Transforming Towards Sustainable Mobility

ESG REPORT FY 2023-24

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Overview

Overview

As Minda Corporation Limited (MCL), we proudly present our third Environmental, Social, and Governance (ESG) Report, meticulously detailing our performance throughout the fiscal year 2023-2024 with reference to the Global Reporting Initiative (GRI) Standards 2021. This report serves as a transparent testament to our steadfast commitment to sustainable mobility and aims to provide our stakeholders with comprehensive insights into our ESG endeavours.

Themed **"Transforming Towards Sustainable Mobility,"** this report encapsulates our dedication to pioneering innovative auto-components aimed at reducing emissions and enhancing fuel efficiency. We firmly believe that sustainable mobility is not just a choice but a necessity for a sustainable future, and we are fully committed to driving this transformation forward.

Throughout this report, you'll find references to MCL under various identifiers such as "Spark Minda," "MCL," and "Us," highlighting our unified identity and collective effort towards sustainability. At MCL, we recognize the importance of transparency and accountability in our journey towards a greener and more sustainable tomorrow, and this report reflects our unwavering commitment to that cause.

Reporting Principle

In preparing this report, we have followed several key standards and frameworks, including:

- The Global Reporting Initiative (GRI) Standards 2021
- Business Responsibility and Sustainability Reporting (BRSR)

Reporting Boundary

At Minda Corporation Limited (MCL), our third ESG Report covers the period from April 1st, 2023, to March 31st, 2024, continuing our annual tradition of transparently reporting our sustainability performance since the fiscal year 2020-21. This report focuses on our operations within India, excluding our international ventures.

The scope of this ESG report encompasses various facets of our operations, including the Group Corporate Office in Noida, After Market Division offices, manufacturing units and technical centers spread across 23 plants and 5 offices located in Pune, Aurangabad, Pithampur, Murbad, Surendranagar, Noida, Greater Noida, Rewari, Pantnagar, Haridwar, Hosur, Mysore and Pillaipakkam. Additionally,

it includes two technical centers, one each in Bengaluru and Pune.

Regarding restatements of information, the reporting boundary for this report is standalone, meaning the disclosures herein pertain solely to MCL as an entity without consolidation with other entities forming part of its financial statements. This approach ensures clarity and accuracy in presenting our sustainability efforts and achievements.

External Assurance

At Minda Corporation Limited (MCL), our dedication to fostering a sustainable and inclusive world remains unwavering. As an integral part of this ongoing commitment, we take pride in publishing an annual ESG report. Moving forward, our aim is to further enhance the credibility and reliability of our ESG reporting by seeking external assurance for our next milestone. This signifies our continuous progress towards achieving greater transparency and accountability in our sustainability initiatives.

Feedback

At Minda Corporation Limited (MCL), we highly value your input and encourage you to share any feedback, inquiries, or suggestions regarding our sustainability efforts. Our primary objective is continual improvement and making a meaningful impact on society. Please don't hesitate to connect with us through various channels:

Email: sustainability@mindacorporation.com
Registered Office Address: A-15, Ashok Vihar, Phase-I, New Delhi-110052
Phone: +91-120-4442500
Website: www.sparkminda.com

Forward Looking Statement

This MCL report includes future expectations, historical data and forecasts. It highlights the company's financial health, operational outcomes, business activities and goals. Forward-looking statements often use terms like "plan," "anticipates," "expect," "shall," "aim," "intends," "aspire," "believe" or other similar words. We have made these assumptions in good faith and believe them to be reasonable in all material respects. Actual results may differ and we can't guarantee the accuracy or timeliness of these statements or third-party information. Readers should proceed with caution, as we are not obligated to update these statements publicly.

Message from Chairman and Group CEO

Dear Stakeholders,

As the Chairman and GCEO of Minda Corporation Limited (MCL), I am honoured to present our third Environment, Social, and Governance (ESG) Report for the fiscal year 2023-24. Our unwavering commitment to transforming MCL into a sustainable, efficient and globally impactful entity continues to drive us, with a profound focus on creating positive outcomes for society, individuals and the environment. With an aim of keeping our stakeholders informed of our ESG achievements, commitments and efforts, we are proud to provide a detailed insight into our ESG efforts across business operations undertaken in the financial year.

Our philosophy of "Transforming Towards Sustainable Mobility," is the cornerstone of our operations. This principle reflects our steadfast commitment to conducting business responsibly and sustainably, influencing every facet of our activities. Our Sustainability Policy is a testament to the values we uphold in our interactions with stakeholders, ensuring that our actions consistently align with our ethical commitments.

ESG principles represent noble intentions, but we believe in actualizing these intentions through concrete, actionable plans. Success transcends mere disclosures, diversity initiatives and climate actions; it involves the seamless integration of these values into our organizational fabric. From pioneering sustainable innovation to making prudent investments, we aim to navigate current challenges and seize future opportunities with resilience and foresight.

Our ESG strategy is built around four key pillars: Care for People, Responsible Value Chain, Sustainable Operations and Inclusive Growth. To honour our environmental and societal commitments, we have established a robust ESG governance framework. This framework is designed to monitor our performance, identify areas for improvement and capitalize on growth opportunities, ensuring that we remain at the forefront of sustainable practices. As custodians of progress and preservation, we recognize sustainability as a moral imperative to avert future crises and safeguard our planet and its diverse cultures.

In the face of mounting concerns regarding climate change and human rights, businesses are increasingly embracing sustainability-driven practices. We are aligning with market trends by championing lightweight constructions, reducing carbon emissions and transitioning to electric vehicles. In fact, our commitment to climate change has been noticeable in this financial year. We have made strides towards our decarbonization journey through identification of key decarbonization levers, charting reduction pathways and aligning with Science Based Targets Initiative (SBTi). Our commitment to sustainable mobility is underscored by

significant strides in EV research and development, aimed at minimizing our environmental footprint and maximizing stakeholder value.

As we navigate the evolving landscape of ESG regulations globally, we are committed to staying ahead of the curve. The rapid development of ESG regulations, such as the new climate requirements aligning with IFRS S2 standards, mandates Scope 1 and 2 emissions disclosures beginning as soon as 2025, with large cap issuers required to report Scope 3 and other emissions in the following year. This proactive approach ensures that we not only comply with regulatory requirements but also lead by example in our industry.

Moreover, the integration of Industry 4.0 technologies is pivotal in our strategy. These technologies, including Artificial Intelligence (AI), Blockchain, Internet of Things (IoT), Virtual Reality (VR) and Augmented Reality (AR), are revolutionizing the automotive industry by enhancing customization, reducing waste and improving efficiency. By adopting these innovations, we are not only improving our operational efficiency but also contributing to the broader goals of economic, environmental and social sustainability. Our role as an Original Equipment Manufacturer (OEM) for numerous large companies amplifies our responsibility and influence in driving sustainable practices. We are actively engaging in global ESG regulations and trends, positioning ourselves at the forefront of industry innovations.

Additionally, we are inspired by the global trend towards a circular economy, which emphasizes recycling, reusing and reducing waste. We are committed to enhancing the recycling of motor parts and advocating for the use of recycled materials in manufacturing cars, thus contributing to resource conservation and waste minimization.

In India, we are witnessing a significant shift in the automotive industry with the implementation of several policies aimed at encouraging the adoption of electric vehicles and improving fuel efficiency. Initiatives like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme, the Production Linked Incentive (PLI) scheme and Bharat Stage VI (BS-VI) emission standards are pivotal in our journey towards sustainable mobility.

I extend my heartfelt gratitude to all stakeholders for their unwavering support and belief in our mission. This report embodies our journey towards sustainable growth and underscores our steadfast commitment to ethical governance. As we navigate our path ahead, we aspire to inspire other organizations to embrace ethical business practices, fostering a collective drive towards a sustainable future for all.

– Ashok Minda

Champions of Change: MCL's ESG Journey

Emerging ESG Landscape in the Automotive Industry

The automotive industry is currently facing substantial challenges in adhering to ESG (Environmental, Social and Governance) regulations. These challenges include the expensive transition to low-carbon technologies, the necessity to improve fuel efficiency and the incorporation of recycled materials. Despite these obstacles, the industry is steadfast in its commitment to fulfilling ESG responsibilities. Automakers are investing heavily in Research and Development (R&D) of innovative technologies and are crafting more sustainable business models. A key part of this effort is engaging with stakeholders to ensure that ESG initiatives are both comprehensive and effective.

The automotive industry is pivoting towards sustainability significantly towards sustainability due to the ever-increasing pressure from stakeholders, consumers and regulators. This change is especially evident in the increasing focus on sustainability by car manufacturers and auto-component producers. For instance, the European Union (EU) has set up a highly challenging climate goal that demands a major decrease in CO_2 emissions from vehicles. All this has made car makers pay attention to electric cars and other low-carbon technologies thereby affecting both EU and non-EU firms operating within Europe. Additionally, there are regulatory frameworks such as the European Union Emissions Trading System (EU-ETS) and Corporate Sustainability Reporting Directive (CSRD) introduced by EU to promote sustainable finance and stricter emissions controls.

Technological advancement is essential for the automotive sector's path to sustainability. These include Artificial Intelligence (AI), Block Chain Technology, Internet of Things (IoT), Virtual Reality (VR), Augmented Reality (AR). These innovations are receiving heavy investments that have facilitated their integration with electric vehicles more affordable and have positively impacted vehicle weight optimization and fuel efficiency. As these technologies evolve, they offer substantial potential in combating climate change and other environmental issues.

Apart from technology, there are other ESG factors driving the global economy. The idea of a circular economy that emphasizes recycling, reusing and reducing waste is growing in importance. This approach seeks to limit the environmental effects caused by long-life materials and goods, thus minimizing waste as well as conserving resources.

Policies, Regulations and Requirements are Changing in India

India is also seeing a shift in its automotive industry with regards to ESG regulation. The Indian government has implemented several policies aimed at encouraging the adoption of Electric Vehicles (EVs) and improving fuel efficiency. These include the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme that encourages people to buy EVs while the Production Linked Incentive (PLI) scheme promotes the production of electric and hydrogen fuel cell cars. Additionally, Bharat Stage VI (BS-VI) emission standards, which are equal to Euro VI standards, have been put in place so as to reduce emissions from vehicles.

India is also moving towards creating a recycling ecosystem for supporting a circular economy. This encompasses enhancing the recycling of motor parts as well as advocating for the use of recycled materials in manufacturing cars. These initiatives fall within the global trend towards sustainable manufacturing and resource preservation.

The automotive industry in the European Union is strictly regulated to minimise its impact on the environment and promote sustainability. The European Green Deal aims at making Europe climate neutral by 2050, which involves significant reductions of CO2 emissions from cars. Companies must buy allowances for emissions under EU ETS forcing them to reduce their emissions with financial motivation. The CSRD requires large companies to provide an expanded account of their corporate environmental and social information thereby enhancing transparency and accountability.

In addition, the Circular Economy Action Plan by the EU also promotes a circular economy such as increasing recycling and reusing materials, reducing waste and encouraging sustainable product design. This is vital for automotive sector as it calls for using recycled materials in manufacturing vehicles and setting up systems for recovering end-of-life cars.

Performance Highlights

Financial Highlights	
Earnings per Share	9.65 INR
Revenue	46,511 Million INR
Profit after tax from continued operations	2,272 Million INR
Environmental Highlights	
Renewable energy consumed	67,045.21 GJ
Water recycled	117935.22 KL
Waste diverted from disposal	5,707 metric tonnes
Hazardous	220.763 metric tonnes
Non-Hazardous	5531.93 metric tonnes
Social Highlights	
Number of learners through skill development	1,636 +
Number of PwDs	536
Percentage of women in permanent employees	10 %
Total learning hours for employees and workers	4,18,323 Hrs
Governance Highlights	
Expenditure on Acquisition of Latest Technologies	1101 Million INR

Sustaining Progress: A Comprehensive Overview of MCL

Company at Glance

Spark Minda Group has established itself as a prominent figure in the worldwide automotive sector. Minda Corporation Limited (MCL) is part of the Spark Minda Group which holds a significant position as a manufacturer of automotive components for both OEMs and Tier-I suppliers.

The Group, valued at $610 million, operates with a staff of over 16,000 individuals. It serves as a provider to the prominent manufacturers of Passenger Vehicles, Commercial Vehicles, Motorcycles & Scooters, Off-road Vehicles and Tier 1 Manufacturers in India. Additionally, it has established its presence in Indonesia, Vietnam, Europe, Japan. MCL has adopted advanced technologies by forming strategic partnerships, engaging in technical collaborations and establishing global business relationships. These efforts have enabled MCL to develop innovative product designs and technologies that adhere to strict international quality benchmarks.

Core Values for Minda Corporation Limited (MCL)

- Passion for Excellence
- Nurture Talent, Competency & Willingness
- Respect & Humility

Our Vision

Be a Dynamic, Innovative and Profitable global automotive organization to emerge as the preferred supplier and employer and create value for all stakeholders.

Our Mission

Be a complete automotive system solutions provider and build a brand recognized by vehicle manufacturers all over the world.

Our Values

Commitment to Stakeholders, Passion for Excellence, Open Communication, Integrity & Fairness, Nurture Talent, Competency & Willingness, Respect & Humility.

Minda Corporation Limited Locations
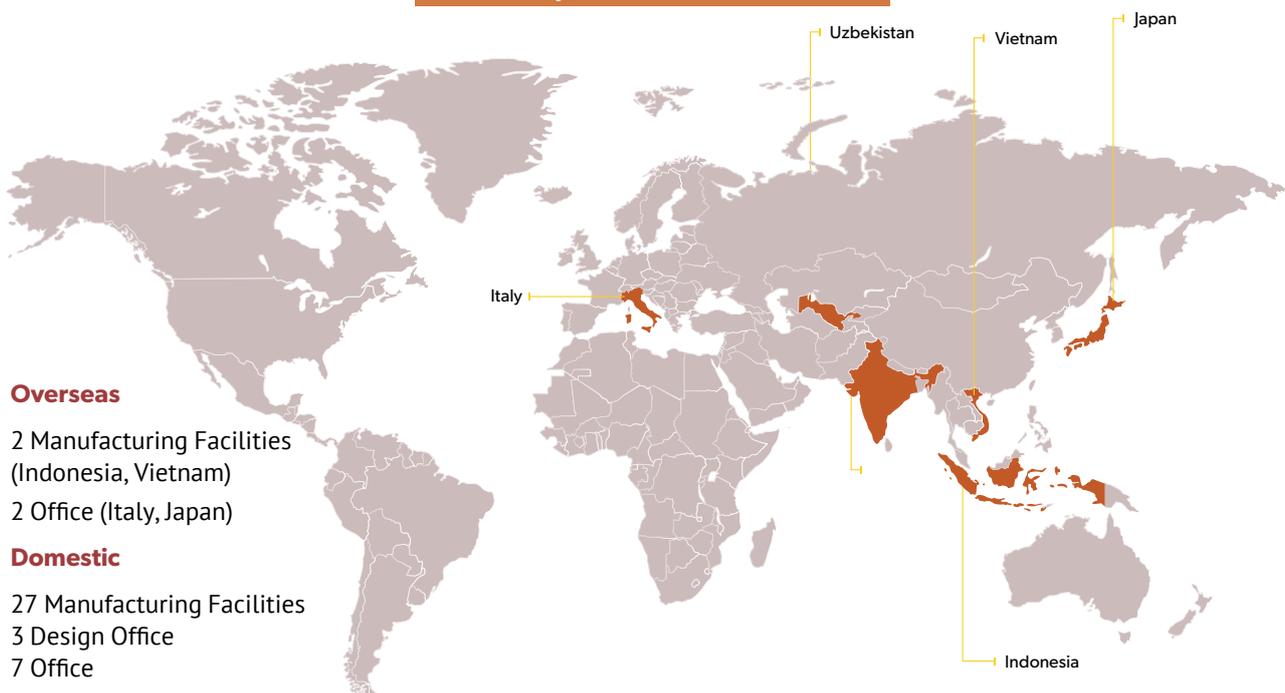
Overseas

2 Manufacturing Facilities (Indonesia, Vietnam)
2 Office (Italy, Japan)

Domestic

27 Manufacturing Facilities
3 Design Office
7 Office

Our Key Products and Division

MCL has been providing a wide range of products, such as Mechatronics and Vehicle Access Systems, Wiring Harness, Interior Plastics Division, Advanced Technologies and aftermarket, to auto OEMs for many years. Our products are tailored to meet the needs of various vehicle segments such as:

1. Two and three wheelers

2. Passenger vehicles

3. Commercial vehicles

4. Off-road vehicles

Our Business Highlights

- Revenue – 46,511 INR Million

- More than 270 patents filed an 16,000 workforce

Product Division	Product Portfolio	Key divisions/ companies	Key customers	No. of plants	Plant Locations
Mechatronics	Ignition Switch cum Steering Locks, Smart Key Systems, Mechatronics Handles and Immobilizers System; Die Casting Components; Starter Motors and Alternators	Security System	Bajaj Auto, Ashok Leyland, TVS, Yamaha, Honda Motors & Scooters, Suzuki Motors, Hero MotoCorp, Triumph, Ola Electric, JCB, M&M	4	Pune, Noida, Pantnagar, Aurangabad
		Die-Casting	Bajaj Auto, BorgWarner, Endurance, Garrett Motion, Keihin India, M&M, Brembo, Turbo Energy etc.	3	Pune, Greater Noida
		Starter Motors and Alternators	Escorts, Magneton, Information Technology Laboratory, Tractors and Farm Equipment (TAFE), CNH	1	Bawal
		ASEAN Business	Yamaha, Suzuki, Kawasaki, Piaggio	2	Indonesia, Vietnam
Information and Connected System	Wiring Harness, Connectors, Terminals, Components; Instrument Clusters, Dashboard, Sensors like speed, temperature, position, pressure, exhaust gas etc.;	Wiring harness divisions	Mahindra, TVS, Ashok Leyland, Bajaj Auto, Yamaha, Honda Motors & Scooters, Hero Moto Corp, Piaggio	9	Pune, Greater Noida, Pillaipakkam, Murbad, Pithampur, Haridwar, Mysore, Hosur
		Component	In-House Divisions, JV Companies	1	Greater Noida
Plastics and Interior	Air Vents, Glove boxes, center consoles, cup holders, ashtrays, louvers, oil slumps, cylinder heads and battery trays	Plastics and Interior	Mahindra & Mahindra, Maruti Suzuki, Cummins	2	Greater Noida and Gujarat
Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence	DC-DC convertor, Battery charger, Motor controller, Intelligent Transport system, Telematics, Connected Clusters, MFECU, Vehicle Control Unit (VCU)	Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence	Ashok Leyland, Ampere, Polarity, Etergo, Ola Electric, Bajaj, Virya electric, TVS	1	Pune
Aftermarket Division	MCL markets and sells all products manufactured by the Group Companies and certain outsourced products. The Company has invested in enhancing its brand profile in the segment and is expanding its automotive dealer network in the aftermarket division. Going forward, the company plans to add more products to its current portfolio and make significant inroads in the export market, building presence in the some of the aftermarkets in regions like Sri Lanka, Nepal, Bangladesh, Africa and Latin America.				

Key Customers for Minda Corporation Limited

Our growing clientele includes Indian and international original equipment manufacturers as well as Tier 1 customers. We are dedicated to keeping up with the latest technologies and to accomplish this, we have established a specialized Research and Development (R&D) facility that employs over 700 engineers.

Associations

Minda Corporation Limited is associated with multiple Industry and Trade Associations that endorse various Business, Environmental, Social and Governance endeavors, such as grants for electric vehicles (EVs), manufacturing benefits for EVs and Production Linked Incentives such as:

1) Confederation of Indian Industries (CII)

2) The Society of Indian Automobiles Manufacturers (SIAM)

3) Automotive Component Manufacturing Association (ACMA)

Recognitions and Honours

Minda Corporation Limited has won a total of 299 awards in FY 23-24 . We have won 9 international award of quality circle from ICQCC event held at Jakarta including 8 golds and 1 silver. Additionally, we have also received safety awards i.e., safe India hero plus and safety technology awards for FY 23-24.

Some of the awards which MCL has won for FY 23-24 are as follows:

1) Mahatma Award 2023 for leadership in Social Responsibility, Social Good and Impact

2) Mahatma Award 2023 for Program Saksham- Empowerment of people with disabilities

3) Assocham for diversity and inclusion

4) CII-ITC Sustainability Award 2023 CSR- Commendation for significant achievement

5) Awarded inclusive and diverse workforce by Government of Tamil Nadu

6) Dalmia Bharat CSR Box Imapct Award for Aakarshan Skill Development Programme

7) BCC&I- Social Leadership Award for Saksham Programme

8) Leadership and Contributions to lives of PwDs by Government of Tamil Nadu

9) India Donates- Inclusive Healthcare Award for Shakti project

10) SKOCH Award 2023 for Saksham Programme

11) Received 15 different category awards from customers such as Bajaj, Piaggio, Honda etc.

