

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## PREFACE

The Securities & Exchange Board of India (SEBI) through a notification dated 5<sup>th</sup> 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. For the top 1,000 Indian listed entities based on market capitalisation on the BSE Limited and National Stock Exchange of India Limited, are required to submit a Business Responsibility and Sustainability Report (BRSR). The BRSR is voluntary for Financial Year 2022 and mandatory from Financial Year 2023 onwards.

PPAP initiates voluntary disclosure of BRSR for Financial Year 2021-22, 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) of PPAP:   | L74899DL1995PLC073281  |
| 2     | Name of Company:   | PPAP AUTOMOTIVE LIMITED  |
| 3     | Year of incorporation:   | 1995   |
| 4     | Registered office address:   | 54, Okhla Industrial Estate, Phase-III, New Delhi-110020   |
| 5     | Corporate office 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:  | 2021-22  |
| 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 Cr  |
| 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<br>Landline number: +91-120-4093901<br>Email Id: sustainability@ppapco.com |
| 13    | Reporting boundary   | Disclosures made in this report are on a standalone basis and limited to PPAP Automotive Limited     |

## II. Products/ Services

### 14. Details of business activities:

| Description of Main Activity group | Description of Business Activity  | % of Turnover of PPAP |
|------------------------------------|---|-----------------------|
| Manufacturing of automotive parts  | Manufacturing of automotive parts for passenger vehicles & two-wheelers | 90%                   |

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

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

## III. Operations

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

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 5                | 4                 | 9     |
| International | Nil              | Nil               | Nil   |

### 17. Markets served by PPAP:

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

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, SML ISUZU, Mahindra, Magna Corp, Hyundai Mobis, Motherson, Unitex, TS Tech Limited, Asahi India Glass Limited, Saint-Gobain Polyplastics Industries Private Limited etc.

Commercial vehicle clientele includes SML ISUZU, ISUZU, Faurecia.

Two-wheeler clientele includes Suzuki, UNO Minda, Motovolt, Sanket Pragati India Private Limited, J&G 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

### 18. Details as at the end of Financial Year:

| a. Employees (including differently abled): |                      |       | Employees |     |            |       |
|---|----------------------|-------|-----------|-----|------------|-------|
| S. No.                                      | Particulars          | Total | Male (%)  |     | Female (%) |       |
|   |                      |       | No.       | %   | No.        | %     |
| 1   | Permanent            | 1027  | 1021      | 99% | 6          | 0.01% |
| 2   | Other than Permanent | 653   | 594       | 91% | 59         | 9%    |
| 3   | Total                | 1680  | 1615      | 96% | 65         | 4%    |

| b. Differently abled Employees |                                   |       | Employees |   |            |   |
|--------------------------------|-----------------------------------|-------|-----------|---|------------|---|
| S. No.                         | Particulars                       | Total | Male (%)  |   | Female (%) |   |
|                                |                                   |       | No.       | % | No.        | % |
| 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.

#### 19. Participation/Inclusion/Representation of women:

|                                       | Total | No. and % of Females |       |
|---------------------------------------|-------|----------------------|-------|
|                                       |       | No.                  | %     |
| <b>Board of Directors</b>             | 6     | 2                    | 33.33 |
| <b>Key Management Personnel (KMP)</b> | 2     | 1                    | 50    |

\*The Company secretary (KMP) is appointed on 13<sup>th</sup> May 2022.

#### 20. Turnover rate for permanent employees and workers:

|                      | FY 2019-20 |        |       | FY 2020-21 |        |       | FY 2021-22 |        |       |
|----------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                      | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees  | 4.9%       | 0.2%   | 5.1%  | 15%        | 1%     | 16%   | 10%        | 1%     | 11%   |
| Other Than Permanent | 18%        | 2.7%   | 20.7% | 29%        | 5%     | 34%   | 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)

##### 21. Names of holding/subsidiary/associate companies/joint ventures: As of March 31, 2022

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

#### VI. CSR Details:

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

(ii) Turnover (in ₹): 409.07 Cr

(iii) Net worth (in ₹): 312.84 Cr

#### VII. Transparency and Disclosures Compliances

**23. Complaints/Grievances on any aspect of the National Guidelines on Responsible Business Conduct in the financial year:**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No), If yes, then provide web-link for grievance redressal policy | 2021-22   |   |  |
|---|---|---|---|--|
|   |   | Number of complaints at the beginning of the year | Number of complaints received during the year | Number of complaints pending resolution at close of year |
| Shareholders                                      | Yes   | -   | 1   | -  |
| Employees   | Yes   | -   | -   | -  |
| Customers   | Yes   | 45  | 22  | -  |
| Value Chain Partners                              | Yes   | -   | -   | -  |
| Investors (other than shareholders)               | Yes   | -   | -   | -  |
| Communities                                       | 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, no complaints were received from the stakeholder's group except the customers & shareholder and all the customer's concerns have been closed on timely basis.

