

## ANNEXURE 'G' TO BOARDS' REPORT

### Business Responsibility Report [pursuant to Regulation 34(2)(f) of the Listing Regulations]

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L34100GJ1985PLC007958
2	Name of the Company	Munjal Auto Industries Limited
3	Registered address	187, GIDC Industrial Estate, Waghodia, Vadodara, Gujarat – 391760
4	Website	<a href="http://www.munjalauto.com">www.munjalauto.com</a>
5	E-mail id	<a href="mailto:cs@munjalauto.com">cs@munjalauto.com</a>
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Category: Manufacture of diverse parts and accessories for motor vehicles NIC Code: 29301
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> <li>- Exhaust systems for two wheelers</li> <li>- Spoke rims/Steel Wheel Rims for two wheelers</li> <li>- Fuel Tanks and BIW parts of four wheelers</li> </ul>
9	Total number of locations where business activity is undertaken by the Company	<p>We have manufacturing plants in 4 locations in the country:</p> <p><b>State/Union Territory: Location</b></p> <p>Haryana: Dharuhera &amp; Bawal</p> <p>Uttarakhand: Haridwar</p> <p>Gujarat: Vadodara</p>
9(a)	Number of International Locations	Nil
9(b)	Number of National Locations	Four
10	Markets served by the Company – Local/State/National/ International	The Company has PAN India market presence through its plants.

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	₹ 20 crores
2	Total Turnover	₹ 1,148 crores
3	Total profit after taxes	₹ 4.94 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer Annexure on CSR activities annexed to the Board's Report.
5	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure on CSR activities annexed to the Board's Report.

#### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, as on March 31, 2020, Company has one subsidiary namely Indutch Composites Technology Private Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No



## SECTION D: BR INFORMATION

### 1. Details of Director responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies:

DIN : 02714266  
Name : Mr. Anuj Munjal  
Designation : Whole Time Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN	02714266
2	Name	Mr. Anuj Munjal
3	Designation	Whole Time Director
4	Telephone Number	02668-262421/22
5	Email Id	cs@munjalauto.com

### 2. Principle-wise (as per NVGs) BR Policy/policies

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

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

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

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

Principle 5 : Businesses should respect and promote human rights

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

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

Principle 8 : Businesses should support inclusive growth and equitable development

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

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the internal stakeholders of the Company. The external stakeholders are being consulted as per business requirements and on need basis.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies adopted by the Company are in conformity with the applicable statutory laws, rules and regulations.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies have been approved by the Management of the Company and are approved by the Board wherever statutorily required.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Board of Directors have appointed Mr. Anuj Munjal, Executive Director of the Company to oversee the implementations of the Business Responsibility								
6	Indicate the link for the policy to be viewed online?	All the policies which are statutorily required are hosted on the of the Company i.e. www.munjalauto.com. The access to the website other policies is available to the employees and concerned stakeholders on need basis.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to key internal stakeholders. The external stakeholders are being communicated on website/need basis.								
8	Does the Company have in-house structure to implement the policy/ policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of the Policies is assessed under the Internal Audit Function.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	*1	-	-

\* 1.The Company has not been engaged in any activity or business to influence public or regulatory policy. As such need for the policy is not been felt.



### 3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors will assess the BR Performance on annual basis.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report of the Company will be hosted on the website of the Company i.e. [www.munjalauto.com](http://www.munjalauto.com) under Investor Relations section.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The ethics, bribery and corruption are covered under the Code of conduct and HR Policy of the Company. The code and policies cover only the Company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company was not in receipt of any complaint during the past financial year.

### Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company's R & D team is constantly carrying out research of product and processes to improve quality of product, life and performance keeping in view social/environmental concerns/risks and/or opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Value Engineering helps to reduce raw material consumption.

- b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company as a responsible corporate citizen always strives to ensure utilization of resources in effective and efficient manner. Efforts are being taken for leveraging water conservation, energy efficiency, lesser fuel consumption and sustainable use of renewal sources. It is not feasible to measure the usage of energy, fuel, water by consumers.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company at working level focus on sustainable resourcing. Company's plants are strategically located near to its customers and suppliers which results in easy accessibility of material to customer and also reduction in freight movement on longer routes.

- b. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company continuously identifies local and small producers in nearby locations of plants. The Company encourage local sourcing which confirm to desirable parameters and product samples after quality test. The Company periodically does review of its suppliers for their continuous improvement. Improvement points are also communicated to the supplier in the diligence activities.

4. Does the company have a mechanism to recycle products and waste ? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company always ensure and take efforts for natural resource conservation, reuse, recycle, waste minimization.

