



Date: September 02, 2025

<b>The National Stock Exchange of India Limited</b>	<b>The Bombay Stock Exchange Limited (BSE)</b>
<b>Exchange Plaza, Bandra-Kurla Complex</b>	<b>25th Floor, Phiroze Jeejeebhoy Towers</b>
<b>Bandra (East), Mumbai- 400 051</b>	<b>Dalal Street, Mumbai-400 001</b>
<b>Symbol: RACLGear</b>	<b>Scrip Code: 520073</b>

**SUBJECT: BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2024-25**

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, please find enclosed the Business Responsibility and Sustainability Report ("BRSR") for the financial year 2024-25 which forms an integral part of the Annual Report for the financial year 2024-25.

The BRSR is also available on the website of the Company at [www.raclgeartech.com](http://www.raclgeartech.com).

This is for your information and record.

Thanking You.

Yours faithfully,

**For RACL Geartech Limited**

**Neha Bahal**  
**Company Secretary & Compliance Officer**

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1.	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L34300DL1983PLC016136
2.	<b>Name of the Listed Entity</b>	RACL Geartech Limited
3.	<b>Year of incorporation</b>	1983
4.	<b>Registered office address</b>	15th Floor, Eros Corporate Towers, Nehru Place, New Delhi-110019
5.	<b>Corporate address</b>	B-9, Sector-3, Noida-201301 Uttar Pradesh
6.	<b>E-mail</b>	investor@raclgeartech.com
7.	<b>Telephone</b>	0120-4588500
8.	<b>Website</b>	http://www.raclgeartech.com/
9.	<b>Financial year for which reporting is being done</b>	1st April 2024 to 31st March 2025
10.	<b>Name of the Stock Exchange(s) where shares are listed</b>	- Bombay Stock Exchange (BSE) - National Stock Exchange of India Limited (NSE) (listed on November 27, 2024)
11.	<b>Paid-up Capital</b>	As on March 31, 2025 - Rs. 107816000
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.</b>	<b>Name of Contact person</b> Ms. Neha Bahal <b>Contact Number:</b> 0120-4588500 <b>Email:</b> investor@raclgeartech.com
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b>	The Financial statements have been prepared on Consolidated Basis, which includes a Foreign Subsidiary (RACL Geartech GmbH). However, disclosures under this report have been made on a standalone basis.
14.	<b>Name of assurance provider</b>	NA
15.	<b>Type of assurance obtained</b>	NA

#### II. Products and Services

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

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

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

S. No.	Product/Service	NIC Code	% of total Turnover
1	2 -Wheelers	34300	39%
2	Recreation (ATV/ RTV)	34300	13%
3	Tractor and Agriculture	34300	11%
4	Commercial Vehicle	34300	18%
5	Passenger Cars	34300	5%
6	E- Vehicles	34300	9%
7	3- Wheelers	34300	3%
8	Industrial Equipment's	34300	2%
	TOTAL		100%

**III. Operations**

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

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

**19. Markets served by the entity.**

a. Number of locations-

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

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

Particulars	FY-2024-25	FY 2023-24
Export Revenues (in Rs.)	290.97 Cr.	308.52 Cr.
Total Revenues (in Rs.)	427.29 Cr.	423.03 Cr.
% of Export in Total revenue	68%	72.93%

c. A brief on types of customers

RACL Geartech Ltd. is an Indian company specializing in the manufacture of high-precision gears and automotive components. The Company serves a diverse customer base across multiple industries and geographies, catering to the auto component needs of two-wheelers, electric scooters, agricultural machinery, commercial vehicles, and passenger vehicles.

The primary clientele includes Original Equipment Manufacturers (OEMs) — such as manufacturers of cars, motorcycles, scooters, and commercial vehicles — as well as Tier-1 suppliers. RACL also serves Off-Highway Vehicle segments, including agricultural machinery and construction equipment manufacturers. Additionally, the Company supplies to industrial gearbox manufacturers, power transmission equipment producers, and passenger vehicle industries.

With a strong global footprint, RACL Geartech operates across India, Europe, the Asia-Pacific region, and other international markets.

#### IV. Employees

##### 20. Details at the end of the financial year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1	Permanent (D)	656	628	95.73%	28	4.26%
2	Other than Permanent (E)	91	78	85.71%	13	14.28%
3	<b>Total Emp. (D + E)</b>	747	706	94.51%	41	5.48%
Workers						
1	Permanent (D)	96	96	100%	Nil	Nil
2	Other than Permanent (E)	685	685	100%	Nil	Nil
3	<b>Total Emp. (D + E)</b>	781	781	100%	Nil	Nil

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	<b>Total Emp. (D + E)</b>	Nil	Nil	Nil	Nil	Nil
Differently abled Workers						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	<b>Total Emp. (D + E)</b>	Nil	Nil	Nil	Nil	Nil

## 21. Details at the end of the financial year

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

## 22. Turnover rate for permanent employees and workers.

	FY 24- 25			FY 23- 24			FY 22- 23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.7%	0.3%	9%	5%	1%	6%	Turnover rate we started calculating from FY 22- 23 onwards		
Permanent Workers	12%	Nil	12%	13%	Nil	13%			

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

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

S. No.	Name of the holding / subsidiary / associate	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	RACL Geartech GMBH	Subsidiary Company	100%	No

## VI. CSR Details

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

24 ii. Turnover (in Rs. Crore): 427.29

24 iii. Net worth (in Rs Crore): 228.75

## VII. Transparency and Disclosures Compliances

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

Weblink: [https://www.raclgeartech.com/uploads/prospectus/393ipdctfile\\_RACLPoliciesManual.pdf](https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Same as above	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Same as above	0	0	NIL	0	0	NIL
Shareholders	Same as above	1	0	NIL	0	0	NIL
Employees and workers	Same as above	0	0	NIL	0	0	Nil
Customers	Same as above	145	0	Most of the complaints were related to quality issues due to development and regular production and required corrective actions were implemented	100	0	Nil
Value Chain Partners	Same as above	0	0	NIL	0	0	Nil
Other (please specify)							

