

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## PREFACE

The Securities & Exchange Board of India (SEBI) through a notification dated 5 May 2021 has made amendments to certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). As per the notification, companies would be required to submit a new report on ESG parameters, namely Business Responsibility and Sustainability Report (BRSR). The Indian capital markets regulator, SEBI, shall get credit for taking the lead in developing the BRSR framework. It is a comprehensive framework, which calls for more measurable, quantitative metrics to facilitate better benchmarking. The top 1,000 Indian listed entities based on market capitalization on the BSE Limited and National Stock Exchange of India Limited, are required to submit a Business Responsibility and Sustainability Report (BRSR).

PPAP is voluntarily disclosing its 3<sup>rd</sup> Business Responsibility and Sustainability Report for FY 2023-24, providing information on key business environment, social and governance responsibility initiatives undertaken by the company. The ESG performance of the company is assessed quarterly by PPAP's top management.

We are dedicated towards developing engagement with our stakeholders to achieve our mission to be a global-level excellence company.

## SECTION A: GENERAL DISCLOSURES

### I. Company details

S.No.	Details	
1	Corporate Identity Number (CIN):	L74899DL1995PLC073281
2	Name:	PPAP AUTOMOTIVE LIMITED
3	Year of incorporation:	18-10-1995
4	Registered office address:	54, Okhla Industrial Estate, Phase-III, New Delhi-110020
5	Corporate address:	B-206A, Sector-81, Phase-II, Noida-201305, Uttar Pradesh
6	E-mail:	compliance@ppapco.com
7	Telephone:	91-120-4093901
8	Website:	<a href="https://www.ppapco.in/">https://www.ppapco.in/</a>
9	Financial year for which reporting is being done:	2023-24
10	Name of the Stock Exchange(s) where shares are listed	Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital (in INR Cr)	14,00,00,000
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ramesh Chander Khanna Landline number: +91-120-4093901 Email Id: sustainability@ppapco.com
13	Reporting boundary	Disclosures made in this report are on a standalone basis and limited to PPAP Automotive Limited
14	Name of Assurance Provider	DQS India (Assurance provided for Sustainability Report data)
15	Type of Assurance obtained	Type 2, Moderate Level Assurance

## II. Products/ Services

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

S. No.	Description of Main Activity group	Description of Business Activity	% of Turnover of PPAP
1	Manufacturing of automotive parts	Manufacturing of automotive parts for passenger vehicles & two-wheelers	90%

### 17. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1	Manufacture of parts and accessories for motor vehicles	34300	100%

## III. Operations

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

Location	Number of plants	Number of offices	Total
National	5	3	8
International	Nil	Nil	Nil

### 19. Markets served by PPAP:

a.	Locations	Number
	National (No. of States)	9
	International (No. of Countries)	-

- b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil
- c. A brief on types of customers

PPAP's esteemed clientele includes all major OEM vehicle manufacturer and tier-2 suppliers of OEM:

Passenger vehicles clientele includes Maruti Suzuki India Limited, Honda Cars India Limited, Toyota Kirloskar Motors, Hyundai, Toyota Boshoku, Kia Motors, Volkswagen, Renault Nissan, ISUZU, Mahindra, Magna Corp, Hyundai Mobis, Motherson, Unitex, TS Tech Limited, Asahi India Glass Limited, Saint-Gobain, Polyplastics Industries Private Limited, Henkel, JSG Innotech, Krishna Maruti Ltd., Lumax Industries, Yanfeng, MTI, etc.

Commercial vehicle clientele includes SML ISUZU, ISUZU, Faurecia.

Two-wheeler clientele includes Suzuki, UNO Minda, Motovolt, Sankei Pragati India Private Limited, JRG Automotive Industries India Private Limited, etc.

Tooling clientele includes IAC, Amber, Havells, Aisin Group, etc.

Pail Containers clientele includes Dayal Group, MD Biocoals Private Limited.

**IV. Employees****20. Details as at the end of FY 2023-24:**

<b>a. Employees (including differently abled):</b>			<b>Employees</b>			
<b>S. No.</b>	<b>Particulars</b>	<b>Total</b>	<b>Male (%)</b>		<b>Female (%)</b>	
			<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
1	Permanent	1260	1243	99%	17	1%
2	Other than Permanent	927	780	84%	147	16%
3	Total	2187	2023	93%	164	7%

<b>b. Differently abled Employees</b>			<b>Employees</b>			
<b>S. No.</b>	<b>Particulars</b>	<b>Total</b>	<b>Male (%)</b>		<b>Female (%)</b>	
			<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	Total differently abled employees	-	-	-	-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

**21. Participation/Inclusion/Representation of women:**

	<b>Total</b>	<b>No. and % of Females</b>	
		<b>No.</b>	<b>%</b>
<b>Board of Directors</b>	7	2	28.57
<b>Key Management Personnel (KMP)</b>	4	1	25.00

**22. Turnover rate for permanent employees and workers:**

	<b>FY 2023-24</b>			<b>FY 2022-23</b>			<b>FY 2021-22</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
Permanent Employees	4.26%	0.22%	4.48%	9%	2%	11%	10%	1%	11%
Other Than Permanent	11%	1%	12%	19%	3%	22%	35%	2%	37%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

### 23. Names of holding/subsidiary/associate companies/joint ventures: As of March 31, 2024

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	PPAP Technology Limited	Wholly owned subsidiary	100%	Yes, PPAP positively influences and encourages its group companies to adopt Business Responsibility (BR) initiatives.
2	ELPIS Automotives Private Limited	Wholly owned subsidiary	100%	
3	PPAP Tokai India Rubber Private Limited	Joint Venture	50%	

## VI. CSR Details:

24. (a) (i) Whether CSR is applicable as per section 135: (Yes/No) Yes, applicable.

