

## 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:svpathak@bajajauto.co.in">svpathak@bajajauto.co.in</a>	
6	Financial year reported	1 April, 2019 – 31 March, 2020	
7	Sector(s) that the Company is engaged in	Investment (65996), Manufacture of Die Casting Dies, Fixtures (29295)	
8	3 key products/services manufactured/provided by the Company	Manufacture of Die Casting Dies and Fixtures, 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. 213.83 Cr	
3	Total profit after tax (INR)	Rs. 179.94 Cr	
4	Total spending on CSR as percentage of PAT (%)	RS. 16.10 lacs 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	
		Chairman	

1b	Details of the BR Head	DIN: Not Applicable
		Shrinivas Pathak
		CEO
		02162-244668
		svpathak@bajajauto.co.in
2.	Principle-wise BR policy/policies	Included in this report
3.	Governance related to BR	Included in this report
<b>Section E</b>	<b>Principle-wise performance</b>	
1	Principle-wise performance	Included in this report

## Preface

As mandated by the Securities and Exchange Board of India (SEBI), India's top 1000 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 2019-20. 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 fourth 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 in the initial three decades 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, primarily meant for two and three - wheeler industry. The Company since 2015-16 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. Pursuant to directives of the Hon'ble Supreme Court of India vide its Order dated 9<sup>th</sup> January 2019, Western Maharashtra Development Corp. Ltd., a joint Promoter of the Company, transferred its entire 27% stake in the Company to Bajaj Holdings and Investment Limited and consequently effective 17 June 2019, MSL has become a subsidiary of Bajaj Holdings and Investment Limited.

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

MSL endeavours 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.

In order to enable individuals to report violations of the Code of Conduct, cases of suspected or actual fraud, unethical behaviour, etc., without the fear of victimisation, MSL has established a Vigil Mechanism. The Director / employee can address the complaint to any member of the Enforcement Committee along with the available details and evidence. Also, suitable 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**

MSL is aware about the role that sustainability plays in an organisation's long term success. The Company is committed to providing goods that are safe and which imbibe sustainability throughout their life cycle. To this end, MSL has adopted 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 2020, MSL had a total employee strength of 165 Nos., consisting of 55 Nos. permanent staff, 51 Nos. permanent workmen and 59 Nos. trainees and contractual employees. The Company did not have any women or specially-abled employees in FY 2019-20. MSL has a recognised workmen union and 100 per cent of the daily rated employees are its members.

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

The Company did not receive any complaint regarding child labour, forced labour, involuntary labour or sexual harassment in FY 2019-20 and none is pending as of 31 March, 2020.

### **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 practises 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 2019-20.

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

As a responsible organization, MSL is dedicated to conduct its activities in a manner that protects the natural environment. Further, the Company has identified and assessed the potential environmental risks that it faces. With a view to mitigating these risks, MSL has an Environment Policy as well as an Energy Policy in place. These policies enable the Company to work towards ensuring optimum and effective utilization of natural resources in its operations. Utilization of solar energy for canteen operations, generation of biogas and production of vermi-compost from waste at the Company's plant in Satara are some of the examples of environmental initiatives undertaken by MSL.

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 regard 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 is committed to the overall development of the society, especially those who are disadvantaged. To this end, the Company 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. 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.

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.

MSL has consciously decided to design and implement Social Investments / CSR programs for rural India that work towards economic empowerment through grass-root capacity building and enriching value chains that encompass the disadvantaged sections of society.

In the financial year 2019-20, the Company was required, under section 135 of the Companies Act 2013, to spend a sum of Rs.16.01 lakhs, being 2% of its average net profit during the last three (3) financial years.

During the reporting year, the Company provided financial support amounting to Rs.16.10 lacs to Shri Bramhendaswami High School, Dhawadshi, Satara for construction of a new school building.

For more information, refer to the Report on CSR activities as contained in the Annual Report 2019-20.

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

MSL believes in consistently achieving excellence in product quality. The Company'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 2020.