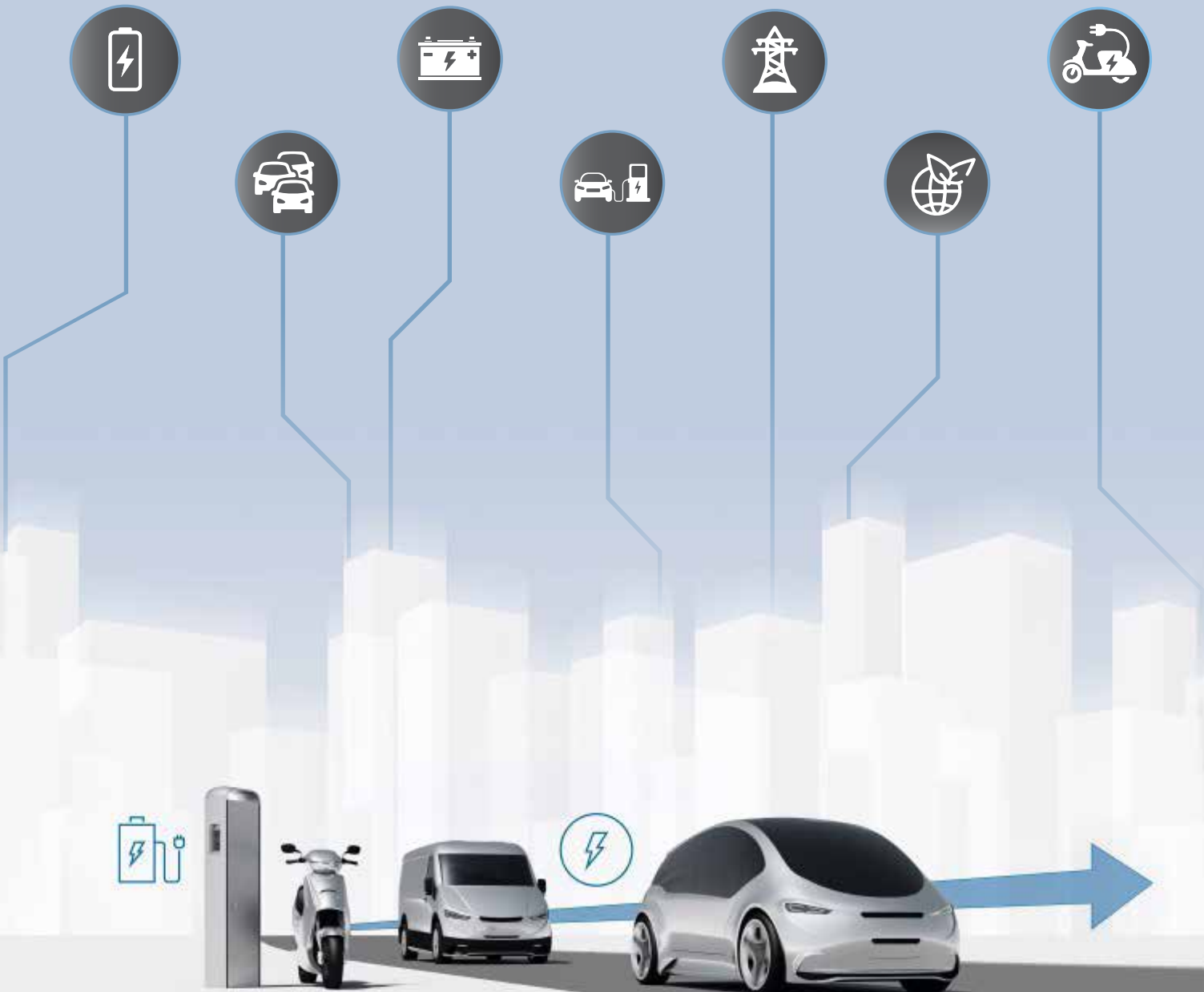


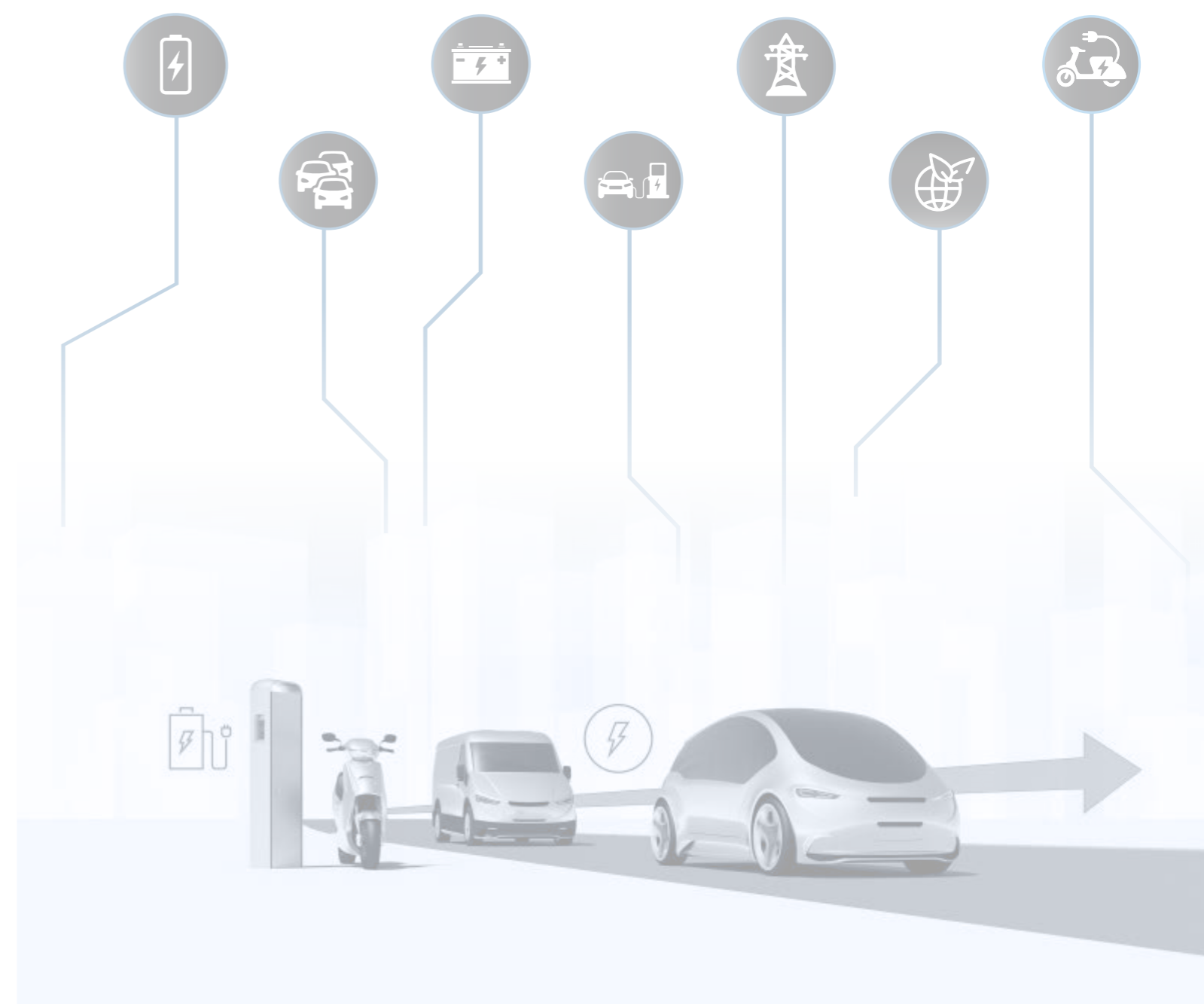
TRANSFORMING TOWARDS **SUSTAINABLE MOBILITY**

ESG REPORT 2020-21



TRANSFORMING TOWARDS **SUSTAINABLE MOBILITY**

ESG REPORT 2020-21



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Cautionary Statement

In this ESG report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.





Message from GCEO and the Chairman

Dear stakeholders,

We present to you our first Environment, Social and Governance (ESG) Report, with a vision to build Minda Corporation Limited (MCL) as a sustainable, profitable and global organization while having a positive impact on the society, people, and planet. Through this initiative of ESG, we aim to accelerate our efforts for stakeholder value creation with the objective to keep our stakeholders informed about our ESG practices in a transparent, complete and concise manner.

Our Performance

The past year of the pandemic posed several bottlenecks to our business. I am proud to share that despite all the challenges, we stayed resilient, worked tirelessly, maintained stability, and adapted to the crisis with the help of our innovative minds and delivered the best solutions to our customers. Our sales volume rose by 6.5% We are now forearmed for any challenges that may arise in the future and will continue to deliver the best results for all stakeholders.

Our ESG Strategy

All our work is guided and led by our philosophy of 'Transforming towards Sustainable Mobility' which reflects our adherence to operate in a responsible and sustainable manner. Our 'Sustainability Policy' demonstrates our commitment towards our guiding principles which we abide by in all our engagements across stakeholders.



A step further, our ESG strategy illustrates our approach to manage various ESG pillars such as Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People and Inclusive Growth. To fulfil these commitments towards the environment and the society, we have also established a dedicated ESG governance system which will help us to sustain and monitor our performance and identify areas of improvement.

Sustainability at MCL

The Covid-19 pandemic has not only disturbed the economic system but has also revealed vulnerabilities in the social and natural environment as a result of the human-interventions. What is startling to note is that human beings have turned out to be the source of this global crisis, as well as the implementers of plausible solutions toward safeguarding the future. This makes 'sustainability' a mandate to be followed in order to prevent any further epidemics and calamities. It has caused the automotive landscape to change. We are learning to prepare ourselves to face such unforeseen circumstances and ensure the sustainability of the organization, planet and the societies around us.

With growing concerns around climate change and human rights, it has become a priority for companies to strategize their operations in a sustainability-centric manner. In the industry that

we operate in, lightweight construction, carbon emissions and transmission to electric vehicles are some of the issues at the forefront. We, at MCL support these changes and have been following the industry trends by ensuring that the triple bottom line underscores our business practices and prioritizing sustainable mobility. Our team has shown immense progress in the Electric Vehicle (EV) space by setting up an in-house R&D facility for EV solutions that are high in quality, are scalable and cost-effective. This has helped us minimize our impact on the environment and maximize value for all our stakeholders. We will continue to adopt many such environmentally conscious and socially sensitive measures in our upcoming business practices.

I wish to take this opportunity to thank every one of you for supporting our work and believing in the vision of MCL. This report documents the initiatives that we have implemented so far with an aim to ensure sustainable growth for our business as well as our stakeholders. We have managed to do so under the guidance of our corporate governance leadership that follows the principles of ethics and accountability. As we begin this journey towards establishing a more conscious business community, we hope that we improve upon our existing business strategies and inspire other businesses to join the fraternity of stakeholders that believe in responsible business conduct and a sustainable future for all.

– Ashok Minda

“A step further, our ESG strategy illustrates our approach to manage various ESG pillars such as Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People and Inclusive Growth.”

» Key Highlights

FINANCIAL HIGHLIGHTS



₹ 4.12

Earnings per share



₹ 23,679 Million

Revenue



₹ 935 Million

Profit after tax

ENVIRONMENTAL HIGHLIGHTS



10,458 GJ

Energy conserved



34%

Water recycled



10,467 GJ

Renewable energy generated

SOCIAL HIGHLIGHTS



Zero
Fatalities



4421
Lives impacts through CSR

» Awards and Accolades



Minda Stoneridge bags the **Ford Q1 Quality Circle Award** for FY 2019-20



Awarded 1st Runner Up for the category 'Best Employer for PWDs' at the **ASSOCHAM's Diversity and Inclusion Awards 2021**



Minda Stoneridge won **Gold Award** in Quality Circle Forum of India **QC virtual Competition FY2019-20**



Minda Stoneridge awarded **3rd Position in energy conservation category** by ACMA



Awarded '**20 Best Companies to work for in 2020**' by **CEO Insights**

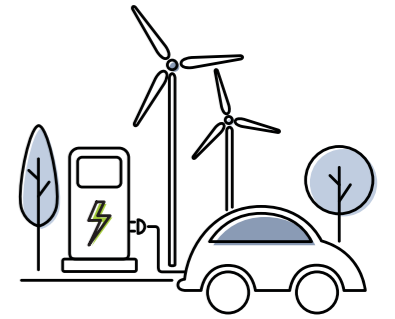


» **ACMA HSE Excellence Bronze Award** received - 2020-21



Awarded National CSR Award for **Saksham - Empowering Persons with Disabilities** CSR Project - 2019-20

» Reading the Report



About the Report

Our goal has always been to embrace sustainability in all aspects of our organization and to link our efforts with national and global goals in order to make a big difference. We chose to publish our first Environment, Social, and Governance (ESG) report this year to explain our strategy and performance on issues related to sustainability. Through this report, we put forth our commitment towards adopting a responsible and sustainable conduct in our operations, sharing the value created by our business for all stakeholders including the larger society. In this report, the terms “Spark Minda”, “MCL”, “we”, “Company” and “the Company” refer to Minda Corporation Limited.

Reporting Period and Boundary

The information in this report covers our sustainability efforts for the period of FY21, i.e., April 1, 2020 to March 31, 2021. The reporting boundary of this ESG report includes 22 of our Indian production facilities and offices, including three joint ventures namely Minda Vast and Minda Stoneridge Instruments Limited. These manufacturing facilities are based out of Aurangabad, Bangalore, Chennai, Haridwar, Mumbai, New Delhi, Pantnagar, Noida, Greater Noida, Murbad, Bawal, Pithampur, Pune as well as our corporate office in Gurugram.

Release Cycle

This is our first ESG report. We seek to report our progress on the ESG parameters every year henceforward.

