Sustainability Review 2012-13

Mahindra
Rise.

H_2O to H_2O

Changing the water equation

alternative THINKING ™

THE MAHINDRA APPROACH TO SUSTAINABILITY
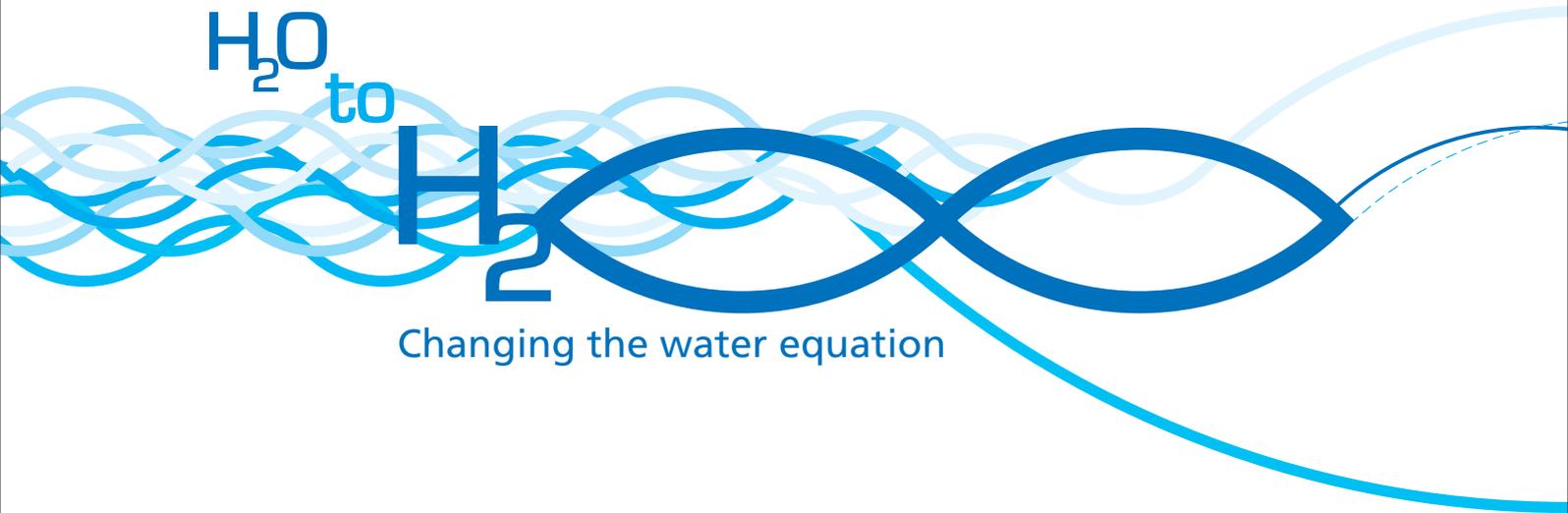
Alternative Thinking has fuelled the sustainability journey of Mahindra. After institutionalising a sustainability framework in the first year, in subsequent years it has successfully spread throughout different hierarchies of businesses.

From operationalising sustainability in day-to-day activities to helping Group Companies strategically leverage sustainability for competitive advantage - over the years, sustainability has been seeded in our business conduct. With sustainability gaining self-momentum among Group Companies and the successful completion of a 5-year roadmap in just 3 years, the time is now ripe for Alternative Thinking to concentrate individually on high impact material issues that affect each and every Group Company.

2007-08 Alternative Thinking

2008-09 Alternative Thinking in Action

2009-10 Alternative is Native

2010-11 Alternative is Transformative

2011-12 Alternative Accelerates Results
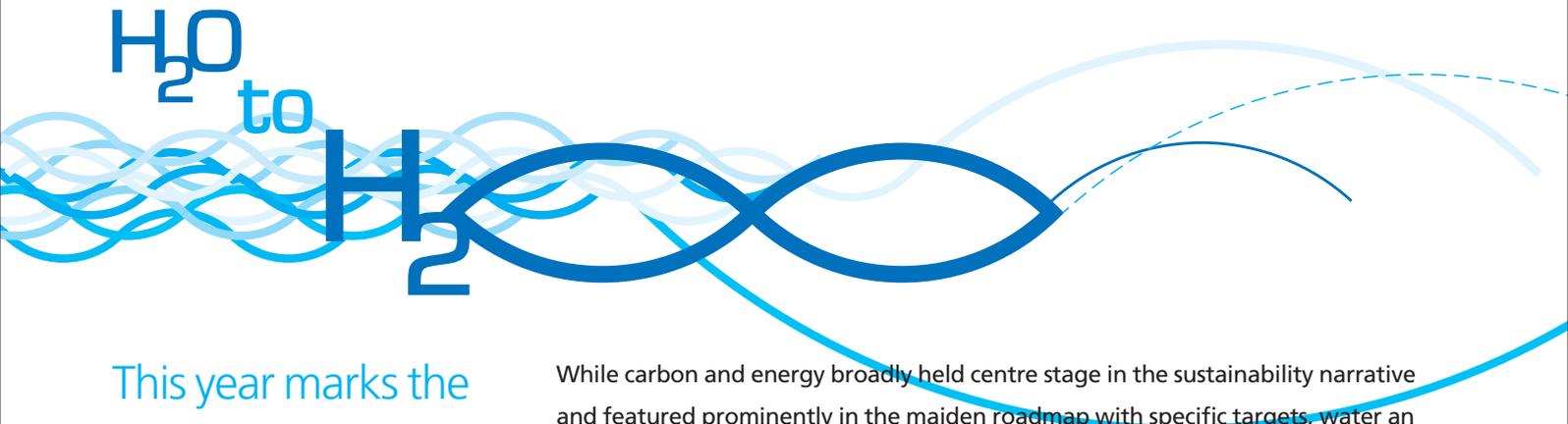
H_2O to $H_2\infty$

This year marks the start of a focussed and accelerated effort to change the water equation from H_2O to H_2Infinity

While carbon and energy broadly held centre stage in the sustainability narrative and featured prominently in the maiden roadmap with specific targets, water an equally essential resource was always retained on the radar. Programmes and initiatives on water conservation, harvesting, reducing water intensity are now being undertaken in all earnest and are progressing at a steady pace. But rising imbalances between availability and demand, inter-societal competition and regional conflicts will now constantly push water issues to the fore. The drought in Maharashtra brought it right to our doorstep. It got us to accelerate our efforts to turn the tide and transform a fast depleting reserve, back to tomorrow's infinite resource.

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Message from
Chairman and Managing Director

When it comes to sustainability, it's time to move on. Quit the comfort zone and set challenging aspirational targets on issues of strategic importance.

In the six years since we started our structured sustainability journey, we have seen significant success in integrating sustainability principles into our businesses. Our pursuit of sustainability is driven by much more than just reputation management. The business case has been embraced and we are discovering the many business benefits of sustainability including saving energy, developing green products, retaining and motivating employees, process improvement, business continuity and rapid growth opportunities.

After six years, it's now time to push the envelope, to move faster, to quit the comfort zone and set challenging aspirational targets on issues of strategic importance. Our ambition now is to tackle much larger challenges. With a population of over 700 million living in villages and over 300 million in small towns, India has to grow, to forge an inclusive society. The key challenge will be to ensure sustainable and inclusive growth with water, power and food for all. We plan to focus the Group's intellectual and commercial resources on looking for answers and to leverage our multiplicity of businesses and capabilities to conceive and execute integrated solutions.

Our first port of call is water. Despite the easy flow of water from our sinks, showers and garden hoses, water is becoming dangerously scarce in many parts of the country. According to a recent World Bank report, most major Indian cities will run dry by 2020. The alarm bells are ringing louder because water security is inextricably linked to food and energy security.

H_2Infinity is our clarion call to all our stakeholders to turn back the clock on water and ensure that enough water is available for a growing India. To achieve this, conservation, consumption and cultural norms will all need to undergo a paradigm shift. We in the Mahindra Group are tackling this hydra-headed problem on all fronts, and across the triple bottom line.

On the economic front, plans are afoot to comprehensively combat water-related business continuity risks. Detailed risk mapping and rigorous water-audits are underway at our Auto and Farm Divisions, which will be emulated across businesses. The aim is to make each plant self-sufficient in water. We aspire to have all our future facilities LEED certified, so that water and energy efficiency is inbuilt from the design stage itself.

On the environmental front, we are reinforcing our on-going initiatives to better the 13.45% reduction in water consumption that we have achieved in the three years since we unveiled our first sustainability roadmap in 2008-09. New innovative technologies such as using enzymes or natural plants to treat and reuse wastewater are being explored and put to use. Mahindra World City, Chennai has developed a system of receiving wastewater from the city of Chennai, treating it and making it fit for use by their customers.

On the social front, we are undertaking holistic interventions such as the integrated watershed development programme at Damoh in Madhya Pradesh, which has been instrumental in providing the local community year-long access to water, along with the knowledge they need to maximise productivity from every drop.

H_2Infinity is an ambitious programme that implements our Rise philosophy of impacting the lives of all our stakeholders and communities through Alternative Thinking. It is one more avenue by which each of us can be a ripple that sets off a wider ripple, so that ultimately we can together bring about a sea of positive change.

Anand Mahindra
Chairman & Managing Director,
Mahindra & Mahindra Limited

Today, M&M is rated No. 2 in India in the Carbon Disclosure Leadership Index. Consistently placed in the top 10 list of the S&P-CRISIL ESG Index in India for the last few years.

Thanks to the relentless focus on sustainability over the past six years, sustainability is now a way of life across the Mahindra Group. The past year has clearly demonstrated that, at Mahindra, sustainability works. Along with growth in business, our performance on environmental and social fronts has also improved, across our various products and services.

Cleaner fuels continued to be high on the agenda of our Auto and Farm businesses. In the Auto business HyAlpha, the world's first hydrogen powered three-wheeler, was launched and road trials for the 'Bolero' SUV and 'Champion' three-wheeler, which are powered by HCNG (Hydrogen and CNG) technology, were successfully completed. The Farm business achieved technology readiness in biodiesel compatibility.

Relentless efforts by our R&D team to reduce emissions have resulted in the introduction of products such as the Sun2Car DC1, which enables the Mahindra e2o electric passenger vehicle to be directly charged by solar panels; the introduction of micro-hybrid technology in our Duro DZ two wheeler; and the debut of our new E-01 engine in our new 'Pantero' motorcycle.

While enhancing our product portfolio to drive business growth, we also developed innovative applications to address important social issues. Tech Mahindra's CanvasM Technologies introduced two award winning solutions: FightBack, a mobile application designed to prevent violence against women, and Saral Rozgar, which addresses the needs of the blue collar workforce.

These are just a few highlights from a rich repository of outcomes this year which are detailed in the report, and which resulted in high ratings by various agencies.

Today, M&M Limited is rated No. 2 in India in the Carbon Disclosure Leadership Index, and has been consistently placed in the top 10 list of the S&P-CRISIL ESG Index in India for the last few years. CII in its Sustainable Plus rating system, rated M&M with a GOLD rating. Mahindra Lifespace Developers Ltd. was honoured at the CII-ITC Sustainability Awards 2012 for its strong commitment to Sustainability in its residential developments and integrated cities.

In order to amplify knowledge and understanding of the big shifts in the business environment, the Mahindra Sustainability Awards were introduced during the year, wherein the triple bottom line performance of each business was evaluated based on an internally developed matrix. These awards are intended to catalyse further development of the sustainability culture at Mahindra.

This year, M&M Limited articulated a comprehensive Business Responsibility Policy in compliance with the guidelines issued by the Securities Exchange Board of India (SEBI) to ensure a tighter fit between the recommended framework and our business processes. This policy will facilitate focussed responses and disclosures, allowing stakeholders to more easily understand our performance on the Business Responsibility(BR) matrices. Our first BR Report has been included in our 2012-13 Annual Report.

The time has come to take advantage of our gaining momentum and apply the Rise principle of Alternative Thinking to embed sustainability still deeper in the organisation. The top goal on our radar is, the lifeline of business, and mankind: water. After a preliminary study of our water footprint, we are in the process of chalking out innovative consumption and conservation practices to propel our facilities towards becoming water positive.

An enhanced commitment to sustainability is now the new normal at the Mahindra Group. Each one of us takes pride in our individual roles in this transition, and more importantly, in the knowledge that by working collaboratively and pooling our strengths, we can Rise to any challenge.

Ulhas Yargop
Chairman, Group Sustainability Council
Mahindra & Mahindra Limited

Profit

Just like water, profit is the lifeline of business continuity. We understand the importance of both - 'natural resource' and 'capital resource', and hence are committed to strengthen the business case of water sustainability.

Green Buildings
developed by Mahindra Lifespaces factor in water-efficiency during construction and usage

Risk Analysis
to identify all possible fallouts of AFS business continuity with respect to water shortage

Water-efficient Sytems
to optimise water consumption for the lifetime of a building

Rainwater Harvesting and Stormwater Management System

'Green Paint Technology'
by Mahindra Research Valley to achieve 20% reduction in water consumption

Wastewater Treatment and Reuse

In-house Sewage Treatment Plant

Xeriscaping and Drip Irrigation System at MWC

Mahindra EPC offers **Micro-irrigation & fertigation services** helping farmers achieve more productivity

Mahindra First Choice automated the Underbody Washing Process which **cuts water consumption by 50%** It is cost competitive, safe & fast

MSSSPL achieved **40% reduction in water consumption**

Roof water harvesting

Introduction of close loop water circuit

Underground water pipeline brought above ground

People

Water is the source of survivability and thrivability of an individual. At Mahindra, we are committed to provide 'water for all' and remain instrumental in providing the local community with life-long access to water, plus the infrastructure and knowledge to conserve more than they consume.

Esops volunteers facilitate access to healthy water in the areas where it is needed the most. A case in point is the **refurbishment of a water reservoir at Wagholi, Maharashtra,** a village which was facing acute water shortage in 2010 and **installing water pipelines & storage tanks for 2,000 tribals of Bhil Basti,** Rajasthan in 2012

Esops have facilitated **Rainwater Harvesting Plants** for communities to make the best use of rain

FD, Jaipur arranged for water tankers to quench the thirst of **40 parched villages** eliminating the need for women to walk miles to fetch water

Accelerated **farm productivity by 25-30%**

Nashik plant constructed a **Check Dam** at Sendyachi met village with the help of NGOs and the local community. This has led to enhanced water access for the villagers

An integrated Watershed Management Project that will directly impact **20,000 Indians across 32 villages** in the Damoh district of Madhya Pradesh. The project aims to increase the per capita income of the region by at least two folds

Water storage spaces of capacity 450 million litres developed so far

So far, 8 check dams, 17 ponds and tanks

Formation of 200 SHGs to enhance livelihoods, till date

1,100 soil conservation structures like stone outlets and gully plugs, trenches which run up to 80,000 meters, as of 2013

Planet

A perennial availability of fresh water is paramount to restore the delicate balance of our ecosystem. Systemic solutions continue to be introduced at Mahindra to rationalise consumption and maximise conservation of water.

Comprehensive Water Strategy (2012-16) by AD, to identify risks posed by water scarcity. Set targets on water conservation like groundwater dependency, effluent recycling, rainwater harvesting and a roadmap of strategic initiatives to achieve these targets

AD, Zaheerabad continues to nurture the **343 acre green belt** which was once a semi-arid region. A 10-year long project, measures involve:

Watershed Planning

Large-scale Tree Plantation

Rainwater Harvesting

Groundwater Recharge

All new plants of MIL and MSSCL include Rainwater Harvesting

At MWC, drought-resistant plant species have been seeded across 60 acres of land to achieve water savings **of 321,200 m³ per annum**

MWC, Chennai has developed a system of receiving wastewater from the city of Chennai, **treating it and making it fit for use by its customers**

Regular monitoring of wastewater by internal & external agencies to ensure responsible discharge well within stipulated limits

Taking the insights of the water footprinting exercise undertaken in the previous year, we identified opportunities to reduce, reuse & recycle water and planned strategies to address the same across sectors.

Total volume of water recycled & reused
1,120,250 m³

Mahindra Hinoday Industries Ltd., Urse streamlined water distribution.
Savings:
30% river water
63.5% tanker water

Automatic level controllers for zero overflow

Underground pipelines laid over ground

Centralised control instead of individual plant control

In 2008, Mahindra Consulting Engineers very efficiently transformed the flood-hit Pattori to an **eco-friendly model village** which is disaster-resistant as well as self-sufficient

Regular water audits

AD, Nashik recorded **a reduction of 75% in specific water consumption** in last 6 years

Rainwater harvesting

FD ensures to embed conservation culture among farmers
an operation manual is given to every tractor owner. It covers various green aspects including tips for conservation of rainwater

Groundwater Recharging

Mahindra Two Wheelers, Pithampur

MHRIL, Coorg

Rainwater Harvesting

Greywater for Gardening

Tech Mahindra, Hinjewadi

MUSCO Stamping, Kanhe

REPORTING PROCESS

MATERIALITY

At Mahindra, we want to make as big a difference as possible, so we focus on the things that matter the most.

We believe that sustainability without materiality is like a journey without a destination. Identifying material issues is the first step towards shaping our sustainability strategies.

> **MATERIALITY IS THE THRESHOLD AT WHICH AN ISSUE OR INDICATOR BECOMES SUFFICIENTLY IMPORTANT THAT IT SHOULD BE REPORTED. BEYOND THIS THRESHOLD, NOT ALL MATERIAL TOPICS WILL BE OF EQUAL IMPORTANCE AND THE EMPHASIS WITHIN A REPORT REFLECTS THE RELATIVE PRIORITY OF THESE MATERIAL TOPICS AND INDICATORS.**

Recent discussions with different stakeholders helped us understand that we needed to be clearer and more transparent in explaining our priorities.

We have also started reviewing key stakeholders and material issues of different sectors so that the reporting is relevant for the businesses.

REPORT BOUNDARY

The reporting period for Mahindra's sixth sustainability report is 1st April 2012 to 31st March 2013. As mentioned in our first Sustainability report in 2007-08, we remain committed to report our triple bottom-line performance on an annual basis.

We are following the Global Reporting Initiative (GRI) Sustainability Reporting G3.1 Guidelines. The GRI Guidelines is the most widely adopted non-financial reporting framework in the world and is used to help communicate sustainability performance and encourage transparency and accountability. This year, the report is also aligned to the nine principles of Ministry of Corporate Affairs' National Voluntary Guidelines (NVG) on social, environmental and economic responsibilities of business.

NVG-SEE PRINCIPLES

1 ETHICS, TRANSPARENCY AND ACCOUNTABILITY	2 PRODUCTS LIFE CYCLE SUSTAINABILITY	3 EMPLOYEES' WELL-BEING
4 STAKEHOLDER ENGAGEMENT	5 HUMAN RIGHTS	6 ENVIRONMENT
7 POLICY ADVOCACY	8 INCLUSIVE GROWTH	9 CUSTOMER VALUE

This year we have included new business Mahindra First Choice Services Ltd. (MFCSL) in our scope of reporting.

The report includes:

Automotive & Farm Sectors
Mahindra & Mahindra Ltd. – Automotive Division (AD)
Mahindra Vehicle Manufacturers Ltd. (MVML)
Mahindra & Mahindra Ltd. - Farm Division
Mahindra Spare Business (MSB)
Mahindra Reva Electric Vehicles Pvt. Ltd. (MReva)
Mahindra Research Valley (MRV)*

Two Wheeler Sector
Mahindra Two Wheelers Ltd. (MTWL)

Real Estate Sector
Mahindra Lifespace Developers Ltd. (MLDL)
Mahindra World City Developers Ltd. (MWCDL)
Mahindra World City Jaipur Ltd. (MWCJL)

Leisure & Hospitality Sector
Mahindra Holidays & Resorts India Ltd. (MHRIL)

Financial Services Sector
Mahindra & Mahindra Financial Services Ltd. (MMFSL)
Mahindra Rural Housing Finance Ltd. (MRHFL)
Mahindra Insurance Brokers Ltd. (MIBL)
Mahindra Business & Consulting Services Private Limited (MBCSPL)

Information Technology Sector
Tech Mahindra Ltd. (Tech M)
Mahindra Satyam (MSat)

Systems & Technologies Sector (Systech)
Mahindra Sanyo Special Steel Pvt Ltd. (MSSSPL)
Mahindra Ugine Steel Company (MUSCO)
Mahindra Forgings Ltd. (MFL)
Mahindra Hinoday Industries Ltd.
Mahindra Composites Ltd.
Mahindra Gears & Transmissions Private Ltd. (MGTPL)

Aftermarket Sector
Mahindra First Choice Wheels Ltd
Mahindra First Choice Services Ltd*

Mahindra Partner Division
Mahindra Intertrade Ltd. (MIL)
Mahindra Steel Service Centre Ltd. (MSSCL)
Mahindra Logistics Ltd. (MLL)
Mahindra Solar One Pvt. Ltd. (MSOLAR)

Added in the scope this year

Report Scope Limitations

This report is India-centric and excludes:

International Operations

Businesses which were acquired or commenced operations in FY 2012-13

Mahindra Retail Pvt. Ltd.

Speciality Businesses
Media & Entertainment, Defence Services and Special Services Group

Office buildings, out-stations depots and dealerships

Companies / plants / locations of manufacturing sectors
Mahindra Navistar Automotives Ltd.
Mahindra Navistar Engines Pvt Ltd.
Mahindra Aerospace Pvt Ltd.
Ssangyong Motor Company Ltd.
Swaraj Engine Ltd.
Mahindra Gujarat Tractor Ltd.
Mahindra Shubhlabh Services Ltd.
Mahindra Powerol
Mahindra Graphic Research Design
Mahindra (China) Tractor Co.
Mahindra USA INC.
Mahindra Yueda (YANCHENG) Tractor Co.
Mahindra Ocean Blue Marine

Your feedback is important to us. It acts as a source of motivation, a reason for introspection and a trigger point for new possibilities. Please do take time to write in to us, your suggestions on how we can improve our sustainability reporting as well as sustainability endeavours.

Please email your suggestions / views / opinions to:

sustainability@mahindra.com

Location of the organisation's headquarters:

Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder, Mumbai 400 001

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80 COMPANIES. 100 PRODUCTS. 1 NUMBER

INDEPENDENT ASSURANCE STATEMENT

To the management of Mahindra Group

KPMG was engaged by Mahindra Group (Mahindra) to provide assurance on its Sustainability Report ('the Report') for the financial year 2012-13 in line with the limited assurance requirements of ISAE 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information by International Federation of Accountants' (IFAC) International Standard for Assurance Engagements.

Conclusion

Based on the 'work performed' in line with the 'scope of assurance', 'limitations and exclusions', nothing has come to our attention for us to not believe that Report meets the requirements of GRI principles for defining report content and quality as follows:

- Materiality: Mahindra has adopted a structured methodology for materiality assessment, followed by creation of measurable performance indicators for prioritized material issues. These issues have also been included as a part of annual KRAs (key result areas) for Mahindra's Senior Management. The methodology however can be strengthened by validation, through inputs from external stakeholders or events.

- Stakeholder Inclusiveness: The report fairly addresses major concerns and expectations raised by Mahindra's key stakeholders.

- Sustainability Context: Mahindra has created a sustainability roadmap that delineates goals, targets and objectives across apects of people, planet and profit. This implementation of this roadmap is regularly monitored by Mahindra's sustainability council. Mahindra has linked this Report to the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business published by Ministry of Corporate Affairs, Government of India. Further, Mahindra has also provided an update on its activities related to six out of eight missions of India's National Action Plan on Climate Change.

- Completeness: This year Mahindra First Choice Services Limited and Mahindra Research Valley have been included in the report scope and boundary. The coverage of material topics and the definition of the report boundary sufficiently reflects Mahindra's significant economic, environmental, and social impacts; thereby enabling its stakeholders to assess the performance for the reporting period.

- Balance: The report adequately presents positive and negative aspects of Mahindra's sustainability performance.

- Comparability: Key sustainability performance indicators have been presented in the form of a three-year trend across the Report. Mahindra has used appropriate sector-specific denominators to report on the water, energy and GHG emissions intensities across sectors.

- Accuracy: The sustainability data and information presented in the Report have been collected, collated and analyzed by Mahindra's Group Sustainability Cell. During the verification visits, data transcription and calculation errors were detected and resolved. Overall, the data and information presented in the Report are within accepted margins of error and along with appropriate presentation of underlying assumptions and techniques.

- Timeliness: Mahindra follows a regular schedule to publish the Report annually.

- Clarity: The report is structured in a logical manner with use of relevant graphics and consolidation, enabling readers to understand and interpret the data

- Reliability: The collection and collation process for sustainability data and information at Mahindra is partly through an online portal and partly through manual worksheets. The systems deployed for collection, collation and analysis of sustainability data and information were reviewed on a six-monthly and annual basis. Overall, the sustainability data and information presented in the Report are reliable; however the process to establish the reliability is cumbersome.

- GRI Application Level Check: The report meets the A+ application level criteria as per GRI G3.1 guidelines.

