

SEC/2023/085
11th May, 2023

BSE Limited Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001 BSE Scrip Code: 532756	National Stock Exchange of India Limited Corporate Relationship Department, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 NSE Scrip Code: MAHINDCIE
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Sub: Business Responsibility and Sustainability Report for the financial year ended 31st December, 2022

Dear Sir/ Madam,

This is further to our submission of Annual Report for the Financial Year 31st December 2022, please find enclosed herewith the Business Responsibility and Sustainability Report for Financial Year 2022.

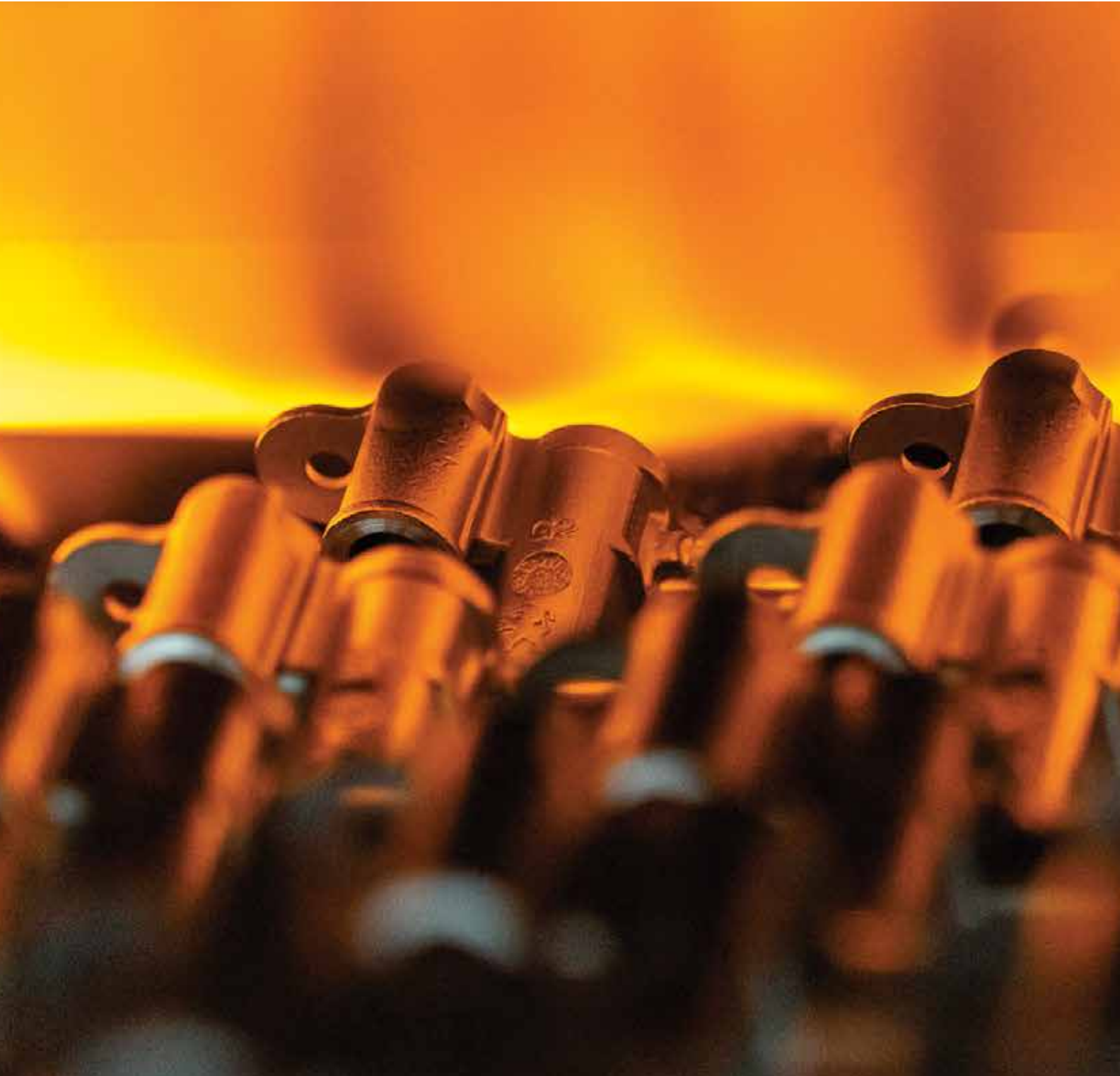
Kindly note that the Business Responsibility and Sustainability Report for the Financial Year 2022 also forms part of the Annual Report - 2022 and has been submitted to the Stock Exchanges as part of the Annual Report - 2022.

Kindly take the same on the record.

Thanking you,
Yours faithfully,
For Mahindra CIE Automotive Limited

Pankaj Goyal
Company Secretary and Compliance Officer
Membership No. A 29614
Encl: As above

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I.	Details of listed entity	
1.	Corporate Identity Number (CIN) of the Company	L27100MH1999PLC121285
2.	Name of the Company	Mahindra CIE Automotive Limited
3.	Year of incorporation	1999
4.	Registered office address	Suite F9D, Grand Hyatt Plaza (Lobby Level) Off Western Express Highway, Santacruz (E) Mumbai – 400055
5.	Corporate address	602-603, Amar Business Park, Baner Rd, opp. Sadanand Resort, Pune, Maharashtra 411045
6.	E-mail id	mcie.investors@cie-india.com
7.	Telephone	022-62411031
8.	Website	http://www.mahindracie.com
9.	Financial year reported	1 st January 2022 to 31 st December, 2022
10.	Name of the Stock Exchanges where shares are listed	BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 3,793.17 Million
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ashok Bhimanpalli, Head (Safety and Sustainability) Telephone: 020-29804621 Email: ESG.Sustain@cie-india.com
13.	Reporting boundary	Standalone

II. Products/services

14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Manufacturing	Metal and metal products	96%

15. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Crankshaft/ Stub axle as forged and machined, Steering shaft/ wheel hub/steering yokes/ constant velocity joints, Steel metal stamping/Components and assemblea, Soft and Hard Magnet	25910	74%
2	Turbo chargers housing/ Axle and transmission Parts	24319	15%
3	Engine Gear/ Timing Gear/ Drive Shaft	28140	7%

III. Operations

16. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	25	2	27
International	0	0	0



17. Markets served by the Company

a.	Number of locations	
	Locations	Number
	National (No. of States)	20
	International (No. of Countries)	32
b.	What is the contribution of exports as a percentage of the total turnover of the Company?	10%
c.	Types of customers	<p>The Company is a large, diversified auto-components company which serves its customers across many processes / product lines and geographies. It supplies to Automotive Original Equipment Manufacturers (OEMs) and their Tier 1 suppliers across multiple technologies.</p> <p>For more details regarding the same, you may kindly refer the Management Discussion and Analysis which forms part of the Company's Annual Report – 2022.</p>

IV. Employees

18. Details as at the end of Financial Year, i.e. December 31, 2022:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1,558	1,522	98%	36	2%
2.	Other than Permanent (E)	4	3	75%	1	25%
3.	Total employees (D+E)	1,562	1,525	98%	37	2%
WORKERS						
4.	Permanent (F)	2,700	2,689	100%	11	0%
5.	Other than Permanent (G)	5,742	5,658	99%	84	1%
6.	Total workers (F+G)	8,442	8,347	99%	95	1%

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	3	100%	0	0%
2.	Other than Permanent (E)	0	0	100%	0	0%
3.	Total differently abled employees (D+E)	3	3	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	4	4	100%	0	0%
5.	Other than Permanent (G)	3	3	100%	0	0%
6.	Total differently abled workers (F+G)	7	7	100%	0	0%



19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	1	9.09%
Key Management Personnel	3	0	0%

Note: The Key Management Personnel are excluding those who are members of Board of Directors.

