

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L34300DL1983PLC016136
2.	Name of the Listed Entity	RACL Geartech Ltd
3.	Year of incorporation	1983
4.	Registered office address	15th Floor, Eros Corporate Towers, Nehru Place, New Delhi-110019
5.	Corporate address	B-9, Sector-3, Noida-201301 Uttar Pradesh
6.	E-mail	investor@raclgeartech.com
7.	Telephone	0120-4588500
8.	Website	http://www.raclgeartech.com/
9.	Financial year for which reporting is being done	1st April 2023 to 31st March 2024
10.	Name of the Stock Exchange(s) where shares are listed	Equity Shares listed at Bombay Stock Exchange (BSE)
11.	Paid-up Capital	Rs. 107816000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Name of Contact person Ms. Neha Bahal Contact Number: 0120-4588500 Email: investor@raclgeartech.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 Financial statements have been prepared on Consolidated Basis, which includes a Foreign Subsidiary (RACL Geartech GmbH). However, disclosures under this report have been made on a standalone basis.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products and Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing & services	Manufacturing of auto-components.	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover): It has to in an order.

S. No.	Product/Service	NIC Code	% of total Turnover
1	2 -Wheelers	34300	45%
2	Recreation (ATV/ RTV)	34300	17%
3	Tractor and Agriculture	34300	12%
4	Commercial Vehicle	34300	9%
5	Passenger Cars	34300	9%
6	E- Vehicles	34300	3%
7	3- Wheelers	34300	3%
8	Industrial Equipment's	34300	2%
	TOTAL		100%

III. Operations

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

Location Total	Number of plants	Number of offices	Total
National	2	2	4
International	Nil	1	1

19. Markets served by the entity.

a. Number of locations-

Location	Number
National (No. of States)	7
International (No. of Countries)	10

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

Particulars	FY 2023-24	FY 2022-23
Export Revenues (in Rs.)	308.52 Cr.	249.97 Cr.
Total Revenues (in Rs.)	423.03 Cr.	358.20 Cr.
% of Export in Total revenue	72.93%	69.78%

c. A brief on types of customers

RACL Geartech Ltd. is an Indian company specializing in the manufacture of high-precision gears and automotive components. The company caters to a diverse clientele spanning several industries and geographic regions for 2 wheelers, e-scooters, agriculture, commercial vehicles and passenger vehicles auto part requirements. The primary types of customers served by RACL are Original Equipment

Manufacturers (OEMs) including manufacturers of cars, motorcycles, scooters and commercial vehicles, Tier-1 Suppliers, Off-Highway vehicles like Agricultural machinery Manufacturers, construction equipment manufactures. RACL caters to Industrial Gearbox Manufacturers, Power Transmission equipment's, Passenger Vehicle industries, etc. RACL Geartech has a global presence, including India, Europe, North America, and other regions.

IV. Employees

20. Details 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)
1	Permanent (D)	560	540	96%	20	3%
2	Other than Permanent (E)	178	172	96%	6	3%
3	Total Emp. (D + E)	738	712	96%	26	4%
Workers						
1	Permanent (D)	110	110	100%	Nil	Nil
2	Other than Permanent (E)	683	683	100%	Nil	Nil
3	Total Emp. (D + E)	793	793	100%	Nil	Nil

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)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total Emp. (D + E)	Nil	Nil	Nil	Nil	Nil
Differently abled Workers						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total Emp. (D + E)	Nil	Nil	Nil	Nil	Nil

21. Details at the end of the financial year

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Management Personnel	2	1	50.00%

22. Turnover rate for permanent employees and workers.

	FY 23- 24			FY 22- 23			FY 21- 22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5%	1%	6%	7%	0.90%	7.90%	Turnover rate we started calculating from FY 22- 23 onwards		
Permanent Workers	13%	Nil	13%	9.60%	Nil	9.60%			

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

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

S. No.	Name of the holding / subsidiary / associate	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	RACL Geartech GMBH	Subsidiary Company	100%	No

VI. CSR Details

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

24ii. Turnover (in Rs. Crore): 423.03

24iii. Net worth (in Rs Crore): 205.26

24vii. Transparency and Disclosures Compliances

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

Weblink: https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Same as above	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Same as above	0	0	NIL	0	0	NIL
Shareholders	Same as above	1	0	NIL	0	0	NIL
Employees and workers	Same as above	0	0	NIL	0	0	Nil
Customers	Same as above	100	0	NIL	0	0	Nil
Value Chain Partners	Same as above	0	0	NIL	0	0	Nil
Other (please specify)							

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	Raw Material Sourcing	<p>Risk: Environmental degradation from mining and extraction processes.</p> <p>Opportunity: Sustainable sourcing can enhance brand reputation and compliance with regulations.</p>	Ethical and sustainable sourcing of raw materials minimizes environmental impact and aligns with increasing regulatory and consumer demand for sustainable products.	<p>1- Conduct due diligence on suppliers.</p> <p>2- Source materials from certified and responsible suppliers.</p> <p>3- Implement a traceability system to ensure transparency.</p>	<p>Cost: Potential increase in material costs due to premium pricing of sustainably sourced materials.</p> <p>Benefit: Long-term savings from avoiding regulatory fines and enhancing brand value.</p>