Scope of assurance

The assurance has been provided for the sustainability data and information presented by Mahindra in its Report. Our scope of assurance included data and information for the period 01 April 2012 to 31 March 2013 based on Global Reporting Initiative's (GRI) G3.1 Guidelines and other relevant sustainability guidelines or initiatives. The report boundary included data and information from Mahindra's group companies: Mahindra & Mahindra Limited (Automotive Division (AD), Farm Division (FD), Mahindra Spares Business (MSB), Mahindra Vehicle Manufacturers Limited (MVML), Mahindra Research Valley (MRV) and Mahindra Reva Electric Vehicles Private Limited. (MReva)); Systems and Technologies Sector (Systech) comprising Mahindra Sanyo Special Steel Pvt. Ltd. (MSSSPL), Mahindra Ugine Steel Company Limited (MUSCO), Mahindra Forgings Limited (MFL), Mahindra Hinoday Industries Limited (MHIL), Mahindra Composites Limited (MCL) and Mahindra Gears & Transmissions Private Limited (MGTPL); Real Estate Sector comprising Mahindra Lifespace Developers Limited (MLDL), Mahindra World City Developers Limited (MWCDL) and Mahindra World City Jaipur Limited (MWCJL); Two Wheeler Sector comprising Mahindra Two Wheelers Limited (MTWL); Leisure and Hospitality Sector comprising Mahindra Holidays & Resorts India Limited (MHRIL); Financial Services Sector comprising Mahindra & Mahindra Financial Services Limited (MMFSL), Mahindra Rural Housing Finance Limited (MRHFL) and Mahindra Insurance Brokers Limited (MIBL); Information Technology Sector comprising Tech Mahindra Limited (Tech M) and Mahindra Satyam Limited (MSat); Aftermarket Sector comprising Mahindra First Choice Wheels Limited (MFCWL) and Mahindra First Choice Services Limited (MFCSL); Mahindra Partners Division comprising Mahindra Intertrade Limited (MIL), Mahindra Steel Service Centre Limited (MSSCL), Mahindra Logistics Limited (MLL) and Mahindra Solar One Private Limited (MSOLAR).

Limitations and exclusions

Our assurance process was subject to the following limitations and exclusions:

- Verification of data or information other than that covered in Scope of assurance
- Verification of data or information related to Mahindra's financial performance, sourced from its audited annual report for the financial year 2012-13
- Verification of data and information outside the reporting period as mentioned in the Scope
- Verification of any statement indicating intention, opinion, belief and / or aspiration by Mahindra

Work performed

Our work included the following procedures involving a range of evidence-gathering activities as explained below:

- Assessment and review of materiality and stakeholder engagement framework deployed at Mahindra
- Review of sustainability governance framework at Mahindra
- Interaction with Mahindra's senior management.
- Verification visits to Mahindra's sites:
  - Mahindra & Mahindra Limited - AD Kandivili and Nasik ; FD - Kandivili and Swaraj Tractor Division (Plant 1) Chandigarh ; MSB - Vadgaon, Worli ; MVML - Chakan ; MReva - Bengaluru
  - Systech - MHIL Urse ; MFL Chakan ; MUSCO Stampings Kanhe
  - Real Estate - MLDL Splendor Mumbai and Aqualily Chennai ; MWCDL Chennai
  - Two Wheeler - MTWL Pithampur
  - Leisure and Hospitality - MHRIL Thekkady
  - Financial Services - MMFSL Thane and Mumbai ; MRHFL Mumbai ; MIBL Mumbai
  - Information Technology - Tech M Hinjewadi and Noida ; M Sat Chennai
  - Aftermarket - MFCWL Mumbai, MFCSL Nasik and Mumbai
  - Partners Division - MIL Bhopal and Worli ; MLL Hyderabad and Mumbai ; MSOLAR Mumbai

- Review of systems deployed for collection, collation and analysis of sustainability data and information on a six-monthly and annual basis
- Interviews with Mahindra's personnel responsible for managing above-mentioned systems
- Evaluating the Report's content to ascertain its application level as per the criterion mentioned in the Global Reporting Initiative's G3.1 Guidelines
- Testing on a sample basis, the evidence supporting the data and information
- Review of the Report to ensure that there is no misrepresentation of disclosures as per scope of assurance and our findings

Our procedures selected depend on our judgment, including the assessment of the risks of material misstatements of selected performance indicators and disclosures and our assessment of the internal controls relevant to the company's preparation and presentation of the sustainability information in the 2012-13 Report. Our procedures were designed to gather sufficient appropriate evidence to determine that the selected performance information is not materially misstated.

Independence

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

Responsibilities

Our responsibility is to express our conclusions in relation to the assurance scope listed above. We conducted our engagement with a multidisciplinary team having necessary skills and experience in ISAE 3000, stakeholder engagement, auditing environmental, social and economic information and with experience in similar engagements. Mahindra is responsible for developing the Report contents. Mahindra is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported.

This assurance statement is made solely to Mahindra in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Mahindra those matters we have been engaged for. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Mahindra for our work, for this statement, or for the conclusions we have reached. By reading this statement, stakeholders agree and accept to the limitations and disclaimers mentioned above.

Santhosh Jayaram
Technical Director
KPMG

July 05, 2013

GROUP PROFILE

THE MAHINDRA GROUP

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 15.9 billion multinational group based in Mumbai, India, Mahindra employs more than 155,000 people in over 100 countries. Mahindra operates in 18 key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, rural finance, information technology and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, financial services, industrial equipment, logistics, real estate, retail, steel and two wheeler industries. With its recent foray in solar, Mahindra seeks to be at the forefront of the solar revolution in India and empower every Indian business, household and individual to rise with clean and affordable energy.

MAHINDRA SEEKS TO ACCELERATE INNOVATION AND DRIVE POSITIVE CHANGE IN ALL ITS THOUGHTS AND ACTIONS. MAHINDRA GROUP FOLLOWS A UNIQUE BUSINESS MODEL OF CREATING EMPOWERED COMPANIES THAT ENJOY THE BEST OF ENTREPRENEURIAL INDEPENDENCE AND GROUP-WIDE SYNERGIES. THIS MODEL HAS LED TO AN EXPONENTIAL GROWTH OVER THE YEARS.

In 2012, Mahindra featured on the **Forbes Global 2000 list**, a listing of the biggest and most powerful listed companies in the world

Mahindra ranked **10th in the TLG Thought Leadership Index** which lists the most successful and influential companies in India

Mahindra bagged a total of **34 Awards at the PRCI Annual Corporate Collateral Awards 2012**

Shareholding Pattern

Sr. No.	Category of Shareholders	Total Holdings	Holdings in %
1	Promoters and Promoter Group	154,623,809	25.18
2	Mutual Funds / UTI	8,026,408	1.31
3	Banks, Financial Institutions, Insurance Companies, Central & State Government	87,400,873	14.23
4	FIIs	214,948,509	35.01
5	Foreign Bodies	19,442,307	3.17
6	Private Corporate Bodies	43,875,742	7.14
7	Indian Public	49,162,905	8.01
8	NRIs / OCBs / Foreign Nationals	3,550,736	0.58
9	The Bank of New York Mellon (for GDR holders)	32,949,467	5.37
	Grand Total	**613,980,756**	**100.00**

For more information please visit: http://www.mahindra.com/Who-We-Are/Overview

BUSINESS VERTICALS

The **Mahindra** Group

AUTOMOTIVE & FARM	PARTNER DIVISION	SYSTEMS & TECHNOLOGIES	INFORMATION TECHNOLOGY	LEISURE & HOSPITALITY	REAL ESTATE	FINANCIAL SERVICES	TWO WHEELERS	AFTER MARKET

AUTOMOTIVE & FARM SECTORS | AUTOMOTIVE DIVISION

The Mahindra Automotive Division (AD) is in the business of manufacturing and marketing utility vehicles and light commercial vehicles, including three-wheelers. In 1947, Mahindra introduced India to the Utility Vehicle (UV). More than 65 years later, Mahindra is still India's premier UV manufacturer and accounts for about half of India's market for UVs. It also has the distinction of designing India's first hydrogen three-wheeler and India's first hybrid vehicle.

Highlights

New Launches

Mahindra Quanto

Maxximo Mini Van VX

Maxximo (CNG) load carrier - BSIV

SsangYong Rexton, a premium SUV, was introduced on Indian roads

Celebrated the roll-out of 1000th Mahindra EarthMaster

35,000+ XUV500 sold within just one year of launch

Unveiled brand-new design center at Ssangyong's R&D campus of the Pyeongtaek Plant

For more information please visit:
www.mahindra.com/What-We-Do/Automotive

Businesses in the sector: *http://www.mahindra.com/What-We-do/Automotive/Companies*

Mahindra Graphic Research Design *http://www.mahindra.com/What-We-do/Automotive/Companies/Mahindra-Graphic-Research-Design*	**Mahindra Navistar Automotive** *http://www.mahindra.com/What-We-do/Automotive/Companies/Mahindra-Navistar-Automotive*	**Mahindra Vehicles Manufacturers** *http://www.mahindra.com/What-We-do/Automotive/Companies/Mahindra-Vehicle-Manufacturers*
Ssangyong Motor Company *http://www.mahindra.com/What-We-do/Automotive/Companies/Ssangyong-Motor-Company*	**Mahindra REVA Electric Vehicles Pvt. Ltd.** *http://www.mahindra.com/What-We-do/Automotive/Companies/Mahindra-Reva-Electric-Vehicles*	**Mahindra Spares Business (MSB)** *http://www.mahindra.com/What-We-do/Automotive/Services/Mahindra-Spares*

Mahindra Graphic Research Design, Mahindra Navistar Automotive, Ssangyong Motor Company are not in the scope of report.

AUTOMOTIVE & FARM SECTORS | FARM DIVISION

Mahindra began manufacturing tractors in the early 1960s for the Indian market. Today, nearly 50 years later, it is the number one tractor company in the world (by volume) with annual sales of over 200,000 units and over 2.1 million tractors sold till date. Its products are making farms more prosperous in more than forty countries across six continents. Following its vision of Farm-Tech Prosperity, we've also expanded into farm-support services like agri-mechanisation solutions under Mahindra AppliTrac, seeds, crop protection, as well as market-linked distribution, agri-support information and counselling through the Samriddhi Initiative. Through this network of services, Mahindra aims to empower the rural farmer and transform rural productivity, income, and living standards.

Highlights

New Launches

Mahindra Sarpanch 475 CNG Tractor

Mahindra Bhoomiputra 265 DI MKM power plus with Robolift Hydraulics

Swaraj Division, Farm Equipment Sector won the prestigious Deming Application Prize for 2012. Swaraj has become the second tractor company in the world, after Mahindra Farm Division to receive this honour.

Swaraj set a new benchmark in Tractor Industry by achieving highest on Customer Satisfaction Index

For more information please visit: www.mahindra.com/What-We-Do/Farm-Equipment

Businesses in the sector

Mahindra (China) Tractor Co *http://www.mahindra.com/What-We-do/Farm-Equipment/Companies/Mahindra-China-Tractor-Co*	**Mahindra USA INC** *http://www.mahindra.com/What-We-do/Farm-Equipment/Companies/Mahindra-USA-Inc*	**Mahindra Yueda (YANCHENG) Tractor Co.** *http://www.mahindra.com/What-We-do/Farm-Equipment/Companies/Mahindra-Yueda-Yancheng-Tractor-Co*
Mahindra Samriddhi *http://www.mahindra.com/What-We-do/FarmEquipment/Services/Samriddhi*	**Micro-irrigation Business**	**Mahindra Powerol**

Mahindra (China) Tractor Co, Mahindra USA INC, Mahindra Yueda (YANCHENG) Tractor Co, Mahindra Powerol, Mahindra Samriddhi, Micro-irrigation Business are not in the scope of report.

MAHINDRA PARTNERS DIVISION

Mahindra Partners is a diversified division that oversees new businesses in the Mahindra Group such as metal products, steel trading, logistics and solar energy.

Highlights

Commissioned new 20MW and 10 MW Solar Power plants in Jodhpur, Rajasthan under Jawaharlal Nehru National Solar Mission (JNNSM)

Businesses in the sector

Mahindra Intertrade Ltd. (MIL) *http://www.mahindra.com/What-We-do/Components/Companies/Mahindra-Intertrade*	**Mahindra Steel Service Centre Ltd. (MSSCL)** *www.mahindrasteelservicecentre.com*
Mahindra Logistics Limited (MLL) *http://www.mahindra.com/What-We-do/Logistics*	**Mahindra Solar One (MSolar)** *http://www.mahindra.com/What-We-do/Energy/Companies/Mahindra-Solar-One*

SYSTEMS & TECHNOLOGIES SECTOR (SYSTECH)

Systech offers a variety of components and services to the automotive and other ground-based mobility industries around the world. Our portfolio includes castings, forgings, stampings, gears, rings, magnets, steel, composites, telematics, engineering and contract sourcing services. Our network of plants and offices around the world service customers are located in North America, Europe and Asia. We are one of India's largest automotive component groups and a global leader in automotive forgings.

Highlights

Mahindra Sanyo Special Steel Pvt Ltd. (MSSSPL) was recommended for ISO 50001 Certification for its Energy Management System, by TUV Nord.

Mangaon & Pimpri units of Mahindra Composites became ISO-14001 & OHSAS-18001 Certified.

For more information please visit:
www.mahindra.com/What-We-Do/Components/Companies/Mahindra-and-Mahindra-Systech-Division

Businesses in the sector

Mahindra Sanyo Special Steel Pvt Ltd. (MSSSPL) *www.muscoindia.com*	**Mahindra Composites Ltd.** *www.mahindracomposites.com*	**Mahindra Hinoday Industries Ltd.** *www.hinoday.com*
Mahindra Forgings Ltd. (MFL) *www.mahindraforgings.com*	**Mahindra Gears & Transmissions Private Ltd. (MGTPL)** *www.mahindra.com/What-We-do/Components/Companies/Mahindra-Gears-and-Transmissions*	

INFORMATION TECHNOLOGY SECTOR

Mahindra is one of the few Indian conglomerates offering end-to-end IT solutions and support through four outstanding companies that have individual core competencies. Leveraging on its core competencies, it has emerged as a global Information Technology (IT) major. Delivering customised IT solutions, it has helped clients optimise their strengths and adapt to new challenges in a changing world. In two decades, our companies have partnered with several Fortune 100 and Fortune 500 companies to deliver outstanding solutions that have helped drive their success.

Businesses in the sector

Tech Mahindra Ltd. *www.techmahindra.com*
Mahindra Satyam *www.mahindrasatyam.com*

LEISURE & HOSPITALITY SECTOR

We pioneered the vacation ownership concept in India to bring Indian families affordable and memorable vacations every year. Members enjoy one week of vacation each year at any of our 44 stunning holiday destinations across India and Southeast Asia or thousands of RCI affiliated partner resorts across the world. Today, we're moving into exciting new spaces. We offer leisure boats, camping vacations, corporate retreats and homestays.

Highlights

New Resorts Unveiled

Club Mahindra, Jaisalmer

Club Mahindra Arabian Dreams, Dubai

Indriya Beach Resorts, Cherai, Kerala

Paras Resorts, Udaipur

Club Mahindra Virajpet Bhasuram (Poovar)

Successfully completed two major acquisitions

Club Mahindra Kandaghat (previously, The Destination), an 80-room resort at Kandaghat, near Shimla

Club Mahindra Bangkok, (previously, Mac Boutique Suites), a 77-room resort at Bangkok, Thailand

Achieved green globe certification for Kumblagarh and Munnar

Businesses in the sector

Mahindra Holidays & Resorts India Ltd. (MHRIL)	**Mahindra Ocean Blue Marine**
www.clubmahindra.com	*http://www.mahindra.com/What-We-Do/Leisure-and-Hospitality/Companies/Mahindra-Ocean-Blue-Marine*

Mahindra Ocean Blue Marine is not in the scope of report.

REAL ESTATE SECTOR

Mahindra Group forayed into real estate and infrastructure development in 1994. We have pioneered the development of integrated business cities in India.

We partner with the Clinton Climate Initiative and Indian Green Building Council to create certified, state-of-the art green communities. Our innovative integrated business cities are revolutionizing the way Indians work, live, and play. Working with the Indian government's Special Economic Zone scheme, we've created two brand-new cities designed to facilitate business excellence and a relaxed, healthy lifestyle.

For further information, please visit http://www.mahindra.com/What-We-do/Real-Estate

Highlights

Mahindra Lifespaces was awarded ISO 14001:2004 certification from Bureau Veritas

Mahindra Lifespaces became the first real estate company to publish GRI compliant Sustainability Report with A+ Rating as per the GRI - G3.1 guidelines

REAL ESTATE SECTOR

Businesses in the sector

Mahindra Lifespace Developers Ltd. (MLDL) *www.mahindralifespaces.com*	**Mahindra World City Developers Ltd. (MWCDL)** *www.mahindraworldcity.com*	**Mahindra World City Jaipur Limited (MWCJL)** *www.mahindraworldcity.com*

FINANCIAL SERVICES SECTOR

Mahindra Finance and its subsidiaries offer a complete range of financial services and insurance solutions for both businesses and personal life. By making credit available, we open opportunities for people to improve their own lives and create lasting systems of livelihood. We have more than one million relationships with customers in rural and semi-urban India, making us the largest non-banking financial company (NBFC) in the country.

For more information please visit: www.mahindrafinance.com

Businesses in the sector

Mahindra & Mahindra Financial Services Limited (MMFSL)* *www.mahindra.com/What-We-Do/ Financial-Services/Companies/Mahindra -and-Mahindra-Financial-Services*	**Mahindra Insurance Brokers Ltd. (MIBL)** *http://www.mahindra.com/What-We-do/ Financial-Services/Companies/Mahindra-Insurance-Brokers*	**Mahindra Rural Housing Finance Ltd. (MRHFL)** *www.mahindra.com/What-We-do/ Financial-Services/Companies/Mahindra-Rural-Housing-Finance*

*Mahindra Insurance Brokers Limited (MIBL) and Mahindra Rural Housing Finance Limited (MRHFL) are wholly owned subsidiary companies of Mahindra & Mahindra Financial Services Limited.

TWO WHEELERS SECTOR

We entered the Two Wheeler industry in 2008. Since then, we've grown rapidly by focusing on brand-building via new product development guided by consumer insights, strategic partnerships, service orientation, and building scale.

Highlights

The Duro DZ & Rodeo RZ received the coveted 'India Design Mark' - a design standard, which signifies product excellence in form, function, quality, safety, sustainability and innovation

Businesses in the sector

| |
|---|
| **Mahindra Two Wheelers Ltd.** *www.mahindra2wheelers.com* |

AFTERMARKET SECTOR

Mahindra & Mahindra introduced the Aftermarket Sector for taking care of growing population of vehicles in India. This move ushered in tenets of organised corporate sector in a larger unorganised market.

Businesses in the sector

Mahindra First Choice Services Ltd. (Multi-brand Service Chain) *www.mahindrafirstchoiceservices.com*	**Mahindra First Choice Wheels Ltd. (Sale & Purchase of used Cars)** *www.mahindrafirstchoice.com*

GLOBAL FOOTPRINT

NORWAY
SWEDEN
FINLAND
UK
DENMARK
LATVIA
IRELAND
NETHERLANDS
CZECH REPUBLIC
FRANCE
BELGIUM
GERMANY
HUNGARY
SWITZERLAND
CHINA
SPAIN
ITALY
GREECE
SOUTH KOREA
JAPAN
CANADA
MOROCCO
TUNISIA
AFGHANISTAN
ALGERIA
JORDAN
KUWAIT
NEPAL
BHUTAN
USA
EGYPT
IRAN
BAHRAIN
IRAQ
UAE
INDIA
TAIWAN
SAUDI ARABIA
QATAR
BANGLADESH
MALI
OMAN
GUATEMALA
SENEGAL
SUDAN
YEMEN
THAILAND
PHILIPPINES
EL-SALVADOR
NICARAGUA
GUINEA
IVORY COAST
TCHAD
SRI LANKA
MALAYSIA
COSTA RICA
PANAMA
GHANA
NIGERIA
ETHIOPIA
SINGAPORE
COLUMBIA
ECUADOR
UGANDA
KENYA
INDONESIA
RWANDA
TANZANIA
PERU
ANGOLA
CONGO
MALAVI
BRAZIL
ZAMBIA
MOZAMBIQUE
MADAGASCAR
TAHITI
PARAGUAY
BOTSWANA
AUSTRALIA
NAMIBIA
CHILE
SOUTH AFRICA
NEW ZEALAND

INDIA

Andaman & Nicobar	Goa	Madhya Pradesh	Rajasthan
Andhra Pradesh	Gujarat	Maharashtra	Sikkim
Arunachal Pradesh	Haryana	Manipur	Tamil Nadu
Assam	Himachal Pradesh	Meghalaya	Tripura
Bihar	Jammu and Kashmir	Mizoram	Uttar Pradesh
Chandigarh	Jharkhand	Orissa	Uttarakhand
Chhattisgarh	Karnataka	Puducherry	West Bengal
Delhi	Kerala	Punjab	

CORPORATE GOVERNANCE

Transparency, integrity and accountability are embedded in the Mahindra ethos. We are committed towards ethical wealth generation, stakeholder value, global compliance and responsible corporate citizenship.

We look at our shareholders as co-contributors to Mahindra's success. We are, hence, accountable to disclose practices beyond statutory regulations. Our investor relations cell is dedicated to engage with them addressing queries and redressing grievances, if any.

We believe that we are also equally responsible to all other stakeholders be it our customers or communities; employees or vendors; government or regulators.

We benchmark our corporate governance practices with the best in the world. Our business conduct is driven by our core values and codes of conduct devised both for employees and Directors. Leading us on our ethical journey is our Board of Directors, who remains at the helm of our corporate governance practices and philosophies.

While compliance is a must, we don't just stop at that. We strive to go beyond compliance by actively participating in voluntary reporting and disclosure programmes.

CORPORATE GOVERNANCE PHILOSOPHY AT MAHINDRA TRANSCENDS 'ENHANCING SHAREHOLDER VALUE'. IT STEERS IN US THE VALUES OF GOOD CORPORATE CITIZENSHIP THROUGH ENVIRONMENTAL AWARENESS, ETHICAL BEHAVIOUR AND RESPONSIBLE BUSINESS CONDUCT.

Shareholder Value

For us, the concept of shareholder value has dual connotations. It is not merely restricted to how much value we generate for the shareholder through our businesses; it is also about how much value we extract from them through meaningful interactions. While we distribute value in the form of dividends and enhanced share prices; we gauge shareholder's feedback and expectations on company's performance.

Shareholder Interaction

By opening communication channels for our investors we have attempted to minimise the possibility of trust gaps. At Mahindra, shareholder dialogue takes place at multiple platforms, through multiple managerial levels on multiple occasions.

1 The Chairman, along with the entire board, addresses the investors and provides clarifications at least once each year during the Annual General Meeting, which is the principal forum for face-to-face interaction.

2 The Chief Financial Officer (CFO) regularly reaches out to investors across the globe during investors and analyst interactions (twice a year) along with senior management. In addition there is a dedicated Investor Relations Cell to meet visiting investors.

3 Our corporate website www.mahindra.com provides comprehensive information and an exclusive 'Investor Relations' section which informs and addresses shareholder needs. An exclusive email ID 'investors@mahindra.com' has been designated for the investors towards registering complaints and the same has been displayed on the Company's website.

4 Furthermore, the quarterly, half-yearly and yearly results are published in national and local dailies respectively. Presentations are also made to international and national institutional investors and analysts which are uploaded on the website of the Company and available to all stakeholders.

5 We also regularly post information relating to financial results and shareholding pattern on Corporate Filing and Dissemination System viz. www.corpfiling.co.in, the common platform launched by BSE and NSE for electronic filing by listed companies.

Governance Framework

The Mahindra Group is driven by a robust governance framework. Our eminent Board comprises leaders with diverse experience and achievements, who guide Mahindra to adopt the highest benchmarks of transparency, accountability and stakeholder prosperity.

Companies of the Group have their own independent Boards of Directors, governance structure and policies which are in line with those of M&M. If they do not have their own specifically defined policies, then they are expected to follow the M&M policies.

Board of Directors
For details please refer:
www.mahindra.com/Investors/Mahindra-and Mahindra/Governance

Board Committees

The Committees of the Board are constituted to ensure operational independence, timely direction and supervision, which are essential for day-to-day functioning of the organisation. Currently, the Board has the following Committees:

Audit Committee

Governance Remuneration and Nomination Committee

Share Transfer and Shareholders/Investors Grievance Committee

Research & Development Committee (a voluntary initiative of the Company)

Strategic Investment Committee (a voluntary initiative of the Company)

Loans & Investment Committee (a voluntary initiative of the Company)

Corporate Social Responsibility Committee

The scope of CSR Committee is broadened to include Sustainability agenda of formulation, recommendation to the Board, implementation, overseeing etc. of the policies governing the 9 principles of business responsibility. The responsibility of implementing the newly articulated Business Responsibility Policies is entrusted to one of the members of board, Mr. Bharat Doshi. The committee has also nominated Mr. Rajeev Dubey as BR head responsible for implementation and execution of the BR Policy(ies) who would report to Mr. Doshi and/or to the CSR Committee and/or the CSR Council on the status of the implementation of BR Policy(ies) from time to time.

Group Executive Board (GEB)

The Group Executive Board (GEB) comprises the Chairman & Managing Director, President of the business sectors as well as heads of certain key corporate functions. The GEB provides strategic direction and enterprise leadership, facilitates synergistic and symbiotic relationships, and creates a shared vision and value-system, across the various business units and companies that make up the Mahindra Group.

The composition for the Group Executive Board refer:*www.mahindra.com/Who-We-Are/Our-Leadership/Group-Executive-Board*

Special Purpose Councils and Committees

Apart from mandatory committees of the Board, other committees and councils have been formed to assist the GEB whenever deemed necessary for special focus and attention to critical issues. They currently include the following:

Sustainability Council

CSR (Corporate Social Responsibility) **Council**

Apex Talent Council (supported by the Sector Talent Councils and Functional Talent Councils)

Corporate Risk Committee

Complaints Committee on Sexual Harassment

Information Security Apex Committee

Corporate Governance Cell

Alternate Fuel Committee

Central Safety Council

Corporate Centre

The parent company continues to have a 'Corporate Centre' which creates broad frameworks and guidelines to ensure that all Group companies operate in a synergistic manner. The Corporate Centre has numerous departments including Corporate HR, Office of Group Strategy, Corporate IT, Group Communications, Group Sustainability, Corporate Legal, Corporate Finance, Corporate Affairs, Internal Audit and Corporate CSR.