20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

Category	FY2022 (Turnover rate in Current Year)			FY 2021 (Turnover rate in Previous Year)			FY 2020 (Turnover rate in the prior to previous year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	14.74%	14.55%	14.74%	13.66%	20.51%	13.76%	16.18%	27.03%	16.32%
Permanent workers	5.35%	0%	5.33%	2.98%	8%	3.01%	8.81%	44.44%	8.98%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. Name of holding/subsidiary/associate companies/joint ventures**

Sl. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture (B)	% of shares held by the Company (C)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No) (D)
1.	CIE Automotive S.A.	Ultimate Holding	NA	No
2.	Participaciones Internacionales Autometal, DOS S.L	Holding	65.71	No
3.	CIE Galfor S.A.	Subsidiary	100	No
(i)	UAB CIE LT Forge	Subsidiary	100	No
(ii)	CIE Legazpi S.A	Subsidiary	100	No
(iii)	CIE Forging Germany GmbH (previously known as Mahindra Forgings Europe AG)	Subsidiary	100	No
(iv)	Jeco Jellinghaus GmbH ¹	Subsidiary	100	No
(v)	Gesenkschmiede Schneider GmbH	Subsidiary	100	No
(vi)	Falkenroth Unformetechnik GmbH	Subsidiary	100	No
(vii)	Schoneweiss & Co. GmbH	Subsidiary	100	No
(viii)	Metalcastello S.p.A.	Subsidiary	99.96	No
4.	Aurangabad Electricals Limited	Subsidiary	100	No
5.	Stokes Group Limited ²	Subsidiary	100	No
6.	BF Precision Private Limited	Subsidiary	100	No
7.	Bill Forge de Mexico s de RL de CV	Subsidiary	99.99	No
8.	CIE Hosur Limited	Subsidiary	100	No



Sl. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture (B)	% of shares held by the Company (C)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No) (D)
9.	Gescrap India Private Limited	Associate	30	No
10.	Clean Max Deneb Power LLP	Associate	26	No
11.	Sunbarn Renewables Private Limited	Associate	26.12	No
12.	Renew Surya Alok Private Limited	Associate	31.2	No
13.	Strongsun Solar Private Limited ³	Associate	27.35	No

Notes:

1. Jeco Jellinghaus GmbH (subsidiary of CFG) been operationally closed.

2. Stokes Group Limited is under Liquidation.

3. Strongsun Solar Private Limited has become Associate Company w.e.f. 21st December, 2022.

VI. CSR Details

22.	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	(ii) Turnover (in Rs.) (FY 2021)	₹ 30,451,107,130/-
	(iii) Net worth (in Rs.) (FY 2021)	₹ 28,202,704,118/-

VII. Transparency and Disclosure Compliances**23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY2022			FY2021		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes https://www.mahindracie.com/investors/investor-contacts/investor-relations-dept.html	0	0	NA	0	0	NA
Shareholders	Yes https://www.mahindracie.com/investors/investor-contacts/investor-relations-dept.html	7*	2	Resolved **	2	0	Closed
Employees and workers	Any stakeholder can report their genuine concerns through the Whistle Blower Channel available at the weblink: https://www.mahindracie.com/investors/investor-relations/governance .	0	0	NA	4	0	NA



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) <i>(If yes, then provide weblink for grievance redressal policy)</i>	FY2022			FY2021		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	html#whistle-blower.	0	0	NA	2	0	NA
Value chain partners	The grievances are redressed in accordance with the Whistle Blower Policy of the Company.	0	0	NA	2	0	NA
Customers #	<p>Apart from the Whistle Blower Mechanism, the ESG Policy of the Company provides dedicated communication channels through which the Company may receive grievances of the community. The Company will endeavour to redress the same in accordance with the principles laid down under the Policy.</p> <p>Further, the Global contact for any issue related to ESG available under CIE Group's Global ESG Policy, details of which are available at the weblink: https://cieautomotive.com/en/contacto.</p> <p>The Company will endeavour to redress the same in accordance with the principles laid down under the Global Policy.</p>	442	0	Closed	457	0	Closed
Others (please specify)	Not applicable						

*The number of complaints pertains to complaints in relation to shareholder services and not related to any principles under the National Guidelines on Responsible Business Conduct.

**The grievances were received in December, 2022 and were resolved after the closure of the financial year within the statutory timelines.

The number of complaints pertains to the complaints received from customers in the normal course of business relating to operational issues and were resolved within the prescribed standard timeline as per the SOPs of the Company.



24. Overview of the Company's business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Social Matters					
1.	Attracting and retaining talent	Risk	<p>Management of the current and projected pace of growth requires consolidation and development of the Company's finest asset, its people. The need to continuously hire, train and retain professionals is set to remain a major challenge in the years to come. High staff turnover makes it hard to operate at normal levels and achieve the company's targets.</p> <p>That is why it is fundamental to agree a unified training and promotion plan with the aim of planning, appraising and enhancing professionals' current and future skillsets so as to facilitate delivery of Company's strategic objectives.</p>	<p>The Company is continually improving its employment terms and conditions to make them compel for its existing people and to attract new talent to the organisation.</p> <p>Factory managers and HR managers periodically assess the situation at their factories for the risk of losing talent, especially in critical positions, and take the measures required to retain key talent and plan for succession as needed.</p> <p>The Company has adopted the CIE Group's Professional Development Programme which, among other things, enables it to identify high potential individuals in our factories and monitor their performance at the Company.</p> <p>CIE Group has recently launched Diversity Diagnostics initiative, and has included generational diversity as one of the four classes of diversity to be analysed with the aim of integrating talent from different generations and generating personnel ageing data by job category, factory and region so as to be able to anticipate, at the corporate and local levels, potential succession planning needs at each factory.</p>	<p>The financial implication of the risk cannot be quantified. However, in case the risk is materialised, the impact will be negative.</p>



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Customer Satisfaction	Risk as well as Opportunity	Challenges in management of new projects and/or operations could lead to failure to attain the defined specifications and, possibly, breaches of contract. (e.g., delivery times, milestones or quality).	<p>Customer responsiveness is addressed from every area of the organisation.</p> <p>The Company's key Business Processes are centred on ensuring that it meets customer expectations at every step of its relationship with them. For example, Sales Process guarantees that the entire process of searching for and securing new business is done as effectively as possible, with customer satisfaction as the overarching goal. Already during that phase, the Company analyses all customer requirements, specifications and needs so as to make proposals that tick all the boxes, underpinned by technical, quality and supply chain reviews conducted with the customer.</p> <p>If the Company secures new business, it ensures that the launch and industrialisation of the project is framed by the highest standards, specifically including control tools that are widely used in the sector, such as product and process FMEAs, product and manufacturing validations, control plans, prototype launches, samples and ongoing revision of customer specifications with a focus on special characteristics and regulatory and safety considerations.</p> <p>Lastly, once the agreed launch standards have been attained, mass supply begins, framed by the procedures and tools, comprising set process.</p> <p>All of these processes and tools are aligned with the most stringent sector standards and are audited continuously both internally and by a third party. Of course, there are many other groupwide processes that similarly contribute to ensuring customer satisfaction, the transfer of know-how to projects, the availability of top-quality suppliers and the right use of the people, resources and technology to meet customer demands.</p>	Both Positive and Negative.



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Occupational Health and Safety	Risk	<p>The management have ensured that the people are working in a safe environment. Even the machines/equipment procured are not only proven for process consistencies but are also proven to ensure safety requirements. The management have taken every possible step to provide training to the workmen. However, the complexities arises since we are working in a dynamic scenario where people and machines undergo changes and hence the most important aspect is discipline, which is why this is identified as a Risk.</p>	<p>As per its Strategic Plan, the Company is working to have all of its factories certified under ISO 45001, the International Health and Safety Management System Standard devised to protect employees and visitors from workplace injuries and illnesses. Out of 25 locations, 20 are certified for ISO 45001. The remaining four plants do have in place the health and safety management aligned to requirement of these standards and the same is expected be certified in the year 2023.</p> <p>Developing and sustaining safety culture is a journey and management is keen in upgrading its processes and procedures across all plants by continuously monitoring its progress and adherence of Safety Standards framed by the Company.</p> <p>The focus of CY22 was on improving our 5 key safety lead indicators which demonstrates our commitment and accountability of line managers in safety and health management at our manufacturing facilities. Our continuous efforts in safety of people has resulted in significant improvement in the overall safety and health performance in CY-22. Further, following actions are undertaken on continuous basis:</p> <ul style="list-style-type: none"> • Employees receive safety training tailored to the risks posed by their jobs through our Dexterity Centre. • Front Line Supervisor's training on hazard identification, risk assessment and the mitigation of risk. • Involve our employees and business associates in maintaining a clean, safe and healthy environment through consultation and participation. 	<p>The financial implication of the risk cannot be quantified. However, in case the risk is materialised, the impact will be negative.</p>