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)
2	Energy Consumption	<p>Risk: High energy consumption leading to increased operational costs and carbon footprint.</p> <p>Opportunity: Adopting renewable energy can reduce costs and emissions.</p>	Energy efficiency and renewable energy adoption can significantly reduce greenhouse gas emissions and cost.	<p>Invest in energy-efficient machinery and processes.</p> <p>Currently RACL has 4% of energy source from 1.2MW rooftop solar plant. RACL has also signed a PPA with an additional 4MW plant which will increase the renewable energy contribution to 40%.</p>	<p>Cost: Initial investment in renewable energy infrastructure and energy-efficient technologies.</p> <p>Benefit: Reduced energy costs and potential tax incentives or subsidies for renewable energy use.</p>
3	Water Usage and Management	<p>Risk: Overuse and contamination of water resources.</p> <p>Opportunity: Water recycling and conservation can reduce costs and regulatory risks.</p>	Efficient water management is crucial for reducing environmental impact and ensuring compliance with environmental regulations.	<p>1- Implement water recycling and rainwater harvesting systems.</p> <p>2- Use water-efficient processes and equipment.</p> <p>3- Monitor and manage water usage.</p>	<p>Cost: Investment in water recycling and conservation technologies.</p> <p>Benefit: Lower water usage costs and reduced risk of regulatory penalties.</p>
4	Waste Management	<p>Risk: Improper waste disposal leading to pollution and regulatory fines.</p> <p>Opportunity: Recycling and waste reduction can lower disposal costs and environmental impact.</p>	Effective waste management reduces environmental impact, complies with regulations, and can provide cost savings.	<p>1- Implement recycling programs for metal scraps and other waste.</p> <p>2- Use waste-to-energy technologies.</p> <p>3- Adopt a circular economy approach.</p>	<p>Cost: Setting up recycling and waste management systems.</p> <p>Benefit: Reduced waste disposal costs and potential revenue from recycled materials.</p>
5	Labor Practices and Working Conditions	<p>Risk: Poor labor practices can lead to low morale, high turnover, and reputational damage.</p> <p>Opportunity: Good labor practices enhance employee satisfaction and productivity.</p>	Ensuring fair labor practices and good working conditions is crucial for compliance, employee retention, and brand reputation.	<p>1- Adhere to labor laws and standards.</p> <p>2- Provide fair wages, benefits, and safe working conditions.</p> <p>3- Offer training and development opportunities.</p>	<p>Cost: Increased costs related to wages, benefits, and workplace safety improvements.</p> <p>Benefit: Higher productivity, lower turnover, and enhanced reputation.</p>

Summary

Addressing these environmental and social sustainability issues can pose initial costs but also presents significant long-term benefits. By implementing responsible practices, RACL can reduce risks, comply with regulations, improve brand reputation, and achieve financial savings through efficiency gains and resource recovery. Engaging in sustainable business practices not only contributes to environmental and social well-being but also positions the company as a responsible and forward-thinking entity in the industry.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	a- Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b- Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c- Web Link of the Policies, if available	Yes: https://www.raclgeartech.com								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									

Answer for 4- P1 to P9 RACL Geartech Ltd. is accredited with several key certifications demonstrating its commitment to quality, safety, and environmental standards. These include the IATF 16949:2015 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System, ISO 45001:2018 for Occupational Health and Safety Management System, ISO 9001:2018 for Quality Management System (QMS), ISO 27001:2013 for Information Security Management System (ISMS), and TISAX (Trusted Information Security Assessment Exchange) at Permanent Level (AL3).

		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.									

Answer for 5 - P3: Health & Safety: By 2026, achieve zero workplace accidents and injuries through rigorous implementation of safety protocols, continuous training, and proactive hazard identification and mitigation measures.

Answer for 5 - P5: Diversity & inclusion: By 2026, achieve a workforce composition reflective of diverse backgrounds and perspectives, ensuring that all employees have equal access to opportunities for advancement and development.

Answer for 5 - P6: Environmental Goals:

1. GHG Emissions: Achieve absolute net-zero scope 2 GHG emissions for the Gajraula plant by 2025.
2. Water Management: Maintain 100% waste water recycling every year.

Answer for 5 - P8: Supplier Evaluation: To achieve 100% supplier evaluation of RM & OSP by 2026.

Answer for 5 - P9: Compliance: Maintain 100% statutory and regulatory compliance.

		P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.			Ongoing		Ongoing	Ongoing		Ongoing	Ongoing

Governance, leadership and oversight	
7	<p>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)</p> <p>RACL Geartech, a socially responsible company, is committed to making its business truly sustainable by integrating all three dimensions (Environmental, Social, and Economic) to create a long-term positive impact on our stakeholders. Our company recognizes climate change as a key business risk and focuses on identifying and mitigating environmental and social risks in our operations and value chain. We do this by adopting practices such as generating renewable energy for captive consumption, monitoring and tracking greenhouse gases in operations to reduce the carbon footprint, evaluating suppliers on environmental and social aspects, and continuously improving waste and water consumption in our operations. To support the transition to a low-carbon economy, our company actively engages in rigorous research and development in fields like automation and renewable energy. We constantly review our ESG performance to ensure that it meets statutory requirements and are committed to submitting all compliance reports to the appropriate authorities on a regular basis. Finally, as part of the company's vision, our goal is to give back to the community by operating as a philanthropic, service-oriented organization with a primary focus on healthcare and education.</p>
8	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> <p>Mr. Gursharan Singh Designation: Chairman & Managing Director DIN Number: 00057602 Telephone No: 0120-4588500 Email id: info@raclgeartech.com</p>