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Raw Material Sourcing	<b>Risk:</b> Environmental degradation from mining and extraction processes. <b>Opportunity:</b> Sustainable sourcing can enhance brand reputation and compliance with regulations.	Ethical and sustainable sourcing of raw materials minimizes environmental impact and aligns with increasing regulatory and consumer demand for sustainable products.	1- Conduct due diligence on suppliers. 2- Source materials from certified and responsible suppliers. 3- Implement a traceability system to ensure transparency.	<b>Cost:</b> Potential increase in material costs due to premium pricing of sustainably sourced materials. <b>Benefit:</b> Long-term savings from avoiding regulatory fines and enhancing brand value.
2	Energy Consumption	<b>Risk:</b> High energy consumption leading to increased operational costs and carbon footprint. <b>Opportunity:</b> Adopting renewable energy can reduce costs and emissions.	Energy efficiency and renewable energy adoption can significantly reduce greenhouse gas emissions and cost.	RACL mitigates energy-related risks by adopting 100% green energy at its Gajraula plant through a mix of rooftop solar (9%), offsite solar via PPA (24%), and green grid power, reducing emissions and stabilizing energy costs.	<b>Cost:</b> Initial investment in renewable energy infrastructure and energy-efficient technologies. <b>Benefit:</b> Reduced energy costs and potential tax incentives or subsidies for renewable energy use.
3	Water Usage and Management	<b>Risk:</b> Overuse and contamination of water resources. <b>Opportunity:</b> Water recycling and conservation can reduce costs and regulatory risks.	Efficient water management is crucial for reducing environmental impact and ensuring compliance with environmental regulations.	1- Implement water recycling and rainwater harvesting systems. 2- Use water-efficient processes and equipment. 3- Monitor and manage water usage.	<b>Cost:</b> Investment in water recycling and conservation technologies. <b>Benefit:</b> Lower water usage costs and reduced risk of regulatory penalties.
4	Waste Management	<b>Risk:</b> Improper waste disposal leading to pollution and regulatory fines. <b>Opportunity:</b> Recycling and waste reduction can lower disposal costs and environmental impact.	Ensuring fair labor practices and good working conditions is crucial for compliance, employee retention, and brand reputation.	1- Adhere to labor laws and standards. 2- Provide fair wages, benefits, and safe working conditions. 3- Offer training and development opportunities.	<b>Cost:</b> Increased costs related to wages, benefits, and workplace safety improvements. <b>Benefit:</b> Higher productivity, lower turnover, and enhanced reputation.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Labour Practices and Working Conditions	<b>Risk:</b> Shortage of trained workers impacts quality and timelines <b>Opportunity:</b> Good labour practices enhance employee satisfaction and productivity, environmental impact.	Effective waste management reduces environmental impact, complies with regulations, and can provide cost savings.	1- Implement recycling programs for metal scraps and other waste. 2- Use waste-to-energy technologies. 3- Adopt a circular economy approach.	<b>Cost:</b> Setting up recycling and waste management systems. <b>Benefit:</b> Reduced waste disposal costs and potential revenue from recycled materials.
6	Logistics & Supply Chain Disruptions	<b>Risk:</b> Geo-political issues, pandemics, or transportation bottlenecks can delay deliveries	1- Implementing just-in-time or vendor managed inventory; 2- Digitizing the supply chain for real time tracking and agility.	Build local supplier base - Inventory buffers - Digital supply chain tools	<b>Cost:</b> Production halts, higher logistics costs
7	Exchange Rate Fluctuations	<b>Risk</b>	For export-oriented units or those sourcing imports	Currency hedging - Shift to domestic vendors where possible	<b>Negative:</b> Profitability erosion if unmanaged

### Summary

Addressing environmental and social sustainability challenges may involve initial investments; however, they offer substantial long-term benefits. By adopting responsible practices, RACL can mitigate risks, ensure regulatory compliance, enhance brand reputation, and achieve cost savings through increased operational efficiency and resource recovery. Embracing sustainable business practices not only supports environmental and social well-being but also strategically positions the Company as a responsible and future-ready leader in the industry.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	a- Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b- Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c- Web Link of the Policies, if available	Yes: <a href="https://www.raclgeartech.com">https://www.raclgeartech.com</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	RACL Geartech Ltd. is accredited with several key certifications demonstrating its commitment to quality, safety, and environmental standards. These include the IATF 16949:2016 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System, ISO 45001:2018 for Occupational Health and Safety Management System, ISO 9001:2015 for Quality Management System (QMS), ISO/IEC 27001:2022 for Information Security Management System (ISMS), ISO/IEC 17025:2017(NABL Accreditation of Metallurgy testing Lab) and TISAX (Trusted Information Security Assessment Exchange) at Permanent Level (AL3).								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.									

**Answer for 5- P3:** Health & Safety: By 2027, achieve zero workplace accidents and injuries through rigorous implementation of safety protocols, continuous training, and proactive hazard identification and mitigation measures.

**Answer for 5- P5:** Diversity & inclusion: By 2027, achieve a workforce composition reflective of diverse backgrounds and perspectives, ensuring that all employees have equal access to opportunities for advancement and development.

**Answer for 5- P6:** Environmental Goals: 1.GHG Emissions: Achieve absolute net-zero scope 2 GHG emissions for the Gajraula plant by 2026. 2. Water Management: Maintain 100% waste water recycling every year.

**Answer for 5- P8:** Supplier Evaluation: To achieve 100% supplier evaluation of RM & OSP by 2027.

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

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

#### Governance, leadership and oversight

	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)
7	<p>RACL Geartech, as a socially responsible organization, is committed to building a truly sustainable business by integrating the three core pillars of sustainability, Environmental, Social, and Economic into its operations. This integrated approach is aimed at generating long-term, positive impact for all stakeholders.</p> <p>The Company recognizes climate change as a critical business risk and proactively identifies and mitigates environmental and social risks across its operations and value chain. Key initiatives include:</p> <ul style="list-style-type: none"> <li>• Generation of renewable energy for captive use, supporting a shift toward clean energy sources.</li> <li>• Monitoring and tracking of greenhouse gas (GHG) emissions to reduce the Company's carbon footprint.</li> <li>• Evaluation of suppliers on environmental and social performance metrics to ensure responsible sourcing.</li> <li>• Continuous improvement in waste and water management to enhance operational sustainability.</li> </ul> <p>The Company also regularly reviews its ESG performance to ensure compliance with applicable statutory requirements and remains committed to timely submission of all necessary compliance reports to the relevant authorities.</p> <p>Aligned with its long-term vision, RACL aims to give back to society by operating as a philanthropic, service-oriented organization, with a special focus on healthcare and education, thereby contributing to inclusive and equitable community development.</p>
8	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> <p>Mr. Gursharan Singh Designation: Chairman &amp; Managing Director DIN Number: 00057602 Telephone No: 0120-4588500 Email id: <a href="mailto:info@raclgeartech.com">info@raclgeartech.com</a></p>
9	<p>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.</p> <p>Yes, sustainability-related decisions are overseen by the Board of Directors, who are accountable for guiding the Company's approach in this area.</p>