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Responsible supply chain management	Opportunity	As a group, the approach towards supply chain is GLOCAL - global management with a significant local component - articulated around excellence. Excellence in cost containment, excellence in guaranteeing uninterrupted supplies, without neglecting quality, and excellence in getting the supply chain meaningfully engaged around ESG goals.	<p>The Company has adopted the Group's Global Supply Chain Manual, Conflict Minerals Policy and supply chain procedures, policies and standards. The global General Purchasing Terms and Conditions to include an ESG compliance clause.</p> <p>Further, new version of the Suppliers Portal has been launched at Group level to provide a tool for determining the ESG health of our suppliers</p> <p>The approach in CY2023 shall be:</p> <ul style="list-style-type: none"> - Continuing to drive local sourcing. - Initiating specific ESG audits or process audits that include ESG considerations. - Promoting the ESG Suppliers Day event as a way of bringing small and medium sized suppliers into contact with ESG practices. - Initiating environmental assessment of non-productive or indirect suppliers 	Positive, It will help in reducing GHG Emissions.
Environmental Matters					
5.	Circular Economy – efficient use of raw material and waste management	Opportunity	<p>Steel as a raw material is highest associated volume of use as well as waste which may not be recycled in full within companies' factories. Responsibility for waste generation does not end when that waste is removed from Company's facilities. To that end, in addition to its waste minimisation plans, it must devise an efficient waste classification system thereby seeking to reduce its environmental impact.</p> <p>Further raw material is about 50% of our total product cost which necessitates a strict control and structured approach to ensure its efficient usage.</p>	<p>CIE Automotive Group is moving towards a circular model, striving to reduce raw material, water and energy consumption and waste year after year. To that end, it is taking action at every stage of its value chain, introducing energy efficiency measures throughout its processes and facilities that not only help minimise its environmental impact but also reduce energy costs.</p> <p>The Company has been undertaking various projects for optimising the use of raw material and increasing efficiency as discussed under Principle 6.</p>	Both Positive and Negative



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	New forms of mobility	Risk as well as Opportunity	<p>Electrification of powertrains has seen rapid adoption in Europe (market share >10%) and is picking up in India as well, especially in two and three wheelers. A relevant part of sales comes from manufacturing internal combustion engine parts that are at risk due to the transition to EVs. We have developed a good order book for EV parts and are working with major European & Indian OEMs in the EV space, across segments. Our EV order book covers Aluminum & steel forgings, gears, stampings & composites parts for e2W, e3W and e4W. EVs will mean a greater emphasis on stamped, plastic and aluminum parts compared to forged, cast or machined parts. We are well placed to tackle this change as we have presence in multiple processes, especially in India. As the supplier ecosystem for EVs is at a nascent stage, EV OEMs are looking to partner with suppliers who have quality and pedigree. Therefore, the transition to EVs may be more of an opportunity rather than risk.</p>	<p>In recent years, automotive parts suppliers, including the Company, have been showcasing their ability to react and adapt to the far-reaching changes affecting society and the automotive sector. Beyond the flexibility displayed around the COVID-19 pandemic, the parts makers are helping the OEMs address a number of trends emanating from society demands, which will translate into new mobility solutions and changes in manufacturing models.</p> <p>The Company plans to reinforce the flexibility of its model to adapt to unfolding and future customer needs and emerging trends. Product portfolio diversification will give it a unique ability to adapt relative to its competitors.</p> <p>A portfolio in which more than eight out of every 10 products are independent of a vehicle's propulsion system and therefore not impacted by the sector electrification trend.</p> <p>For the rest of its parts, the Company shall work from the technological and market standpoints to make the most of the opportunities emerging in the battery, engine/motor, power electronics and gearshift areas.</p>	Both Positive and Negative
7.	Environmental Impact	Risk as well as opportunity	<p>The climate emergency has prompted CIE Automotive Group to strengthen its commitment to carbon neutrality and accordingly CIE Automotive S.A. has joined the SBT initiative and have set-up the clear target of achieving neutrality by no later than 2050, implying medium-term targets to limit global warming to 1.5° C.</p>	<p>Company's environmental management systems are based on the ISO 14001 standard and ensure pollution does not exceed the thresholds stipulated in prevailing regulations.</p> <p>Each of the Company's management system focuses on guaranteeing control over impacts on the air and pollution so as to identify potential risks and launch local action plans to eliminate or mitigate them, in keeping with applicable legislation.</p> <p>Key actions include minimising our environmental impact, fighting climate change and caring for our surroundings by means of:</p> <ul style="list-style-type: none"> • Energy generated from renewable sources • Material circularity • Responsible use of water • Energy efficiency in processes • Reduced waste generation • Use of cleaner fuel 	Both Positive and Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y Note 1	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2
	c. Weblink of the policies, if available	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3
2.	Whether the Company has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4



5.	Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company is part of CIE Automotive Group's 5 years ESG Strategic Plan 2025 and have undertaken specific targets in the nature of Key Performance Indicators (KPIs) which are tracked at the Group level.
6.	Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	The Company as a part of the KPIs and continuing its efforts in the areas of Waste Management, Energy and Water conservation, increasing proportion of green energy in overall energy consumption, optimisation of resource utilisation and increasing efficiency has undertaken various projects under nine different categories during the year. The implementation of these Projects and their outcomes is reviewed by the Sustainability Council on quarterly basis. Details of the projects undertaken, and their outcome is provided in this report under point no. 6 of leadership indicators of Principle 6. Further, the Company in accordance with its ESG Policy and in alignment with the CIE Group's 5 years ESG Strategic Plan 2025, is in process of formulating its ESG Road Map and shall accordingly undertake specific commitments, goals and targets with defined timelines and accordingly report the performance against such targets.

Notes:

1. The Company is member of trade and industry chambers like The Automotive Component Manufacturers Association of India (ACMA), The Confederation of Indian Industry (CII) and Maharashtra Chamber of Commerce and Industries (MCCI). The Company has formulated Environmental, Social and Governance Policy which include that the Company should operate the business within national and international legislative and policy framework and not engage in influencing public and regulatory policy. However, the Company may become member of trade and industry chambers or associations and other similar collective platforms, which may be involved in conveying industry concerns to policy makers.
2. The Board of directors of the Company have approved the policies required to be framed under Companies Act, 2013 and SEBI Regulations including Internal Code of Professional Conduct, Whistle Blower Policy, CSR Policy, Code for fair disclosures, Policy on Related Party Transactions and Business Responsibility Policy and these policies are signed by respective officers authorized by the Board for its implementation. Other operational internal policies are approved by management and signed by the respective business head. Further, the Company has also adopted a few global policies framed by CIE Automotive S.A. the ultimate holding company.
3. It has been Company's practice to upload all policies on internal server or display at prominent places in respective locations or shared with relevant stakeholders for the information and implementation by the internal stakeholders. The Internal Code of Professional Conduct, Whistle Blower Policy, CSR Policy, Code for fair disclosures, Policy on Related Party Transactions, Environmental, Social and Governance Policy are available on the website the <https://www.mahindrachie.com/investors/investor-relations/governance.html#policies-and-code-of-conduct>.
4. The policies are in line with international standards and practices such as ISO 9001, IATF Guidelines, ISO 14001, ISO 45001 and meet National regulatory requirements such as the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Governance, leadership and oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	<p>The Company is committed towards sustainable development through continued and targeted efforts towards environment, social and governance aspects of our business. In line with our global company direction, we have identified following areas through our materiality assessment as:</p> <p>Social: 1. Attracting and retaining talent, 2. Customer Satisfaction, 3. Occupational Health and Safety, 4. Responsible Supply Chain Management,</p> <p>Environment: 1. Circular economy-efficient use of raw material, and waste management, 2. New form of mobility, 3. Environment Impact</p> <p>At the beginning of CY-2022, while the Company has not undertaken specific targets, the emphasis continued on increasing the share of green energy in total energy consumption. During CY2022 the captive solar power plants set up in Maharashtra with capacity of 52.5 MW commissioned supply with the entire capacity. The proportion of the renewable energy consumption to the total energy consumption was about 51% in CY-2022. During the year the Company has signed firm agreements to source additional 16 MW power from captive solar power plants to be set-up in Maharashtra, which are expected to commission in CY-2023.</p> <p>On its pathway towards a circularity model, the Company emphasized on better managing natural resources, monitoring its consumption and waste generation to minimizing impacts arising from our activities on environment.</p>
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		<p>Further, as part of Group's ESG Strategic Plan, in CY-2022 the Company has focused on its supplier relations and ethics compliance with following key targets:</p> <ol style="list-style-type: none"> 1. Conducting supplier audits (with annual purchase volume > €1M) on ESG criteria 2. Enrolling and registering suppliers on the Supplier Portal 3. Increasing purchase from local suppliers 4. Ensuring 100% employees complete their Code of Conduct training <p>Further a 5 years ESG Road Map is under discussion as a part of which the Company will set specific targets and commitments in line with the ESG Strategic Plan of CIE Group and the ESG Policy of the Company.</p>																																							
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The Sustainability Council as formed as per the ESG Policy of the Company is the highest authority responsible for implementation and oversight of the Business Responsibility policies.																																							
9.	Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board has nominated Mr. Manoj Mullassery Menon, Executive Director (DIN: 07642469) who is responsible for decision making on sustainability related issues.																																							
10	Details of review of NGRBCs by the Company:																																								
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12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Not applicable



Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

The Company's actions are guided by its corporate values, which underpin the body of internal rules put in place to ensure that its members behave ethically and are in turn complemented by compliance oversight and breach remedy mechanisms.