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.	No, there is no committee formed to handle these issues specifically however these issues are taken up very seriously and managed directly by the board of the company.
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10	Details of Review of NGRBCs by the Company:									
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	Any other Committee								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the performance against policies and procedures are reviewed periodically by departmental heads and committees								
	Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Performance against above policies and follow up action	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		NO	NO	NO	NO	NO	NO	NO	NO	NO
12	If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:									
	Answer to the question # 1 above is “Yes”, so this question is not applicable to us.									

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.

PRINCIPLE-1

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

ESSENTIAL INDICATORS

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

Segment	Total number of trainings and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Awareness of Company's Law Compliances and Insider Trading, Code of Conduct, Awareness on Ethical compliances	100%
Key Managerial Personnel	5	Awareness of Company's Law Compliances and Insider Trading, POSH, Code of Conduct, Awareness on Ethical compliances	100%
Employees other than BoD's and KMPs	136	Supervisory development, Leadership Skills & Managing Team, Basic knowledge of gears & gear accuracy, NC Part Handling, Productivity & Efficiency Enhancement by Reduction of Rework / Rejection, Kaizen, Poka-Yoke & 3M (MUDA, MURAI, MURI), Store Management - Guage Track, Bin Tag & Route Cards, Team Work & Conflict Handling, IATF 16949 & Auditing skills, RUN Chart / Control Chart, Enhancing Productivity & Benchmarking, CSR (Customer Specific Requirements) Awarness, 5's, Carbon Foot Prints, Critical Thinking & Problem Solving, Risk Analysis (Context of the Organisation), Management System Awareness (IATF 16949, ISO 14001, OHSAS 18001, ISO 27001), Fire & Safety and many more.	100%
Workers	119	Basic machine Training Machine setting training Specific training L4 Fire Drill (Security Guards), Fire Mock Drill, CQI-9 (Heat Treatment System Assessment), Machine operating & Process knowledge, Hira, Risk Assessment, POSH, Occupational Health, Safety and Environment, Firefighting Training LOTO Training, ISMS (Information Security Management System) Policy 27001, Failure Mode and Effect Analysis.	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 Requirements) Regulations, 2015 and as disclosed on the entity’s website):**

Monetary

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

Non- 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)
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
No	No

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, RACL has an anti-bribery policy. The purpose is to ensure that everyone conducts their operations and business activities in consonance with applicable laws and with the highest ethical standards and to ensure the prevention and detection of fraud, bribery and corruption. The weblink of the Policy is as follows:

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACL PoliciesManual.pdf

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 23- 24	FY 22- 23
Directors	NIL	NIL

	FY 23- 24	FY 22- 23
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 23- 24		FY 22- 23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

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.

NA

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

	FY 23- 24	FY 22- 23
Number of days of accounts payable	56	51

9. Open-ness of business

Parameter	Metrics	FY 23- 24	FY 22- 23
Concentration of purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics	FY 23- 24	FY 22- 23
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.02%	0.78%
	b. Sales (Sales to related parties / Total Sales)	1.87%	0%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	1.18%	0.62%

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
We regularly conduct various awareness programs for our value chain partners, including security staff, contractors, and non-permanent staff located within the factory premises. These programs cover topics such as the code of conduct and ethics, POSH, and basic environmental, health, and safety protocols		

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

Yes. The Code of Conduct specifies the principles on management of conflict of interests to identify actual potential conflict of interest of Company with its directors and employees, which may arise during the course of its business activities. The Policy is available at www.raclgeartech.com.

The Company receives an annual declaration from its Board of Directors, Key Managerial Personnel and Senior Management Personnel confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest.

PRINCIPLE-2

Businesses should provide goods and services in a manner that is sustainable and safe.

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.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	<i>Note:</i> RACL Geartech does not categorise capital expenditures (capex) as research and development (R&D). All capex procurements are dedicated to specific parts or customers. Currently, the company does not track capex investments in specific technologies to assess their environmental and social impact.		
Capex			

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

No

- 2b. **If yes, what percentage of inputs were sourced sustainably?**

NA

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)	Plastic materials, such as packing bins/trays/covers are returned to and from customers and suppliers for reuse. Discarded plastic bins/cans, packing covers and used barrels are sent to the authorised vendors for recycling. Vendor Name- Bharat Oil & Waste Management Ltd(http://www.bharatoil.com/)
b	E-waste	E-waste is disposed of at authorized vendors for recycling.
c	Hazardous waste	Hazardous waste is disposed of at authorized vendors for recycling.
d	other waste	Other waste, such as paper, corrugated boxes, boring scrap and garden waste is disposed of at the authorized vendors for recycling.