12) Received BAL Total Productive Maintenance (TPM) quality award for FY 2023-24

Ms. Sarika Minda bestowed upon-
Mahatma Award 2023 for Leadership in Social Responsibility,
Social Good and Impact

Mahatma Award 2023 for Program "Saksham - Empowerment of
People with Disabilities"

From Principles to Practice: MCL's Approach in Motion

GRI 3-1, 3-3

At MCL, we are cognizant of the impacts our operations can have on the environment and the community we operate in. Thus, we sincerely address any negative externalities that may impact the ESG factors. To strategically meet the challenges posed while addressing sustainability impacts, we have developed a forward-looking sustainability strategy that strikes a balance between business excellence, operational eco-efficiency and stakeholder satisfaction.

stakeholders. Our business now prioritizes sustainability in decision-making, resulting in benefits for all stakeholders.

We have proactively developed an ESG framework to steer our path towards a more sustainable future, in response to the increasing global focus on sustainability. To remain aligned with such global expectations, we have formulated our sustainability strategy on five pillars- Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People and Inclusive Growth, each embodying the values

Responsible Communication

MCL's Sustainability Framework

Our sustainability strategy lays the foundational stone in our philosophy of 'Transforming Towards Sustainable Mobility'. Our position in the automobile value chain presents a unique opportunity to bring change from within. The strategy consists of practical measures aimed at enhancing its influence on the community and the environment. This strategy serves as a guide for directing our resources, enhancing our performance and involving

that drive MCL. We trace our sustainability performance on each of these indicators through a set of Key Performance Indicators (KPIs).

Our Sustainability Policies guide our approach to implement this vision to reality at all our plants. These policies set the tone and management approach of topics under the five pillars.
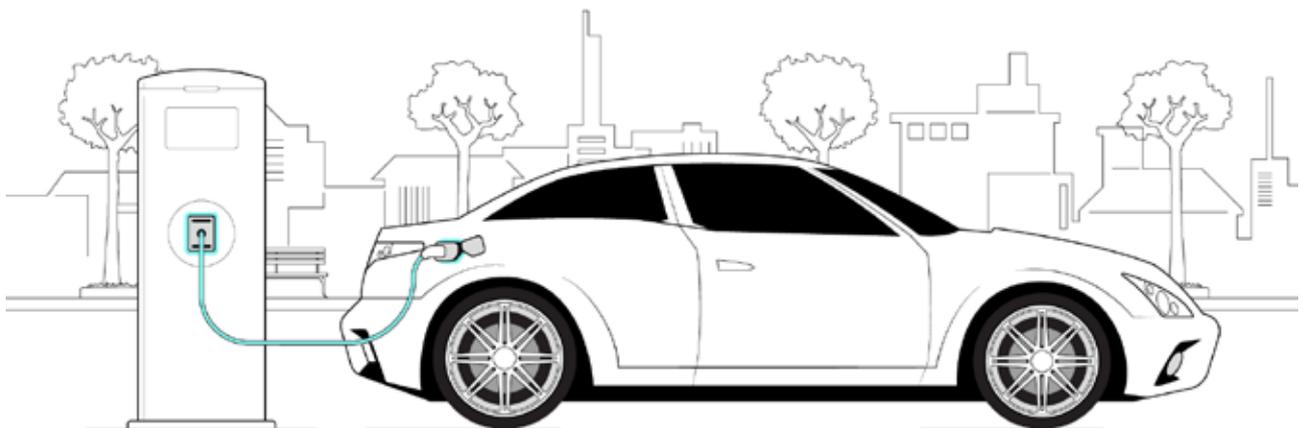
Materiality Assessment

GRI 3-1, 3-2

Material topics at MCL undergo a thorough review to pinpoint and prioritize the most urgent issues to achieve sustainable operations. These issues are crucial to our success and are integrated into our stakeholder communications, internal strategic objectives and corporate responsibility strategy. The materiality assessment is carried out in compliance with the GRI 2021 Standards, focusing on materiality, inclusiveness and completeness.

It considers the concerns of our stakeholders, evaluating our activities, performance, results and impacts. The materiality assessment highlights the areas where MCL's operations could have the most significant impact on natural ecosystems, as well as on the well-being of the community, individuals and all MCL stakeholders. This data guides MCL's decision-making processes and ensures that the company operates sustainably. We have examined the essential materiality features that are important to the company and consistent with the expectations of our stakeholders.

Stakeholders play a vital role in furthering our business's purpose. We have identified our material topics by organizing consultations with our stakeholders and inculcating their valued insights and observations into our sustainability fabric. We consulted stakeholder groups such as Shareholders, Investor, Employees, Suppliers, Customers, Creditors, Local Communities, Government and Media.

1 Stakeholder Identification
Identification of key internal and external stakeholders impacted by the Company's operations.

2 List of Material Issue and Peer Review
Material issues are identified by assessing their effect on the company and the preferences of our stakeholders, aligning with global guidelines like GRI, SASB and MSCI in addition to compaing with industry peers.

3 Internal Review and Validation
Conduct meetings with internal teams to discuss their concerns and ensure that the issues identified are in line with both their expectations and our business strategy.

Stakeholder Engagement and Material Assessment

4 Prioritization of Material Topics
List of topics that are relevent to the business and stakeholders.

5 Finalization of Material Topics
Categorization of topics under broader material topic categories.

6 Review and Assessment
Finalization and review of material topics by Sustainbility Steering Committee.

Key Areas of Focus and Foundational Pillars of Sustainability Framework

GRI 3-2, 3-3

Through this process, we were able to identify key focus areas which provide a clear guidance for us to trace our progress on sustainability performance. We aspire to transform our sustainability performance and realize long-term value for our business and stakeholders.

Pillars of ESG	Material Topics	KPIs	Relevance to the organization
Ethical Business	Regulatory Compliance	Business Responsibility and Sustainability Report, International Organization for Standards (ISO)	To check the safety, quality and environmental impacts of our products
	Economic Performance	Economic value generated and distributed; Financial implications and risks and opportunities due to climate change;	Determines our ability to invest in research and development, expand our operations and hire new employees.
	Business Ethics	Anti-corruption	Helps to ensure that the company operates in a responsible and sustainable manner
	Anti-competitive behaviour	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Can harm competition and lead to higher prices for consumers.
Sustainable Operations	Materials Management	Materials by weight/volume, recycled input materials, reclaimed products and their packaging materials	To reduce our environmental impact and improve sustainability through products
	Energy Management	Energy consumed within and outside the organization, energy intensity, reduction in consumption	To reduce energy costs, improve efficiency and reduce environmental impact
	GHG Emissions Reduction	GHG Scope 1,2,3, Emissions intensity and reduction, ODS, NOX, SOX	Major contributor to climate change and air pollution
	Water and Effluents Management	Water withdrawal, discharge, consumption	Critical resource for the manufacturing process
	Waste Management	Waste generated, waste diverted from disposal, waste diverted to disposal	To reduce our environmental impact by reducing the amount of waste sent to landfills and incinerators; Circular economy
Responsible Value Chain	Innovative Product and Lifecycle Management	R&D	Help improve our products, processes and sustainability performance.
	Sustainable and Local Sourcing	Supplies social and environmental assessments	To reduce our environmental impact, improve supply chain resilience and support local communities.

Pillars of ESG	Material Topics	KPIs	Relevance to the organization
Care For People	Occupational Health and Safety	Worker training on occupational health and safety; Work-related injuries & ill health; OHS system	To protect the health and safety of employees, improve productivity and optimize operations.
	Diversity and Equal Opportunity	Gender, Age, Disability, pay parity	To attract and retain top talent, improve decision-making and boost innovation.
	Labour Management/ Relations	Employment, notice period, Benefits provided	To sustain a content workforce which will improve productivity
	Human Rights	Non-discrimination, child labour, forced labour, security practices, rights of indigenous people	Essential for ensuring a fair, just and sustainable workplace
	Training and Education	No. of trainings, manhours logged across different managerial levels and gender	To improve employee skills, knowledge and productivity
Inclusive Growth	Local Communities/ CSR Programmes	Operations with local community engagement, impact assessments and development programs	To build goodwill, benefit the people living in vicinity and getting impacted by our operations
	Customer Satisfaction	Customer privacy, customer health and safety	For attracting and retaining customers and for increasing sales
	Product Quality and Safety	Assessment of the health and safety impacts of product; Incidents of non-compliance	Protecting customers, complying with regulations and building brand reputation.
	Marketing and Labelling	Requirements for product and service information and labeling, non-compliances	Help to inform customers about products and inculcate transparency; build brand awareness

Charting the ESG Journey: MCL's Pathway to Impact

In our journey towards sustainability at MCL, we recognize the pivotal role our industry plays in shaping a greener future. As an auto-component manufacturer, we are deeply aware of the challenges and opportunities inherent in this transition. Our commitment to sustainability is not just a corporate goal but a guiding principle that drives every decision and action we take. At MCL, sustainability is integral to our business strategy - a continuous journey rather than a destination. It underscores our responsibility towards the environment and the communities we operate in. We are dedicated to minimizing our environmental footprint through innovative technologies and processes that reduce emissions and optimize resource use.

Beyond operational efficiency, we prioritize the development of sustainable products and solutions that meet rigorous industry standards and surpass customer expectations. This holistic approach not only strengthens our market position but also reinforces our contribution to global sustainability goals. While we take pride in the progress we have made, we are committed to pushing the boundaries even further. Our journey towards sustainability is ongoing and evolving, guided by a steadfast commitment to excellence and responsibility. Through collaboration and innovation, we aim to set new benchmarks in environmental stewardship and corporate citizenship.

At MCL, sustainability is more than a commitment—it's a promise to create lasting value for our stakeholders and contribute positively to a sustainable future for all.

MCL's ESG Impact

Initiatives	Units	Impact Numbers (till date)
Environment & Resource Protection		
Renewable Energy Generated Through Rooftop Solar Installation	GJ	49,486.44
Water Recycled	KL	1,17,935.22 KL
Total trees planted	Nos.	35,000+
Skill Development		
Number of centers (Aakarshan Skill Development)	No. of centers	4
Number of Learners (Aakarshan Skill Development)	No. of persons	15000+
Employed Learners	Percentage	70%
Empowering People with Disabilities (PwDs)		
Number of PwDs reached till date (fitments done in centers & camps)	No. of fitments to PwDs	21000+
UDID	No.	2000+
Employed PwDs	No. of persons	1100+

Corporate Governance and Business Ethics

Governance Structure and Composition

The governance structure implemented by MCL is multi-layered, with distinct responsibilities assigned to each system component, ensuring the organization is run with complete transparency, ethics and accountability. The shareholders, who are the primary decision-makers, endorse decisions made by the board of directors concerning significant operational matters, key policy decisions and specific authorizations when necessary. The board of directors also presides over issues mandated by law and the organization's bylaws and stays informed on crucial operational aspects. The company's leadership, including the Chairman, Group CEO and Executive Directors, are designated and authorized by the board to oversee the company's comprehensive management. Their duties encompass overseeing the overall management of the company, ensuring compliance with all relevant legislations and promoting sustainable and responsible operations.

Our Board nomination, composition and remuneration is decided based upon our policy for selection of directors and determining their independence. We have a dedicated policy outlining the Code of Conduct for Board of Directors and senior management.

MCL's Board of Directors consists of eight individuals, each bringing diverse skills and experiences to the table. They convene on a regular basis to discuss matters of strategy, operations, sustainability and finance. About 50% of the directors are independent, ensuring a balanced perspective between internal and external viewpoints. Authority is delegated to directors by the board which presides over different committees. These committees, 7 in total, each have their own terms of reference that define their roles, obligations, composition and authority boundaries. The board's decision-making process is based on the most convincing viewpoint following thorough deliberation among the directors. This ensures all decisions made by the board align with the company's best interests. Our board members have work experience in the field of sustainability, environmental management and related fields. They have held key positions in CSR and Sustainability committee of MCL and other companies.

At MCL, Board plays a crucial role in Sustainability Reporting through the following responsibilities:

1) **Report Review-** The Board reviews and approves the Sustainability Report to ensure it accurately reflects our ESG performance and aligns with our strategic goals. They provide oversight to guarantee the report meets regulatory requirements and industry standards.

2) **Inputs on Action Plan:** The Board provides strategic inputs and guidance on the sustainability action plan. They help shape and refine the plan by offering insights and recommendations to enhance our ESG initiatives and ensure they are effectively integrated into our overall business strategy.

3) **Tracking Action:** The Board reviews performance metrics and also assesses progress against targets.

MCL Board of Directors and Committee

Mr. Ashok Minda brings more than 38 years of expertise in the automotive component sector. His forward thinking approach guaranteed that the company expanded into a multifaceted and multi-product automotive component organisation with a national footprint and global recognition. Under Mr. Minda's vision and creative leadership, the Group is expanding on a worldwide platform with a diverse product range and comprises numerous enterprises in India and internationally. He has an excellent record of cooperating with key global auto component companies from the United States, Germany, Japan and France. Mr. Minda has also been important in the development of greenfield projects in Indonesia, Vietnam and various parts of India.

Mr. Ashok Minda
Chairman and Group CEO

Mr. Aakash Minda is the Executive Director of Group Finance and Strategy, as well as the CEO of Plastics & Interiors and Electronic Manufacturing Excellence. Aakash Minda graduated with honours from the Cox School of Business in France and the Indian School of Business. He began his career with the Schaeffler Group as a management trainee. His initial responsibility at Spark Minda was to oversee the newly acquired Minda Autoelektrik Ltd. He led the Spark Minda's European subsidiary, Minda KTSN Plastic Solutions GmbH & Co, as its Managing Director and was essential in strengthening the Company's cash flow and working capital. In June 2020, he was named CEO of MCL's Interior Plastic segment. He was appointed to the Board of Directors in September 2020 as Executive Director for Strategy and Finance.

Mr. Aakash Minda
Executive Director

Mr. N.K. Modi
Executive Director

Mr. Naresh Kumar Modi is a company secretary and a chartered accountant. Prior to joining Spark Minda Group, he worked for E&Y and Birla Group, amassing over 34 years of diverse expertise. He has over 25 years of experience in Spark Minda Group and has held a variety of internal positions in strategy, finance, human resource and operations, among other business sectors. He served as the CEO of the Information & Connected System vertical, Group CHRO and Business Head at Minda Stoneridge Instruments. Additionally, Mr. N K Modi oversaw the development of standard procedures and policies for the material function as well as effective vendor management, supplier risk management and strategic sourcing at the group level. Mr. N K Modi currently serves as the division's CEO for Starter Motors and Alternators.

Mr. Rakesh Chopra
Independent Director

Mr. Rakesh Chopra has an MBA from Cranfield University in the United Kingdom and is a Chartered Accountant (England & Wales). He has a wealth of expertise spanning over 40 years and is currently the Director of GPR Enterprises, Kempty Cottages, Pragma Holdings, Bharat Gears and Cleantec Infra. Chairman and founder member of the Indraprastha Cancer Society, which operates the Rajiv Gandhi Cancer Hospital & Research Centre.

Mr. Avinash P. Gandhi
Independent Director

Mr. Avinash P. Gandhi is a mechanical engineer who graduated from the Birla Institute of Technology. He also attended the IIMs and the Administration Staff College of India to complete management programmes. He has a wealth of experience spanning more than 50 years working in a variety of capacities at top auto firms as a strategic advisor, director and other senior managerial positions. He now serves on the boards of Lumax Industries, Action Construction Equipment Limited, Zook Electric Vehicles Private Limited and Uni Products (India) Limited, among others.

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

Mr. Ravi Sud holds an MBA from IIM Ahmedabad in addition to a bachelor's degree in commerce with honours. Additionally, he is FCS and AICWA certified. Mr. Ravi Sud has over 35 years of experience working in the automotive industry in a variety of positions, including General Manager, Company Secretary, Senior Vice President and CFO. He has experience in finance, accounting, secretarial work, legal work, internal audit work, investor relations work and evaluating merger and acquisition options as well as putting together profitable joint ventures and investment opportunities. As an operational partner at Phi Capital at the moment, Mr. Ravi Sud provides portfolio firms with advice on matters of strategy, financial management, including cost control and a review of audit and MIS systems and procedures. Additionally serves on the boards of Eto Motors Private Limited and Innovative Design Solution Private Limited.

Mr. Ashok Kumar Jha
Independent Director

Mr. Ashok Jha, an IAS officer from the 1969 batch, has served in the Civil Services for 39 years. Mr. Jha formerly served in significant capacities within the State and Central Governments of India, notably as the Government of India's Finance Secretary. He is a well-known authority on handling policy matters for important government agencies handling economic difficulties. He is currently a member of the Setco Automotive Xpro India Board of Directors.

Ms. Pratima Ram
Independent Director

Mrs. Pratima Ram graduated from Bangalore University and has a master's degree from the University of Virginia in the United States. She held the positions of Country Head (U.S. Operations) in New York as well as Chief Executive Officer of SBI's South Africa Operations. She oversaw mergers and acquisitions at SBI Capital Markets as well. She now serves on the boards of Cadila Pharmaceuticals, Minda Instruments Ltd., Manappuram Home Finance, Manappuram Finance Limited, Subex Account Aggregator Services Private Limited, Benefitsklub Technologies Private Limited, Avaali Solutions Private Limited and GPS Renewables Private Limited.

Gender representations on the board

11.11% Males

88.89 % Females

Executive and Non- Executive

66.67% Non-Executive

33.33% Executive

Independent Directors: 6 (66.6%)

Board of Directors: 9 (100%)

ESG Oversight and Governance

The Board of Minda Corporation Limited provides robust oversight of ESG matters through its governance structure, which includes a dedicated Sustainability Committee. This Committee ensures effective implementation of ESG strategies aligned with corporate goals.

Sustainability Committee Focus Areas:

- Health & Safety
- Diversity
- Climate Change
- Environment
- Community and Social Engagement

- Sustainable Supply Chain

Committee Responsibilities:

- Monitor progress in these areas.
- Ensure compliance with annual targets and environmental regulations.
- Assess the adequacy of the sustainability strategy, KPIs and their implementation.

The Board reviews and approves ESG policies, tracks progress against targets and provides strategic direction. The Sustainability Committee supports this by managing specific ESG initiatives, evaluating performance metrics and ensuring compliance with standards. Together, they drive our commitment to sustainability and responsible business practices.

Composition of Committees

Name of Committee	Members	Roles and Responsibilities
Audit Committee	Ms. Pratima Ram (Chairperson) Mr. Avinash Parkash Gandhi Mr. Rakesh Chopra Mr. Ashok Kumar Jha	• Oversees quality and integrity of accounting, auditing and financial reporting. • Monitors risk management practices. • Assesses compliance with ESG-related disclosure requirements.
Nomination and Remuneration Committee	Mr. Avinash Parkash Gandhi (Chairman) Mr. Rakesh Chopra Mr. Ashok Kumar Jha	• Defines CEO prerequisites and director qualifications. • Recommends remuneration policy and evaluates board performance. • Oversees senior management appointments and removals.

Name of Committee	Members	Roles and Responsibilities
Stakeholders Relationship Committee	Mr. Ashok Kumar Jha (Chairman) Mr. Avinash Parkash Gandhi Mrs. Pratima Ram	• Resolves stakeholder grievances and maintains relationships. • Advises the board on stakeholder relations. • Develops and implements stakeholder engagement policies and procedures.
Risk Management Committee	Ms. Pratima Ram (Chairperson) Mr. Ashok Kumar Jha Mr. Aakash Minda	• Oversees the company's risk management framework and identifies risks. • Develops and implements risk mitigation strategies. • Monitors risk profile and advises the board on risk-related matters.
CSR & Sustainability Committee	Mrs. Pratima Ram (Chairperson) Mr. Ashok Minda Mr. Avinash Gandhi	• Oversees CSR and sustainability initiatives, including strategy development and implementation. • Monitors and reports on CSR and sustainability performance metrics. • Advises the board on CSR and sustainability matters.
Investment Committee	Mr. Avinash Parkash Gandhi Mr. Naresh Kumar Modi Mr. Ashok Minda Mr. Ashok Kumar Jha	• Evaluate and decide on new investments within INR 450 Crores. • Finalize terms and oversee investment activities. • Approve and execute necessary documents for investments.
Executive Committee	Mr. Naresh Kumar Modi Mr. Aakash Minda Mr. Rakesh Chopra	• Authorize employees for smooth operations across units and business verticals. • Facilitate dealings with customers, vendors, banks and government agencies. • Address key operational issues and ensure compliance with regulations

GRI 2-16
Communication of critical concerns

At Minda Corporation Limited, we have a structured process for reporting critical concerns to the Board:

1) **Identification:** Department heads and employees identify critical concerns, including financial, legal, operational, ethical issues, or events impacting the organization's reputation. Concerns can also be reported through policies such as POSH.

2) **Documentation:** Identified concerns are documented in detail, including the issue, associated risks, facts, potential impacts and evidence.