(ii) Turnover (in ₹): 5038622042.14

(iii) Net worth (in ₹): 3129914379.06

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any aspect of the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees	Yes	7	0	-	5	0	-
Customers	Yes	41	0	-	30	0	-
Value Chain Partners	Yes	-	-	-	-	-	-

PPAP has established a code of conduct & ethics policy, code of fair disclosure policy and whistle-blower policy to allow for the expression of concerns and grievances. This policy is consistent with PPAP's dedication to the highest possible standards of ethical, moral and legal business conduct with commitment to open communication. During the reporting year, 7 and 41 complaints from employees and customers were received respectively and all the concerns were closed on a timely basis.

Links of the same are as follows:

[https://www.ppapco.in/assets/pdf/policies/Code\\_of\\_conduct\\_and\\_Ethics- V6.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics- V6.pdf)

[https://www.ppapco.in/assets/pdf/policies/Code-of\\_Fair\\_Disclosure.pdf](https://www.ppapco.in/assets/pdf/policies/Code-of_Fair_Disclosure.pdf)

[https://www.ppapco.in/assets/pdf/policies/WHISTLE\\_BLOWER\\_POLICY-1\\_2.pdf](https://www.ppapco.in/assets/pdf/policies/WHISTLE_BLOWER_POLICY-1_2.pdf)

**26. Overview of PPAP’s material business conduct issues.**

PPAP’s key material issues identified in the materiality matrix are divided under Environment, Social and Governance (ESG). The materiality assessment process is in accordance with Global Reporting Initiative (GRI) framework which is reviewed and approved by the PPAP’s steering committee. The identification of material issues was rated considering their importance and impact on business and stakeholders.

<b>S. No.</b>	<b>Material Issue identified</b>	<b>Risk or Opportunity (R/O)</b>	<b>Rationale for identifying the risk or opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Positive/Negative Implications</b>
1	Energy & Emissions	Opportunity	Being a responsible company, we are making continuous efforts into creating a value chain with a low carbon footprint, from planning and designing to purchasing and manufacturing. We are focusing on implementing an array of practices to reduce energy consumption and improve energy efficiency in our processes by using cutting-edge technology across all our facilities to reduce CO2 emissions.	Not Applicable	Positive
2	Material Management	Risk	Supply chain disruptions, if not managed, could have an adverse effect on production volume, revenue, profitability, customer satisfaction and reputation.	An effective supply chain risk management framework enables early, proactive, engagement with our suppliers to identify and mitigate potential disruptions in supply of RM.	Negative
3	Water Management	Opportunity	We typically optimize water use in our facilities through technological interventions. Keeping track of water usage using innovative technology and equipment effectively increases water saving.	Not Applicable	Positive
4	Waste Management	Risk	Hazardous waste generated from high-end equipment to operate our facilities, require authorized treatment procedures.	The hazardous waste is sent for disposal to the treatment, storage, and disposal facility authorized by respective SPCB. Disposal of waste in compliance with operating permits and hazardous waste authorizations.	Negative
5	Supplier environmental and social assessment	Risk	We view suppliers as partners in our growth and view their position as being of utmost importance. Hence, the proper identification of an adequate supplier base aligning with our sustainability goals is crucial to our business demands.	New suppliers are screened, rated and assessed on the actual and prospective negative environmental and social repercussions. Relevant actions to prevent, reduce, or remediate the consequences are implemented.	Negative
6	Biodiversity	Opportunity	PPAP commenced its journey of afforestation using self-created SOPs in the degraded forest around the 600-year-old Tughlaqabad Fort. Using 125 different native species trees, we were able to successfully conduct a plantation drive on 70 acres of land at Tughlaqabad Biodiversity Park because of our initiative. We continuously partner with organizations like schools, and NGOs for plantation activities.	Not Applicable	Positive