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

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### PRINCIPLE-1

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

## ESSENTIAL INDICATORS

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

Segment	Total number of trainings and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Business Strategy, Corporate Governance, programme aligned with the responsibilities of the Board, SEBI Listing Regulations and Statutory updates	100%
Key Managerial Personnel	4	Business Strategy, Corporate Governance, programme aligned with the responsibilities of the Board, SEBI Listing Regulations and Statutory updates	100%
Employees other than BoD's and KMPs	171	5S, MSA, ISMS, POSH, Kaizen, Auditing Skill, Automated Instrument Handling , SPC, APQP, Customer Complaint handling & lessons learnt, Productivity Improvement, Die Design, CQI-12, Visual Inspection, GD & T , TPM, 8-D problem Solving Technique, Total Productive, Maintenance , Part Inspection as control Plan, 16 types of losses , Fire Mock Drill, Instrument Gauge Uses, Calibration , Dent Damage Reason Controlling , Poke Yoke, Rejection & Rework and Process, Control awareness, Hobbing & Shaving Process Awareness	100%
Workers	430	5S, MSA, ISMS, POSH, Kaizen, Auditing Skill, Automated Instrument Handling, SPC, APQP, lessons learnt, Productivity Improvement, Die Design, CQI-12, Visual Inspection, GD & T, TPM, 8-D problem Solving Technique, Total Productive, Maintenance, Part Inspection as control Plan, 16 types of losses, Instrument Gauge Uses, Calibration, Dent Damage Reason Controlling, Poke Yoke, Rejection & Rework and Process, Control awareness, Hobbing & Shaving Process Awareness	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

*Monetary*

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

*Non- Monetary*

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N/A	N/A

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

At RACL Geartech Limited, we are committed to conducting our business with the highest standards of integrity, ethics, and transparency. Our Anti-Bribery Policy reflects this commitment and ensures compliance with all applicable anti-bribery and anti-corruption laws.

The policy explicitly prohibits offering, giving, soliciting, or receiving bribes or any form of improper advantage, whether in dealings with public officials or private entities. It is applicable to all employees, directors, and third-party representatives, including agents, consultants, suppliers, and others.

The weblink of the policy is as follows -

[https://www.raclgeartech.com/uploads/prospectus/393ipdctfile\\_RACLPoliciesManual.pdf](https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.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 24- 25	FY 23- 24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 24- 25		FY 23- 24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable.

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

	FY 24- 25	FY 23- 24
Number of days of accounts payable	62	55

**9. Open-ness of business**

Parameter	Metrics	FY 24- 25	FY 23- 24
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics	FY 24- 25	FY 23- 24
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.24%	1.02%
	b. Sales (Sales to related parties / Total Sales)	3.58%	1.86%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)	NIL	1.17%

## LEADERSHIP INDICATORS

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
We regularly conduct various awareness programs for our value chain partners, including security staff, contractors, and non-permanent staff located within the factory premises. These programs cover topics such as the code of conduct and ethics, POSH, and basic environmental, health, and safety protocols.		

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

RACL has robust processes to manage conflicts of interest among its Board and Senior Management. Directors disclose their interests annually and upon any change, including shareholdings and associations with other entities. They also submit annual declarations under the Company's *Code of Conduct*, affirming their commitment to act in the Company's best interest and avoid any conflicting associations.

Senior Management similarly affirms annually that they have not engaged in any transactions that could pose a conflict with the Company's interests. During Board meetings, Directors abstain from discussions or decisions where they may be conflicted.

The *Code of Conduct* outlines clear principles for identifying and managing conflicts of interest, and is available at [www.raclgeartech.com](http://www.raclgeartech.com). Annual declarations from Directors, Key Managerial Personnel, and Senior Management confirm adherence to this Code.

## PRINCIPLE-2

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

### ESSENTIAL INDICATORS

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

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

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

Yes. RACL Geartech Limited follows a Green Procurement Guideline supported by a dedicated Environmental Declaration. Sustainability is a key component of the Company's supplier selection, assessment, and evaluation processes. This includes initial supplier surveys, ongoing risk assessments, and periodic audits.

As a result, 100% of new suppliers are evaluated on sustainability criteria during onboarding. Sustainability requirements are also embedded in standard purchase contracts, and suppliers are expected to comply with these as part of our commitment to responsible sourcing.

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

RACL Geartech Limited has established a Green Procurement Guideline that includes a dedicated Environmental Declaration. The company's processes for supplier selection, assessment, and evaluation are designed to integrate sustainability criteria at every stage. This approach encompasses an initial supplier survey, ongoing risk assessments, and regular audits. Consequently, 100% of new suppliers are evaluated on sustainability parameters during onboarding through the supplier selection process. Additionally, sustainability requirements are embedded in standard purchase contracts, and all suppliers are expected to comply with these standards.

- 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 © Hazardous waste and (d) other waste.**

a	Plastics (including packaging)	Plastic materials, such as packing bins/trays/covers are returned to and from customers and suppliers for reuse. Discarded plastic bins/cans, packing covers and used barrels are sent to the authorised vendors for recycling. Vendor Name- Bharat Oil & Waste Management Ltd ( <a href="http://www.bharatoil.com/">http://www.bharatoil.com/</a> )
b	E-waste	RACL Geartech Limited ensures that all e-waste is disposed of through authorized vendors, with a focus on recycling and compliance with applicable environmental regulations.

c	Hazardous waste	Hazardous waste generated by RACL Geartech Limited is responsibly disposed of through authorized vendors, in compliance with regulatory norms. Wherever possible, waste is directed for recycling to minimize environmental impact.
d	other waste	RACL Geartech Limited ensures responsible disposal of other waste materials—such as paper, corrugated boxes, boring scrap, and garden waste—through authorized vendors for recycling, supporting environmental sustainability.

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

Yes, Extended Producer Responsibility (EPR) for plastics is applicable to RACL Geartech Limited. The Company has obtained the EPR certificate under the 'Brand Owner' category from the Central Pollution Control Board (CPCB).

As a manufacturer in the automotive sector, RACL operates in alignment with its EPR plan submitted to the respective Pollution Control Boards. The Company's waste management strategy focuses on minimizing waste generation, reusing materials, and promoting recycling to optimize resource use.

Compliance with EPR guidelines is ensured through established collection points and active participation in environmentally sound disposal initiatives for automotive waste.

