CareEdge-ESG provides a 360-degree appraisal for the ESG performance benchmarking cum transition enabling ESG risk mitigation and enhanced decision-making capabilities for all stakeholders.