Links of the same are as follows:

[https://www.ppapco.in/assets/pdf/policies/Code\\_of\\_conduct\\_and\\_Ethics-\\_V3.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V3.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)

**24. Overview of PPAP’s high priority responsible 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 line 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.

| S. No. | Material Issue identified | Indicate whether Risk or Opportunity (R/O) | Rationale for identifying the Risk or Opportunity  | Approach to adapt or mitigate  | Positive/ Negative Implications |
|--------|---------------------------|--|--|--|---------------------------------|
| 1      | Environment               | Opportunity                                | <ol style="list-style-type: none"> <li>Energy consumption</li> <li>Material use, recycling &amp; reclaiming</li> <li>Waste reuse, recycling &amp; disposal</li> <li>Water consumption</li> <li>GHG Emission &amp; intensity</li> </ol> | Managing (Using, re-using and recycling) resources (such as energy, waste, water) more efficiently by upgradation of existing technology to optimize and minimize the organization’s overall carbon footprint. By adopting renewable energy sources for the energy resources.      | Positive                        |
| 2      | Social                    | Opportunity                                | <ol style="list-style-type: none"> <li>Employment</li> <li>Occupational Health &amp; Safety</li> <li>Training and Development</li> <li>Diversity and gender equality</li> </ol>  | Building Safety Leadership capability at all levels to achieve zero harm and to improve competency and capability for hazard identification and risk management, creating an inclusive workspace to attract and retain diverse talent by skill upgradation via numerous programmes | Positive                        |
| 3      | Economic                  | Opportunity                                | <ol style="list-style-type: none"> <li>Economic Performance</li> <li>Market Presence</li> <li>Procurement practices</li> </ol>   | Focusing on tangible & intangible growth, scaling of adjacent businesses, entering into new market segments, raw material de-risking for enhancing operational efficiency  | Positive                        |

| Material Topics                   |                          |                            |
|-----------------------------------|--------------------------|----------------------------|
| High Importance                   | Medium Importance        | Low Importance             |
| <b>Economic</b>                   |                          |                            |
| Economic Performance              | Indirect Economic Impact |                            |
| Market Presence                   | Anti-Corruption          | Anti-Competitive Behaviour |
| Procurement Practices             |                          |                            |
| <b>Environment</b>                |                          |                            |
| Materials                         | Biodiversity             |                            |
| Energy                            | Environmental Compliance |                            |
| Water and Effluents               |                          |                            |
| Emissions                         |                          |                            |
| Effluents and Waste               |                          |                            |
| Supplier Environmental Assessment |                          |                            |

### Social

|                                 |                             |  |
|---------------------------------|-----------------------------|--|
| Employment                      | Labour/Management Relations | Freedom of Association and Collective Bargaining |
| Occupational Health & Safety    | Non-Discrimination          | Security Practices                               |
| Training & Education            | Child Labour                | Rights of Indigenous People                      |
| Supplier Social Assessment      | Forced or Compulsory Labour | Public Policy                                    |
| Diversity and Equal Opportunity | Human Rights Assessment     | Marketing and Labeling                           |
| Local Community                 | Customer Health & Safety    | Socio-Economic Compliance                        |
|                                 | Customer Privacy            |  |

PPAP is continuously making efforts to improve its sustainability performance against the key material topics identified as KPIs in relevant activities and evaluate the same on regular basis. We also examine the validity and review the extent of the materiality itself on a periodic basis.

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Questions  | P1  | P2                     | P3              | P4                             | P5                       | P6                         | P7                     | P8               | P9                  |
|---|---|------------------------|-----------------|--------------------------------|--------------------------|----------------------------|------------------------|------------------|---------------------|
|   | Ethics & Transparency   | Product Responsibility | Human Resources | Responsiveness to Stakeholders | Respect for Human Rights | Environment Responsibility | Public Policy Advocacy | Inclusive Growth | Customer Engagement |
| <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 other are available on PPAP's website.<br><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 FY23 includes: <ul style="list-style-type: none"> <li>• Implementation of best practices through Vinay and Ajay Jain Foundation to rigorously manage environmental impacts.</li> <li>• Betterment of the local community in which we operate and the upliftment of the marginalised section of our society by providing education.</li> <li>• Endeavour to preserve water, clean air and ensure responsible management of hazardous &amp; non-hazardous waste.</li> <li>• Commitment to increase the percentage of women workforce to at least 5% of total workforce.</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.

**Governance, leadership, and oversight**

7. Statement by director responsible for the business report, highlighting related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

In an increasingly complex and changing world, businesses are constantly facing new challenges and risks, which are evolving due to responsible for the climate change, environmental degradation, loss of biodiversity, rising inequality, increasing expectations from local communities, and business responsibility associated regulatory changes.

PPAP is committed to preserve 3Ps (People, Planet and Prosperity). We have a robust Governance Structure in place to take care of related challenges, socio-economic and environmental aspects of our business. We are strengthening efforts to align ourselves with 'United Nations' 17 Sustainable Development Goals (SDGs).

"Creating the greener world for our children" we continue to serve our society through our CSR initiatives. PPAP continues its CSR mission through its non-profit Trust "Vinay and Ajay Jain Foundation". The trust works in areas of environment, education, and healthcare.

The Trust has planted more than 62,000 native trees and shrubs in various Biodiversity Parks.

We strongly believe that sustainability is a journey, and we need to constantly keep working on it. Whatever, we do is little as the task ahead of us is gigantic. We believe that sustainability is important to all our stakeholders; from employees to customers to business partners to investors, etc. and it is an important guide for decision making. With a strong SDG culture and the values guiding our business actions, we are strongly committed to move in mission mode and work for providing greener tomorrow and a better world for the coming generations.

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 a Board at periodic intervals.