3) **Communication:** The documented concern is communicated to the Board during regular or special meetings.

4) **Decision and Implementation:** The Board's decisions and directives are documented and promptly implemented, with regular updates provided.

5) **Final Reporting and Review:** After resolution, a final report summarizes the outcome and actions taken, with a review to improve future handling of incidents.

Additionally, our independent Corporate Audit and Governance (CAG) team conducts thorough and unbiased investigations, having completed 43 internal audits in the past year, reinforcing our commitment to excellence and integrity.

GRI 2-17
Collective knowledge of the highest governance body

At our manufacturing plants and corporate offices, we regularly conduct training sessions focused on skill enhancement and health and safety. We have developed comprehensive guidelines detailing the responsibilities and competencies required for each level of our workforce. These guidelines also specify the necessary training programs for BoDs and KMPs.

Our training manual provides a detailed training calendar, covering thematic areas, attendance, feedback mechanisms and other crucial information to ensure the programs' effectiveness. To pinpoint key skill development needs, we assess it quarterly and recommend necessary upgrades, incorporating insights from annual performance review discussions.

Trainings conducted in FY 2023-24

To ensure alignment with organizational goals and to uphold high ethical standards, both the Board of Directors (BODs) and Key Managerial Personnel (KMPs) were systematically engaged in comprehensive training programs. The BODs underwent 08 targeted training sessions, attended 04 such sessions. These trainings encompassed a broad range of critical topics including the organization's Vision, Mission and Values, which provide the strategic direction and foundational principles guiding the organization. The Code of Conduct training reinforced the ethical standards expected within the organization and the Whistle Blower Mechanism was emphasized to ensure transparency and accountability by empowering individuals to report unethical practices. Goal Management System training focused on setting, tracking and achieving organizational objectives effectively. Additionally, sessions on the Prevention of Harassment at the Workplace were conducted to promote a safe and respectful work environment. Cyber Security training was also prioritized, recognizing the increasing importance of safeguarding digital assets in today's technological landscape. The impact of these initiatives was substantial, with 60% of the BODs and 90% of the KMPs covered under the awareness programs, reflecting the organization's commitment to embedding these critical aspects into its leadership and management practices.

GRI 2-18
Evaluation of the Performance of the highest Governance Body

The Board evaluation at Minda Corporation Limited adheres to the Companies Act, 2013, Listing Regulations and SEBI's Guidance Note on Board Evaluation (January 2017). The evaluation process utilized a questionnaire with qualitative parameters and feedback based on ratings.

Evaluation Criteria:

- **Board Evaluation:** Assessed on composition, role, communication, relationships, Committee functioning, performance review of Executive Directors and strategic planning.

- **Committee Evaluation:** Focused on independence, meeting frequency, discussion time, effectiveness of advice and recommendations to the Board.

- **Director Evaluation:** Evaluated based on participation, contribution, shareholder interest representation, expertise, guidance on strategy, governance, risk and organizational understanding.

The performance evaluation for FY 2023-24 was reviewed by the Board on February 1, 2024. The Board received high ratings for information flow, communication and Committee functioning. It acknowledged improvements made from previous feedback and identified future focus areas, including addressing trends and long-term opportunities and threats.

GRI 2-19
Remuneration policies

The Remuneration Policy of Minda Corporation Limited aims to attract, motivate and retain talented individuals by fostering a supportive work environment and offering competitive remuneration and benefits. It supports good corporate governance and long-term value creation for shareholders. This policy applies to Directors, Key Managerial Personnel (KMP), senior management and other employees.

Key Objectives of the Nomination and Remuneration Committee:

1) Guide the Board on the appointment and removal of Directors, KMP and senior management.

2) Evaluate Board performance and provide reports for further Board evaluation.

3) Recommend remuneration for Directors, KMP and senior management.

4) Link rewards directly to performance, effort and achievement.

5) Retain, motivate and develop talent for long-term sustainability and competitive advantage.

6) Develop a policy on Board diversity.

7) Create and review a succession plan for the Board.

Remuneration Structure:

1. Full-time/Executive/Managing Directors, KMP and Senior Management:

- **Fixed Pay:** Monthly remuneration as approved by the Board, based on Committee recommendations. This includes perquisites such as employer contributions to PF, pension, medical expenses and club fees, as approved by the Board or authorized personnel.

- **Minimum Remuneration:** If the Company has no or inadequate profits, remuneration will follow Schedule V and other applicable provisions.

- **Excess Remuneration:** Any remuneration exceeding legal limits or received without necessary approvals must be refunded to the Company. The Company will not waive recovery unless permitted by the Central Government.

2. **Non-Executive/Independent Directors:**

- **Sitting Fees:** Fees for attending Board or Committee meetings, within limits set by the Central Government.
- **Stock Options:** Independent Directors are not entitled to stock options.

This policy ensures fair and competitive compensation aligned with the Company's objectives and regulatory requirements.

Details of remuneration/salary/wages

Median remuneration / wages :

	Male		Female	
	Number	**Median remuneration/ salary/ Wages of respective category (Rs in Lakh)**	**Number**	**Median remuneration/ salary/ Wages of respective category (Rs in Lakh)**
Board of Directors (BoD)	8	20,20,000	1	19,15,000
Key Managerial Personnel	3	1,24,61,388	0	-
Employees other than BoD and KMP	1,633	7,70,784	188	5,85,162
Workers	1,404	2,69,724	113	2,45,796

Governance Framework at MCL

The figure 10 illustrates the governance framework for sustainability and Corporate Social Responsibility (CSR) at MCL. At the top level, there are two main committees: the "Sustainability & CSR Committee" at the board level, focusing on compliance and the "Group Sustainability Committee," led by high-ranking officials such as the Chairperson SMF, Advisor Sustainability, GCHRO and GCOO. These committees oversee the "Head Group Sustainability & CSR" and the "Corporate Sustainability Task Force," which coordinate efforts across the organization. The existing CSR Team is in the process of transforming into the "Sustainability & CSR Team," enhancing its capabilities. To support the structure, there are "Centralized Corporate Champions" at the corporate level and "Sustainability Councils" across 35 units and offices, ensuring comprehensive implementation and integration of sustainability practices throughout the company.
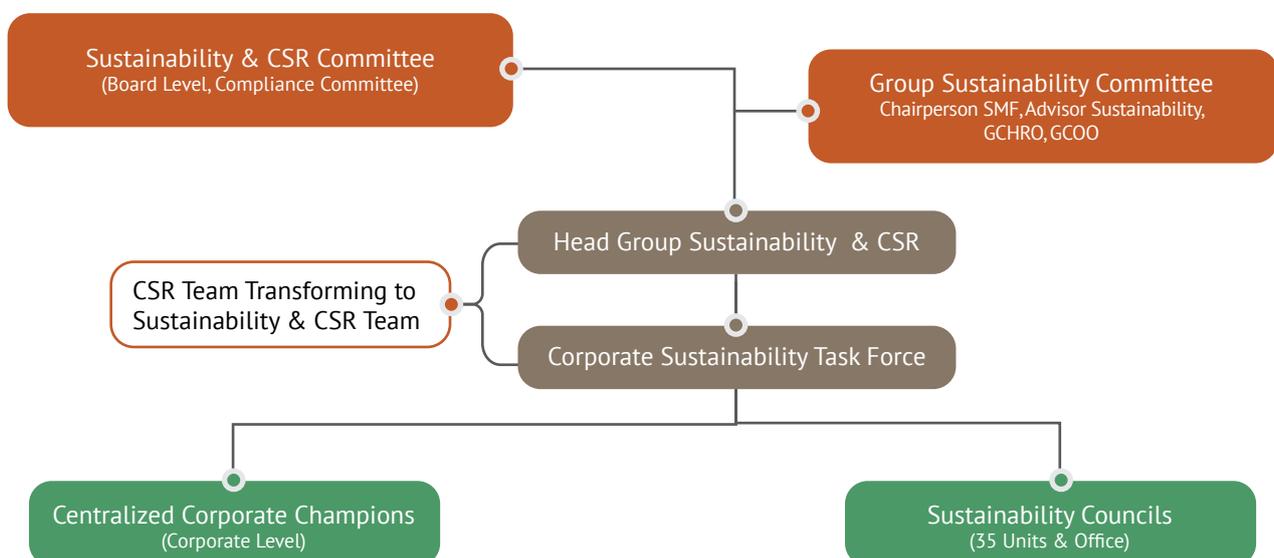

Figure 10: Governance Framework at MCL

At our company, sustainability is a core principle integrated into our business operations to drive long-term value. Our robust sustainability governance framework involves senior leadership across functions, ensuring sustainability is embedded at the board level and throughout the organization.

At the pinnacle of our internal sustainability efforts is the Sustainability & CSR Committee. This apex-level committee, which supervises health, safety, environment and corporate social responsibility matters at the board level, meets biannually. These meetings focus on aligning our strategies, initiatives and operations across the organization, communities and value chains. The committee provides strategic recommendations and ensures follow-up actions with relevant teams. Additionally, it meets quarterly at the group level to proactively address global, regional and national political and regulatory developments that could impact our sustainability agenda. The committee identifies cross-functional issues and opportunities, allocates resources accordingly and reviews our ESG strategy targets.

Our Group Sustainability Committee, led by the Chairperson of the Spark Minda Foundation, plays a key role in developing sustainability strategies and targets. This committee, which includes the GCHRO, GCOO and the Advisor for Sustainability, convenes monthly. Supported by designated members from various organizational roles, it ensures compliance with international and national standards, oversees resource allocation, ensures quality and timely reporting to internal and external stakeholders and addresses major strategic issues of operational and reputational risk.

Every two weeks, the Group Head of Sustainability & CSR reviews the work of the committee. This role is essential for prioritizing KPIs, setting targets and ensuring adherence to all relevant regulations and standards. The Group Head also supports cross-functional teams by providing operational guidance, ensuring efficient collaboration and smooth operations.

The Corporate Sustainability Task Force, which meets weekly, provides updates on the strategic roadmap, results and KPIs. Through its biweekly meetings, it helps develop sustainability expertise by identifying operational needs and challenges, offering insights from external sustainability trends and updating strategies, KPIs, business plans and budgets.

Centralized Corporate Champions are designated to implement sustainability initiatives within their respective functions at the MCL group level, including People (admin, HR, IR, L&D), Governance, Carbon, Procurement, Customer and Production & Operations. These champions share collected data with the Corporate Sustainability Task Force, discussing best practices and industry challenges.

The Sustainability Council, consisting of members from each manufacturing plant or office and led by Sustainability Champions, meets weekly. This council is responsible for developing and implementing MCL's strategic sustainability vision, managing projects and initiatives and ensuring bi-weekly planning and reporting to the Corporate Sustainability Team. It ensures efficient resource allocation and compliance with all relevant standards and regulations, embedding sustainability into MCL's daily business operations.

Risk Management Oversight

As a manufacturing company, it's crucial for us to have a strong risk management system to handle potential scenarios that might endanger our employees or our business. We have an extensive risk management framework that keeps board members and stakeholders informed about our risk assessment and reduction procedures. Our Risk Management Committee (RMC) convenes regularly to assess the framework's effectiveness in identifying and mitigating risks. Minda Corporation Limited is dedicated to effective risk management to safeguard our business and stakeholders. Our comprehensive risk management system provides critical information to board members and stakeholders regarding risk assessment and minimization processes. This system helps us recognize and evaluate unknown risks, develop strategies to mitigate them and monitor the success of our risk management efforts.

The key components of Minda's risk management system include:

1) **Risk Identification:** The initial step involves identifying the risks our company faces, which can be achieved through risk assessments, historical data analysis and employee brainstorming sessions.

2) **Risk Assessment:** After identifying the risks, we assess them by determining their likelihood and potential impact.

3) **Risk Mitigation:** Following the assessment, we develop plans to reduce the probability or impact of the risks.

4) **Risk Monitoring**: The final step involves monitoring the risk management system's effectiveness, tracking the company's risks and adjusting the risk management plan as necessary.

We have established and implemented a detailed risk management policy for our operations, identifying elements of risk that, in the Board's opinion, could threaten the Company's existence, as required by the Companies Act, 2013, in conjunction with Regulation 21 of the Listing Regulations.

Sr. No.	Risk Category	Risk Description	Mitigation
1.	Macro-economic risk	• Decline in revenue generation if there is a slowdown in the macro-economic region or industry. • Unfavorable changes in the regulatory scenario.	• Implemented a strategic diversification plan to reduce its reliance on any single location, product, or industry. Includes expanding presence across geographies, pitching new customers and increasing kit value via product Premiumization. • Maturing EV market to give an added push to the growth as 95% of product portfolio is power train agnostic.
2.	Exchange rate risk	• Revenue originating from export activities is subject to foreign currency fluctuations. Any adverse movement in exchange rates could have a negative impact on profitability.	• Participating in hedging activities and using forward contracts.
3.	Human resource risk	• Substantial intellectual capital, emphasizing the need to attract, retain and develop highly skilled personnel. • Maintaining a competitive advantage within the industry and ensuring long-term manufacturing sustainability.	• Fostering a people-centric and performance driven culture. • Formulated multiple programmes aimed at promoting employee health and safety, fostering engagement and facilitating skill development.
4.	Cyber security and Data Privacy	• Risk of critical cyberattacks, which could potentially result in the loss of critical information. • Could have an adverse financial and reputational impact on the overall business.	• Proactively strengthening its data and Information security protocols.
5	Market risk	• Changes in the automotive industry, consumer preferences, or economic conditions impacting demand.	• Investing 6.4% of our revenue in R&D to keep up-to-beat with the changing dynamics in the auto industry. • Team of more than 450 engineers across verticals keep track of the latest trends in the automobile sector

MCL's Commitment to Ethical Business Conduct

At MCL, business ethics are foundational to our commitment to transparent and sustainable corporate governance. We prioritize effective governance measures and uphold rigorous ethical standards across all our operations. Our ESG strategies are seamlessly integrated into our governance and policy frameworks, ensuring that we maintain a robust and well-structured approach to business ethics.

To ensure compliance and adapt to the evolving regulatory landscape, we continuously monitor relevant laws and regulations at both union and federal levels. Our Board of Directors (BoD), composed of individuals with diverse experiences, is tasked with making impartial decisions that benefit the company and its stakeholders. Each member of our workforce is required to adhere to a comprehensive code of conduct from their first day, which is reviewed annually.

Mitigation and Corrective Measures

1) **Ethical Violations**: Corruption is recognized as a significant risk at MCL and is actively assessed. We have established a Whistleblowing Mechanism and an Internal Audit system to address ethical violations, such as corruption, bribery and fraud. These systems facilitate the detection of unethical behavior, leading to recommendations and corrective actions.

2) **Non-Compliance with Environmental Laws**: Our environmental compliance is managed through the Avantis software, which maps all regulatory requirements. The software generates timely alerts for the responsible officers to ensure adherence to legal timelines.

3) **Anti-Competitive and Monopoly Practices**: MCL promotes fair competition and does not engage in anti-competitive or monopoly practices. As such, issues related to anti-trust and monopolistic behavior are not applicable to our operations.

We maintain a strict anti-bribery policy and have established a whistleblowing mechanism for reporting any incidents of fraud, violations, or unethical behavior. This comprehensive approach helps us uphold our integrity and ensure that our business practices remain ethical and compliant.

GRI 2-15
Conflicts of Interest

A conflict of interest arises when personal interests or activities potentially interfere with MCL responsibilities. At MCL, we have a structured approach to managing such conflicts among Board members, which is detailed in our Code of Conduct. We carefully evaluate all activities for potential conflicts and ensure that any identified conflicts whether actual, potential, or perceived are declared and resolved before initiating any task or project. Annually, the Board of Directors reaffirms their commitment to the Code of Conduct by signing it and an affirmation declaration is obtained from each member. The Board confirms that there have been no materially significant related party transactions involving Promoters, Directors, or Key Managerial Personnel that could conflict with the company's interests. In fiscal year 2023-24, No complaints were filed against MCL regarding conflicts of interest involving Directors or Key Managerial Personnel.

GRI 2-16, 2-25, 2-26
Communication of critical concerns

At MCL, our Board of Directors is dedicated to making decisions that prioritize the interests of the company and its stakeholders. Their decision-making process is guided by impartiality and independence, ensuring adherence to our stringent Anti-Corruption Policy. This policy mandates vigilance against unethical practices, including corruption.

Upholding Integrity and Fair Practices

We emphasize compliance with legal and ethical standards, urging both our employees and partners to uphold these principles. Our commitment to fair competition aligns with our adherence to the Competition Act of 2002. We oppose any form of anti-competitive behavior, recognizing its detrimental impact on the market and consumers. During the reporting period, we recorded zero instances of anti-competitive conduct.

MCL strictly prohibits bribery across all business dealings. No employee or representative is allowed to engage in bribery, whether through receiving, offering, paying, or authorizing payments. In FY 2023-24, No bribery incidents were reported via our whistle-blower mechanism.

Transparent and Ethical Business Culture

Our pride lies in maintaining a track record of ethical and transparent business practices. MCL is dedicated to being recognized for its commitment to ethics and integrity, continually striving to uphold these values.

Whistleblowing Mechanism

Our whistleblowing policy is a critical component, providing employees and directors with channels to report fraud, violations, or unethical activities. This policy also grants direct access to the Chairperson of the Audit Committee for concerns. Over the reporting period, zero cases of corruption and 01 case of sexual harassment were reported.

Grievance Redressal Mechanism

At MCL, our Grievance Redressal Policy ensures that all employees and community members have access to mechanisms for addressing their concerns. By fostering a culture of transparency and integrity, MCL continues to uphold the highest ethical standards in all its operations.

As part of this commitment, the Spark Minda Group has established a comprehensive Grievance Redressal Policy for recording and addressing community grievances, following the standard procedures outlined in the policy. To ensure accessibility and effectiveness within the community, we have implemented the following mechanisms:

1) **Grievance Record Book**: All our Skill Development (Aakarshan) Centers and Empowerment of People with Disabilities (Saksham) Centers have a dedicated grievance record book accessible to everyone.

2) **Suggestion Box at All Centers**: Each center is equipped with a suggestion box to ensure all inputs, feedback and complaints from the community are effectively recorded and addressed.

3) **Grievance Redressal Process & Contacts**: All centers display an informational poster, visible to all, detailing the process for escalating grievances at different levels in case of dissatisfaction with the response.

4) **Community SPOCs & Regular Engagement**: Every area of operation has designated SPOCs from within the community and we hold regular meetings between the community and the organization to ensure open and transparent sharing of feedback, progress updates, inputs and grievances.

We are proud to report that for FY 23-24, no grievances were recorded by community members, reflecting the effectiveness of our engagement and redressal mechanisms.

GRI 2-20
Process to determine remuneration

The process for determining remuneration at MCL is overseen by an independent remuneration committee. This committee is responsible for ensuring that the remuneration policies are fair, competitive and aligned with the company's strategic objectives. The involvement of an independent committee helps to maintain objectivity and transparency in the remuneration process.

MCL actively seeks and considers the views of various stakeholders, including shareholders, when determining remuneration policies. This engagement ensures that the remuneration practices are aligned with the expectations and interests of those who have a vested interest in the company. By incorporating stakeholder feedback, MCL aims to foster trust and maintain a positive relationship with its shareholders and other stakeholders.

Remuneration consultants are involved in the process of determining remuneration at MCL. These consultants provide expert advice to ensure that the remuneration packages are competitive and in line with industry standards. Importantly, the consultants engaged by MCL are independent of the organization, its highest governance body and senior executives. This independence is crucial to avoid any conflicts of interest and to ensure that the recommendations provided are unbiased and objective.

These measures collectively ensure that the remuneration policies are fair, competitive and aligned with the company's strategic goals while maintaining transparency and objectivity.

GRI 2-21
Annual total compensation ratio

Ratio of the annual total compensation for the MCL's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual): 73.71

Ratio of the percentage increase in annual total compensation for the MCL's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual): 9.6%

GRI 2-23
Policy Statements

1. Human Rights Policy:

We at MCL take our commitment to human rights with utmost importance and have a long history of following the laws of the countries in which we operate. Our Human Rights Policy includes free expression and privacy, corruption prevention, Labour standards and environmentally sustainable practices. We value diversity and consider a variety of factors, including but not limited to gender, race and ethnicity, when selecting board members.

2. Equal Opportunity Policy:

MCL is committed to being an equal opportunity employer by providing a safe, flexible and respectful environment that is free from all forms of discrimination, intimidation, exploitation and harassment for its staff and clients. We recruit competent and motivated people who respect our values and provide equal opportunities for their development and advancement, protect their privacy and do not tolerate any form of harassment or discrimination. Therefore, employees must not discriminate based on origin, nationality, religion, race, gender, age, or sexual orientation, or engage in any kind of verbal or physical harassment based on any of the above or any other reason.