The Company has adopted Group's internal Code of Professional Conduct which expresses the corporate values that guide behaviour of professionals within the Company, together with the general guidelines of conduct that orient the Company's decision making.

The Code provide guidance and ethical principles which guide all directors (whether executive, non-executive or Independent), Senior Management Personnel's, Key Management Personnel's, all other employees and workers of the Company ("the people"), determining the values and commitments that must govern their work activities within the Group.

The Company keeps utmost transparency, in keeping with the principles laid down in its Code of Professional Conduct and comply with the applicable laws, including the corporate governance and the principles of cooperation and transparency in dealing with its stakeholders.

Essential Indicators

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

S.I. No.	Segment	Total number of training and awareness programmes held	Topics / principles covered under the training	%age of persons in respective category covered by the awareness programmes
1.	Board of Directors (BoD)	Nil	During the year, the Board of Directors of the Company (including its Committees) has invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters.	NA
2.	Key Managerial Personnel (KMPs)	Nil	While no ESG specific training programmes were organised by the Company during the year, the KMPs have attended various programmes/sessions/conferences/seminars organised by Industry associations, educational institutions, Chamber of commerce, etc	NA
3.	Employees other than BoD and KMPs	270	Behaviour Based safety, Hazard Identification and Risk Assessment (HIRA), Fire Safety, Emergency Preparedness, Career Building, ISO 45001 & ISO 14001, Safety Standards, 7QC Tools, FMEA, APQP, MSA, SPC, TPM	96.74%
4.	Workers	79	SOP, MSDS, Safety Standards, Basic Safety Rules, PPE's, First Aid, Quality Instruments, Behaviour Based Safety	90.99%



2. Details of fines /penalties/punishments/awards/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil				
Punishment					

During the fiscal year under consideration, the Company faced no fines, penalties, punishment, award, compounding fees or settlement amount in proceedings with regulators, law enforcement agencies or judicial institutions.

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

Not applicable

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

Yes, the provisions on anti-corruption and anti-bribery are forming part of Internal Code of Professional Conduct of the Company wherein MCIE strictly prohibits any behaviour or practice of corruption, bribery and peddling of influence in connection with clients, suppliers, business partners and public officials or institutions, national or international, including those related to money laundering. It encourages payments in electronic mode and maintenance of proper records Also, the weblink of the same is <https://www.mahindrachie.com/investors/investor-relations/governance.html#policies-and-code-of-conduct>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022	FY 2021
Directors	Nil	
KMPs		
Employees		
Workers		



6. Details of complaints with regard to conflict of interest

	FY 2022		FY 2021	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

Not Applicable

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	<ul style="list-style-type: none"> • Our Strategy- vision, mission and values • ESG sensitization • Suppliers ESG commitment • Purchasing principles and policy • Supply chain process • MCIE ethics and framework • Code of conduct • Whistle-blower policy • Vendor appreciation 	45% of our raw material suppliers have undergone the awareness programme in FY 22.

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

Yes, the Company has processes in place to avoid/manage conflict of interests involving members of the Board. The Director shall adhere to the disclosure requirements and approval processes as specified under 'Policy on materiality of and dealing with Related Party Transactions' of the Company and provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further the "Internal Code of Professional Conduct" (also known as "the Code") has been adopted by the Board of Directors of the Company and is applicable to all directors (executive, non-executive, or independent), senior management personnel, key management personnel, and all other employees and workers of the Company. The Code provides direction and ethical principles to these individuals that must guide their work activities within the Group. The Code specifically requires any person that considers that they are potentially in a situation of conflict of interests owing to their other activities outside the Group, family relationships, personal assets or any other reason, should immediately notify this fact to the Human Resources Department or the Compliance Department, so that they may analyse the existence or not of the conflict of interest and, in the event of such a conflict, the head of the unit can exclude the person from participating in the process where the conflict of interest exists.

Principle 2: Business should provide goods and services in a manner that is sustainable and safe

The Company is an auto-component supplier to OEMs and their Tier-1 suppliers. Our products are manufactured as per the specifications provided by the Customers. Thus, we are more a Process Company than a Product Company. Our endeavour is to ensure that resource-efficient and low carbon processes and technologies are deployed for manufacturing of the products and making available goods and services to our customers in a manner that adverse environmental and social impacts of our operations is minimized.



In line with the same, during the year, the Company has entered into new technologies such as Warm Forgings at Chakan Plant. We have also upgraded our foundry line at Urse with new equipment and technology which is resource and energy efficient.

The Company has undertaken various projects of Yield Improvement to *inter-alia* reduce the waste generation as well as increasing the use of recycled materials in order to improve resource efficiency and support the development of a circular economy.

The Company has the business development & new product development teams closely interact with the customers & fulfil PPAP (Production part approval process) requirements. The Company continuously strives to minimise waste in materials & processing requirements and conservation of energy and water by various initiatives.

Essential Indicators

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

S.I. No.	Particulars	Current Financial Year FY 2022	Previous Financial Year FY2021	Details of improvements in environmental and social impacts
1.	R & D	1.2	0.47	3D Scanner, Spectrophotometer, CMM , 5 Axis profile machine
2.	Capex	14.79	1.92	ETP/STP Upgradation, Dust Collectors/ Fume Extractors upgradation, CCTV coverage, Fire Hydrant Upgradation, Bio Gas plant, Rain Water Harvesting

- Does the entity have procedures in place for sustainable sourcing? Yes**
 - If yes, what percentage of inputs were sourced sustainably?**

a.	Does the entity have procedures in place for sustainable sourcing? (Yes/No)	Yes The Company has adopted "Supplier's ESG Commitment" which incorporates ESG factors, adherence of which each supplier of the Company must ensure. 61.72% of our Suppliers have signed the Supplier's ESG Commitment and have completed the self-evaluation required for registration on our "CIE Vendor Registration Portal".
b.	If yes, what percentage of inputs were sourced sustainably? [Answer in %]	As mentioned above, 88.23% of inputs are sourced sustainably.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

As mentioned above, the Company manufactures and supplies auto-components to OEMs and their Tier-1 suppliers. Accordingly, our customers are not the end users of the Products. The Company cannot reclaim the Products it manufactures.

Returnable PP bags are collected from the customers and used till end of life, post which it is disposed to authorised partners Plastic waste and other waste is sold to scrap dealers in compliance with applicable laws. E-waste is disposed of to state approved agencies for recycling. Hazardous waste collection, storage and disposal is done through respective State Pollution Control Board approved agencies for landfilling, pre-processing and incineration.

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

Yes. Obligation is applicable for FY 2022-2023 and which is in line with the EPR plan submitted to Central Pollution Control Board (CPCB).

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, please find the below the details.**

No, the entity has not conducted any Life Cycle Perspective / Assessments (LCA) for any of its products.



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

Not applicable

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022* (Current Financial Year)	FY 2021* (Previous Financial Year)
-	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, please find the below the details.

Particular	FY 2022* (Current Financial Year)			FY 2021* (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	174.240 MT	0	0	174.778 MT
E-waste	0	0	1.58 MT	0	0	8.87 MT
Hazardous waste	0	0	2,079.44 MT	0	0	3,027.03 MT
Other waste (Non-Hazardous Waste)	0	0	96,573.49 MT	0	0	97,481.53 MT

*the Company cannot reclaim any of the products manufactured by it at the end of life of products. However, the figures mentioned above are pertaining to waste generated as a part of our manufacturing operations in above categories.

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

Not applicable

Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains

The Company ensure the well-being of its employees through equal opportunities, fostering a healthy working environment that promotes physical and mental well-being of employees. Specifically, Company agrees to maintain an occupational risk prevention system that provides a healthy working environment.

The Company offers its employees decent working conditions, remuneration in line with the work they perform and the training and safety conditions needed to do their jobs which promotes well-being employees and their families.

To ensure wellbeing of all employees, the management continued conducting occupational health examination, periodic health checks up and workplace monitoring to ensure good health of our employees.

Essential indicators:

1. a. Details of measures for the wellbeing of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,522	1,501	99%	1,496	98%	NA	NA	1,508	99%	NA	
Female	36	35	97%	30	83%	36	100%	0	0%		
Total	1,558	1,536	99%	1,526	98%	36	2%	1,508	97%		



Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent Employees											
Male	3	3	100%	3	100%	NA	NA	0	0%	NA	
Female	1	1	100%	1	100%	0	0%	0	0%		
Total	4	4	100%	4	100%	0	0%	0	0%		

b. Details of measures for the wellbeing of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2,689	2,689	100%	2,689	100%	NA	NA	153	6%	NA	
Female	11	11	100%	11	100%	11	100%	NA	NA		
Total	2,700	2,700	100%	2,700	100%	11	0.4%	153	6%		
Other than Permanent Workers											
Male	5,658	4,223	75%	5,658	100%	NA	NA	239	4%	NA	
Female	84	68	81%	84	100%	78	93%	NA	NA		
Total	5,742	4,291	75%	5,737	100%	78	1%	239	4%		

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

Benefits	FY2022			FY2021		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	76%	Y	100%	83%	Y
Gratuity	98%	32%	Y	99%	37%	Y
ESI	3%	50%	Y	5%	52%	Y
Superannuation	5%	0%	Y	7%	0%	Y
NPS	1%	0%	NA	1%	0%	NA

3. Accessibility of workplaces

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

The Factory Buildings of the Company are equipped with ramps and handrails for staircases to facilitate the movement of differently abled individuals.