**Principle wise PPAP policies**

|   |  |
|---|--|
| <p>1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and Accountable.</p> | <p>The Board of Directors of PPAP have adopted a Code of Conduct &amp; Ethics policy to elucidate the ethical behaviour, transparency and accountability in its business. These are set of regulations, policies, principles, and guidelines to help maintain a lawful, honest, and ethical environment throughout PPAP. The policies, rules and guidelines in the Code of Conduct &amp; Ethics are applicable to all Directors and employees of PPAP.</p> |
| <p>2 Businesses should provide goods and services in a manner that is sustainable and safe</p>                                    | <p>PPAP takes initiative to contribute to harmonious and sustainable development of society and earth through all business activities that it carries out in each region based on its guiding principles. PPAP remains focused on reducing resources in manufacturing of products with a sustainable life cycle through innovations to provide safe, comfortable and environment friendly products.</p>  |
| <p>3 Businesses should respect and promote the well-being of all employees, including those in their value chains</p>             | <p>PPAP has various policies to support employee well-being. Besides the Code of Conduct and ethics, other policies include the Whistle Blower policy, Supplier Code of Conduct, Quality &amp; Environment Health and Safety policy, Comprehensive Employee Health Insurance policy, policy for Training &amp; Development are in place to ensure the well-being of all employees.</p>   |

|   |  |  |
|---|--|--|
| 4 | Businesses should respect the interests of and be responsive towards all its stakeholders  | PPAP recognises employees, communities surrounding our operations, suppliers, customers, technology partner, auditors, Insurance companies, shareholders, investors, NGOs & other advocacy group and regulatory authorities as our key stakeholders and respect the interests of all its stakeholders.   |
| 5 | Businesses should respect and promote human rights   | PPAP follows its policy on Human Rights which are embedded in the Code of Conduct and Ethics of PPAP. The Code of Conduct and Ethics extends to PPAP and its subsidiary companies. PPAP is committed to the fundamental principles of human rights & labour rights, workplace free of harassment and prohibition of child and forced labour. PPAP does not discriminate against any person based on their gender, caste, religion, age (within statutory limits), marital status, nationality, ancestry, ethnicity, geographical origin, sexual orientation or disability.   |
| 6 | Businesses should respect, protect, and make efforts to restore the environment  | PPAP has a well-defined 'Quality & Environment Health and Safety policy' and 'Energy Policy' which guides us to continually reduce our carbon footprint by conservation, reduction and energy optimization. PPAP plants are ISO 14001, 45001 and 50001 certified. PPAP works continuously to reduce the waste and is focused on creating green infrastructure by installing various energy efficient technologies. The suppliers are also encouraged and educated to follow environment friendly processes and policies.   |
| 7 | Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent | NA   |
| 8 | Businesses should promote inclusive growth and equitable development   | The Company considers social development as an important aspect of its operations. To oversee implementation of various initiatives, the Company has formed a Board level committee called CSR Committee. The Company has adopted a policy on Corporate Social Responsibility focusing on Environment, Education and Healthcare sectors to streamline its efforts towards Corporate Social Responsibility.   |
| 9 | Businesses should engage with and provide value to their consumers in a responsible manner   | PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. 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. PPAP constantly communicates / engages with all its customers at various platforms to understand their expectations. Customer satisfaction trends are compiled, monitored and reviewed by top management on a periodic basis and action plans are discussed with customers. |

| 10. Details of Review of NGRBCs by PPAP:<br>Subject for Review  | 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   | The policies of PPAP are reviewed on 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 is in compliance with the extant regulations as applicable.  |    |    |    |    |    |    |    |    |
| Frequency (Annually, Half Yearly, Quarterly, Any other)   | The Top Management quarterly reviews progress and set directions for promoting policies across PPAP. The action points that emerge from the discussions at these meetings are recorded, implemented wherever necessary and reviewed in the subsequent meetings. |    |    |    |    |    |    |    |    |

**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 |
|--|----|----|----|----|----|----|----|----|
| Policies are reviewed internally and external assistance is availed whenever required. |    |    |    |    |    |    |    |    |

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

| Questions  | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|----|----|----|----|----|----|----|----|----|
| The entity does not consider the principles material to its business (Yes/No)  |    |    |    |    |    |    |    |    |    |
| The entity is not at a stage where it is able 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)                |    |    |    |    |    |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)   |    |    |    |    |    |    |    |    |    |

**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 |
|---------------------------------|--|--|------------------------------------|
| <b>Board of Directors</b>       | 5  | 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 regulatory environment. | 100%                               |
| <b>Key Managerial Personnel</b> | 12   |  | 100%                               |