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

Yes, EPR applies to the Company and the waste collection plan is in line with the EPR plan submitted to Pollution Control Board's.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details 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.
NO	NO	NO	NO	NO	NO

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
NA	NA	NA

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 23- 24	FY 22- 23
Steel & Casting	90%	90%

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

	FY 23- 24			FY 22- 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	No	No	No	No	No	No
E-waste	No	No	No	No	No	No
Hazardous waste	No	No	No	No	No	No
Other waste	No	No	No	No	No	No

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
No	No

PRINCIPLE-3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	540	540	100%	540	100%	-	0	-	0	540	100%
Female	20	20	100%	20	100%	20	100%	-	0	20	100%
Total	560	560	100%	560	100%	20	3.57%	-	0	560	100%
Other than Permanent employees											
Male	172	172	100%	172	100%	-	0	-	0	172	100%
Female	6	6	100%	6	100%	6	100%	-	0	6	100%
Total	178	178	100%	178	100%	6	3.37%	-	0	178	100%

1b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	110	110	100%	110	100%	-	-	-	-	110	100%
Female	-	-	-	-	-	-	-	-	-	-	-
Total	110	110	100%	110	100%	-	-	-	-	110	100%
Other than Permanent workers											
Male	683	683	100%	683	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	683	683	100%	683	100%	-	-	-	-	-	-

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 23- 24	FY 22- 23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.16%	0.14%

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

Benefits	FY 23- 24			FY 22- 23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	52.71%	100%	Yes	100%	100%	Yes
Others, please specify	NA	NA	NA	NA	NA	NA

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.

RACL has provided facilities to ensure accessibility in the premises/offices for differently abled employees and workers. For example, meeting rooms are allocated on the ground floor for easy access, dedicated vehicle parking spaces are provided for easy access, and wheelchair ramps are also provided.

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.

RACL provides equal employment opportunities without any discrimination based on age, colour, disability, marital status, nationality, race, religion, sex, or sexual orientation. The company has a Non-Discrimination Policy available on its website, accessible to all employees through the company portal.

Weblink: <https://www.raclgeartech.com/investors/corporate-governance>

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

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

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

If an employee encounters any challenges that hinder their performance, they are encouraged to address the issue promptly for resolution. Here's the outlined procedure:

- Initially, the employee communicates the concern to their immediate supervisor following the established protocol.
- If the supervisor is unable to resolve the matter within a week, the employee may formally submit a written grievance to both the Department Head and the HR Department.
- If the issue remains unresolved after involving the Department Head and HR Department, the employee has the option to escalate it to the Management through the HR Department.
- Grievances received are reviewed and discussed regularly.
- Matters concerning female employees are handled separately, ensuring they are documented and addressed with due sensitivity as per POSH.

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

Category	FY 23- 24			FY 22- 23		
	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	560	0	0%	434	0	NA
Male	540	0	0%	414	0	NA
Female	20	0	0%	20	0	NA
Total Permanent Workers	110	0	0%	124	0	NA
Male	110	0	0%	124	0	NA
Female	0	0	0%	0	0	NA

8. Details of training given to employees and workers.

Category	FY 23- 24					FY 22- 23				
	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	712	441	62%	172	24%	564	389	69%	367	65%
Female	26	20	77%	6	23%	25	20	80%	20	80%
Total	738	461	62%	178	24%	589	409	69%	387	67%
Workers										
Male	793	463	58%	625	79%	624	457	73%	422	68%
Female	0	0	0	0	0	0	0	0%	0	0%
Total	793	463	58%	625	79%	624	457	73%	422	68%

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

Category	FY 23- 24			FY 22- 23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	712	712	100%	564	414	73%
Female	26	26	100%	25	20	80%
Total	738	738	100%	589	434	74%
Workers						
Male	793	793	100%	624	500	80%
Female	0	0	0	0	0	0%
Total	793	793	100%	624	500	80%

10. Health and safety management system.

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

Yes, the Occupational health & safety management system has been implemented in all plant locations. 100% of our operations are covered under EOHS and certified for ISO 45001 (Occupational Health & Safety standards).

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

RACL Geartech has established a Hazard Identification and Risk Assessment (HIRA) system to pinpoint workplace hazards, conduct risk evaluations, and deploy necessary controls based on the level of risk, with

the aim of either minimizing or eliminating identified risks. Regular assessments are conducted through the HIRA system for all machinery and equipment following RACL Geartech's safety protocols. Additionally, a quick assessment is conducted before any non-routine activities, validated by the Work Permit System, where necessary controls are implemented according to risk levels to mitigate or eliminate identified hazards. The Company systematically identifies potential work-related incidents via the hazard identification process and evaluates their likelihood to estimate occurrence frequency or probability. Measures for risk reduction are then implemented to either prevent incidents by reducing their likelihood or to control incidents by limiting their extent and duration. These measures aim to mitigate adverse effects or consequences resulting from incidents.

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

Yes, the company has integrated several mechanisms in accordance with ISO 45001 to report hazards in the workplace, including Safety Patrols, Risk Assessments, and Near Miss Reports. In efforts to mitigate these hazards, the company organizes emergency and safety drills, along with capacity-building and awareness sessions for its employees and workers. These initiatives aim to ensure that everyone is equipped with the necessary safety protocols and steps for effective risk management.

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

Yes.