3. Grievance Redressal Policy:

Grievance Redressal Policy is in place to ensure that all employees have access to mechanisms for addressing their concerns. By fostering a culture of transparency and integrity, MCL continues to uphold the highest ethical standards in all its operations.

4. Stakeholder Engagement Policy:

For MCL, effective stakeholder engagement on an ongoing basis is essential to identify the opportunities and concerns arising from stakeholders' material issues and work towards their effective resolution.

This policy is founded on the principles of transparency, active listening and equitable treatment that favors a consultative and collaborative engagement with all of its Stakeholders by means of effective and responsive communication that makes it possible to forge relations based on trust on an ongoing basis.

The objectives of the Stakeholder Engagement Policy are to:

- Build lasting, stable and mutually beneficial relationship with all the company's internal and external stakeholders.

- Develop and promote a good understanding of stakeholders needs, interests and expectations.

- Identify opportunities and threats arising from Stakeholder's challenges

- Set out a method of engagement with stakeholders who impact and influence our Jong-term resilience.

- Improve quality of relationship between Spark Minda and its stakeholders

- Build a positive image of the company to change the attitudes of stakeholders towards the company.

5. Anti-Fraud & Anti-corruption Policy:

The purpose of this Policy is to prevent and detect the fraud and corruption across MCL group. The Policy's objective is to encourage consistent legal and ethical organizational behavior by allocating responsibilities for the establishment of controls and giving instructions for reporting and conducting investigations of suspected fraudulent or corrupt or other activities involving the element of fraud. MCL has a zero-tolerance Policy with respect to fraud and corruption.

Strict adherence to the Indian Prevention of Corruption Act, 1988 and the Prevention of Corruption (Amendment) Act, 2018 is the core behind this Policy.

6. Investor Grievance Redressal Policy:

This Policy at MCL is formulated to provide efficient services to the investors and to effectively address and redress the grievances of the investors in a timely manner.

7. Whistle Blower Policy:

Our whistleblowing policy is a critical component, providing employees and directors with channels to report fraud, violations, or unethical activities. This policy also grants direct access to the Chairperson of the Audit Committee for further resolution of concerns.

8. Risk Management Policy:

Risk management policy forms part of the internal control and corporate governance process of MCL. Basically, the aim of this policy is not to eliminate risks, but rather to mitigate the risks involved in our activities to maximize opportunities and minimize adversity by considering the following:

- Identification of risk, define ownership with clearly defined roles and responsibilities.

- Creating a balance between the cost of managing risk and the anticipated benefits.

- Contributing to more efficient use/allocation of capital and resources

- To encourage and promote a pro-active approach towards risk management.

- Identifying any unmitigated risks and formulating action plans for its treatment through regular review.

9. Sustainability Policy:

At MCL we are committed to creating value for all stakeholders by offering solutions that contribute towards sustainable mobility. At the very core of that vision lies our Sustainability Policy that spells our Company's philosophy and approach to managing various pillars of our sustainability framework viz. Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People and Inclusive Growth. By incorporating sustainability principles into our day-to-day operations, we aim to minimize our impact on the environment and maximize value for all our stakeholders.

10. Code of Conduct for Board Members and Senior Management:

The Board of Directors has implemented a Code of Conduct applicable to all Directors and Senior Level Management of the Company. The Code envisages that the Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep all relevant stakeholders informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled. We have also received annual affirmation with regards to compliance with the code of conduct from all the Directors and Senior Level Managemen.

11. Code of Conduct for Prevention of Insider Trading:

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation. The above code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances.

12. Corporate Social Responsibility Policy:

The CSR policy guides the company's social and economic contributions, ensuring it gives back to society for the resources it utilizes. It complies with the Companies Act, 2013, by specifying CSR activities. The policy outlines activities, programs and projects, detailing execution modalities and schedules. It applies to all CSR initiatives at various company locations, targeting disadvantaged, underprivileged and differently abled individuals. Surplus from CSR projects does not contribute to business profits.

13. Business Responsibility Policy:

This Business Responsibility Policy is based on principles enunciated in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business released by the Ministry of Corporate Affairs, towards conducting business by a Company.

The key objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility across the Company and act as a strategic driver that will help the Company respond to the complexities and challenges that keep emerging and be abreast with changes in regulations. The Policy is applicable to all Directors and Employees of the Company.

14. Dividend Distribution Policy:

The objective of this policy is to follow 'CONSISTENT GROWTH DIVIDEND POLICY' to distribute appropriate level of the Profit with the Shareholders in the form of Dividend. The Board will consider Profits after Tax (PAT) on a standalone basis, aiming to enhance available profits by gradually incorporating subsidiaries, associates and joint ventures into the dividend policy.

Dividend payouts from these entities will be determined based on their free cash flows. Free cash flow calculations will be uniform across all companies, considering cash accrual, working capital needs, debt repayments and capital expenditure. Dividends received by a company from its subsidiaries will be transferred to its holding company on a back-to-back basis. The company aims to increase the total dividend payout ratio, with targets set at 25% of profit for the standalone company and 50% for subsidiaries, JVs and associates, subject to maintaining a maximum debt/equity ratio of 1:1 and utilizing a maximum of 50% of free cash flow. The Board retains the authority to adjust payout ranges based on relevant factors influencing dividend decisions.

15. Nomination Remuneration and Board Diversity Policy:

MCL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

16. Related Party Transaction Policy:

The Board of Directors (BoD) of MCL, has adopted the policy and procedures about Related Party Transactions. The purpose of this policy is to define the procedure to be followed along with its reporting and disclosure requirements for transactions between the Company and its Related Parties based on the applicable laws and regulations.

17. Policy for Determining Material Non-Listed Subsidiaries:

The objective of this policy is to regulate the investments of Company in material subsidiaries and to provide a governance framework for such subsidiaries and to oversee the functioning of such subsidiaries based on the laws and regulations applicable on the Company.

18. Maintenance and Preservation of Documents and Archival Policy:

The purpose of this Policy is to ensure that the all the necessary documents and records of the Company are adequately protected and preserved as per the statutory requirements and to ensure that the records of the Company which are no longer needed or are of no value are discarded after following the due process for discarding the same. This Policy is also for the purpose of aiding employees of the Company in understanding their obligations in retaining and preserving the documents and records which are required to be maintained as per the applicable statutory and regulatory requirements.

19. Code of Conduct of Employees:

This policy ensures that all employees must adhere to service rules, policies and procedures, promoting integrity, trust and fairness. Communication of company policies and goals is a shared responsibility. Professional conduct and upholding the company's image are paramount. Individual rights and dignity are respected, fostering personal and professional growth irrespective of nationality, caste, religion, color, or gender.

GRI 2-27
Compliance with laws and regulations

At MCL, we prioritize compliance as a core value. As a publicly traded company, we are dedicated to following all relevant laws and regulations in every country where we conduct business. Our internal team diligently ensures adherence to both the letter and the spirit of these regulations. Additionally, we have a robust internal control system in place to minimize risks and maintain operational efficiency. As per our compliance record, we faced zero penalties for environmental or social violations during the reporting period. Furthermore, we have received zero complaints related to child labour, forced labour, or discriminatory employment practices.

Our Board routinely reviews compliance reports and establishes clear procedures for addressing any instances of non-compliance. Throughout the year, our internal team ensures strict legal compliance and promptly brings any significant observations to the attention of senior management, who take swift remedial action as needed. We regularly track new laws to facilitate seamless transitions to new regulatory frameworks. To ensure ongoing communication and adherence to newly enacted laws, we hold several Board and general body meetings annually.

We believe that strong compliance practices are fundamental to our success. They enable us to operate responsibly and sustainably, fostering trust with our stakeholders. We are committed to upholding our strong compliance record and continuously enhancing our compliance efforts.

Approach to stakeholder engagement

GRI 2-29

At MCL, we place a high priority on engaging with stakeholders, recognizing both the direct and indirect effects on and by our company through its extensive value chains. This principle is emphasized in our Stakeholder Engagement Policy. As our sustainability management efforts expand in scope and complexity, it becomes increasingly important to involve as many stakeholders as possible. Consequently, every stakeholder within MCL is encouraged to support and advance sustainability initiatives. Our comprehensive study has identified the following key stakeholder groups:

Stakeholder	Why we engage?	How we engage?
Shareholders	• As providers of financial capital, they are key stakeholders in our growth and expansion plans	• Board meetings • Annual reports and Websites
Investor	• Funding and capital investment	• Investor calls, conference and meets • Annual General Meetings • Engaged with the investment community through our Annual Meetings and regular investor meetings • Held Chairman's Roundtables virtually and face-to-face during the year with investors
Employees	• Empowered and engaged workforce drives to achieving business targets and serve as a key for successful business. • Satisfied and motivated employee have higher productivity.	• Employee engagement Initiatives • Training programmes • Performance appraisal reviews • Grievance mechanisms • Continued to create an open culture and dialogue around disability with us Akarshan program • Promoted the inclusion of people with disabilities through Akarshan program • Continued to raise awareness of Speaking Up for non-compliance concerns and questions. • Collective Bargain agreements with worker unions wherever required.
Suppliers	• Cost optimization • Operational leverage basis quality, technology, pricing etc. • Lean manufacturing	• Vendor assessments and reviews • Signed contracts • Vendor meets • Supplier social and environmental assessments
Customers	• Revenue generation and growth • Help in innovating new products through demand • Help to increase market share	• Customer feedback • Digital and social media connect • Exhibitions and events • Brochures and Catalogues • Responded to sustainability requests. • Built joint roadmaps and action plans together with customers, unlocking synergies. • Continued partnership testing of refill-and-reuse delivery systems and scalable business models
Creditors	• Revenue generation and growth • Help in innovating new products through demand • Help to increase market share	• Customer feedback • Digital and social media connect • Exhibitions and events • Brochures and catalogues

Stakeholder	Why we engage?	How we engage?
Local Communities	• 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	• Press release • Publishing articles and news • Meetings and Interviews • CSR programs
Government	• 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	• Meetings, presentation, reports and networking in different forums organized by regulatory authorities. • Regulatory Compliance
Media	• Improving the understanding of industry's positive impact on sustainability and climate change and the drivers for further development	• Training workshops • Regular meetings • Need assessments and Reviews Surveys • CSR reports • Press Release

GRI 207-1, 207-2, 207-3
Responsible investments to pursue growth

Tax Transparency and Strategy at MCL

At MCL, we are committed to being a responsible corporate citizen, which includes being a responsible taxpayer. We believe that tax transparency is integral to our corporate responsibility and we work closely with experts, auditors and tax authorities to ensure full compliance with tax laws, paying our taxes promptly. Our approach to tax is grounded in integrity and transparency and we maintain open, constructive conversations with all our stakeholders, including the government and tax authorities.

We are dedicated to maintaining exemplary tax practices, ensuring timely compliance with all tax and regulatory requirements. Our goal is to create sustainable value for our stakeholders through effective tax strategy implementation. We uphold high standards of business conduct, viewing tax compliance as a societal moral duty rather than a mere legal obligation. The Group Chief Financial Officer (GCFO) manages our tax governance strategy at the executive level, reporting significant tax and regulatory compliance issues to the Chairman and Group CEO and highlighting associated risks to the Risk Management Committee. This Committee is responsible for overseeing tax governance strategy and reviewing tax and regulatory matters. The GCFO also handles inquiries from auditors, government agencies, external stakeholders and investors regarding regulatory tax compliance or any legal actions enforced by government authorities. Also, we operate in India, Singapore, Indonesia and Vietnam for tax jurisdiction.

All commercial transactions at MCL comply with the applicable laws and we claim tax incentives and exemptions legitimately. In cases of ambiguity or conflicts in the laws or regulations, we seek expert internal and external professional advice to make informed decisions. Our Chief Financial Officer (CFO) is responsible for managing taxes at the Board level and communicates regularly with the Board on tax affairs and risks. The CFO is supported by a highly qualified corporate tax team, including bankers, brokers, lawyers, external financial and tax advisors, escrow agents, consultants and other relevant professionals. Material tax risks or disputes are reported to the Audit Committee for thorough consideration.

Our vision of being the future of sustainable mobility is closely tied to our commitment to tax transparency and fairness. We publicly report financial and tax information for each tax jurisdiction where we operate, in compliance with the relevant securities and taxation laws. We communicate our tax strategy to all relevant stakeholders, ensuring it is firmly embedded in our company culture. Our tax strategy undergoes continuous review to align with our strategic priorities, using fair tax conduct as an enabler rather than merely an obligation.

We are dedicated to building transparent and constructive relationships with tax authorities based on mutual trust. We comply with all relevant legal disclosures and approval requirements, including Sales Tax / Value Added Tax, Central Excise, Service Tax, Customs, Income Tax, Goods & Services Tax (GST), Provident Fund Authorities and others, as per prevailing tax laws. We have mechanisms in place to ensure ethical conduct in our tax affairs and avoid tax havens.

At MCL, we believe that being transparent about our tax contributions and adhering to fair tax practices is crucial to achieving our vision and maintaining our commitment to financial resilience and sustainable growth.

GRI 201-1, 201-3

Economic Performance

Economic Value Parameters	INR (Million)
Economic value Generated (A)	**38,587**
Revenue from operations	38,445
Other Revenue	142
Economic Value distributed (B)	**36,923**
Operating Costs	29,761
Employee Wages and Benefits	6,174
Payments to providers of capital	310
Payments to Government	629
Community Investment	49
Economic Value retained (A-B)	**1,664**

Employee benefits that are due within twelve months of providing the service are categorized as short-term employee benefits. These benefits, including salaries, wages and bonuses, are recorded in the standalone statement of profit and loss during the period in which the employee provides the service, without any discounting. Eligible employees benefit from the provident fund, a defined contribution plan. Both employees and the employer contribute monthly to the provident fund, managed by the Regional Provident Fund Commissioner, based on a specified percentage of the employee's basic salary. The Company's obligations are limited to these monthly contributions.

The Company offers a gratuity plan, a defined benefit retirement plan, for eligible employees. This plan provides payments to vested employees upon retirement, death, or termination of employment, based on their salary and length of service with the Company. The liabilities associated with the Gratuity Plan are assessed through actuarial valuation as of the balance sheet date.

Indian entities make provisions for compensated absences based on the payable amount, determined through actuarial valuation as of the balance sheet date.

The liability for all defined benefit plans and other long-term employee benefits is recorded in the accounts based on actuarial valuations conducted by an independent actuary, primarily using the Projected Unit Credit Method. This method treats each year of service as generating an additional unit of benefit entitlement, measuring each unit separately to determine the total obligation. The obligation is calculated at the present value of estimated future cash flows. The discount rates used to determine the present value of obligations under defined benefit plans are based on market yields of government securities as of the balance sheet date, with maturity periods approximating the terms of the related obligations. Actuarial gains and losses are immediately recognized in the standalone statement of profit and loss. Gains or losses from the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Remeasurement gains and losses from experience adjustments and changes in actuarial assumptions are recognized in the period they occur, directly in other comprehensive income. These are included in 'other equity' in the standalone statement of changes in equity and the standalone balance sheet.

Information Technology and Cybersecurity

GRI 418-1

We place the highest priority on maintaining customer privacy and safeguarding data confidentiality. Our IT infrastructure incorporates systems and processes after vulnerability assessments to evaluate exposure to cyber threats and data privacy risks, as well as the level of threat intelligence. This approach safeguards our IT systems and secures each utilized IT platform. The management of IT systems focuses on information security, security operations, security engineering and business continuity to develop policies and strategies for information systems management.

The Chief Information Security Officer (CISO) is responsible for overseeing the maintenance and concerns related to cybersecurity and is accountable to the Risk and Audit Committee of the Board of Directors regarding all matters related to MCL's information technology and cybersecurity management. Risk arising from cybersecurity concerns are reviewed quarterly by the Risk and Audit Committee.

We ensure that all our employees are aware of threats arising from IT and cybersecurity. We have implemented an Information Security Policy to assist in managing our IT systems and ensuring the maintenance of suitable information security controls. Additionally, we conduct regular online and physical trainings as part of the employee onboarding program Shubharambh through tailored physical exercises designed to address the current cyber threats. We have established a line of communication for our employees to raise any IT-related incidents which are first directed to the dedicated local IT SPOC and then routed to the CISO. In the coming years, we are working towards mandating IT and cybersecurity trainings for all employees as a component of their performance.

We are working towards continually improving our systems and thus conduct regular independent third-party vulnerability assessments to evaluate and improve security posture of MCL. In the current reporting period, we recorded zero cases of customer privacy breaches which was possible through the initiatives listed below:

Managed Security Operations Center

Email Security Solution

Network Monitoring systems

Cyber Threat Intelligence

Managed Services for Disaster Recovery for critical business application

Employee Privacy Policy

Centralized Backup & recovery solution

Next Generation Firewalls deployment

Pilot for Data Leakage Prevention Solution deployment

Pilot for Privileged Access Management Solution

Centralized Patch Management Solution

TISAX / ISO 27001 Certification preparedness

Responsible Value Chain

Supply chain disruptions are now increasingly being affected by challenges presented by climate change with issues such as extreme weather events and availability of non-renewable resources, over and above traditional supply chain issues.

A major challenge in the automotive supply chain is the lack of essential technological components, such as semiconductors, required for vehicle manufacturing. These shortages result in longer delivery times and manufacturers are compelled to increase prices due to the scarcity of parts, leading to higher final costs for consumers. Beyond physical constraints, external factors like geopolitical developments can significantly impact the automotive industry. Unforeseen events in the global landscape can disrupt the supply chain, with conflicts and trade tensions between nations affecting the availability and cost of materials like steel and aluminum. These ripple effects can have far-reaching consequences in the industry's future.

We are greatly dependent on the regular and continued provision of raw materials to meet our increasing production requirements. Thus, it is imperative for us to maintain a supply chain that can sustain not only traditional disruptions but also challenges presented by ESG issues.

We have adopted digitalization as the newest trend in the realm of supply chain management, actively embracing this innovative method. Acknowledging the opportunity for improved efficiency and more organized operations, we have notably elevated the usage of Enterprise Resource Planning (ERP) systems throughout our supply chain.

At MCL, we are extending sustainability principles and best practices further throughout our value chain by consistently collaborating with our value chain partners. Over the past few years, expectations of various stakeholders such as customers, employees, investors and government for businesses to exhibit responsible and sustainable value chains has increased.

We are dedicated to sustainable supply chain management. Our focus is on reducing our environmental impact and enhancing the social and economic well-being of our suppliers. An efficient supply chain is crucial for the smooth flow of products, information and finances within a company. It also allows us to better meet customer demands, improve inventory control and foster better communication among teams. In the automotive sector, the supply chain plays a vital role in optimizing production and distribution processes while keeping costs low. During the reporting period, we consolidated our supplier network by sourcing raw materials from a select group of vendors. This strategic decision helped us cut down on transportation needs, ultimately reducing our carbon emissions.

We firmly believe in the integration of ESG principles into the value chain which allows us to create and execute a sustainable and responsible strategy for value creation. We are also working towards incorporating sustainable production methods, streamlining logistics, minimizing environmental impact, handling waste and preserving natural resources in collaboration with our partners.

Innovative Product and Lifecycle Management

Innovative Product and Lifecycle Management Highlights

Key Performance Indicator	Performance
Percentage of R&D in specific technology to improve environment and social impacts of products and processes to total R& D	7.4%
Percentage of Capex in specific technology to improve environment and social impacts of products and processes to total Capex	11.6%
Expenditure on the acquisition of latest technology	1101 Million INR
Number of New Patents filed	26
Technology partnerships	Partnership with HSIN Chong Machinery Works Co., Ltd. (HCMF) on manufacturing advanced automotive sunroof solutions and closure technology products

Key Performance Indicator	Performance
Achievements in Green Mobility	• We have created three Electric Vehicles, designated as SAKI, for demonstration purposes. One vehicle has been deployed in Japan, another is located at our Bangalore office and the third is situated at the SMIT Hinjewadi office, accompanied by a Charging Station. • One of the significant accomplishments in the electric vehicle industry is the development of the Indigenous Battery Charger. Despite facing challenges in packaging, this charger has been successfully designed to meet all Quality, Cost and Delivery (QCD) targets for a leading electric vehicle Original Equipment Manufacturer (OEM).

We strive to incorporate sustainability throughout the entire lifespan of our products and solutions. Our comprehensive approach and know-how of regulatory standards/requirements is reinforced by our robust product development processes, cutting-edge technologies and the talent of our workforce. These practices enhance our ability to innovate in manufacturing and lifecycle management:

Technology

As a leading automotive components manufacturer, we recognize the importance of developing state-of-the-art technology to ensure sustained growth and profitability. We are fully equipped to navigate the technological advancements driven by industry trends and customer demands. Serving as a solutions provider for our customers, we consistently invest in cutting-edge technologies such as electronics, EV products, emission controls and lightweight materials that are resource efficient.