|   |   |      |
|---|---|------|
| <b>Employees other than BOD and KMPs</b> 77 | <p>PPAP's basic policy for training and development is the cultivation of "Teach and be Taught". Trainings are based on 70-20-10 principle i.e., 10% of the time of trainee goes in classroom, 20% 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.</p> <p>PPAP imparts induction training to all fresh recruits and Refresher training is also imparted to existing employees as per need. PPAP constantly engages its employees in various other learning and development programmes like TBP projects (systematic problem-solving skills along with drive and dedication), Jishuken, Quality circle, Interplant quiz competition and Kaizens, etc. to improve work efficiency and build collective skill and intelligence. The team members are continuously trained at the shop floor for SOP adherence, quality and technical aspects viz. Advanced product quality planning, production part approval process, failure mode and effects analysis, measurement system analysis, statistical process control, PROQAC etc., on system needs and safety. At shop floor level, a unique ownership development programme is practiced where high potential blue-collar employees are identified and groomed for upward mobility. Every year, PPAP sends few employees for one year training at Toyota Kirloskar Motor, Bangalore for learning Toyota Production System (TPS). Our employees also get trained at Maruti Suzuki Centre for Excellence (MACE). PPAP has 'DOJO Centre' to train its new work force.</p> | 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 of 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-\\_V3.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V3.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 2020-21 | FY 2021-22 |
|------------------|------------|------------|
| <b>Directors</b> |            |            |
| <b>KMPs</b>      |            | 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 2020-21 |         | FY 2021-22 |         |
|--|------------|---------|------------|---------|
|  | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors |            |         |            |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      |            |         | 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.** Not Applicable.

**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 | % of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|---|
| 1   | Sustainability Awareness on virtual platform   | 56% (Considering 89 Manufacturer- Self assessment taken from 50 suppliers)                                      |

**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.

**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:**

|                | 2020-21 (in INR) | 2021-22 (in INR) | Details of improvements in environmental and social impacts |
|----------------|------------------|------------------|---|
| <b>R&amp;D</b> | 0                | 1,50,000         | Weatherability test   |
| <b>Capex</b>   | Nil              | Nil              | Nil   |

**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, POP substance declaration under PPAP's supplier manual including policy for responsible sourcing of raw material. PPAP has assessed 56% (rest of the suppliers did self-assessment) of its suppliers in FY 2021-22 as per PPAP's environment and social criteria.

**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.**

PPAP takes initiative to contribute to harmonious and sustainable development of society and earth through all business activities that it carries out in each region based on its guiding principles. PPAP remains focused on reducing resources in manufacturing of products with a sustainable life cycle through innovations to provide safe, comfortable and environment friendly products for the vehicles. 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. For e-waste disposal, PPAP works with authorized e-waste handlers. In FY 2021-22, approximately 1.01 tonne of e-waste was created and recycled by authorized recyclers. Approximately, 10.7 tonne of paper for recycling is disposed of by PPAP through local vendors.

**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. Not Applicable.**

**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 is following 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.**

No significant social or environmental risks have been identified during the production. However, potential environmental risks are identified as a part of the Company's risk management activity and feature in the Company's Aspect Identification and Impact Assessment. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them as per standard ISO 14001.

**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 2020-21   | FY 2021-22   |
| Plastics                | 335.78 tonne   | 269.28 tonne |

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:

|                                   | FY 2020-21    |          |                 | FY 2021-22    |          |                 |
|-----------------------------------|---------------|----------|-----------------|---------------|----------|-----------------|
|                                   | Re- Used      | Recycled | Safely Disposed | Re- Used      | Recycled | Safely Disposed |
| Plastics (reclaimed packing bins) | 494468 (no's) | -        | -               | 735040 (no's) | -        | -               |
| E-waste                           | -             | -        | -               | -             | -        | 1.01 tonne      |
| Hazardous waste                   | -             | -        | 4.4 tonne       | -             | -        | 4.4 tonne       |
| Non-Hazardous waste               | -             | -        | 770 tonne       | -             | -        | 1119 tonne      |

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

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 | % of employees covered by |     |                    |     |                    |      |                    |    |                     |   |
|---------------------------------------|-------|---------------------------|-----|--------------------|-----|--------------------|------|--------------------|----|---------------------|---|
|                                       |       | Health insurance          |     | Accident insurance |     | Maternity benefits |      | Paternity Benefits |    | Day Care facilities |   |
|                                       |       | No.                       | %   | No.                | %   | No.                | %    | No.                | %  | No.                 | % |
| <b>Permanent Employee</b>             |       |                           |     |                    |     |                    |      |                    |    |                     |   |
| a. Male                               | 1021  | 312                       | 31% | 312                | 31% | NA                 | NA   | NA                 | NA |                     |   |
| b. Female                             | 6     | 2                         | 33% | 2                  | 33% | 2                  | 33%  | NA                 | NA | NA                  |   |
| c. Total                              | 1027  | 314                       | 31% | 314                | 31% | 2                  | 0.2% | NA                 | NA |                     |   |
| <b>Other than Permanent employees</b> |       |                           |     |                    |     |                    |      |                    |    |                     |   |
| a. Male                               | 594   |                           |     |                    |     |                    |      |                    |    |                     |   |
| b. Female                             | 59    |                           |     |                    |     |                    |      |                    |    |                     |   |
| c. Total                              | 653   |                           |     |                    |     |                    |      |                    |    |                     |   |

All 'other than permanent employees' are covered under the WCA

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

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 2020-21   |  | FY 2021-22   |  |
|----------|--|--|--|--|
|          | No. of employees covered as a % of total employees | Deducted and deposited 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%   | As per Act   | 100%   | As per Act   |
| Gratuity | 100% (As per Act)                                  | As per Act   | 100% (As per Act)                                  | As per Act   |
| ESI      | 100% (As per Act)                                  | As per Act   | 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-\\_V3.pdf](https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V3.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   | -                   | -              | -                              | -              |
| Female | -                   | -              | 100%                           | 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, Help Desk)