Reference Framework and Standard

The idea behind inaugurating this ESG Report is to strengthen our reporting practice and comply with the internationally agreed disclosures. The Report is guided by the principles and requirements of Global Reporting Initiative (GRI) Standards and is in accordance with the ‘Core’ option prescribed by GRI. The information gathered is the result of our interactions with stakeholders and may or may not be included in the Annual Report.

Contact Information

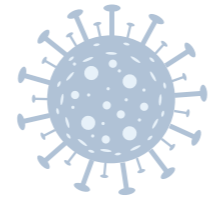
If you wish to receive a printed version of this report, or if you have any comments or suggestions, please contact:

Email: sustainability@mindacorporation.com

Phone: +91-124-4698431 (Operational during 0900 – 1815 Hours)



» Our response to the COVID-19 crisis



The pandemic year was unprecedented, and it was indeed difficult time for the entire world. Whether it was 'business as unusual' or the 'new normal', the need for the hour was agility, customer, and employee centricity. At MCL, we have proactively undertaken the responsibility

to try and help our workforce community sail through the Covid-19 pandemic with ease. This has been accomplished by ensuring that our employees adjust to the changing workplace by engaging them in a variety of activities and prioritising their health and well-being.

MEASURES TAKEN BY THE GROUP

For Employees

Established a **'Group Response Team'** as the core team to tackle the pandemic

Doubled our interactions with our customers through digital platforms

Defined various standard organizational procedures, redefined the existing processes and safety guidelines

Provided **'Get Well Soon'** kits to employees and workers

Extended Medical Support to employees and their families

Conducted Covid-19 **awareness and mental wellness sessions** through reputed medical institutes

Conducted **vaccination drive** for the entire workforce to combat the pandemic

Provided **medical teleconsultation services** for employees and their families

Introduced **multiple improvement projects** to reinforce a culture of Learning and Development

Ensured consistency in **connecting and communicating with the employees** through initiatives like **'Learn from Leaders'**

Introduced **'Jeet Hamaari'** as a digital portal for employee awareness

For Communities

Supplied raw material to persons with disability in collaboration with CII

Distribution of medical accessories and other utilities to hospitals.

Cooked food packet distribution to migrant workers

Mask distribution in community

Supported in arranging food and hospitality for Safdarjung Hospital with ASSOCHAM

Provided testing kits, PPE's and sanitizers for medical professionals & community

Food staples material distribution to people in Uttarakhand





SPARK **MINDA**

Powered by Passion

» Company Overview

About MCL

Minda Corporation Ltd. (MCL) started in 1958, we are a leading automotive component manufacturing company in India with a pan-India presence and significant international footprint. In 1985, we were officially registered as a public limited company under the provisions of erstwhile Companies Act, 1956 (now Companies Act, 2013).

MCL is the flagship company of Spark Minda, which was part of the erstwhile Minda Group. We have a diversified product portfolio that encompasses Mechatronics, Information and Connected Systems, Interior Plastic and Electronic for auto Original Equipment Manufacturers (OEMs). Our products cater to 2/3 wheelers, passenger vehicles, commercial vehicles, off-roaders and after-market. We have created a diversified customer base including Indian and global OEMs and Tier-1 customers. We also serve to after market segment in India through a strong dealer distributorship of about 450 dealers.

For assimilating the latest technologies, we have a dedicated R&D facility and collaborations with the pioneers and leaders of the automobile industry. Our R&D has provided us with cutting-edge product design and technology to meet strict international quality standards.

Philosophy

Our mission, in combination with our vision statement, sets the groundwork for how we want to go forward and build a more resilient future.



Vision

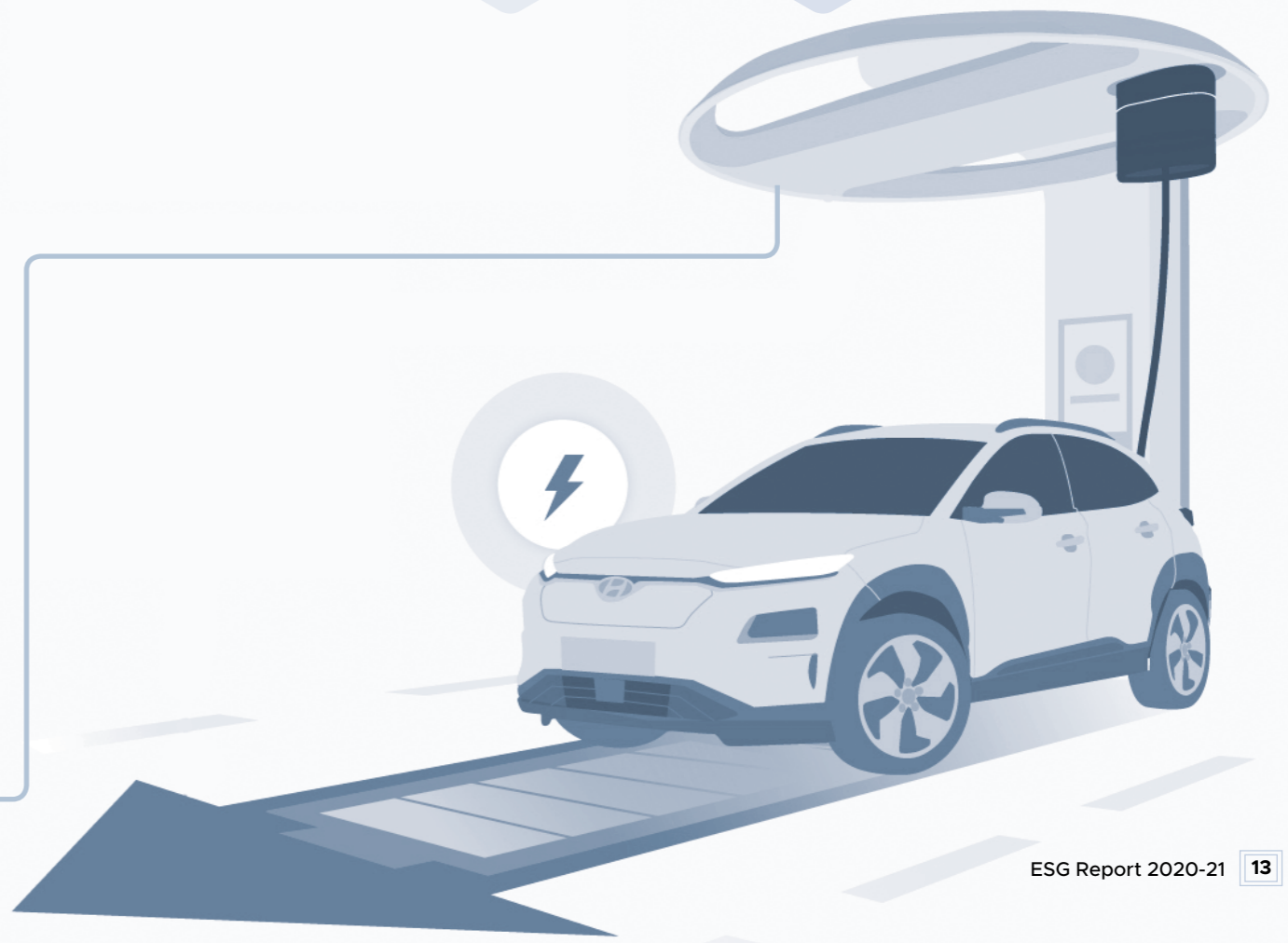
To be a Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer, to create value for all Stakeholders.



Mission

Our mission is to be an Automotive System Solution provider and build a brand recognized by vehicle manufacturers progressively all over the world, as an organization providing products and systems, unparalleled in Quality and Price.

Core Value



Our Segments and Products

The company has a diversified product portfolio encompassing Mechatronics, Information and Connected Systems, Interior

Plastic and Electronic for auto OEMs. Each of these business lines delivers multiple products and cater to leading Indian and global OEMs. Following is the list of products that we cater to and our current customers.

Mechatronics Division

Product Portfolio	Key Divisions/ Companies	Key Customers	Product Images
Electronic and Mechanical Security Systems including Ignition Switch Cum, Steering Locks, Smart Key Systems, Mechatronics Handles and Immobilizers Systems; Die Casting: AL (HPDC, GDC, LPDC) and Zn (Hot Chamber) such as Housing Compressor; Starter Motors, Alternators	Safety Security Divisions	Bajaj Auto, Ashok Leyland, Yamaha, Honda Motors & Scooters, Suzuki Motors, Hero Motocorp, Triumph	
	Die- Casting Divisions	Bajaj Auto, Borgwarner, Endurance, Garrett Motions, Kelhin India	
	Starter Motors & Alternators Division	Escorts, Magneton, ITL, TAFE, CNH	
	Asean Business	Yamaha, Suzuki, Kawasaki, Piaggio	
	Minda VAST Access System Limited	Maruti Suzuki, Tata Motors, M&M, Nissan	

Information and Connected Systems Division

Product Portfolio	Key Divisions/ Companies	Key Customers	Product Images
Wiring Harness, Connectors, Terminals, Components; Instrument Clusters, Dashboard, Sensors like speed, temperature, position, pressure, exhaust gas etc;	Wiring Harness Divisions	TVS, Ashok Leyland, Bajaj Auto, Honda Motors & Scooters, Hero Motocorp, Piaggio	
	Component Divisions	In-House Divisions, JV Companies	
	Minda Stoneridge Instruments Limited	M&M, Bajaj Auto, Ashok Leyland, Honda Motors & Scooters	
	Furukawa Minda Electric Private Limited	Maruti Suzuki, Renault-Nissan, Honda	

Interior Plastic Division

Product Portfolio	Key Divisions/ Companies	Key Customers	Product Images
Glove boxes, centre consoles, cup holders, ash trays, louvers, oil slumps, cylinder heads, and battery trays	Interiors & Plastics	M&M, Maruti Suzuki, Cummins	

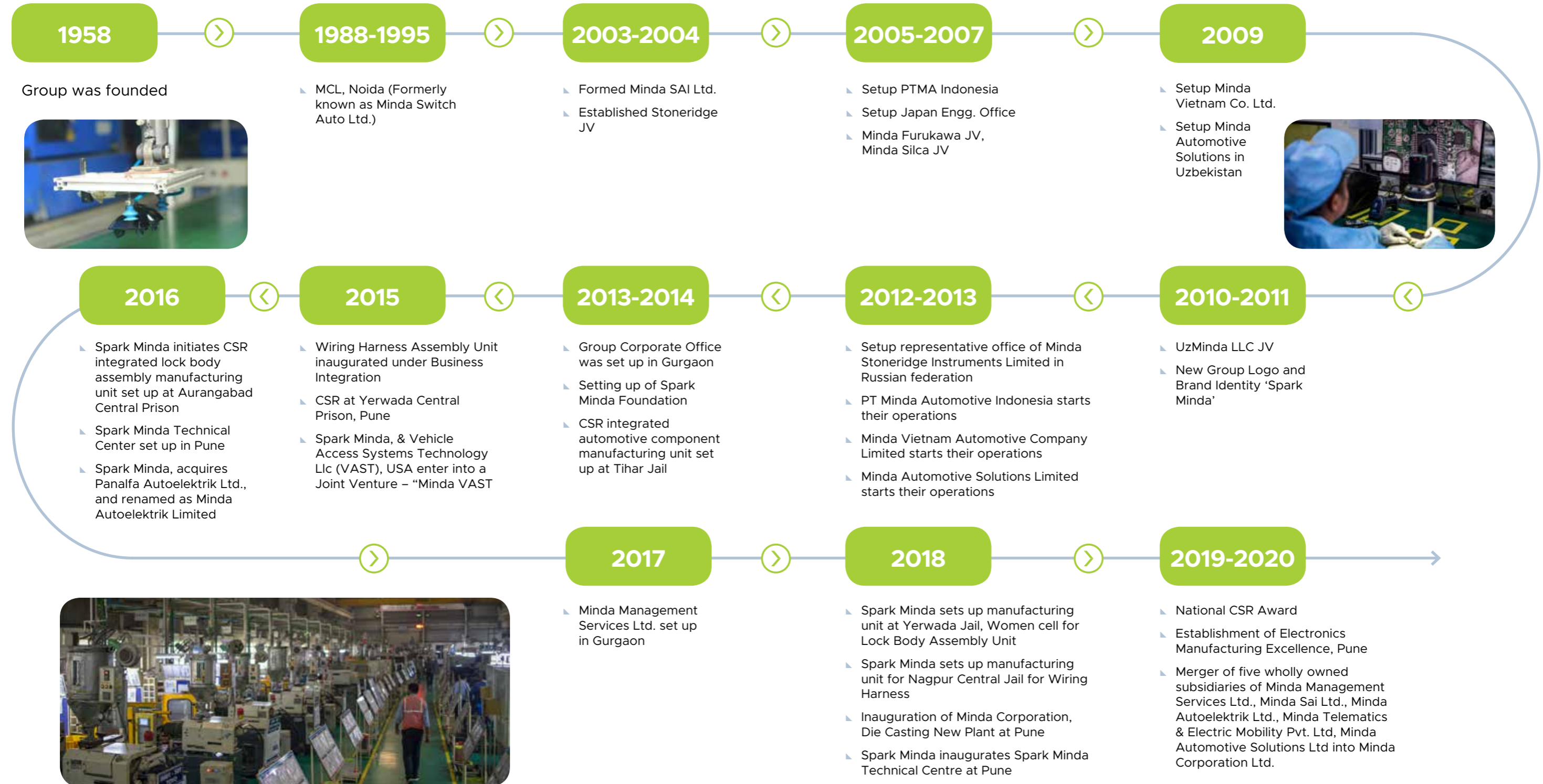
Electronics Manufacturing Excellence (EME)