IMPROVING TECHNOLOGY CAPABILITIES

Safety Security System: Our organization stands out as the only one in India with the ability to manufacture the mechatronics and electronics essential for smart keys. We have more than 65 patents specifically for smart keys, establishing us as the most reliable and high-quality supplier in the market. Having achieved a 100% RFQ success rate for smart keys in India, we are now focused on expanding our market share.

Wiring Harness Division: We aim to achieve backward integration by establishing state-of-the-art tool room facilities within the components sector. As the internal team focused on connector development, the dependence on external vendors diminished. Additionally, our company manufactured Low Voltage Wiring Harness (WH) for commercial electric vehicles.

Die casting Division: We are rapidly establishing ourselves as a reliable supplier of turbocharger components globally. Our expertise in all four casting technologies—HC, HPDC, GDC, and LPDC—has enabled us to manufacture top-notch die castings for various applications. Our company is the only one with a comprehensive in-house process for producing upper bracket and handle holder parts.

Instrument Cluster: We have gained complete entry to the ever-expanding market following the purchase of Minda Stoneridge. This acquisition also provides us with the opportunity to collaborate on cutting-edge technology projects with various industry partners in the future.

Research and Development Facilities

We are evolving into an Advanced System Solutions provider from its roots in Mechatronics, dedicated to delivering top-quality products to our customers through continuous product innovation and vigilant monitoring of upcoming technologies and trends in the automotive industry.

Minda's R&D activities are focused on three key areas:

1) Product development: We are continuously innovating to address the ever-changing demands of the automotive sector. Our dedicated research and development team is currently focused on creating a range of cutting-edge products, such as electric vehicles, connected car technologies and advanced safety features.

2) Process improvement: We are dedicated to investing in research and development in order to enhance our manufacturing processes. Our R&D team is actively engaged in creating new technologies aimed at minimizing waste, enhancing efficiency and elevating the overall quality of our products.

3) Sustainability: Our research and development team are dedicated to sustainability, focusing on creating a range of eco-friendly products and production methods. Our team is actively engaged in developing innovative solutions that support sustainable development.

We have allocated resources to enhance our research and development efforts in order to create more eco-efficient mobility options and advance sustainable solutions that enhance our productivity. Spark Minda Technical Centre (SMIT), the Advanced Engineering Centre of Electronics & Mechatronics in our operations, . The automotive industry is being transformed by four major trends: Connected, Autonomous, Shared and Electric (CASE) mobility. With advancements in technology, government support and shifts in consumer behavior, these trends are leading us towards a future where vehicles are driver-less, always connected and powered by batteries, eliminating the need for individual vehicle ownership. This evolution presents opportunities not only for established companies but also for new players, as the traditional concept of the automotive industry undergoes rapid change.

MCL is focusing on providing cutting-edge technologies such as CASE (Connected, Autonomous, Shared and Electric) Mobility, which is creating new growth prospects for the industry. This allows established companies to continue developing advanced technologies in Automotive Subsystems. We possess 700+ engineering specialists to oversee this technology center.

We have developed the following products and services with advanced technologies through our ongoing efforts, aiming to foster innovation and prioritize the safety of our stakeholders.

Product/ Service	Description
Advance safety systems	We are pioneering solutions in Advanced Driver Assistance Systems (ADAS) to enhance automotive safety. These include rearview cameras, park assist systems and around view monitoring systems. Our ADAS solutions are designed to comply with future regulatory requirements and enhance driver and passenger safety.
Instrument clusters	Our evolution from analogue to fully digital instrument clusters continues. These digital clusters offer infinite customization options, enabling manufacturers to provide bespoke styles and themes. They are now essential components of modern cockpit domain controllers.
EV components	With the global shift towards electric vehicles (EVs), we have developed cutting-edge products such as high-power DC-DC converters, battery chargers and protection devices. These innovations are crucial as we transition from traditional vehicles to EVs.
Display systems in Commercial Vehicles	Secondary displays can be useful in Passenger Vehicles and even off-road vehicles in the right circumstances. They can display information including maps, GPS data, vehicle performance data and camera feeds from multiple angles, which can help drivers navigate difficult terrain and avoid obstacles.
Telematics Solutions	The increasing demand for electric vehicles, ubiquitous 4G connectivity and favourable government policies and schemes related to design and manufacturing are fuelling the demand for connected telematics devices for different mobility applications.
Key to keyless systems	MCL's focus is to transform the two-wheeler Smart Passive Entry Passive Start (Smart PEPS) market. We aim to enhance our offerings with secure, encrypted key management systems that streamline the processes of locking and unlocking vehicles, ensuring superior convenience and safety for riders.

New Products and Design

Our Spark Minda Technical Centre (SMIT) in Pune is fully equipped with embedded software, an EMI/EMC lab, an anechoic chamber and other state-of-the-art equipment to foster the development of innovative products.

Green Mobility

We are preparing   to steer the future of mobility towards a cleaner, more sustainable world. Our dedication to innovation and state-of-the-art technology has positioned us at the forefront of the Electric Vehicle (EV) revolution. Spark Minda Green Mobility Systems (SMGM), a fully owned subsidiary of MCL, specializing in manufacturing products for the EV Segment, including Battery Chargers and DC-DC Converters. Additionally, the division is dedicated to Telematics and Intelligent Transport System (ITS). Furthermore, SMGM currently is in the final phases of developing products like Battery Management System (BMS), Motor Controllers and Vehicle Control Unit (VCU).

Sustainable and Local Sourcing

Our operational success relies heavily on the implementation of sustainable sourcing practices. We are firm believers in the benefits of local sourcing, as it not only helps to minimize our environmental footprint, but also contributes to the growth of the local economy and the well-being of individuals.

We procure products and services from local and regional suppliers of various sizes, ensuring they meet our standards for Quality, Cost, Development, Delivery and Services (QCDDS). Our Supplier Quality Assurance (SQA) team works closely with suppliers to enhance their capabilities and quality. When selecting suppliers, we consider social, environmental and ethical performance factors. Furthermore, our supplier contracts include clauses mandating compliance with laws related to environmental regulations, wages, working hours and employment conditions.

Sustainable and Local Sourcing Highlights

Local Sourcing

We are currently focused on sourcing from nearby regional vendors to our production site at Minda. The introduction of the Faster Adoption and Manufacturing of Electric Vehicles FAME II regulation means that OEMs in the electric vehicle market must give preference to local sourcing over importing components. Our sourcing approach prioritizes localization, with the majority of our sourcing activities taking place within India. By engaging in capacity planning and establishing long-term contracts, we are actively working with our key local suppliers to reduce the risk of potential supply shortages. Local sourcing not only

contributes to the local economy and job creation in the area, but it also helps reduce our carbon footprint. This approach further demonstrates our commitment to the "Make in India" initiative.

Local sourcing offers numerous advantages to us, such as lowering our carbon footprint, boosting the local economy and creating more job opportunities. Moreover, it can enhance product quality, decrease lead times and improve flexibility. Given our significant presence in India and extensive experience working with local suppliers, we are well-placed to leverage these benefits. We procure goods and services from various regional/local vendors, ranging from large corporations to small and medium-sized enterprises, that meet our Quality, Cost, Development, Delivery and Services (QCDDS) standards. Furthermore, our Supplier Quality Assurance (SQA) team collaborates with suppliers to enhance capacity and quality.

The following table illustrates the significant dependence we had on regional and small suppliers for the reporting fiscal year.

Key Performance Indicator	Unit	FY 2023-24
Number of local (domestic) vendors	Nos.	720

Sustainability in Supply Chain

Efficient control process

At MCL, we are dedicated to implementing the best practices in the industry to guarantee efficient control processes in our supply chain. A crucial element in achieving this efficiency is the timely flow of information. We stress the significance of prompt communication across the supply chain to support effective planning, monitoring and execution of operations. To ensure top-notch components, Spark Minda utilizes a two-step verification process. This involves both incoming and process inspections to uphold rigorous quality standards. The company's Supplier Quality Assurance (SQA) team spearheads these efforts through regular checks, evaluations and audits. Additionally, we have introduced a Zero-defect program at suppliers' sites, which has been specifically tailored and is currently being implemented to enhance quality, delivery and responsiveness. MCL also seeks acknowledgement from all of its suppliers before onboarding and also provides trainings on annual basis with its suppliers.

Inventory Management

Our supply chain operations heavily rely on effective inventory management, spearheaded by the Production Planning and Control (PPC) team. Working in tandem

with the Supply Chain Management (SCM) team, the PPC team dedicatedly works towards enhancing our inventory management processes for increased efficiency. The PPC team is tasked with meticulously planning and overseeing inventory levels to ensure seamless production and timely product delivery. Through the implementation of industry-leading practices and cutting-edge techniques, we are able to accurately forecast demand, monitor stock levels and collaborate with suppliers to maintain optimal inventory levels. It is imperative for us to prioritize sustainable inventory management in order to meet our environmental and efficiency objectives. By proactively reducing our environmental footprint and enhancing operational efficiency, we can lower costs and enhance customer satisfaction.

Case study for Die Casting Division Greater Noida: Reuse of Zinc in business operations

Recycling aluminum microchips and utilizing them as raw materials at Minda represents a sustainable approach that is in harmony with the principles of a circular economy.

We follow the below process for recycling aluminum microchips at DCD Greater Noida:

a) Collection and Segregation: Aluminum microchips, frequently produced as byproducts during machining operations such as milling, turning and drilling, are sourced from multiple origins. These chips are subsequently categorized according to their size, shape and chemical composition to maintain consistency in the recycling procedure.

b) Shredding and Briquetting: The aluminum chips that have been gathered undergo a shredding process to diminish their size and enhance the surface area, facilitating more efficient melting. This shredding procedure also aids in the elimination of any contaminants present. After shredding, the chips are typically compressed into briquettes. This briquetting process minimizes the volume of the chips, thereby simplifying handling and transportation. Additionally, it enhances melting efficiency by decreasing oxidation losses that may occur during the melting phase. About 30 tons of aluminum microchips are converted into briquettes.

c) Melting and Refining: The briquetted aluminum chips are subsequently subjected to melting in furnaces. This melting process entails raising the temperature of the aluminum to its melting point, which is approximately 660°C. At this phase, impurities are eliminated and the molten aluminum undergoes refinement to attain the specified chemical composition. This procedure is essential to guarantee that the recycled aluminum complies with the quality standards set by Original Equipment Manufacturers (OEMs). The converted briquettes are sent for melting to third party for further processing.

d) Casting and Forming: After refinement, the molten aluminum is shaped into ingots, billets, or other configurations that are appropriate for subsequent processing. These cast forms are subsequently provided to OEMs, who utilize them as raw materials in the production of diverse products. The plant receives approximately 26.5 tons as ingots which is used for further processing such as automotive components, electronic devices and construction materials.

Sustainable Operations

Minda Corporation Limited (MCL) is dedicated to developing cutting-edge solutions that enable individuals to move freely while preserving the planet, recognizing mobility as an essential human right. Our aim is to integrate sustainability across all facets of our operations, including minimizing the ecological footprint of our entire value chain. Our objective is to achieve carbon neutrality in a way that fosters health, inclusivity and environmental responsibility. We are convinced that sustainability is crucial for a better tomorrow, hence our emphasis on creating environmentally friendly goods. In addition to adhering to regulations, we ensure that our company upholds ecological stewardship and contributes to a circular economy framework.

Handling our materials

GRI 301-1, 301-2

MCL is committed to integrating innovation, safety and sustainability into our design, procurement and manufacturing processes, while also enhancing economic value and a sense of ownership during product use. We actively engage with stakeholders across our value chain to ensure that our products contribute to human and environmental well-being, even beyond their useful life. Our pledge includes reducing material usage, particularly virgin materials, while enhancing product quality and performance and prioritizing recyclable raw materials whenever feasible. The materials we use not only offer comfort and safety to our customers but also contribute to environmental conservation by reducing energy consumption and emissions.

Material Management Highlights

Raw Material Consumption

S. No	Total Raw Material	Unit	FY 2022 – 23	FY 2023 – 24	% Change
1	PCB	Nos. – in Million	8.10	8.34	2.96
2	Springs and Fasters	Nos - In Million	421.2	439.80	4.41
3	Plastic Granule	MT	3,060	4,117.22	34.54
4	Zamak-3 & 5	MT	4,117	4,641	12.72
5	Aluminum Alloy	MT	9,711	11,484.73	18.26
6	Terminals	Nos - In Million	1,118.8	1,402.23	25.33
7	Connectors	Nos – in Million	195.7	242.94	24.13
8	Rubber – Wire Seal	Nos. – in Million	316.4	538.51	70.19
9	Copper Wire	Mtr - In Million	621.14	633.39	1.97
10	Tape	Mtr - In Million	240.25	264.02	9.89

Packaging Material Consumption

S. No	Packaging Material	Unit	FY 2022-23	FY 2023-24
1	Corrugated Boxes	Nos.- Million	9.27	10
2	Air Bubble Sheet/Bag	Nos. – million	12.4	14
3	Polybag	MT	313	367
4	Pallets	Nos.	12,150	17,160

Energy Efficiency

GRI 302-1, 302-2, 302-3, 302-4

The utilization of energy derived from fossil fuels leads to the release of Greenhouse Gases (GHGs), which play a role in the phenomenon of global warming and climate change. Given the present environmental circumstances, it is crucial to prioritize the reduction of energy usage, the preservation of energy and the enhancement of incorporating renewable energy sources into the total energy combination to promote a sustainable planet. We meticulously handle the procurement, transformation, distribution and consumption of energy to fulfill our needs, all the while considering the financial and environmental consequences.

Key Performance Indicators	Performance
Energy consumption	3,97,348.77 GJ
Energy intensity (GJ / INR million)	10.33/ INR Million

Energy Consumption

In order to ensure the efficient functioning of our business operations, we primarily rely on the grid as our main source of electricity. However, in the event of a power outage, we have contingency plans in place, such as diesel generators and solar energy systems. Additionally, our production processes necessitate a reliable fuel source, for which we utilize Liquified Petroleum Gas (LPG), Natural Gas and Diesel.

Energy Consumption (Direct)

	Unit	Mechatronics	Information and Connected Systems	Plastic Interior	AMD	SMGM and EME	Design Offices	Total	Total (GJ)
Non-Renewable Energy Sources									
Diesel (DG Set)	L	1,17,403.54	47,329	6,459	0	13,084	14,435	1,98,711	7,134.71
Diesel (Vehicles)	L	60,516	9,328	0	0	0	0	69,844	2,507.74
Diesel (Others)	L	1,07,540	0	0	0	0	0	1,07,540	3,861.22
PNG	SCM	32,92,001	0.0,404	0	0	0	0	3,292,001	1,20,092.19
Petrol	L	0	0	0	0	0	0	0	0
Renewable Energy Sources									
Solar Energy	kWh	1,67,28,487.49	15,18,198	1,23,103	0	2,53,882	0	1,86,23,670	67,045.21

Energy Consumption (Indirect)

Electricity Purchased from Grid (in GJ)	Mechatronics	Information and Connected Systems	Plastic Interior	AMD	SMGM and EME	Design Offices	Total (GJ)
	1,27,647.24	25,662.02	42,356.51	0	1,112	0	1,96,778

Energy Intensity

Energy Intensity		
Total Energy Consumption (GJ)	Total Revenue- FY 2023-24 (INR Million)	Energy Intensity (Total Energy/ Total Revenue- GJ/ INR Million
397348.77	38,445	10.33

Energy Conservation and Reduction

At Minda Corporation Limited, one of our main focuses is on energy conservation and the implementation of energy-efficient technologies. We strongly believe that initiatives related to energy can have a direct positive impact on both the economy and the environment. MCL is dedicated to incorporating energy conservation practices and energy-efficient systems across the industrial value chain, leading to substantial cost savings, enhanced productivity and a secure working environment. Our goal is to decrease energy consumption and greenhouse gas emissions by enhancing energy efficiency through state-of-the-art technologies.

Energy Saving Initiatives and Targets

MCL plans to decrease its reliance on grid power and reduce energy dependency on grid power by 50% by FY 2027. By FY 2030, the goal is to become a RE 100 organization, which means MCL will rely entirely on renewable energy.

In the fiscal year 2023-24, MCL made an equity investment of ₹ 42 lakhs per megawatt (MW) in 6.2 MW solar parks. This investment will amount to a total of ₹ 3.36 crores. MCL has also invested approximately ₹ 1.09 crores on energy conservation measures such as:

1) Replacement of Air Handling Units with Variable Refrigerant Volume (VRV) for reduction in Energy Usage

2) Switching over from electric fired ovens to Natural gas fired ovens

3) Usage of energy efficient motors and Variable Frequency Drive (VFD's) on assembly lines

4) Installation of Air conditioner Energy Saver

5) Installation of Magnetic resonator on Natural gas line

6) Briquetting machine is used to convert chips into briquette and then melted in furnace resulting in reduced energy consumption

7) Less efficient Air-conditioning replaced with 5-star air-conditioner and VRV'S

8) Replacing old high energy consuming equipment's e.g. 2-star AC to 5-star AC or VRV type AC

Case Study: DCD Greater Noida

In pursuit of sustainable practices and cost-effective operations, MCL has successfully implemented energy-efficient strategies by utilizing a Variable Frequency Drive (VFD)-operated air compressor.

The VFD-controlled air compressor adjusts its motor speed based on actual air demand. Unlike fixed-speed compressors, which run at a constant speed, the VFD compressor optimizes energy usage by matching output to requirements. DCD Greater Noida has installed VFD operated air compressor with a capacity of 520 Cubic Feet per Minute and provides the following benefits:

- **Precise Motor Control:** A VFD is an electronic device that controls the speed and torque of an electric motor by adjusting the frequency and voltage supplied to it. By providing precise control over motor speed, VFDs optimize performance in different industrial applications

- **Energy Savings:** VFDs match the motor's power consumption to the application's demand. Unlike constant-speed motors, which run inefficiently even during low-load periods, VFDs adjust motor speed dynamically. Reduced energy consumption during off peak times, leads to cost savings.

- **Reduced Mechanical Stress:** VFDs optimize the pressure and flow of compressed air by adjusting motor speed. This not only reduces energy consumption but also minimizes mechanical stress on the motor itself.

- **Improved Process Control:** VFDs allow precise adjustments to motor speed and torque. This fine-tuning enhances process control, ensuring efficient operation across various manufacturing tasks.

GHG Air Emissions

GRI 305-1, 305-2, 305-4, 305-5, 305-6, 305-7

Key Performance Indicators	Unit	Performance
Direct (Scope 1) GHG emissions	tCO_2e	8,731
Indirect (Scope 2) GHG emissions	tCO_2e	36,948
Scope 3 GHG emissions	tCO_2e	143,171
GHG emissions intensity (Scope 1&2)	tCO_2e/INR Million	1.19
Reduction of GHG emissions	tCO_2e	20,204

Scope 1 Emissions

MCL is dedicated to decreasing its greenhouse gas (GHG) emissions and alleviating the impacts of climate change. In line with this dedication, we provide information on our Scope 1 emissions, which are emissions directly from sources owned or controlled by us. These emissions encompass those from on-site energy usage, like natural gas and fuel, as well as emissions from our fleet vehicles.

Our Scope 1 emissions account for 19.1 % of our total GHG emissions. Reduction in Scope 1 emissions is a crucial component of our sustainability approach and through emission reduction, we contribute to safeguarding the environment and lessening the impacts of climate change.

S. No	Type of Emission	TCO2e
1	DG Sets	530
2	PNG	6,744
3	Refrigerants	608
4	CO_2 type fire extinguisher	356
5	Diesel Vehicles	206
6	Diesel used in Processes	287
Total		**8731**

Scope 2 Emissions

S. No	Type of Emission	TCO_2e
1	Emissions due to purchased electricity	36,948

Emission Intensity		
Scope 1 and 2 Emissions (tCO_2e)	Total Revenue - FY 24 (INR Million)	Emissions Intensity (tCO_2e /INR Million)
45,679	38,445	1.1 9

Scope 3 Emissions

For the year 2022-2023, MCL has taken spend based method to calculate the emissions from Category 1- Purchased goods and services, whereas for the year 2023-2024, average data method is considered to calculate the emissions. Scope 1 and scope 2 emissions are directly collected from the 69 suppliers and spend based data is used for the 17 suppliers. All of these suppliers are critical to MCL.