#### 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 2020-21 |  |             |                      |             | FY 2021-22  |  |             |                      |             |
|-----------------------------|------------|--|-------------|----------------------|-------------|-------------|--|-------------|----------------------|-------------|
|                             | 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 employees</b>  |            |  |             |                      |             |             |  |             |                      |             |
| Male                        | 860        | 860                                    | 100%        | 860                  | 100%        | 1021        | 1021                                   | 100%        | 1021                 | 100%        |
| Female                      | 3          | 3                                      | 100%        | 3                    | 100%        | 6           | 6                                      | 100%        | 6                    | 100%        |
| <b>Total</b>                | <b>863</b> | <b>863</b>                             | <b>100%</b> | <b>863</b>           | <b>100%</b> | <b>1027</b> | <b>1027</b>                            | <b>100%</b> | <b>1027</b>          | <b>100%</b> |
| <b>Other than Permanent</b> |            |  |             |                      |             |             |  |             |                      |             |
| Male                        | 530        | 530                                    | 100%        | 530                  | 100%        | 594         | 594                                    | 100%        | 594                  | 100%        |
| Female                      | 20         | 20                                     | 100%        | 20                   | 100%        | 59          | 59                                     | 100%        | 59                   | 100%        |
| <b>Total</b>                | <b>550</b> | <b>550</b>                             | <b>100%</b> | <b>550</b>           | <b>100%</b> | <b>653</b>  | <b>653</b>                             | <b>100%</b> | <b>653</b>           | <b>100%</b> |

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 2020-21 |            |             | FY 2021-22  |             |             |
|---------------------------------------|------------|------------|-------------|-------------|-------------|-------------|
|                                       | Total (A)  | No. (B)    | % (B/A)     | Total (A)   | No. (B)     | % (B/A)     |
| <b>Permanent employees</b>            |            |            |             |             |             |             |
| Male                                  | 860        | 860        | 100%        | 1021        | 1021        | 100%        |
| Female                                | 3          | 3          | 100%        | 6           | 6           | 100%        |
| <b>Total</b>                          | <b>863</b> | <b>863</b> | <b>100%</b> | <b>1027</b> | <b>1027</b> | <b>100%</b> |
| <b>Other than permanent employees</b> |            |            |             |             |             |             |
| Male                                  | 530        | 530        | 100%        | 594         | 594         | 100%        |
| Female                                | 20         | 20         | 100%        | 59          | 59          | 100%        |
| <b>Total</b>                          | <b>550</b> | <b>550</b> | <b>100%</b> | <b>653</b>  | <b>653</b>  | <b>100%</b> |

Note: 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 of such system?**

Yes, PPAP is ISO 45001 (Occupational Safety & Health Management System) certified. Extract 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 procedure and entry regulation 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 counter measures to close all work-related hazards and are communicated in DWM (Daily work management), Safety committee meeting 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. Employees are covered in the company's health insurance policy.

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

| Safety Incident/Number  | Category  | FY 2020-21 | FY 2021-22 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) |           | -          | -          |
| Total recordable work-related injuries  | Employees | 8          | 4          |
| 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<br>Category            | FY 2020-21            |   |         | FY 2021-22            |   |         |
|-----------------------------|-----------------------|---|---------|-----------------------|---|---------|
|                             | 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 | -                     | -   | Nil     | -                     | -   | Nil     |
| Working Conditions          | -                     | -   | Nil     | -                     | -   | Nil     |

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.**

Owing to the significant risks of COVID-19 pandemic continuation, PPAP has been following standard operating procedures to comply with Government's extant regulations and ensure safety and hygiene protocols and necessary social distancing is being followed by employees, customers and other visitors on any of the premises of PPAP.

With the team of COVID Marshals in each plant, guided PPEs and sanitization equipment, oxygen cylinders and concentrators with emergency medical facilities are available 24\*7 in plant Occupational Health Centre (OHC).

**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 2020-21                      | FY 2021-22 | FY 2020-21  | FY 2021-22 |
|           |                                 |            |   |            |

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 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 | 56% (Considering 89 Manufacturer- Self assessment taken from 50 suppliers)                  |
| Working conditions          |   |

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

No significant risks/concerns observed in the self-assessment taken by suppliers for health and safety practices and working conditions.