7	Employment	Risk	Retaining key talent is of vital importance in the manufacturing industry and higher turnover could lead to increased cost of rehiring and diminishing morale among the existing workforce.	One of the primary goals of our people strategy is to align employees with strategic business imperatives. We have also continually invested in the growth and development of our employees.	Negative
8	Employee Diversity	Opportunity	We believe that an inclusive work atmosphere motivates individuals to perform better, resulting in increased business success.	Not Applicable	Positive
9	Labor Management	Opportunity	We are dedicated to ensuring a motivated, skilled and diverse staff capable of meeting our objectives by facilitating our employees' professional development in accordance with their goals and skills.	Not Applicable	Positive
10	Occupational Health & Safety	Risk	PPAP has a large number of employees working across all sites. As a result, safeguarding the safety of its employees is vital for the company's continuous regulatory and social license to operate, particularly in regard to process-related hazards. If the Company's safety-related procedures or performance are deemed inadequate, or if a safety incident occurs, it will have a negative impact on the health, well-being, and morale of employees, as well as a bad reputational impact on the Company. It may also cause the Company to incur operational and financial losses, including the potential partial shutdown of the plant.	We prioritize the health, safety, and overall well-being of our employees. We have a well-defined safety organization that focuses on implementing appropriate safety measures. Our EHS policy, objectives and SOPs are all aimed at making PPAP a very safe and healthy place to work.	Negative
11	Local Communities	Opportunity	PPAP is committed towards the upliftment of the marginalized and economically weaker sections of the society through improving environment, education, health and hygiene.	Not Applicable	Positive
12	Anti-corruption & Anti-competitive behavior	Risk	We may face reputational damage, which could materially impact our brands and sales, if we fail to maintain the mandated environmental compliances.	We are subject to a continually evolving laws, regulations and policies that have an influence on our products and operations. Hence, Robust mechanism for ensuring proactive compliance and continual compliance evaluation.	Positive
13	Customer Privacy	Risk	Data Privacy and Security breach could cause us significant business disruption, not only affecting our ability to deliver products to our customers but the personal safety of our customers and employees. Failure to meet the data protection obligations could result in enforcement action, fines, and reputational and financial damage.	Since, we work in a highly automated environment and use cutting-edge technology to support a variety of operations. To mitigate information technology-related risks, we have implemented a governance framework, information security practises, and a business continuity plan.	Negative
14	Economic Performance	Opportunity	Economic performance is critical to maintain stability and positive momentum. Delivering on our business and strategic objectives is the key to realizing our planned future profitability and cash generation through return on our investments.	Not Applicable	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
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	NA	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
c. Web Link of the Policies, if available	Some policies may also comprise a combination of internal PPAP policies that are available to all internal stakeholders and are available on PPAP's website. <a href="https://www.ppapco.in/financials#codes_and_policies">https://www.ppapco.in/financials#codes_and_policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards adopted by your entity and mapped to each principle.	Most of the policies are aligned to various standards such as IATF 16949 (Quality Management System), ISO 14001 (Environment Management System), ISO 45001 (Occupational Safety & Health Management System), ISO 50001 (Energy Management System), ISO/IEC 27001 (Information Security Management System), GRI Standards and BRSR Guidelines.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	PPAP sustainability approach for FY24 includes: <ul style="list-style-type: none"> <li>• Betterment of the local community in which we operate and the upliftment of the marginalized section of our society by providing education through the Vinay and Ajay Jain Foundation.</li> <li>• Endeavour to preserve water and clean air and ensure responsible management of hazardous &amp; non-hazardous waste.</li> <li>• We aim to achieve 50% CO2 reduction (Scope 1 &amp; 2) by 2030 and Net Zero by 2045.</li> <li>• Increase the share of renewable energy and maximize energy efficiency.</li> <li>• Commitment to increase the percentage of women workforce to at least 10% on the shopfloor.</li> </ul>								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	PPAP strongly believes that sustainability is a journey and is constantly working on it.								
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements.	Please refer to the 'Message from Chairman & Managing Director' section of the Sustainability Report FY 23-24								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(s).	Mr. Abhishek Jain, Chief Executive Officer & Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, PPAP's sustainability initiatives inter alia plantation, education etc are monitored by corporate social responsibility committee and Board at periodic intervals.								

<b>10. Details of Review of NGRBCs by PPAP:</b>	<b>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>									
<b>Subject for Review</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	
Performance against above policies and follow up action	The policies of PPAP are reviewed on a need or periodic basis by the Committees of Board or Board of Directors of PPAP.									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	PPAP complies with the extant regulations as applicable.									
Frequency (Annually, Half Yearly, Quarterly, Any other)	The policies are reviewed internally at least once in a year and brought before the Board Committee/Board as and when required.									
<b>11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.</b>										
<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>		
Policies are reviewed internally, and external assistance is availed whenever required.										
<b>12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:</b>										
<b>Questions</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	
The entity does not consider the principles material to its business (Yes/No)										
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)										
The entity does not have the financial or/human and technical resources available for the task (Yes/No)										NA
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										



**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity 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 training & awareness programs held	Topics /principles covered under the training and its impact	% Coverage by awareness programmes
Board of Directors	2	PPAP shares business presentations periodically at the meetings of the board of directors and the committees to inform the directors about the strategy, operations, and functions of PPAP. At various board meetings, presentations are also made on safety, health and environment, risk management, PPAP policies, and changes in the regulatory environment.	100%
Key Managerial Personnel	2	PPAP's basic policy for training and development is the cultivation of "Teach and be Taught". Training is based on the 70-20-10 principle i.e., 10% of the time of trainee goes in the classroom, 20% of learning is supported by the coach, and 70% action on projects which enable an employee to complete the learning cycle and understand the processes in depth.	100%
Employees other than BOD and KMPs	305	PPAP's basic policy for training and development is the cultivation of "Teach and be Taught". Training is based on the 70-20-10 principle i.e., 10% of the time of trainee goes in the classroom, 20% of learning is supported by the coach, and 70% action on projects which enable an employee to complete the learning cycle and understand the processes in depth.	100%

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings with regulators/ law enforcement agencies imposed on your company by regulatory/ judicial institutions in the financial year:**

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					
Settlement			Nil		
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment			Nil		

**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.** Not Applicable.

**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. anti-bribery and anti-corruption are covered in PPAP's code of conduct and ethics. The policy reiterates PPAP's zero-tolerance approach to bribery and corruption. The policy makes ethical decision-making easier and reinforces PPAP's culture of transparency in all its business relationships. This policy applies to all stakeholders or persons associated with PPAP or acting on behalf of PPAP.

Link is as follows: [https://www.ppapco.in/assets/pdf/policies/Code\\_of\\_conduct\\_and\\_Ethics-V6.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-V6.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 2023-24	FY 2022-23
<b>Directors</b>		
<b>KMPs</b>	Nil	Nil
<b>Employees</b>		

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
		Nil		Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.** Not Applicable.