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

Safety Incident/Number	Category	FY 23- 24	FY 22- 23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	NA
	Workers	0	NA
Total recordable work-related injuries	Employees	0	NA
	Workers	8	NA
No. of fatalities	Employees	0	NA
	Workers	0	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	NA
	Workers	0	NA

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

RACL Geartech, recognized as a certified Great Place to Work (GPTW), has a comprehensive management policy covering quality, environment, and occupational health and safety. This policy reflects their dedication to safeguarding the well-being of all stakeholders and preventing injuries or health risks.

Employees and workers receive appropriate personal protective equipment (PPE) and have access to occupational health centres for regular health check-ups. Additionally, Lockout Tagout (LOTO) procedures are strictly enforced for maintenance staff working on specific machines to prevent accidents and enhance productivity.

In case of any accidents, an action plan is devised to prevent similar incidents in the future. Regular training sessions are held on various safety topics like fire safety, handling emergencies, chemical safety, and more,

to ensure everyone is well-prepared.

Monthly health and safety audits are conducted to identify any gaps and ensure compliance with legal requirements at the plants. These efforts demonstrate RACL Geartech's commitment to maintaining a safe and healthy work environment for all.

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

	FY 23- 24			FY 22- 23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NIL	0	0	NIL
Health & Safety	0	0	NIL	0	0	NIL

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.

All critical factors involved in an incident are determined through root cause analysis and investigation, and corrective/preventive actions are identified to prevent recurrence. The corrective action to be taken is identified and implemented by the process owners, Plant EHS, and the maintenance team.

On October 7, 2023, during a regular operation in the forging department, the forging machine became stuck with material while running. An employee attempted to remove the material from the stuck machine without properly shutting it down, resulting in an injury to their right-hand fingers and palm.

Root causes:

- The conveyor chain sprocket was not covered.
- There was a larger gap between the chain and the support side plate, leading to material getting stuck in this gap due to the absence of a cover.
- Operator negligence (using tongs on a running conveyor).

Actions taken:

- The injured employee was immediately sent to the dispensary for first aid.
- The conveyor chain sprocket was immediately covered.
- Awareness training was provided to the workers to ensure adherence to and proper following of the standard operating procedures.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of

- A. Employees: Yes, the Company extends life insurance/compensatory package in the event of death of its employees
- B. Workers: Yes, the Company extends life insurance/compensatory package in the event of death of its workers

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

RACL Geartech ensures that all its onsite and offsite value chain partners comply with RACL related statutory requirements.

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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
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)

At RACL, a retention program is offered based on factors like the importance of the role, business requirements, and the need for ongoing employment. In some cases, senior employees have been retained as consultants after retiring from the Company, depending on individual circumstances. Furthermore, capacity building and training sessions for skill enhancement are provided to all employees, regardless of their length of service with the company.

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 practices	100%
Working Conditions	100%

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

Working conditions and incident details are verified during supplier audits. Corrective actions are verified for the non-conformances raised during the audit through follow-up audits via virtual/onsite visits. There have been no significant risks/concerns identified to date.

PRINCIPLE-4

Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

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

Stakeholder engagement at RACL Geartech is about building honest connections with all the people and groups connected to our Company. We want to make sure they understand our plans and goals. We talk with them to learn what they expect from us and to tell them how we're doing socially and environmentally. We make sure to include everyone, especially those who might not usually have a voice. We talk with our main stakeholders about any problems or chances for growth, using different ways to communicate that suit them best.

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
Investors and Shareholders	No	Annual Reports, E-mails, Investor Meetings, Quarterly & Annual Results, Earning Calls, General Meetings, Company and Stock Exchange's website, Notice board	Quarterly & annually	Investors are inclined to invest in companies that demonstrate social and environmental responsibility. Addressing investor queries
Customers	No	Personal Visits, Webinars, Customer Survey,	Continuous	Product quality and availability
Suppliers	No	Routine Meetings, E-mail, Supplier audits, plant visits, dialogue on the industry initiative and training courses	Continuous	Training initiatives, enhancement of quality, capacity development efforts, and safety training in alignment with updated ISO 14000 standards. Suppliers convene to deliberate on vision and mission statements, business strategies, and supplier recognition programs.

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
Employees and Workers	No	Training & Support, Employee Survey, Website, Email, Meetings, and Conferences	Continuous	Plans for the future, training sessions to learn and understand, efforts for health and safety, and ways to involve employees more. Also, making sure employees volunteer, providing safety training, and keeping everyone informed about rule changes.
Community	Yes	Community projects, gatherings and updates, surveys to see the effect of our actions, other ways of communication such as; emails, ads, magazines, websites, and social media.	Annually/ Quarterly/ Monthly/as and when required	Implementing community initiatives and improve the surroundings, facilities, and standard of living for the communities

LEADERSHIP INDICATORS

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company leverages various formal as well as informal channels communication to engage its stakeholders with the Board. These encompass digital means as well as Corporate Social Responsibility (CSR) initiatives, statutory report, learning and development platforms and events for internal communications. Other significant topics are communicated to the Board at regular intervals through various channels.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Stakeholder Consultation plays a pivotal role in arriving at the material issues for RACL. Each of the stakeholder group bring a different perspective on materiality and the Company has developed the strategy basis stakeholder priorities. Further, action plan and roadmap have been set in place to fulfil the requirements of expectations of stakeholders.