**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ assessment was conducted	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NO					

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

Name of Product / Service	Description of the risk / concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
Steel & Casting	FY 24- 25	FY 23- 24
	90%	90%

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

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

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

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

### PRINCIPLE-3

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

### ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	628	628	100%	628	100%	-	0	-	0	-	-
Female	28	28	100%	28	100%	28	100%	-	0	-	-
Total	656	656	100%	656	100%	28	4.26%	-	0	-	-

Other than Permanent employees											
Male	78	42	53%	78	100%	-	-	-	0	-	-
Female	13	13	100%	13	100%	13	100%	-	0	-	-
Total	91	55	60.44%	91	100%	13	14%	-	0	-	-

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	96	96	100%	96	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	96	96	100%	96	100%	-	-	-	-	-	-
Other than Permanent workers											
Male	685	685	100%	685	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	685	685	100%	685	100%	-	-	-	-	-	-

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

	FY 24- 25	FY 23-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.40%	1.5%

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

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
ESI	40%	100%	Yes	52.71%	100%	Yes
Others, please specify	NA	NA	NA	NA	NA	NA

### 3. Accessibility of workplaces.

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the required infrastructure for differently abled have access at offices and work locations of company

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

RACL is committed to ethical hiring practices, promoting inclusivity and equal access to opportunities for all. The Company ensures a level playing field for candidates and employees, in accordance with the Rights of Persons with Disabilities Act, 2016, and its internal Equal Opportunity principles.

RACL provides employment opportunities without discrimination based on age, colour, disability, marital status, nationality, race, religion, sex, or sexual orientation. A comprehensive Non-Discrimination Policy is in place and is accessible to all employees via the Company's website and internal portal.

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

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

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

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

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

RACL has formal mechanisms in place to receive and address grievances from employees and workers. The Company's grievance redressal policy ensures a fair, transparent, and timely resolution process through dedicated channels and designated personnel. This reflects RACL's commitment to fostering a responsible, inclusive, and supportive work environment.

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

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	0	0	NA	0	0	NA
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA
Total Permanent Workers	0	0	NA	0	0	NA
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA

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

Category	FY 24- 25					FY 23- 24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	706	597	84%	232	33%	712	441	62%	172	24%
Female	41	32	78%	15	36%	26	20	77%	6	23%
Total	747	629	84%	247	33%	738	461	62%	178	24%
Workers										
Male	781	476	61%	584	75%	793	463	56%	625	79%
Female	-	-	-	-	-	0	0	0	0	0
Total	781	476	61%	584	75%	793	463	56%	625	79%

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

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	683	683	100%	712	712	100%
Female	41	41	100%	26	26	100%
Total	724	724	100%	738	738	100%
<b>Workers</b>						
Male	781	781	100%	793	793	100%
Female	-	-	-	0	0	0
Total	781	781	100%	793	793	100%

## 10. Health and safety management system.

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

Yes, RACL has implemented a comprehensive system to uphold health and safety standards across all its locations. Key measures include:

- Company-sponsored medical insurance as part of broader health and wellness initiatives.
- Provision of Personal Protective Equipment (PPE), including gloves and safety gear, to ensure a secure working environment.
- Installation of essential safety features such as fire alarms, extinguishers, and clearly marked emergency exits.
- Ergonomically designed workspaces, along with accessible stairways and lifts, to promote employee safety and comfort.

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

Yes, HIRA is applicable to RACL Geartech Limited, and HIRA audits are conducted annually.

RACL has established a robust Hazard Identification and Risk Assessment (HIRA) system to identify workplace hazards, assess associated risks, and implement controls based on risk levels to minimize or eliminate potential harm. Regular assessments are carried out for all machinery and equipment in accordance with the Company's safety protocols.

Before any non-routine activity, a quick risk assessment is conducted, supported by the Work Permit System, to ensure appropriate controls are in place. The HIRA process systematically evaluates potential work-related incidents by assessing the likelihood and frequency of occurrence. Based on this evaluation, risk mitigation measures are implemented to either prevent incidents or minimize their impact and duration.

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

Yes, RACL Geartech Limited has integrated several mechanisms in line with ISO 45001 to identify and report workplace hazards. These include Safety Patrols, Risk Assessments, and Near Miss Reporting systems.

To mitigate identified risks, the Company conducts regular emergency and safety drills, along with capacity-building and awareness sessions for employees and workers. These initiatives ensure that all personnel are well-informed and prepared to follow established safety protocols for effective risk management.

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

Yes.

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

Safety Incident/Number	Category	FY 24- 25	FY 23- 24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	5	8
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

RACL Geartech Limited has implemented a comprehensive management policy encompassing Quality, Environment, and Occupational Health & Safety, reflecting its commitment to protecting stakeholder well-being and preventing workplace injuries or health risks.

Key elements of the Company's Health and Safety Management System include:

- **Provision of PPE and Health Access:** All employees and workers are equipped with appropriate Personal Protective Equipment (PPE) and have access to occupational health centres for regular medical check-ups.
- **Safe Maintenance Practices:** Lockout Tagout (LOTO) procedures are strictly followed during maintenance activities to prevent accidents and enhance operational safety.
- **Training & Awareness:** Regular safety training is conducted on topics such as fire safety, chemical handling, and emergency response, ensuring staff are well-prepared for various scenarios.
- **Incident Management:** All incidents are thoroughly investigated to determine root causes, and corrective actions are implemented to prevent recurrence.
- **Proactive Risk Mitigation:** The Company emphasizes preventive measures and structured risk assessments to manage potential hazards before they lead to harm.

#### Safety Governance and Continuous Improvement:

- Regular management reviews of safety systems and performance metrics
- Routine site inspections, team-level safety discussions, and internal audits

- Simulated emergency drills to test preparedness
- Frequent medical check-ups and wellness initiatives
- Periodic audits of machinery, pressure vessels, and electrical systems
- Implementation of interlocks and safety barriers on equipment
- Clear accountability and defined safety response protocols

Monthly health and safety audits ensure ongoing compliance with legal and internal standards. This layered, proactive approach fosters a strong safety culture supported by leadership commitment and active employee participation.

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

	FY 24-25			FY 23- 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NIL	0	0	NIL
Health & Safety	0	0	NIL	0	0	NIL

### 14. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has well-defined safety measures and procedures designed to actively reduce risks and maintain a secure working environment.