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

It is one of the Group's basic principles to promote and provide equal opportunities to all in access to employment and career advancement, promoting a corporate culture based on merit. The policy on equal opportunity is part of Internal Code of Professional Conduct which can be accessed through below weblink: <https://www.mahindra.com/images/pdf/MCIE-Internal-Code-of-Professional-Conduct-August-2020.pdf>

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	106.67%	83.33%	100%	NA
Female	NA	100%	NA	NA
Total	106.67%	85.71%	100%	NA

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

Particular	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	The Company has a proactive grievance identification method. Employees and Workers participate in a meeting either monthly or weekly or through ESS survey where opinion is solicited.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognised by the Company:

Category	FY 2022			FY 2021		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	1,558	0	0%	1,428	0	0%
-Male	1,522	0	0%	1,409	0	0%
-Female	36	0	0%	19	0	0%
Total Permanent Workers	2,700	2,248	83%	2,819	2,349	83%
-Male	2,689	2,237	83%	2,807	2,337	83%
-Female	11	11	100%	12	12	100%



8. Details of training given to employees and workers:

Category	FY2022					FY2021				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,525	990	65%	840	55%	1,410	1,008	71%	1,058	75%
Female	37	20	54%	13	35%	19	7	37%	7	37%
Total	1,562	1,010	65%	853	55%	1,429	1,015	71%	1,065	75%
Workers										
Male	8,347	1661	20%	1,525	18%	7,690	1,334	17%	1928	25%
Female	95	15	16%	15	16%	20	0	0%	12	60%
Total	8,442	1,676	20%	1,540	18%	7,710	1,334	17%	1,940	85%

9. Details of performance and career development reviews of employees and workers:

Category	FY2022			FY2021		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,525	1,296	85%	1,410	911	65%
Female	37	20	54%	19	5	26%
Total	1,562	1,299	83%	1,429	947	66%
Workers						
Male	8,347	574	7%	7,690	590	8%
Female	95	0	0%	20	0	0%
Total	8,442	574	7%	7,710	590	8%

10. Health and safety management system:

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

Yes, the company has a stringent health and safety policy that caters to the safety of the employees and workers. The Occupational Health and Safety Management System is implemented at all plants and except 5 plants, all other plants of the Company are already certified for ISO 45001. The remaining plants will also be going to certification in CY2023. Company's facilities continue to enhance the health of their employees by setting up occupational health examinations, routine health checks, and workplace monitoring.

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

As part of Health and Safety Management System, the operating teams are equipped with necessary training to carry out Hazard Identification and Risk Assessment (HIRA) of all the activities carried out at our plants. Also, Job Safety Analysis (JSA) is a mandatory requirement for obtaining permit to work for all non-routine work which are carried out by plant team or third-party contractors. SOPs are developed to reduce safety risks at plants based on HIRA.

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

Yes. We have a system of capturing unsafe acts, conditions and near misses. Workers report to the shop floor supervisors all such hazards. To encourage reporting of such matters they are recognised in weekly reward and recognition program.



d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Annual medical check-up coverage is there for all the employees and workers Health Awareness camps being organised in the plants on regular basis. Consulting Doctor visit the OHC centres at plants at regular intervals.

11. Details of safety related incidents:

Safety Incident /Number	Category	FY2022	FY2021
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.11	0.16
Total recordable work-related injuries	Employees	0	0
	Workers	3	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

The Company has a thorough system in place to ensure workplace health and safety. All the activities carried out at plant level are subject to Hazard Identification and Risk Assessment and mitigation controls are put in place to ensure the activities are carried out safely. SOPs are developed and concerned shop floor employees are trained. All New entrants in the plant are undergo specific 10 days safety induction and On-Job training before they are allowed to work independently. Workers participate in monthly safety committee meetings and suggest improvement to ensure health and safety of all at shopfloor. Management reviews the progress of safety performance on monthly basis at each plant/ business vertical. To raise the awareness on safety, themes, campaigns, competitions and recognition programs are conducted.

13. Assessments for the year:

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

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

Not applicable

Leadership Indicators:

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

(A) Employees -Yes

(B) Workers -Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company has a process to verify that statutory dues have been deducted and deposited by the value chain partners, in some cases, by requiring to submit relevant proofs along-with invoices.

Also, the Company is taking declaration from the Suppliers on compliance of conditions of Code of Conduct which includes fulfilling of requirements related to employees and workers statutory dues.



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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

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

No

5. Details on assessment of value chain partners:

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

Note: The Company is taking declaration from its suppliers on Supplier's ESG commitment in which they undertake to put into effective workplace health and safety practices and maintaining healthy working conditions.

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

Not applicable

Principle 4: Business should respect the interests of and be responsive to all its stakeholders

One of the objective set under the ESG Policy of the Company is to create and maintain fluid and bidirectional communication with stakeholders to better understand their expectations and to efficiently adapt the business' operations to safeguard the interests of all stakeholders while ensuring right balance of conflicting interest of the stakeholders.

To align Company's business strategy with the legitimate wishes of all the Stakeholders with a vested interest in its fortunes the Company engages intensely with all of its stakeholders using a number of different communication channels, notable among which its corporate website, the intranet, the inhouse newsletter and the Suppliers Portal.

The CIE Group ESG Strategic Plan 2025 provides a dual challenge for its group companies. Firstly, it sets earnings and business targets that respond to market trends. Secondly, it aims to address the needs and concerns of all our stakeholders by integrating ESG standards into our management model and measuring each and every impact so as to attain quantifiable improvements.

Essential Indicators

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

Depending on how much of a material influence they have over the Company or how much of a material influence the Company's corporate actions and their results have on them, key stakeholders are determined.

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

Mahindra CIE has identified six groups of stakeholders that interact with the Company and are affected directly or indirectly by its business through the Stakeholder Engagement and Materiality Assessment (SEMA) process.



Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> Structured conference calls Periodic investor/analyst interactions like individual Meetings Participation in investor conferences Quarterly earnings calls Analysts meet from time to time guided by finance department of the company 	<ul style="list-style-type: none"> Quarterly Half yearly Annually Periodically and as & when required 	<ul style="list-style-type: none"> Disclosure of information Consent of shareholders wherever required to resolve the investor grievances involving various issues among which dividend related matters dematerialisation issue of duplicate share certificate etc.
Employees and Workers	No	<ul style="list-style-type: none"> Company Intranet News Letter Office Collaboration screens Notice Boards Emails Award and Recognition ceremonies/Town Hall 	As required/daily	General Feedback, Grievances, to share relevant & useful information to employees Employee Success, Motivation, Moral, Safety
Customers	No	<ul style="list-style-type: none"> Mail Meetings SMS 	As required/daily	To address complaint and revert with CAPA
Vendors and Suppliers	No	<ul style="list-style-type: none"> Suppliers meet, Email, Formal meet Award and Recognition ceremonies Participation in survey conducted by suppliers from time to time 	<ul style="list-style-type: none"> RM suppliers - Annual Meet BOP supplier - Email 	For compliance, announcement of new programmes and procedures of MCIE
Society	Yes	<p>CSR Activities</p> <ul style="list-style-type: none"> Volunteering Activities Community Events Community Survey and Consultations 	As and when required through NGO partners/ Third party	To identify the potential areas for CSR activities, formulating, implementing and evaluating such CSR activities.
Central, State and Local Govt. and Various Statutory and Regulatory Bodies	No	<ul style="list-style-type: none"> Email SMS 	As and when required	For Compliance & Communication



Leadership Indicators

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

ESG Policy of the Company provides the channels of communication for dialogue with and the participation of the various stakeholders in relation to ESG-

by E-mail: ESG.Sustain@cie-india.com

by Post- addressed to the Chairman Sustainability Council at the following address:

Mahindra CIE Automotive Limited

601, 602, 606 Amar Business Park, Above Westside Showroom, Baner, Pune – 411045

In addition to the above, CIE Group's global contact for consultation between stakeholders and group leadership for any issues relating to ESG is as under:

E-mail: esg@cieautomotive.com

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

The Policies of the Company are framed in compliance with requirements of Applicable Laws and in line with international standards and practices such as ISO 14001, ISO 45001 etc. While formulating policies consultation with relevant officers and advisors of the Company is undertaken and thereafter were are placed before the Board for their approval.