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

RACL Geartech, is known for its tradition of philanthropy and community service. The Company's philanthropy is to reach out to the community especially the underprivileged, disadvantaged, vulnerable and marginalized stakeholders and continuously engages with all such stakeholders in identifying, prioritising, and serving their needs accordingly especially in the field of education and healthcare (core focus area). The company has been upholding the tradition by earmarking a part of its income for carrying out its social responsibilities. Various program identified & implemented in the last fiscal year include providing infrastructure support to various school i.e., smart digital learning tools, refurbishing classrooms to upgrade the facilities available to students, providing scholarships to meritorious students with financial constraints.

PRINCIPLE-5

Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

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

Category	FY 23- 24			FY 22- 23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	560	560	100%	434	350	80.65%
Other than permanent	178	178	100%	155	130	83.87%
Total employees	738	738	100%	589	480	81.49%
Workers						
Permanent	110	100	90.91%	124	95	76.61%
Other than permanent	683	543	79.50%	500	200	40.00%
Total workers	793	643	81.08%	624	295	47.28%

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

Category	FY 23- 24					FY 22- 23				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Employees										
Permanent	560	0	0	560	100%	434	0	0	434	100%
Male	540	0	0	540	100%	414	0	0	414	100%
Female	20	0	0	20	100%	20	0	0	20	100%

Category	FY 23- 24					FY 22- 23				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Other than permanent	178	0	0	178	100%	155	0	0	155	100%
Male	172	0	0	172	100%	150	0	0	150	100%
Female	6	0	0	6	100%	5	0	0	5	100%
Workers										
Permanent	110	0	0	110	100%	124	0	0	124	100%
Male	110	0	0	110	100%	124	0	0	124	100%
Female	0	0	0	0	0%	0	0	0	0	0%
Other than permanent	683	220	32.21%	463	67.79%	500	150	30%	350	70%
Male	683	220	32.21%	463	67.79%	500	150	30%	350	70%
Female	0	0	0	0	0%	0	0	0	0	0%

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	4,09,000	2	17,65,000
Key Managerial Personnel	1	47,25,000	1	10,14,000
Employees* other than BoD and KMP	539	31,025	19	27,538
Workers*	110	35,837	0	0

**Only permanent employees and workers have been considered.*

3b. Gross wages paid to females as % of total wages paid by the entity, in the following format.

	FY 23- 24	FY 22- 23
Gross wages paid to females as % of total wages	1.94%	2.02%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Internal Complaints Committee (w.r.t POSH) and the human resources departments are responsible for addressing human rights impacts or issues caused or contributed to by the business.

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

The Company has a POSH policy in place that acts as a blanket in addressing grievances related to human rights issues. Further, RACL Geartech Whistle Blower Policy and Code of Conduct provides guidelines for the committee formation and working, should there be an investigation.

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

	FY 23- 24			FY 22- 23
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year
Sexual Harassment	No	No	No	No
Discrimination at workplace	No	No	No	No
Child Labour	No	No	No	No
Forced Labour/ Involuntary Labour	No	No	No	No
Wages	No	No	No	No
Other human rights related issues	No	No	No	No

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

	FY 23- 24	FY 22- 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

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

The Company has an internal committee (w.r.t POSH policy) which addresses grievances related to discrimination and harassment cases. Whistle-blower Policy provides Directors/ Employees an avenue to raise concerns, in line with the commitment of RACL Geartech to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. Code of Conduct addresses grievances related to employee's conduct at work.

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

Yes, the Company gives human rights high importance thereby making it an integral part of its business agreements and contracts.

10. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% of our plants and offices are assessed by the entity for compliance on key human rights by the internal teams of the Company and HR Department as part of the regular on-going reviews by the senior leadership team of the Company
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

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

There were no significant risks or concerns identified during the year 2023-24. However, being a responsible company, we ensure continuous monitoring and capability building of our value chain partners.

LEADERSHIP INDICATORS

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

The Company is committed to upholding fundamental human rights across its operations, in accordance with its codes and policies. It conducts regular training sessions and awareness programs for employees to emphasize the importance of adhering to the Code of Conduct, respecting human rights, and supporting the freedom to form associations. Additionally, the Company informs many of its customers about these compliance standards as part of contractual agreements. Throughout the reporting period, no new business processes were implemented to address grievances or complaints related to human rights.

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

RACL Geartech ensures full compliance with labour laws and offers comprehensive training to newly onboarded employees regarding the code of conduct, which encompasses key human rights concerns including child labour, gender diversity, and workplace discrimination. Third-party background checks are conducted for all employees as part of the company's hiring process.

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

Yes, the Company's operating locations are accessible to differently abled employees, workers and visitors. Corporate office locations and plants have ramps, sidewalks and elevators and all the necessary infrastructure to support differently abled. Sign-boards are placed at every location to assist employees/workers with hearing aids. Wheelchairs are available in Occupational Health Centres in all major facilities.

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	We are, at present, looking into formulating a sustainable supply chain program to assess our suppliers.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

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

We are, at present, looking into formulating a sustainable supply chain program to assess our suppliers.