### LEADERSHIP INDICATORS

- 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).**
  - Employees: Yes, the Company extends life insurance/compensatory package in the event of death of its employees.
  - Workers: Yes, the Company extends life insurance/compensatory package in the event of death of its workers.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

RACL Geartech ensures that all its onsite and offsite value chain partners adhere to applicable statutory requirements related to the Company. Compliance is monitored to maintain responsible and legally sound operations throughout the supply chain.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	0	0	0	0

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

RACL Geartech offers a structured retention program based on factors such as role criticality, business needs, and continuity requirements. In select cases, senior employees have been retained as consultants post-retirement, depending on individual circumstances.

Additionally, the Company conducts regular capacity-building and skill enhancement programs for all employees, irrespective of their tenure, to support continuous professional development.

5. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

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

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

#### PRINCIPLE-4

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

#### ESSENTIAL INDICATORS

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

RACL Geartech Limited is committed to upholding the highest standards of transparency, accountability, and ethical conduct. The Company identifies key stakeholders as those who directly or indirectly impact, or are impacted by, its operations and value chain.

Stakeholder groups are determined through a systematic evaluation involving senior management, department heads, and directors, based on their influence on value creation and the effect of the Company's operations on them. Key stakeholders include Promoters, investors, Employees, workers, Customers and

clients, vendors, suppliers, Government and regulatory authorities, local communities and CSR partners.

RACL actively engages with its stakeholders through tailored communication channels to understand their expectations, provide updates on business, social, and environmental performance, and gather feedback. This engagement enables the Company to address concerns proactively, seize opportunities for growth, and align business practices with stakeholder needs.

A particular focus is placed on inclusivity ensuring even underrepresented voices are heard thereby strengthening trust and fostering long-term partnerships that support sustainable development.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	Annual General Meeting, Investor conferences/ calls/meetings, Investor communications/ press releases/relevant, Advertisements, Stock Exchange Intimations, Annual Reports, quarterly results, Company website	ongoing	Governance and financial performance, Business updates, Growth plans and product pipeline, Financial performance, business updates and dividends
Customers	No	Exhibitions and events, Interaction through digital media, Newspaper, Pamphlets, E-mail, Advertisements, Company Website and Personal meetings	ongoing	Gaining insight into operational difficulties faced by the business; Exploring ways to enhance the Company's products and services

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	Routine Meetings, E-mail, Supplier audits, plant visits, dialogue on the industry initiative and training courses	ongoing	RACL Geartech fosters strong and collaborative relationships with its suppliers and vendors to support operational efficiency and mutual growth. The Company places emphasis on the supply of quality goods and materials, ensuring timely deliveries and prompt payments to maintain trust and reliability. Engagements with suppliers also extend to the introduction of new products and the exploration of new business opportunities. RACL prioritizes consistency in values, strategic direction, and day-to-day operations, while also working closely with its partners to effectively address and manage operational challenges. This approach helps reinforce a resilient and forward-looking supply chain ecosystem.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	<p>RACL Geartech leverages a mix of digital and physical communication channels to ensure transparent and effective engagement across the organization. These include, but are not limited to:</p> <ul style="list-style-type: none"> <li>- Emails and video conferences</li> <li>- Townhalls and leadership touchpoints</li> <li>- Notice boards and WhatsApp groups</li> <li>- HR portal and internal messaging platforms</li> <li>- Appraisal discussions and training programs supporting personal and professional development</li> </ul> <p>This multi-channel approach fosters open communication, continuous learning, and alignment with organizational goals.</p>	Ongoing basis	<p><b>Regular communication</b> on business operations and long-term strategic direction;</p> <p><b>Opportunities for skill development</b> and continuous learning through training programs;</p> <p><b>Promotion of an inclusive workplace</b> that respects and values diverse backgrounds</p> <p><b>Enhanced safety awareness</b> through consistent implementation of safe work procedures;</p> <p><b>Initiatives to build connection and involvement</b> among employees across all levels</p>
Community	Yes	Community projects, gatherings and updates, surveys to see the effect of our actions, other ways of communication such as; emails, ads, magazines, websites, and social media.	as and when required	Community development programmes Implementation through CSR initiatives

## LEADERSHIP INDICATORS

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

The Board has entrusted the responsibility of engaging with stakeholders on environmental and social matters to the respective functional heads of the Company. Insights and feedback gathered through these consultations are communicated to the relevant committees and, where appropriate, presented to the Board—particularly during quarterly Board meetings—to support informed decision-making.

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

Yes, stakeholder consultation plays a pivotal role in identifying and prioritizing material issues for RACL Geartech. Each stakeholder group offers unique perspectives on materiality, and the Company has developed its strategic approach based on these priorities. An action plan and roadmap have been established to address stakeholder expectations and align business objectives accordingly.

Through its materiality assessment, RACL actively engages stakeholders on key economic, environmental, and social topics. The Company responds to stakeholder concerns by focusing on areas such as product quality and safety, product availability, development of environment-friendly solutions, employee training, transparent disclosures, and improving the energy efficiency of its manufacturing operations.

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

RACL Geartech has a long-standing tradition of philanthropy and community service, with a strong focus on supporting underprivileged, disadvantaged, vulnerable, and marginalized groups—particularly in education and healthcare. The Company dedicates a portion of its income to social responsibility initiatives, continuously engaging with local communities to identify and prioritize their needs.

In the past fiscal year, RACL implemented various programs including providing infrastructure support to schools through refurbishing classrooms, and awarding scholarships to meritorious students facing financial constraints.

RACL's engagement with vulnerable communities near its plant operations is a core aspect of its social responsibility ethos. Through structured initiatives, the Company ensures these communities' voices are heard and integrated into decision-making processes. These efforts translate into tangible actions addressing access to education, eradication of hunger, poverty and malnutrition, healthcare, promotion of gender equality, women's empowerment, and enhancement of educational infrastructure.