S. No	Type of Emission	TCO$_2$e
1	Purchased goods and services	76,153
2	Capital goods	10,182
3	Waste generation and operations	437
4	Business travel	2,170
5	Employee commute	9,896
6	Downstream T&D	44,332
Total		**1,43,171**

Initiatives to reduce GHG Emissions

MCL is committed to being a responsible corporate citizen by actively reducing Greenhouse Gas Emissions. A significant portion of our electricity is sourced from renewable energy, particularly solar power. Our facilities are equipped with rooftop solar panels and we regularly organize tree plantation initiatives at all our locations. Additionally, we prioritize energy efficiency by replacing outdated, high-energy equipment with more efficient devices in our offices and manufacturing plants. Through a well-defined strategy, we are working towards achieving our targets for reducing GHG emissions. We have reduced 30% of total GHG emissions as a result of the following initiatives below for scope 1 and scope 2 emissions below:

1) Fuel furnaces replacement with High Efficiency

2) Third generation Uninterruptible Power Supply (UPS) replacement to reduce Energy Losses

3) DG set retrofit to dual fuel (PNG and Diesel)

4) Installation of Variable Frequency Drives (VFD)

5) Installation of Servo System

6) Installation of catalytic convertor on Piped Natural Gas (PNG) line for furnaces

7) Increase in rooftop solar installation

8) To mitigate methane emissions, we are utilizing alternative fuels such as PNG instead of diesel for diesel generators and melting furnaces and substituting PNG for LPG in the canteen.

Emissions of Ozone Depleting Substances (ODS)

MCL is dedicated to safeguarding the ozone layer and minimizing its greenhouse gas (GHG) emissions. Ozone-depleting substances (ODS) are chemical compounds capable of depleting the ozone layer, which shields the Earth from harmful ultraviolet radiation.

Ozone depleting substances (ODS)	Emissions (tCO2e)
R 134A	11
R 22	246
R 32	22
R 410A	329
Total	608

Air Emission Management

We understand the importance of environmental sustainability and are dedicated to upholding the highest levels of environmental responsibility in all of our activities. We consistently monitor the air emissions produced by our business operations in compliance with relevant laws and regulations.

Parameter	Please specify unit	FY 2023-24
NOx	mg/Nm3	62.07
SOx	mg/Nm3	25.39
Particulate matter (PM)	mg/Nm3	42.95

Managing Water and Effluents

GRI 303-1, 303-2, 303-3, 303-4, 303-5

The impact of climate change is reshaping the future of freshwater resources. Many areas are expected to experience more intense rainfall, flooding and droughts. Changes in precipitation patterns are leading to shifts in the timing and amount of snowpack and glacier meltwater, affecting the availability of water. Water quality is also at risk, with freshwater ecosystems being especially vulnerable to these transformations. As a result, it is crucial for MCL to focus on enhancing water efficiency and sustainability to maintain environmentally friendly operations.

Key Performance Indicators	Unit	Performance
Water withdrawal	KL	3,29,648.69
Water discharge	KL	9,065.34
Water consumption	KL	3,20,583.35

We are committed to efficient water management and consider various factors, such as the quality of water discharged into the environment and the safety of the water supply. Our goal is to optimize water recycling in our operations and minimize water wastage in our manufacturing facilities. We are determined to use water effectively and have been careful to regulate our water usage within local permit constraints. In times of water scarcity, where communities are experiencing water insecurity, we are dedicated to converting our wastewater into a valuable resource. At MCL, we have made a commitment to increase the use of recycled water in our operations to lessen our dependence on fresh water. We have been working to expand our capacity to collect rainwater and reduce our reliance on external water sources. To achieve this objective, we have implemented water recharge infrastructure, such as rainwater harvesting pits, at multiple sites.

We are committed to the belief that sustainable water management is not only an environmental obligation but also an essential component of our business strategy. Our focus is on reducing our water footprint, safeguarding water resources and making a positive impact on the communities where we operate through the implementation of sustainable water management practices such as recycling, reusing and replenishing. We aim to lead in water stewardship and contribute to a more sustainable future for everyone. All of our facilities are equipped with Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP) to treat wastewater and reuse it for various purposes such as landscaping, washroom facilities and kitchen use. During the reporting period, we recycled a total of 97,458.6 KL of wastewater and reused it at our operational sites, thereby reducing our environmental impact.

Case Study: Water Saving Initiatives (SSD Pantnagar)

SSD Pantnagar uses the 3Rs approach (Reduce, Reuse and Recycle) when utilizing its water resources. Some of the initiatives taken for freshwater consumption are highlighted below:

a) **Reduce Consumption of Fresh Water using RO Wastewater**

- Consumption of freshwater in powder coating is high during component risen process.
- Reverse Osmosis (RO) wastewater, which is typically generated during water purification processes, can be reclaimed and reused within the manufacturing facility.
- Implement a closed-loop system where RO wastewater is treated and then used for non-critical processes such as cooling systems, landscaping, or general cleaning.
- SSD Pantnagar replaced freshwater with rooftop tank which collected RO wastewater used in power coating line division

Freshwater Reduction using RO Waste Water per month basis
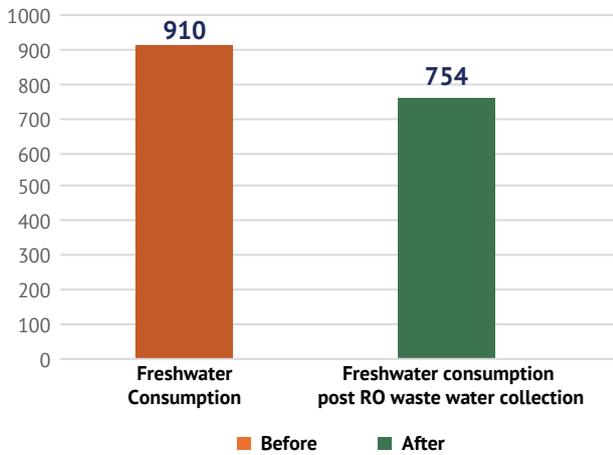
- It was observed that 17% reduction of freshwater consumption per month with the same initiative implemented.

b) ETP Treated Water for Bin Cleaning

- Effluent Treatment Plants (ETPs) treat wastewater from various processes within the plant.
- Properly treated effluent water can effectively clean bins and reduce the demand for potable water.
- SSD Pantnagar initiated use of treated water from the ETP where fresh water was used earlier.
- Before the use of ETP treated water, approximately 7KL of fresh water was used for the cleaning bins.
- With the ETP treated water, about 5KL of freshwater was used for cleaning bins, which has led to the reduction of 29% of freshwater consumption.

c) STP Treated Water and RO reject water for Washroom facilities

- Sewage Treatment Plants (STPs) treat sewage and wastewater from toilets and other sanitary facilities.
- SSD Pantnagar started using STP-treated water exclusively for flushing toilets in assembly areas. This practice helped in conserving freshwater by 350 KL/

month while maintaining hygiene standards.

Waste Reduction and Circularity

GRI 306-1, 306-2

MCL acknowledges the significance of responsible waste management as a crucial element of our sustainability strategy. As a manufacturer of automotive components, we are aware of the potential environmental impact of our operations. We are transitioning towards embracing the principles of circular economy and resource efficiency and this strategic focus is embedded in all aspects of our business processes and operations at our production facilities. Throughout the reporting period, we persisted in our efforts to divert hazardous waste from landfills and incinerators and we are striving to optimize the value of waste streams. Our commitment lies in minimizing our environmental footprint and contributing to the development of a more eco-friendly and sustainable automotive industry.

GRI 306-3, 306-4, 306-5

Waste Management Highlights

Key Performance Indicator	Unit	Hazardous Waste	Non-Hazardous Waste
Waste Generated	MT	220.763 metric tonnes	5531.93 metric tonnes
Waste Diverted from Disposal	MT	5,707 metric tonnes	53.96
Waste Directed to Disposal	MT	104.11 metric tonnes	748.24

Waste Management: Case Study

MCL is composting its waste such as horticulture and food waste which is an effective waste management practices covered in the following steps below.

1) **Collection and Segregation:** Organic waste is segregated at the point of origin to ensure that solely compostable materials are gathered. This

encompasses food remnants, garden waste and various other biodegradable substances. Non-compostable materials such as plastics, metals and glass are eliminated to avert contamination.

2) **Pre-Processing:** Organic materials of considerable size are processed through shredding to enhance their surface area, thereby expediting the composting process. Various forms of organic waste are combined to achieve a balanced ratio of carbon to nitrogen, an essential factor for successful composting.

3) **Composting Method:** There are different ways of composting waste, under windrow composting organic waste is arranged in extended rows and is regularly turned to ensure proper aeration of the compost and to sustain ideal moisture levels. For aerated static pile composting, organic waste is accumulated and aerated through the use of blowers or vacuum pumps, which provide oxygen without the need to turn the pile. In vessel composting, where organic waste is stored in a sealed container that automatically regulates temperature, moisture and aeration.

4) **Composting Process:** Microorganisms decompose organic material into more basic compounds. This decomposition process produces heat, which aids in eliminating pathogens.

5) **Post-Processing:** The completed compost undergoes screening to eliminate any residual large particles or contaminants. Additionally, the compost is analyzed for nutrient composition, pH levels and the presence of pathogens to confirm that it adheres to quality standards.

MCL produces 620 kgs of waste from food and horticulture waste which after conversion and processes generates 300 kgs of compost.

Some of the benefits which organic waste is that it minimizes landfill waste, decreases greenhouse gas emissions and returns nutrients to the soil. Additionally, it lowers waste disposal expenses and has the potential to generate income through the sale of compost and biogas.

The below diagram indicates the food waste which is processed and converted to organic waste at MCL.

MCL has initiated a program to utilize glass water bottles within their office environment, in addition to their efforts in managing organic waste. Furthermore, we have shifted from using disposable cups for tea and coffee to adopting reusable ones.

Care for People

Employee Management and Labour Relations

GRI 401, 402

Our employees are the cornerstone of our company, driving our accomplishments and the attainment of our business goals. They are our most valuable resources in fulfilling our vision and mission and we are committed to creating an inclusive and productive work environment. We understand that offering opportunities for development allows individuals to improve their knowledge, skills and abilities, empowering them to utilize their gained competencies in different situations. . Our dedication also encompasses the well-being of our employees and the community as a whole, with a strong emphasis on occupational health and safety, diversity and equal opportunities. Moreover, we ensure efficient management of our interactions with temporary employees, offering them appropriate training on occupational health and safety, human rights, labour management and relations, as well as education and training. We firmly believe that sustainable long-term value creation and preservation can only be achieved through responsible practices. Therefore, we are dedicated to ESG practices that benefit our employees, clients and the communities in which we operate.

We are committed to promoting diversity, equity and inclusion within our organization. We believe that fair pay for all employees is a crucial aspect of creating an inclusive and supportive work environment. By fostering a work environment that encourages individual satisfaction and growth, we support both our employees and the company as a whole. Our commitment extends to the well-being of our employees and society at large, focusing on occupational health and safety, diversity and equal opportunity, labour management and relations, human rights and training and education. We firmly believe that sustainable long-term value creation and preservation can only be achieved through responsible practices.

Employee Management and Labour Relations

We, at MCL, are dedicated to upholding the values of equality and non-discrimination across all our activities. Our actions are influenced by Article 15 of the Indian Constitution, which bars discrimination on the grounds of religion, race, caste, gender, or place of birth. This dedication is evident in our recruitment procedures, where we ensure that all qualified applicants are given an equal chance, irrespective of their backgrounds. Such practices also highlight our supportive work environment, which encourages progress and advancement.

Total employees per employee category by age

Information on Employee by Age- Permanent Employees					
Management	**Gender**	**<30 Years**	**30-50 Years**	**>50 Years**	**Grand Total**
Senior Management	Female	0	2	0	2
	Male	0	23	20	43
Middle Management	Female	1	27	1	29
	Male	12	522	78	612
Junior Management	Female	37	43	1	81
	Male	154	399	16	569
Non-Management	Female	66	10	0	76
	Male	255	153	7	415
Grand Total		**525**	**1179**	**123**	**1827**

Information on Employee by Age- Other than Permanent Employees					
Management	**Gender**	**<30 Years**	**30-50 Years**	**>50 Years**	**Grand Total**
Other than permanent employees	Female	6	1	0	7
	Male	8	4	0	12
Grand Total		**14**	**5**	**0**	**19**

Information on Workers by Age- Permanent Workers					
Management	**Gender**	**<30 Years**	**30-50 Years**	**>50 Years**	**Grand Total**

Permanent Associates	Female	28	73	12	113
	Male	219	1061	124	1404
Grand Total		**247**	**1134**	**136**	**1517**

GRI 2-8

The data presented in the table and graphs above show the distribution of the total workforce by age, gender and region, excluding contractual workers. The total number of contractual workers across all factories and units is 15249 for the reporting period FY 2023-24.

New Hires to MCL Family

GRI 401-1

At MCL, we promote the integration of fresh talent into our team in order to uphold diversity and enhance our knowledge base. Throughout the reporting period, 293 new employees under the age of 30 joined our organization, showcasing our commitment to inclusivity and support for young individuals. Out of the 293 new employees, 130 young sparks were hired in FY 23-24 through our targeted Campus Hiring initiatives across various colleges. To ensure the retention of these young professionals, we prioritize mentorship, ongoing learning initiatives and a nurturing environment that fosters innovation and personal development. Additionally, we welcomed 11 new team members aged 50 and above, demonstrating our inclusive approach and non-discriminatory policy towards older employees in all sectors of our workforce.

GRI 201-3, 401-2, 401-3

We ensure that all our team members are treated with dignity and respect. It is important to us that we look after our workers, as we strive to serve them fairly. We take the necessary steps to prevent any human rights violations and maintain fairness in their workplaces. Our employees receive the same benefits as our management team, including parental leave, childcare support, daycare facilities, health insurance, accidental insurance and retirement assistance. We offer retirement benefits to all our workers as per the applicable laws, such as gratuity, Provident Fund and ESI benefits. Through employee engagement programs, we cultivate a sense of unity and inclusivity among all working categories. We help our staff achieve a healthy work-life balance.

GRI 402-1

We consider the input of our employees when making decisions. As per the Industrial Disputes Act of 1947, all management levels are required to give a three-month notice period, which is reduced to one month during probation (if applicable). Non-management employees have a three-month notice period, with a 30-day notice period during probation (if applicable).

Diversity and Equal Opportunity

We are dedicated to fostering diversity and inclusion within our organization. We firmly believe that a diverse workforce is a more robust one and we are actively working to cultivate an environment where all individuals feel respected and appreciated. Our zero-tolerance policy towards discrimination and harassment underscores our commitment to providing a safe and positive workplace for all employees. Additionally, we proudly observe International Women's Day to highlight our supportive workplace culture that champions gender equality and recognizes the contributions of our female employees in traditionally male-dominated industries. While we acknowledge that there is still progress to be made, we are determined to enhance diverse leadership representation and address the issue of female talent retention. We are confident in our ability to achieve these objectives and remain steadfast in our commitment to creating an inclusive workplace for all, regardless of gender.

We have implemented consistent standards to ensure that our pay system is just and impartial. Our compensation structure is founded on performance and accountability, encompassing both fixed-income and performance-based elements. Additionally, we regularly review and adjust our pay structure through benchmarking to maintain competitiveness.

Transparency is key for us, as we openly communicate with our employees about the overall framework of their compensation. Salaries are determined based on merit, role and experience, as we strive to uphold fairness in pay for all employees at MCL.

We have participated in campus recruitment drives focusing on hiring female candidates. We have also trained the recruiters & hiring managers on diversity & inclusion hiring practice. By embracing diversity, the company has positioned itself as a forward-thinking leader in the automotive industry, demonstrating that inclusivity is a powerful catalyst for growth and innovation. In FY 23-24, our Diversity Hiring successfully increased to 13%, reflecting our commitment to fostering an inclusive workforce.

The leadership team at MCL convenes quarterly with the dedicated group of Persons with Disabilities (PwDs). These sessions feature a variety of events, including motivational speeches aimed at sharing valuable wisdom and insights to inspire and uplift the employees.

MCL's approach to measure Employee Engagement (Case Study)

Amber is an artificial intelligence chatbot created by InFeedo that interacts with employees at critical intervals following their onboarding, specifically at 15, 30, 60 and 90 days, among others. Through these targeted conversations, Amber collects valuable insights regarding employees' overall experiences and identifies individuals who may be at risk of departing from the organization. Those identified are classified as "People-to-Meet" (PTM), signifying that they need prompt attention to resolve their issues and enhance retention. Furthermore, Amber offers insights into each employee's Engagement Score and Net Promoter Score, which act as preliminary indicators of their potential to be advocates or critics of the organization.

Occupational Health and Safety

We are committed to upholding the highest standards of Health and Safety (H&S) for all our employees, associates and business partners. Our goal is to create a safe work environment that promotes organizational and personal growth by incorporating best health and safety practices into our operations. We prioritize transparency through a thorough reporting process to ensure strict compliance with the highest health and safety standards. To protect our staff from unexpected events and accidents, we have established a strong system of safety risk management.

GRI 403-1, 403-2

At MCL, we lay a special emphasis on the occupational health and safety of our workforce and ensure that we provide them with a conducive work environment. We have implemented an OHS system in line with the local regulations of The Factories Act, 1948 as per national regulations and ISO 45001:2018 – Occupational Health and Safety Management Systems.

We have implemented a thorough occupational health and safety management system, which involves routine equipment and machine maintenance, mandatory fault identification checklists, 360-degree machine protection and permits for high-risk tasks. The entire MCL group is documented in an advanced monitoring sheet in Excel. Each plant is assigned a scoring criterion and an action sheet and undergoes regular audits. We have established a robust incident investigation procedure to ensure that all incidents are dealt in a timely and efficient manner.

GRI 403-3

Our plants are equipped with Occupational Health Centers that aim to proactively identify risks and respond effectively to any incidents. These centers are staffed by skilled
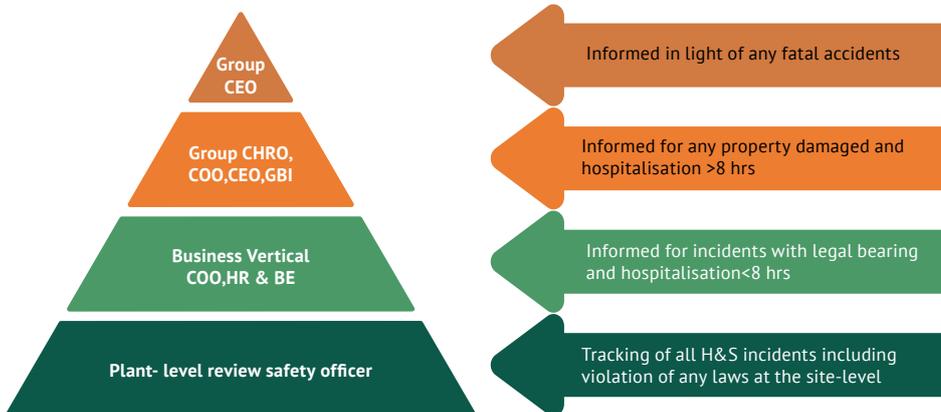
Operational Health and Safety Escalation Matrix

medical professionals who specialize in assessing and treating work-related injuries and illnesses. Additionally, they offer preventive care services like vaccinations and health screenings. Apart from medical assistance, the centers provide training to employees and associates on equipment hazards and workplace safety measures. This comprehensive approach ensures the well-being and safety of our workforce, resulting in a significant reduction in work-related injuries and illnesses.

GRI 403-4

At MCL, our primary focus is on establishing a secure and all-encompassing environment for our employees and our associates. The most effective approach to achieve this goal is by engaging them in the process of identifying and evaluating potential risks. Our associates actively participate in meetings dedicated to discussing risks and assessments. Moreover, they play a crucial role in the Occupational Health and Safety (OHS) management system by providing valuable inputs and engaging in consultations with the Safety Committee established at each plant. These consultations foster productive dialogues and contribute to creating an inclusive workplace and a robust OHS management system.

Besides conducting meetings, we take precautions to ensure the safety of our workers and employees when they enter the plant premises in the morning and evening. These precautions include checking ID cards, performing security checks and requiring workers to wear personal protective equipment. These measures contribute to a safe workplace for everyone.

GRI 403-5

We ensure that all our associates are trained precautionary health and safety protocols. In FY 2023-24, we have provided trainings on health and safety to 58% of our permanent employees and 83% of our permanent workers. Whereas, provided trainings on skill upgradation to 50% of our permanent employees and 76% of our permanent workers. We have covered Health and Safety trainings on topics such as fire safety, height safety, emergency preparedness, firefighting, first aid, near miss accidents and incidents, building safety at workplace etc. In doing so, we provide our associates with the necessary knowledge and equip our associates to follow workplace safety standards.

GRI 403-6

We are dedicated to establishing a secure and healthy work environment for our employees and labourers. Occupational Health Centers have been established in all our facilities, equipped with competent medical professionals who conduct health assessments and environmental impact analyses regularly.

Adhering to a stringent Standard Operating Procedure, we effectively manage risks associated with our operations, such as manufacturing emissions. Given the higher likelihood of work hazards in the initial vertical, including blast furnace incidents, accidents near STP and ETP areas and exposure to dangerous substances, we prioritize safety through regular mock drills covering first-aid, precautionary measures and emergency responses to ensure preparedness among our entire workforce.