Product Portfolio	Key Divisions/ Companies	Key Customers	Product Images
DC-DC Converter, Battery Charger, Motor Controller, Intelligent Transport System, Telematics, Connected Clusters, MFECU, VCU etc.	Electric Vehicle & Connected Systems	Ashok Leyland, Amphere, Polarity, Etergo, Ola Electric, Bajaj, TVS	
DC-DC Converter, Battery Charger, Motor Controller, Intelligent Transport System, Telematics, Connected Clusters, MFECU, VCU etc.	Antenna	Maruti Suzuki, Hyundai, Kia	



» Milestone

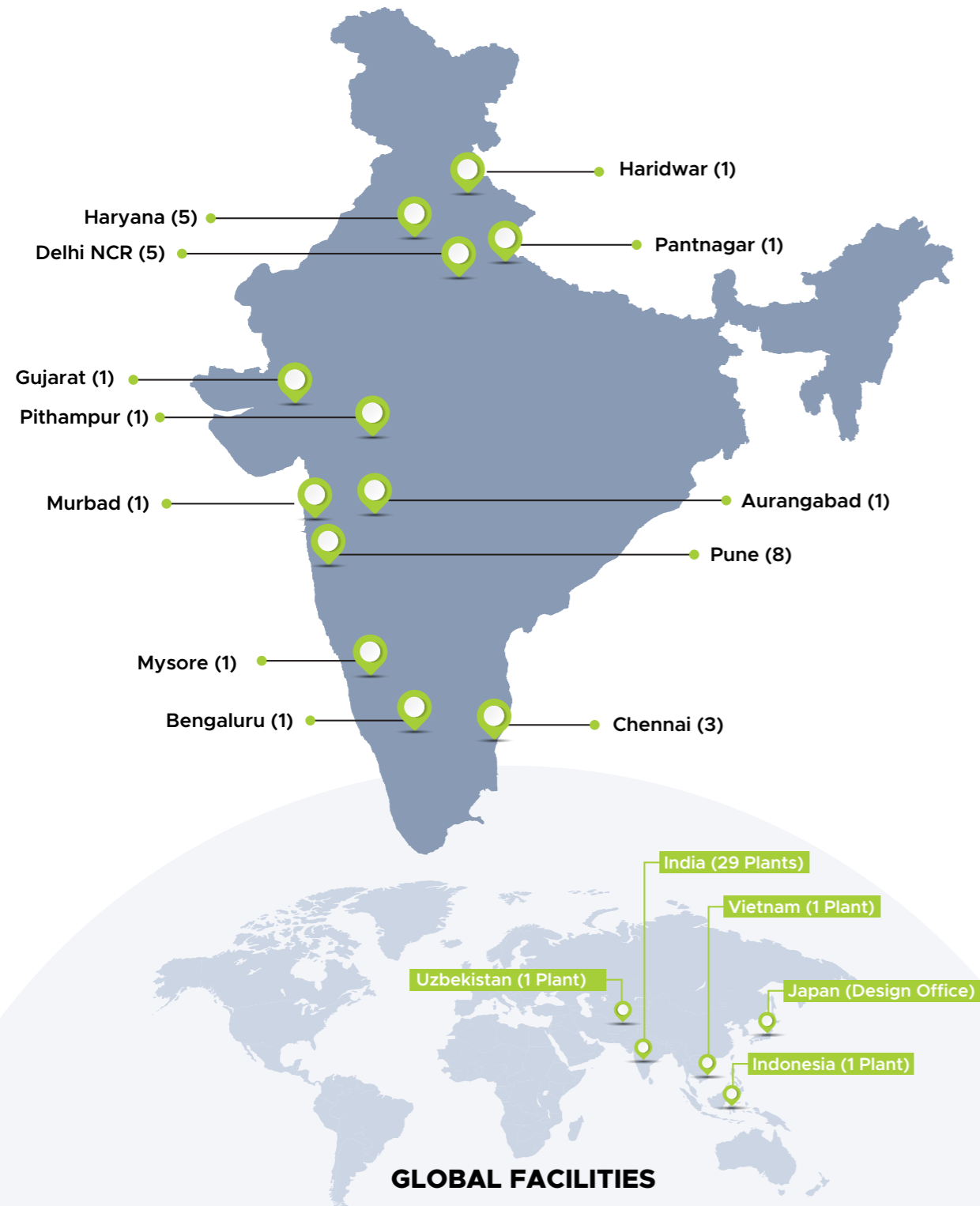
Through our evolution as an organization, we have set benchmarks and achieved milestones that stand testimony to our commitment towards sustainable and long-term growth. Our stakeholders, including our talented employees, partners, clients, communities, shareholders, and others, have played a critical role in defining our success through this journey.



» Our Operations

We have our manufacturing presence both in the North and South of India to cater to the needs of our consumer. The Company is headquartered in Gurugram, India. At the

same time, we have built capacity in several countries including China, Indonesia, Japan, Vietnam and Uzbekistan to address the requirements of global markets.



Our Geographical Footprint

With 33 manufacturing plants & offices across the world, the Company provides support to its OEMs customers in India, Europe, Southeast Asia, and North America. India continues to be the dominant market for the Company and accounts for around 86% revenue, followed by Europe and US with around 9% and the balance 5% business coming from the markets in South East Asia.

Associations

Our affiliations and collaborations are a significant element of our work ethics, as they enable us to make short, medium, and long-term commitments. Working for the greater good is a principle taught in our team at MCL, and it is this value that makes our efforts appealing to all stakeholders. As a result, productive collaborations and partnerships are a vital feature of our organization to embrace. We are proudly associated with:

Partnerships & Collaborations



» Governance System



Governance Structure

Corporate governance is based on values such as conducting business with integrity, fairness, and transparency in all transactions, making all required disclosures and decisions in accordance with the law, accountability and responsibility to stakeholders, and a commitment to conduct business ethically. We exemplify good governance with corporate governance guidelines, code of conduct, and financial ethics. As a result, we are dedicated to deliver valuebased growth while maintaining high ethical standards.

We are governed by an eight-member Board of Directors who come from various industries and have the necessary skills and expertise to contribute to our growth and improve the quality

of our decision-making process by accepting the best view on the table after detailed discussion and deliberation among directors. Four out of our eight directors are independent, allowing us to find the proper balance between internal and external viewpoints.

The Board meets on a regular basis to discuss strategic, operational, and financial issues, and it maintains a formal calendar of topics for its consideration. If necessary and appropriate, the Board of Directors delegates authority to Directors who lead different committees. The Board currently has six committees which are represented in the below figure. Each committee operates under terms of reference/ Charter which set out their respective roles and responsibilities, composition, and scope of authority.

BOARD OF DIRECTORS AND COMMITTEES



Mr. Ashok Minda
Executive Chairman



Mr. Rakesh Chopra
Independent Non-Executive



Mr. Avinash Gandhi
Independent Non-Executive



Mr. Ashok Kumar Jha
Independent Non-Executive



Mr. Aakash Minda
Executive Director



Ms. Pratima Ram
Independent Non-Executive



Mr. N.K. Modi
Executive Director &
Group CFO



Mr. Ravi Sud
Non-Executive &
Non-Independent Director



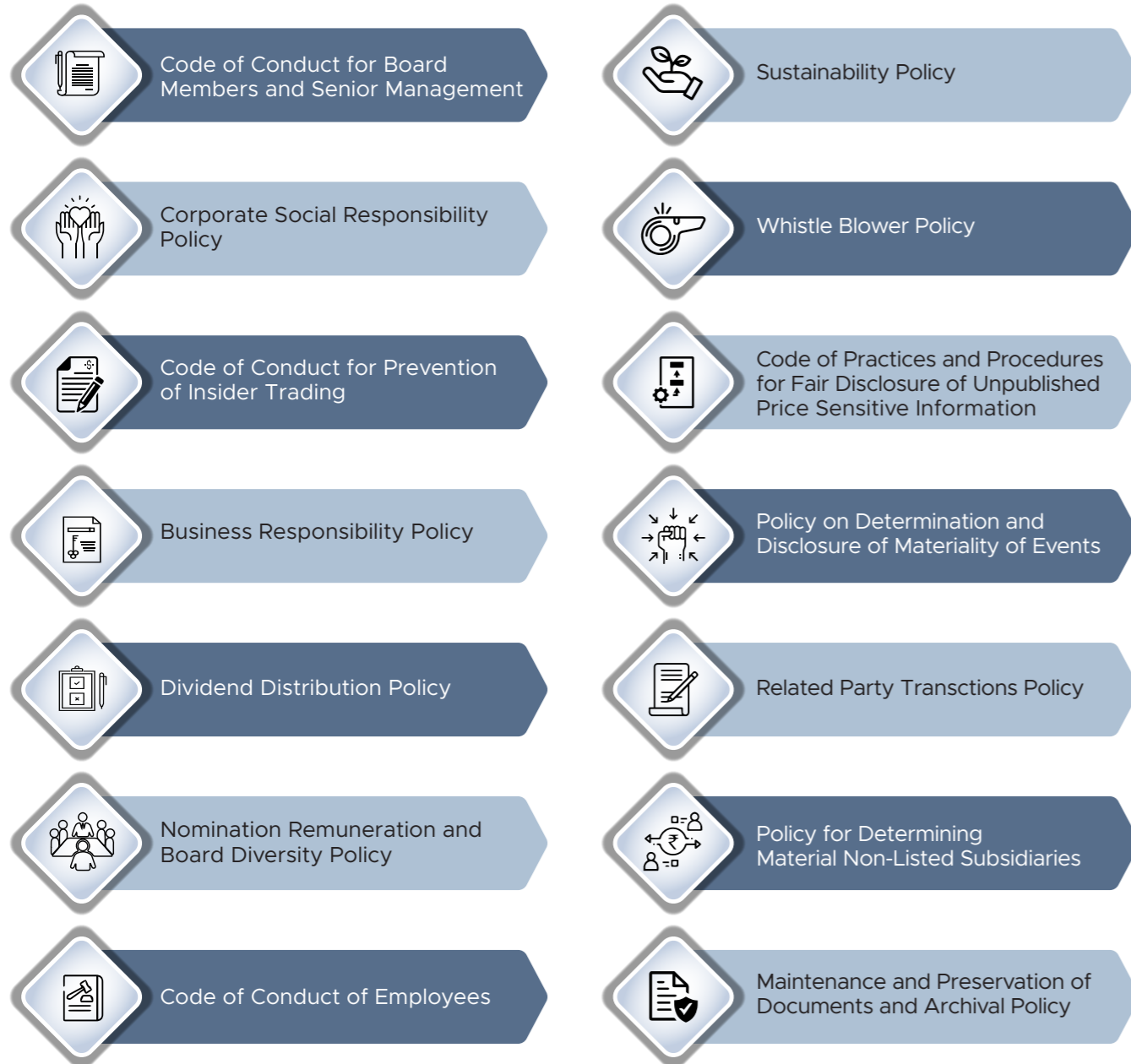
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- CSR Committee
- Risk Management Committee
- Chairman
- Member

Policies

In accordance with our core values and philosophy for adhering to ethical governance standards, we have a set of codes and policies in place. Such policies act as guidelines that usher our employees, suppliers, contractors, and other stakeholders on how we as a Company conduct ourselves and set a

roadmap for the day-to-day operations. We engage in continuous dialogue with key stakeholders that help us gain insights into future policy developments. We believe that our abidance to these directives will result in the continuity of our good-willed prosperity.

The following are the policies of our company and are made available on our website.



Board-level Committees

- ▶ Audit Committee
- ▶ Nomination and Remuneration Committee
- ▶ Stakeholders Relationship Committee
- ▶ Risk Management Committee
- ▶ CSR & Sustainability Committee
- ▶ Securities Issue Committee

CSR and Sustainability Governance Structure

Sustainability is pivotal to MCL and is integrated into our business operations to help generate long-term value. We aspire to achieve prosperity in our business while actively contributing towards safeguarding the natural environment and ensuring well-being of the society. We've turned this vision into a strong sustainability governance framework, complete with cross-functional senior leadership that oversees sustainability at the board level and makes it easier to incorporate sustainability into all aspects of our business. We have established an internal sustainability team as part of the sustainability governance structure that supervises the activities relating

to Health, Safety, Environment, Corporate Social Responsibility (CSR) and ensures instilling of the sustainability objective in our everyday business operations.

The committee is headed by the Chairperson of Spark Minda Foundation and comprises of GCHRO, GCOO, GCMO, Group procurement Head, Group CSR Head and so on. The committee is supported by designated members who carry different organizational roles at the management, senior management, and operational level. This committee is also responsible for reviewing and approval of targets, roadmap, and implementation procedures for our strategic sustainability vision. Representation of the committee responsible for overlooking sustainability and CSR is depicted below



» Effective Risk Management

As a manufacturing company, it is imperative for us to have a robust risk management mechanism to deal with potential scenarios that can put us or our employees at risk. We have an elaborate risk management system to inform Board members and other stakeholders about risk assessment and minimization procedures. Our risk management committee meets regularly and evaluates the efficacy of the framework relating to risk identification and its mitigation laid down by the Committee.

We believe in the precautionary principle for management of risk and classic examples of how we adhere to the environmental and social risk precautionary approach includes-

Stakeholder Engagement

We believe in establishing long-term and mutually beneficial relationships with our stakeholders. As a result, it is our obligation to cultivate an environment that encourages an open exchange of information. We work with








multiple stakeholders and believe that their concerns and opinions are equally as important to us as our strategic decisions. To us, engaging with stakeholders and partners is critical to attaining the triple bottom line. We hope to maintain a strong stakeholder connection that is beneficial to the environment, the society, and the economic growth of our business as well of the stakeholders. The stakeholder dialogue helps us obtain information, skills, and resources for developing a long-term business strategy. We have built a robust approach that actively involves them in the process. Our success is moulded by the goals and concerns of our many stakeholders, just like any other business decision.