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

	FY 2023-24	FY 2022-23
Number of days of accounts payables	72.41	66.14

**9. Open-ness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	24.56	28.04
	b. Number of trading houses where purchases are made from	22	21
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	94.40	95.93
Concentration of Sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Not Applicable	
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	2%	2%
	b. Sales (Sales to related parties/Total Sales)	3%	3%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	97%	99%
	d. Investments (Investments in related parties/ Total Investments made)	88%	91%

### Leadership Indicators

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

Total number of awareness programs held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Sustainability Training	57%

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

Yes, PPAP has procedures in place to avoid/manage conflict of interest involving members of the Board and the same has been embedded in the code of conduct & ethics policy and related party transactions policy as follows:

[https://www.ppapco.in/assets/pdf/policies/Code\\_of\\_conduct\\_and\\_Ethics- V6.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics- V6.pdf)

[https://www.ppapco.in/assets/pdf/policies/Related\\_Party\\_Transactions\\_Policy1.pdf](https://www.ppapco.in/assets/pdf/policies/Related_Party_Transactions_Policy1.pdf)

**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 products and processes to total R&D and capex investments made by the entity, respectively:**

	2023-24	2022-23	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	-	83.5%	Reduction in RM consumption by material weight and design
<b>Capex</b>	-	-	-

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

Yes, PPAP has procedures in place for sustainable sourcing. At PPAP, we work with our suppliers so that the environmental and social impacts can be prevented or mitigated at the stage of structuring contracts or other agreements, as well as, through ongoing collaborations with suppliers. PPAP’s suppliers are assessed for a range of environmental and social criteria, including human rights (such as child labour and forced or compulsory labour), employment practices, health and safety practices, industrial relations, incidents (such as abuse, coercion, or harassment), wages and compensation, and working hours. PPAP has a quality, environment, health, and safety policy and encourages its suppliers to ensure compliance with these policies. It covers various issues like safety measures, SOC, and POP substance declaration under PPAP’s supplier manual including policy for responsible sourcing of raw material. PPAP assessed 100% of its new suppliers in FY 2023-24 per PPAP’s environment and social criteria.

**2. b. If yes, what percentage of inputs were sourced sustainably? Product/Service: 100%**

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

We monitor material consumption, minimize waste, and use more recycled materials to optimize our resource management. The circularized packaging materials are the number of bins & trolleys at the plant level that is returned from the customer, eliminating the need for extra packing material. The same bins will be reused until the end of their life cycle. For e-waste disposal, PPAP works with authorized e-waste handlers and approximately 0.69 tonne of e-waste was generated and recycled by authorized recyclers.

**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.**

We have registered for the EPR for Plastic waste management with CPCB in line with our commitment of responsible management of waste.

### 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?

N I C 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)
34300	Manufacture of parts and accessories for motor vehicles	100%	Cradle to Gate	No	No

PPAP is IATF-16949, ISO-14001, ISO-45001 & ISO-50001 certified and PPAP follows all these standards while producing its products.

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

Life Cycle Assessment has not been conducted. However, significant social and environmental risks have been already identified during production. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them as per the ISO 14001 standard.

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 2023-24	FY 2022-23
Plastics	1.74%	1.51%

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

No product and packaging material is reclaimed at the end of life of products, as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

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

Not Applicable

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**



### Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent Employee</b>											
a. Male	1243	226	18%	0	0	0	0%				
b. Female	17	1	6%	0	0	1	6%			NA	
c. Total	1260	227	18%	0	0	1	0%				
<b>Other than Permanent employees</b>											
a. Male	780	780	100%	0	0	0	0				
b. Female	147	147	100%	0	0	0	0			NA	
c. Total	927	927	100%	0	0	0	0				

Note: b. PPAP does not have any workers as defined in the guidance note on BRSR.

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of the total revenue of the company	0.042%	0.35%

Employees have always been an asset of PPAP. PPAP endeavours to establish long-term relationships with its employees by providing an atmosphere that is motivating and enjoyable to work in, with the goal of moving toward a high-performance socio-economic work culture at all levels.

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

Benefits	FY 2023-24		FY 2022-23	
	No. of employees covered as a % of total employees	Deducted and de-positd with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Yes	100%	As per Act
Gratuity	100% (As per Act)	Yes	100% (As per Act)	As per Act
ESI	100% (As per Act)	Yes	100% (As per Act)	As per Act

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

#### 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.**

Currently, there is no facility available at the plant. However, PPAP is working towards making its plants accessible to differently abled people.

**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.**

Equal opportunity policy is combined in PPAP's code of conduct & ethics policy, link for the same is available: [https://www.ppapco.in/assets/pdf/policies/Code\\_of\\_conduct\\_and\\_Ethics-\\_V6.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V6.pdf)

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

Gender	Permanent employees		Other than Permanent employees	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	-	-
Female	1	100%	-	-
Total	1	100%	-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

**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 Employees	Yes (Monthly Town Hall Meeting, Online help desk, Grievance register/Gate Meeting/ Female Samvad)
Other than Permanent Employees	

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

There are no employee associations at PPAP. PPAP, however, acknowledges and respects the right to freedom of association and does not oppose collective bargaining and follows all local laws for representation of labour.

**8. Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total	On health and safety/wellness measures		On skill upgradation		Total	On health and safety/wellness measures		On skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	(A)	No. (B)	% (B/A)	No.(C)	% (C/A)
<b>Permanent &amp; Other than Permanent Employees</b>										
Male	2023	2023	100%	2023	100%	2020	2020	100%	2020	100%
Female	164	164	100%	164	100%	172	172	100%	172	100%
Total	2187	2187	100%	2187	100%	2192	2192	100%	2192	100%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
<b>Permanent &amp; Other than Permanent employees</b>						
Male	2423	2423	100%	2020	2020	100%
Female	205	205	100%	172	172	100%
Total	2628	2628	100%	2192	2192	100%

Note: As per Company Policy, we follow the Calendar Year (Jan 23 to Dec 23) for performance review. Hence, the data considers the manpower strength as on 31<sup>st</sup> Dec 2023. PPAP does not have any workers as defined in the guidance note on BRSR.