GRI 403-7

We maintain transparent communication with our staff and collaborators to detect and resolve possible risks promptly. At MCL, we are firm believers in the importance of prevention and precaution for ensuring safety and we are dedicated to recognizing and removing potential dangers before they pose a threat. Our proactive stance on occupational health and safety entails ongoing monitoring and enhancement of health and safety standards through frequent evaluations of our protocols to guarantee their relevance and efficiency.

GRI 403-8

We have established an Occupational Health and Safety Management System (OHSMS) that encompasses all personnel within our organization. This system aims to identify and evaluate potential occupational health and safety risks in the workplace and implement necessary actions to eliminate or manage them. The OHSMS applies to all employees, whether permanent, temporary, contractors, or subcontractors.

The MCL Health and Safety committee consistently identifies hazards through regular and ad-hoc assessments. Following hazard identification, MCL ensures that appropriate measures are implemented to address the identified risks and hazards. The OHSMS is a fundamental component of the sustainable development framework we adhere to at MCL. We strongly believe that a safe work environment not only benefits employees, but also enhances the quality of our products and services. We urge all workers to promptly report any occupational health and safety issues or hazards they come across in the workplace to the OHSMS team. All reported incidents are thoroughly investigated and necessary actions are taken to prevent their recurrence in the future.

GRI 403-9, 10

Health and Safety-related incidents	Category	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.19
	Workers	0.11
Total recordable work-related injuries	Employees	1
	Workers	6
No. of fatalities	Employees	0
	Workers	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0
	Workers	0
Total First aid cases reported	Employees & Workers	53
Total near miss cases reported	Employees & Workers	495

Human Rights

We are dedicated to uphold the core principles of human rights, that bestow freedom to every individual based on dignity, fairness, equality and respect. Our commitment to these principles remains unwavering as we continue to promote innovation. Our Human Rights Policy aligns with our fundamental goal of sustainable growth and fully complies with the standards established by the International Labour Organization (ILO) and the United Nations Global Compact (UNGC) in relation to human rights and labour.

Our Workplace Policy on Preventing, Prohibiting and Addressing Sexual Harassment at the Workplace is designed to foster a secure and supportive environment for our employees and workers. We are devoted to cultivating a safe work environment that enables our employees and workers to thrive without the burden of harassment.

We actively monitor human rights issues such as race-based discrimination, forced labour, child labour and modern slavery. In the fiscal year 2023-24, no such cases were reported within our operations.

Our commitment to upholding human rights and ensuring the dignified treatment of all our employees is unwavering. We maintain a zero-tolerance policy for any form of discrimination or harassment and we take all allegations of such behaviour very seriously. Our comprehensive Code of Conduct outlines our expectations for employee behaviour as well as providing regular training to all employees on the importance of respecting human rights. In the fiscal year 2023-24, we provided an average of 18 hours of training to security personnel on human rights issues.

Parameter	Units	Total
Number of Trainings	Number	3
Number of Security Personnel Trained	Number	183
Number of Man-hours Trained	Manhours	1098

Upskilling our Employees and Value Chains

GRI 2-17, 404-2

We organize regular training sessions for skill enhancement and health and safety in manufacturing facilities and the corporate office. We have developed guidelines outlining the roles and skills required by workers and staff, along with the specific training programs tailored to each level of the workforce. The training manual contains a schedule, topics to be covered, attendance tracking, feedback mechanisms and other details to enhance the training's impact.

To identify skill development needs, we assess our employees' abilities quarterly and recommend upgrades based on insights from annual performance reviews. During the last reporting period, more training was needed for health and safety due to the changing nature of work and the influx of new hires. Apart from training our own staff, we also offer training

to third-party workers employed by contractors and service providers to ensure that everyone working for the company is well-prepared and competent in their roles.

Employee Category	Types of Training Provided in FY 2023-24
Board of Directors	Vision, mission and values, Code of Conduct, Whistle Blower mechanisms, goal management System, prevention of harassment at workplace, cyber security
Key Managerial Personnel	Vision, mission and values, Code of Conduct, Whistle Blower mechanisms, goal management System, prevention of harassment at workplace, cyber security
Employees other than BoD and KMPs	Vision, mission and values, Code of Conduct, Whistle Blower mechanisms, skill upgradation trainings, prevention of harassment at workplace, cyber security
Workers	Safety and wellbeing, skill upgradation, prevention of harassment at workplace

GRI 404-1

We are committed to equipping our workforce with the necessary skills and knowledge to tackle upcoming challenges and remain competitive. Therefore, we dedicate significant resources to training initiatives for both our staff and workers, guaranteeing their readiness for any opportunities that may arise in the market.

Learning Hours Information – Staff & Associate

Description	Units	Total in FY 2023-24
Learning Hours Information on Employee by Employee Category - Permanent		
Senior Management		412
Male	Total No. of Hours	398
Female		14
Others		0
Middle Management		11975
Male	Total No. of Hours	11513
Female		462
Others		0
Junior Management		11320
Male	Total No. of Hours	10030
Female		1290
Others		0
Non Management		7281
Male	Total No. of Hours	5863
Female		1419
Others		0
Total		**30988**

Spark Minda Gurukul – Learning Management System (LMS)

Spark Minda Gurukul is a centralized learning structure that allows all employees access to MCL's learning and development courses. With dedicated learning partners for various business verticals, this LMS is a comprehensive initiative aimed at raising awareness among employees and management. The Learning & Development Team consistently monitors the completion rates of mandatory and other courses by providing Business Vertical Wise and Employee Wise Snapshots, addressing learner inquiries and organizing regular user awareness sessions.

The platform provides a wide range of trainings across topics such as Organisation-specific trainings on values such as personal development, managerial development, leadership skills and digital transformation. With this, we provide a holistic development journey to our employees by not only helping them develop their professional skills but also personal skills.

GRI 404-3

Performance feedback is provided to all MCL employees on a regular basis. In the reporting period, a percentage of employees received performance feedback, while the remaining individuals, including apprentices, trainees, interns and new joiners, were not eligible for such feedback.

Category	Units	Employees receiving regular performance feedback
Senior Management		
Male		43
Female	No.	2
Others		0
Middle Management		
Male		612
Female	No.	29
Others		0
Junior Management		
Male		569
Female	No.	81
Others		0
Non Management		
Male		415
Female	No.	76
Others		0

Types of Trainings Provided through Spark Minda Gurukul LMS

1 Organisation Specific
- Vision, mission, values and Code of Conduct
- Prevention of Harassment at the Workplace
- Whisleblower Polict
- Goal Management System
- Cybersecurity Awareness-Phising
- Quality Management Tools

2 Personal Development
- Personal Effectiveness
- Personal Branding
- Dose of Happiness
- 1-min master class

3 Managerial Development
- Managerial Effectiveness
- Emotional Intelligence
- Effective Communications
- Diversity & Inclusion

4 Leadership Skills
- Authentic Leadership
- Coaching Way of Leadership
- Bouncing Back with Resilience
- Effective Feedback
- Conflict Resolution

5 Digital Transformation
- Hiring Manager Module
- HRIS Recrutiment
- SAP mODULES

Inclusive Growth

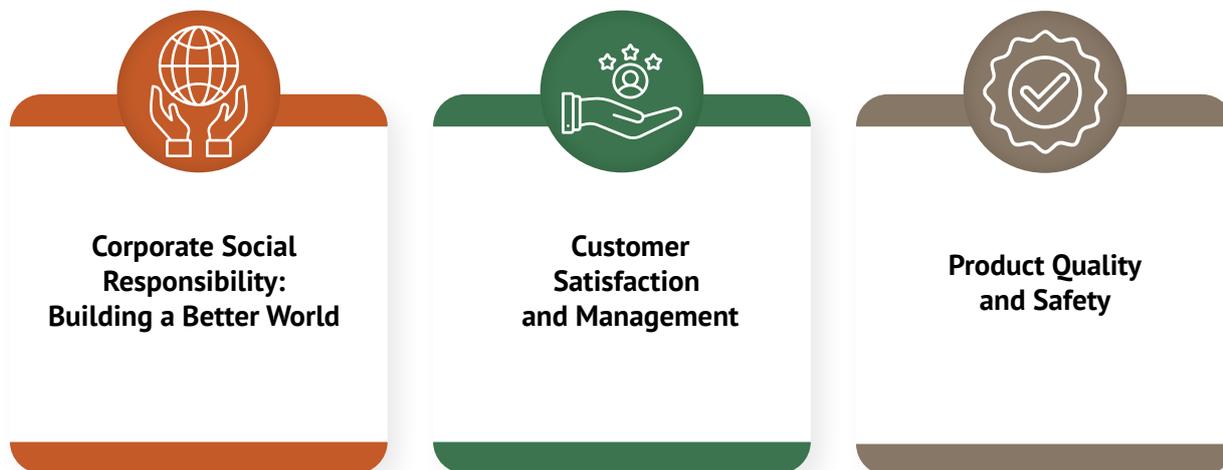We at MCL focus on addressing and mitigating inequality while fostering a culture of collaboration and teamwork with all stakeholders. We believe that our success is deeply rooted in establishing and maintaining robust connections, particularly with the local communities surrounding our operations and our valued customers. By engaging regularly with stakeholders, understanding their unique needs, communicating openly and involving them in our decision-making processes, we build the trust and support necessary for sustainable long-term prosperity for both our business and our stakeholders.

Our approach includes a range of initiatives designed to promote equality and inclusivity. Through our Corporate Social Responsibility (CSR) programs, we aim to make a positive impact on society and the environment. Our customer satisfaction efforts are focused on ensuring that our services and products meet the highest standards of quality and safety, providing equal benefits and opportunities for all. By committing to these principles, we strive to create a more inclusive and equitable society.

We firmly believe that by working together with our stakeholders, we can achieve greater collective prosperity and progress. Our dedication to these values is unwavering and we are confident that through our collaborative efforts, we can foster an environment where everyone has the opportunity to thrive.

Material Topics Covered

Corporate Social Responsibility: Building a Better World	Customer Satisfaction and Management	Product Quality and Safety

Corporate Social Responsibility: Fostering a Better World

GRI 413-1

At MCL, our core belief is that businesses must contribute positively to their surrounding communities. This commitment drives us to make significant impacts on the environment, the economy and the lives of the people we engage with. Our CSR initiatives, managed by the Spark Minda Foundation (SMF), embody this dedication.

SMF's vision is to build a sustainable society by enhancing quality of life, protecting the environment and promoting inclusive growth. Guided by values such as equity, equality, ethics, transparency, protection, care and respect, SMF actively engages with communities and collaborates with local organisations. This engagement aims to create lasting, positive impacts on individuals around our operations and support broader societal development.

Our CSR Policy provides a detailed framework for our initiatives, outlining their objectives, scope and monitoring mechanisms to ensure they align with our mission and values. At MCL, we adopt a comprehensive and multi-faceted approach to social responsibility, focusing on both immediate needs and long-term community development. Our key projects target the following areas:

Skilling and livelihood Promotion

- Aakarshan Skill Development Programme
- Dual System of Training (DST)
- World on Wheels Project
- Business Integrated Prison Project
- Digital Unify Prison Project
- Empowering and Enhancing Holistic Development

1 NO POVERTY **4** QUALITY EDUCATION **5** GENDER EQUALITY **17** PARTNERSHIPS FOR THE GOALS

Empowering People with Disabilities

- Saksham: Empowerment of People with Disabilities Programme (Camps and Centres)
- Employment of PWDs & Entrepreneurship

1 NO POVERTY **3** GOOD HEALTH AND WELL-BEING **8** DECENT WORK AND ECONOMIC GROWTH **9** INDUSTRY, INNOVATION AND INFRASTRUCTURE **10** REDUCED INEQUALITIES **11** SUSTAINABLE CITIES AND COMMUNITIES **17** PARTNERSHIPS FOR THE GOALS

Community Healthcare

- Menstrual Hygiene Management
- Eye Health Care
- Community Health Check-up
- Blood Donation Drives

3 GOOD HEALTH AND WELL-BEING **5** GENDER EQUALITY **6** CLEAN WATER AND SANITATION **11** SUSTAINABLE CITIES AND COMMUNITIES **17** PARTNERSHIPS FOR THE GOALS

Prison Inmate Reform Programme

- Skilling & Employment of Prison Inmates
- Shakti-Strengthening Menstrual Hygiene Prison
- Digital Unify-Digital Education Project in Prisons

1 NO POVERTY **4** QUALITY EDUCATION **5** GENDER EQUALITY **8** DECENT WORK AND ECONOMIC GROWTH **10** REDUCED INEQUALITIES **16** PEACE, JUSTICE AND STRONG INSTITUTIONS **17** PARTNERSHIPS FOR THE GOALS

We passionately believe in addressing societal challenges through active community engagement. By partnering with local organisations, we aim to foster sustainable development and support the growth and prosperity of the communities around us. Our unwavering commitment to creating a positive social footprint is reflected in our collaborative efforts to achieve greater societal progress and environmental sustainability.

CSR highlights

Key Performance Indicator	Performance
Total amount spent on CSR in the reporting period	5.02 INR Crore
PwDs hired during the reporting period	536

Empowerment of People with Disabilities

Saksham Program

1) Since its inception in FY 2014-15, has been dedicated to empowering Persons with Disabilities (PwDs) and addressing community inequalities. Conceived in 2014 and driven by the commitment to supporting marginalized communities, Saksham - Empowerment of People with Disabilities (PwDs) Programme takes a holistic approach to empower PwDs. This comprehensive initiative focuses on providing artificial limbs, assistive aids, fostering financial independence through inclusive job and entrepreneurship opportunities and facilitating access to governmental support policies via UDID registration. Our commitment lies in ensuring accessibility and providing assistive technologies to PwDs, enabling them to achieve independence and pursue successful careers. Through Saksham, we have positively impacted over 21,000 PwDs and facilitated employment for more than 1,000 individuals within the MCL Group. The Saksham programme reaches out to PwDs not only through its designated Saksham Centers in three states (Uttar Pradesh, Uttarakhand & Maharashtra) but also through facilitating camps for empowerment in underserved areas like Jammu & Kashmir and rural districts across the country.

2) The program includes comprehensive skill facilitation and on-the-job training across various manufacturing functions, aimed at equipping PwDs with essential skills for employment. Collaborating closely with partner organisations, we organize specialized job fairs for PwDs to create industry linkages and expand their employment opportunities. Additionally, we assist PwDs in obtaining Unique ID for Persons with Disabilities (UDID) cards, ensuring they receive necessary support and recognition. Saksham continues to champion equal opportunities and sustainable livelihoods for PwDs, fostering their integration and advancement within society.

Objectives of the Saksham Program:

1) Provide accessible and assistive technology to PwDs.

2) Facilitate skill development and on-the-job training for PwDs in various manufacturing functions.

3) Assist PwDs in obtaining UDID cards.

4) Create employment opportunities for PwDs through job fairs and collaborations with partner organisations.

5) Promote equal opportunity and sustainable livelihoods for PwDs within society.

6) Empower PwDs in underserved areas through dedicated Saksham Centers and empowerment camps.

Key Performance Indicator	Performance/Impact
Number of Camps	5
Number of fitments (from camps and centers)	5021
Number of UDIDs Facilitated	397
Number of employments for PwDs	536
Testimonials/Case Studies	Case studies attached in the responses

Skill Development and Livelihood Promotion

As part of our initiative, the foundation runs "Aakarshan," a skill development programme through centres across India, offering training in trades such as Spoken English, Computer and Tally, Beauty & Wellness and Cutting & Tailoring. Additionally, the programme provides an exclusive Industrial Training course designed to empower women with practical skills and employment opportunities.

MCL has established four strategically located Skill Development Centers located in three states— Haryana, Uttar Pradesh & Uttarakhand aimed at empowering underprivileged women and youth, particularly in rural and semi-urban areas, by providing them with valuable skills and enhancing their employment prospects. These centers have been selected thorough rigorous needs assessment, offering courses in basic computer skills, Tally Pro, spoken English, cutting and tailoring, beauty and wellness and industrial tailoring.

Since its inception, our program has positively impacted 15,000+ individuals, with 1636 participants engaged in the latest reporting period.

We remain committed to continuing this impactful work and improving the lives of those we serve.

Key Performance Indicator	Performance/Impact
Aakarshan	
Number of learners	1,636
Employment	70%
Testimonials/Case studies/Student Feedback/Grievances recorded	Case studies attached; zero grievances recorded

Prison Inmate Reform

This is an innovative programme under the Public Private Partnership Model. It is the first automotive manufacturing setup that started in 2014 at Tihar Jail, New Delhi. Under this model, we have been able to establish a relationship between the prison authorities and our customers. The inmates in the prisons work for the different units of Spark Minda Group and manufacture the products which are the supplied to the respective customers. The earnings from this are distributed between the inmates' families and the families of the victims. The programme focuses on manufacturing, wages, skill training and rehabilitation with an added aim to reduce crime in the society.

Key Performance Indicator	Performance/Impact
Number of Inmates	166
Number of Prisons	5

Dual System of Training

The Dual System of Training (DST) programme emerges as a pivotal initiative, strategically designed to bridge the gap between industry requisites and educational offerings. SMF has signed a Memorandum of Understanding (MOU) with the DTTE Government of NCT of Delhi for the same. The programme began with ITI, Arab Ki Sarai, and Nizamuddin. Our module on soft skills is facilitated by our official programme partners, Wadhwani Foundation.

The primary objective of the DST programme is to establish a symbiotic relationship between academia and industry. It aims to provide learners with holistic development opportunities, combining theoretical learning with hands-on experience.

We offer a 9- months course which includes machine learning, soft skills development and technical training in areas such as Press Tools, Jigs and Fixtures along with Mechatronics. Trainees are also given a stipend as per the Apprenticeship Act and opportunities of employment at our factories in Noida and Greater Noida, Uttar Pradesh.

Key Performance Indicator	Performance/Impact
Number of learners engaged	35

CASE STUDY: Empowering People with Disabilities (PwDs) through Free Prosthetic and Orthotic Fitments at Saksham

Name: Akhil Ali
Residence: Gadh Ganga
Condition: Poliomyelitis

Akhil Ali, hailing from Gadhoganga, had been unaware of the services offered by Saksham until a fellow villager, who had visited the center for a prosthetic fitment, informed him. Akhil's physical disability significantly limited his mobility, making it difficult for him to find employment and adequately support his family.

Engagement with Saksham

Akhil's first visit to Saksham in 2020 marked a pivotal moment in his life. Upon his arrival, he was greeted by a compassionate team that carefully assessed his needs and provided him with a customized orthotic caliper. This intervention dramatically improved his mobility and independence, greatly enhancing his overall quality of life.

Impact of Saksham's Support

Since that initial visit, Akhil has become a regular recipient of Saksham's services. The consistent support has not only further improved his mobility but also bolstered his confidence and capacity to engage in daily activities. With his newfound mobility, Akhil has been able to seek employment opportunities, positively contributing to his family's livelihood.

Transformation and Future Prospects

The impact of Saksham's intervention extends well beyond physical rehabilitation. Akhil's story is a testament to how access to free prosthetic and orthotic fitments can restore dignity and hope, both for the individual and their community. His journey from dependence to independence underscores the transformative potential of inclusive healthcare initiatives like those provided by Saksham.

Conclusion

Akhil Ali's experience with Saksham is a powerful example of the significant impact that accessible healthcare interventions can have on the lives of PwDs. By offering free prosthetic and orthotic fitments, Saksham not only restores physical mobility but also empowers individuals to lead fulfilling and independent lives. Akhil's continued engagement with Saksham highlights the center's unwavering commitment to inclusivity and empowerment. Stories like Akhil's inspire hope and demonstrate how initiatives like Saksham can help create a more inclusive society where every individual, regardless of physical challenges, has the opportunity to thrive.

CASE STUDY: Empowering People with Disabilities (PwDs) through Free Prosthetic and Orthotic Fitments at Saksham

Name: Nikhil Gupta, 10 years

Residence: Pantnagar, Udham Singh Nagar, Uttarakhand

Condition: Congenital Talipes Equino Varus (CTEV), commonly known as Club Foot Deformity

Nikhil Gupta was born with Congenital Talipes Equino Varus (CTEV), a condition that severely affected his ankle joint, often referred to as Club Foot Deformity. His parents were deeply concerned about his future and well-being, seeking medical solutions from various healthcare facilities. Despite their efforts, they were unable to find an effective treatment for Nikhil's condition.

Accessing Life-Changing Treatment through Saksham

During a visit to the District Disability Rehabilitation Centre (DDRC) for Nikhil's Disability Certificate, his parents learned about the Spark Minda Foundation (SMF) and the support available through the Saksham - Empowerment of Persons with Disabilities program. This discovery marked a crucial turning point in Nikhil's journey. After reaching out to Saksham, Nikhil's parents were provided with a comprehensive treatment plan tailored to his needs. The program offered free orthotic fitments and ongoing support, addressing the complexities of Nikhil's Club Foot Deformity. Over the course of nine months, Nikhil underwent continuous treatment, leading to significant improvements in the alignment and functionality of his ankle joint.