We identified stakeholders who are impacted by our company based on prior experiences,

peer review, internal expertise, surveys, and influence on the organization to enhance decision-making and accountability. We place a great value on continuing contact with our stakeholders and strive to establish effective feedback channels so that their concerns and issues may be factored into our business planning and execution strategy. Through these communication channels, we maintain frequent contact with our stakeholders, and these vital exchanges aid in the continuous improvement of our products and operations.

This allows us to match our own decisions with the expectations we have from both internal and external stakeholders. The engagement technique for each stakeholder group, as well as how we create value for them, are summarised here.

Stakeholder Group	Why are they important to us	Material Matters	Engagement Forums	Value Proposition
SHARE HOLDERS	<ul style="list-style-type: none"> As providers of financial capital, they are key stakeholders in our growth and expansion plans 	<ul style="list-style-type: none"> Sustainable growth and returns Risk management Good corporate governance Operational performance 	<ul style="list-style-type: none"> Board meetings Annual reports and Websites 	<ul style="list-style-type: none"> Return on investment Financial viability Risk management Good corporate governance
INVESTOR	<ul style="list-style-type: none"> Funding and capital investment 	<ul style="list-style-type: none"> Financial health, growth and performance of the Company Dividend payments 	<ul style="list-style-type: none"> Investor calls, conference and meets Annual General Meetings 	<ul style="list-style-type: none"> Financial viability Risk management Good corporate governance
EMPLOYEES	<ul style="list-style-type: none"> Empowered and engaged workforce drives to achieving business targets and serve as a key for successful business Satisfied and motivated employee have higher productivity 	<ul style="list-style-type: none"> Trainings and skill development Well-being Job satisfaction Performance management Employee retention 	<ul style="list-style-type: none"> Employee engagement initiatives Training programmes Performance appraisal reviews Grievance mechanisms 	<ul style="list-style-type: none"> Fair compensation Trustworthy relationship Well being
SUPPLIERS	<ul style="list-style-type: none"> Cost optimization Operational leverage basis quality, technology, pricing etc. Lean manufacturing 	<ul style="list-style-type: none"> Continuity of orders Transparency Engagement 	<ul style="list-style-type: none"> Vendor assessments and reviews Signed contracts Vendor meets 	<ul style="list-style-type: none"> Business continuity Fair trade practices Growth opportunities

Stakeholder Group	Why are they important to us	Material Matters	Engagement Forums	Value Proposition
CUSTOMERS 	<ul style="list-style-type: none"> Revenue generation and growth Help in innovating new products through demand Help to increase market share 	<ul style="list-style-type: none"> Timely delivery Quality Pricing After-sale service Product-related queries 	<ul style="list-style-type: none"> Customer feedback Digital and social media connect Exhibitions and events Brochures and catalogues 	<ul style="list-style-type: none"> Strong Brand Quality products Competitive price On time delivery Required product offerings
CREDITORS 	<ul style="list-style-type: none"> Revenue generation and growth Help in innovating new products through demand Help to increase market share 	<ul style="list-style-type: none"> Timely delivery Quality Pricing After-sale service Product-related queries 	<ul style="list-style-type: none"> Customer feedback Digital and social media connect Exhibitions and events Brochures and catalogues 	<ul style="list-style-type: none"> Strong Brand Quality products Competitive price On time delivery Required product offerings
LOCAL COMMUNITIES 	<ul style="list-style-type: none"> Understand and respond to the unique needs and concerns of the society. Work in partnership with government and civil society to help address some of the key challenges faced by country 	<ul style="list-style-type: none"> Local employment Environmental pollution control Infrastructure development Livelihood programme 	<ul style="list-style-type: none"> Training workshops Regular meetings Need assessments and reviews Surveys CSR reports 	<ul style="list-style-type: none"> Empowerment of communities Upliftment of underprivileged sections of society Reduction in environmental impact
GOVERNMENT 	<ul style="list-style-type: none"> Key for ensuring compliance, interpretation of regulations and key to uninterrupted operations, policy matters, changes in law, rules and regulations, as part of ease of doing business 	<ul style="list-style-type: none"> Compliance with laws and regulations Regular reporting 	<ul style="list-style-type: none"> Meetings, presentation, reports and networking in different forums organised by regulatory authorities 	<ul style="list-style-type: none"> Policy formulation to shape future business growth
MEDIA 	<ul style="list-style-type: none"> Improving the understanding of industry's positive impact on sustainability and climate change and the drivers for further development 	<ul style="list-style-type: none"> Transparent disclosure and information sharing 	<ul style="list-style-type: none"> Press release Publishing articles and news Meetings and interviews 	<ul style="list-style-type: none"> Sharing of best practices Benchmarking Collaboration

Materiality Assessment

The materiality assessment exercise aims to share information about the concerns and opportunities that have a sizeable effect to our business and our ability to create value

but also recognising and prioritising the most pressing issues based on stakeholder concerns. These problems are critical to our success and are addressed in our stakeholder communications, internal strategic goals, and corporate responsibility strategy.



in the short, medium, and long term. To us, the identification of material matters is a joint responsibility for which we seek suggestions and feedback from all our stakeholders. These topics are consistently assessed in order to ensure that they remain aligned with the ever-evolving external environment and our group's strategy.

We identify, review, and prioritise what matters most to our business and stakeholders using the following process:

Material issues are those that have a direct or indirect influence on a company's operations and footprint in terms of the economic, environmental, or social value. MCL understands that sustainable growth includes not only resolving tangible difficulties related to the company's operations and strategy,

We took on the task of completing our materiality evaluation as part of the creation of our first ESG report. Material subjects are those of notable importance that have the potential to have a short, medium, or long-term influence on our business.

We evaluated the characteristics of materiality that are essential to us and aligned with our stakeholders' expectations. To acquire an overall collection of material subjects, we performed a desktop study of GRI standards, MSCI indices and Sustainability Standards Accounting Board's (SASB) for our industry. These material topics were then compared to those considered by our peers in the sector. The material topics that had been narrowed down were presented to senior management for validation. The image below depicts our 21 material topics under broader materiality assessment.



Sustainability Strategy

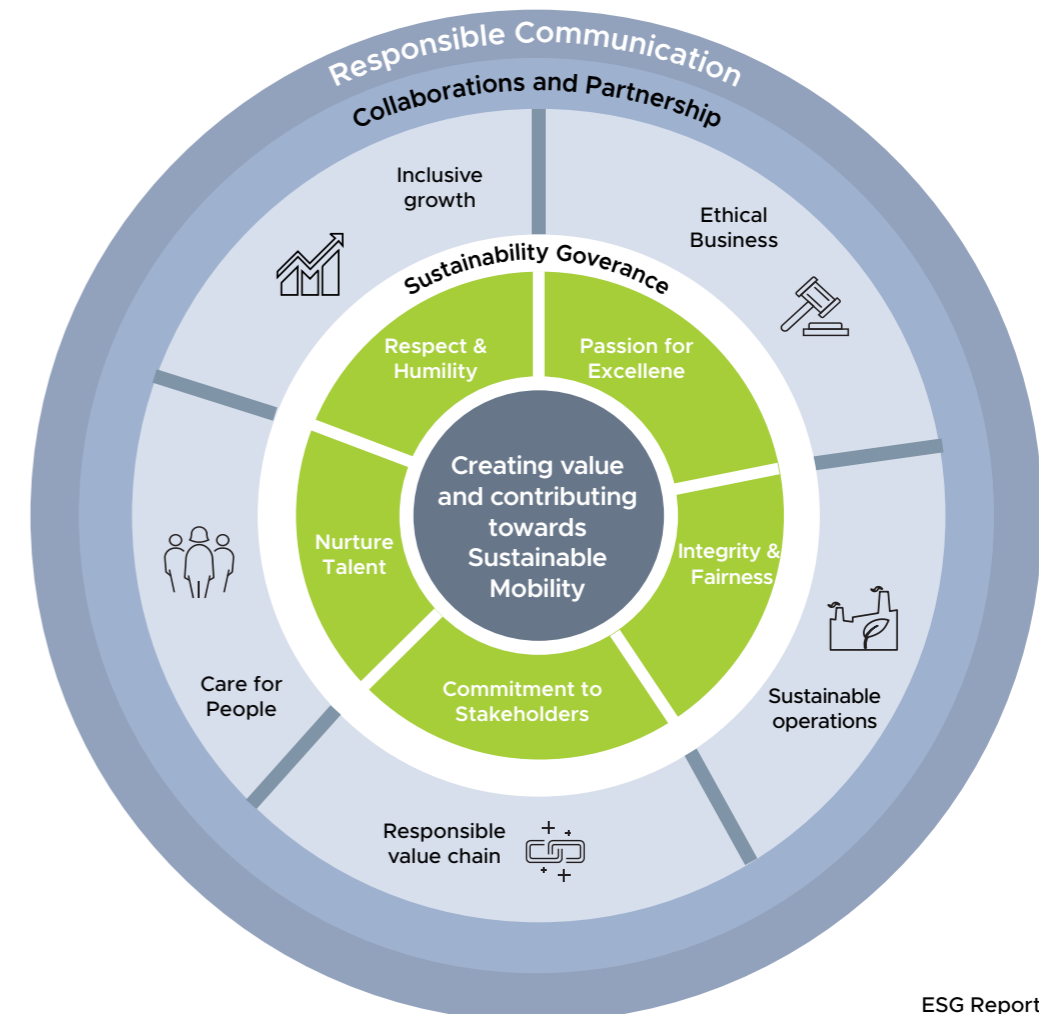
As we see the emergence of sustainability consciousness in firms all over the world, changing with the times is a sign of a thriving organization. In order to adapt to such change and put our promises into action, we have created a new ESG framework to help us on our way.

Until now, we have taken four major measures to strengthen our position. First, we looked at how well the company strategy and objectives are aligned with the economic, environmental, and social effects of operations, using common reporting frameworks and ESG indices. Second, we used the materiality theory to identify and concentrate on subjects that are significant not just in terms of direct financial impact on the business, but also in terms of environmental and societal repercussions. Further, we established an ESG governance framework that ties functional roles to stakeholder accountability. We also coupled specific organizational goals with a solid action plan internally. Finally, we produced this report to convey all of this information to

our stakeholders, which includes Disclosure of Management Approach (DMAs) on important material subjects, case studies, and other qualitative and quantitative data.

We are delighted to share our ESG approach with you in this report. As we move closer to an effective implementation and review process for sustainability criteria, we have established five pillars to ensure that the roadmap is managed successfully, and that performance improvement is closely monitored.

We have grouped different material topics into the pillars of ESG focus areas. While sustainability is deeply embedded in our company strategy, it is also reflected in the five pillars of Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People, and Inclusive Growth, as shown below. Each emphasis area will have its own set of KPIs, targets, and a roadmap. In our subsequent annual ESG reports, we will update you on our progress on this ESG framework. MCL is happy to report that during 2020-21, we worked hard to create realistic targets in each of these areas.





Ethical
Business

» Ethical Business

Our ability to create long-term value is based on our organization's ethos and integrated thinking that manifests itself in our commercial success, relationships with our stakeholders and environmental stewardship. At MCL, ethical behaviour is the foundation of all of the activities and is never jeopardised. We think that by subscribing to mindful business practices and adhering to environmental and human rights regulations, led by transparent communication and responsibility, we can generate long-term value for our company. We ensure our abidance to ethical business practices by constantly acting upon matters relating to regulatory compliance, economic performance, business ethics and anti-competitive behaviour.

Regulatory Compliance

Compliance is critical in order to protect our cherished company brand. We must satisfy all of our compliance responsibilities as a publicly traded business. As a result, in addition to the risk management systems, we strictly comply to all compliances and regulations set out by the local/national government. To guarantee effective functioning and risk minimization, these compliance standards are backed up by a comprehensive internal control structure.

The Board is responsible for conducting periodic reviews of compliance reports for legislation that applies to MCL, as well as

establishing a well-defined mechanism for dealing with cases of non-compliance, if any. Every year, a number of Board and general body meetings are held to ensure regular communication and adherence to current and applicable legislation.

During the FY21, no fines on environmental and social compliance have been levied on us. Similarly, there were no incidence of significant fines levied on us or non-compliance with respect to the regulations concerning health and safety impacts of products and services, product related marketing communications, and product information disclosure and labelling. The number of complaints against child labour, forced labour, involuntary labour, and sexual harassment received in the previous fiscal year is listed below:

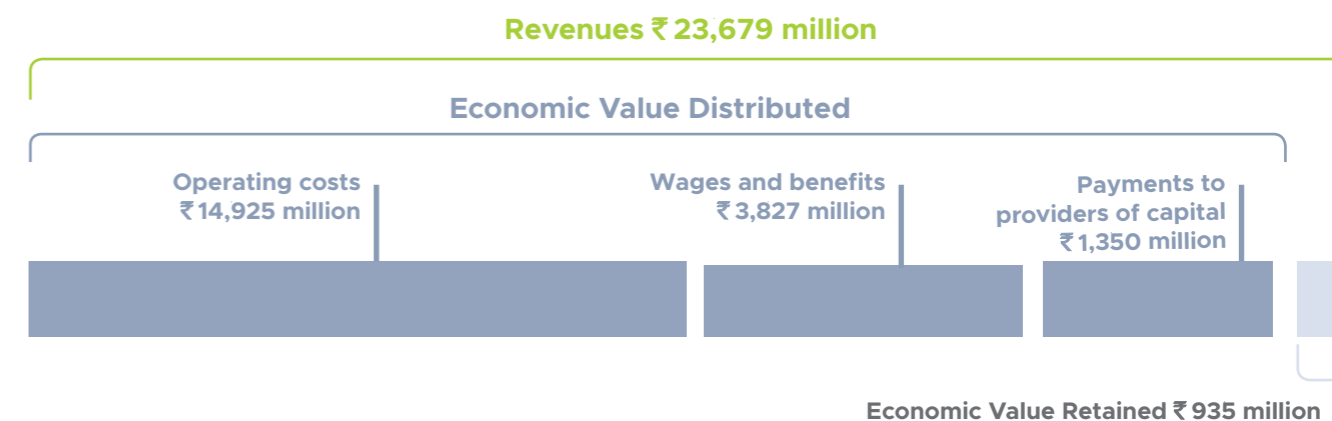
Category	No. of complaints filed during FY'20	No. of complaints Pending as on end of the FY'21
Child labor/forced labor/involuntary	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

Economic Performance

Our ability to create long-term value is based on our organization's ideology and integrated thinking, which manifests itself in our financial performance and connections with our stakeholders and the natural environment. Strong economic performance is an essential for us in order to operate a business model that is viable for the long-term. It is not just a pre-requisite for us to operate a long-term profitable business model, but it enables us to

satisfy the expectations of our stakeholders and to be accountable for our shareholders' growth and advantages.