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

Yes, PPAP is ISO 45001 (Occupational Safety & Health Management System) certified. Extracts from the Company’s “Quality Environment Health & Safety (QEHS) Policy” are displayed at the manufacturing plants in English as well as in regional languages. The Company has also developed visitor safety security procedures and entry regulations at factory with safety communication to ensure the same at all levels. PPAP covers 100% of its employees under the Occupational Safety & Health Management System.

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

Environment, Health and Safety (EHS) is the main focal area for PPAP since it is committed to providing a safe, secure, and healthy workplace for its employees. The company has a well-defined safety team that is in charge of conducting all safety, electrical and fire audits, risk assessments, safety meetings, and implementing necessary safety measures on identified unsafe conditions and acts (Hiyari Hatto Points) in order to prevent any near-miss or accidents. The safety team periodically conducts numerous training sessions for the employees to increase awareness regarding the work-related hazards. PPAP ensures that all the safety standards and guidelines are complied with.

**c. Whether you have processes for employees/workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**

Yes, all the work-related hazards reported by employees is listed and a dedicated team under the safety officer is assigned to analyse and implement the countermeasures to close all work-related hazards which are communicated in DWM (Daily Work Management), safety committee meetings and townhall meeting.

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

Yes, PPAP believes in creating a safe working environment for all its employees by having tie up with hospitals for employees and their families.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)		1.3	-
Total recordable work-related injuries	Employees	-	10
No. of fatalities		-	-
High consequence work-related injury or ill-health (excluding fatalities)		-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

PPAP emphasizes the importance of providing a safe and healthy workplace for all its employees and third-party contractors. PPAP regularly evaluates its workplace health, safety, and environmental performance. Along with that, following measures are continuously monitored and implemented across all units:

- Assurance of machine safety by installing safety devices during the design phase of machine manufacturing.
- EHS mobile app for reporting unsafe acts and unsafe conditions on digital platforms.
- PPAP has done the Hazard identification and Risk assessment (HIRA) of all the activities inside the premises.
- Training provided on the work-related activities as per weekly and monthly basis.
- SOP and OCP’s are prepared and followed for the all the routine and non-routine activities.
- Daily KYT (Kiken yochi training or hazard prediction activity) is conducted to raise awareness among employees.
- For improvement of OHS conditions at workstations KAIZENS (continuous improvements) done.

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

Year \ Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Health and safety practices	2	0	Resolved	2	0	Resolved
Working Conditions	5	0	Resolved	3	0	Resolved

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

**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%

All units of PPAP are assessed against ISO 45001:2018 standard. PPAP complies with all the health and safety-related laws and rules.

**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.**

No significant risks/concerns arising from assessments of health and safety practices.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?** No**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

PPAP ensures that the statutory dues are deducted and remitted in conformity with regulations for transactions. Complinty software is also implemented for adherence of Legal compliance and dues. The internal and statutory audits review this activity as well. PPAP expects its value chain partners to adhere to employee well-being and uphold the values of Supplier's code of conduct & ethics.

**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:**

Employees	Total no. of affected employees		No. of employees 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
	Nil	Nil	Nil	Nil

Given the nature of operations, safety has always been an important aspect of PPAP's working culture and it has been the Company's constant endeavour to extend this safety culture among all its employees. Regular health monitoring and check-ups by external hospitals are conducted as a measure of identification of any work-related ill-health. At PPAP, health & safety are a part of the company's guiding principles on employees' well-being.

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

Yes, PPAP provides transition assistance programs to facilitate continued employability through retainership & advisory engagement.




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	
Working conditions	48%

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

No significant risks/concerns observed from assessments of health and safety practices and working conditions of value chain partners.

**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.

PPAP has identified its stakeholders as entities or individuals that can reasonably be expected to be significantly affected by the organisation’s activities, products, or services. Stakeholders are also those whose actions can reasonably be expected to affect the ability of the organisation to implement its strategies or achieve its objectives.

PPAP believes that the stakeholder engagement process serves as a tool for understanding the reasonable expectations and interests of stakeholders and their information needs.



## 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	Frequency	Purpose & Scope of Engagement including key topics and concerns raised during such engagement
Investors	No	AGM, Investor conferences, press releases and newsletters, Updates on website of the Company	Quarterly	Growth of the Company, Reward to shareholders, ROCE, Governance and risk management
Suppliers	Yes	Suppliers / Vendors meet via Networking & Exhibition Suppliers feedback and periodic site visits	Need based, Monthly, Quarterly	Payment terms, Growth of suppliers, Fair & transparent dealing, Logistics
Employees	No	Town hall/ Suggestions/ DWM meetings Award and Annual functions	Monthly, Quarterly	Growth opportunities, Safe working environment, Hygiene & sanitation, Talent attraction, retention, Training & development
Community	Yes	Community meetings and visits, Interaction with local bodies	Need based, Monthly, Quarterly	Livelihood support & Local employment, Healthcare facilities, Education, Air and water pollution
Customers	Yes	Customer satisfaction surveys, Direct customer relationship satisfaction initiatives	Need based, Monthly, Quarterly	Product quality and delivery, Health and safety aspects, Innovation

### 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.

Economic, environment and social topics are discussed in the Board meeting. The consultation with stakeholders delegated to corporate governance and other concerned functions where they engage with stakeholders, take their feedback and communicate to management and board about the activity of engagement and feedback received.