**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   |
|--------------------------------|--|---|---|---|
| Customers                      | Yes (MSMEs)  | Call, mail, one-to-one meetings tech shows, conference, technical meetings, trials and events. personal visits  | Need-based, daily interaction, weekly, annually, twice a year, as and when required           | Key account managers interact with customers to retain and capture more business  |
| Prospective customers          |  | RFQs & RFIs, public forums, personal meetings, videos & PPT   | Situation based   | Insights, market news, self-explore   |
| Employees                      | No   | Open house/ town hall, suggestions, award functions, DWM, Awards ceremonies, celebrations, plant gemba  | Monthly, yearly, daily, weekly, once a month  | Employee engagement activities, suggestions, EOB, Motivational schemes, celebrations, gauging motivation levels   |
| Lenders                        | No   | Reports, call, mail, meeting  | Weekly, monthly, quarterly  | Lending, funding, support in daily transactions   |
| Shareholders and investors     | No   | Call, mail, meeting, AGM  | Quarterly, annually, need-based   | Dividend declaration, shareholders' approval, to attract good quality investors   |
| Government & Regulators        | No   | Reports, notices, submission & inspection, assessment, meetings   | Monthly, annually, need-based   | Renewing consent orders, show cause notice, new projects, online application, returns, challans, etc.   |
| Insurance companies            | No   | Interaction through consultants & brokers - email & phone calls, mails, plant visits  | Monthly, quarterly  | Insuring company assets against fire, earthquake, claim, settlement, premium payment etc  |
| Auditors                       | No   | Face-to-face interactions, auditing of processes, meetings, visit   | Quarterly, monthly as per schedule  | Legal requirement, audit of financial reports   |
| NGOs and other advocacy groups | No   | Meeting   | Requirement based, annually   | Engagement letter, external members required for ICC committee  |
| Board of directors             | No   | Board meetings, one-to-one meetings   | Quarterly, twice or thrice a year, daily basis  | Compliance of law, major decisions, day-to-day functioning  |
| Suppliers                      | No   | Meeting, mail, call & visit, face-to-face discussions, plant audits, PO inspection, telephonic discussions, buyer net, internet, networking, exhibition | Daily, need-based, half-yearly. Once a quarter, yearly, monthly, weekly, based on requirement | Abnormality management, NG material & product performance, auditing of suppliers, verification and closure of a problem, raw material for tooling, steel, aluminium, building & construction, monitoring schedule and actual, negotiation & lead time reduction, Job work, data and machining, CNC, quality, heat treatment |
| Technology partners            | No   | Telephonic, skype conference, meeting, visits, mails  | Fortnightly, yearly, daily  | Technical, new technology related, new products and projects, etc.  |

**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 matrix is established by the steering committee of PPAP based on interaction of steering committee members with different stakeholders. 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, schools (Govt Boys Sr Secondary School, Nehru Bal Bhawan and Sardar Patel Vidya Nikaten, Village - Mandi, Delhi. Govt Girls School, etc) and development of a Nursery near Dera Mandi.

**Education:** PPAP has sponsored School Uniforms, Books, Tuition Fees, Bus Fees for children from underprivileged sections of society at Village Salarpur and Bhangel, Noida.

**Healthcare:** COVID vaccination of both doses for volunteer villagers from nearby area of Plants at Noida, Greater Noida and Pathredi, Bhiwadi, Rajasthan.

Ration distribution to slums at (Jhuggi Basti) adjacent to Old Noida Court, Noida.

**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 2020-21  |             |             | FY 2021-22  |             |             |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                        | Total       | No.         | %           | Total       | No.         | %           |
| <b>Employees</b>       |             |             |             |             |             |             |
| Permanent              | 863         | 863         | 100%        | 1027        | 1027        | 100%        |
| Other than permanent   | 550         | 550         | 100%        | 653         | 653         | 100%        |
| <b>Total Employees</b> | <b>1413</b> | <b>1413</b> | <b>100%</b> | <b>1680</b> | <b>1680</b> | <b>100%</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 2020-21 |                       |         |                        |         | FY 2021-22 |                       |         |                        |         |
|----------------------|------------|-----------------------|---------|------------------------|---------|------------|-----------------------|---------|------------------------|---------|
|                      | 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            | 863        |                       |         | 863                    | 100%    | 1027       |                       |         | 1027                   | 100%    |
| Male                 | 860        |                       |         | 860                    | 100%    | 1021       |                       |         | 1021                   | 100%    |
| Female               | 3          |                       |         | 3                      | 100%    | 6          |                       |         | 6                      | 100%    |
| Other than Permanent | 550        |                       | NA      | 550                    | 100%    | 653        |                       | NA      | 653                    | 100%    |
| Male                 | 530        |                       |         | 530                    | 100%    | 594        |                       |         | 594                    | 100%    |
| Female               | 20         |                       |         | 20                     | 100%    | 59         |                       |         | 59                     | 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:**

| Segments                                | Male   |                             |  | Female |                             |
|---|--------|-----------------------------|--|--------|-----------------------------|
|   | Number | Average                     |  | Number | Average                     |
|   |        | remuneration/ salary/ wages |  |        | remuneration/ salary/ wages |
| <b>Board of Directors</b>               | 5      | 46.63                       |  | 2      | 3.2                         |
| <b>Key Managerial Personnel</b>         | 1      | 1.91                        |  | 1      | 1.81                        |
| <b>Employees other than BOD and KMP</b> | 1159   | 0.31                        |  | 10     | 0.28                        |

Note: The Company secretary (KMP) is appointed on 13<sup>th</sup> May 2022.

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

**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 & labour rights, workplace free of harassment and prohibition of child labour. 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 2020-21            |                                       |         | FY 2021-22            |                                       |         |
|--|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|  | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| <b>Sexual Harassment</b>                 | -                     | -                                     | NA      | -                     | -                                     | NA      |
| <b>Discrimination at workplace</b>       | -                     | -                                     | NA      | -                     | -                                     | NA      |
| <b>Child Labour</b>                      | -                     | -                                     | NA      | -                     | -                                     | NA      |
| <b>Forced Labour/Involuntary Labour</b>  | -                     | -                                     | NA      | -                     | -                                     | NA      |
| <b>Wages</b>                             | -                     | -                                     | NA      | -                     | -                                     | NA      |
| <b>Other human rights related issues</b> | -                     | -                                     | NA      | -                     | -                                     | NA      |

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

**7. 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.

**8. 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, extend to value chain partners as per the contracts during supplier manual agreement.