**PRINCIPLE-5**

**Businesses should respect and promote human rights.**

**ESSENTIAL INDICATORS**

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

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	656	656	100%	560	560	100%
Other than permanent	91	91	100%	178	178	100%
Total employees	747	747	100%	738	738	100%

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Workers</b>						
Permanent	96	96	100%	110	100	90.91%
Other than permanent	685	553	81%	683	543	79.50%
Total workers	781	649	83%	793	643	81.08%

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

Category	FY 24- 25					FY 23- 24				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Employees										
Permanent	656	0	0	656	100%	560	0	0	560	100%
Male	628	0	0	628	100%	540	0	0	540	100%
Female	28	0	0	28	100%	20	0	0	20	100%
Other than permanent	91	0	0	91	100%	178	0	0	178	100%
Male	78	0	0	78	100%	172	0	0	172	100%
Female	13	0	0	13	100%	6	0	0	6	100%
Workers										
Permanent	96	0	0	96	100%	110	0	0	110	100%
Male	96	0	0	96	100%	110	0	0	110	100%
Female	0	0	0	0	100%	0	0	0	0	0%
Other than permanent	685	217	31.67%	468	68.32%	683	220	32.21%	463	67.79%
Male	685	217	31.67%	468	68.32%	683	220	32.21%	463	67.79%
Female	0	0	0	0	0%	0	0	0	0	0%

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	460000	2	1812500
Key Managerial Personnel	1	7641000	1	1325000
Employees* other than BoD and KMP	627	411002	27	282058
Workers*	96	451326	0	NIL

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

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

	FY 24- 25	FY 23- 24
Gross wages paid to females as % of total wages	2.54%	1.86%

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

Yes, the HR & Personnel Department is responsible for handling grievance investigations. They assess each case individually and take appropriate action. This team also oversees human rights matters within the organization.

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

The Company has implemented a Human Rights Policy that comprehensively addresses grievances related to human rights issues. Additionally, RACL Geartech's Whistle Blower Policy and Code of Conduct outline the formation and functioning of committees responsible for conducting investigations when necessary.

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

	FY 24-25			FY 23- 24
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year
Sexual Harassment	No	No	No	No
Discrimination at workplace	No	No	No	No
Child Labour	No	No	No	No
Forced Labour/ Involuntary Labour	No	No	No	No
Wages	No	No	No	No
Other human rights related issues	No	No	No	No

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

	<b>FY 24-25</b>	<b>FY 23- 24</b>
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

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

RACL Geartech has established an Internal Committee under its POSH policy to address grievances related to discrimination and harassment. The Whistle-blower Policy provides Directors and Employees with a confidential channel to raise concerns, reflecting the Company's commitment to the highest standards of ethical, moral, and legal business conduct, as well as open communication. The Code of Conduct governs employee behavior and addresses related grievances in the workplace.

RACL prioritizes maintaining a safe and respectful work environment for all employees. In line with the Companies Act, 2013, the Company enforces a strict anti-harassment policy aimed at preventing and addressing sexual harassment. An Internal Complaints Committee manages complaints with discretion, ensuring protection for individuals who report concerns and safeguarding them against any retaliation.

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

Yes, RACL Geartech places high importance on human rights, making it an integral part of its business agreements and contractual obligations. The Company ensures that its commitment to ethical practices and respect for human rights is upheld across its operations and value chain.

**10. Assessments for the year.**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Sexual Harassment	100% of RACL Geartech's plants and offices are assessed for compliance with key human rights standards. These assessments are conducted by internal teams, including the HR Department, as part of regular reviews carried out by the Company's senior leadership. This ensures continuous monitoring and adherence to the Company's commitment to upholding human rights across all operations.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

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

No significant human rights risks or concerns were identified during the year 2024–25. However, as a responsible organization, RACL Geartech remains committed to continuous monitoring and capacity building of its value chain partners to proactively manage potential risks and uphold ethical standards.

## LEADERSHIP INDICATORS

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

The Company is dedicated to safeguarding fundamental human rights throughout its operations in alignment with its established codes and policies. Regular training sessions and awareness programs are conducted for employees to reinforce the importance of upholding the Code of Conduct, respecting human rights, and supporting the freedom of association. Furthermore, the Company communicates these compliance standards to many of its customers through contractual agreements. During the reporting period, no new business processes were introduced specifically for addressing grievances or complaints related to human rights.

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

RACL Geartech ensures full compliance with applicable labour laws and provides comprehensive training to all newly onboarded employees on the Code of Conduct. This training covers key human rights issues, including the prohibition of child labour, promotion of gender diversity, and prevention of workplace discrimination. As part of its hiring process, the Company also conducts third-party background checks for all employees.

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

Yes, the Company's operating locations are accessible to differently abled employees, workers, and visitors. Corporate offices and plant facilities are equipped with ramps, sidewalks, elevators, and other necessary infrastructure to ensure ease of access. Signage is placed at key locations to support individuals using hearing aids, and wheelchairs are readily available at Occupational Health Centres across all major facilities, promoting a more inclusive and supportive work environment.

### 4. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Wages	100%
Other human rights related issues	100%

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

The Supplier Quality Assurance (SQA) team was tasked with conducting a comprehensive evaluation of the Company's value chain partners. During the assessment, several Non-Conformities (NCs) were identified and formally documented.

In response, each value chain partner was required to submit an action plan outlining the corrective measures to address the identified NCs. Additionally, they were asked to provide closure evidence demonstrating the effective resolution of these issues.

Upon receiving the action plans and supporting documentation, the RACL SQA team performed a detailed review to assess the adequacy of the corrective actions and the validity of the evidence provided. Only after verifying that all necessary actions had been satisfactorily implemented were the NCs officially closed.

This structured approach reflects the Company's commitment to proactive risk mitigation and continuous improvement across its supply chain.

## 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 24-25	FY 23-24
<b>From renewable sources</b>		
Total electricity consumption (A) - GJ	62545	2944
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	62545	2944
<b>From non-renewable sources</b>		
Total electricity consumption (D) GJ	3137	39939
Total fuel consumption (E) GJ	319	59626
Energy consumption through other sources (F)	0	0
Total energy consumption (D+E+F)	3456	99565
Total energy consumed (A+B+C+D+E+F)	66001	102509
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0000154	0.000024
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000158	0.00000106
Energy intensity in terms of physical output	0.01056	0.01694701
Energy intensity (optional) – the relevant metric may be selected by the entity		

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

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

Parameter	FY 24-25	FY 23- 24
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	15496	16425
(iii) Third party water	2209	167
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
<b>Total volume of water consumption (in kilolitres)</b>	<b>17705</b>	<b>16592</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>0.0000041</b>	<b>0.00000392</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)</b>	<b>0.0000042</b>	<b>0.00000017</b>
<b>Water intensity in terms of physical output</b>	<b>0.002832</b>	<b>0.00274</b>
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>		

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

Parameter	FY 24-25	FY 23- 24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Due to the implementation of a Zero Liquid Discharge (ZLD) system, water is treated, recycled, and reused within the facility, ensuring that no liquid waste is discharged into the environment.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

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

Yes, the Company has implemented a robust Zero Liquid Discharge (ZLD) mechanism to ensure sustainable water management across its operations. An Effluent Treatment Plant (ETP) with a capacity of 10 KLD and a Sewage Treatment Plant (STP) with a capacity of 80 KLD, integrated with a Reverse Osmosis (RO) treatment system, have been installed.