#### 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, PPAP uses stakeholder consultation while deciding the sustainability materiality matrix. Materiality assessment was conducted by the steering committee via an online survey to understand the feedback of different stakeholders on ESG material issues. PPAP believes that the stakeholder engagement process serves as a tool for understanding the reasonable expectations and interests of stakeholders and their information needs. Improvement in gender diversity was taken as one of the material topics in consultation with Board of directors.

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

PPAP recognizes its responsibility and identifies underprivileged communities around its business locations as disadvantaged, vulnerable, and marginalized stakeholders, and engages with all such stakeholders and thrives to constantly contribute towards the betterment of the local community in which it operates and the upliftment of the vulnerable/marginalised section of our society, through "Vinay and Ajay Jain Foundation", a registered trust for focused implementation of CSR activities of the Company majorly in the field of environment, education, and Healthcare (CSR Policy available on website).

**Environment:** The foundation has undertaken several plantation projects in Tughlaqabad Biodiversity Park and development of a Nursery near Dera Mandi. This initiative led to employment generation of 15 beneficiaries.

**Education:** PPAP has sponsored School Uniforms, Books, Tuition Fees, Bus Fees for children from underprivileged sections of society and has aided education of 75 students.

**Healthcare:** 350 beneficiaries impacted through donation to Akshaya Patra Foundation and through health check-up camps, ration distribution.

**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(s) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total	No.	%	Total	No.	%
<b>Employees</b>						
Permanent	1260	1260	100%	1212	635	52.39%
Other than permanent	927	927	100%	980	597	60.92%
<b>Total Employees</b>	<b>2187</b>	<b>2187</b>	<b>100%</b>	<b>2192</b>	<b>1232</b>	<b>56.20%</b>

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

	FY 2023-24					FY 2022-23				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
	(A)	No. (B)	% (B/A)	No. (B)	% (B/A)	(A)	No. (B)	% (B/A)	No. (B)	% (B/A)
<b>Employees</b>										
Permanent	1260			1260	100%	1212			1212	100%
Male	1243			1243	100%	1193			1193	100%
Female	17	NA		17	100%	19	NA		19	100%
Other than Permanent	927			927	100%	980			980	100%
Male	780			780	100%	827			827	100%
Female	147			147	100%	153			153	100%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

a. Median Remuneration/wages:

Segments	Male		Female	
	Number	Average	Number	Average
		remuneration/ salary/ wages		remuneration/ salary/ wages
<b>Board of Directors</b>	5	25.10	2	7.50
<b>Key Managerial Personnel</b>	3	280.75	1	12.30
<b>Employees other than BOD and KMP</b>	2023		164	

\*PPAP does not have any workers as defined in the guidance note on BRSR.

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3.72	3.58

**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, PPAP has instituted an Internal Complaints (IC) Committee for redressal of human rights issue and for ensuring time-bound treatment of such complaints.

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

PPAP is committed to the highest standards of ethical, moral, and legal business conduct. PPAP's dedication to human rights and fair treatment is outlined in its code of conduct and ethics policy. The company is committed to the fundamental principles of human rights & labor rights, a workplace free of harassment, and prohibition of child labor. The company sets a standard of 'zero tolerance' for any kind of violation of human rights.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

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

	FY 2023-24	FY 2022-23
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.**

PPAP views all incidents of discrimination and harassment cases, very seriously and encourages employees to report any incidents of harassment to the Internal Complaints Committee (ICC) formed under Policy of Prevention of Sexual Harassment at the workplace of the Company ("POSH Policy"). Any aggrieved individual may make, in writing, a complaint of Sexual Harassment at the workplace to the Committee giving details of the harassment.

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

Yes, PPAP follows its policy on Human Rights which are embedded in the Code of Conduct and Ethics of the Company. The Code of Conduct and Ethics extends to the Company and its subsidiary Companies. The Company is committed to the fundamental principles of human rights & labour rights, workplace free of harassment, and prohibition of child labour. The Company sets a standard of 'zero tolerance' for any kind of discrimination or harassment, extends to value chain partners as per the contracts during supplier manual agreement.

**10. Assessments for the year:****% of your plants and offices that were assessed (by entity or statutory authorities or third parties)**

<b>Sexual Harassment</b>	-
<b>Discrimination at workplace</b>	-
<b>Child Labour</b>	-
<b>Forced Labour/Involuntary Labour</b>	-
<b>Wages</b>	-
<b>Other human rights-related issues</b>	-

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

No significant risk was observed in this reporting period.

**Leadership Indicators****1. Details of a business process being modified/introduced to address human rights grievances/complaints.**

No human rights grievance/complaint was received during the reporting period.

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

No human rights due diligence was conducted during the reporting period.

**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?**

Currently, there is no facility available at the plant. However, PPAP is working towards making its workplace accessible to differently-abled people.