The Company encourages employees to actively participate in Employees Social Engagement Programs which are aimed at creating positive impact on weaker section of society through Company's Corporate Social Responsibility Policy. Modalities of implementation of all the CSR Activities are finalised with due consultation with the targeted beneficiaries, the local authorities and Implementation Partners.

Activities like (i) Kaizen – encouraging employees to come-up with improvement ideas including in the areas of waste management, energy reduction etc. (ii) Behaviour Based Safety which encourages employees to highlight unsafe acts / conditions etc. are other few instances of how the inputs received from stakeholders incorporated into policies and activities of the entity.

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

Yes, as a part of the CSR activities, the Company has initiated Project Lakshya. The project is a placement linked training & skills development project for unemployed youths. In line with requests from NGO partners, the project scope was extended on a pilot basis to offer lodging and boarding for youths travelling from remote locations.

Principle 5: Business should respect and promote human rights

Global policy of CIE Group on Human Rights has been adopted by the Company through which it formally undertakes to respect the universal rights in everything it does. In addition to the same, the ESG Policy of the Company re-iterates the commitment towards respecting the Human Rights.

To that end the Company formally repudiates child labour, compulsory labour and workplace discrimination; fosters respect for the freedom of association and right to collective bargaining; and complies with prevailing legislation in all its business markets, framed by the internationally recognised human rights and its own Human Rights Policy.

The Human Rights Policy complies with the provisions contained in the International Labour Organisation's fundamental conventions on the freedom of association and the right to collective bargaining.

Note that the Company did not receive any complaints related with human rights violations, understood as breaches of the right to decent work and a living wage, in keeping with the United Nations Declaration, in either 2022 or 2021.



Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY2022			FY2021		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,558	1,026	66%	1,428	1,189	83%
Other than Permanent	4	1	25%	1	0	0%
Total Employees	1,562	1,027	66%	1,429	1,189	83%
Workers						
Permanent	2,700	1,266	47%	2,819	1,344	48%
Other than Permanent	5,742	1,224	21%	4,891	1,148	23%
Total Workers	8,442	2,490	29%	7,710	2,492	32%

2. Details of minimum wages paid to employees and workers:

Category	FY2022					FY2021				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,558	0	0%	1,558	100%	1,428	0	0%	1,428	100%
Male	1,522	0	0%	1,522	100%	1,409	0	0%	1,409	100%
Female	36	0	0%	36	100%	19	0	0%	19	100%
Other than Permanent	4	0	0%	4	100%	1	0	0%	1	100%
Male	3	0	0%	3	100%	1	0	0%	1	100%
Female	1	0	0%	1	100%	0	0	0%	0	0%
Workers										
Permanent	2,700	0	0%	2,700	100%	2,819	0	0%	2,819	100%
Male	2,689	0	0%	2,689	100%	2,807	0	0%	2,807	100%
Female	11	0	0%	11	100%	12	0	0%	12	100%
Other than Permanent	5,742	1,169	20%	4,573	80%	4,891	1,149	23%	3,742	77%
Male	5,658	1,141	20%	4,517	80%	4,883	1,141	23%	3,742	77%
Female	84	28	33%	56	67%	8	8	100%	0	0%



3. Details of remuneration/salary/wages:

(amount in ₹)

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)				
a. Executive Directors	2	95,56,609	0	0
b. Non-Executive Independent Directors	5	24,00,000	1	23,80,000
Key Managerial Personnel (KMP) ²	3	93,38,880	0	0
Employees other than BoD and KMP ⁴	1,518	6,11,516	36	5,15,778
Workers ⁴	2,689	5,99,713	11	7,21,488

Note:

- For the purpose of calculation of median remuneration, the meaning of Median as provided in Explanation (i) and (ii) to Rule 5 (i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for reporting in Board Report is considered i.e. the numerical value separating the higher half of a population under a particular category from the lower half under that category by arranging all the observations from lowest value to highest value and picking the middle one in case of odd number of observations and in case of even number of observations, the median is calculated by arriving at average of the two middle values.
- Mr. Manoj Menon is Executive Director as well as CEO of Magnetic Products, Stampings, Composites, Gears and Foundry Divisions of the Company and Mr. Ander Arenaza is Executive Director of the Company. Hence, in order to avoid duplicity in calculation, the remuneration of Mr. Menon and Mr. Arenaza is considered in the category of Executive Directors of the Company only, as mentioned in table above and therefore, excluded from calculation of median remuneration of KMPs.
- Further, the Directors, KMPs, Employees and Workers as on the end of the financial year i.e. 31st December, 2022 were taken into consideration for calculation of median remuneration.
- In calculation of median remuneration for employees other than BoD and KMPs and Workers, only those employees and workers are considered who falls under permanent category.

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

Yes. The Company has a mechanism for monitoring the cases that address the human rights issues in place through which an employee can raise grievances. The Whistle Blower Channel is in place to record and redress grievances to ensure the right voice being heard without fear of reprisal. Further, under the ESG Policy, the Company has provided a dedicated communication channels through which the stakeholders can voice their concerns.

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

Apart from the Whistle Blower Mechanism, under the ESG Policy of the Company, it has provided a dedicated communication channels through which any grievances related to the human rights issues can be raised.

Further, the Global contact for any issue related to ESG and Society has been provided under CIE Group's Global ESG Policy as available on the weblink: <https://cieautomotive.com/en/contacto>.



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

	FY 2022			FY 2021		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	1	In process of resolution as per Policy	0	0	Not applicable
Discrimination at workplace	0	0	Not Applicable	0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other Human rights related issues	0	0		0	0	

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

The CIE Automotive's protocol for Preventing and Handling Workplace Harassment is adopted by the Company. It covers the prevention of mobbing and of sexual or gender harassment and includes a series of preventive measures, such as zero-tolerance towards harassment, shared employee responsibility for monitoring workplace conducts and the definition of communication programmes. The Harassment Protocol is available for consultation on the website of CIE Automotive at the weblink: <https://www.cieautomotive.com/en/web/guest/protocolo-de-prevenci%C3%B3n-y-tratamiento-de-situaciones-de-acoso>

Further, according to the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013, the Company has formulated Policy on Prevention of Sexual harassment for Women at Workplace. This Policy applies to all employees (permanent, contract, temporary, and trainees). To address accusations of sexual harassment, the Internal Committee (IC) has been established.

The Code of Professional Conduct provides for the submission of enquiries or notifications, including those relating to Harassment, anonymously. The Compliance Department is tasked with handling and analysing any such notifications and enquiries in a confidential manner.

Both the policies mentioned above and the whistle-blower policy provides mechanism of protection of complainant/whistle blower.

The Company, as a Policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle-blower(s). Complete protection would, therefore, be given to the Whistle-blower(s) against any unfair practice like retaliation, threat or intimidation of termination or suspension of service, transfer, demotion, refusal of promotion etc., including any direct or indirect use of authority to obstruct the Whistle-blower's right to continue to perform his duties or functions including making further Protected Disclosure.

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

Yes, inclusion of human rights requirements in the business agreements and contracts is mandatory for us. All suppliers of the Company are mandatory required to sign the Suppliers ESG Commitment which incorporates the human rights requirements. The Company has obtained these commitments from 87% of our suppliers and will ensure full compliance in the coming year.

The Group's Suppliers ESG Commitment is available on the website of the CIE Group on the Weblink: <https://www.cieautomotive.com/en/web/guest/compromiso-asg-proveedores>



9. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	The Company has in place robust mechanism to ensure all Statutory Compliances. Regular assessment is done by the Company internally to ensure compliance of all requirements including the topics such as Child Labour, Forced Labour/Involuntary Labour, Sexual Harassment, Discrimination at workplace, Wages, Safety, health, welfare etc. 100% of the Company's plants and offices were assessed by the Company internally on these topics.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other- please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

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

The Company endeavour to ensure that resource-efficient and low carbon processes and technologies are deployed for manufacturing of the products and making available goods and services to our customers in a manner that adverse environmental and social impacts of our operations is minimized.

To ensure that all environmental risks and opportunities related to our activities are taken care of, the Company has a strong environment management system in place. These systems adhere to the specifications of the ISO-14001 standard. While the majority of our operations have been certified under ISO-14001 standards, the remaining plants will finish the certification in due course of time.

On its pathway towards a circular model, the Company emphasised on better managing natural resources monitoring its consumption and waste generation to minimise the negative impacts arising from our activities.