Providing information on wealth generation and distribution assists helps our stakeholders in comprehending how we make profits. For our current reporting year, we achieved a consolidated top line of INR 23,679 million with a growth of 6.5%. We also registered a net profit of INR 935 million from continued operations.



Business Ethics

Building public trust is a time-consuming and frequently challenging task for any business. Securing stakeholders' confidence demands a high level of openness, which includes incorporating ethical concerns into the whole company plan. Integrating ethics into day-to-day operations entails adhering to the company's code of conduct and avoiding corruption. All of our work force is bound by a code of behaviour that begins the day they start working for us. The code of conduct includes a wide variety of topics and must be completed once a year by all employees.

Employees and Directors can use our Vigil and Whistle Blowing mechanism to report instances of any unethical activity (real or suspected), fraud, and violation.

Anti-competitive Behaviour

At MCL, doing the right thing lays the foundation for all our decision-making processes and adhering to the principles of ethics and integrity is of chief importance to our company. We strictly prohibit our employees and workforce and all other individuals representing MCL in business interactions from accepting, offering, paying or authorizing any bribes.



ASSY. LINE-SS
BAJAJ
VINFAST
ETERGO
ELECTRONIC
STEERING LOCK

ASSY. LINE-SS
BAJAJ
PIAGGIO
SUPERVISORY
CONTROL UNIT

ASSY. LINE-SS
BAJAJ
PIAGGIO
KEY FOB

Sustainable
Operations

» Sustainable Operations

At MCL, we have sincerely committed ourselves to achieve sustainability in our operations and persist a work culture that aims to consciously protect the environment. We have actively undertaken several initiatives to minimize our environmental footprint through diligent use of resources such as fuel, electricity, water, and raw material. By integrating these practices into our business imperative, we aim to ensure that the value creation of our group remains ecologically responsible. Further, we are always adopting techniques and solutions that meet the standards of sustainability. Our sustainable operations mainly focus on materials management, energy management, emissions reduction, water and effluents management and waste management.

Materials Management

Material Inputs and Production

Utilization of resources for production of finished goods is part of any manufacturing

process. We strive to achieve better quality and performance from our products while rationalizing the material consumption, especially for virgin materials. We believe in prudent utilisation of resources within and outside the organization.

Since inception, we have continuously expanded our product portfolio and delivered consistent value to our stakeholders. Our advanced products and expansive product catalogue cater to all kinds of industry demands ranging from the 2-wheeler segment to an electric vehicle. In the current year, we pegged a 7% growth against last year even when as the Auto industry production fell by 13%. The growth was achieved on back of the good growth coming from Export and Aftermarket business. Moreover, the transition from BS IV to BS VI resulted in robust business for the wiring harness from the 2-wheeler segment.

During the FY21, following are the production figures from our different business verticals:

Production	Unit	FY'21*
Lock set	Nos.	40,00,010
Seat lock assembly	Nos.	2,22,634
Fuel tank cap	Nos.	12,00,000

Production	Unit	FY'21*
LockKit	Nos.	4,72,918
Switch	Nos.	1,86,935
LockKit (set of 3 locks) with packed	Nos.	2,06,521
LockKit (set of 5)	Nos.	3,06,214
Master cylinder	Nos.	24,00,000
Compressor housing	Nos.	18,00,000
Wiring harness	Nos.	48,70,591
Keys	Nos.	4,14,65,258
Handle	Nos.	40,13,538
Latch	Nos.	5,06,966
Lock	Nos.	9,94,676
Cluster	Nos.	31,80,198
Sensor	Nos.	84,74,491

* Data considered for 14 factories & 5 offices

We incessantly endeavour to reduce our raw material and packaging material consumption. The summary of total raw material and packaging material consumption data for the reporting year is tabulated below:

Total Raw Material	Unit	FY'21*
Springs and Fasters	MT	432.05
Plastic Granule	MT	8,291
Zamak-3 & 5	MT	4,618.05
Aluminium Alloy ADC 12	MT	118.19
Aluminium	MT	4,366
Wiring Harness Terminals	Nos.	40,00,000
Wire	m	1,23,27,013.16
Tape	m	2,77,62,375
ABS 100 MPM B1 Black	kg	29,500
Paint & Thinner	kl	69.79

* Data considered for 14 factories & 5 offices

Packaging Material	Unit	FY'21*
Corrugated Boxes	Nos.	7,643,557.97
Air Bubble Sheet	Nos.	3,205,808
Separator for Trimph	Nos.	8,41,000
Polybag	MT	5.46

*Data considered for 14 factories & 5 offices

Material Saving Initiatives

Material management is a high priority topic for MCL. It does not only help in reducing our environmental footprint, but also help in reducing the amount of waste generated by us.

During the FY 21, we introduced several alternate processes to reduce the packaging material consumption of our operations. Few of the initiatives include:

- Usage of bins instead of packing boxes
- Adoption of Just in Time (JIT) supply from local warehouses to reduce the inventory value



Energy Management

As a responsive business, we understand the challenges in addressing the society needs with the growing demand of energy, rising power costs, new supply chain models and strict environmental regulations around the world. In such a context, energy conservation and improvements in energy efficiency has been our prime focus area.

Energy Consumption

The Company meets its electricity requirements from grid electricity which caters to our operations and DG sets along with solar energy provide back up in case of power cuts. The heavy machinery that we operate in our production lines are energy intensive and required an uninterrupted supply of fuel. To meet the energy demand, we source diesel, natural gas and LPG. Following table highlights our total direct and indirect energy consumption for the reporting period.

Energy Consumption	Unit	FY'21*
Direct Energy		
Diesel	KL	4,380.6
Natural Gas	m ³	26,52,846
LPG	Tonne	23.89
Electricity produced from oil-based power plant	GJ	1,775
Electricity produced from solar energy	GJ	10,466.7384
Through Diesel Generator	GJ	2724.46

*Data considered for 20 factories and offices

Data considered for 8 factories and offices

Energy Consumption	Unit	FY'21*
Indirect Energy		
Electricity purchased from Grid	GJ	133,120.85
Electricity Purchased from third party	GJ	18.61

*Data considered for 11 factories and offices

Energy Conservation

Given the energy intensive nature of our industry, it is imperative for us to take up energy saving measures and innovate constantly. MCL is focussed on integrating energy efficient systems throughout the production value chain and adoption of energy conservation measures wherever possible. We continuously

monitor our electricity consumption and electricity savings. We have deployed various technologies to improve the performance of the exiting equipment and installing energy efficient lighting systems across all our plants and facilities. Through these initiatives, we have been able to save approximately 10,830 GJ in FY21. Below is the table showcasing our initiatives for energy conservation.

Initiatives	Unit	FY'21*
Main LT voltage controlling	GJ	1,269.24
VFD installed in place of induction motor	GJ	460.96
Energy saving through timer installation	GJ	2.59
Replacement of CFL to LED lighting	GJ	669.21
Minimisation of air leakage	GJ	351
Motion sensor for light (washroom, office cabins, meeting rooms)	GJ	27
Auto timer for shop floor lighting	GJ	43.1
Machine stop timer in idle condition	GJ	113.39
Energy Saving/Conservation	GJ	4,206.88
Solar	GJ	247.95
Fix type compressor replace with VSD Air compressor	GJ	2,287
KVR reduction	GJ	777
Servo compressor VFD	GJ	0.45
Moulding M/c Insulation jacket	GJ	0.25
A/C controller Installed	GJ	1.8

Energy saving practices from 13 factories and offices

Solarization

MCL is working towards expanding infrastructure and upgrading technology to provide clean energy in all its businesses. Subsequently, the group factories are in process for solarization. Currently, the installation is taking in a 2 phased manner.

Phase 1 : Includes the Opex model, where solar panels are installed in the rooftop of our factories

Phase 2 : Includes the Capex model, in case of limited roof space availability for Solar panel installation (less than 50%-60%) the factories will opt for investment in the solar park for taking solar energy from them.



In the current year, a 100kw solar plant was installed at our Kakklur plant.

During the FY21, 247.95 GJ of electricity was generated through solar power across all the sites. This model has been practiced in various other factories.

Emissions Reduction

GHG Emissions

Climate change has emerged as one of the paramount perils of the 21st century with nations and businesses across the world devising strategies to arrest its impact on economies and societies. At MCL, we are committed to mitigate GHG emissions from our operations by making substantial changes in our processes and adopting new technologies.

We continuously try to identify energy saving opportunities across our plants and replace our old carbon emitting equipment with more energy efficient ones. This not only decreases our energy input but has added benefits of reduction in GHG emissions. Several power saving initiatives have been implemented across our facilities, such as installation of automatic timer for fans & lights, replacing of tube lights with UFO LED lighting. As a result of our efforts, our energy intensity has been decreasing constantly for the last few years. We are currently investing in installing solar panels in our factory premises.

Air Emissions

Emissions of air pollutants have serious effects on health and climate. Our manufacturing facilities generate various air emissions including SO_x, NO_x, and Particulate Matter. We proactively adhere to all the statutory

norms and regulations in the regions where we operate through effective operational controls. We regularly monitor the NO_x, SO_x, and particulate matter air emissions and keep the emissions below the permissible limits. We also monitor and improve our processes to reduce our consumption of resources and emission of ODS such as hydrofluorocarbons (HFCs) 22 or R-22.

Water and Effluents Management

Water is an important asset at all our production sites, and we are responsible for improving the water-related impacts as a consequence of our activities. We have been managing our water input meticulously and in adherence with the local permissible withdrawal limits. As such, we have set up water recharge potential (Rainwater Harvesting - RWH pits) at various facilities.

At the forefront of planning, we have adopted water recycling at all our plants and every one of them is equipped with their own Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP). We use STP/ ETP recycled water instead of tap water for domestic use like gardening, toilets cleaning, etc.

The table below provides the water withdrawal, water recycled, and water reused information from all plants.



Water Withdrawal	Unit	FY'21*
Pond/Lake	m ³	4,296
Ground Water	m ³	129,704.88
Rainwater pit - Water harvested	m ³	2,995.5
Water from Municipality	m ³	30,443.2
Wastewater from other organization	m ³	3,120
Tanker	m ³	43,478
Local Industrial Development Authority	m ³	1,17,286
Total water withdrawal	m ³	331,323.58
Total water consumption	m ³	305,264.09

* Data considered for 20 factories and offices

Water recycled	Unit	FY'21*
Effluent water treated	m ³	43,346.75
Sewage water treated	m ³	60,752.42
Total water recycled	m ³	104,099.17

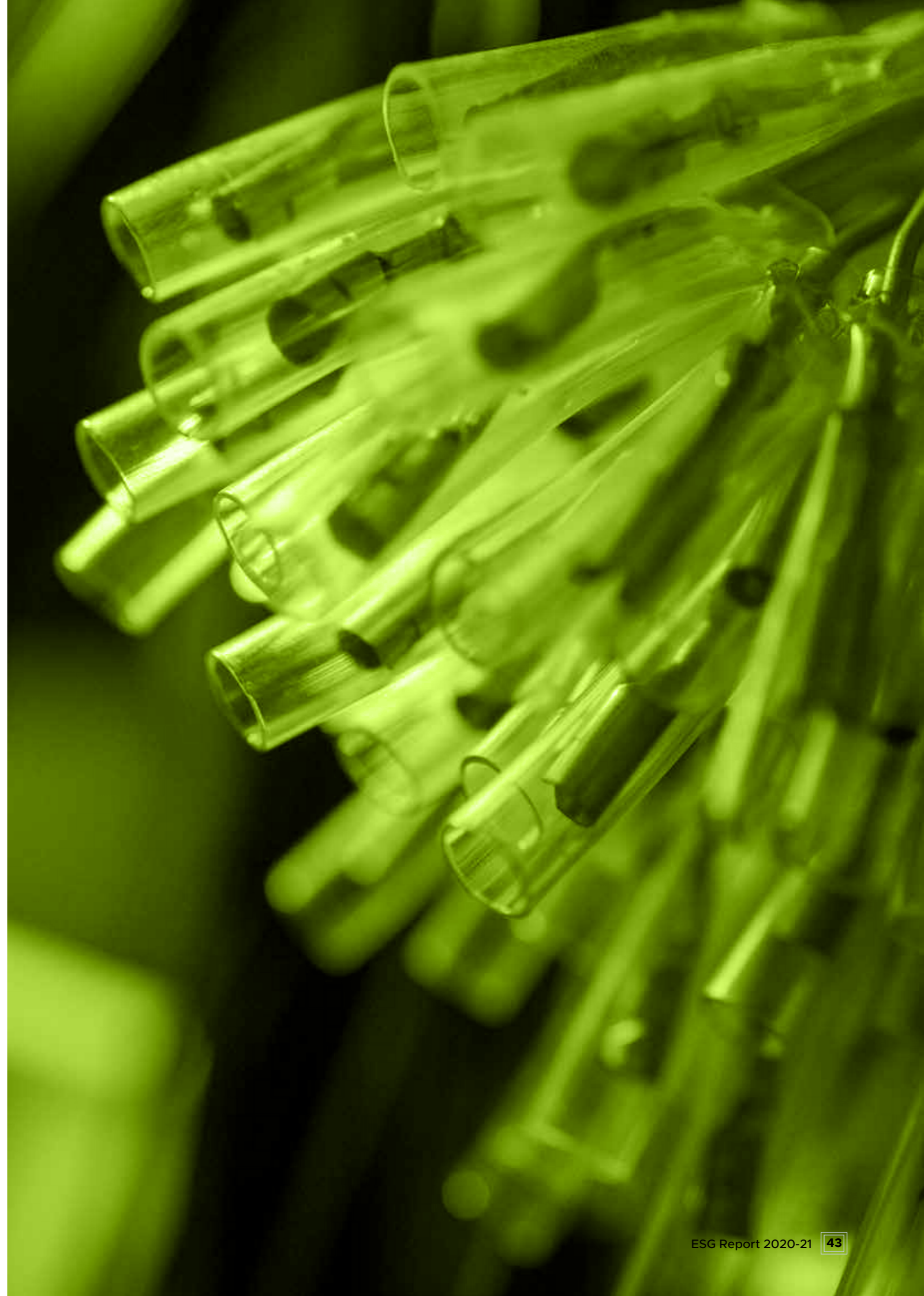
* Data considered for 15 factories and offices