Outcome

The diligent efforts led to a successful outcome as Nikhil's deformity showed remarkable corrective changes. His ankle joint regained normal function and the Club Foot Deformity was effectively cured. Nikhil's parents were overjoyed with the results and expressed profound gratitude for the life-changing support provided by Saksham - Empowerment of Persons with Disabilities.

Current Status

Today, Nikhil Gupta is a joyful and active 10-year-old who attends school enthusiastically, no longer hindered by his previous condition. His successful treatment journey is a testament to the effectiveness of SMF's initiatives and the dedication of the Saksham team in empowering individuals with disabilities.

Conclusion

Nikhil's case highlights the transformative impact of Saksham - Empowerment of Persons with Disabilities in providing accessible and effective healthcare solutions. Through their holistic approach and commitment to free fitments and treatments, SMF continues to make a significant difference in the lives of persons with disabilities, not only in Rudrapur but also beyond.

CASE STUDY: Skill Development and Livelihood Promotion Programme

Name: Seema Gangwar, 30 years
Residence: Rudrapur, Uttarakhand

Seema Gangwar, a 30-year-old resident of Rudrapur, Uttarakhand, moved to the area a few years ago due to her husband's job transfer. Facing emotional and financial difficulties, Seema sought ways to contribute to her family's financial stability. With her husband being the sole breadwinner, their finances were limited to basic necessities.

Initiative

Driven by a strong desire for financial independence, Seema enrolled in the Beauty Wellness program offered by Aakarshan Skill Development. This program was designed to provide her with the skills necessary to start her own business and improve her earning potential.

Challenges Addressed

Initially, Seema lacked technical expertise in beauty and wellness as well as confidence in customer interactions, which left her financially dependent on her family.

Training and Development

The program offered specialized training in beauty and wellness, combining practical hands-on sessions with comprehensive theoretical instruction. It also included confidence-building activities aimed at empowering participants.

Progress and Achievements:

- Improved Skills: Seema gained the expertise needed to start and manage her own salon.
- Enhanced Confidence: She developed a newfound self-assurance in interacting with customers and handling business operations.
- Career Advancement: Her newly acquired skills facilitated the successful launch of her salon and opened up additional career opportunities in the beauty industry.

Current Status

Today, Seema Gangwar is a successful entrepreneur, owning and operating a thriving salon in her local community. Her journey from financial dependency to independence highlights the transformative impact of skill development and entrepreneurship education. By utilizing the resources and support from Aakarshan Skill Development Center, Seema has realized her dream of financial autonomy and emerged as a role model for aspiring entrepreneurs in her area.

Conclusion

Seema's story illustrates the profound effect of accessible skill development programs in overcoming challenges and achieving professional goals. Her proactive approach to learning and entrepreneurship demonstrates the effectiveness of targeted training in fostering economic independence and personal growth. Seema Gangwar's continued success serves as an inspiring example of what can be accomplished through determination, education and community support.

CASE STUDY: Skill Development and Livelihood Promotion Programme

CASE STUDY

Name: Yash Sharma

Residence: Noida, Uttar Pradesh

Yash Sharma, a resident of Chhajarsi Village, Noida, Uttar Pradesh, embarked on a journey towards professional success following a recommendation from a friend to enroll in a Tally course offered by Spark Minda Foundation (SMF) in collaboration with NIIT Foundation, under the Aakarshan Skill Development Programme. This initiative was designed to provide underprivileged youth with essential skills for career advancement.

Initiative

Fueled by determination, Yash completed the Tally course at SMF, which significantly enhanced his skill set and laid a strong foundation for his career growth.

Challenges Addressed

Prior to his training, Yash faced limited job opportunities due to a lack of specialized skills in high demand within the job market.

Training and Development

Following his Tally training, Yash secured an 8-month internship at Fatx Cooperation while pursuing his graduation. During this internship, he gained practical experience in GST and other technical applications, further honing his skills and applying his new knowledge in a real-world setting.

Outcome

Career Advancement: He is a valued member of a team at a Printers & Graphics company, where he effectively applies his acquired skills across various tasks, showcasing his commitment to excellence and professional growth.

Conclusion

Yash Sharma's journey highlights the profound impact of skill development programs like Aakarshan in unlocking the potential of India's youth. Through quality education and employment opportunities, SMF's CSR programme plays a crucial role in empowering marginalized communities, fostering a more inclusive and prosperous future for all.

CASE STUDY: Business Integrated Prison Project

Name: Rakesh Bharti, 38 years

Residence: Noida, Uttar Pradesh

Rakesh Bharti, aged 38 (name and age changed for security reasons), has been actively engaged with Spark Minda's YCP Prison Project over the past three years. This initiative, part of Spark Minda's corporate social responsibility efforts, aims to empower inmates through skill development and employment opportunities within correctional facilities.

Challenge

When Rakesh joined the project, he faced significant challenges, including the lack of an external support system and unmet daily needs. Despite these obstacles, the project offered a promising opportunity for personal and professional growth within the prison environment.

Solution

The YCP Prison Project provides a structured framework for employment and skill development within the prison. Through this project, Rakesh and other inmates received contemporary technological training relevant to the automotive industry, enhancing their employability upon release. The project also allowed Rakesh to earn a salary, which he used to support his family, purchase necessities from the prison canteen and save surplus funds for the future. This structured approach not only offered immediate financial support but also equipped inmates with skills for sustainable livelihoods.

Outcome

The impact of Spark Minda's initiative has been profound. Over three years, Rakesh has gained valuable skills and achieved a sense of financial independence and stability. His accumulated savings will be crucial for a smoother reintegration into society, providing a solid foundation for future employment opportunities in the automotive sector and beyond.

Conclusion

Spark Minda's Prison Project exemplifies the transformative potential of corporate social responsibility. By offering meaningful employment, skills training and financial stability, the project not only changes individual lives but also supports broader societal goals of rehabilitation and crime prevention. Rakesh Bharti's journey underscores the positive outcomes achievable through dedicated initiatives aimed at empowering and reintegrating individuals into society.

Health and Wellbeing

At MCL, we place a strong emphasis on health and well-being, which includes initiatives such as empowering women, promoting eye healthcare and encouraging blood donation. A key aspect of our commitment to women's empowerment is the **Shakti Programme**, a social initiative by Spark Minda Foundation focused on improving health. This programme promotes safe menstrual management, family planning and reproductive health knowledge among local communities. Since 2015, the menstrual hygiene management programme has benefitted over 5,000 women and it has been implemented in villages across Uttar Pradesh, Uttarakhand, Maharashtra, Tamil Nadu and Haryana, as well as in 20+ prisons in Haryana and Uttarakhand.

In addition to these health initiatives, we are also committed to sustainability and environmental responsibility, which is exemplified through our ongoing tree plantation drives conducted in collaboration with the local community.

Key Performance Indicator	Performance/Impact
Shakti	
Baseline to end line assessment of awareness sessions on menstrual hygiene	87% women found the sessions on MHM to be impactful
Number of sanitary napkins vending machines installed	56 sanitary napkin machines installed
Number of individuals covered under the programme	1,021

Eye Health Care

Ensuring access to eye health care is crucial for reaching underserved rural populations. People especially belonging to marginalized areas have lesser access to quality eye care services as compared to the areas with higher accessibility and affordability of the service. Therefore, raising awareness about the significance of regular medical check-ups and ensuring accessibility to quality eye care services is paramount.

Eye Camps	
Number of individuals	7,269

Environment and Resource Protection

Tree Plantation:

Trees are integral to maintaining ecological balance, providing critical ecosystem services such as air quality enhancement, urban heat island effect mitigation, and wildlife habitat provision. In accordance with a detailed standard operating procedure, we implement afforestation initiatives involving a diverse selection of tree species, including those that offer shade, bear fruit, and produce flowers. To date, our afforestation efforts have resulted in the planting of over 35,000 trees. Specifically, 4800+ trees have been planted within the current reporting period. This initiative exemplifies our steadfast commitment to community engagement and the advancement of sustainable environmental practices.

Initiatives	Units	Impact FY 2023-24
Tree Plantation		
Trees planted	Nos.	4800+

Customer satisfaction

GRI 416 - 1, 2

At MCL, our commitment to delivering exceptional customer experiences is at the core of our business philosophy. We place a strong emphasis on building enduring relationships by deeply understanding and addressing the unique needs and preferences of our customers. This customer-centric approach is ingrained in our daily operations, where we strive to provide personalized interactions, innovative solutions and is an example of our continuous drive for improvement. Our dedicated after-markets division is located across four major cities in India, providing tailored solutions to our customers.

Our dedication to a customer-centric culture is evident through the array of policies, practices and initiatives we have implemented. We prioritize developing product solutions that are not only optimized but also cost-effective, ensuring they meet the specific demands of our customers. At the same time, safeguarding our customers' data is paramount , which we adhere rigorously with the help of data protection measures.

To ensure we consistently meet and exceed customer expectations, we utilize robust metrics to measure customer confidence. We actively solicit feedback from our customers and meticulously analyze it to identify areas where we can enhance our services further. This feedback loop allows us to stay agile and responsive to evolving customer needs and market dynamics. By continuously improving our services and prioritizing safety, we aim to set new industry standards and drive sustained success in the automotive sector.

MCL assesses customer satisfaction through the utilization of surveys, Net Promoter Scores (NPS) and various customer feedback mechanisms. Additionally, MCL evaluates Customer Satisfaction Index (CSI) and Customer Satisfaction Quality (CSQ) scores as part of its routine practices. This data is employed to pinpoint areas for enhancement and to measure customer sentiment regarding their products and services, ultimately striving for customer delight.

MCL establishes quantitative objectives for various products and business sectors, which are consistently monitored and compared both internally and externally. Additionally, we prioritize enhancing our Year-on-Year Net Promoter Score (NPS) by minimizing complaint resolution times, increasing customer satisfaction and expediting response times. These objectives are periodically assessed and modified in accordance with performance metrics.

MCL ensures authentic services to its clientele by maintaining a strong network of authorized dealers and service centers, complemented by a well-defined quality control process that incorporates certifications and regular audits. We employ sophisticated digital systems to monitor parts and services, thereby ensuring that customers obtain genuine and dependable products.

Some of the factors considered for deriving customer satisfaction score include:

1) Internal process efficiency

2) Product quality

3) Service response time

4) Resolution effectiveness

5) Overall customer rating and performance

MCL has introduced various action plans, including improved training programs for customer service representatives, investments in Customer Relationship Management (CRM) systems and process optimizations aimed at increasing satisfaction scores. The effectiveness of these initiatives is monitored through dashboards that provide real-time data on customer interactions, complaints and their resolution times, satisfaction indices and performance ratings. MCL employs a comprehensive multi-channel grievance redressal system that encompasses a CRM support team, online complaint portals and specialized customer service desks located at service centers. Complaints are systematically recorded, monitored and addressed in a timely manner, with established escalation procedures for urgent or unresolved matters.

Some of the key initiatives undertaken with customers on ESG initiatives are:

a) MCL disseminates information to the media through press releases to secure organic coverage

b) MCL expands the visibility of its ESG/CSR initiatives through the official social media channels of Spark Minda by disseminating audiovisual materials and content to the community.

Product Quality & Safety

GRI 416 - 1, 2

At MCL, we confront and navigate the complex challenges inherent in the automotive component manufacturing industry with diligence and commitment. Our primary goal is to ensure the highest level of satisfaction and safety of our employees, customers and consumers. Recognizing the critical importance of maintaining rigorous standards for quality and safety, we strive to mitigate any potential negative impacts by adhering strictly to stringent legal requirements governing safety and quality, which forms the

bedrock of our operations. We are dedicated to delivering products that not only meet aesthetic expectations but also uphold robust safety protocols, thereby fostering confidence among our customers. Continuous improvement is integral to our approach, as we continually invest in enhancing our technologies and refining our processes. This unwavering commitment enables us to consistently deliver sustainable, high-quality products that drive profitability and customer satisfaction.

Our state-of-the-art Research & Development (R&D) facility and strategic partnerships with industry leaders play a pivotal role in integrating cutting-edge technologies into our product lines. The dedication extends to all stakeholders, bolstered by our exemplary track record of maintaining zero incidents impacting health and safety compliance. Rigorous quality assurance practices, supported by prestigious certifications like Quality System IATF 16949:2016 Quality Management System, ISO 14001:2018 Environmental Management System underscore our unwavering pursuit of excellence.

MCL implements a series of measures to combat counterfeiting, which includes the use of secure packaging, featuring unique identification codes, a transport management system designed for tracking shipments and specific contractual provisions that require compliance with authentic products. Additionally, goods are insured to safeguard them during transit, thereby reducing the likelihood of counterfeit items infiltrating the market.

By prioritizing quality and safety across all aspects of our operations, we are committed to fostering enduring partnerships with customers and stakeholders. Through these partnerships, we aim to cultivate mutual trust, drive sustainable growth and achieve lasting success in the dynamic automotive industry landscape.

Marketing and Labelling

GRI 417- 1,2,3

At MCL, transparency is ingrained in our approach to stakeholder communication, ensuring clarity across every facet of our operations, from products and services to corporate practices. Guided by the Legal Metrology Packaged Commodities Guideline, we meticulously disclose critical product details like Maximum Retail Price (MRP), quantity, description and date of manufacture on our labels. This commitment empowers our customers with accurate and timely information.

Throughout the reporting period, we upheld a flawless compliance record, with zero incidents of non-compliance

regarding product information, service details, or marketing communications. This achievement underscores our unwavering dedication of maintaining the highest standards of transparency and fostering trust among our customers. Moving forward, we will continue to uphold these principles, solidifying our reputation as a company synonymous with integrity and openness.

MCL employs Key Performance Indicators (KPIs) including customer satisfaction ratings, service delivery timelines and rates of repeat purchases to assess both sales and after-sales performance. Activities following the sale encompass routine follow-ups, the gathering of feedback and relationship management initiatives designed to improve the overall service experience. MCL's after-sales services, which are in accordance with our sustainability objectives, encompass environmentally responsible maintenance programs, the recycling of obsolete components and the provision of services designed to prolong the lifespan of products. We emphasize sustainable practices by implementing energy-efficient techniques in our service delivery and advocating for the reuse and recycling of parts and packaging whenever feasible.

MCL utilizes legal measures, rigorous market oversight and digital tools for brand monitoring to address brand infringement. The Marketing/Communication team is essential in detecting possible brand misuse by conducting regular market assessments and online surveillance. In previous instances, MCL has taken proactive steps by partnering with law enforcement and legal organisations to avert such abuses.

MCL implements a rigorous compliance procedure to ensure that all marketing communications and labeling adhere to regulatory requirements. As of the most recent reporting period, there have been no notable instances of non-compliance, demonstrating our dedication to upholding superior standards in the dissemination of product information. There have been no significant occurrences of non-compliance in marketing communications. MCL ensures that all promotional materials undergo internal review by compliance teams to ensure adherence to legal as well as ethical standards prior to their market release.

MCL complies with the standards for product information and labeling to enhance end user awareness, guaranteeing that customers obtain precise information regarding product specifications, usage and safety. This compliance is upheld through consistent feedback from dealers and end users, as well as through audits and updates to align with evolving regulatory requirements.

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	2-24 Embedding policy commitments		
	2-25 Processes to remediate negative impacts	28	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Framework at MCL
	2-26 Mechanisms for seeking advice and raising concerns	28	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Framework at MCL
	2-27 Compliance with laws and regulations	32	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Framework at MCL > Compliance with Laws and Regulations
	2-28 Membership associations		
	2-29 Approach to stakeholder engagement	32	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Approach to Stakeholder Engagement
	2-30 Collective bargaining agreements	33	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Approach to Stakeholder Engagement

GRI STANDARD	DISCLOSURE	Page	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	12, 13	5. FROM PRINCIPLES TO PRACTICE: MCL'S APPROACH IN MOTION > Materiality Assessment
	3-2 List of material topics	13	5. FROM PRINCIPLES TO PRACTICE: MCL'S APPROACH IN MOTION > Key areas of focus and foundational pillars of Sustainability Framework
	3-3 Management of material topics	13	5. FROM PRINCIPLES TO PRACTICE: MCL'S APPROACH IN MOTION > Key areas of focus and foundational pillars of Sustainability Framework
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Responsible Investments to pursue growth
	201-3 Defined benefit plan obligations and other retirement plans	35, 57	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Responsible Investments to pursue growth 9. CARE FOR PEOPLE > Employee Management and Labour Relations
	201-4 Financial assistance received from government		No Financial Assistance received from Government.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		100%
	205-2 Communication and training about anti-corruption policies and procedures	28	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Framework at MCL > Communication of Critical Concerns
GRI 207: Tax 2019	207-1 Approach to tax	34	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Approach to Stakeholder Engagement > Responsible Investments to pursue Growth
	207-2 Tax governance, control, and risk management	34	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Approach to Stakeholder Engagement > Responsible Investments to pursue Growth
	207-3 Stakeholder engagement and management of concerns related to tax	34	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Approach to Stakeholder Engagement > Responsible Investments to pursue Growth
	207-4 Country-by-country reporting		Not applicable, as this is beyond the Reporting Boundry.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	43	8. SUSTAINABLE OPERATIONS > Handling our Materials
	301-2 Recycled input materials used	43	8. SUSTAINABLE OPERATIONS > Handling our Materials
GRI 302: Energy 2016	302-1 Energy consumption within the organization	44	8. SUSTAINABLE OPERATIONS > Energy Efficiency
	302-2 Energy consumption outside of the organization	44	8. SUSTAINABLE OPERATIONS > Energy Efficiency
	302-3 Energy intensity	44	8. SUSTAINABLE OPERATIONS > Energy Efficiency
	302-4 Reduction of energy consumption	44	8. SUSTAINABLE OPERATIONS > Energy Efficiency
	302-5 Reductions in energy requirements of products and services	45	8. SUSTAINABLE OPERATIONS > Energy Efficiency > Energy Conservation and Reduction
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
	303-2 Management of water discharge-related impacts	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
	303-3 Water withdrawal	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
	303-4 Water discharge	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
	303-5 Water consumption	49	8. SUSTAINABLE OPERATIONS > Managing Water and Effluents
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
	305-5 Reduction of GHG emissions	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
	305-6 Emissions of ozone-depleting substances (ODS)	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	46	8. SUSTAINABLE OPERATIONS > GHG Air Emissions
GRI 306: Effluents and Waste 2016	306-3 Significant spills	52	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity

GRI STANDARD	DISCLOSURE	Page	LOCATION
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	51	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity
	306-2 Management of significant waste-related impacts	51	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity
	306-3 Waste generated	52	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity
	306-4 Waste diverted from disposal	52	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity
	306-5 Waste directed to disposal	52	8. SUSTAINABLE OPERATIONS > Waste Reduction and Circularity
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	56	9. CARE FOR PEOPLE > Employee Management and Labour Relations > New Hires to MCL Family
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	57	9. CARE FOR PEOPLE > Employee Management and Labour Relations
	401-3 Parental leave	57	9. CARE FOR PEOPLE > Employee Management and Labour Relations
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	57	9. CARE FOR PEOPLE > Employee Management and Labour Relations
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	58	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	58	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-3 Occupational health services	58, 59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-5 Worker training on occupational health and safety	59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-6 Promotion of worker health	59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	59	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-9 Work-related injuries	60	9. CARE FOR PEOPLE > Occupational Health and Safety
	403-10 Work-related ill health	60	9. CARE FOR PEOPLE > Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	61	9. CARE FOR PEOPLE > Upskilling our employees and Value Chain
	404-2 Programs for upgrading employee skills and transition assistance programs	61	9. CARE FOR PEOPLE > Upskilling our employees and Value Chain
	404-3 Percentage of employees receiving regular performance and career development reviews	63	9. CARE FOR PEOPLE > Upskilling our employees and Value Chain
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	24	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Structure and Composition > Details of remuneration/salary/wages
	405-2 Ratio of basic salary and remuneration of women to men	24	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Governance Structure and Composition > Details of remuneration/salary/wages
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	60	9. CARE FOR PEOPLE > Human Rights
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	64	10. INCLUSIVE GROWTH > Corporate Social Responsibility: Fostering a better World
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	74. 75	10. INCLUSIVE GROWTH > Customer Satisfaction 10. INCLUSIVE GROWTH > Product Quality and Safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	74, 75	10. INCLUSIVE GROWTH > Customer Satisfaction 10. INCLUSIVE GROWTH > Product Quality and Safety

GRI STANDARD	DISCLOSURE	Page	LOCATION
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	76	10. INCLUSIVE GROWTH > Marketing and Labeling
	417-2 Incidents of non-compliance concerning product and service information and labeling	76	10. INCLUSIVE GROWTH > Marketing and Labeling
	417-3 Incidents of non-compliance concerning marketing communications	76	10. INCLUSIVE GROWTH > Marketing and Labeling
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	36	6. CORPORATE GOVERNANCE AND BUSINESS ETHICS > Information Technology and Cybersecurity