Both effluent and sewage water are treated and reused for various non-potable purposes within the factory premises, including bathroom flushing, gardening, and cooling tower operations. Additionally, a rainwater harvesting system is in place to facilitate groundwater recharge by channeling rainwater back into the ground.

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

Parameter	Please specify unit	FY 24-25	FY 23- 24
NOx	µg/m <sup>3</sup>	41.62	35.6
Sox	µg/m <sup>3</sup>	21.75	19.5
Particulate matter (PM)	µg/m <sup>3</sup>	92.5	80.5
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0

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

Parameter	Unit	FY 24-25	FY 23- 24
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2299.74	2403.33
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	623.88	7943.33
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent/Rs	0.000000684	0.00000245
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent/Rs	0.00000070	0.000000107
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO <sub>2</sub> equivalent / Total number of parts produced	0.0004676	0.00171053
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: - No*

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

RACL has made significant strides in its transition toward clean and sustainable energy, marking a major milestone with its primary manufacturing facility in Gajraula now operating entirely on 100% green energy. This achievement underscores the Company's steadfast commitment to environmental stewardship and decarbonizing its operations.

This transformation has been made possible through a diversified and integrated approach combining on-site and off-site renewable energy generation, as well as strategic procurement through green energy agreements. The key components of this green energy model include:

- **1.4 MW Rooftop Solar Plant:** Installed at the Gajraula facility, this on-site solar infrastructure currently contributes approximately **9%** of the plant's total electricity requirement, reflecting RACL's early and proactive investment in solar energy.
- **4 MW Off-site Solar Plant (Sunsure):** Operated under a long-term Power Purchase Agreement (PPA), this off-site facility now supplies **24%** of the total electricity consumption. This partnership ensures reliable access to clean energy and further expands RACL's renewable portfolio.
- **Green Power Procurement from the Grid:** To meet the remaining energy needs, RACL procures certified green electricity from the grid by paying a green energy premium. This enables the Company to ensure that **100%** of its electricity consumption at the Gajraula facility is sourced from renewable means, even when not directly generated on-site.

Through this comprehensive approach, RACL's Gajraula (mother) plant has become a fully green energy-powered facility-demonstrating industry leadership and alignment with both national renewable energy targets and global climate action commitments.

Looking ahead, RACL remains focused on further scaling its renewable energy footprint across all operational locations, reinforcing its vision for a sustainable, energy-resilient future.

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

Parameter	FY 24-25	FY 23- 24
<b>Total Waste generated (in Kgs/ Litres/ Nos.)</b>		
Plastic waste (A)	103 kgs	52 kgs
E-waste (B)	NA	13 nos.
Bio-medical waste (C)		NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	Scrap grinding wheel - 763 kg Oil-Soaked cloth - 885 kg	Scrap grinding wheel - 360 kg Oil-Soaked cloth - 590 kg Waste polythene – 52 kg

Parameter	FY 24-25	FY 23- 24
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	ETP Sludge – 866kg Used Scrap Oil - 880 litres Scrap oil and Air filters - 86 Nos	ETP Sludge - 1110 kg Used Scrap Oil - 640 litres Scrap oil and Air filters - 37 Nos
Total (A+B + C + D + E + F + G + H)	2617kg/880 litres / 125 Nos	2164 kg/ 640 litres / 37 Nos
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000000009	0.0000000066
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000009	0.0000000029
Waste intensity in terms of physical output	0.0000005893	0.000463563
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	All waste generated is handed over to authorized and approved vendors for appropriate processing and disposal. Detailed information regarding waste handling and vendor engagement is provided in the report above.	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	All waste generated is handed over to authorized and approved vendors for appropriate processing and disposal. Detailed information regarding waste handling and vendor engagement is provided in the report above.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency”*

No

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

RACL has implemented a comprehensive waste management system aimed at ensuring environmental compliance, operational efficiency, and resource conservation. The key elements of the Company's waste management practices include:

1. Waste Segregation:
  - o All waste is segregated at the source using color-coded bins to facilitate efficient disposal and recycling processes.
2. Storage Protocols:
  - o Separate, clearly marked storage areas are designated for hazardous and non-hazardous waste.
  - o Both categories of waste are stored using the 3C method (Covered, Concrete Container) to prevent contamination and ensure safe handling.
3. Record Keeping:
  - o A waste quantity register is maintained to track the generation and disposal of waste in accordance with Form-6 and Form-10 guidelines, ensuring regulatory compliance.
4. Monitoring and Measurement Plan:
  - o Waste minimization initiatives include the recollection of cotton waste and used oil recovery using a centrifugal pump.
  - o Reuse of plastic bins and cans is actively promoted to reduce single-use waste.
  - o Continuous improvements are undertaken to minimize the use of oils, acids, and other consumables, thereby reducing environmental impact.
5. Procedural Compliance:
  - o All waste management activities are conducted in line with Environmental Occupational Health and Safety Procedures 20, 23A, and 24, ensuring consistency with established EHS standards.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.**

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
RACL does not have any operations in or around these areas.		

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)
During FY 2024-25, there was no statutory requirement to conduct Environmental Impact Assessments (EIA) for any of the Company's projects, as per applicable environmental regulations.				

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

Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company has complied with all applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment (Protection) Act, and the corresponding rules and notifications issued thereunder.			

**LEADERSHIP INDICATORS**

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

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

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format

As per the Water Assessment Report 2023 issued by the Central Groundwater Board (CGWB), Government of India, none of RACL Geartech's facilities are located in water-stressed zones.

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

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4475.52	5665
Total Scope 3 emissions per rupee of turnover		0.000000105	0.00000134

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)*  
*If yes, name of the external agency: - Yes - Planet Sustech Private Limited*

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

NA

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

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
STP and ETP	<ul style="list-style-type: none"> <li><b>Sewage Treatment Plant (STP):</b> Wastewater generated from domestic use is treated through the STP and the treated water is reused for gardening within the premises.</li> <li><b>Effluent Treatment Plant (ETP):</b> Industrial effluents are treated through the ETP. The treated water is partly reused for gardening, while the remaining treated effluents are handed over to an authorized agency for further processing and safe disposal.</li> </ul>	Reduced water consumption
Solar and Green energy	<p>Procured green energy by paying a green premium to ensure renewable power consumption.</p> <p>Signed a Power Purchase Agreement (PPA) with Sunsure for an additional 4 MW capacity off-site solar plant.</p> <p>Installed a 1.4 MW rooftop solar plant at the main manufacturing units to generate on-site renewable energy.</p>	Greenhouse gases emission reduction (Scope 2)
Efficient preventive maintenance measures for DG and furnaces	Periodic maintenance is conducted regularly to prevent unexpected breakdowns and ensure smooth operations.	Increased the efficiency

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

RACL Geartech has established an integrated emergency procedure within its management system to effectively address and mitigate potential hazards to both the environment and human health. The key components of this procedure include:

- Identification of Potential Emergencies:

A comprehensive list of potential emergency scenarios has been identified to enable proactive planning.