## Principle 3

**1. Please indicate the Total number of employees.**

2,994 (Including contract workers & Apprentices)

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

(Contractual workers - 1,816)

**3. Please indicate the Number of permanent women employees.**

Employees - 6

**4. Please indicate the Number of permanent employees with disabilities**

Employees - 1

**5. Do you have an employee association that is recognized by Management.**

- Munjal Auto Group Majdoor Union Bawal (HR) affiliated with (CITU)
- Munjal Kamdar Union – Waghodia, Vadodara Plant

**6. What percentage of your permanent employees is members of this recognized employee association?**

96%

**7. Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labor/forced labor/involuntary labor	-	-
2.	Sexual harassment	-	-
3.	Discriminatory employment	-	-

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

A formal training program is in place for all categories of employees. The focus on training includes safety and skill development besides other aspect. All employees irrespective of any category are given training as per requirement.

- (a) Permanent Employees : 60%
- (b) Permanent women Employees : 70%
- (c) Casual/ Temporary/ Contractual Employees : 71%
- (d) Employee with disability : 100%

## Principle 4

**1. Has the Company mapped its internal and external stakeholders ? Yes/No**

Yes

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes, the Company has identified disadvantaged, vulnerable & marginalized stakeholders from the local community and the work force. The Company has also engaged them for their socio-economic development through various CSR initiatives. The social development among disadvantaged, vulnerable & marginalized people are being ensured through awareness and sensitization programs, skill development programs, educational help, medical aid etc.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The programs under the CSR initiatives undertaken by the Company are focused primarily on those sections of the communities which are poor, needy, disadvantaged, vulnerable and marginalized.



## Principle 5

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?**

The Company has HR Policy through which it endeavors to protect Human Rights at workplace. The Company's procedures and practices always strives to protect Human Rights even within the organization and all activities undertaken through Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No complaint has been received in the past financial year.

## Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.**

The Environment, Health and Safety Policy covers only the Company. However, the Company always ensure environment friendly and safe business practices while working within the organization and with every actions taken through Group/Suppliers/NGOs/others.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

As a responsible corporate citizen, Company always ensures environmental protection. The Company continuously strives to minimize the environmental impact for reducing its own operational environmental footprint. The CSR initiatives taken by the Company forms the integral part of the annual report also available on the website of the Company at [www.munjalaauto.com](http://www.munjalaauto.com).

3. **Does the Company identify and assess potential environmental risks?**

Yes, potential environmental risks are identified in conformity with all applicable environmental laws. All necessary steps are being ensured for mitigating risk. The Company has been re-certified for Occupation, Health and Safety (OHSAS) 18001:2007 from Bureau Veritas during FY 2018-19, which is valid for up to 11<sup>th</sup> March, 2021.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Currently the Company does not have any Clean Development Mechanism (CDM) project.

5. **Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The Company always works on resource optimization, water and electricity conservation and waste reduction to reduce its environmental footprints. The Company has undertaken initiatives for usage of solar power through solar panels, solar lights towards energy efficiency.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

7. **Number of showcause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No show cause/ legal unresolved notices from CPCB/ SPCB are pending as on March 31, 2020.

## Principle 7

1. **Is your Company a member of any trade and chamber or association ? If Yes, Name only those major ones that your business deals with:**

The names of major associations are as follows:

- Confederation of Indian Industry
- Automotive Component Manufacturers Association of India (ACMA)
- Federation of Gujarat Industries (FGI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas.

No

## Principle 8

1. Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has a Corporate Social Responsibility (CSR) policy in place which drives its efforts in the areas which strives towards social and economic development.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The Company collaborates with various foundations, NGOs, Local Administrations etc. on project basis for undertaking the CSR activities.

3. Have you done any impact assessment of your initiative?

Yes. The Company undertakes actions and spend expenditure towards corporate social responsibility initiatives after doing initial assessment and case studies. Before undertaking a project or program, meeting with local administrations and other bodies are held for making the pilot project and analysis of the initiatives for knowing the impact. The CSR team does base line survey and where feasible also takes feedback from the beneficiaries for the CSR initiatives taken.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Complete details of Company's contribution towards the community development has been specified under the Annexure pertaining to CSR details as annexed in the Board Report of the Company's Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR Committee of the Company does all the required assessment for analyzing the key areas for undertaking CSR initiatives and their impact thereto. A programme or project is developed and implemented for creating sense of belongingness and adoption by the community at large. The Community development initiatives are analyzed by base line surveys and taking the feedback from the beneficiaries. The Company proactively engages beneficiaries with the project and programme on continuous basis for achieving sustainability of the project or program. Required necessary support is also provided to the project or program after the development which will be beneficial for the community.

## Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company promptly resolves the customers' complaint as and when received within stipulated time frame.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Yes/No/N.A. /Remarks (additional information)

The information which are statutorily required are displayed.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company regularly engages with customers to get their feedback on the product and always ensure necessary actions to increase their satisfaction level. The Company have quality service team for redressing the customer's concerns pertaining to the Company's product. Customer concerns are being taken for immediate redressals for achieving the customer's satisfaction.