Additionally, wherever necessary, dedicated departments are set up to handle specific issues. For example, a corporate sustainability cell coordinates activities across Group companies and maintains participation in related programmes such as the UN Global Compact and the Carbon Disclosure Project. A corporate social responsibility team manages all social and philanthropic activities throughout the Group and oversees the Employee Social Options (Esops) programme.

Core Purpose

Core Purpose is to Mahindra what the Preamble is to India. It is a beacon of light that inspires us to chart diverse growth paths yet move ahead towards a common goal.

In FY 2011, we articulated a new, more inclusive core purpose that binds the whole of Mahindra workforce across the globe and inspires them to build a new company for tomorrow. It reflects the new face of our diversified federation of companies with its increasingly global ambitions.

"We will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise".

Our Core Purpose

Our Values

Our Core Values inspire and encourage the Mahindra Group to enable the world to rise and lead by sustainability – social, economic, and environmental. They are an amalgamation of what we have been, what we are, and what we want to be.

GOOD CORPORATE CITIZENSHIP

PROFESSIONALISM

CUSTOMER FIRST

QUALITY FOCUS

DIGNITY OF THE INDIVIDUAL

We have always sought the best people and given them the freedom and the opportunity to grow. We will continue to do so. We will support innovation and well-reasoned risk-taking, but will demand performance.

We will continue to seek long term success in alignment with the needs of the communities we serve. We will do this without compromising on ethical business standards.

We exist and prosper only because of our customers. We will respond to their changing needs and expectations speedily, courteously and effectively.

Quality is the key to delivering value for money to our customers. We will make quality a driving value in our work, in our products and in our interactions with others. We will do it "first time right".

We value individual dignity, uphold the right to express disagreement and respect the time and efforts of others. Through our actions, we nurture fairness, trust and transparency.

Codes of Conduct

Our Codes of Conduct mirror our commitment to core values. They reflect our occupational identity and permeate across all our actions and intentions. Designed in line with the requirements of SEBI, these codes also lay down guidelines on to insider trading and disclosures to be made while handling Company shares.

The Board has established two detailed Codes of Conduct - one for board members and the other for senior management and employees of the Company. The codes of conduct are an integral part of the induction of new employees and have been posted on the Company's website. All board members and senior management personnel affirm compliance with these codes annually.

Compliance

At Mahindra, compliance is a must-do premise. We conform to most national and international governance standards and adhere to all regulatory frameworks applicable to the Group.

During the last five years, there were no instances of non-compliance by the Group and no penalty or strictures were imposed on listed companies of the group any listed by Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets. None of our companies within the scope

Policies

Our Corporate Governance policies continue to guide the Group and inspire the industry. Across years, we have been appreciated by several industry bodies in various forums.

M&M Limited has extensive Corporate Governance Policies that provide guidance on more specific matters. All Group Companies are expected to follow them in letter and spirit so as to foster a 'Mahindra culture' throughout the Group.

MEMBERS OF THE CORPORATE GOVERNANCE CELL (CGC)
Rajeev Dubey - President - Group HR & Aftermarket Sector (Convenor)
Pawan Goenka - President - Automotive and Farm Sectors (Member)
Anoop Mathur - President - Two Wheelers (Member)
Ulhas Yargop - President - Information Technology Sector & CTO (Member)
Mario Nazareth - EVP - Corporate Mgmt. Services (Member Secretary)

At the corporate level, there is a Corporate Governance Cell (CGC) comprising four members of the Group Executive Board, who represent business Sectors as well as the Corporate Centre. The CGC reports to the Board of Directors. In order to see that the Code of Conduct is well understood and practised within the organisation, a formal mechanism has been put in place in form of "Corporate Governance Coordinators" at the business level and "Corporate Governance Officers' at the plant level. These coordinators / officers are like 'listening posts' where employees can report irregularities noticed at the work place or get clarification with regard to policy compliance etc. The irregularities reported are then conveyed by the coordinators / officers to the CGC who would take the matter forward as deemed fit.

of this report incurred no fines from any regulatory authority for non-compliance of laws and regulation in the year 2012-13.

WE CONTINUED TO ABIDE BY COMPETITION ACT 2002 - A MANDATORY LEGISLATION THAT DEALS WITH ANTI-COMPETITIVE BEHAVIOUR.

Regulatory Compliance

Our audit committee is committed to 100% regulatory compliance. Towards this end, audits are conducted to ensure strict adherence, round the year and across sectors. Wherever observations exist, they are immediately brought to the notice of the site senior management and corrective actions are taken to resolve the issue.

These policies are on:

Corporate Communications | Disaster Management | Employee Relations

Capital Budgeting | Corporate Representation in Trade and Industry Forums

Corporate Finance | Dealing with Dealers and Customers E-business Security

Environment and Pollution | Human Resources | Insider Trading | Intranet

Usage | Investor Grievances | Quality | Investor Relations | Safety &

Occupational Health | Sexual Harassment | Suppliers and Vendors of

Services and Products | Trade Marks | Green IT Guidelines

Green Supply Chain Management Policy

Business Responsibility Policy

During the year, the Board CSR Committee approved an overarching Business Responsibility policy encompassing, social, environment and governance responsibilities of business in keeping with the nine principles of Business Responsibility, required by SEBI as per Clause 55 of the Listing Agreement.

Anti-corruption Policies and Procedures

We expect the employees to exhibit the highest level of integrity and ethics in every sphere of activity. We deem any act of corruption to be non-negotiable and take strict action against anyone found indulging in such unethical acts. Corporate Governance & Business Ethics are mandatory part of our induction process. No incidents of corruption were found during the reporting period.

Public Policy Advocacy

We actively contribute to public policy by being corporate members / signatories to several trade and industry associations and organisations such as CII, BCCI, FICCI, UNGC, etc. A number of directors and senior executives represent Mahindra on governing councils, executive committees and various other committees of these organisations.

We continue to participate in public policy advocacy and industry forums. Detailed below are some of the major additional participations in the reporting year.

BHARAT DOSHI | Executive Director & Group CFO, M&M Ltd.

Member of CII National Council on Corporate Governance & Regulatory Affairs

ULHAS YARGOP | President - IT Sector & CTO, Mahindra Group

Member of the Advisory Board of Harvard Business School (HBS) Club of India

RAMESH IYER | MD - Mahindra & Mahindra Financial Services, CEO - Financial Services Sector & Member of the Group Executive Board

Member of core committee of Finance Industry Development Council (FIDC) since 2005.

Member of Task Force of NBFCs of Federation of Indian Chambers of Commerce and Industry (FICCI) since 2007.

Co-Chairman of the Group on Finance & Leasing and Insurance of the Council of Economic Affairs set up Society of Indian Automobile Manufacturers (SIAM) since 2010.

Awards

Recognitions that we receive only inspire us to perform better, rise higher and design more responsible products and services. During the reporting year, varied segments of the Mahindra Group won laurels for their actions in almost all spheres of sustainability. Some of our key achievements include:

GOVERNANCE

Mr. V S Parthasarathy, Group CIO, EVP – Group Mergers & Acquisitions, Finance & Accounts and Member of the Group Executive Board, Mahindra & Mahindra Ltd., received the **CFO of the Year Award from International Market Assessment India Pvt. Ltd. (IMA) at the Ninth India CFO Awards ceremony held recently in Mumbai**

ENVIRONMENT

- Swaraj Division Plant II received **Greentech Environment Gold Award 2012 from Indian Institute of Corporate Affairs, Ministry of Corporate of Affairs, Govt. of India** for its environment management system

- Mahindra Two Wheelers stood as **'First Runner up' at 'Amity CSR Conclave' 2012**

- AD, Igatpuri Plant won the prestigious **'National Award for Excellence in Water Management 2012' from CII**

- AD, Nashik Plant received **2nd Prize CII (WR) AWARD 2011 in Safety, Occupation Health & Environment**

- AD, Nashik Plant Team received the **2nd Prize in CII (West Region) - SHE Conclave 2012**

- AD, Zaheerabad plant bagged the **1st Prize in National Energy Conservation Awards, 7th year in a row** (2006-2012) in the automobile industry category, for the year 2012.

- AD, Kandivli Plant won the **"Energy Conservation Award 2012", instituted by the Tata Power Company**, in the High Tension Consumer Category, for the 4th year in a row.

- Mahindra Finance won **Silver for Best Corporate Website at the Association of Business Communicators of India (ABCI) Awards**

- Mahindra Lifespace Developers Ltd., was honoured at the **CII-ITC Sustainability Awards 2012 for its strong commitment to Sustainability in its residential developments and integrated cities**. The Certificate of Commendation was presented by the Honourable President of India, Shri. Pranab Mukherjee

- FD, Nagpur Plant won the **Challengers Trophy under national level at the Green Manufacturing Excellence Award 2012, instituted by M/s Frost & Sullivan**

- Mahindra Lifespaces received **CII - ITC Sustainability Award - 2012 for its commitment to sustainable urban living**

- Mahindra Finance received a certificate from **Attero Recycling- the world's first CER project on E-Waste Management** - for contributing 4.2 tons of IT equipment for recycling.

- Mahindra Two Wheelers won a **'State Level Award' for its excellent work in the field of environment and pollution control on World Environment Day, 2012**

- Mahindra Two Wheeler's plant at Pithampur received the award in the category of **"Least Polluting Industry" in June 2012**

PRODUCT

- Mahindra Institute of Quality received the National Award of the Quality Council of India for **'Achieving Excellence through Quality Management Education'**.

- Mahindra Navistar Won **'HCV of The Year' (for MN40 – Prime Mover) at the Apollo CV Awards 2012** held in Mumbai

- Mahindra Navistar Automotives Ltd. bestowed upon the most prestigious **India Design Mark (IDM) for two of our vehicle in the Commercial Vehicle segment, MN 25 and MN 31**. IDM is one of the highest and the only design recognition offered by the Govt. of India.

- FD bagged **seven awards at the Rural Marketing Association of India Awards 2013 along with its BTL partner RC&M**, a leading experimental marketing solution provider. Out of the seven awards they received one Gold, three Silver and three Bronze for its unique communications.

- Mahindra & Mahindra Ltd. receives **Dun & Bradstreet – Rolta Corporate Award 2010; ranked first in the Automobile Sector**

- FPD received an award for **Excellence in Product Development for the XUV500 in ADI**.

- Tech Mahindra was ranked as the **No.1 Telecom Software Service Provider By Voice & Data (V&D),** India's leading communication magazine Won

- FPD bagged the Industry 2.0 **'Manufacturing Leadership Award' for a presentation on the theme of 'Leadership Through Smart Thinking'**

PRODUCT

- SAP recognised Mahindra Satyam with a Partner award for having the **highest HANA certified consultants** in the ASEAN region.

- Mahindra Satyam was adjudged **Third-best (IT/ITES) exporter from Andhra Pradesh from ITs AP during 20th Annual ITs AP Awards in Hyderabad**

- Mahindra Rodeo RZ won the **Gulf Dirt Track National Championship and the Pit Stop Monsoon Rally**

- MTWL made it to the second edition of **'Power Brand 2012'** in a recent research survey of 20,000 brands of India

- MTWL **won the Best Customer Award** in the placements category during the Automotive Research Association of India (ARAI)

PEOPLE

- Mahindra Finance won the Economic Times **"Great Places to Work" Award; ranked 5th in the Financial Services Sector ; and stood among the Top 50 Companies** with over 1000 employees in a study conducted by The Economic Times with the Great Places to Work Institute, India 2012

- Mahindra Finance **won the coveted Golden Peacock HR Excellence Award 2012**

- Mahindra Finance was awarded the **First Runners Up trophy in the "NBFCs - Asset Backed Lending"** category at the CNBC TV18 Best Bank and Financial Institution Awards

- AD Nashik Plant **bagged the National Safety Council Award, (Bronze Trophy & Certificate)** under the Manufacturing Sector

- Farm Division **won the prestigious "Golden Peacock National Quality Award - 2012" for Excellence in Quality**. The evaluation included a thorough and rigorous process of evaluation by independent examiners.

- Mahindra Institute of Quality was awarded the **Golden Peacock National Training Award for the year 2012** towards excellence in training practices in organisations

- Mahindra Finance received **IT NEXT 100 CIO 2012 Award**

- Mahindra Intertrade won the **Employer Branding Award 2013 for 'Innovation in Retention Strategy'** category (Regional Round)

- MIL won the **Silver Award in the Greentech HR Awards 2012, for outstanding achievements in 'Innovation in Employee Retention Strategies'**

- Tech Mahindra received the **Training Magazine Awards** having the most successful learning and development programs in the world

- Mahindra Satyam awarded the **'NHRD INSPIRE 2012' award for employing best practices under Performance Management, Rewards and Recognition** (IT/ITES)

QUALITY & INNOVATION

- Mahindra Finance won the **NASSCOM IT User Awards 2012, for Enterprise Mobility**

- **The Webby Awards recognised Mahindra's Rise Blog**

- Mahindra SSG was among the top 8 finalists in the IFSEC Security Industry Awards 2012

- Auto Division, Nashik Plant received the **Prestigious Special Commendation during the Golden Peacock Occupational Health & Safety Award, 2012**

- MVML IT **won iCMG Global Excellence Award 2012**

- MVML Paint Shop brought home laurels by winning the prestigious **Manufacturing Leadership Award at the Industry 2.0 Manufacturing Innovation Conclave**

QUALITY & INNOVATION

- AD Kandivli won **top three awards at the 5th National Cluster Summit organised by Confederation of Indian Industry** (CII). The teams presented Kobetsu Kaizens on "Profitability Improvement of Bolero look Pik up" in the "Cost Competitiveness" category and "Increase in Gear Carrier Line Capacity" in the "Manufacturing Excellence" category.

- Mahindra Powerol received the **"Value Business Award"** from **Bharat Infratel**

- MVML Chakan received the special **'Infrastructure 2012' at CIO100 Symposium**

- The Corporate Management Services Team of the Mahindra Group won the 2012 IIA - **Excellence Award under the category "Most Innovative Use"**

- MVML IT bagged the Manufacturing Today Award 2012 on under the large enterprise categories of **'Excellence in Innovation' and 'Excellence in Technology adoption'**

- FES Pavilion won the first prize for **Best Stall Display Award at AGROTECH 2012 Exhibition organised by CII** at Chandigarh from December 2012

- Mahindra Construction Equipment was presented the prestigious **CII Design Excellence Award** in December 2012, New Delhi, during the CII NID Design Summit

- Mahindra Institute of Quality received the **Asian Quality Leadership Award for 'Quality Excellence in Teaching and Learning Practices**' in September 2012, Dubai. The award recognises innovative and creative teaching practices that have enhanced customer learning experiences and outcomes

- FD Plant Vehicle Engineering team won the **"Gold" award at the 26th National Convention of Quality Circle** (NCQC) at IIT.

- AD, Igatpuri Plant **won the 20th National Kaizen Conference Award**

- Swaraj Team bagged the **National Best Kaizen Award at the CII 19th Kaizen Conference**

- Swaraj QC teams won **'Gold Award' at the International Convention of Quality Circles - 2012**, Malaysia

- FD, PVE team emerged **winners at the 26th Annual Chapter Convention on Quality Concepts - 2012**

- FD Manufacturing Team **won the consolation prize at 25th QC Competition** - Maharashtra State Level

- M&M received the **"Best IT Driven Innovation in Automotive Business" recognition from NASSCOM IT Awards**, February 2013, a leading IT industry association of the country, at their recent Annual IT Event - India 3.0 held at Mumbai, which was partnered by Lenovo and CNBC TV18. MVML team was proud to be associated with M&M for this IT project triumph at the Nasscom IT Awards 2013

- FD, Kandivli plant was adjudged the **"winner" in the category of "Best Warehousing Practices"** by the Indian Institute of Materials Management (IIMM), during their Annual award function for 2012, held in January 2013 during the CPO round table conference

- FD bagged **seven awards at the Rural Marketing Association of India Awards 2013** held in New Delhi in January 2013 - along with its BTL partner RC&M, a leading experimental marketing solution provider - 1 Gold , 3 Silver and 3 Bronze at the recently concluded 4th edition of RMAI awards for its unique ATL & BTL Communications

- Mahindra Finance received **IT NEXT 100 CIO 2012 Award** on 2nd December, 2012 at Hyderabad International Convention Centre

- Mahindra Reva received **Innovation award in Italy** in March 2013

- AD was awarded **The Automotive Supply Chain Excellence Award during the 6th Express, Logistics & Supply Chain Conclave**, held in Mumbai. M&M has won this award for the 3rd time in the last four years.

- FD PVE team **won at 5 gold category awards and best case study award at the 26th Annual Chapter Convention on Quality Concepts -2012**

- AD, Nashik Plant employee received **Promising Engineer Award 2012**

QUALITY & INNOVATION

- AD, Nashik Plant bagged **first prize at The 12th TPM National Conference under the Supervisor / Manager Category organised by TPM Club of India**, a joint venture of CII / JIPM-Solutions Co. Ltd. in September 2012 at Chennai

- MVML won at the **27th Chapter Convention of QCFI in August 2012**, MVML team brought home laurels by winning 8 Gold Category awards at the 27th Chapter Convention of Quality Circle Forum of India (QCFI) held in Pune.

- AD Zaheerabad won the **Jawaharlal Nehru Silver Rolling Trophy for Excellence in Industrial Productivity for the year - 2010 to 2011** from the Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) at Hyderabad in July 2012

- AD-Nashik and AD-Zaheerabad plants bagged **CII National Award for Excellence in Energy Management 2012 and graded as an "Excellent Energy Efficient Unit"** in August 2012 at Hyderabad.

- Mahindra Institute of Quality won **Asian Network for Quality Award for MIQ** in July - August 2012

- AD bagged the **Asian Network for Quality Recognition for Excellence in Quality Practice** (ARE-QP) Award at Hong Kong

- Partners Division won the **Best NPD Performance Award at the Supply Chain Summit 2012**

- Mahindra Logistics was declared the **'Best Automotive 3PL Company of the Year 2012' at the 6th Annual Express Logistics and Supply Chain Awards**

- Mahindra Logistics won the **'Brand Excellence in Logistics Sector' award at Zee Business Brand Excellence Awards, 2012**

- Mahindra Satyam won the **Frost and Sullivan 2012 APAC Best Practices award for "Excellence in growth"**

- Mahindra Finance won the inaugural **Porter Prize for 'Creating Distinctive Value' in recognition of the competitive and strategic acumen of corporate in India**

IN-HOUSE AWARDS

- Farm Division was honoured with the **'Harish Mahindra Memorial Trophy' 2012 for winning the Annual Mahindra Sustainability Quiz**

- Partners Division won the **Portfolio Company of the Year at the Mahindra Partners' Senior Leadership Conclave** in July 2012

- MIL Bhopal was the proud recipient of the **'ESOPS STAR PERFORMER AWARD' at the Mahindra Rise Awards**

- Mahindra Logistics Proud recipient of the **'Rise Company of the Year' award at the Mahindra Partners' Leadership Conclave, 2012**

- Mahindra Logistics bagged **two Platinum Awards for Innovation at the Mahindra Rise Awards, 2012**

- MPD received the **Mahindra Safety Award for 'Most Improved Plant'**

SUSTAINABILITY & US

SUSTAINABILITY CONTEXT

" **Sustainability has to be a way of life to be a way of business** "

<div align="right">Anand Mahindra</div>

This expression is the foundation of Mahindra's approach to sustainability and has propelled the group towards a more seamless integration between operations, decision making and sustainability. The Mahindra employees have come a long way since trying to understand the business case for sustainability. Today, they understand that business and sustainability are mutually dependent on each other.

This led to accelerated adoption of sustainability and focussed implementation. As a result we managed to surpass most of the 'five year goals' set in our sustainability roadmap, in just three years.

The business benefits of sustainability have been experienced across businesses and across hierarchies. From taking sustainability practices beyond the realms of our operations to expanding our boundary by adding new green businesses. Sustainability at Mahindra is being taken to a whole new level.

Therefore we affirmed that the time is ripe for Mahindra to take a lead and leap from adopting 'sustainability best practices' to exploring 'sustainability next practices', from achieving 'incremental progress' to steering 'transformational change'. We decided to take a sojourn, retrospect our sustainability journey, and accordingly rethink our roadmap to realign it the emerging expectations of our investors, regulators, governments, communities and our employees.

The company continues to disclose its performance on Environmental, Social and Governance parameters. The company was rated with a second highest score of 82 among the top 200 Indian companies in the Carbon Disclosure Leadership Index ratings for 2012.

M&M was rated in the top 10 in S&P CRISIL ESG index and was given a GOLD rating by CII in its Sustainability Plus Rating System, which is the second highest rating achievable.

alternative THINKING™

THE MAHINDRA APPROACH TO SUSTAINABILITY

From the very beginning, we at Mahindra could clearly see the strong linkage between sustainability and business efficacy. Thus we flagged off our sustainability journey with the clarion call to all our businesses to adopt an innovative approach to sustainability and practice Alternative Thinking.

Our sustainability journey started with cascading the concept of

THE OPERATING PRINCIPLE OF 'ALTERNATIVE THINKING' IS TO LOOK FOR OPPORTUNITIES WHERE MOST SAW CONSTRAINTS AND BUILD NEW-AGE GROWTH MODELS WHILE OTHERS WERE SATISFIED BUILDING COMPLIANCE STRUCTURES TO RING FENCE THEIR EXISTING BUSINESS. THE GOAL IS TO DO GOOD FOR THE ENVIRONMENT AND SOCIETY WHILE DOING BETTER FOR OUR SHAREHOLDERS.

'Alternative Thinking' across the entire organisation. This was followed by the formulation of a Group-wide roadmap in harmony with the material issues. Gradually, sustainability spread its wings and brought in its folds Mahindra's entire value chain.

Over the years, 'Alternative Thinking' has been embraced by everyone at and

associated with Mahindra. It is affecting transformative progress across all the three spectrums - economy, ecology and equity. Yesteryear was the third year of our five year roadmap and we demonstrated a flair of enthusiasm. We surpassed our five year targets in just three years, in 4 out of 7 sustainability parameters, on a consolidated basis. This year, we are at the cusp of another transformative change. We are taking a closer look at our key sustainability parameters and strategically addressing one issue at a time starting with 360° water management.

THE ROADMAP

In the second year of our sustainability journey a clear and structured roadmap was developed with modest targets for 3-5 years time frame. This helped all our businesses to create a common launch pad and make a meaningful start. Last year we reported that most of our commitments for five years were surpassed in 3 years. During the year under report and review (2012-13) we have maintained the momentum. This has given us the confidence to scientifically set goals and to hace better understanding of issues material and critical to us as well as our stakeholders. This exercise is currently under way and from 2013-14 each of our businesses will strive for higher goals and targets.

Commitments	Target for 3 years ended 2011-12	Target for 5 years ended 2013-14	Actual 2012-13	Insights
REDUCTION IN ENERGY CONSUMPTION	**2%**	**5%**	**19.39%**	Formulation of initiatives, meticulous execution, ongoing programs, leveraging innovations, introducing automations, utilising alternate sources helped to reduce specific energy, emission and water consumption.
REDUCTION IN RESOURCE CONSUMPTION (PAPER/WASTE/WATER)	**2%**	**5%**	**27.65% (water)**	Refer chapter 'Environmental Performance' for the initiatives taken to reduce specific energy, emission and water consumption.
REDUCTION IN GHG / CO$_2$ EMISSIONS	**2%**	**5%**	**17.83%**	
GREEN IT & GREEN PROCUREMENT/ SUPPLY CHAIN POLICY	**Draft / release & implement**	**Review & Update**	**Released and implemented by all companies considered in the roadmap review.**	Continuous improvement in making processes more robust would be an ongoing exercise.
CERTIFICATIONS (ISO / OHSAS / GRIHA / ECOTEL etc.)	**10**	**15**	**41** certifications till year 2012-13	During the reporting year 2012-13, 11 more certifications were secured. Mahindra Sanyo Special Steel Pvt. Ltd., Khopoli acquired ISO-50001, Energy Management System, first such certification in Mahindra Group.

Commitments	Target for 3 years ended 2011-12	Target for 5 years ended 2013-14	Actual 2012-13	Insights
SUSTAINABILITY AWARENESS AMONG SIGNIFICANT STAKEHOLDERS	**50%**	**100%**	**Achieved last year**	These are now embedded in our systems.
ENHANCE EMPLOYEE ENGAGEMENT IN ESOPS	**10% year on year**	**20% year on year**	**Achieved last year**	

The base year considered for this roadmap is 2008-09.

Note:

The businesses included in the above roadmap are Auto, Farm Systech Companies, Mahindra Holidays, Mahindra Lifespaces & Mahindra Intertrade, which accounts for 64% of the total business scope in this year.

Companies added in the scope after year 2009-10, are not a part of the roadmap, because they do not align with the already set baseline year for the above reasons. In the future, we plan to alter the roadmap whereby all companies will be included.