PRINCIPLE-6

Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

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

Parameter	FY 23- 24	FY 22- 23
From renewable sources		
Total electricity consumption (A) - GJ	2944	985
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	2944	985
From non-renewable sources		
Total electricity consumption (D) GJ	39939	186189
Total fuel consumption (E) GJ	59626	40906
Energy consumption through other sources (F)	0	0
Total energy consumption (D+E+F)	99565	227095
Total energy consumed (A+B+C+D+E+F)	102509	228080
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000024	0.00006215

Parameter	FY 23- 24	FY 22- 23
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000106	0.00000272
Energy intensity in terms of physical output	0.01694701	0.03705281
Energy intensity (optional) – the relevant metric may be selected by the entity		

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.

No

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

Parameter	FY 23- 24	FY 22- 23
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	16425	14410.3
(iii) Third party water	167	1866.4
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)	16592	16276.7
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000392	0.0000454
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000017	0.00000020
Water intensity in terms of physical output	0.00274	0.00264
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Provide the following details related to water discharged.

Parameter	FY 23- 24	FY 22- 23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Due to Zero Liquid Discharge system water is reused and not wasted to discharge.	
- 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		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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

YES, we have implemented a mechanism for ZLD. We have installed ETP (10KLD) & STP (80KLD) with RO treatment Plant. We treat effluent and sewage water and reuse it in various functions inside the factory premises, such as bathroom flushing, gardening and cooling towers. Rain water harvesting system is available to bring rain water back into the ground.

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

Parameter	Please specify unit	FY 23- 24	FY 22- 23
NOx	µg/m ³	35.6	60
Sox	µg/m ³	19.5	22
Particulate matter (PM)	µg/m ³	80.5	42
Persistent organic pollutants (POP)			Nil
Volatile organic compounds (VOC)			Nil
Hazardous air pollutants (HAP)			0
Others – please specify			0

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

Parameter	Unit	FY 23- 24	FY 22- 23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2403.33	We have started calculating carbon emission from FY 23- 24 however energy data has been captured.
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7943.33	
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.00000245	NA
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)		0.000000107	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.00171053	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

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 - Planet Sustech Private Limited

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

RACL has taken steps to reduce their greenhouse gas (GHG) emissions:

1. Installed solar panels with a capacity of 1.2 MW on the rooftop.
2. Procured green energy from grids for the main manufacturing Gajraula Plant.
3. Signed a Power Purchase Agreement (PPA) with Sunsire Solarpark Pvt. Ltd for a 4 MW capacity solar plant.
4. Implemented automatic power cut-off of machinery and equipment during idle time.

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

Parameter	FY 23- 24	FY 22- 23
Total Waste generated (in Kgs/ Litres/ Nos.)		
Plastic waste (A)	52 kgs	50 kgs
E-waste (B)	13 nos.	29 nos.
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	Scrap grinding wheel - 360 kg Oil-Soaked cloth - 590 kg Waste polythene - 52 kg	Scrap grinding wheel 412 kg, Oil-soaked cloth 424 kg
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	ETP Sludge - 1110 kg Used Scrap Oil - 640 litres Scrap oil and Air filters - 37 Nos	ETP sludge 550 kg. Used scrap oil 510 litres Scrap Oil and Air filters 46 Nos
Total (A+B + C + D + E + F + G + H)	2164 kg/ 640 litres / 37 Nos	1946 kg/ 75 no's
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000066	0.000000046
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000029	0.0000000020
Waste intensity in terms of physical output	0.000463563	0.000316138
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		

Parameter	FY 23- 24	FY 22- 23
Category of waste	Waste is handed over to the authorized approved vendor for further processing. Details for the same is given the report above.	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Waste is handed over to the authorized approved vendor for further processing. Details for the same is given the report above.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

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

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.

RACL has established the following waste management practices:

1. *Waste Segregation:*
 - All waste is segregated at the source using color-coded bins.
2. *Storage Protocols:*
 - Separate storage locations are designated for hazardous and non-hazardous waste.
 - Both types of waste are stored using the 3C method (Covered, Concrete Container).
3. *Record Keeping:*
 - A quantity register is maintained for the generation and disposal of waste, following Form-6 and Form-10 guidelines.
4. *Monitoring and Measurement Plan:*
 - Initiatives include the recollection of cotton waste and used oil using a centrifugal pump.
 - Reuse of plastic bins and cans is actively pursued.
 - Continuous improvements are made to reduce the usage of oils, acids, and other materials.
5. *Procedural Compliance:*
 - Waste management procedures adhere to Environmental Occupational Health and Safety Procedure-20, 23A, and 24

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.

Location of operations/offices	Type of operations	FY 22- 23
RACL does not have any such operations around these areas.		

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)
During FY 2023-24, as per the relevant laws, there was no requirement to conduct Environmental Impact Assessments (EIA) for projects				

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.

Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
No such cases			

LEADERSHIP INDICATORS

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

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

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

None of RACL Geartech facilities are in the 'Water Stress' zone as per Water Assessment Report 2023 of Central Groundwater Board (CGWB), Government of India.

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

Parameter	Unit	FY 23- 24	FY 22- 23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5665	
Total Scope 3 emissions per rupee of turnover		0.00000134	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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 - Planet Sustech Private Limited

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

NA

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.