Water reused	Unit	FY'21
Internal process	m ³	24,961.5
Domestic purpose	m ³	40,465
Bin Cleaning	m ³	5,175
Gardening	m ³	17,861
Flushing - Domestic Purpose	m ³	4,362
Others	m ³	1,716
Total water reused	m ³	94,540.5

Waste Management

At MCL, waste minimization and efficient use of raw materials has always been our major focus area. Given the scale of our operations, we place huge emphasis on reducing the amount of waste that is generated from our production plants. To contribute to the

creation of a recycling-oriented society, the Company conducts several 3R initiatives (3R = Reduce, Reuse, Recycle). We monitor both hazardous and non-hazardous waste generated at our plants. We dispose-off the waste generated from our production processes in accordance with the local laws and regulations.





Responsible
Value Chain

» Responsible Value Chain

To us, it is essential that we establish and stay consistent with a responsible and sustainable value creation and deliver products with embedded quality and safety, by integrating ESG values into the supply chain. By focusing on innovative products, lifecycle management and sustainable and local sourcing in various aspects of our product development, we strive to be socially sensitive and environmentally conscious.

Innovative Product and Lifecycle Management

We strive to incorporate principles of sustainability into the various phases of product and service lifecycle as much as possible. During recent times, there are changing technology trends, upcoming regulations, increasing quality, reliability requirements and increasing cost reduction pressures from customers. This calls for a focus on product as well as process innovation. To keep up with the changing times, we have increased our focus on product reliability and innovation.

We developed low cost highly reliable SPMs through in-house capability development. For domestic as well as international customers, we focused on developing products which meet the changing emission regulations i.e., BS IV to BS VI cost innovations to get entry into new vehicle segments such as construction, all-terrain vehicles, and agriculture vehicles.

We are also developing mechatronics & electronics products as well as thriving on co-development with customers on R&D projects.

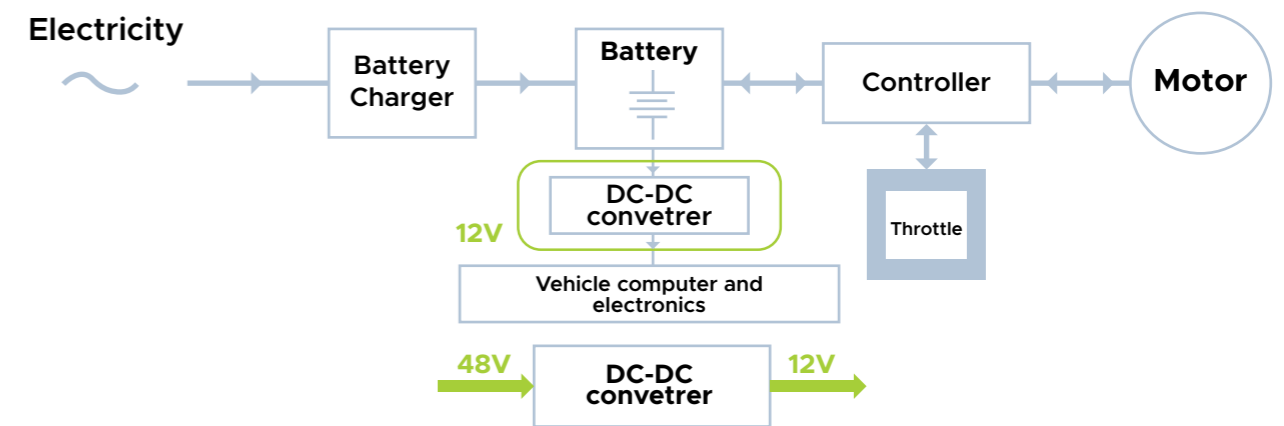
We have also set up an in-house R&D facility for EV solutions that are scalable and cost-effective and high in quality. We inculcate the products, including but not limited to DC/DC converters, battery chargers, motor controllers, vehicle control units, etc. to showcase our potency and eagerness to imbibe upon this emerging arena.

IC engine vehicles are majorly driven by a 12V battery which is charged by alternator. Electric vehicles are devoid of engines and are mostly powered by a 48-volt battery which drives electric motor, thus forming EV propulsion system. EVs do not have requirement of an alternator and at times 12V battery is kept optional. The EV power train operates on 48V battery, however all the electronics on the dashboard still requires 12V.

This is where DC-DC converter comes into picture. It converts 48V to 12V to drive the 12V electronics on dashboard (Vehicle computer and Electronics) and also charge 12V battery if connected in vehicle. The power rating of DC-DC converter is decided based on amount of low voltage (12V) electronics that is to be driven. This DC-DC is a power converter delivering power in the range of 150 - 300W for electric vehicles with high conversion efficiency.

Since these vehicles do not have an engine, they do not create any pollution and help in controlling the carbon emissions. MCL is playing a crucial role of supplying the key components of such vehicles. MCL has supplied more than ten thousand DC-DC converters for two-wheeler and three wheelers in FY21. This has helped us minimize our impact on the environment and maximize value for all our stakeholders.

Below is high level architecture showing DC-DC converter in electric bike:



Sustainable and Local Sourcing

We endeavour to incorporate social, environmental, and ethical performance factors into our supplier selection process. At present, we have policies and procedures in place to help us manage our suppliers and maintain a high-quality standard of the raw materials. Additionally, we have incorporated clauses in our supplier agreements on compliance relating to environmental matters,

wages, hours and conditions of employment and so on.

Local Sourcing

In the EV space, with the recent FAME II policy, the OEMs are expected to focus on local sourcing rather than importing the components from elsewhere. Localization is paramount to our sourcing strategy. It provides an opportunity to be more environment friendly and socially responsible. It reduces our carbon footprint, increases consumer satisfaction and

confidence, is cost-effective and benefits the local communities and local businesses. We procure goods and services from local/regional suppliers which include large, mid-size and small-scale industries that meet our criteria of Quality, Cost, Development, Deliver & Services (QCDDS). Along with this, the Supplier Quality Assurance (SQA) works with the suppliers to improve the capability & quality.

The table below highlights our dependence on the local and small¹ vendors for the reporting period.

	Unit	FY'21*
Total number of local vendors	Nos.	2,826
Total number of small vendors	Nos.	3,239

* Data considered for 13 factories

1. Small vendor is defined as a unit with Investment in Plant and Machinery or Equipment up to INR 10 crore and Annual Turnover up to INR 50 crore



Care for
People

» Care For People

Our culture and people, as well as our combined knowledge, talents, and experience, allow us to deliver innovative and competitive solutions to our clients while also adding value to all stakeholders. We aim to establish a work atmosphere that promotes individual satisfaction and progress while also enhancing the company's overall success. Attaining success while keeping in mind the wellbeing of the larger society is of paramount importance. To enable long-term value creation and preservation, we focus on Occupation Health and Safety (OHS), Diversity and Equal Opportunity, Labour Management and Relations, Human Rights and Training and Education.

Diversity and Equal Opportunity

We at MCL, are committed towards creating an inclusive and safe workspace for everyone. We are also an equal opportunity provider and strive to provide equal opportunities in every stage of an employee lifecycle in the company. We believe that diversity is a precursor to dynamic and sustainable organization. To bring

different perspective, experience, and skills, we are committed to employ people of diverse background in terms of different category and age-group. As part of our commitment, we have taken several interventions to improve the level of diversity within the organization.

As on 31st March 2021, the number of permanent employees, which includes management employees, non-management employees and permanent workmen, is 3803 and the total number of contractual employees is 15,209. The below table shows our total workforce by age group, category, and gender.

Employee Hire and Retention

We strive to hire employees who are technically sound in their area of work and are well aligned with our organization philosophy. We offer competitive salaries, various career development opportunities and other benefits to retain our employees. The below table shows number of new hires and turnover by gender. As we are evolving, we are improving our systems and processes to capture data with respect to age-bifurcation as well.

Category	Total employees hired*			Gender	
	<30	30-50	>50	Male	Female
Permanent Employees	489	434	28	885	65
Temporary Employees	-	-	-	9512	5697
Total				10,397	5763

*Data considered for 28 factories

Employment of Persons with Disability in FY21: 187

Category	Total employees separated			Gender	
	<30	30-50	>50	Male	Female
Permanent Employees	491	475	69	947	77

*Data considered for 28 factories & offices

Employee Engagement

To encourage and boost the employee morale, we always strive to engage with employees through various initiatives. This helps us to reduce our attrition. Our retention measures include training and development and career guidance initiatives. These measures are inherent in our HR practices. We also boost our employees' satisfaction through First Day Celebrations, Annual Day, SL Minda Sports Tournament, awards and recognitions and map the satisfaction level through Employee Satisfaction Surveys at regular intervals and guide them to achieve their goals. We also go extra miles to address employees' immediate needs and concerns.

Employee Engagement Initiatives
First Day Celebrations
Annual Days: SL Minda Sports Tournament
Quality Circles: Awards & recognition for employees

We provide short term benefits to our employees in terms of salary, wages, and other non-monetary benefits. We also contribute towards pension funds, provident fund, gratuity, superannuation fund etc. Leave such as regular leave, maternity leave etc. are also provided to our employees which follow local regulations. We also provide benefits to our

part-time employees which are comparable with local market standard.

Occupational Health and Safety

A safe and healthy workforce is our first priority, and it is integrated in our culture. In addition, we make sure that our operations/sites are as safe as possible at every turn. We organise periodic trainings on safety for our employees to make them aware of the safety culture.

MCL facilitates extensive employee communication, supports infrastructure, and encourages compliance with systems and good practices. Currently, all our Safety Security Divisions (SSD) facilities confirm to the international standards of safety and are certified with ISO 45001. As a step to ensure wellbeing of the workforce, all formal agreements cover health and safety parameters. Incident & accidents at plant site are recorded and maintained as per regulatory requirements. All manufacturing locations monitor both reportable and non-reportable injuries. To further instil the safety culture, a safety committee is functional at all manufacturing plants and is powered by equal participation from management and worker representative. The summary of safety performance for FY21 is tabulated below:

Type on injuries	Unit	FY'21
Permanent Employees		
Fatalities*	Nos.	0
Lost Time Injuries (LTIs)#	Nos.	4

Employee Engagement



Type on injuries	Unit	FY'21
First aid cases\$	Nos.	23
Near miss^	Nos.	64
Contractual Employees		
Fatalities	Nos.	0
LTIs	Nos.	42
First aid cases	Nos.	134
Near miss	Nos.	125

*Data considered for all units

Data considered for 7 factories and offices

\$ Data considered for 12 factories and offices

^ Data considered for 10 factories and offices

Note: Contractual employees - Data from same units as for permanent employees

Glimpses of dengue awareness to all associates – Kakklur plant

At our Kakklur plant, we undertook a dengue awareness camp for our employees. During this session, a health inspector gave a session to raise awareness around the dengue fever and “Nilavenbu Syrup” was given to all associates to prevent dengue fever.



Covid awareness sessions at our facilities

Display COVID-19 Awareness posters and banners in the company premises
Gloves and masks are given to securities while check-in and check-out



Awareness lecture on COVID-19 by doctors



Labour Management/ Relations

We follow the minimum notice period guidelines of 15 days for associate's cadre as per the Industrial Disputes Act, 1947. Executive cadre employees follow the minimum notice period of 3 months based on the seniority.

Human Rights

As a socially responsible organization, MCL is committed to adhere, protect and safeguard human rights. The Company has put in place a Code of Conduct and we expect all our stakeholders to adhere and uphold the standards contained in there.

Further, we are committed to prevent human rights abuses like child labour and forced/ compulsory labour, sexual harassment etc. at all our operations. There have been no instances reported regarding child labour, forced or compulsory labour at any of our manufacturing locations or the corporate

office. Also, no cases of discrimination, harassment, human rights violation, or harm to indigenous communities were reported across our plants or corporate office.

We take pride in our proactive approach with respect to human rights issues. In the last financial year, no complaints have been received relating to child labour, forced labour, involuntary labour, sexual harassment at MCL.

Training and Education

We believe that our people are the most important assets providing sustained growth over the long-term. We consistently invest in the training of our employees within the Company and beyond, thereby enhancing the team's capabilities. The Company has adopted an institutionalized training calendar which consists of behavioural, technical and safety training modules.

The below tables highlights the training hours per employee and gender categories for FY 21.