SUSTAINABILITY STRUCTURE

Governance Structure for Sustainability

BOARD COMMITTEE FOR CORPORATE SOCIAL RESPONSIBILITY
Set directions for promoting the CSR agenda for M&M Ltd. and all Group Companies

CSR COUNCIL
Approves & monitors spends of philanthropic activities/projects as per the mandate from the Board Committee

SUSTAINABILITY COUNCIL
Approves new initiatives and monitor progress of integration of the ESG parameters in business and operations

Management of large and long term projects through the various Foundations across the Group

Management and coordination of employee volunteerism

GROUP SUSTAINABILITY CELL
• Drives sustainability through awareness, and knowledge building across the Group
• Supports individual businesses in integrating sustainability in strategic business processes, and operations
• Makes all external disclosures

SUSTAINABILITY CHAMPIONS
Located at all plants / offices to locally drive & monitor various initiatives and collects data for reporting

For more information on our sustainability structure, visit our previous Sustainability Report. http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports

STAKEHOLDER ENGAGEMENT

Sustainability is a purely stakeholder driven construct. It's the practice of shaping and delivering to the expectations of the myriad stakeholders that a business possesses. The number of stakeholders and the complexity of their expectations increase manifold when it concerns a group like Mahindra.

Thus, it is no surprise that at Mahindra, stakeholder engagement forms the cornerstone of all sustainability initiatives. Over the years we have developed a battery of efficient and innovative, formal and informal stakeholder engagement mechanisms and like in previous years, this year too we continued to engage with our stakeholder segments via these mechanisms.

ENGAGING WITH SUPPLIERS, PARTNERS AND DEALERS IS A PART OF OUR FOCUSSED APPROACH TO INSTITUTIONALISE GREEN SUPPLY CHAIN MANAGEMENT.

Many of our businesses and divisions raised the benchmark in legacy mechanisms while some of them introduced new exciting mechanisms which were experiential and interactive in nature. Below is a glimpse of some new and ongoing initiatives undertaken during the current reporting year.

EMPLOYEES

We are an employee-driven organisation. Our employees are our eyes and ears for the external environment and represent the face of Mahindra to the world outside. This year, we continued to actively engage with our employees in order to better understand their dreams, desires and expectations and how we can dovetail them with the organisational goals. The following are some of the new initiatives started during reporting year 2012-13:

Trackathon | AD

Mahindra Auto Quotient (AQ) conducted an event called 'Trackathon' that provided employees with an opportunity to learn about Mahindra vehicles as well as experience them in action. It was centred on vehicle handling and functionality, employees' knowledge about vehicle systems as well as their driving skills. In April 2012, it was introduced to employees in the form of a 'Driver's Championship' where the top three winners would battle it out at the Trackathon Grand Finale.

Buniyad | MFCSL

Mahindra First Choice Services Limited launched a culture and value programme, named 'Buniyad' to promote awareness of the Company's core values. Interesting and interactive activities like skits, sharing of stories and team exercises, were done to ensure that participants understand and relate to the Company's values.

Employee Value Proposition (EVP) | AFS

The EVP, launched in our annual communication, articulates our employer brand promise and offerings to our existing and potential employees. It underlines our position in talent market as one of the top players and work-with-a-difference employment offer of Mahindra AFS. This enabler has been derived from employee inputs through various surveys and focussed group discussions.

Akraman | FD

Akraman, a movement for continuous improvement through employee involvement, includes developing Kaizen skills among employees by conducting various training initiatives. The objective of this activity is to harness the unlimited potential of human resource through total employee involvement to achieve organisational goals and enhance employee morale. The problems are identified from daily work, based on aspects of PQCDSM - Productivity / Quality / Cost / Delivery / Safety / Morale. The members from the same department were teamed into various cells. Each cell was led by an officer.

Fireside Chats | Group-wide

Fireside Chats are an informal communication forum for sharing, inspiring and grooming the youth.

Connections Revitalised | MLDL

Two new communication mediums were introduced for the talent at MLDL:

- 'Sparkle' - a revamped intranet to communicate, connect and collaborate
- '360 View' - a daily newsletter to connect across different regions, businesses and departments of the sector

Feedback First | FSS

Pehel, an employee engagement survey was launched to check employee knowledge, opinion and satisfaction with regards to the various employee engagement programmes in place.

MEDIA AND OPINION MAKERS

Adventure Challenge in South Africa | AD

The 1st International Mahindra Adventure Challenge with the XUV5OO concluded successfully in South Africa. In a first-of-its-kind initiative, two XUV5OOs were offered to representatives from leading auto magazines and auto shows for four days, to drive across the Western Cape Region of South Africa and test the machine. The vehicles traversed over 600 km through rolling greens, vast fields, sloping mountain ranges and along the Atlantic coast terrain which offered a mix of sharp bends, tarmac driving, city traffic, meandering coastal roads and some dirt tracks in between. The journey began and ended at Cape Town.

CUSTOMERS

At Mahindra, interaction with customers and their feedback on our services and products has been vital to our product and service strategies. Some of the innovative engagements of this year include:

Mahindra Adventure | AD

Tri-Nation Escape

Mahindra and JK Tyre & Industries Ltd. flagged off the first edition of the 'Tri-Nation Escape 2012' in September 2012 under the Mahindra Adventure brand. This first international escape saw 25 vehicles traverse three countries namely India, Nepal and Bhutan in 12 days starting from New Delhi and finishing at Bagdogra.

Mahindra 'Monastery Escape 2012'

Mahindra Adventure kick started the 'Monastery Escape 2012' from 27th July to 5th August, 2012. Twenty vehicles, including the XUV5OO, Thar and Scorpio were driven from Delhi to Leh and back via some of the most treacherous passes in the Himalayas, traversing over 3,000 km. in ten days. Pitched as the 'Drive of a Lifetime', it lived up to its name and captured the imagination of adventure seekers across the country. The event was run to the standard of a good motor sport event, and participants were also able to enjoy the mountains, thanks to regular, well-planned halts.

MWC Champions Trophy | MWC, Chennai

Mahindra World City, Chennai organised the 'MWC Champions Trophy', a sports tournament in association with its customer, Infosys. The sporting event was aimed at bringing diverse community at MWC closer. 35 teams participated in the month long tournament.

FES Shines at PAU Kisan Mela | FD

Farm Division displayed an exceptional stall of its products at Punjab Agricultural University's (PAU) Kisan Mela organised in September 2012 at Ludhiana. The sector won the first prize for 'Best Stall'.

Customer Connect | AD

Customer Connect session is an interactive platform created especially to connect with our direct customers. One such session was organised at Igatpuri on 18th February, 2013. Our customers were taken through our mEagle Engine Assembly and Testing line plant, to observe the shop and understand the process of manufacturing of their own vehicle engines. Their feedback reflected their appreciation of the manufacturing capabilities, best-in-breed infrastructure and impeccable material management at the shop floor. They also shared their views and experiences about their Mahindra products which translated into a comfortable driving experience and excellent safety standard of the vehicles.

M-Plus | AD

In continuation with previous year, we organised a free mega service camp, M-Plus, for our Scorpio, Bolero, Xylo, Quanto, XUV5OO, Rexton, Verito / Logan and Thar customers. This grand customer-centric initiative was held from 18th to 24th, February 2013 at Mahindra dealerships across all state capitals and major cities.

These service camps provided the proud Mahindra owners with an opportunity to ensure that their vehicles are in top condition. They benefited from an exhaustive 75 - point check-list on each vehicle, completely free of cost.

Mahindra Samriddhi India Agri Awards 2013 | FD

The third edition of Mahindra Samriddhi India Agri Awards, 2013, honoured the unsung heroes of India's Agriculture Sector, which forms the backbone of the Indian economy. Instituted to recognise the meaningful contributions to the field of agriculture, these awards were judged by an eminent jury of agricultural experts.

The reporting period year witnessed a record 28,242 entries, a 43% growth as compared to last year. Minister of State for Agriculture, Mr. Tariq Anwar was the guest of honour at the awards ceremony. The awards were judged by an eminent jury of agri experts chaired by Mr. Ashish Bahuguna, Secretary, Ministry of Agriculture & Cooperation, Government of India.

E-Engagement | AD

Mahindra has been one of the early corporate to establish a robust social media presence. Every year we cross new benchmarks.

- With 2 million fans the mighty muscular Mahindra Scorpio became the biggest SUV community on Facebook in India
- Xylo surpassed the one million fans mark on Facebook

SUPPLIERS

Our business functions smoothly through a wide and intricate network of suppliers cutting across geographies, experience levels and organisation sizes. We engage with them through following initiatives:

Supplier Meet | MTWL

Mahindra Two Wheelers Ltd. (MTWL) hosted a Green Supply Chain & Sustainability workshop at Pithampur in January 2013. Around 80 suppliers participated to discuss new launches, future plans, and changing expectations as well as the importance of sustainable practices.

Sustainable Supply Chain Meet | MSSPL

The 3rd Sustainable Supply Chain Management workshop by Mahindra Sanyo Special Steels Pvt. Ltd. was conducted in July 2012. The workshop which saw around 25 major suppliers participants discussing on topics such as the need for a quantum jump in sustainability goals and unprecedented collaboration in all facets of sustainability to meet the aspirations of all the stakeholders. This was followed by an interactive session which garnered an effective response on important facets of sustainable supply chain from the participants. M/s. SKF & Sandvik Asia represented the suppliers and presented initiatives undertaken by them in different spheres of sustainability.

Supplier Meet | MVML

To celebrate quality practices, a two-day Supplier Meet was organised at MVML by the SQA team on 5th and 6th of November, 2012. Over 40 suppliers attended the session to share their best practices and technologies. The enriching meet saw training for Quality Control (QC) and daily work management, sharing of suppliers' self-assessment for quality / audit methodologies. Interesting activities like 'Meet Your Customer' were conducted where suppliers shared their best practices. Cross Functional Team Stalls were also put up to demonstrate different technologies and working mechanisms.

Green Product Exhibition | AD

On the occasion of 'National Energy Conservation Week', Automotive Division, Kandivli, organised an exhibition. Products focussing on energy reduction, sustainable packaging and usage of renewable energy were exhibited by 23 vendors. Around 1,000 visitors from Auto, Farm, Corporate and Systech companies along with key suppliers gained insights from the exhibits.

Supplier Management | Swaraj Division

The Swaraj Division worked closely with its suppliers and trained them on various technologies like welding, painting, QC tools, SOP and QCPC etc.

During this workshop insights on various sustainability initiatives were shared like procuring material from local suppliers, capacity enhancement, conducting ergonomics study, quality improvement, conducting Supplier Satisfaction Survey etc.

The Supplier Satisfaction Survey Index for FY 2012 was recorded at 83.43%, an encouraging survey compared to the previous year.

Driver Welfare Forum | MLL

The importance of drivers cannot be overstated in the smooth functioning of Mahindra Logistics Ltd., (MLL). Hence, to enhance their performance and equip them with knowledge and facilities to overcome day-to-day work challenges, MLL formed a Driver Welfare Forum. This forum, established in October 2012, considers drivers as Business Associates and consisted of 12 BAs of MLL at the time of inception. It identified following initiatives:

- Driver Survey
- Driver Safety - Seat Belt Campaign
- Driver Relationship Management - Dignity of Labour
- Infrastructure at Sites - Restrooms & Convenience
- En-route facilities - Restrooms & Convenience
- Personal Hygiene Awareness - Hygiene Kits
- Health & Accident Insurance

Driver Safety Week

The MPTS division initiated a country-wide Driver Safety Week, in September 2012, covering 120 operating locations and 4,000 drivers. The initiatives included comprehensive compliance.

MLL has engaged with the family of our drivers through following initiatives:

- Scholarships for Driver's Kids
- Initiatives by MLL Spouses Society

Quality Meet | MVML

A two-day supplier meet was organised by MVML where over 40 suppliers participated to share best practices in quality.

DEALERS

Dealers are an important link in our value delivery chain. We get valuable insights of the customer's expectations from Mahindra by actively engaging with our dealers and getting feedback from them.

Ustaadon Ke Ustaad | AD

Acknowledgement at every level of a value chain is imperative to keep it strong and productive. Star Mahindra dealers who put in extra efforts to provide customers with an unparalleled experience were felicitated at the 4th edition of 'Ustaadon Ke Ustaad' and the 3rd edition of 'Mahindra Idols'.

LOCAL COMMUNITIES

At Mahindra, communities are an inseparable facet of our sustainable transformation. We engage with them through novel and tailor-made initiatives in order to enhance their way of life and help them progress, through multiple interventions in health and hygiene, education, vocational training and social reforms.

Duro for Differently-abled Indian Soldiers | MTWL

Mahindra Two Wheelers Ltd. (MTWL), shared a moment of pride with Indian soldiers through an event, organised in Kannur, Kerala, to honour disabled Indian Army soldiers, particularly those affected in terrorist attacks. These soldiers were felicitated for their patriotic spirit and selfless service with 17 specially retrofitted Duro Scooters by Mr. A.K. Anthony, Union Defence Minister.

Vision for India | Tech M

As a part of VFI - Vision For India initiative, the Tech Mahindra foundation organised a conference for the visually impaired with an objective to help them gain economic independence. It seeks to bring dignity and independence to the underprivileged people with visual disability, through inclusive education, providing employable market-related entrepreneurial skills and opportunities, thereby allowing them to be self-reliant.

Sports Impetus | AD

Esops volunteers have adopted 12 promising athletes from the tribal areas surrounding Nashik. These athletes contributed 70% of all athletics medals won by Maharashtra in various national events.

Anti-Drugs Awareness Session | MHRIL

MHRIL was instrumental in arranging an anti-drugs awareness session for over 600 school children at St. Joseph's High School, Ooty.

'Bandhan' | MVML

MVML reaches out to the mothers and children of over 10 villages in Khed taluka, Pune, Maharashtra. A host of interventions are provided in two key areas - education and healthcare.

COMPETITION

Competition stirs competency. It ignites insights, channelises strengths, mainstreams innovation and leads to leadership. But often its power is misinterpreted and underestimated.

At the Mahindra Group, we leverage the power of competition to enhance the Company's performance in all the three spheres - profit, people and planet. Internally, we challenge others and ourselves to accept no limits and think alternatively towards driving positive change.

Often the competitive advantage of any organisation is only gauged by the numbers in its Annual Report. While financial competency is vital for a business's sustainability, it is not enough.

The Mahindra Sustainability Awards foster a healthy competitive spirit among Group companies to drive sustainability excellence - faster. The aim is to use these awards as a platform to amplify sustainability knowledge, share best practices, motivate employees, cascade the adoption of sustainability practices across the Group, and lead by sustainability.

This year, the Mahindra Group instituted the Mahindra Sustainability Awards with the vision of identifying, encouraging and celebrating innovative and transformational sustainability driven efforts of the Group.

The Sustainability Awards are not just mere winning opportunities but also extend to:

1 Transforming the concept of sustainability from theory to practice

2 Motivating businesses to accelerate their progress with respect to sustainability issues

3 Providing understanding of the strategic context of sustainability related risks and opportunities

4 Measuring intra & inter sector sustainability best practices and scaling up these innovative concepts

5 Assessing the effectiveness of the implemented initiatives

The Sustainability Awards have been classified in four categories:

1 GRANDMASTER AWARD   WINNER

A grandmaster excels in all defined parameters, thereby breaking set benchmarks and leading by example.

This Award is a business level award for the best overall performance, with the highest performance level and score in all three bottom lines i.e. people, planet and profit.

Farm Equipment Sector, M&M Ltd.

2 PROGRESSIVE PERFORMER AWARD   WINNER

A progressive performer strives to improve continually, pushing the limits and aiming higher.

This Award is a unit / location level award for outstanding improvements in sustainability related parameters as compared to the previous year.

Mahindra Hinoday Industries Ltd.
Magnetic Products Division, Bhosari

3 · MAHINDRA GAME CHANGER AWARD

WINNER

A game changer is the trendsetter – successfully spearheading a change and charting a new path for others to follow.

This Award is a unit / location award for any path breaking initiative for improving any or all the three bottom lines, with the desired results.

**Mahindra Reva Electric Vehicles Pvt. Ltd.
for its IGBC LEED Platinum certified
Green Factory**

4 · CHANGE AGENT AWARD

WINNER

A change agent is a catalyst who not just enhances self-performance but also encourages those within and beyond the sphere of influence.

Award for the most proactive Sustainability Champion, who has managed to influence senior management to raise the 'Sustainability Bar' in the organisation, and has submitted timely, accurate and value-added data to the Group Sustainability Cell.

**Govind Pitre,
Systems and Technologies Sector**

Keeping in mind the structure of the Group, the awards assessment and conferring is carried out businesswise. Each business is given a score based on its sustainability based leadership & strategy and a score for its activities at each unit / location. The aggregate unit / location score is added to the leadership & strategy score to give a final score which is compared with other businesses. Businesses which report on sustainability are automatically considered as contenders for the awards. New sectors in subsequent years if added to the Group's reporting scope will also contend for the awards in the following year.

DRIVEN BY OUR PEOPLE

ALTERNATIVE ENERGY

Technology powers efficiency. However, people make technology better. The 'advanced' in advance technology is a result of the hard work that people put in.

Mahindra is powered by the infinite energy of its people – who are dynamic, diverse and determined. Coupling innovation with strategic action, our employees are driving sustainable solutions along with business growth.

We have adopted a 360° talent management process that does not end at attracting and recruiting bright employees but also extends to nurturing, motivating, rewarding and retaining them.

We give utmost importance to our core values that inculcate professionalism and respect for the dignity of an individual.

Each employee is a treasure chest of inexhaustible ideas and solutions when given the right environment.

Hence, we encourage them by entrusting them with more responsibility and authority. We partner with our employees to cultivate a vibrant work culture. This leads to the formation of a holistic growth environment that enables everybody at Mahindra to Rise above any obstacles.

To leverage the power of multiple bright minds on an emerging business critical resource – Water, we conducted a comprehensive Water Management Training for employees and suppliers which covered key topics like business risks arising from water scarcity, effective water utilisation, process optimisation and statutory requirements. The better informed they are, better will be the solutions they develop.

Our extended work associates are intrinsic to our sustainable journey. We have instilled our sustainable principles in the work culture of our professional associates via multiple

training and awareness programmes. These are aimed to empower them to build products with enhanced environmental quotient, promote better governance and chalk out an inclusive growth story ultimately leading to a stronger and more resilient society.

With operations spread across 100 countries, our people are the global brand ambassadors of our values and our practices.

> **OUR WORLD-CLASS PRODUCTS ARE A PRODUCT OF OUR EMPLOYEES WHO CHALLENGE THE LIMITS, PUT IN INCESSANT EFFORTS AND ACTUALISE ENDLESS POSSIBILITIES.**

MANAGEMENT APPROACH

The Group HR philosophy is guided by the three Rise Pillars of Accepting No Limits, Alternative Thinking and Driving Positive Change and the Mahindra Group aspiration of being amongst the top 50 most admired global brands by 2021 by enabling people everywhere to Rise. The Group HR aims to support this aspiration by creating the Mahindra Renaissance leaders for a Company of tomorrow. It focusses on building a culture of outperformance, collaboration and partnership with cutting-edge practices in Talent Management and Leadership Development.

In view of managing diverse businesses spread across different geographies, the Human Resource Management has been aligned in a manner that would allow different companies to develop competencies as appropriate for their respective businesses and at the same time be guided by the overarching philosophy and core values of the Mahindra Group.

This has been done by creating an organisation for human resource development at the Group Level, and at the Business Level.

The mandate to Group HR is to:

- Help create a federation that is driven by purpose and is futuristic in its outlook to 'Create Tomorrow's Company'. In this endeavour, Group HR will co-create with the businesses, next practices in people management and governance that will help build a culture of excellence.

- Provide thought leadership in the field of Human Capital and bring in the appropriate tools and methodologies so as to create a culture where Mahindra Renaissance Leaders strive to work and grow. To this extent, Group HR will co-create and facilitate Centres of Excellence.

- Be the custodian of cutting-edge practices in Talent Management and Leadership Development across the Group so as to develop Global Renaissance Leaders.

The mandate at the Business Level is to:

- Ensure alignment with the Group HR philosophy and roll out initiatives for their employees as appropriate to their respective businesses.

- Manage routine processes for their businesses like employee performance management, industrial relations, recruitment, training & development, employee engagement, employee satisfaction surveys etc.

Labour Practices

Equal opportunity is our tool to allow the hidden abilities in our people to surface. Be it caste, gender or handicap, none of these receive any consideration. We persevere to provide a safe & healthy work environment and comply with all labour legislations. Our 'Corporate HR Cell' sets out norms, policies and initiatives to ensure a uniform approach across our business segments. The cell also looks at standardised Industrial Relations policies.

All our manufacturing units in Automotive and Farm Divisions, Systech Sector and Mahindra Intertrade are either OHSAS 18001:2007 certified or in the process of obtaining the certification. Our structured employee up-gradation programme ensures that all employees undergo training from time to time and remain updated with the latest best practices. We also support the right to collective bargaining by our employees.

As one of the first Indian companies to be a signatory to the United Nations Global Compact (UNGC) in 2001 we remain committed to operate in line with the UN Global Compact principles on labour standards as mentioned below:

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

PRINCIPLE 4

The elimination of all forms of forced and compulsory labour

PRINCIPLE 5

The effective abolition of child labour

PRINCIPLE 6

The elimination of discrimination in respect of employment and occupation

Additionally, we have also incorporated the following ILO core labour conventions into our policies since 2009:

1	Freedom of Association and the right to collective bargaining
2	Right to organise and collective bargaining convention
3	Forced labour convention
4	Abolition of forced labour convention
5	Minimum Age convention
6	Worst forms of child labour convention
7	Equal remuneration convention
8	Discrimination (Employment and Occupation) convention

Human Rights

We believe that businesses are meant to improve the standard of living of all those associated with it. Hence, respecting the dignity of every being is uncompromisable and any action that violates human rights is unacceptable. We strictly condemn acts like discrimination, forced & compulsory labour and child labour within and beyond Mahindra boundaries. We also discourage any form of corruption including bribery or other negative practices. Our processes are designed to ensure such practices do not occur under our purview.
Our Human Rights policy released in May 2009, formally adopted the 10th Principle of UNGC.

WE GIVE UTMOST IMPORTANCE TO OUR CORE VALUES THAT INCULCATE PROFESSIONALISM AND RESPECT FOR THE DIGNITY OF AN INDIVIDUAL.

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery

We also adhere to the two UN Global Compact principles on human rights which state:

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights

PRINCIPLE 2

Ensure that businesses are not complicit in human rights abuses

TALENT MANAGEMENT

Converting high potential to high performance is the purpose of Talent Management.

At Mahindra, we strive to not just unlock potential but also to turn a weakness to strength, and strength to a specialty. Identification and retention of the right talent is essential for steady success as well as continuous growth.

The way we manage our people impacts our organisation's ability to deliver on its promise.

By 2021, Mahindra to be amongst the Top 50 most admired global brands by enabling people everywhere to Rise

By 2021, Mahindra Group to be amongst the Top 25 global companies for leaders to work for

Rigor in Talent Management Process so as to strengthen the talent pipeline

Integrated Development Strategy

A highly structured and process oriented framework, the Mahindra Talent Management process is executed by a collaborative network at the Group and sector levels. The Group HR is responsible for the functioning of the top three levels and also champions the various group-wide interventions.

On the other hand, each sector plans and executes various important interventions and initiatives appropriate to its specific requirements and in sync with its strategic objectives.

Each year, aspects of the Integrated Development Strategy are reviewed and new programmes are introduced as necessary. The programmes introduced are as follows:

Developing Leadership

At Mahindra, our Learning & Development (L&D) vision is to 'earn global respect for developing 'Business Leaders of Character' who are innovative, entrepreneurial, people and customer centric.' To accomplish this we focus on six L&D action areas in line with our vision, purpose, mission and business priorities viz. Mahindra Cultures & Values, Leadership Development, General Management Capability Development, Assessment and Evaluation, Coaching and Research.

In the past year we conducted:

- Several seminal programmes of Ascend Calendar for Top Management.

- A customised leadership capability development programme - 'Early Leaders Programme' for the young leaders.

- Three batches of the I'M Mahindra On-Boarding & Induction Programme which has been designed specifically for the laterally inducted General Managers and above.

Diagram: INTEGRATED DEVELOPMENT STRATEGY
- SHADOW BOARDS
- LEADERSHIP DEVELOPMENT
- DEVELOPMENT CENTERS
- 360° FEEDBACK
- ROTATION
- FIRESIDE CHATS
- E-LEARNING
- COACHING
- INDIVIDUAL DEVELOPMENT ACTION PLANS

Below is a snapshot of the key programmes:

Global Programmes for Management Development (GPMD)

The 6th Global Programme for Management Development (GPMD) was held in August 2012 at MMDC Nashik with 28 participants. Till date it has covered 132 participants. Specifically designed in association with Ross School of Business, Michigan, the programme aims to empower senior executives with the needed perspectives and skills to excel in the global marketplace. The programme focusses on improving participants managerial effectiveness, strategising and execution capabilities and swiftly adopting 'best practices and 'next practices'.

Leadership Lifecycle Programmes

Leadership Lifecycle Programmes were launched across the Mahindra Group in 2009 to build an integrated talent pipeline, by grooming our future leaders at various junctures of transition in their careers. In partnership with Centre for Creative Leadership (CCL), we successfully completed the 4th batch of the seminal Leadership Lifecycle programs at Bodhivriksha, Nashik. Three programmes, the Emerging Leaders Programme, Senior Leaders Programme (SLP), the Early Leaders Programme were conducted between January to March, 2013. These were well received by the audiences with great positive reviews and an average feedback of 4.7 on 5.

Tuck Innovation Leadership Consortium

Mahindra & Mahindra Ltd. participated in the Tuck Innovation Leadership Consortium that targets senior leaders of the company to enhance their ability to lead with a focus on Innovation and Globalisation. This programme was led by Prof. Vijay Govindarajan of the Tuck University, USA and featured three-week long modules held in USA and India. It was facilitated by world-class faculty of thought leaders and practitioners.