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
STP and ETP	<p>STP – waste water is treated and used for gardening</p> <p>ETP – Effluents are treated and sent to an authorized agency and treated water is used for gardening.</p>	Reduced water consumption
Solar and Green energy	<p>Procurement of green energy by paying green energy premium. Signed a PPA with sunsure for an additional 4MW capacity solar plant.</p> <p>Installed rooftop solar plant capacity of 1.2 MW on main manufacturing units.</p>	Greenhouse gases emission reduction (Scope 2)
Efficient preventive maintenance measures for DG and furnaces	Periodical maintenance is carried out to avoid unwanted breakdowns	Increased the efficiency

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

RACL Geartech has an integrated emergency procedure within its management system to address and mitigate potential hazards to the environment and human health. Key elements of this procedure include.

Identification of Potential Emergencies:

- A comprehensive list of potential emergency situations has been identified.

Defined Roles and Responsibilities: - Roles and responsibilities for handling emergencies are clearly defined for all relevant personnel.

Mock Drills and Safety Drills: Mock drills are conducted every six months under the supervision of the safety officer.

- Safety drills are conducted every two months, or as per the established plan, to evaluate and enhance emergency preparedness.

Training and Awareness: - Regular training and awareness sessions are held for employees and emergency handling teams to ensure they are well-prepared for actual emergency situations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact on the environment.

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

We are, at present, looking into formulating a sustainable supply chain program to assess the social and environmental practices of our suppliers.

PRINCIPLE-7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

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

5

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

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation Of Indian Industry	National
2	Indo-German Chamber of Commerce	National
3	Engineering Export Promotion Council	National
4	Export Promotion Bureau	National
5	U P Export Promotion Council	State

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

Name of authority	Brief of the case	Corrective action taken
No such case		

LEADERSHIP INDICATORS

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

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly / Others – please specify)	Web Link, if available
NA					

PRINCIPLE-8

Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of 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
No assessment undertaken.					

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

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)
No project undertaken					

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

It is taken care through our grievances management system which is standard throughout the Company.

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

	FY 23- 24	FY 22- 23
Directly sourced from MSMEs/ small producers	23.40%	17.32%
Sourced directly from within the district and neighbouring districts	23.40%	17.32%
Directly from within India	NA	

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 23- 24	FY 22- 23
Rural	Data will prepared from the next year onwards.	
Semi- Urban		
Urban		
Metropolitan		
(Place to be categorized as per RBI Classification system- rural/ semi-urban/ urban/ metropolitan)		

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
No Incident identify	

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 INR)
Our CSR is not operational in Aspirational districts		

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

No

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

NA

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

NA

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.

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
0	0	0	0

5. 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.

Name of authority	Brief of the case	Corrective action taken
0	0	0

6. Details of beneficiaries of CSR Projects.

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
Education under Bright Tomorrow, Akshar Gyan, Computer Education Program	393 Students were benefitted	100%
Women Empowerment/Skill development under Shining Star	9	100%
Renovation of classrooms, and installation of water purifier in SS vidya Niketan School, Nithari Village, Noida (GB Nagar) and Composite School PS and UPS in Naipura Khadar, Nai Pura Khadar Gajraula – Amroha	500+ Students were Benefitted	

PRINCIPLE-9

Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

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

Though, the company has B2B operations, however, we are sensitive to the needs of the ultimate consumer. Our customers are very important to us and are treated with utmost diligence. They can log complaints directly by mailing at customercare@raclgeartech.com. Any grievance related to business transactions are handled through sales and vendor management team.

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

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	The products sold by the Company, become part of the final product sold as a whole i.e vehicle. Hence, not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

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

State	FY 23- 24		Remarks	FY 22- 23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	The Company follows high quality standards which are monitored through productivity and quality matrix. Any quality issues are addressed through these to reduce the impact of safety concerns for its products.
Forced recalls	0	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

Yes, RACL places a strong emphasis on cybersecurity. While electronic communication is essential for effective work and business success, the company carries risks to data protection and information security. The company prioritizes the protection of official documents and data from unauthorized access. When using the internet, it is important to avoid retrieving or forwarding any content that could incite racial hatred, glorify violence, or contain offensive material.

The company is committed to maintaining a secure and responsible online environment for all the employees.

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

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.

The Company follows high quality standards which are monitored through productivity and quality metrics. Any quality issues are addressed through these to reduce the impact of safety concerns for its products. Also, the Company is in the process of framing a policy on Cyber Security.

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
NA
- c. Impact, if any, of the data breaches
Nil

LEADERSHIP INDICATORS

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

<https://www.raclgeartech.com/>

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

RACL Geartech is a B2B company that predominantly supplies its products to larger OEMs. As part of its commitment to quality and safety, RACL Geartech makes a formal declaration of REACH and IMDS compliance when entering business agreements with customers.

Additionally, RACL Geartech conducts business validation compliance during product development, providing assurance regarding product composition and safety. To ensure the safe shipping of products, the dimensions and weight of packaging are mutually agreed upon by RACL Geartech and the customer, adhering to global standards.

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

NA

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey 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)

RACL Geartech complies with all applicable regulations with respect to product information disclosure.

NA

5. Provide the following information relating to data breaches

- a. Number of instances of data breaches along-with impact . Nil
- b. Percentage of data breaches involving personally identifiable information of customers. Nil