

## Business Responsibility Report

Section A		General Information about the Company
1	Corporate Identification Number	L35912MH1975PLC018376
2	Name of the Company	Maharashtra Scooters Limited
3	Registered Address	C/O Bajaj Auto Ltd., Mumbai-Pune Road, Akurdi, Pune 411035
4	Website	<a href="http://www.mahascooters.com">www.mahascooters.com</a>
5	Email Address	<a href="mailto:rbladdha@bajajauto.co.in">rbladdha@bajajauto.co.in</a>
6	Financial year reported	1 April, 2018 – 31 March, 2019
7	Sector(s) that the Company is engaged in	Investment (65996), Manufacture of Die Casting Dies, Fixtures (29295), Die Casting Components ( )
8	3 key products/services manufactured/provided by the Company	Manufacture of Die Casting Dies, Fixtures and Die Casting Components, primarily for automobile industry
9	Total number of locations where business activity is undertaken by the Company	Two locations: Akurdi and Satara
10	Markets served by the Company	India
Section B		Financial details of the Company
1	Paid up capital (INR)	Rs.11.43 Cr
2	Total turnover (INR)	Rs.95.93 Cr
3	Total profit after tax (INR)	Rs.72.79 Cr
4	Total spending on CSR as percentage of PAT (%)	Rs.0.16 Cr 2% Net profit as per the CSR rules under the Companies Act 2013.
5	List of the activities in which expenditure in 4 above has been incurred	Education
Section C		Other details
1	Does the Company have any Subsidiary Company/ Companies?	The Company does not have any subsidiaries
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D		BR information
1a	Details of Director(s) responsible for BR	DIN 00014615 Sanjiv Bajaj Director
1b	Details of the BR Head	DIN: Not Applicable R.B. Laddha CFO 020-27406434 <a href="mailto:rbladdha@bajajauto.co.in">rbladdha@bajajauto.co.in</a>
2.	Principle-wise BR policy/policies	Included in this report
3.	Governance related to BR	Included in this report
Section E		Principle-wise performance
1	Principle-wise performance	Included in this report

## Preface

As mandated by the Securities and Exchange Board of India (SEBI), India's top 500 listed entities based on market capitalisation on the BSE and NSE, are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for 2018-19. This report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

Maharashtra Scooters Limited ('MSL', 'the Company'), to whom the said requirement became applicable for the first time in the financial year 2016-17, presents its third BRR in line with the NVGs and the BRR requirement of SEBI. The business responsibility performance of the Company is assessed annually by MSL's Board of Directors.

Incorporated on 11th June 1975, the Company manufactured motorised geared scooters under the brand name of "Priya", "Bajaj Super" and "Bajaj Chetak". With changing consumer preferences, the Company discontinued the production of geared scooters with effect from 1<sup>st</sup> April 2006, and transitioned to manufacturing pressure die casting dies, jigs and fixtures and die casting components, primarily meant for automobile industry. The Company has been classified as Core Investment Company (CIC) exempted from registration with Reserve Bank of India (RBI) pursuant to Section 45-IA of RBI Act, 1934.

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

MSL strives to adopt high standards of corporate governance and adheres to all applicable guidelines. MSL updated its Code of Conduct for the Company's Directors and Senior Management on 13<sup>th</sup> October 2014 and the same is hosted on the website of the Company viz [www.mahascooters.com](http://www.mahascooters.com). It stipulates that "Directors and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment". A declaration of the Directors and Senior Management's affirmation to this Code of Conduct is communicated to all stakeholders by the Chief Executive Officer in the Annual Report.

MSL has established a Vigil Mechanism which provides individuals with a mechanism to report violations without fear of victimisation. These may be violation of the Code of Conduct, suspected or actual fraud, unethical behaviour, etc. The Director / employee can address the complaint to any member of the Enforcement Committee along with the available details and evidence. Adequate

measures are in place to ensure safeguards against victimisation for employees who report any unethical behaviour. The Directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee.

No stakeholder complaints linked to the Code of Conduct adherence were received during the reporting year.