Domestic Consortium – Senior Leaders Programme

Senior Leaders Programme (SLP) is organised by a Consortium of 7 Blue Chip Companies. The Consortium is responsible for conceptualising, designing and executing the 'Senior Leaders Programme' (SLP).
The objective is to prepare senior executives, in line for succession, over the next 3 to 4 years to head senior leadership / functional positions. This year we sent eight participants at SLP.

Master class on 'Weaving Passion and Energy at Work'

We conducted the first master class in June 2012 with an aim to develop a strategic framework, process and methodology for enabling transformation of the work environment through reflective exchange of ideas and real case method. The class was tutored by Hermann Fischer & Anners Abild of Business Psychologists International (BPI), an internationally reputed Leadership Development Company based in Switzerland.

Attracting Future Talent

Recruiting the best talent is of prime importance for any organisation. Attracting young talent ensures the viability of our future workforce, for which the following programmes were conducted.

1 The Group Management Cadre (GMC) Programme

The Group Management Cadre (GMC) programme is Mahindra's group-wide leadership development scheme that aims to nurture future talent. Designed to attract young professionals from leading B-schools in India, the programme is fast-paced and challenging. It grooms high potential managers for leadership positions in 12-15 years to create a pipeline of future leaders for the Mahindra Group. The GMC programme has gained significant traction over the years. GMCs have undertaken ambitious projects with far-reaching impact along with interaction with senior executives.

In 2013, we recruited 60 managers vis-a-vis 30 in 2012. We also recruited 68 interns from top B-Schools.

2 The Early Leaders Programme for the Group Management Cadre

The Early Leaders programme was held for 23 young managers by the Group HR in association with Centre for Creative Leadership (CCL). The objective was to give insight to these young leaders in areas of decision-making and influential skills aiding in their leadership capability development. The programme commenced with an opening session on the Mahindra Leadership Competencies by Prince Augustine, EVP, Group HR & Leadership Development and Dr. P. Nandakumar, VP-Leadership Development and Dean, Bodhivriksha.

The Mahindra War Room

The Mahindra War Room is a platform for future leaders from the country's top B-Schools to leverage their knowledge and spark innovative and disruptive solutions for various businesses of the Group. The Mahindra War Room has acquired the status of a cult brand in India's top B-schools. This season saw a commendable increase in participation with 1,816 teams against 1,246 teams in 2011. 21 teams each from a different B-school battled it out at the semi-finals to reach to the top.

This year's theme was 'Disruptive Innovation', in line with our aspiration of being among the top 50 most admired global brands by 2021.

The case presentations threw light on the kind of innovation businesses need to follow in order to achieve this goal. The students had to give solution to a business case, convincing the jury that they had the most feasible idea with a potential to influence business growth, which Mahindra Group could consider.

The campus winners from the top 21 B-Schools flew down to Mumbai for the Grand Finale, a two-day event this year. The CEO Round was held at Mahindra Towers, Worli on the 22nd November, 2012 where the jury comprising senior leaders from the various Mahindra Businesses chose the top 7 teams. The next day these teams

from the Grand Finale CEO Round presented their solutions to a jury comprising Mr. Anand Mahindra, Chairman and Managing Director and the Presidents.

Each participating team performed par excellence, raising the bar for next year's war. Team 'Gangs of FMS', FMS (Delhi), which presented on the agri-business industry, emerged victorious and was crowned winner of The Mahindra War Room, 2012. Team Bistro from SPJIMR, Mumbai, which presented on the financial services sector, was the runner-up team.

MCares

MCares – our employee engagement model aims to capture employee perceptions on career, alignment, recognition, and empowerment & Strive through a comprehensive questionnaire. Regular yearly surveys ensure we remain in touch with the concerns of our employees. We value the feedback we receive and hence take the time to introspect on the findings and take necessary actions to address any issues that might have arisen. We believe that simply acknowledging and recording responses serves little purpose but taking appropriate actions based on the input we receive makes all the difference. We realise that our employees express themselves with the belief and trust that their voices will not be unheard. We do our best to stay true to this trust in order to encourage consistent and valuable responses from all our employees.

Mahindra Intertrade Limited (MIL)

At MIL we centre our HR interventions on one basic premise - a happy employee is also an enthused employee. We commenced a slew of initiatives to ensure our employees find a definitive and direct way to share their thoughts. We keep a track of how well our activities are received and managed a score of 4.23 / 5 for FY 2013.

A snapshot of employee engagement at MIL:

Listen@Intertrade

where programmes are conducted to understand the dreams aspirations and concerns of individual employees and platforms are created for open interaction between the senior leadership and employees.

Accelerate@Intertrade

is an opportunity for identified talent to select learning interventions of their choice at premier institutions (IIMs, XLRI, ISB, et al). Additionally, identified fast-trackers are given the opportunity to learn overseas at our partner steel mills in Japan.

Share@Intertrade

where best practices and innovations are recognised through awards and incentives.

Involve@Intertrade

facilitates conscious efforts of creating a diverse workforce. Interventions to engage with the Company's extended family include invitation to spouses of employee for team events and leisure moments during our Annual Best Practices-cum-Steel Conference, reach-out to third party employees and involvement in social volunteering.

Our employees renewing their commitment to the Vision of Intertrade.

Recognition@Intertrade

to inculcate a culture of appreciation, an array of rewards have been designed so as to recognise and reinforce actions that inspire others to Rise.

Young Mahindra at AFS

is a platform for the Gen Y employees of the age 35 years and below to connect and engage with each other as well as the senior leadership. It is a mechanism to empower the younger generation and help them develop entrepreneurial and innovation capability. Last financial year 13 Young Mahindra councils were formed at AFS.

For a successful business, an employee's faith in the brand is a must. Apart from skills, an employee's belief in the organisation's products and services makes the difference between customer satisfaction and customer delight.

While we use multiple platforms to convey our values, we also understand that the employee is the human face of the organisation. We recognised that just as customers are given a value proposition, our employees also needed a value proposition from their perspective. Hence, we are building a sound Employee Value Proposition (EVP) at our Automotive & Farm Equipment Sector.

The first goal was to define a strong EVP statement; a statement that sends out a clear message to not only the present but also the future employees across all hierarchies. This statement was developed through a three-step process, where the expectations of employees were identified through surveys and a comprehensive dialogue process, EVP elements were identified and thereafter, the EVP themes & attributes, were selected and its relevance tested through a controlled group comprising current employees and senior leadership.

This resulted in two clearly defined aspects that give impetus to all our EVP endeavors and helped us define our EVP statement **'CAPable People, REAL Experience'.**

While the CAPable People focusses on qualities our employees must develop to actualise success in their professions, the REAL Experience is about the growth environment we aim to provide as an organisation.

Once awareness about the EVP was created, its tenets were operationalised through programmes such as:

- **AFS Recognition Portal: An online reward portal to recognise outperformance in real time and motivate employees to perform better**

- **Increased focus on 'Instant recognition' through spot awards & appreciation awards**

- **Mahindra YOUng: A platform for employees to connect and engage with each other and work better collaboratively**

- **Emerging Leader's Programme: For creating a talent pool of future leaders and help employees plan their career paths**

NURTURING EXISTING TALENT

The acute shortage of high quality talent, especially in critical positions has persisted. We believe, the solutions to this problem could already be within Mahindra, just in need of the right mentoring and opportunity to learn. At Mahindra, we blend motivation and targeted training to create an able workforce that shows improved productivity. Our endeavour is to be on every employee's list of good employers.

We have multiple training programmes that include topics such as building positive attitude, stress management, creativity, team effectiveness, employee engagement, safety and environment, quality tools, TPM, dexterity and enhancing technical capabilities. Following is a brief snapshot of these programmes:

Career Customisation: Mpower at AFS

Mpower is an algorithm driven career simulation tool that allows employees to explore a plethora of career options available in various functions at AFS and create a path for their dream career.

There are two major advantages of Mpower for employees:

- Helps them create a dream career path by choosing the roles they aspire for.

- Helps them understand the developmental gap between their current role and the role that they aim for and hence, make an individual development plan accordingly.

Based on the current profile of an employee, Mpower selects and displays certain roles in the organisation which it sees as a match. The employee can select any of the roles he is interested in. A maximum of three roles can be selected to make a dream career path. After every role is selected, subsequent roles displayed are always one level above the current role and hence, provides the employee an opportunity to create a progressive career ladder.
The tool was launched in AFS and is made available to the employees in the Manufacturing Divisions.

Development Centres

As in the previous years, this year too, our Talent Management Team organised the 'Development Centres' with an aim to cover all leaders in the top three levels of management across the Mahindra Group. In the reporting year, the 'Development Centre' programme was conducted for 91 leaders.

Managerial Transition Programme – First Time Managers (FTM)

A second batch of the Managerial Transition Programme – First Time Managers (FTM) commenced on 22nd February 2013. The programme has now covered 50 First Time Managers from seven Mahindra sectors and has received strong reviews with average ratings of 4.7 on 5.

The aim is to guide First Time Managers from diverse sectors through the crucial first few months transitioning into their new management roles where they shift paradigms from 'doing' to 'getting things done'.

The key highlights of the programme:

- Three modules framework, each of which has two-day offsite training followed by a 2-4 month rigorous follow-up process.

- Step by step focus on managing self, people and business.

- Reflecting the Rise Leadership Competencies through experiential, case-study, simulation and game-based learning methodology.

- Comprehensive follow-up processes include action learning, group reviews through web calls and one-on-one coaching sessions to support participants and their managers in implementing learning's and overcoming obstacles.

"

FTM is the best training programme I have attended in my tenure at M&M. Each module was well-planned out and began with managing self, moving out to managing others, and finally the business. The trainers were excellent and the efforts put in on 'follow-up' & 'action-planning' were totally worth it!

Nrupal Choudhari
Participant
AFS - International Operations

"

In tough times during various exercises in the programme, we tend to shed our layers and become our real self which really helps us. Learning impact is maximum in those crisis situations and it tends to get hard wired because of experience.

Gaurav Goyal
Participant,
Corporate Centre
Mergers & Acquisitions

FARM PASSION - AN ENABLER OF FARM TECH PROSPERITY

Are profits enough?
Should a company's growth only be gauged by the numbers in its P&L statement?
Are the world's leading corporates really leading by example?

These are some of the questions we ask ourselves, as the world's No. 1 tractor manufacturing company by volumes.

While we take pride in sustaining leadership for the last 28 years in India, we did not stop at that and decided to rise beyond leadership by playing a larger role in increasing India's farm productivity. We have been empowering millions of farmers with not just tools but also knowledge to deliver farm prosperity. We realised that for the organisation to provide farm tech solutions, its workforce needs to well-versed with various realities of farming in India and should be equally enthused about making a difference.

Mahindra FES thus implemented 'Farm Passion', to embed in our employees farm passion and also enhance their agriculture quotient. The objective was to help our employees to help the farmers increase their farm productivity.

Activity flow

INCEPTION AND LAUNCH

Farm Passion was launched at the 'Communication Reach-out' in April 2011 as an enabler for achieving BHAG (Big Hairy Atrocious Goal) - 'Deliver Farm Tech Prosperity'.

IMPLEMENTATION LEVELS

Know more
The first step was to build knowledge about agriculture and rural India.

Connect
Call to action, urging employees to empower and enable the farmers to rise.

Make a difference
Transform farmers' lives through value delivering solutions.

In the reporting year, we set comprehensive actions to actualise the implementation of the first two levels:

Know more

- 'Farm ka Funda' e-mailers were shared twice a week, to educate employees on various farming topics. These were later published in three languages including Hindi, Marathi and Punjabi. Till 20th April 2013, 177 such mailers have been shared.

- A pop-quiz was organised every fortnight with 780 employees taking part on an average in all editions.

- A knowledge sharing website was launched for employees and is currently live.

Connect

- Institution of Tractor Clinics - A platform where our employees can share their ideas on further improving the tractors.

- Farm education for rural women - Employees empowered rural women with knowledge on farming by conducting workshops on agri-counselling, tractor driving training, result and method demonstration and arranging an agri-institution visit.

- Operation Aavishkar was started as a rural immersion opportunity for senior stakeholders in the organisation.

- Watershed development - Scouted and narrowed down on Damoh region in Madhya Pradesh to implement an Integrated Watershed Management Programme covering around 332 villages and about 10,000 hectares of land.

- FES initiated a unique endeavour wherein FES employees stay with the customers for 10 days a year to realise grassroot issues and give practical solutions, thereby making a real difference in a farmer's life.
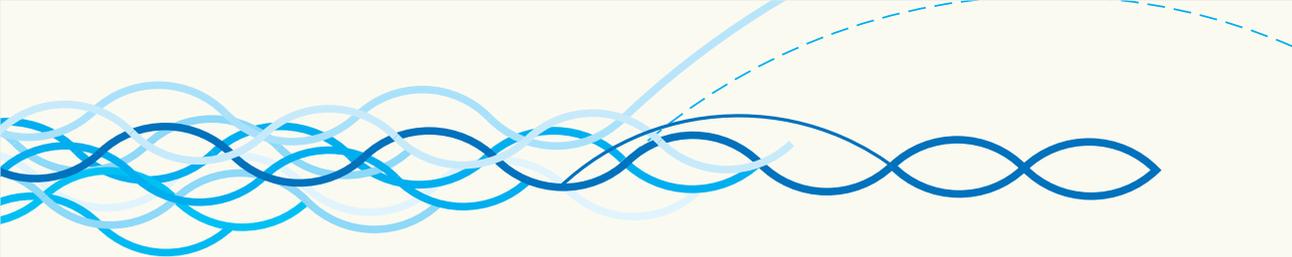
Farm Passion is a catalyst of change, set to usher in transformation not only in Mahindra, but beyond. Our vision is to help farmers go beyond the plough, use tractors and embrace modern technology. While the project is still ongoing, its success can be gauged from the fact that in employee engagement surveys, Farm Passion scored 4.08 out of 5.

"

The farm business is like building a cathedral. When you were selling tractors you were breaking stones - it was about a product, nothing more, nothing less. When you moved into the farm application orbit, you started widening your world view - started to build a wall. But now when you dream of farm prosperity, when you enable a life of dignity and comfort for every farmer - now you are building a cathedral. Building a cathedral isn't easy, it takes perseverance, it takes skill, it takes knowledge and its execution ability - above all it takes 'Passion'. It emphasises that the farmer is our best teacher.

Anand Mahindra
Chairman and MD
Mahindra & Mahindra Limited

"

This powerful enabler will help us understand the farmer, who is our customer and his world of farming, and this requires an inner drive and enthusiasm which is known as Farm Passion.

Prince Augustine
Executive Vice President
Group Human Capital & Leadership Development

CASCADING RISE

Mahindra's Rise philosophy introduced in 2010, is based on three basic tenets - accepting no limits, alternative thinking, and driving positive change. The objective is to encourage and enthuse the Mahindraites to give their best, every day.

To instil this philosophy in the DNA of Mahindraites, eight HR projects were designed with clear objectives, which were met significantly. Mentioned below is a snapshot of achievements of each project:

Communication and Internalisation

Mahindra Rise Portal was initiated to inculcate the spirit of Rise in the existing employees. It received a great response with 490,000+ hits in the first ten months. And till date, more than 350 Rise stories have been shared.

Recruitment

In accordance with the spirit of Rise, people were hired for attitude and trained for skills. A competency-based interview process was launched across the Group and more than 500 managers were trained to implement it.

Induction and on-boarding

Once on-board, these recruits were exposed to an induction module in line with Rise philosophy.

Talent Management

The Rise philosophy has been comprehensively embedded in our talent management process that continually guides our employees to push limits, think alternatively, and drive positive change.

Performance Management System (PMS)

The principles of Rise have been integrated in the PMS, so as to positively influence the performance and engagement of the employees.

Learning & Development

For building a pipeline of leaders, who can exhibit and mentor Rise behaviour, a learning & development module has been created transforming Mahindra into a learning organisation.

Leadership Competencies

A leadership framework has been developing that imbibes the Rise philosophy. A unique competency framework, cutting across diverse Mahindra businesses has been developed, covering more than 20,000 employees through online and offline channels.

Reward & Recognition

Leveraging rewards and recognition to create a framework based on Rise, to make Mahindra an admired and preferred place to work.

Rewards and Recognition

Recognition at AFS

A standardised reward and recognition framework was launched across AFS on 1st November 2011. The main focus is to create a culture of recognition through empowerment. The framework is completely based on employee expectations and industry research.

In the last financial year almost 12,119 awards (monetary) were given out to employees at AFS. These are the Spot awards and Excellarator awards. Rise Awards were held in two phases for which we received nearly 1,200+ nominations.

IN THE LAST FINANCIAL YEAR ALMOST 12,119 AWARDS (MONETARY) WERE GIVEN OUT TO EMPLOYEES AT AFS.

Implementation Structure

In order to get an in-depth analysis of the implementation structure and how strategic implementation leverages individual and team strength to create value for the Group, refer to our Sustainability Report for the year 2009-10.

POLICIES

Human Resource

A strategic HR Policy guides Mahindra and ensures that people with the right aptitude and calibre are exposed to ample opportunities. It also reinforces and maintains the dignity of the employees irrespective of the hierarchy or seniority. Periodic employee surveys are conducted to gain valuable feedback from the employees.

Employee Relations

We aim to achieve the following objectives through all our Employee Relation initiatives:

Harmonious relationship with the union by a systematic process of dialogue.	Focus on nurturing and enhancing relevant skill sets and competency.	Create a mutually beneficial and productive industrial climate.	Manage employees fairly and transparently.	Encourage innovative projects by following the three Rise pillars.

New Policies at AFS

Our Automotive and Farm Sector have introduced two new policies:

1 Work-Life Integration Policy   **2 Internet Usage Policy**

The former deals with ensuring employees get time to spend on activities apart from work and so, we have introduced Short Saturdays - where employees work till 3 pm, work from home policy, flexi working hours and an employee vehicle scheme. The Internet Usage Policy is positioned under Empowering Environment and provides default internet access to all officers. Access is allowed to social media, travel, restaurants etc. however matured and responsible usage by officers is a necessary requirement.

Employee Associations

Employee Associations and Collective Bargaining Agreements

Majority of the employees who come under the Mahindra wing are free to choose the union of their choice.

Mahindra does not advocate favouritism for any specific employee group and discrimination is prohibited.

We respect the employee's right to organise and appreciate mutual gains through negotiations and collective bargaining.	We expect employee association / unions to recognise and appreciate the business imperatives in matters of discipline, productivity, quality and process improvement.	We have constant dialogue with the union which has built credibility and mutual trust amongst us.	We have no say in unions affiliated to any political parties.

Employees who are covered under the collective Bargaining Agreements for FY 2012-13

Non-unionised
10.31%

Unionised
89.69%

Break-up of Unionised Employees

Bharatiya Kamgar Sena	4,749
Bhartiya Karmachari Mahasangh	427
Hamal Panchayat	9
Kokan Shramjivi Mathadi & General Kamgar Union	5
M&M Employees Union	3,264
M&M Karmik Sangh	2
Maharashtra Rajya Kamgar Sanghtan	328
Maharashtra Rajya Mathadi & General Kamgar Union	550
Maharashtra Rajya Rashtriya Kamgar Sangh	92
Mahindra & Mahindra Workers Union	1,778
Mahindra Two Wheelers Workers Union	550
MVML Associates Union	1,080
Perumedu Hotels & Resorts Employees Union	40
Pune Zilla Kamgar Sangh	536
Quilon District Hotels, Resorts & Tea Workers Federation	32
Resort and Hotel Employees Union	86
Shramik Sanghatan INTUC	36
Shree Ganeshkripa Utkarsha Sangh	55
Swaraj Workers Union	1,047
Thekadar Kamgar Sangh	51
Total	**14,717**

Minimum Notice Period of Operational Changes

During the reporting period all our companies that employ unionised labour followed all pertinent regulations in letter and intent.

The Industrial Disputes Act, 1947 is applies to labour relations, which specifically mentions a three-week notice period for all operational changes. There are consultation and negotiation opportunities during the notice period. If consent is given, only then can the agreement be signed to reflect the changes.

Please refer our Sustainability Report - 2009-10 for a detailed discussion on the act and its various facets.

WORKFORCE SNAPSHOT

Employment Distribution

Sector	Male	Female	Total
FSS	13,171	833	14,004
MWC	304	80	384
MHRIL	1,281	212	1,493
Systech	9,680	33	9,713
FD	13,299	230	13,529
MTWL	1,874	64	1,938
MVML	5,137	122	5,259
MLL	925	105	1,030
AD	15,292	164	15,456
Tech M	19,964	7,596	27,560
MSB	1,003	24	1,027
MSat	18,562	6,361	24,923
MIL	534	14	548
MFCWL	167	27	194
MFCSL	320	42	362
MLDL	4,056	693	4,749
MReva	572	50	622
MRV	2,174	120	2,294
MSolar	4	0	4
Total	**108,319**	**16,770**	**125,089**

Employment Grade & Type

Sectors	Jr. Mgmt.	Mid Mgmt.	Sr. Mgmt.	Workman	Fixed Term Contract	Third Party Contract	Others	Total
FSS	5,253	437	23	0	1	8,290	0	14,004
MWC	22	27	9	0	17	309	0	384
MHRIL	140	100	14	453	290	418	78	1,493
Systech	1,648	291	82	2,134	1,095	3,764	699	9,713
FD	1,782	1,122	137	3,947	2,380	3,501	660	13,529
MTWL	533	259	52	550	101	57	386	1,938
MVML	513	154	9	3,122	4	1,424	33	5,259
MLL	620	137	8	0	108	157	0	1,030
AD	1,300	554	50	6,009	2,808	3,882	853	15,456
Tech M	22,979	3,671	589	0	58	263	0	27,560
MSB	34	36	6	0	0	950	1	1,027
MSat	21,490	1,858	439	0	152	984	0	24,923
MIL	86	38	12	36	1	333	42	548
MFCWL	145	44	5	0	0	0	0	194
MFCSL	162	23	5	147	25	0	0	362
MLDL	53	159	36	0	40	4,461	0	4,749
MReva	203	116	13	11	48	231	0	622
MRV	1,109	491	38	0	11	124	521	2,294
MSolar	3	1	0	0	0	0	0	4
Total	**58,075**	**9,518**	**1,527**	**16,409**	**7,139**	**29,148**	**3,273**	**125,089**

Employment Grade &Type Gender Break-Up: Permanent Employees

Sector	Jr. Mgmt.			Mid Mgmt.			Sr. Mgmt.			Workman			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
FSS	5,050	203	5,253	420	17	437	23	0	23	0	0	0	5,493	220	5,713
MWC	19	3	22	26	1	27	8	1	9	0	0	0	53	5	58
MHRIL	119	21	140	92	8	100	14	0	14	397	56	453	622	85	707
Systech	1,628	20	1,648	285	6	291	82	0	82	2,134	0	2,134	4,129	26	4,155
FD	1,688	94	1,782	1,097	25	1,122	136	1	137	3,944	3	3,947	6,865	123	6,988
MTWL	497	36	533	253	6	259	52	0	52	550	0	550	1,352	42	1,394
MVML	474	39	513	154	0	154	9	0	9	3,115	7	3,122	3,752	46	3,798
MLL	553	67	620	121	16	137	8	0	8	0	0	0	682	83	765
AD	1,234	66	1,300	532	22	554	48	2	50	5,997	12	6,009	7,811	102	7,913
Tech M	16,058	6,921	22,979	3,117	554	3,671	523	66	589	0	0	0	19,698	7,541	27,239
MSB	31	3	34	36	0	36	6	0	6	0	0	0	73	3	76
MSat	15,579	5,911	21,490	1,689	169	1,858	417	22	439	0	0	0	17,685	6,102	23,787
MIL	78	8	86	34	4	38	10	2	12	36	0	36	158	14	172
MFCWL	119	26	145	43	1	44	5	0	5	0	0	0	167	27	194
MFCSL	130	32	162	21	2	23	5	0	5	147	0	147	303	34	337
MLDL	36	17	53	131	28	159	34	2	36	0	0	0	201	47	248
MReva	185	18	203	115	1	116	13	0	13	11	0	11	324	19	343
MRV	1,057	52	1,109	483	8	491	38	0	38	0	0	0	1,578	60	1,638
MSolar	3	0	3	1	0	1	0	0	0	0	0	0	4	0	4
Total	**44,538**	**13,537**	**58,075**	**8,650**	**868**	**9,518**	**1,431**	**96**	**1,527**	**16,331**	**78**	**16,409**	**70,950**	**14,579**	**85,529**

Employment Grade &Type Gender Break-Up: Non-Permanent Employees

Sector	Fixed Term Contract			Third Party Contract			Others			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
FSS	1	0	1	7,677	613	8,290	0	0	0	7,678	613	8,291
MWC	15	2	17	236	73	309	0	0	0	251	75	326
MHRIL	266	24	290	334	84	418	59	19	78	659	127	786
Systech	1,094	1	1,095	3,764	0	3,764	693	6	699	5,551	7	5,558
FD	2,337	43	2,380	3,458	43	3,501	639	21	660	6,434	107	6,541
MTWL	93	8	101	57	0	57	372	14	386	522	22	544
MVML	4	0	4	1,355	69	1,424	26	7	33	1,385	76	1,461
MLL	107	1	108	136	21	157	0	0	0	243	22	265
AD	2,783	25	2,808	3,877	5	3,882	821	32	853	7,481	62	7,543
Tech M	45	13	58	221	42	263	0	0	0	266	55	321
MSB	0	0	0	930	20	950	0	1	1	930	21	951
MSat	97	55	152	780	204	984	0	0	0	877	259	1,136
MIL	1	0	1	333	0	333	42	0	42	376	0	376
MFCWL	0	0	0	0	0	0	0	0	0	0	0	0
MFCSL	17	8	25	0	0	0	0	0	0	17	8	25
MLDL	34	6	40	3,821	640	4,461	0	0	0	3,855	646	4,501
MReva	48	0	48	200	31	231	0	0	0	248	31	279
MRV	9	2	11	107	17	124	480	41	521	596	60	656
MSolar	0	0	0	0	0	0	0	0	0	0	0	0
Total	**6,951**	**188**	**7,139**	**27,286**	**1,862**	**29,148**	**3,132**	**141**	**3,273**	**37,369**	**2,191**	**39,560**