Description	Unit	FY'21*
Permanent Employees		
Management	Number of participants	236
Management	Hours	1,177.5
Other Employees	Number of participants	2182
Other Employees	Hours	12874.44
Temporary Employees		
Contract Workers	Number of participants	13,795
Contract Workers	Hours	106480.3
Others	Number of participants	4,353
Others	Hours	31,680

*Data considered for 23 factories and offices

Description	Unit	FY'21*
Permanent Employees		
Male	Number of participants	9,079
Male	Hours	63287.83
Female	Number of participants	4,674
Female	Hours	51873.58

*Data considered for 23 factories and offices

Dual System of Training Program

Dual System of Training was conceptualized and introduced as a medium to extend support to the students of ITI Nizamuddin, in terms of providing them with practical experience. This programme has been approved by The Ministry of Skill Development & Entrepreneurship, Government of India.

In order to cater to the holistic development of the students, this programme also has Wadhvani Foundation as one of the project partners to help train and develop soft skills of the internees.

The students in ITI usually belong to the lower socio-economic strata and get themselves admitted to these courses to get skilled in a trade of their liking. One of the major motives of the training at ITI is to effectively start earning for their families and themselves. One such intern, Mr. Mahesh, completed his internship with us in the year 2019, and was offered a job at MSEPL itself, where he was interning. During his course of internship, the supervisors were impressed with his learning skills and his discipline. After the completion of the 9-month long internship at the factory, he was offered a position, basis his performance. He has now moved to Maruti and continues to work, learn and grow in his space.

Thus, the DST module not only trains these interns but also makes them industry-ready, which further opens multiple avenues for the students to grow and earn.

Benefits of the program

- ▶ Practical learning
- ▶ Shop floor exposure for 9 months for every batch
- ▶ Earning while learning
- ▶ Win-win model for industry and academia



Career and Performance Reviews

At MCL, we foster a dynamic, high-performance, and supportive work environment where open dialogue is encouraged enabling employees to realise their full potential, thus creating a high-performance work culture. We transform organization objectives into departmental

objectives through performance appraisal mechanism. To identify constraints in implementation and thrust areas for the future, we review tasks and targets on annually basis.

For FY21, the following set of employees received regular performance and career development reviews.

Category	Gender*	
	Male	Female
Permanent Employees		
Management	298	33
Other Employees	1165	99
Total Employees	1463	132
Temporary Employees		
Contract Workers	2481	832
Others	1135	1043
Total Employees	3616	1875
Total Workforce	5079	2007

*Data considered for 20 factories and offices





Inclusive Growth

» Inclusive Growth

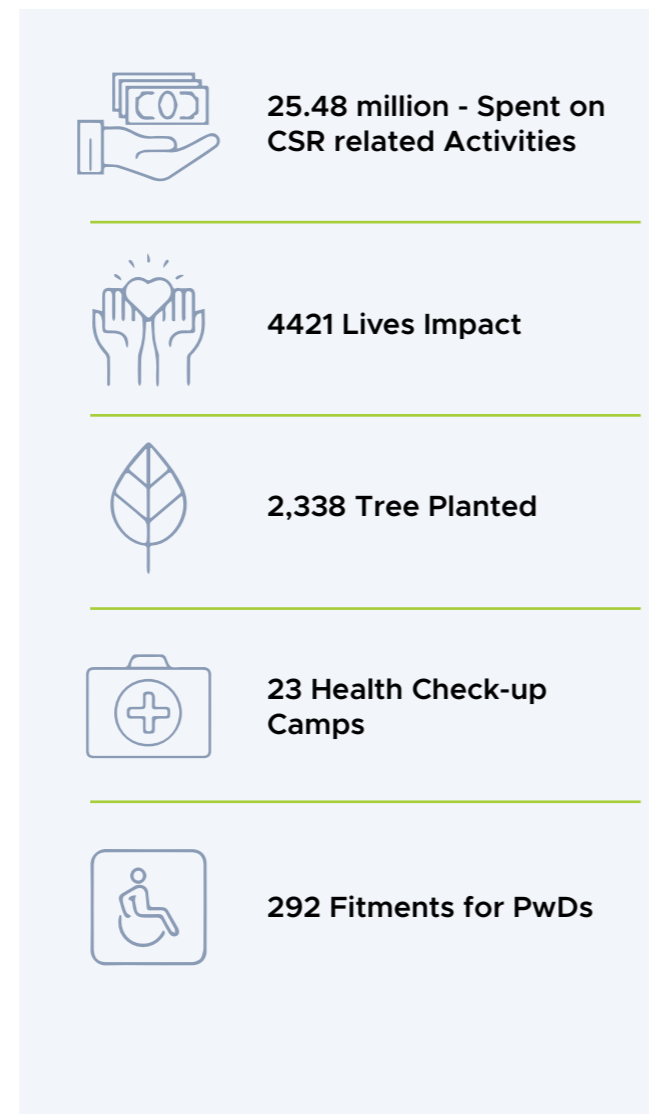
At MCL, economic prosperity and societal growth go hand in hand. We employ various efforts to contribute towards reduction in inequalities and building an environment of synergy, collaboration and cooperation across stakeholders. Our initiatives relating to CSR activities for the local communities, customer satisfaction, product quality and safety and marketing and labelling are all directed towards all stakeholders along, providing equal opportunities and ensuring stakeholder satisfaction.

Local Communities/ CSR programmes

Our CSR programmes and activities are undertaken by the Spark Minda Foundation. Through these CSR initiatives, we strive to make a positive change in the world and impact lives by securing our values of Equity and Equality, Ethics and Transparency, Protection and Care, and Respect and Empower.

As a responsible corporate citizen of this nation, we understand our responsibility towards the society which constantly motivates us to contribute to its upliftment as an important element of conducting business. Our business persistency and social licence to operate are dependent on the local communities, our customers as well as our suppliers. Through social inclusivity and engagement with these stakeholders, we believe that we can develop long-term, transparent, and trust-based relationships with them. By following a holistic

approach in our societal work, we try to not only ensure that we are better amicable with the needs of our host communities but also help them flourish and be uplifted. Our interventions align with the UN Sustainable Development Goals and support projects in the areas of Education and Livelihood, Empowerment of Persons with Disability and Community Healthcare and Infrastructure.



Snapshot of our CSR activities

<p>01</p> <p>Education and Livelihood Promotion</p> <p>The Company runs multiple initiatives under this theme including Aakarshan Skill Development Programme, HP WoW, Dual System of Training programme and Business Integrated Prison Programme. These programmes run across many states in the country including states like Uttar Pradesh, Maharashtra, Tamil Nadu, Uttarakhand and Haryana.</p> <p>In FY 2020-21</p> <p>Total lives impacted: 1888</p>	<p>02</p> <p>Empowerment of Persons with Disability</p> <p>The Company runs its flagship initiative, 'Saksham', under this theme. The programme is designed to help persons with disability (PwDs) in their mobility, skilling and employability.</p> <p>In 2018, Divyang Empowerment Centre in Pune was established. It caters to more than 10 blocks of Pune, over 4 districts of Maharashtra and is open for Divyangs across India.</p> <p>In FY 2020-21</p> <p>Total lives impacted: 292</p>	<p>03</p> <p>Healthcare, Community Infrastructure</p> <p>'Shakti' is the Company's programme aimed to help rural women to improve their health status through menstrual hygiene, family planning, reproductive health, nutrition etc. This initiative has been extended and introduced it in prisons in Haryana.</p> <p>Another programme revolves around Eye Healthcare' and this initiative ensures accessible and affordable eye care services for the rural population of Uttarakhand and Haryana.</p> <p>In FY 2020-21</p> <p>Total lives impacted: 1964</p>
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Aakarshan Skill Development Program

The Company has developed 6 Aakarshan Skill Development Centers across the country which are serving the community. With proper need assessments and baseline survey, these villages are being selected based on the log frame analysis of quantitative and qualitative outcomes. They are situated at Kuleshara Village of Greater Noida- Uttar Pradesh; Donda and Khed Village, Pune- Maharashtra; Vengadu Village of Chennai- Tamil Nadu; Transit Camp Slum and Saraswati Shishu Mandir School of Rudrapur, Uttarakhand and Bhondsi village- Haryana.

At Aakarshan Skill development centers, we offered courses such as Basic Computer, Tally Pro, Spoken English, Cutting & Tailoring, Beauty Wellness and Industrial Tailoring. Till date, Aakarshan Skill Development Programme

has reached 9510 people. Whereas, in FY21 this programme has reached 1498 people.

Saksham - Empowerment of Persons with Disabilities

SAKSHAM is a programme which works for the empowerment of Persons with Disability. This programme is in alignment with the Accessible India Campaign of the Government of India. The project was launched in 2015 in Indonesia and has since been a pioneer in reaching out to the Divyangs not only nation-wide but even across the boundaries. With the constant efforts to work towards an empowered nation, we have reached 8104 individuals with fitments and assistive aids. We have employed, in our Group, about 335 divyangs which include people with physical impairment, people with visual impairment as well as people with speech and hearing impairment; across the country.

Our Mobilisation Partners

Prahar, Kranti Pratisthan, Samarthanam Trust for Disable, Rastriya Apang Vikas Mahasangha, Jagrut Apang Sanghatana, Zunjh Divyang Sanshta, Apala Manus Apala Sangha, Janamitra Pratisthan, Youth 4 Jobs, Equitas Small Finance

Bank, Zilha Parishad - Pune, Niwashi Mukabadhvir Vidhyalay, Snehalaya, Apang Kalyankari Sanstha, Mahatma Phule Apang Shikshan Kendra, Janseva Shikshan Mandal, Janashakti Pratisthan, helped the foundation mobilise persons from more than 10 blocks around Pune, covering more than 4 districts of Maharashtra.

Shakti - A Women's Health Programme

Shakti is a social initiative the Company which envelopes improving women's life through improved health and hygiene. We aim to promote safe menstrual management and hygiene, family planning and reproductive health knowledge among the local, rural and tribal communities of Maharashtra, Uttar Pradesh, Uttarakhand, Haryana and Tamil Nadu. The organization has till date reached 3000 women, adolescent girls and men through this programme.

Aakarshan – Skill Development Programme

Aakarshan is the flagship programme of Spark Minda foundation that focuses on up-skilling the youth and women of rural areas. Cutting and tailoring is a women-centered course that helps women to become self-independent. The course has 2 levels i.e., Basic and Advance for the duration of 6 and 3 months respectively. The course has provided vocational skills and entrepreneurship opportunities to females. In Uttarakhand the course started in 2015 and it has been creating women entrepreneurs ever since.



Pinki Rawat comes from a rural area of Uttarakhand, where women are not provided with many opportunities. Her family of 4 was conventional and financially weak. Although things were tough, Pinki decided to change her fate by standing on her own feet. She was good at stitching and worked to improve it by joining the cutting and tailoring course at Aakarshan. This was a turning point for her. Pinki enjoyed and learned everything taught to her while making some new friends. She got inspired from the women who started their own work and wanted to do the same. After completing the course Pinki purchased a sewing machine and started a small business from her home. She took stitching orders from her neighbours and built her skills. Pinki now provides financial support to her family. She has become an inspiration for the girls of her village and has made her family proud.

**Pinki Rawat
Pantnagar**

Saksham – Empowerment of Persons with Disabilities

Saksham is aimed to ensure the sustainability of life for the persons with disability by providing assistive aids and technologies, facilitation for UDID registrations, providing employment, skill development and on-job training. Thus, focusing on their holistic development. Over the last six years, we have benefited more than 8000 persons with Disability with 8104 fitments, 282 UDID registrations and more than 335 employment opportunities. The project was started by organizing camps for the empowerment of PwDs and has grown leaps and bounds since.

Under the program “Saksham”, Spark Minda Foundation established a centre for empowerment of PwDs in Pune, Maharashtra in 2018. It caters to more than 10 blocks of Pune, over 4 districts of Maharashtra, particularly the rural pockets, where healthcare facilities for PwDs are not easily accessible. Till now at the centre, we have benefited more than 1000 PwDs through fitments, employment and UDID registrations.



I am different, but not less

Suresh was born with visual impairment. But, he made up for it with his vision. Prior to Joining Minda Corporation Ltd, he was supporting his family by selling some stationary at the railway station. Due to his impairment it was difficult for him to find a job. During this situation, Spark Minda Group came in as a ray of hope. He is very happy and satisfied working with the company where he is treated equally and can support his family.

**Suresh Kumar N
MCL-WHD, Pillaipakkam**

Initiatives

Our CSR



Through our CSR interventions, we have been able to impact the lives of people around us. The following is a summary of the key interventions undertaken during the FY21:

CSR Programmes in FY 21		
	Units	Impacted
CSR Programmes		
Education (Aakarshan, Any other)	No. of persons	1498
Livelihood (Employment Facilitation to Aakarshan Learners or any other)	No. of persons	390
Community Health	No. of persons	1964
Community Infrastructure Development	No. of persons	90
Employment to Persons with disability	No. of persons	187
Any others (Limb fitments, UDIDs)	No. of persons	292
Tree plantation		
Planted Within the company	Nos.	903
Planted Outside the company	Nos.	1435
Health & Safety		
Awareness Programs on health & cleanliness	No. of programmes	94
Coverage through above programmes	No. of persons	8618
Health Check-up Camps	No. of camps	23
Blood Donation Camps	No. of units	842
Identified Employees as willing blood donors	No. of persons	1582
Other camps for societal benefits	No. of persons	562
Safety		
Camps on Safety (Inside)	No. of persons	6864
Camps on Safety (Outside)	No. of persons	892

Some testimonies from our Prison programme:

I am an employee of Spark Minda's YCP Prison Project from 1 year. When I was outside 9 years worked. But at present due to Minda company, my working ability has been increased. Even I am able to fulfil my daily needs through the salary I earn from Minda company. I am even requesting the supervisor of the Minda company to organize one more plant inside the prison so that it will be help full for other prisoners.