The emphasis continued on increasing the share of green energy in total energy consumption. During FY 2022 the proportion of the renewable energy consumption to the total energy consumption was 51.89%.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

(In KWh unless mentioned otherwise)

Parameter	FY 2022	FY 2021
Non-Renewable		
Total electricity consumption (A)	12,26,90,689.1	16,68,12,615
Total fuel consumption (B)	799,45,237.79	29,59,99,890
Renewable		
Energy consumption through other sources (C)	13,23,43,617.9	630,90,000
Total energy consumption (A+B+C)	33,49,79,544.79	52,59,02,505
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.008	0.017
Energy intensity (optional) – the relevant metric may be selected by the Company	1,549.206	2,972.117

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

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

Not Applicable



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

Parameter	FY 2022	FY 2021
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,95,344	1,77,003
(ii) Groundwater	64,691	71,068
(iii) Third party water	2,18,300	2,21,787
(iv) Seawater / desalinated water	Nil	Nil
(v) Others (Rain Water)	5,546	14,456
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,83,881	4,84,314
Total volume of water consumption (in kilolitres)	4,83,881	4,84,314
Water intensity per rupee of turnover (Water consumed / turnover)	0.00001194	0.00001598
Water intensity (optional) – the relevant metric may be selected by the entity	2.237	2.737

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

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

Yes, requisite mechanism is in place as per State Pollution Control Board consent condition requirements. Sewage Treatment Plants and Effluent Treatment Plants have been installed for recycling of wastewater and treated water which is further used in processes/gardening/ cooling tower top ups/ Toilet flushing etc. The Company's Unit at Bill Forge Plant 2, Zero Liquid Discharge mechanism is implemented as consent condition.

5. Please provide details of air emissions (other than GHG emissions) by the Company:

Parameter	Unit	FY 2022	FY 2021
NOx	mg/Nm ³	20.9	21.26
Sox	mg/Nm ³	16.35	13.99
Particulate matter (PM)	mg/Nm ³	107.61	102.62
Persistent organic pollutants (POP)	Not Applicable	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	Not Applicable	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	mg/Nm ³	Not Applicable	Not Applicable
Others – please specify	mg/m ³	Not Applicable	Not Applicable

Note:

Nox, Sox and Particulate matter (PM) were within the consented limits at all the plants of the Company. The Company obtains on quarterly basis certificate from Environment Testing Labs which are approved by Central Pollution Control Board (CPCB) and accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL).

The figures of respective parameters disclosed above are calculated by following methodology:

Example for NOx:

- We have taken the NOx of each quarter as certified by an Independent LAB.
- Simple Average of four quarters is taken to arrive at NOx for each plant of the Company for CY2022.
- Thereafter we have calculated simple average of NOx at all the Plants to arrive at above figures.

Same methodology is followed for SOx and PM.



6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2022	FY 2021
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	18,897	63,019
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,83,706	1,66,533
Total Scope 1 and Scope 2 emissions per rupee of turnover	MT /₹ Cr	50.03	75.76

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

7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. The Company has undertaken several measures to reduce its overall GHG Emissions.

For conservation of energy following initiatives were undertaken by the Company, which has helped in reducing the GHGs:

- Modification of cooling tower water pipelines layout to reduce no of cooling towers
- Induction Billet Heating Coil modifications
- Installation of new energy efficient compressors
- Installation of VFD in machines
- Installation of Motion Sensors
- Upgrading existing motors to energy efficient motors
- Use of mechanical energy instead of Electrical energy
- Converting normal lights into LED Lights
- Interlocking of machine accessories operations with machine cycle
- Power Factor improvements by installing SVG unit
- Conversion of MIG welding machines to thyristor control welding machines
- Installation of Servo system on press machines
- KW reduction in SQF fans motor from 5.5KW to 3.7 KW
- Elimination of 3.7 KW motor with gearbox in Tempering Furnace by Converting mechanical chain pusher into Pneumatic cylinder pusher
- KW reduction in Annealing furnace from 36 KW to 26 KW by design change
- Optimized blasting time in Shotblasting Machine
- Interlink Conveyor with Press to auto stop
- Optimization of office air-conditioning utilization
- Dummy Billets for IBH Start / Stop
- Auto cut off IBH while setting time – WF
- Replacing Diesel boiler with Gas boiler



8. Provide details related to waste management by the Company:

Parameter	FY 2022	FY 2021
Total Waste generated (in metric tonnes)		
Plastic waste (A)	174.24	174.77
E-waste (B)	1.58	8.87
Bio-medical waste (C)	0.027	0.015
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous Waste. Please specify, if any. (G)	2,091.52	2,960.28
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	96,573.49	97,481.62
Total (A+B + C + D + E + F + G + H)	98,840.88	1,00,625.55
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	60,657.96	61,216
(ii) Re-used	0	0
(iii) Other recovery operations	550.51	753.5
(iv) Total	61,024.82	61,794.50
For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	386.539	438.7
(ii) Landfilling	403.376	451.2
(iii) Other disposal operations	37,026.149	37,941.146
(iv) Total	37,816.06	38,831.05

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

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has taken authorisation from State Pollution Control Board for management of Hazardous and Non-hazardous waste. All type of waste is segregated at source and stored at designated storage area for each type of waste. Generation and disposal records are being maintained for every type of waste as per consent / applicable requirements. These wastes are disposed / recycled as per applicable consent/rule requirements to Common Hazardous Waste Storage, Treatment and Disposal facility / authorised recyclers/agency. The annual returns are filed as per consent/ applicable rule requirement. Training and awareness programs are conducted for persons involved in handling/storage and disposal at regular intervals.

Hazardous and toxic chemicals are being handled as per their MSDS by trained persons and consumption is reduced based on the specific process requirement.



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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

Yes. The Company is compliant with the applicable laws pertaining to Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Environment Protection Act, 1986 and rules thereunder.

If not, provide details of all such non-compliances:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:

Parameter	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) KWh	0	0
Total fuel consumption (B) KWh	0	0
Energy consumption through other sources KWh	13,23,43,617.9	630,90,000
Total energy consumed from renewable sources (A+B+C) Kwh	13,23,43,617.9	630,90,000
From non-renewable sources		
Total electricity consumption (D) KWh	12,26,90,689.1	16,68,12,615
Total fuel consumption (E) KWh	7,99,45,237.79	29,59,99,890
Energy consumption through other sources (F) Kwh	0	0
Total energy consumed from non-renewable sources (D+E+F) KWh	20,26,35,926.89	46,28,12,505

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



2. Provide the following details related to water discharged:

Parameter	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
No treatment	27,796.1	24,754.7
With treatment – please specify level of treatment	0	0
(v) Others (Using for Gardening Purpose)		
No treatment	0	0
With treatment – (Primary, Secondary and Tertiary treatment)	1,18,450	1,08,885
Total water discharged (in kilolitres)	1,46,246.1	1,33,639.7

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

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

4. Please provide details of total Scope 3 emissions & its intensity: Not Applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reduction in Energy Consumption Intensity	<ol style="list-style-type: none"> 1. Upgrading existing motors to energy efficient motors 2. Use of correct rating motors as per Load 3. Use of Motion Sensors 4. Installation of Timers in Lighting Panels 5. Modification of cooling tower water pipelines layout to reduce no of cooling towers 6. Induction Billet Heating Coil modifications 7. Installation of new energy efficient compressors 8. Installation of VFD in machines 	Reduction in Energy intensity



Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		9. Installation of Motion Sensors 10. Use of mechanical energy instead of Electrical energy 11. Converting normal lights into LED Lights 12. Interlocking of machine accessories operations with machine cycle 13. Power Factor improvements by installing SVG unit 14. Conversion of MIG welding machines to thyristor control welding machines 15. Installation of Servo system on press machines 16. Capacitor Banks Capacity Optimization	
2	Increase use of Renewable Energy	1. Cleaning of solar panels to increase the generation 2. Increasing Group Captive Generation	Renewable energy increased to about 51%
3	Reduction in Water Consumption Intensity	1. Installation of Dish Washer in Canteen 2. Installation of Water Aerators 3. Use of Rainwater Harvesting system 4. Recycling of ETP/STP Treated water in processes & gardening 5. Fixing of Auto Level sensors in overhead storage tanks	Reduction in Water Consumption Intensity
4	Reduction in Material Consumption Intensity	1. VA/VE projects 2. Recycling of Scrap material 3. Gross Weight Reduction activities 4. Reduction in inhouse scrap generation 5. Tool Life optimization 6. Use of Returnable packaging material	Reduction in Material Consumption Intensity
5	Reduction in Hazardous Waste Intensity	1. Installation of Filter Press at source of generation 2. Use of Dry Cut operations in turning 3. Use of Returnable Cans/Drums for procurement of chemicals 4. Segregation at source	Reduction in Hazardous Waste Intensity
6	Reduction in Non Haz Waste Intensity	1. Use of Off Cut Steel Material 2. Segregation at Source 3. VA/VE projects 4. Recycling of Scrap material 5. Optimising the packaging material sizes 6. Use of Returnable packaging	Reduction in Non-Hazardous Waste Intensity
7	Reduction in Fuel, Gases & Chemical Consumption Intensity	1. Installation of biogas Plants. 2. Use of Cleaner Fuels 3. Re-use of oil after filtration 4. Use of Battery-Operated Forklifts 5. Optimising Chemical Consumption usage 6. Optimising replacement & top up frequency 7. Efficiency optimization	Reduction in Fuel Consumption Intensity
8	Transport Management (Reduction in No of Trips In- bound & Out-bound) Utilization of Vehicle Capacity	1. Clubbing of Dispatch Material Loads 2. Dispatching in Large Capacity Vehicles 3. Material Pack Size increasing 4. Dispatch Qty Lot Size increasing to Customer 5. Increasing use of CNG Vehicles 6. Use of empty vehicles while returning after customer delivery for pickup of inward material from vendors 7. Use of Milk Run vehicles on a common route	Overall Transport Vehicle Capacity Utilization increased up to 97%
9	Green Belt Development	1. Tree Plantation inside plant premises 2. Tree Plantation under CSR activities nearby plants	Total 6,158 trees were planted across all locations of the Company