Gender Composition & Turnover and Rate of New Hires Entering & Leaving

Sector	Headcount		Turnover		Rate of new hires joining		Rate of new hires leaving	
	Male	Female	Male	Female	Male	Female	Male	Female
FSS	13,171	833	10%	3%	9%	4%	2%	0%
MWC	304	80	4%	5%	3%	0%	0%	0%
MHRIL	1,281	212	47%	37%	62%	55%	19%	20%
Systech	9,680	33	4%	30%	4%	33%	0%	10%
FD	13,299	230	3%	5%	4%	15%	0%	0%
MTWL	1,874	64	7%	9%	9%	15%	0%	0%
MVML	5,137	122	3%	8%	4%	14%	0%	0%
MLL	925	105	17%	55%	34%	31%	4%	0%
AD	15,292	164	1%	8%	2%	11%	0%	0%
Tech M	19,964	7,596	62%	47%	50%	34%	29%	19%
MSB	1,003	24	1%	0%	1%	0%	0%	0%
MSat	18,562	6,361	20%	22%	27%	26%	3%	3%
MIL	534	14	4%	14%	6%	0%	1%	0%
MFCWL	167	27	74%	37%	37%	44%	23%	22%
MFCSL	320	42	44%	66%	101%	145%	7%	52%
MLDL	4,056	693	1%	4%	2%	3%	0%	1%
MReva	572	50	12%	10%	17%	12%	2%	0%
MRV	2,174	120	16%	19%	22%	10%	0%	0%
MSolar	4	0	0%	0%	67%	0%	0%	0%
Overall Result	**108,319**	**16,770**	**20%**	**33%**	**20%**	**28%**	**7%**	**11%**

Age Composition

Sector	No. of Employees			Turnover			Rate of new joinee			Rate of new joinee leaving		
	< 30	30 - 50	> 50	< 30	30 - 50	> 50	< 30	30 - 50	> 50	< 30	30 - 50	> 50
FSS	7,287	6,672	45	8%	11%	5%	10%	7%	0%	2%	1%	0%
MWC	72	171	50	3%	7%	0%	8%	2%	0%	0%	0%	0%
MHRIL	881	490	33	46%	29%	15%	63%	37%	41%	25%	4%	4%
Systech	4,690	3,153	791	4%	5%	10%	4%	6%	2%	1%	0%	0%
FD	5,649	5,660	2,220	3%	3%	5%	6%	5%	0%	0%	0%	0%
MTWL	757	948	233	9%	4%	13%	16%	5%	1%	1%	0%	0%
MVML	3,451	356	28	5%	8%	4%	3%	11%	7%	0%	0%	0%
MLL	373	371	21	25%	19%	32%	65%	27%	9%	7%	4%	0%
AD	4,869	4,359	2,346	2%	1%	0%	4%	2%	0%	0%	0%	0%
Tech M	17,468	9,946	146	72%	29%	9%	60%	15%	15%	3%	0%	0%
MSB	851	168	8	0%	8%	0%	1%	7%	0%	0%	1%	0%
MSat	14,526	10,216	181	23%	17%	14%	32%	20%	6%	4%	3%	12%
MIL	99	108	8	15%	6%	0%	28%	4%	0%	2%	1%	0%
MFCWL	80	112	2	70%	65%	0%	45%	0%	0%	26%	0%	0%
MFCSL	234	126	2	60%	29%	50%	139%	62%	50%	14%	8%	0%
MLDL	2,657	1,740	352	1%	3%	3%	2%	2%	0%	0%	0%	0%
MReva	309	299	14	14%	10%	19%	18%	15%	6%	3%	0%	0%
MRV	1,486	768	40	15%	20%	9%	20%	24%	21%	0%	0%	0%
MSolar	3	1	0	0%	0%	0%	80%	0%	0%	0%	0%	0%
Overall Result	**65,742**	**45,664**	**6,520**	**30%**	**14%**	**4%**	**30%**	**12%**	**1%**	**3%**	**1%**	**0%**

The age group bifurcation is not available for the third party and fixed term workforce for the sectors: MWC Jaipur, MLL and Mahindra Hinoday, Urse.

The age group bifurcation is not available for the third party workforce for the sectors: MWC Chennai (female category), MHRIL-Goa, MVML, SYSTECH-Forgings-Chakan, MIL and AD.

Training Man-hours

Sector	Jr. Mgmt.			Mid Mgmt.			Sr. Mgmt.		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
FSS	62,524	3,840	66,364	4,820	244	5,064	248	0	248
MWC	1,026	170	1,196	1,071	107	1,178	309	20	329
MHRIL	1,624	607	2,231	806	803	1,609	256	4	260
Systech	19,513	521	20,034	12,053	114	12,167	2,664	0	2,664
FD	65,408	2,136	67,544	33,841	476	34,317	2,988	0	2,988
MTWL	14,978	759	15,737	7,508	248	7,756	2,048	0	2,048
MVML	26,092	2,260	28,352	9,784	0	9,784	260	0	260
MLL	1,843	304	2,146	1,518	84	1,602	289	24	313
AD	191,376	4,128	195,504	98,448	768	99,216	3,296	0	3,296
Tech M	85,986	45,135	131,121	20,835	3,818	24,653	1,820	229	2,049
MSB	1,768	160	1,928	2,960	0	2,960	380	0	380
MSat	947,191	652,824	1,600,015	32,185	4,218	36,403	4,462	156	4,618
MIL	2,471	71	2,542	1,925	90	2,015	532	79	611
MFCWL	4,894	144	5,038	2,120	0	2,120	72	0	72
MLDL	4,957	1,325	6,282	4,927	1,017	5,944	1,841	124	1,965
MFCSL	3,900	867	4,767	1,273	84	1,357	28	0	28
MReva	4,339	653	4,992	2,914	0	2,914	354	0	354
Overall Result	1,439,890	715,903	2,155,793	238,988	12,071	251,059	21,846	636	22,483

Training Man-hours (Contd.)

Sector	Workman			Fixed Term Contract			Third Party Contract			Others		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
FSS	0	0	0	0	0	0	1,520	612	2,132	0	0	0
MWC	0	0	0	0	0	0	0	0	0	0	0	0
MHRIL	7,202	1,919	9,121	2,516	178	2,694	3,830	638	4,468	2,095	205	2,300
Systech	15,641	0	15,641	1,356	0	1,356	4,991	0	4,991	1,708	44	1,752
FD	95,288	108	95,396	59,682	432	60,114	0	0	0	4,992	432	5,424
MTWL	13,288	0	13,288	184	0	184	679	0	679	4,779	916	5,695
MVML	114,488	264	114,752	0	0	0	0	0	0	3,136	49	3,185
MLL	0	0	0	0	0	0	0	0	0	0	0	0
AD	24,415	89	24,504	0	0	0	0	0	0	2,256	0	2,256
Tech M	0	0	0	9	33	42	267	52	319	0	0	0
MSB	0	0	0	0	0	0	480	0	480	40	0	40
MSat	0	0	0	612	890	1,502	1,751	243	1,994	0	0	0
MIL	285	0	285	10	0	10	514	0	514	473	0	473
MFCWL	0	0	0	0	0	0	0	0	0	0	0	0
MLDL	0	0	0	0	0	0	0	0	0	0	0	0
MFCSL	1,867	0	1,867	756	412	1,168	0	0	0	0	0	0
MReva	224	0	224	0	0	0	3,732	1,230	4,962	0	0	0
Overall Result	272,697	2,379	275,076	65,125	1,945	67,070	17,763	2,775	20,538	19,479	1,646	21,124

Human Rights Training (Man Hours)

Sector	Jr. Mgmt.			Mid Mgmt.			Sr. Mgmt.		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
MWC	0	0	0	0	0	0	0	0	0
MHRIL	69	0	69	81	0	81	80	0	80
Systech	23	0	23	4	0	4	4	0	4
FD	0	0	0	0	0	0	0	0	0
MTWL	25	0	25	0	0	0	0	0	0
MIL	14	0	14	10	0	10	2	0	2
Overall Result	131	0	131	95	0	95	86	0	86

Human Rights Training (Man Hours) - Contd.

Sector	Workman			Fixed Term Contract			Third Party Contract			Others		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
MWC	0	0	0	0	0	0	65	0	65	0	0	0
MHRIL	66	0	66	528	0	528	72	0	72	48	0	48
Systech	0	0	0	0	0	0	55	0	55	0	0	0
FD	63	0	63	0	0	0	7	0	7	0	0	0
MTWL	0	0	0	28	0	28	0	0	0	0	0	0
MIL	0	0	0	0	0	0	29	0	29	0	0	0
Overall Result	129	0	129	556	0	556	228	0	228	48	0	48

HEALTH AND SAFETY

At Mahindra, prevention trumps cure in cases of accidents. We remain committed towards the safety and well-being of our employees. We abide by every legal and voluntary compliance on a regular basis. However, we ensure that we propagate the significance of safety via Safety Kaizens and Poka Yoke's on an annual basis.

Central Safety Council

Providing a safe work environment is a critical priority in our Group. Hence, a Central Safety Council has been formed with representatives of the sectors to focus on important safety areas.

The role of the council is to create a forum which relates to the following objectives:

| Enhancing Safety Awareness. | Sharing best practices for ensuring safety. | Promoting proactive measures to prevent accidents and occupational hazards. | Rewarding and recognising commendable achievements. | Regularly briefing the Group Executive Board on safety performance. |

This has helped us to develop efficient methodologies, systems and processes that proactively devise mechanisms to safeguard our people. In order to motivate our employees and appreciate their efforts in ensuring safety the 'Rise Award for Best Safety Performance in Mahindra Group' has been instituted. Besides recognising safety excellence, the award is an effective platform to share best practices.

Plant Safety Committee

Each manufacturing location also has a plant safety committee which consists of management and workers representatives. The committee conducts meetings at periodic intervals. Improvements in safety levels, injury cases and various remedial measures are discussed in these meetings.

Permanent Employees

Sr. No.	Sector	Lost Time Injury Rate	Lost Day Rate
1	**AD**	0.174	6.293
2	**FD**	0.183	9.985
3	**MHRIL**	1.487	23.787
4	**MIL**	2.619	13.096
5	**MVML**	0.089	14.290
6	Systech	2.355	74.969
7	**MTWL**	0.512	34.332

Contract Employees

Sr. No.	Sector	Lost Time Injury Rate	Lost Day Rate
1	**AD**	0.481	26.318
2	**FD**	0.136	25.501
3	**MHRIL**	1.478	22.174
4	**MIL**	1.180	3.540
5	**MLDL**	0.417	1,000.604
6	**MVML**	0.465	10.456
7	**MWC**	2.727	92.709
8	**MSB**	0.517	3.104
9	Systech	1.558	312.275
10	**MTWL**	2.369	93.595

On 9th May 2012, AD Nashik plant had an unfortunate fire incident at their material storage warehouse located at Scorpio / Xylo, TCF (Trim Chassis Final) logistics area. The fire was confined to this specific area and there was no casualty. The plant assets are adequately covered by insurance. Post this incident, necessary actions were taken to restore normalcy of operations. Further the Company has strengthened the safety and fire audit procedures across all its locations.

During 2012-13, there were two unfortunate fatalities in Mahindra Lifespace Developers Limited (MLDL). An inclusive root cause analysis was conducted for both the losses and preventive measures were put in place as explained below:

25 Mandatory Safety Points were introduced covering the crucial and critical points to be monitored on-site on a daily basis. Major areas identified under mandatory points are:

- **Safety Guard**
- **PPEs**
- **Excavation**
- **Material Management**
- **Lifting Tools and Tackles**
- **Permit System**
- **Lockout Tagout System**

The business of real estate development is marked by diverse on-site risks and is manifested in the presence of construction equipment, heavy commercial vehicles, temporary structures, metal products (pipes, angles and beams) and a large number of construction workers. Besides, the construction workers are required to work at heights, engage in processes considered dangerous and engage in laborious processes marked by a real danger in the event of unintended deviation.

The Company has established, documented and implemented an Integrated Management System (QMS, OHSMS, EMS) towards continual improvement as per the requirements of ISO 9001: 2008, BS OHSAS 18001:2007 and ISO 14001: 2004. The company has also established the procedures addressing the aspects of Quality, Safety and Environment carried out on the field, O&M in World Cities, City Offices and Head Office in the same SOPs, thereby integrating the three. All the current SOPs are revised for integration and at least 10 new SOPs related to safety activities have been released.

At Mahindra Lifespaces, our safety commitment over the years has been reflected in a Safety Programme Wheel comprising a 'PDCA' discipline, covering the plan-do-check-act elements. This PDCA discipline is ongoing; it comprises daily discussions, weekly review, quarterly training, and periodic audits. The activities are documented for onward replication. As a result, on-site working has become safer, a planned approach addresses on-site safety, legal requirements are addressed proactively, labour morale has improved and the Company has reinforced its brand as one of the safest workplaces.

ZERO INJURIES AND ZERO LOST DAYS WERE ACHIEVED IN FOLLOWING SECTORS

Permanent Employees	MSat, MLL, Tech M, FSS, Mahindra Solar, Mahindra First Choice Services, Mahindra Reva, MSB, MWC, MLDL
Contract Employees	MSat, MLL, Tech M, FSS, Mahindra Solar, Mahindra First Choice Services, Mahindra Reva

Serious Diseases

At Mahindra, there has been a consistent endeavour to communicate to the employees, their families and the community members on the significance of maintaining proper health and well-being. We strongly advocate all measures that are aimed at prevention of serious diseases, which indirectly leads to a healthy, satisfied, and stable workforce.

Some of the diseases addressed for the different stakeholders are:

Gynaecology Issues, HIV and AIDS, Orthopaedic Issues, Breast Cancer, Cancer, Swine Flu, Hepatitis B, Thalassaemia, Malnutrition, Polio, H1N1 Vaccination, Jaundice and Seasonal Fever.

Following are various initiatives implemented at different sectors:

Swaraj Division's 'Swasthya Aapke Dwaar' Programme

The Swaraj Division initiated this programme after the persistent problems of cancer in Punjab and surrounding areas kept worsening. Government statistics show 17 deaths occur every day due to cancer and 90% of the cases are due to chewing and smoking of tobacco. The programme celebrated 1st June 2012 as 'NO TOBACCO DAY' and organised a Dental Check-up camp for migrant workers where 220 patients were treated. A 'SAY NO TO TOBACCO RALLY' was organised by both the Swaraj plants on 28th May and 1st June 2012 that saw participation of 200 students and volunteers. Around 40 of our dedicated Esops volunteers contacted migrant workers at migrant employment centres to spread awareness on the subject.

Auto and Farm Sector

- During the Rise Awards, M&M Auto Division, Kandivli received Mahindra Group Safety Award for the 'Most Improved Plant in Safety'

- Increased focus on Ergonomics and Behaviour Based Safety. Under BBS methodology we zeroed in on the following areas:
  - Observations noted with process specific check sheet
  - Regular Feedback
  - Meetings on Schedule Adherence, Safe Behaviour, At-risk Behaviour & Action Plan
  - Quarterly Senior Management Review & Union Meetings

- Established Health Centre at Mahindra Vehicle Manufacturing Ltd., Chakan.

- In MVML, medical examinations of employees were held as per 'Health & Wellness Policy' and Factories Act, 1940. 3,600 employees (100%) were examined, including those working in hazardous areas. These examinations were certified by the Director, Industrial Safety Health, GoM, after which individual counselling sessions were held including involvement of family members.

Effectiveness of counselling was:

Ailments	No. of cases identified	Status now
Hypertension	54	Under control
Diabetics	35	Under control
Obesity	75	Regular follow-up in progress

Systech

- Common Guaranteed Safety Programme (CGSP) was introduced at the sector level with initiatives on

Mandatory Training	Mandatory use of PPE	Ensuring Line Management in Safety

- Mahindra Hinoday, Urse

Awareness programme on Occupational Health and Safety Policy and Operational Control Procedures was held at Mahindra Hinoday, Urse. Apart from the programme the following actions were taken to improve the safety rate at Mahindra Hinoday, Urse:

Increased involvement of employees in safety activity through safety committees from 12 to 80	Safety guide for contractor employees prepared and handed over to all the contractors	Road traffic control safety signage / concrete speed breakers installed to control vehicle movement inside the factory premises	Improved visual management - displayed safety signboards in local language in the factory premises

- Mahindra Forgings, Chakan

162 Kaizen in Forgings & Machining were introduced	All safety concerns of line operators and supervisors are addressed on weekly basis	Increased the awareness and importance of PPE by displaying posters indicating proper usage of PPEs	Kaizen introduced to avoid co-passenger sitting on forklifts

- MUSCO, Kanhe

Safety suggestion scheme was started in 2012 at MUSCO

MTWL

Inauguration of Dexterity (Gurukul) in Pithampur, an excellence training school aimed at eliminating human errors	Installation of a fire hydrant system to ensure plant safety	Conducting safety training as part of Safety Management system

PRODUCT PERFORMANCE

OVERVIEW

At the core of Alternative Thinking is the commitment to develop products that deliver superior performance at a lower environmental impact and empower large sections of society.

Our commitment to sustainability is never-ending. Hence, at Mahindra product responsibility goes well beyond 'closing the deal'. An infinite loop of green processes is in place to ensure that our products embody social and environmental ethos throughout the product life cycle.

EVERY PRODUCT THAT BEARS THE MAHINDRA NAME IS A BRAND AMBASSADOR FOR MAHINDRA.

WE HAVE LAUNCHED NUMEROUS PROACTIVE PROGRAMMES:

Life cycle Accounting	Design for Eco-efficiency	Community Outreach	Clean Technology Development	Variety of other initiatives to improve the environmental and social performance of our products

Water is a key focus area and we are pursuing both - **Incremental Improvements and Disruptive Innovations.**

These innovations are not restricted to just products but have been extended to services and in formulation of integrated eco-systems. Mahindra Samriddhi is a worthy case in point, wherein beyond agriculture equipment; farmers are empowered through knowledge on key issues such as crop rotation and irrigation methodologies. In our endeavour to support sustainable agriculture we recently diversified into micro-irrigation systems. Our commitment to water is also demonstrated in our property development projects which are benchmarked to global and national environmental standards. Internally while we are reinforcing initiatives that reduce water consumption, we are also going full steam on water conservation efforts such as rainwater harvesting. The goal is to be water neutral at all our facilities.

MANAGEMENT APPROACH

The ever-widening range of green products in our portfolio affirms our ever-lasting commitment to a sustainable future.

We approach our products and services as catalysts of mass change. Hence products and services, at Mahindra are designed to address rising environmental, social and economic concerns. Powered by alternative thinking we devise solutions that create a fair, inclusive and low-carbon economy to drive positive change.

Our products and services aim to boost advancement in green technology, and improve standards of living.

OUR GOAL IS TO CREATE PLATFORMS THAT ENABLE PEOPLE TO EASILY BLEND THEIR AMBITIONS WITH A SUSTAINABLE LIFESTYLE.

The diversity of our product portfolio enhances our reach and enriches our ability to embed sustainability as a way of life through sustainable mobility, green living spaces, inclusive finance and farm productivity.

All our products and services enable individuals across diverse layers of society, to rise above their respective environmental, financial, and social challenges.

TMW
The **Mahindra** Way

Be it our people, products or processes, a keen emphasis is placed on embedding quality in everything we do. To achieve this, we have institutionalised a structured process called The Mahindra Way. It provides key assistance to our Group Companies in their pursuit of excellence by integrating management technology, process technology and product technology in areas of manufacturing, vendor management, product development and marketing.

Some of our key areas of interventions remain:

1 Making our engines fuel-efficient, lowering frictional losses from engine, and increasing use of alternate fuels like CNG, LPG and Biofuels etc.

2 Providing customer options of quality pre-owned and refurbished cars to elongate product life and ease demand on natural resources.

3 Investing in micro-irrigation to enhance resource optimisation.

4 Using Handheld Devices in rural finance to cut courier commute to distant destinations.

5 Providing Green Data Centre Management and Enterprise Carbon and Energy Management (ECEM) services.

6 Leveraging Mahindra's patented forging processes to save substantial amount of energy during forging process of vehicle parts.

ENVIRONMENTAL IMPACTS

Combating Climate Change

While climate change was viewed with dread, it actually paved way for new product innovations. It led us to expand our vision and widen our focus from individual needs to that of the entire planet.

The entire process of product development is executed with the aim of minimising environmental impact, conserving natural resources, reducing energy usage and decreasing the quantity and toxicity of all emissions and wastes. We continue to develop methods and processes that enhance the efficiency of our waste management procedures and provide opportunity for significant climate change mitigation.

New Developments

Automotive Division

With an aim to promote eco-friendly, last-mile transportation of goods, **we launched a CNG version of our popular Maxximo load carrier**. This BS-IV emission compliant mini-truck is equipped with advanced technology to deliver best-in-class power, mileage, comfort and safety.

To reduce our dependence on fossil fuels and significantly reduce the environmental impact of vehicles, we are now looking at **Hydrogen fuelled mobility.** Two demo vehicles - Bolero and Champion - with Hydrogen CNG mixture (HCNG) are undergoing road trials. The two vehicles clocked 30,000 km and 20,000 km respectively with HCNG fuel.

Farm Division

Completed the development of engine combustion and assembly of one proto tractor in the 475 CNG Tractor Project. Also completed the PTO and haulage test successfully along with technology readiness.

Various technology initiatives were taken to make FES engine biodiesel compatible with different blend levels for domestic and export market. The B20 and B5 technology readiness has been completed for the domestic and export markets respectively.

Launched the Mahindra Bhoomiputra 265 DI MKM power plus with Robolift Hydraulics.

The 35 HP Bhoomiputra 265 DI power plus is an ergonomically designed tractor that has a fuel-efficient MKM engine with unique KA technology that regulates engine timings in real time as per changes in engine rpm. The tractor offers good PTO power at 540 rpm and is compatible with all commonly used agricultural implements like the rotavator, cultivator, harrow and leveller.

Two Wheelers

Reducing emissions is a relentless pursuit of our R&D.

A new engine E-01 introduced in our motorcycle 'Pantero' cuts emissions even further than the optimised engine of its predecessor Stallio.

Emissions (g/km)	Stallio	Pantero (E-01 engine)
CO	0.5	0.166
HC + NOx	0.617	0.597

An advanced R&D facility was inaugurated in Pune.

Created at an investment of INR 100 crore, it is the third largest two-wheeler R&D facility in India.

"IN FUTURE, I AM SURE WE WILL SEE THIS R&D FACILITY EMERGE AS A SYMBOL OF INDIAN INGENUITY."

Anand Mahindra
Chairman and Managing Director M&M Ltd.

It is equipped with state-of-the-art Engine Development Centre (EDC), vehicle design & development facility, testing facilities, prototype centre, design studio, fatigue test lab etc. The multi-faceted R&D facility is a result of our commitment to technology driven innovation and has been recognised by the Department of Science and Industrial Research (DSIR).

Duro DZ with start-stop technology

This year we also unveiled the Duro DZ with start-stop technology. When launched the Duro DZ, was India's first scooter with Micro Hybrid technology.

Mahindra Logistics Ltd.

MLL launched MILES - the Mahindra Integrated Logistics Execution System, a transport management solution based on the Oracle Transport Management System (OTM) at all AFS plants. The synergistic impact of deploying OTM in conjunction with Handheld terminals and the vehicle tracking system to track outbound and inter-plant movements, has helped Mahindra Logistics achieve cost optimisation and better utilisation of vehicle capacity. MILES has led to a remarkable improvement in service levels for our internal customers and channel partners and offers a collaborative platform to vendors / customers / alliance partners to come together and participate towards achieving operational process excellence.

MILES IS MOBILE-ENABLED AND CAN BE ACCESSED OVER SMART PHONES FOR CONSIGNMENT STATUS INFORMATION VIEWING AND UPDATES.

Mahindra Solar One

MSolar completed its 5MW NVVN solar power plant in Jodhpur, Rajasthan in 2012 and has commissioned two new plants of 20MW and 10MW in the same area in February 2013.

We plan to scale up to 100+MW within the next two years across India.

GIVING WEIGHT TO OPTIMISATION

Value Analysis and Value Engineering (VAVE) offers an efficient method to analyse and identify areas of product improvement.

We applied this approach for our Yuvraj 215 (AGNI) to bring about a significant weight optimisation that resulted in twin benefits - reduced environmental impact and reduced costs.

0.7 KWH OF ENERGY IS NEEDED TO MELT 1 KG OF METAL, BY REDUCING THE AMOUNT OF METAL REQUIRED FOR A PART, WE ARE ABLE TO CUT DOWN OUR ENERGY CONSUMPTION.

Our analysis showed that the rear axle carrier was a major cost contributor.