**4. Details on assessment of value chain partners:****% of value chain partners (by value of business done with such partners) that were assessed**

<b>Sexual Harassment</b>	29%
<b>Discrimination at workplace</b>	29%
<b>Child Labour</b>	29%
<b>Forced Labour/Involuntary Labour</b>	29%
<b>Wages</b>	29%
<b>Other</b>	29%

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

No significant risks/concerns observed in the assessment of 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 2023-24	FY 2022-23
<b>From Renewable Energy Sources</b>		
Total electricity consumption (A)- Giga Joules	2912	3268
Total fuel consumption (B)-Giga Joules	0	0
Energy consumption through other sources (C)-Giga Joules	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	2912	3268
<b>From Non- Renewable Energy Sources</b>		
Total electricity consumption (D)- Giga Joules	54205	52941
Total fuel consumption (E)-Giga Joules	6835	7725
Energy consumption through other sources (F)-Giga Joules	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	61040	60666
<b>Total energy consumed (A+B+C+D+E+F)- Giga Joules</b>	63952	63934
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	142.71	145.03
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) –	-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

#### 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 designated consumers entity in PPAP.

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

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	31464.26	35436.31
(iii) Third- party water	13819.99	14108
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	45284.26	49544.31
<b>Total volume of water consumption (in kilolitres)</b>	45284.26	49544.31
<b>Water intensity per crore of turnover (Total water consumption/Revenue from operations)</b>	101.05	112.39
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(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		
<b>Total water discharged (in kilolitres)</b>		<b>0</b>

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

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

Yes, PPAP has implemented a mechanism for Zero Liquid Discharge. The wastewater generated from cooling towers was previously drained out in municipal drains, it is currently being stored in underground storage tanks and then used for gardening. The wastewater is recycled in-house and reused for various purposes including (but not limited to) the following:

- Water is being reused from the cooling extrusion for the greenbelt development and horticulture.
- Numerous water saving initiatives led to 7359 KL of water saving in the reporting period.
- Rainwater harvesting tanks are installed to recharge the groundwater.

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

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Kg	226.63	427.39
SOx	Kg	71.96	-
Particulate matter (PM)	Kg	30.75	67.59
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
CO	Kg	25.83	203.11

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions	Metric tonnes of CO <sub>2</sub> equivalent	443.35	492.43
Total Scope 2 emissions		10780.76	11911.66
<b>Total Scope 1 and Scope 2 emissions per crore of turnover</b>		25.05	28.17
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional)– the relevant metric may be selected by the entity		-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

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

Yes, the reduction of resources forms an integral part of PPAP's continuous focus on reducing its carbon footprint on the environment.

- Installation of the energy-efficient lighting system and implementation of energy-saving kaizens (including fuel) in the existing machinery has helped us achieve the potential of annual energy saving of 13556.44 GJ and reduction of 176.12 tonnes of CO<sub>2</sub> emissions. We periodically hold awareness training across all our business units to spread energy-saving habits among our staff.
- Localisation of our raw materials has further led us to save 12.25 tonnes of CO<sub>2</sub> emissions.
- Waste saving initiative has led us to save 0.128 tonnes of CO<sub>2</sub> emissions.

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

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
<b>Plastic waste (A)</b>	1136.46	1060.53
<b>E-waste (B)</b>	0.69	0.83
<b>Bio-medical waste (C)</b>	-	-
<b>Construction and demolition waste (D)</b>	-	-
<b>Battery waste (E)</b>	-	-
<b>Radioactive waste (F)</b>	-	-
<b>Other Hazardous waste. Please specify, if any. (G)</b>	5.03	5.53
<b>Other Non-hazardous waste generated (H). Please specify, if any.</b>	399.74	318.74
<b>Total (A+B + C + D + E + F + G+ H)</b>	1541.92	1385.63
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	-	-
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	-	-
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (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)**

<b>Category of waste</b>		
<b>(i) Recycled</b>	1447.43	1375.55
<b>(ii) Re-used</b>	-	-
<b>(iii) Other recovery operations</b>	-	-
<b>Total</b>	1447.43	1375.55

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

<b>Category of waste</b>		
<b>(i) Incineration</b>	1.56	1.51
<b>(ii) Landfilling</b>	92.71	-
<b>(iii) Other disposal operations</b>	-	-
<b>Total</b>	94.27	1.51

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

**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.**

PPAP recognizes that the natural resources are finite and therefore need to be conserved and recycled. In the endeavour to achieve the same it continues to evaluate opportunities for technology upgradation, improved processes for waste reduction. PPAP always focuses on 5R concept (Refrain, Reform, Reduce, Reuse and Re-cycle). PPAP has installed the bio-composter for canteen waste and recycle the food waste produced by PPAP. PPAP is using reclaimed packaging materials in the form of bins that will return from the customer, eliminating the need for single use packaging. The same bins will be reused until the end of their life cycle.

PPAP follows the international standard of materials as per IMDS and verify the SOC/POP free material to protect against any toxicity.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not Applicable.**

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable.**

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

Yes, PPAP gives highest priority to ensure environment-friendly practices, having all valid consent to operate (Air & Water), hazardous waste authorization by concerned pollution control boards, ensuring compliance with applicable environmental laws, rules, regulations, and guidelines.

## 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:** Delhi NCR, Chennai (Tamil Nadu), Ahmedabad (Gujarat), Pathredi (Rajasthan).
- (ii) **Nature of operations:** Manufacturing of Automotive sealing parts (Extrusion, Injection Moulding, Assembly).
- (iii) **Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	31464.26	35436.31
(iii) Third party water	13819.99	14108
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	45284.26	49544.31
<b>Total volume of water consumption (in kilolitres)</b>	45284.26	49544.31
<b>Water intensity per crore of turnover (Water consumed / turnover)</b>	101.05	112.39
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		Not Applicable
- 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		
<b>Total water discharged (in kilolitres)</b>		

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

Currently, PPAP monitors the following 8 categories of Scope 3 emissions viz Category 1, Category 3, Category 4, Category 5, Category 6, Category 7, Category 8, Category 9:

Parameters	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	51119.14	-
<b>Total Scope 3 emissions per rupee of turnover</b>		114.07	-
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. Not Applicable.**

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

S.No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Energy Conservation Initiatives	Installation of the energy-efficient lighting system and implementation of energy-saving kaizens (including fuel) in the existing machinery.	The potential of annual energy saving of 13556.44 GJ and reduction of 176.12 tonnes of CO2 emissions.
2.	Water saving initiatives	Installation of water-efficient technology and water-saving taps	It has led to 7359 KL of water saving in the reporting period.
3.	Waste Management Initiatives	Installation of PADCARE bins for safe disposal of sanitary napkins	It has led us to save 0.128 tonnes of CO2 emissions.
4.	Supply Chain initiatives	Localization of raw material	It has led us to save 12.25 tonnes of CO2 emissions.