- Mr. Mehtab Md. Sarafatali

I am an employee of Spark Minda's YCP Prison Project for the last 3 yrs. From the day I joined Minda company till now there is some change in my life. That is nobody is there to take care of me outside. So, my daily needs were not satisfied. But now last 3 yrs. whatever the company giving me salary through that I am able to buy things from the prison canteen & whatever money is left I save it so that is will be helpful for me in future. Whenever I will be released from prison, I will be able to work for any automobile company. I have learned modern technology. So as per my view, Minda company is beneficial for every prisoner.

- Mr. Sudhir Shamrao Sarjerao

I am working in the Minda project in Aurangabad Prison for 4 years. We are proud that working in your project does not make us feel like a prisoner. By doing this work it looks like we are working in a factory outside. We use the salary we get from working in this project to send our family, complete our daily needs or pay court fees. Your company and work is very great & helpful for us.

- Mrs. Indurani Narayan Jamdhade

I have been working at Minda Corporation Ltd Nagpur Jail for the last 3 yrs. I sincerely thank you for giving us the opportunity to work inside Jail. Life has become happier since I started working here and we have the experience of working in another private company, not in prison. The project supervisor gave us complete full training on how to work here. This work has helped us a lot in our overall changes.

Customer Satisfaction

We are a customer centric company that places prime value to resolution of consumer satisfaction and grievances in time. One of our fundamental values is 'customer orientation,' which has always guided our approach to achieving complete client satisfaction. We use world-class manufacturing methods to provide high-quality goods and solutions that not only provide comprehensive value but also enhance our customers' experiences.

The internal complaints are tracked and received on the CRM portal. We conducted a Voice of Customer to understand customer's need, vision, product/tech strategy for the future so that we can plan our strategy and LTS accordingly. The VoC exercise also covered customer feedback for Spark Minda on specific topics such as Price, Quality, Delivery, Responsiveness etc. Customers were asked to rate us on a scale and the result showed that we need improvement in a lot of areas. Survey during September to October 2020 and received no consumer complaints pertaining to FY21.

Product Quality and Safety

We believe that businesses should interact with their clients and consumers in a responsible manner as well as provide value to them. It is critical for us to meet the legal requirements for safety and quality while meeting the expectations of our stakeholders. We are committed to providing products that not only delight and satisfy the demands of our consumers but are also of superior quality and do not compromise their well-being.

Marketing and Labelling

We believe in transparency in communication in the display of all aspects of our company with the stakeholders. The product information, including the MRP label stating the price, part quantity, description, and date of manufacture, is displayed on the product label as per Legal Metrology Packaged Commodities Guideline.

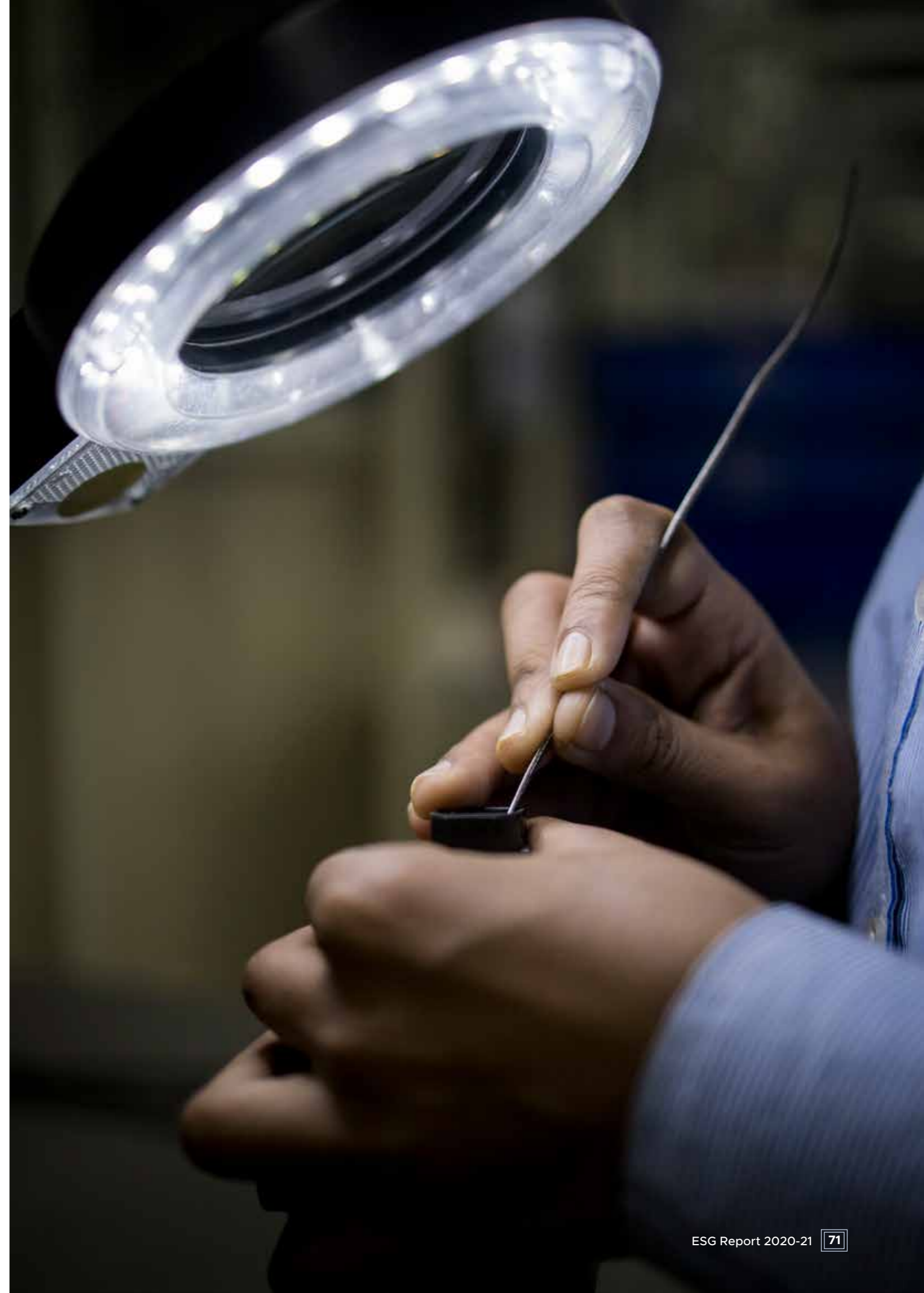
Intelligent Rider Assistance System (iRAS) Solution

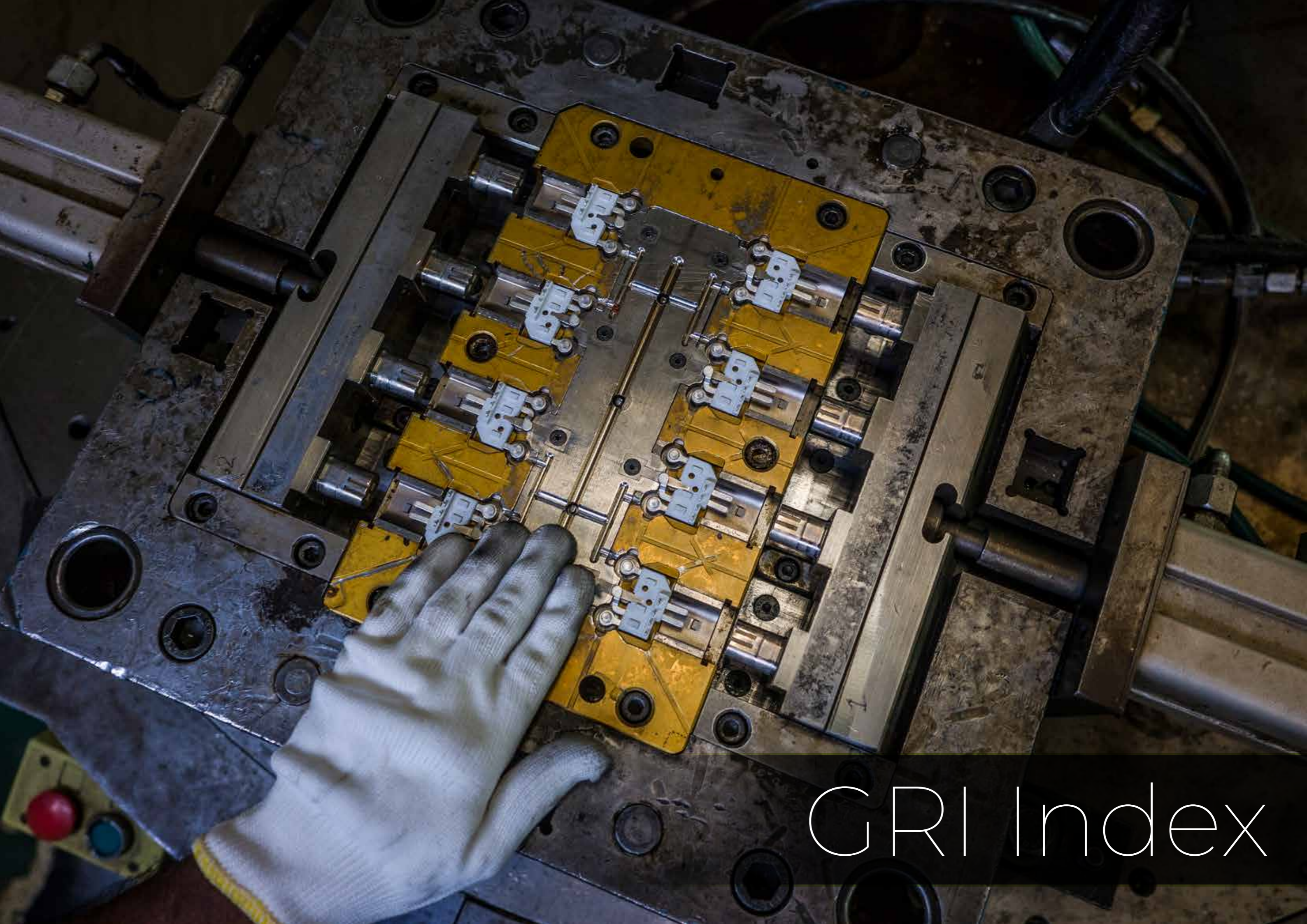
Advanced Driver Assistance Systems (ADAS) help to reduce most of the on-road vehicle accidents which are caused by human error (fatigue, distracted, speeding, other causes). By giving more information to the driver about the surroundings regarding the environment, road vehicle users, etc. the ADAS enhances safe driving habits. ADAS features such as Driver Monitoring Systems, Automatic emergency braking, pedestrian detection, around view and many others assist drivers with safety-critical functionality to reduce car accidents, save lives and to make driving comfortable and stress free.

Every day, around the world, motorcyclist injuries and deaths continue to rise. Since 1975 motorcycle fatalities have doubled in the United States, with distracted drivers estimated to have caused over 400,000 collisions-related injuries in 2018 in the U.S. alone. When we extrapolate this data to a global scale, this means that 25%-33% of all accident victims are motorcyclists. Distracted drivers can be fatal for riders, our small size and lack of protective vehicle structure means that while we hope for the best, we need to prepare for the worst.

At Spark Minda we have developed First Intelligent Rider Assistance System (iRAS) Solution in India, with our partner Ride Vision specifically to cater to Indian driving dynamics. Using two HD camera, one at the rear and the other at the front, iRAS can give 360-degree sight to the rider. The system operates in a wide range of environments giving the rider unparalleled vision in some of the most treacherous conditions. iRAS is specifically developed for 2-wheeler rider safety keeping in mind the challenges of a rider.

2 Wheelers (2W) are classified as vulnerable road users as per UNECE WP.29, which India is signatory to. According to the data from MORTH, there were about 163M 2W sales in India over the last decade. There were approx. 1.5M fatalities of which 37% (~0.55M) of the fatalities were accounted by 2W riders.





GRI Index

» GRI Index

GRI Standards: Core Option

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102-5	Ownership and legal form	About MCL	12	
102-6	Markets served	Our Geographic Footprint	19	
102-7	Scale of the organization	About MCL	12	
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102-9	Supply chain	NA	-	First ESG report
102-10	Significant changes to the organization and its supply chain	NA	-	There is no significant change in the supply chain during the reporting period
102-11	Precautionary Principle or approach	Effective risk management	24	
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205-3	Confirmed incidents of corruption and actions taken	Business Ethics	33	
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302-4	Reduction of energy consumption	Energy Management	39	
GRI 303	Water and Effluents			
303-1	Water withdrawal by source	Water and Effluent Management	42	
303-3	Water recycled and reused	Water and Effluent Management	42	
GRI 305	Emissions			
305-1	Direct (Scope 1) GHG emissions	Emission Reduction		Data for reporting period not available

GRI Standard No.	GRI Title	Reference Section	Page No.	Omissions-Reasons & explanations
305-2	Energy indirect (Scope 2) GHG emissions	Emission Reduction		Data for reporting period not available
305-4	GHG emissions intensity	Emission Reduction		Data for reporting period not available
305-5	Reduction of GHG emissions	Emission Reduction	41	
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Emission Reduction	41	
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306-5	Waste directed to disposal	Waste Management	-	Data for reporting period not available
GRI 307	Environmental compliance			
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GRI 403	Occupational Health and Safety			
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403-4	Worker participation, consultation and communication on occupational health and safety	Occupational Health & Safety	51	
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403-9	Work-related injuries	Occupational Health & Safety	54	
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404-1	Average hours of training per year per employee	Training and Education	56	
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GRI 405	Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity	50	
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406-1	Incidents of discrimination and corrective actions taken	Human Rights	56	
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407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		-	Appropriate mechanisms have been put in place for the on-site working employees as per applicable laws and grievance mechanism
GRI 408	Child Labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	Human Rights	56	
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