Rear Axle Carrier Assembly Cost Distribution

5%
Oil Seal

5%
Bearing

35%
Rear Axle

55%
Rear Axle Carrier
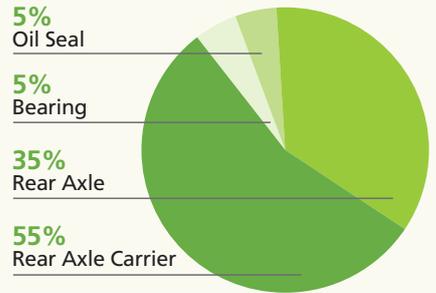
We used the VAVE approach to bring about significant weight optimisation in three areas:

1 H1 Rear Axle Carrier

2 Hydraulic Lift Housing

3 Flywheel

WEIGHT OPTIMISATION	SUSTAINABLE DEVELOPMENT	FINANCIAL BENEFITS
H1 Rear Axle Carrier	• Reduced weight of part by 12% • Avoided melting of nearly 480 tonne of metal per year • Energy saved per year was 336,000 kWH	• Cost of component reduced by 10%
Hydraulic Lift Housing	• Reduced weight of part by 9% • Avoided melting of nearly 120 tonne of metal per year • Energy saved per year was 84,000 kWH	• Cost of component reduced by 8% • Annual savings: INR 1 Crore
Flywheel	• 3 kg of weight saving in flywheel assembly • Electricity savings: 37,800 kWH • Reduction in CO_2 gases by 30,000 kg	• Achieved annual savings: INR 2.75 Crore

Enhancing Green Efficiency

A significant aspect of delivering green solutions is to identify room for improvements and take steps that increase the efficiency of a product. The following initiatives showcase how we aim to be better than the best in all our efforts by introducing alternative fuel / technology.

Pioneering Sustainable Mobility with SIAM

CNG is cleaner fuel but by blending Hydrogen with it one can further reduce GHG emissions. M&M is one of five Original Equipment Manufacturers (OEMs) who are collaborating with SIAM to develop a fleet of vehicles which run on HCNG (18% Hydrogen and 82% CNG). To demonstrate HCNG technology and collect data, field trials of 50,000 km for UVs, CVs and 30,000 km for three wheelers are underway. Currently the Mahindra Bolero (UV) has completed 30,000 km while our three wheeler Champion has clocked 20,000 km.

World's First Hydrogen Powered Three Wheeler

With an aim of making hydrogen a commercially viable fuel of tomorrow,
Mahindra launched HyAlfa - world's first hydrogen powered three wheeler, on 9th Jan 2012 at the Auto Expo in New Delhi.

In this year, 15 HyAlfas have been developed to thoroughly check the optimised engine, storage system, fuelling system and safety features for this hydrogen fuel enabled vehicle.

As part of the ecosystem, a hydrogen refuelling station was also set up at the location. A first-of-its-kind in the world having mileage of 75 km/kg of hydrogen fuel, HyAlfa also has zero emissions and could be an ideal solution to tackle hot spots formed in major cities due to vehicular carbon emissions.

Alfa Plus

In May 2012, we launched Alfa Plus, a longer deck variant of our three wheeler Alfa Load Carrier designed for intra-city load transport and offering a higher load carrying ability as well as lower operating costs.

It is equipped with -

A longer wheelbase for increased stability and safety.	**An ergonomically designed cabin for fatigue free long distance travel along with a powerful engine.**	**The longest cargo box in its class, the Alfa Plus offers a 20% increase in carriage of load volume per trip.**

It comes with a robust transmission with a 20% better gearbox life, 8% more powerful engine torque and 50% better clutch life.

Mahindra Reva e_2o

While an electric vehicle is inherently 'greener' due to lack of tailpipe emissions, the e_2o takes energy efficiency a step further by its efficient design and production process. It is made from fully recyclable thermoformed ABS plastic body panels and other forms of plastics and composites. These panels are pre-impregnated with the desired colour, thereby eliminating the need for an expensive and polluting paint shop in the manufacturing plant. The production of these vehicles is carried out in India's first and only IGBC Platinum rated automobile assembly facility.

With a kerb weight of just 830 kg (compared to >1,000 kg for an ICE vehicle in its class), it uses very little energy to move. It has a class leading energy efficiency of around 10 km/kWh (or 100 Wh/km).

Lastly, it is fully capable of being charged through solar energy, thereby making it possible to operate with zero emissions whatsoever.

e2o
Future of Mobility

Sun$_2$Car™ - Affordable and Efficient Solar EV Charging Technology

sun$_2$car ™

The Sun$_2$Car DC1, a direct DC EV charging solution developed by Mahindra Reva, uses the DC from the solar panels to directly charge the car.

It avoids two stages of energy conversion seen in a traditional AC based solar charging system and improves efficiency of the total charging system by around 15%. It can generate enough electricity to power a Mahindra Reva electric vehicle with clean energy for around 15,000 km a year, for 15-20 years.

Customer-centric Innovations

Automotive Division

SIAM, along with auto OEMs formulated a 'Voluntary Code on Vehicle Recall' which came into effect in July 2012. Mahindra's Automotive Division has been one of the early adopters of this code. In order to comply with the recall guidelines, a robust recall process administered by a recall officer has been operationalised by us. During the year we also took a proactive leap by announcing the recall of the XUV5OO - a first for the Indian industry.

Mahindra First Choice Wheels Limited

The company launched two new warranty products, namely Warranty First and Certifirst for our used-car customers.

Subject to specific terms and conditions, Warranty First provides warranty for major mechanical and electrical components of the car. The concerned components are covered for a period of 12 months or 15,000 km, whichever is earlier. The Certifirst warranty covers the car's engine and transmission for a period of 6 months or 7,500 km, whichever is earlier. Both the warranties come with separate facilities of 24X7 roadside assistance across the country in case of a car break-down.

Mahindra Satyam

The Connected Vehicle

The automobile market is among the fastest growing markets for infotainment and connected devices.

Mahindra Satyam launched a unique infotainment solution under the aegis of its 'Connected Vehicle Concept' in line with its stated strategy to invest heavily on NMACS (Networking, Mobility, Analytics, Cloud and Security).

NETWORKING   MOBILITY

SECURITY   ANALYTICS

CLOUD

The solution is differentiated with an automotive grade in-vehicle infotainment device integrated with an excellent service delivery platform to provide an entire gamut of value-added services.

The networked or 'smart' vehicle will enable the user to shop, pay bills, check email, watch videos, access news and social media, and be connected at all times. From superior safety features to rear-seat entertainment, it provides an enhanced user experience.

STAMP out the defects

Mahindra Satyam launched Structural Testing Analysis & Measurement of Projects (STAMP) - an innovative structural quality service powered by CAST.

This is the first step of the strategic partnership between Mahindra Satyam and CAST, the world leader in Software Analysis & Measurement (SAM).

STAMPS is aimed at analysing structural quality of the application stack resulting in higher performance, greater reliability and increased security to the customers as well as reducing underlying technical debt. Approximately 30% of production defects are due to structural quality. This service helps identify the structural issues before they reach production, and will provide insight for implementing corrections prior to current or future delivery of software, thereby reducing risk in production and optimising overall cost of correction.

Quanto - Delivering Best of Both Worlds

With an aim to combine easy manoeuvrability and compactness of a hatchback with the rough-road capability and power of an SUV we have developed Quanto. An indigenously designed compact SUV from Mahindra, Quanto was developed after taking into account extensive customer feedback and in-depth research at various stages of its development.

Smartly packaged in sub-4 meter length on the proven Ingenio platform, Quanto is the smallest SUV in Mahindra's product portfolio.

MLL - Mahindra People Transport Solutions (MPTS)

Mahindra Logistics Ltd. has developed Mahindra People Transport Solutions (MPTS), a unique solution which is entirely technology driven and customisable.

The solution encompasses service features such as on-time performance, cost optimisation, safety and security, emergency response and visibility and Management Information System (MIS).

Implementation of the solution has resulted in a dramatic improvement in utilisation of vehicles and has also eliminated misuse of vehicles by drivers.

Building Greener Landscapes

WE CREATE ENERGY EFFICIENT, WATER CONSCIOUS, AND ECO-FRIENDLY BUILDING SPACES, WITH MINIMUM WASTE GENERATION BY TAKING INTO ACCOUNT THE ENVIRONMENT THEY ARE BUILT IN, TO CREATE COMFORTABLE AND HEALTHIER LIVING SPACES.

All MLDL projects undergo pre-certification under the Indian Green Building Council (IGBC) Green Building rating system. This year, four of our projects bagged the prestigious certification.

Mahindra Royale, Pune
Certified Platinum

Bloomdale, Nagpur
Pre-certified Gold

Mahindra Ashvita, Gurgaon
Pre-certified Gold

Happinest, Chennai
Pre-certified Gold

Indian Green Building Council
Greening India since 2001

AT MAHINDRA LIFESPACES, WE MAINTAIN A CHECKLIST FOR CLASSIFYING THE USE AND REUSE OF VARIOUS CONSTRUCTION MATERIALS.

We also keep track of the quantity of material reused within site or recycled / reused through an approved vendor. Constant monitoring of the various environmental parameters is carried out to meet the prescribed limits specified by the State Pollution Control Board.

RESOURCE EFFICIENCY AT MAHINDRA RESEARCH VALLEY

Mahindra Research Valley is our core hotbed when it comes to bringing about unique technological advances. Aimed at decreasing the environmental impact of our products, this R&D facility moves beyond the conventional green approach.

While it is essential to reduce emissions, significant environmental benefits are seen when we focus on the type of raw material used.

This shift in approach has resulted in significant benefits as listed below. These projects showed benefits that ranged from reduced water and energy consumption, better fuel efficiency, reduced CO_2 emissions and significant optimisation of the product through weight savings.

NAME OF THE PROJECT	MATERIAL USED EARLIER	BENEFITS
Bamboo Based Composite for Head Lamp Cover	• PP+25~30% Talc	• **Green sustainable technology** • **Weight savings by 11%**
Recyclable Pet for Maxximo Canopy Strip	• Nylon 6+30% glass filled	• **Green sustainable technology** • **Savings: INR 50 / vehicle**
Devulcanised Rubber for Auto Parts	• Natural rubber	• **Savings: INR 2.6 million/year (Scorpio / Xylo)** • **Zero percent investment** • **Savings: 40% in raw material cost** • **No process hurdles** • **More than 5,000 tyres can be recycled per year**
First Pillar Trim in M&M with 18% Bio-content (PP - Starch)	• 20% Talc filled PP-Concept prove out	• **Green sustainable product**
Green Paint Technology (OXSILAN) CLEANER → RINSE → DIW RINSE OXSILAN® → DIW RINSE	• Pre-treatment with phosphating	• **20% shorter process** • **40% less energy consumption** • **20% less water consumption**

NAME OF THE PROJECT	MATERIAL USED EARLIER	BENEFITS
Use of HSS Steel - HSLA / Dual Phase (XUV5OO)	• Conventional steel (EDD / D)	• **Weight savings approx. 25 - 30%** • **Better fuel efficiency** • **Less CO_2 emission**
Aluminium Hydro formed Ski-rack	• Steel - hydro formed	• **Weight savings: 40 %** • **Less CO_2 emission**
Aluminium MMC Brake Drum	• Cast Iron	• **Weight savings: > 50%** • **Better fuel efficiency** • **Less CO_2 emission**
Aluminium Hood	• Steel (IF / EDD / SPRC35)	• **Weight savings: 40%** • **Better fuel efficiency** • **Less CO_2 emission**
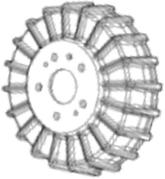
HEALTH AND SAFETY IMPACTS

We believe that the absolute benefits of a product come to fore only when health and safety aspects are considered at the product design and concept stage. It is imperative for all our products to meet the necessary health and safety standards. Intensive prototype testing and virtual validation are executed for every Mahindra offering. This helps us filter out and address all possible health and safety concerns before commencement of commercial production.

> **WE GIVE FOREMOST IMPORTANCE TO THE HEALTH AND SAFETY OF OUR COLLEAGUES, CUSTOMERS AND COMMUNITIES.**

Automotive Division

For the Indian market we are guided by Central Motor Vehicle Rules (CMVR). These rules govern the regulation of emission, noise and safety of automotives with emphasis on aspects such as crash, seat belt anchorage, head impact, steering impact and pendulum impact.

- Our vehicles currently comply with BS-IV emission norms in 13 cities where these norms have been implemented. While in rest of the cities we abide by BS-III norms. **We have developed a new MDI LCCR engine to meet BS-III & BS-IV emission norms on our UV vehicle - Bolero.**

- We have added the On Board Diagnostic (OBD) system on all our export models of Scorpio Single Cab, Double Cab, Scorpio SUV and XUV5OO M1 including both all-wheel drive and two-wheel drive models and all these models are certified for Euro V, the current European Emission norms. **The Scorpio SUV is certified for L6 emission norms in Brazil.**

- **We ensure all our export vehicles comply with the applicable OECD and country specific regulations including those for noise and safety.** 50% of our vehicles meant for export market are designed in accordance with European, Australian, South African and South American motor vehicle safety standards and regulations including the study of injury via front, offset, side and rear impact with the aid of a dummy.

- **The XUV5OO safety measures comply with global crash standards** and it comes equipped with Antilock Braking System (ABS) with Electronic Brake force Distribution (EBD), Electronic Stability Programme (ESP) with rollover mitigation, six airbags (front, side and curtain), Hill Hold Control and Hill Descent Control.

Farm Division

Ergonomic Benefits

To achieve the highest possible comfort for our customers we deploy specialised software in the conceptualisation stages to study the ergonomics of our tractors and design a fatigue-free seating arrangement which provides a safe, comfortable, stress free and easy to operate workspace for the driver.

THE HUMAN TOUCH IN A MACHINE

At Mahindra, we factor in ergonomic efficiency along with machine performance. On the path of improving efficiency and productivity the common approach has been viewing every element involved as a separate component. This approach often overlooks the areas of interaction of the different elements with each other. In a human-machine system, a lack of user-centred ergonomic design decreases productivity significantly. Muscle strains, sprains and body aches are so prevalent among farmers that they are accepted as unchangeable conditions of the job. Proper ergonomic design prevents repetitive injuries and development of other muscular-skeletal disorders. While good ergonomics may not be an articulated factor during the purchase of farming equipment, poor ergonomics never goes unnoticed, often affecting repeat orders.

At Mahindra, we believe good ergonomics increases comfort, safety, and productivity, which in turn increases the overall profitability. While designing Mahindra's Dhruv tractor, **we inbuilt ergonomics to reduce stress on the body, and enhance safety, comfort and productivity.**

A seated work condition seems more comfortable than standing. However, sitting for a long time can cause nagging back problems. Well-designed, appropriate seating arrangement, easy accessibility and controllability of knobs / levers in the driving cabin are fundamental for a fatigue-free tractor experience.

The following ergonomic points were identified and improved in Dhruv's design:

- **Gear Shifter Lever**
- **Range Selector**
- **Hand Accelerator**
- **Foot Accelerator**
- **Foot Brake**
- **Hand Brake**
- **Clutch Pedal**
- **Diff-lock Pedal**
- **PC & DC Lever**
- **SLIPTO**
- **PTO Lever**
- **Auxiliary Lever**

ERGONOMICS AND HUMAN FACTORS ARE ABOUT THE RIGHT 'FIT' BETWEEN THE USER, EQUIPMENT AND THEIR ENVIRONMENTS. THE BEST POSSIBLE ERGONOMIC MATCH MAXIMISES AN OPERATOR'S EFFECTIVENESS, COMFORT AND SAFETY. FOR EVERY ERGONOMIC MISMATCH, THE CONSUMER PAYS WITH PRODUCTIVITY, TIME AND MONEY.

Two Wheelers

Presently, we comply with BS-III norms as applicable to two-wheelers. In the next phase BS-IV norms are under consideration and may become applicable from 1st April 2015.

The BS-IV norms are expected to contain the following aspects:

Change in driving cycle from Indian Driving Cycle (IDC) to World Motorcycle Test Cycle (WMTC) as per Global Regulation	Reduction in mass emission values in g/km	Promulgation of evaporative emission system	Promulgation of control on crankcase emissions	In addition, revision of idling CO and HC norms is also on the anvil

WE HAVE ALREADY BEGUN OUR COMPLIANCE JOURNEY AND PLAN TO IMPLEMENT THE CHANGE VIA THE FOLLOWING STEPS:

Mass emissions

- Data collection on five vehicles of each model completed in February 2013.
- Changes required in models will be worked out after complete data is available.

We have commenced an initial study of evaporative emission system and also contacted the suppliers of carbon canisters. The first prototype completed by March 2013.

The crankcase emission control system is already available with us and we do not expect any difficulty in meeting those norms.

We plan to take the study of idling emissions once there is an indication of norms.

Systech

Casting, forging, composite manufacturing and steel processing form the diverse businesses of Systech companies. To accomplish the common goal of health and safety requires us to devise diverse approaches as per the nature of each specific business.

Design Functionality

To ensure that the designed product is safe in functionality, Mahindra Composites conducts a systematic, Computer Aided Engineering (CAE) analysis to determine the break-point for various products.

Additionally, the material also undergoes rigorous testing at an independent laboratory to determine product endurance. We also undertake software modelling of the product to ensure that it delivers the designed output.

Health & Safety Standards

Mahindra Hinoday Industries Ltd. (Magnetic Product Division) is TS16949 certified and complies with customer specific requirements related to health and safety standards for each product.

Each requirement in incorporated in the product at the development stage itself and routine assessments are conducted to ensure compliance.

Specific requirements such as ROHS (Restriction on Hazardous Substances) compliance, PFOS (Perfluorooctanesulfonates) compliance and REACH compliance are regularly checked and complied with, right up to packaging of the material.

Mahindra Lifespace Developers Limited

The responsibility of offering healthy, safe and secure living spaces is our prerogative as the green builders of the nation.

All the buildings designed and developed by Mahindra Lifespaces are in line with safety standards set by the National Building Code (NBC), Government of India and other relevant IS codes. All our project locations ensure safe working conditions and are OHSAS 18001:2007 (Occupation Health & Safety Assessment Series) certified.

MHRIL

We are the proud recipients of the **Green Globe certifications for Kumbalgarh and Munnar resorts.** And we have also received the **Ecotel certification for our Goa and Coorg resorts.**

Service Sectors

To address the health and safety statutes in Mahindra Finance, Mahindra Logistics, Tech Mahindra and Mahindra Satyam, adequate measures have been adopted at each specific sector.

SOCIAL IMPACTS

Society plays a fundamental role in creating a healthy business environment and it is the responsibility of a business to help create a healthy society. From rural development and farm productivity to creating livelihood opportunities and accelerating career growth, we design our products and services to serve the community.

Farm Division

Our farm equipment and services provide a comprehensive support system to help farmers prosper. Coupled with high performance farm equipment we provide an agri-support system ranging from water-management to crop solutions - enabling farmers to rise beyond their current realm of possibility.

FIRM / INITIATIVE	Mahindra AppliTrac	Samriddhi	Mahindra EPC
SERVICES RENDERED TO FARMERS	Agri-mechanisation	Market linkages, distribution, agri-support information and counselling	Micro-irrigation, inter-related requirements of fertigation, and agronomic support

Mahindra Samriddhi

Mahindra Samriddhi aims to bring prosperity to Indian farmers through a series of holistic farming solutions.

SAMRIDDHI MEGA FARMING MEET, ANAND, GUJARAT. — INITIATIVE

During this meet the complete range of Mahindra Agri Business products and services was showcased to 250 farmers. The meet acted as a platform where the Business Heads and representatives of the various businesses elucidated the unique features of their product range. The participants shared their satisfaction of being able to obtain the entire range of agricultural products and services from Mahindra Samriddhi centres.

Saral Rozgar

Saral Rozgar initiative by Tech M is a first-of-its-kind, mobile-based recruitment service in India which helps the blue collar job seekers in the rural and semi-urban markets to connect to the mainstream employers. With a pan-India presence, the portal has on board over 1 million registered job seekers, 3,000 active employers with over 70,000 job vacancies across more than 150 categories and counting. To boost this service, we have also conducted 170 job fairs in various states of India.

Mahindra's Financial Services Sector (FSS)

True progress is only felt when it includes every strata of the society, including the rural population. FSS protects and sustains rural livelihoods through a sustainable business model.

Our business model helps customers grow by providing them loans based on their future earning capacities.

Tech Mahindra

Technology to Fight Crimes like Rape

Tech Mahindra's CanvasM Technologies has built the Fight Back mobile application to facilitate safety and is supported on a wide range of devices with different OS resolution and capabilities to maximise its reach.

This solution uses mobile capabilities like GPS, SMS and GPRS along with email and social media integration to help the user in times of crisis.

The application tracks the user's location and with the press of panic button, SOS SMS and emails are sent to selected friends and family who have been registered with the application. Additionally, it also helps in identifying unsafe areas which can be avoided in advance. With vast applicability Fight Back can be used by anyone who is vulnerable and needs immediate help - elderly people, people with serious health issues and by enterprises to ensure their employees' safety.

www.FightBackMobile.com

GIVING CYBER SECURITY THE NECESSARY IMPETUS   INITIATIVE

The increasing use of technology has also increased instances of cyber crime. Learning to protect ourselves from such attacks through the internet has become a necessity.

Lucius Lobo, Security Practice Head (Tech Mahindra & Mahindra Satyam) recently released a free eBook on internet security, titled 'Stay Safe Cybercitizen', a useful security awareness tool.

It focuses on cyber security for individuals, consumers, traders, corporate, parents, bloggers, and social networkers, using simple examples of real life incidents of key risks and practices to remain safe online.

Mahindra World City, Chennai

Mahindra World City, Chennai achieved another milestone, by signing up with JSP Hospitals to set up a 30-bed speciality hospital.

Spread over 15,000 sq. ft., the hospital will commence operation in 2014 and cater to the residents and employees of companies within MWC and also come to the aid of the community in the surrounding areas.

COMPLIANCE

We have well-established systems, procedures and review mechanisms in place at all our businesses that identify and comply with laws and regulations relevant to our products and services. During the year, we continued to comply with all applicable statutes and no incidences related to product & service non-compliance were reported.

Health and Safety Regulations

We continue to abide by the regulations and codes concerning health and safety. The aim is to deliver 100% compliance in health and safety parameters.

Product and Service Information

At Mahindra, our customer service philosophy is based on three essential factors - customer centricity, information security and delivering high quality & timely information.

The information stated in our products and services and on our product brochures clearly list out the known potential utility risks and mention ways to disseminate or eliminate such risks. We provide accurate and appropriate information in line with required regulatory and mandatory requirements pertaining to labelling, brand promotions, sponsorships and advertising.

In the reporting year, we did not receive any complaints related to customer privacy. We continue to follow the applicable compliances as reported last year.

Kindly refer sustainability report 2011-12 >> pg no. 77-78
www.mahindra.com/How-We-Help/Environment/Sustainability-Reports

Marketing and Communication

A responsible marketing and communication strategy goes a long way in ensuring customer satisfaction because it helps the customer set the correct expectation levels during the purchase. We believe in communicating ethically, transparently and simplistically. Our goal is to ensure effective communication that is as clear and as accurate as possible.

At Mahindra, integrated systems are in place to conform to all the statutory laws and standards related to marketing communication, advertising, promotion and sponsorship.

We also use these communication channels to gain useful feedback and in-depth insight.

Below is an overview of our marketing communication channels:

AFS, Real Estate, Two Wheelers and MMFSL

These Companies strictly adhere to the code of conduct defined by Advertising Standards Council of India.

Mahindra Finance

Mahindra Finance mobile site *m.mahindrafinance.com* went live in September 2012 and was officially launched in November through EMI+ newsletter. Through this mobile site, visitors can apply for loans, locate the nearest Mahindra Finance branch, gain information about all the Company's products, apply for jobs and calculate EMIs.

Mahindra First Choice Wheels Limited (MFCWL)

MFCWL announced the launch of a new mobile app aimed at easing the life of a car owner. People are invited to visit *www.mahindrafirstchoice.mobi* on their mobile browsers to easily access a variety of services.

This app provides the following features:

1 Buying and selling a car

2 Find a store (find Mahindra First Choice store)

3 Hotel locator

4 Petrol Pump locator

5 ATM locator

6 PUC servicing

7 Traffic update

8 Air pressure reminder

Social Networking

Social Media is the most accessible platform to reach customers and gain feedback. It is not only apt for to and fro communication but is also instrumental in creating a buzz or awareness on any subject. The dynamic activity on various networking sites helps us stay in touch with our patrons as well as our critics. Evolving from its first use of sharing personal experiences, social media is being looked at as 'knowledge media' where instant information exchanges have sparked revolutions.

We, at Mahindra, have been logged on to the social communication platform for a few years now. This helps us cater to a wider audience and receive direct customer feedback that helps us evolve.

Presence:

Club Mahindra has a travel and holiday blog called Clay.

Clay

Tech Mahindra, Mahindra Satyam, Mahindra Xylo, Mahindra Scorpio, Mahindra Bolero, Mahindra XUV5OO and Mahindra Tractor.

facebook

Auto Division, Tech Mahindra and Mahindra Satyam.

twitter

ECONOMIC PERFORMANCE

OVERVIEW

The financial crisis of 2008 has given rise to three-speed economies - some countries like the US that are slowly but surely rebuilding themselves, some European economies which continue to contract and are still in trouble, and some developing countries that have actually managed to do well. Although such a state should be affecting a global conglomerate like Mahindra that has presence in all three economies, FY 2012-13 has seen our Group Companies expand their reach to new customers, markets and societies.