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

Yes, PPAP has a well-defined risk, business continuity and disaster management plan. The plan outlines all the contingencies along with the overall governance and monitoring of the business continuity function. Business continuity spans people, processes, and technology. Requisite training programs have been conducted for the teams to be prepared to respond in a crisis. Most of the business functions are supported through automation with the help of technology.

**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 has been observed to the environment, arising from the value chain.

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

29% suppliers assessed.

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

PPAP is a member of 7 business associations.

- b. **List the top 10 trade and industry chambers/ associations you are a member of/are affiliated to, on the basis of no. of members.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Automotive Component Manufacturers Association of India (ACMA)	
2	Bhiwadi Manufacturers Association (BMA)	
3	Confederation of Indian Industries (CII)	
4	HCI Supplier's Club Society	Association
5	Maruti Suzuki Suppliers Welfare Association (MSSWA)	
6	Tools and Gauge Manufacturers Association of India (TAGMA)	
7	Toyota Kirloskar Suppliers Association (TKSA)	

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

Not Applicable

#### Leadership Indicators

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

PPAP is currently not engaged in public advocacy.

**Principle 8: Businesses should promote inclusive growth and equitable development.**



#### Essential Indicators

1. **Details of Social Impact Assessments (SIA) undertaken by PPAP for projects in the current Financial Year.**

SIA activity has not been started yet, however, PPAP has been planning to undertake the SIA in the upcoming years.

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

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

Register of grievances is kept and maintained to receive and redress grievances of the community.

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

PPAP undertakes initiatives to build capacities of the suppliers. PPAP supports the MSMEs in nearby locations of its plants for raw material sourcing/packaging/consumable etc. The supply chain team of PPAP periodically visits the facilities of the vendors for their continuous upgradation and suggest them improvement points.

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	21%	15%
Sourced directly from within India	92%	92%

**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**

	FY 2023-24	FY 2022-23
Rural	23%	31%
Semi-urban	12%	9%
Urban	38%	36%
Metropolitan	27%	24%

**Leadership Indicators****1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments.**

Not Applicable.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:** Nil**3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

We do not have a preferential policy. However, we support the local and small-scale suppliers such as MSMEs.

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

PPAP supports the MSMEs and small suppliers in nearby locations of its plants for raw material sourcing/packaging/consumables etc.

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

During the reporting period, it constituted around 21% of the total procurement.

**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:**

Not Applicable.

**5. Details of corrective actions taken in intellectual property-related cases wherein usage of traditional knowledge is involved:**

Not Applicable.

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

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Environment	15	100%
2	Education	75	100%
3	Health Care	350	100%

**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.

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP has a customer complaint handling system based on IATF16949:2016 and business policy of each customer. PPAP provides immediate containment action and awareness training to all concerned team members to stop out flow of suspected material to the customers. Detailed countermeasure with simulation and 4M/why-why analysis is shared with customer within two weeks from the date of complaint received. After receiving effectiveness confirmation of action, PPAP does the horizontal deployment of the action taken wherever possible and standardize the standard operating procedure and related documents. No customer complaints are pending at the end of financial year.

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

Product/Services	As a % to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	NIL
Recycling and safe disposal	

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

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cybersecurity		Nil			Nil	
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						

Note: PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

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

	Number	Reasons for recall
Voluntary recalls	-	NA
Forced recalls	-	NA

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

Yes, PPAP has policy for cyber security and certified ISO 27001: 2013. Web-link of the policy is as follows: [https://www.ppapco.in/assets/pdf/policies/Privacy\\_policy.pdf](https://www.ppapco.in/assets/pdf/policies/Privacy_policy.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.

During the reporting period, there was no observance of any issue related to cyber security, data privacy and safety of products and services.

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

- a. Number of instances of data breaches: 0**
- b. Percentage of data breaches involving personally identifiable information of customers: 0%**
- c. Impact, if any, of the data breaches: None**

**Leadership Indicators**

**1. Channels / platforms where information on products and services of PPAP can be accessed (provide web link if applicable).**

Information on products and services can be availed from the official website of PPAP. Link for the same is as follows: <https://www.ppapco.in/>

**2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.**

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. Safe and responsible usage of product ensured by collaboration of OEM customers with their terms of manufacturing and delivery of products.

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

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP has contingency plan of covering the risk of disruption/discontinuation of essential services and very well informed to all customers.

**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.**

Not applicable as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP displays product label on part by laser printing as per customer requirements. The label displays information related to part manufacturing date, time and material used. We also provide details about the material used to customer like SOC (Substances of Concern) free, Conflict Mineral free, POP (Persistent Organic Pollutants) free and compliance with RoHS (Restriction of Hazardous Substances).

**5. 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)**

Not applicable as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP engages with its customers at various platforms to understand their expectations and has a well-defined system to measure customer satisfaction at regular intervals. Customer satisfaction are one of the most important factors of any business. Customer Satisfaction trends are compiled, monitored, and reviewed by top management on a periodic basis and action plans are discussed with customers.