**9. Assessments for the year:**

**% of your plants and offices that were assessed (by entity or statutory authorities or third parties)**

**Sexual Harassment**

**Discrimination at workplace**

**Child Labour**

**Forced Labour/Involuntary Labour**

**Wages**

**Other human rights related issues**

No case reported during the reporting period

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No significant risk was observed in this reporting period.

**Leadership Indicators**

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

No human right grievance/complaint received during the reporting period.

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

No human rights due diligence 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>                | 100% |
| <b>Discrimination at workplace</b>      | 100% |
| <b>Child Labour</b>                     | 100% |
| <b>Forced Labour/Involuntary Labour</b> | 100% |
| <b>Wages</b>                            | 100% |
| <b>Other</b>                            | 100% |

Based upon self-assessment by value chain partners as a part of supplier manual agreement.

#### 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 self-assessment taken by 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 2020-21   | FY 2021-22   |
|--|--------------|--------------|
| Total electricity consumption (A)- Giga Joules                   | 31207        | 42981        |
| Total fuel consumption (B)-Giga Joules                           | 5955         | 6757         |
| Energy consumption through other sources (C)-Giga Joules         | 919          | 2072         |
| <b>Total energy consumption (A+B+C)- Giga Joules</b>             | <b>38081</b> | <b>51810</b> |
| Energy intensity per crore of turnover -Giga Joules/Cr. of Sales | 135          | 128          |

#### 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 2020-21 | FY 2021-22 |
|--|------------|------------|
| <b>Water withdrawal by source (in kilolitres)</b>                        |            |            |
| (i) Surface water  | -          | -          |
| (ii) Groundwater   | 29617      | 31896      |
| (iii) Third party water  | 9821       | 12286      |
| (iv) Seawater / desalinated water  | -          | -          |
| (v) Others   | -          | -          |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 39438      | 44182      |
| Total volume of water consumption (in kilolitres)                        | 39438      | 44182      |
| Water intensity per crore of turnover (Water consumed/ turnover)         | 139        | 109        |

**4. 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.
- An automated filling system is provided for the cooling tower tank & corporation water tank, leading to zero water wastage and saving around 1.3 KL after adopting the said technique.
- Rainwater harvesting tanks are installed to recharge the groundwater.

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

| Parameter                           | Unit | FY 2020-21 | FY 2021-22 |
|-------------------------------------|------|------------|------------|
| NOx                                 | Kg   | 408        | 689        |
| SOx                                 | -    | -          | -          |
| Particulate matter (PM)             | Kg   | 43         | 45         |
| Persistent organic pollutants (POP) | -    | -          | -          |
| Volatile organic compounds (VOC)    | -    | -          | -          |
| Hazardous air pollutants (HAP)      | -    | -          | -          |
| CO                                  | Kg   | 246        | 523        |

Note: Assurance of environmental performance is under process.

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

| Parameter   | Unit                               | FY 2020-21 | FY 2021-22 |
|---|------------------------------------|------------|------------|
| Total Scope 1 emissions                                   | Metric tonnes of CO2<br>equivalent | 380        | 423        |
| Total Scope 2 emissions                                   |                                    | 6731       | 9432       |
| Total Scope 1 and Scope 2 emissions per crore of turnover |                                    | 25         | 24         |

Note: Assurance of environmental performance is under process.

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

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

- Smart control over air conditioners (timer provided) leading to 2592 kWh energy saving of per year consumption.
- Various in-house energy efficient machines installation saves the energy consumption of 331,300 kWh per year, respectively.

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

| Parameter  | FY 2020-21 | FY 2021-22    |
|--|------------|---------------|
| <b>Total Waste generated (in metric tonnes)</b>  |            |               |
| Plastic waste (A)  | 296        | 815           |
| E-waste (B)  | -          | 1.01          |
| Bio-medical waste (C)  | -          | -             |
| Construction and demolition waste (D)  | -          | -             |
| Battery waste (E)  | -          | -             |
| Radioactive waste (F)  | -          | -             |
| Other Hazardous waste. Please specify, if any. (G)   | 4.4        | 4.4           |
| Other Non-hazardous waste generated (H). Please specify, if any.   | 474        | 304           |
| <b>Total (A+B + C + D + E + F + G+ H)</b>  | <b>774</b> | <b>1124</b>   |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |            |               |
| <b>Category of waste</b>   |            |               |
| (i) Recycled   | 773.5      | 1033          |
| (ii) Re-used   | 0.3        | 0.2           |
| (iii) Other recovery operations  | -          | -             |
| <b>Total</b>   | <b>774</b> | <b>1033.2</b> |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                              |            |               |
| <b>Category of waste</b>   |            |               |
| (i) Incineration   | 0.5        | 1.87          |
| (ii) Landfilling   | -          | 0.05          |
| (iii) Other disposal operations  | -          | -             |
| <b>Total</b>   | <b>0.5</b> | <b>2</b>      |