### **Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

As a responsible business, MSL is committed to providing goods that are safe and which imbibe sustainability throughout their life cycle. This is reflected in the Company's policies that guide its actions at every step.

The Company has an Environment Policy which underlines its commitment to eco-friendly and energy efficient operations, conservation of natural resources and reduction of waste.

In addition, the Company has a Safety & Health Policy which highlights MSL's commitment to a safe and healthy working environment for its employees. Training and awareness is provided to employees at each level with an aim to improve their physical, mental and social well-being.

### **Principle 3: Businesses should promote the well-being of all employees**

As of 31 March 2019, MSL had a total employee strength of 169, consisting of 57 permanent staff, 51 permanent workmen and 61 trainees and contractual employees. The Company did not have any women or specially-abled employees in FY 2018-19. MSL has a recognised workmen union and 100 per cent of the daily rated employees are its members.

MSL is committed to employee welfare as it believes that employees are its greatest operational strength. The Company invests in the growth and development of all its employees through relevant trainings and engages with them on a regular basis.

The Company did not receive any complaint regarding child labour, forced labour, involuntary labour or sexual harassment in FY 2018-19 and none are pending as of 31 March, 2019.

### **Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

MSL is an equal opportunity employer and ensures that its remuneration practices are based on merit, irrespective of the person's ethnic background or gender. The Company certifies that these practices are updated on a regular basis and are in line with international benchmarks. In addition, the Company practices affirmative action and ensures there is no discrimination of any type against socially disadvantaged sections at the work place.

### **Principle 5: Businesses should respect and promote human rights**

MSL is compliant with all the applicable laws of the land that pertain to human rights and safeguards human rights of all its employees. The Company did not receive any complaint regarding violation of human rights in 2018-19.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

MSL is committed to conduct its business in a manner that protects the natural environment. To this end, the Company has identified and assessed the potential environmental risks that it faces. To mitigate these risks, MSL has an Environment Policy as well as an Energy Policy that aim to ensure optimum and effective utilization of natural resources in its operations. Some examples of environmental initiatives are utilization of solar energy for canteen operations, generation of biogas and production of vermi-compost from waste at the Company's plant in Satara.

The Company's facilities operate as per the 'Consent-to-Operate' provided by the State Pollution Control Board (SPCB), and are within permissible limits with regards to the emissions and waste generated. No show-cause notice was received from the Central Pollution Control Board (CPCB) or the SCPB in the reporting year.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

MSL is a founding member of the Manufacturers Association of Satara. As an active member of the association, the Company participates in the relevant industry discussions.

**Principle 8: Businesses should support inclusive growth and equitable development**

MSL has adopted a Corporate Social Responsibility (CSR) Policy which outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking community welfare and sustainable development activities at large.

The core element of CSR is the continuing commitment by business to ethical principles, protection of human rights and care for the environment, while improving the quality of life of all the stakeholders including the local community and society at large.

The Company has made a conscious call to design and implement Social Investments / CSR programs for rural India, by enriching value chains that encompass the disadvantaged sections of society, through economic empowerment based on grass-root capacity building.

This Policy shall apply to all CSR initiatives and activities taken up for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

During the financial year 2018-19 the Company was required, under section 135 of the Companies Act 2013, to spend a sum of Rs. 12 lakhs, being 2% of its average net profit during the last three (3) financial years.

During the reporting year, the Company provided financial support of Rs.1 lakh to Maharshi Karve Stree Shikshan Sanstha which runs an educational institute for girl students. The Company also provided financial support of Rs.12 lakh to Bramendra-swami High School, which runs an educational institute for rural students. This enabled the school to construct a new high school building.

For more information, refer to the Report on CSR activities as contained in the Annual Report 2018-19.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

MSL's Quality Policy underlines its commitment to provide excellent quality products and services with the aim of 'Maximum Customer Satisfaction' through continuous improvements in quality. The Company manufactures dies and fixtures as per specific customer requirements and hence relevant product details are provided to customers over and above the requirements.

There are no pending customer complaints or pending cases regarding unfair trade practices, irresponsible advertising and /or anti-competitive behaviour pending as of 31 March 2019.