- Defined Roles and Responsibilities:

Clear roles and responsibilities are assigned to all relevant personnel for effective emergency response.

- Mock Drills and Safety Drills:

Mock drills are conducted every six months under the supervision of the Safety Officer to test preparedness.

Safety drills are carried out every two months, or as per the established schedule, to continuously evaluate and improve emergency response capabilities.

- Training and Awareness:

Regular training sessions and awareness programs are conducted for employees and emergency response teams to ensure readiness for real emergency situations.

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

No significant adverse impact on the environment has been observed.

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

The Supplier Quality Assurance (SQA) team was tasked with conducting a comprehensive evaluation of RACL's value chain partners. During this assessment, Non-Conformities (NCs) were identified and duly documented.

In response, each value chain partner was required to submit an action plan outlining the corrective measures they would implement. Along with these action plans, partners were asked to provide closure evidence demonstrating that the identified issues had been effectively resolved.

Upon submission, the RACL SQA team conducted a thorough review of all action plans and supporting evidence. Only after verifying the adequacy of the corrective actions and confirming the resolution of the issues were the NCs officially closed.

This systematic process reflects RACL's commitment to proactive risk mitigation and continuous improvement across its value chain.

## PRINCIPLE-7

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

### ESSENTIAL INDICATORS

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

5

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

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

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

Name of authority	Brief of the case	Corrective action taken
Not applicable		

### LEADERSHIP INDICATORS

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

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

## PRINCIPLE-8

**Businesses should promote inclusive growth and equitable development.**

### ESSENTIAL INDICATORS

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No assessment undertaken.					

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

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
No project undertaken					

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

This is managed through our company-wide standardized grievance management system.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers**

	FY 24-25	FY 23- 24
Directly sourced from MSMEs/ small producers	12.5%	23.40%
Sourced directly from within the district and neighbouring districts	18%	22%
Directly from within India	64.5%	49.6%

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY 24-25	FY 23- 24
Rural	Data will be prepared from the next year onwards	
Semi- Urban		
Urban		
Metropolitan		
(Place to be categorized as per RBI Classification system- rural/ semi-urban/ urban/ metropolitan)		

## LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Details of negative social impact identified	Corrective action taken
No Incident identify	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

State	Aspirational District	Amount spent (In INR)
Our CSR initiatives are currently not operational in Aspirational Districts.		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - NO
- (b) From which marginalized /vulnerable groups do you procure? – NOT APPLICABLE
- (c) What percentage of total procurement (by value) does it constitute? – NOT APPLICABLE
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

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

5. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Name of authority	Brief of the case	Corrective action taken
NIL		

6. Details of beneficiaries of CSR Projects.

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
Education initiatives under the “Bright Tomorrow” computer education program.	400+ Students were benefitted	100%
Women Empowerment/ Skill development under shining star	10+	100%

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
<p>Miscellaneous Activities</p> <p>In addition to the projects mentioned earlier, the Company has extended support to underprivileged students by covering expenses related to tuition fees, books, and uniforms. Special emphasis has been placed on promoting higher education by assisting meritorious yet financially challenged students. These initiatives aim to empower individuals through education, fostering long-term positive impacts and contributing to social upliftment within the communities we serve.</p>	600+ student was benefitted	100%

## PRINCIPLE-9

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

### ESSENTIAL INDICATORS

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

Although the Company primarily operates in a B2B environment, we remain highly sensitive to the needs of the ultimate consumer. Our customers are valued greatly and are treated with the utmost diligence. They can directly log complaints by emailing [customer@raclgeartech.com](mailto:customer@raclgeartech.com). Any grievances related to business transactions are addressed promptly by our Sales and Vendor Management teams.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The products sold by the Company are components that form part of the final product (i.e., vehicles); therefore, this is not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

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

State	FY 24-25		Remarks	FY 23- 24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of e-s-sential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	

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

RACL places a strong emphasis on cybersecurity, recognizing that while electronic communication is essential for effective business operations, it also carries inherent risks related to data protection and information security. The Company prioritizes safeguarding official documents and data from unauthorized access and misuse.

Employees are advised to exercise caution when using the internet, avoiding the retrieval or forwarding of content that could incite racial hatred, glorify violence, or contain offensive material.

RACL is committed to maintaining a secure and responsible online environment for all employees, supported by comprehensive policies outlined at –

[https://www.raclgeartech.com/uploads/prospectus/393ipdctfile\\_RACLPoliciesManual.pdf](https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The Company adheres to high-quality standards, which are closely monitored through productivity and quality metrics. Any quality issues identified are promptly addressed to minimize safety risks associated with its products.

Additionally, Regular reviews are conducted to assess and enhance the cybersecurity posture. Data privacy requirements are being evaluated in light of the proposed personal data protection law, and necessary actions will be implemented to ensure full compliance once the law is enacted.

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

- a. Number of instances of data breaches  
Nil
- b. Percentage of data breaches involving personally identifiable information of customers  
NA
- c. Impact, if any, of the data breaches  
Nil

**LEADERSHIP INDICATORS**

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

The information is available on Company's website - <https://www.raclgeartech.com>

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

RACL Geartech is a B2B company that predominantly supplies products to major Original Equipment Manufacturers (OEMs). As part of its commitment to quality and safety, RACL Geartech provides formal declarations of compliance with REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) and IMDS (International Material Data System) during the execution of business agreements with its customers.

Furthermore, RACL Geartech undertakes rigorous business validation compliance checks throughout the product development phase to ensure product composition and safety standards are met. To guarantee the safe shipping of products, packaging dimensions and weights are mutually agreed upon between RACL Geartech and its customers, in accordance with global logistics and safety standards.

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

NA

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

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

No, the entity did not carry out any survey related to consumer satisfaction concerning its major products, services, significant locations of operation, or the entity as a whole during the reporting period.

**5. Provide the following information relating to data breaches**

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