## 9. 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.

## 10. 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: NA

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

## 12. 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. Provide break-up of the total energy consumed (in Giga Joules) from renewable and non-renewable sources, in the following format:**

| <b>Parameter</b>   | <b>FY 2020-21</b> | <b>FY 2021-22</b> |
|--|-------------------|-------------------|
| From renewable sources (Solar Power)                     |                   |                   |
| Total electricity consumption (A)                        | 919               | 2072              |
| Total fuel consumption (B)                               | -                 | -                 |
| Energy consumption through other sources (C)             | -                 | -                 |
| Total energy consumed from renewable sources (A+B+C)     | 919               | 2072              |
| From non-renewable sources                               |                   |                   |
| Total electricity consumption (D)                        | 31207             | 42981             |
| Total fuel consumption (E)                               | 5955              | 6757              |
| Energy consumption through other sources (F)             | -                 | -                 |
| Total energy consumed from non-renewable sources (D+E+F) | 37162             | 49738             |

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

Yes, PPAP has implemented a mechanism for Zero Liquid Discharge. The waste water 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.
- An automated filling system is provided for the cooling tower tank & corporation water tank, leading to zero water wastage and saving around 1.3 KL after adopting the said technique.
- Rainwater harvesting tanks are installed to recharge the groundwater.

**3. 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 2020-21 | FY 2021-22 |
|---|------------|------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |            |            |
| (i) Surface water   | -          | -          |
| (ii) Groundwater  | 29617      | 31896      |
| (iii) Third party water   | 9821       | 12286      |
| (iv) Seawater / desalinated water   | -          | -          |
| (v) Others  | -          | -          |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | 39438      | 44182      |
| <b>Total volume of water consumption (in kilolitres)</b>                              | 39438      | 44182      |
| <b>Water intensity per crore of turnover (Water consumed / turnover)</b>              | 140        | 109        |
| <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   |            | NA         |
| - 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                                  |            |            |

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

Currently, PPAP is only mapping its Scope 1 and Scope 2 emissions & its intensity. However, in future, PPAP will consider the mapping of its Scope 3 emissions.

5. 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.

NA

6. 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                                |
|-------------------|---------------------------------|---|--|
| <b>FY 2020-21</b> |                                 |   |  |
| 1.                | Energy Conservation Initiatives | Various energy efficient technology has been installed inside the machines.   | It saves 267959 kWh units per year of energy consumption |
|                   |                                 | Smart control over air conditioners (timer provided)  | It saves 2592 kWh units per year of energy consumption   |
|                   |                                 | Timer provided for streetlights & canteen cooler  | It saves 288 kWh units per year of energy consumption    |
| <b>FY 2021-22</b> |                                 |   |  |
| 2.                | Waste Management Initiatives    | Various energy efficient technology has been installed inside the machines.   | It saves 63341 kWh units per year of energy consumption  |
|                   |                                 | All the hazardous waste and E-Waste generated at the site is disposed of to the Treatment, Storage, and Disposal Facility (Bharat Oil and Waste Management Limited) and authorised agency (NAMO e-waste) respectively. Non-hazardous waste is being sold to scrap dealers for recycling. In addition, an organic bio composter is installed at the plant to treat domestic waste, which prepares manure as the final product used in gardening. |  |

7. 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 programmes 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.

8. 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.

Ensure counter measure through periodical self-assessment by suppliers.

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

56% (Considering 89 Manufacturer- Self assessment taken from 50 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. 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      | Confederation of Indian Industries (CII)                       |   |
| 2      | Automotive Component Manufacturers Association of India (ACMA) |   |
| 3      | Tools and Gauge Manufacturers Association of India (TAGMA)     |   |
| 4      | Bhiwadi Manufacturers Association (BMA)                        | Association   |
| 5      | Toyota Kirloskar Suppliers Association (TKSA)                  |   |
| 6      | Maruti Suzuki Suppliers Welfare Association (MSSWA)            |   |
| 7      | HCI Supplier's Club Society                                    |   |

**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 (in Cr.)] 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 2020-21 | FY 2021-22 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers                         | 11%        | 11%        |
| Sourced directly from within the district and neighbouring districts | 11%        | 10%        |

**Leadership Indicators**

- 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments.**  
NA
- 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)**  
None, however, PPAP is planning to have a preferential procurement policy in the coming years.  
**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/ consumable etc.  
**(c) What percentage of total procurement (by value) does it constitute?**  
During the reporting period, it constituted around 11% of the total procurement (in sales).
- 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:**  
NA
- 5. Details of corrective actions taken in intellectual property related cases wherein usage of traditional knowledge is involved:**  
NA
- 6. Details of beneficiaries of CSR Projects:**  
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.  
Kindly refer to the Annexure-C of Annual Report FY 21-22.

**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 2020-21.

**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                                  | NA                       |
| Recycling and safe disposal                                 |                          |

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

|                                       | 2020-21                  |                                   |         | 2021-22                  |                                   |         |
|---------------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                       | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| <b>Data privacy</b>                   |                          |                                   |         |                          |                                   |         |
| <b>Advertising</b>                    |                          |                                   |         |                          |                                   |         |
| <b>Delivery of essential services</b> |                          |                                   | Nil     |                          |                                   |         |
| <b>Restrictive Trade Practices</b>    |                          |                                   |         |                          |                                   |         |
| <b>Unfair Trade Practices</b>         |                          |                                   |         |                          |                                   |         |

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 |
|--------------------------|--------|--------------------|
| <b>Voluntary recalls</b> | Nil    | NA                 |
| <b>Forced recalls</b>    | Nil    | 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.

**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.

**6. 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