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

The Business continuity plan of the Company is part of the Risk Management Policy of the Company. Each manufacturing unit of the Company has a disaster management plan which *inter alia* ensures compliance with applicable laws and aim to protect the assets and people of the Company and ensures continuity of its key business processes after a disaster i.e. an unexpected business interruption caused by natural or man-made events.

An Emergency Preparedness manual, *inter-alia*, the following is available at each plant of the Company: (a) Emergency preparedness (b) List of Potential Emergencies (c) List of Chemical and Fuel storage (d) Details of Fire Fighting system (e) ERT (f) General Communication flow charts (Working and non-working hours) (g) Instructions during any emergencies (h) Incident investigation (i) Roles of ERT members and (j) List of emergencies identified- Mock drills are conducted to educate employees on response during emergencies at regular intervals.

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

The Company does not see any significant adverse impacts to the environment arising from the value chain of the entity. Impact assessment is conducted for all potential risks and action taken accordingly to mitigate the risk. ESG commitment declaration is obtained from all value chain partners as part of vendor registration process.

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

The Company has rolled-out Suppliers ESG Criterion Evaluation wherein suppliers have to conduct self-assessment of compliance with Principle 7, Principle 8 and Principle 9 of UN Global Compact relating to environmental commitments.

61% of the Suppliers of the Company have completed the self-assessment and assured commitment to comply with the principles.

However, no independent assessment was carried out to assess the environmental impacts of value chain partners.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The Company Operate the business within national and international legislative and policy framework and not engage in influencing public and regulatory policy. The Company encourages complete cooperation and diligence from every individual during any inspections, information requests, or procedures that the Public Authorities may deem necessary.

The Company may become members of trade and industry chambers or associations and other similar collective platforms, which may be involved in conveying industry concerns to policy makers

Essential indicators

1. **a. Number of affiliations with trade and industry chambers/associations-** Ten
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to:**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Confederation of Indian Industry	National
2	EEPC India (Engineering Export Promotion Council)	National
3	Association of Indian Forging Industry (AIFI)	National
4	Indian Machine Tool Manufacturer's Association (IMTMA)	National
5	Automotive Component Manufacturers Association of India (ACMA)	National
6	Hosur Industrial Association	State
7	Mahratta Chambers of Commerce & Agriculture (MCCIA)	State
8	Bommasandra Industrial Association	State
9	Jigani Industrial Association	State
10	Attibele Industrial Association	State



2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities

Name of the authority	Brief of the case	Corrective action taken
NIL		

Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
The Company operates the business within national and international legislative and policy framework and does not engage in influencing public and regulatory policy.					

Principle 8: Businesses should promote inclusive growth and equitable development

The Company actively contributes to the development of the communities it works with through social and cultural projects as part of its commitment to the development and well-being of those communities. The Company has formulated a "Corporate Social Responsibility Policy" that outlines the context and approach for such endeavours. Making donations or financial contributions of any kind to organisations dedicated to, or in any way connected to, illicit activities is strictly prohibited. All social and cultural projects and initiatives are carried out in accordance with the company's CSR Policy and are recorded in MCIE's accounting records.

Details of CSR Activities undertaken by the Company are provided in the Annual Report on CSR Activities annexed to the Report of Directors, which forms part of Annual Report-2022. The brief details of such activities are available on our website at weblink: <https://www.mahindrachie.com/investors/investor-relations/csr.html>

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community

Any stakeholder can report their genuine concerns through the Whistle Blower Channel available at the weblink: <https://www.mahindrachie.com/investors/investor-relations/governance.html#whistle-blower>. The grievances are redressed in accordance with the Whistle Blower Policy of the Company.

Apart from the Whistle Blower Mechanism, the ESG Policy of the Company provides dedicated communication channels through which the Company may receive grievances of the community. The Company will endeavour to redress the same in accordance with the principles laid down under the Policy.

Further, the Global contact for any issue related to ESG and Society available under CIE Group's Global ESG Policy, details of which are available at the weblink: <https://cieautomotive.com/en/contacto>. The Company will endeavour to redress the same in accordance with the principles laid down under the Global Policy.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	20.04%	18.86%
Sourced directly from within the district and neighbouring districts	79.9%	78.6%

Note: The company with goods and services sourced locally (onshoring) and regionally (nearshoring).



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

The Company provides the Original Equipment Makers (OEMs) and their tier-1 suppliers the parts they need, when and how they need them, so as to generate value, framed by its Quality Policy. Throughout 2022, despite the challenging business environment, it continued to respond to its customers' requirements with multi technology solutions designed to satisfy diverse needs.

Customer satisfaction is driven by continuous product and process improvement by means of prevention, systematic revision, training and know-how sharing, as is set down in the groups Global Quality Policy. The policy evidences the company's dual strategic commitment to quality and environmental protection, in harmony with its customers' concerns.

The Company complies with the IATF's international quality standard. That standard is specific to the automotive industry and harmonises the different assessment and certification systems in the global automotive supply chain.

Essential indicators**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The ultimate objective of MCIE's commercial endeavours is customer satisfaction. In order to achieve this goal, it works tirelessly to exceed expectations at every stage of the customer relationship process, from the sales pitch and project management to on-time production and service, including a prompt response in the event of any deviations and the deliberate gathering of feedback. Since it does not have direct contact with end consumers, MCIE does not have proprietary customer grievance management systems. Instead, it manages claims and complaints received from its customers (OEMs and TIER-1 suppliers) in accordance with the standard operating procedures in the automotive industry to which it belongs.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	As mentioned, the parts/components are manufactured as per the specification given by our customers (OEMs and TIER-1 suppliers) and we do not have direct supply of any products to end consumers
Safe and responsible usage	
Recycling and/or safe disposal	

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

	FY2022		Remarks	FY2021		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	Not Applicable	0	0	Not Applicable
Advertising	0	0	Not Applicable	0	0	Not Applicable
Cyber- security	0	0	Not Applicable	0	0	Not Applicable
Delivery of essential services	0	0	Not Applicable	0	0	Not Applicable
Restrictive Trade Practices	0	0	Not Applicable	0	0	Not Applicable
Unfair Trade Practices	0	0	Not Applicable	0	0	Not Applicable
Other (received in Ordinary Course of Business relating to operational issues and not involving any ESG issues)	948	0	-	937	0	-



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

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

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

The Company has a robust framework for cyber security and data privacy. The cyber security risk is also part of the Risk Control and Management Policy of the Company which is uploaded at the Weblink:

<https://www.mahindracie.com/investors/investor-relations/governance.html#policies-and-code-of-conduct>

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

Nil, the Company takes extra precautions to uphold the right to privacy and secure the personal information that is entrusted to it by its staff, clients, partners, suppliers, business partners, contractors, workers, institutions, and the public.

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

All the information on products and services of the Company are available on the company portal website i.e., <https://www.mahindracie.com>

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

All the products (Sheet metal assemblies) are as per customer requirements hence no such type of activity is required to be carried out by us. All the aspects/impacts related to the product are at the sole discretion of our customers.

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

In case of disruption/discontinuation of essential services, the customers are informed through agreed channels with details of the events resulting in disruption/discontinuation. We have the contingency plans in our Quality Management Systems. Further Risk analysis & Common Reference Architecture (CORA) review is also in place.

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

The Company provides auto competence to OEMs for using it in the final production. Since we're a B2B company, we do not display product information on the product we supply. However, for warranty and major parts we are punching traceability numbers on the product for identification.

For customer satisfaction, a survey is conducted every 6 months for all the product suppliers and the plant leads also keep track of customer complaints and ensure customer satisfaction.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact: 0

b. Percentage of data breaches involving personally identifiable information of customers: 0