The Automotive Division recorded total sales of 483,734 vehicles and 67,735 three-wheelers, registering a growth of 21.4% in vehicle sales and a de-growth of 4.6% in three-wheeler sales while our Farm Division

(including Swaraj Division) recorded the sales of 224,844 tractors which translates into a decline of 5% over the previous year.

Subsidiary companies like Mahindra & Mahindra Financial Services Limited and Mahindra Lifespace Developers Limited registered a 44% and 19% growth in their consolidated profits respectively.

In line with the Group's aspiration to be the 'World's Most Admired Brands' by 2021, we continued to incubate ideas and nurture innovation across the Group. As a result, Mahindra was placed 10th in the London-based consultancy TLG's second annual Index of Thought Leaders, India. Also, Mahindra & Mahindra Ltd. was named 'Most Innovative Company of the Year' and 'An Innovation Factory' in the Business Standard's BS 1000 index.

To keep this momentum going, it is imperative to identify potential risks and analyse their gravity. Water availability from legacy sources is depleting. The situation is compounded because supply to a large extent is dependent on monsoon, which due to climate change is becoming more difficult to predict. Reservoirs are ill-managed, infrastructure has not kept pace with demand and above all, water is a political resource. We undertook sampled risk analysis to determine possible fall outs and the extent of exposure of AFS to external threat and internal vulnerability with respect to water in the reporting year.

MANAGEMENT APPROACH

The linkage between sustainability and economics is well-rooted across the Group and the quality of wealth generated is as important to us as the quantum. This was aptly demonstrated when in a town hall to articulate the Group's aspirations, all Mahindraites proclaimed in a singular voice that how we become a global brand was as important as when we become a global brand. On the 'how', an overwhelming majority expressed a desire to become a global brand by setting up businesses that make an impact on people's lives and enable them to rise.

"Sustainability is a part of our 'Rise' philosophy. You cannot rise if you take more from the community than you put back. It is imperative for us to protect the flora and fauna around us."

Anand Mahindra
Chairman and Managing Director, M&M Ltd.

All Group Companies are progressively shifting gears to higher orbits of sustainability in their existing businesses while continuing to seek out sustainable business opportunities for diversification and product folio reconfiguration. Going forward, we wish to concentrate on specific areas of national concern and leverage the Pillars of Rise to provide long-term solutions.

KEY HIGHLIGHTS

Financials

INR million

Particulars	FY 2010-11	FY 2011-12	FY 2012-13
Net Revenues	433,138.80	586,794.20	735,993.19
PAT	38,172.83	54,103.00	60,990.08
Foreign exchange earnings	10,999.00	18,576.20	23,533.00
Amount spent on R&D	8,527.50	8,719.00	10,605.40

Notes:

Foreign exchange earnings are only for Mahindra & Mahindra Ltd.

Research and Development: FY 2010-11 data is for Mahindra & Mahindra Ltd. and MTWL. For FY 2011-12 data is for M&M, MTWL and MREVA. FY 2012-13 data is for M&M Ltd. only.

- The gross turnover for the year ended 31st March, 2013 for the Mahindra Group was INR 744,030 million as compared to last year's INR 633,578 million.

- The consolidated Group profit for the year after exceptional items, prior period adjustments and tax after deducting minority interest was INR 40,992 million as against INR 31,267 million in the previous year.

- During the year, Group Companies like Mahindra Finance, Mahindra Lifespace Developers Ltd., and Tech Mahindra Ltd. significantly improved their performance over the previous year. Noteworthy amongst them were a 41% growth in consolidated revenues and a 44% increase in profits by Mahindra Financial Services Sector, and a 22% growth in consolidated revenues and a 18% growth in profits by Tech Mahindra.

Beyond Financials

- Mahindra Rural Housing Finance Ltd., renewed its commitment to extend housing finance to customers in rural India, as it joined Business Call to Action (BctA). BctA is a global initiative that encourages private sector efforts to fight poverty, supported by several international organisations including the UN Development Programme (UNDP).

- Mahindra Satyam, a leading global consulting and IT services provider, announced the launch of Health Connection™, a Health Insurance Exchange (HIX) solution that complies with U.S. Affordable Care Act requirements for establishing health insurance exchanges for businesses and employers.

Revenue and PAT

Mahindra & Mahindra Ltd.   *INR million*

	FY 2010-11	FY 2011-12	FY 2012-13
Net Revenue	238,032.00	323,193.10	409,903.30
PAT	26,621.00	28,788.90	33,528.20
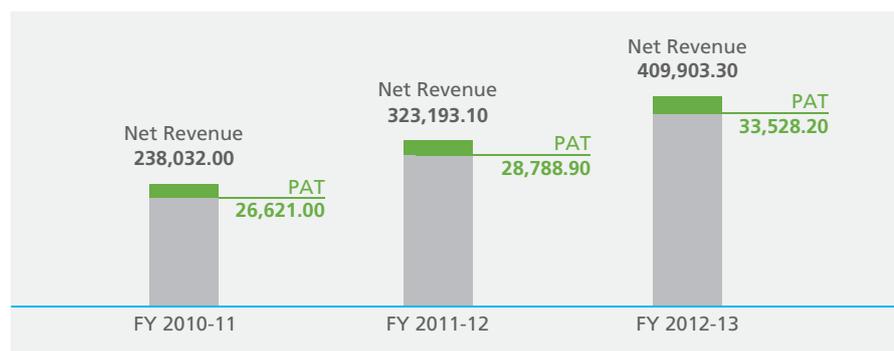
Mahindra Intertrade Ltd.   *INR million*

	FY 2010-11	FY 2011-12	FY 2012-13
Net Revenue	11,017.50	13,427.70	13,045.20
PAT	550.80	705.40	567.1
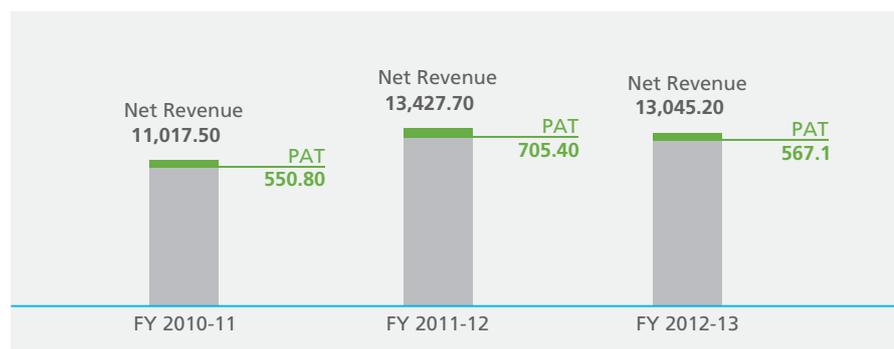
Revenue and PAT

Mahindra Steel Service Centre Ltd.

INR million

Net Revenue **751.18** — PAT **17.80** (FY 2010-11)
Net Revenue **976.20** — PAT **56.20** (FY 2011-12)
Net Revenue **1,236.00** — PAT **14.52** (FY 2012-13)

Mahindra Lifespace Developers Ltd.

INR million

Net Revenue **5,068.50** — PAT **1,030.46** (FY 2010-11)
Net Revenue **5,211.20** — PAT **1,201.60** (FY 2011-12)
Net Revenue **4,222.50** — PAT **974.9** (FY 2012-13)
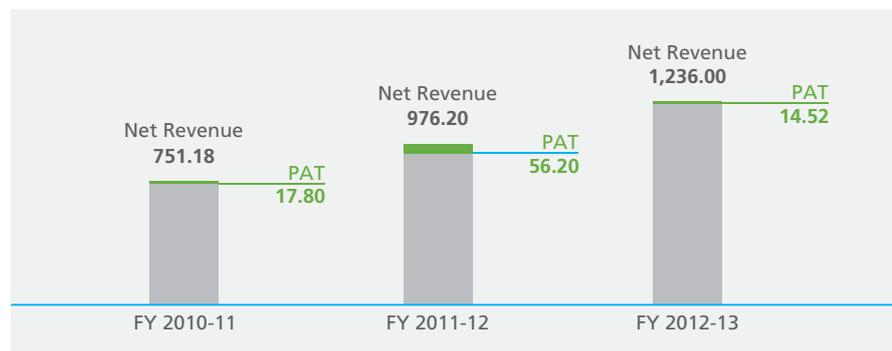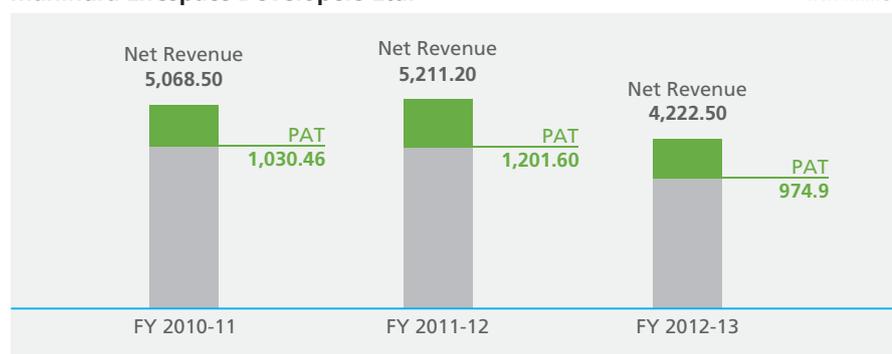
Mahindra Ugine Steel Company Ltd.

INR million

Net Revenue **13,429.10** — PAT | **59.74** (FY 2010-11)
Net Revenue **15,415.90** — PAT **368.90** (FY 2011-12)
Net Revenue **7,670.4** — PAT | **337.20** (FY 2012-13)
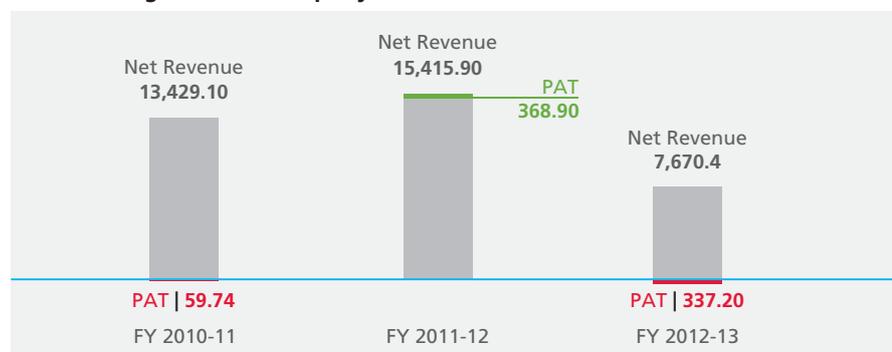
Note: Mahindra Ugine Steel Company Ltd. consists of Stamping Division, the Steel Division is transferred to Mahindra Sanyo Special Steel Pvt. Ltd.

Mahindra Forgings Ltd.

INR million

Net Revenue **3,584.38** — PAT | **31.80** (FY 2010-11)
Net Revenue **4,346.80** — PAT **67.80** (FY 2011-12)
Net Revenue **4,403.58** — PAT **408.66** (FY 2012-13)
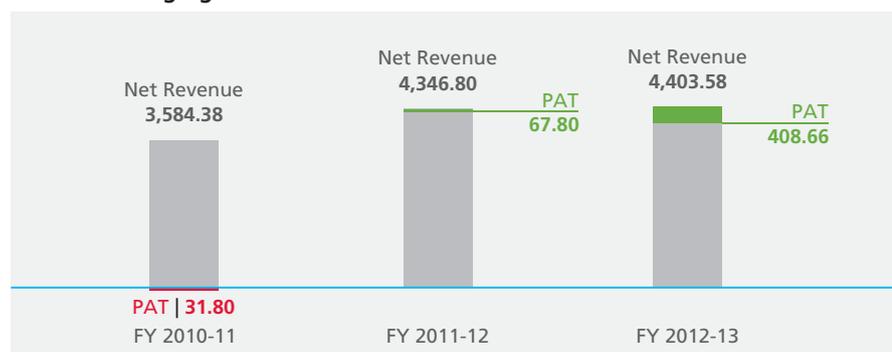
Revenue and PAT

Mahindra Composites Ltd.

INR million

Net Revenue 529.30	Net Revenue 567.20	Net Revenue 504.1
PAT 24.34	PAT | 9.10	PAT | 9.80
FY 2010-11	FY 2011-12	FY 2012-13
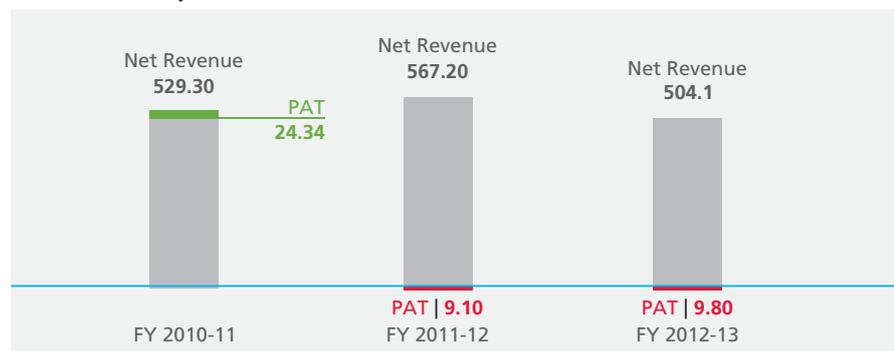
## Mahindra Hinoday Industries Ltd.

INR million

Net Revenue 3,778.83	Net Revenue 5,002.30	Net Revenue 4,809.50
PAT | 74.42	PAT | 108.20	PAT | 182.13
FY 2010-11	FY 2011-12	FY 2012-13
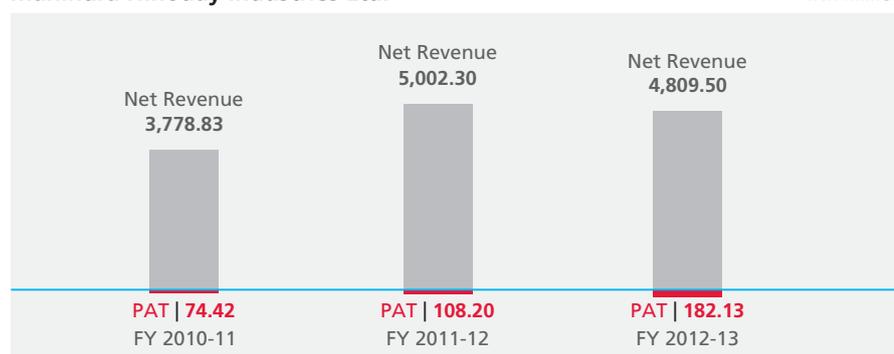
Mahindra Gears & Transmissions Pvt. Ltd.

INR million
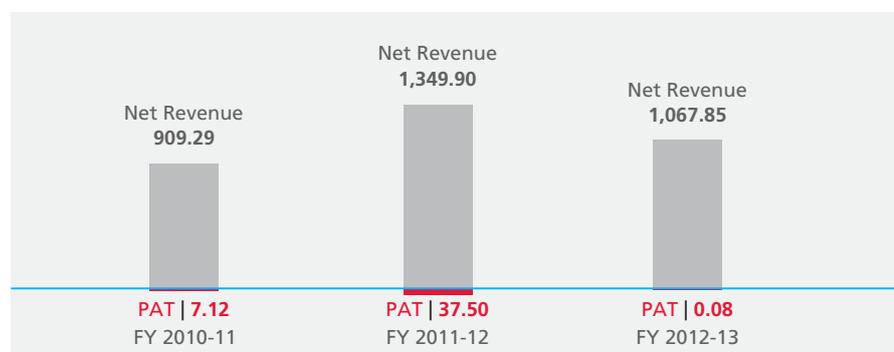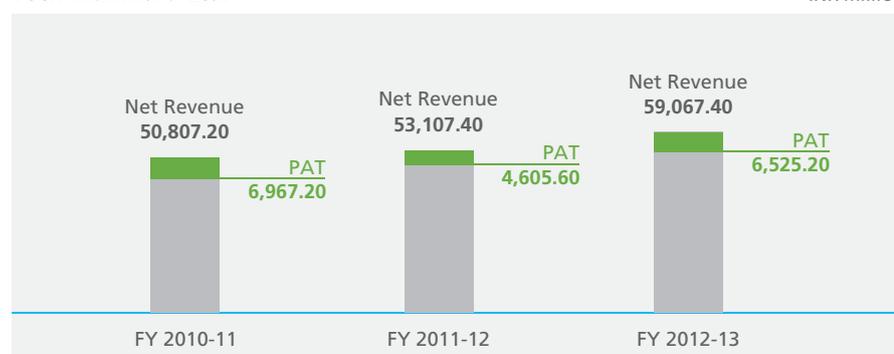
Net Revenue 909.29	Net Revenue 1,349.90	Net Revenue 1,067.85
PAT | 7.12	PAT | 37.50	PAT | 0.08
FY 2010-11	FY 2011-12	FY 2012-13

Tech Mahindra Ltd.

INR million

Net Revenue 50,807.20	Net Revenue 53,107.40	Net Revenue 59,067.40
PAT 6,967.20	PAT 4,605.60	PAT 6,525.20
FY 2010-11	FY 2011-12	FY 2012-13

Revenue and PAT

Mahindra & Mahindra Financial Services Ltd.
INR million

Net Revenue
20,125.80

PAT
4,631.09

Net Revenue
27,945.90

PAT
6,201.10

Net Revenue
38,946.99

PAT
8,826.92

FY 2010-11   FY 2011-12   FY 2012-13
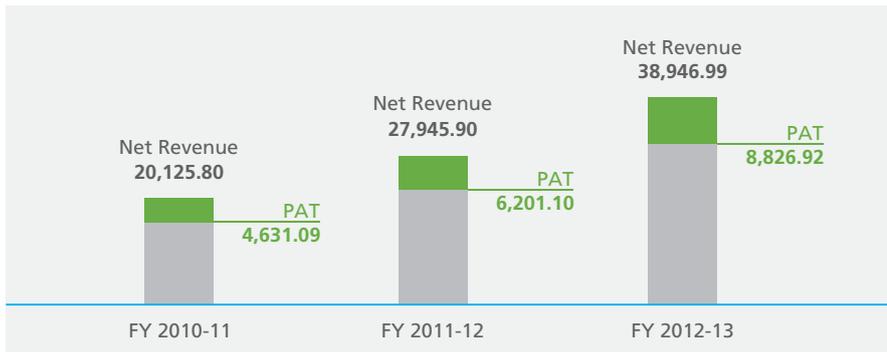
Mahindra Insurance Brokers Ltd.
INR million

Net Revenue
465.50

PAT
135.10

Net Revenue
862.99

PAT
344.47

FY 2011-12   FY 2012-13
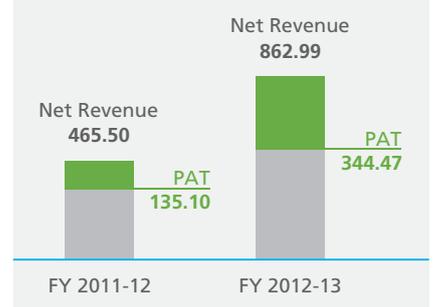
Mahindra Holidays & Resorts India Ltd.
INR million

Net Revenue
5,341.57

PAT
1,027.62

Net Revenue
6,365.80

PAT
1,046.40

Net Revenue
7,015.48

PAT
1,069.78

FY 2010-11   FY 2011-12   FY 2012-13
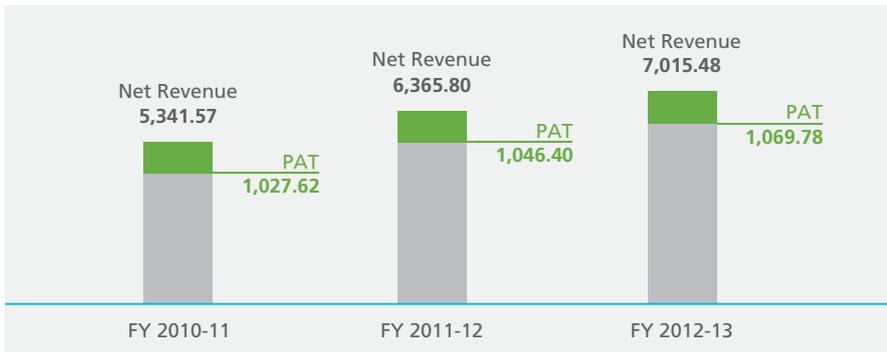
Mahindra Rural Housing Finance Ltd.
INR million

Net Revenue
857.40

PAT
119.10

Net Revenue
1,404.00

PAT
203.18

FY 2011-12   FY 2012-13

Mahindra World City Developers Ltd.
INR million

Net Revenue
704.92

PAT
227.50

Net Revenue
604.20

PAT
103.60

Net Revenue
1,238.14

PAT
544.94

FY 2010-11   FY 2011-12   FY 2012-13
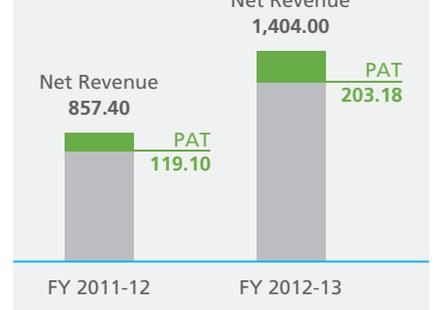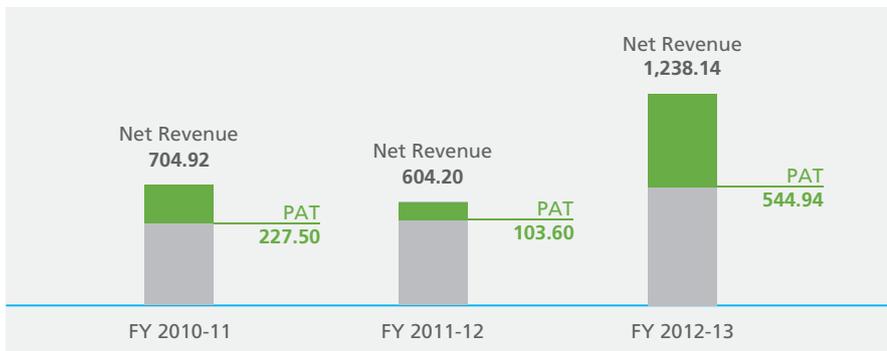
Mahindra World City Jaipur Ltd.
INR million

Net Revenue
426.33

PAT
9.43

Net Revenue
912.00

PAT
87.10

Net Revenue
1,066.12

PAT
165.84

FY 2010-11   FY 2011-12   FY 2012-13
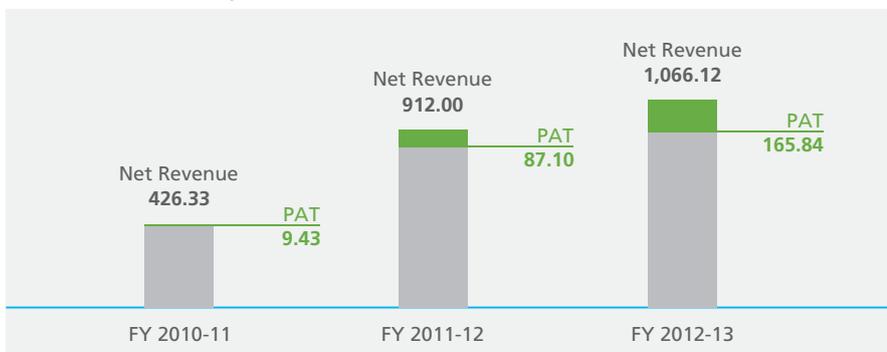
Mahindra Sanyo Special Steel Pvt. Ltd.
INR million

Net Revenue
5,911.88

PAT | 380.27

FY 2012-13
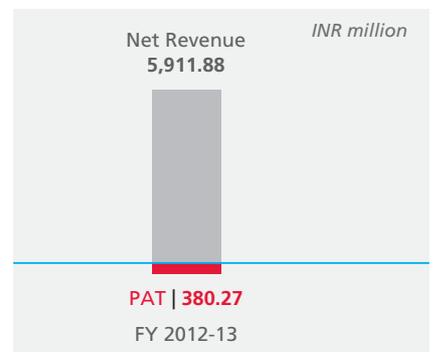
Revenue and PAT

Mahindra Logistics Ltd.
INR million

Net Revenue 10,951.12
FY 2010-11
PAT | 70.60

Net Revenue 13,886.60
FY 2011-12
PAT 108.10

Net Revenue 15,354.90
FY 2012-13
PAT 244.37
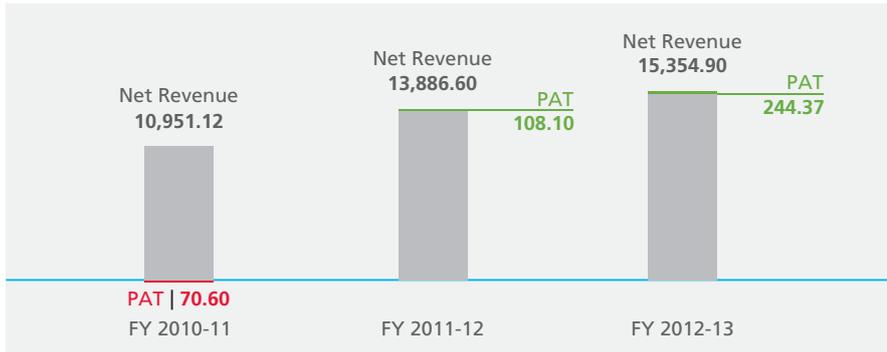
Mahindra First Choice Wheels Ltd.
INR million

Net Revenue 1,185.04
FY 2011-12
PAT 114.86

Net Revenue 744.98
FY 2012-13
PAT | 95.25
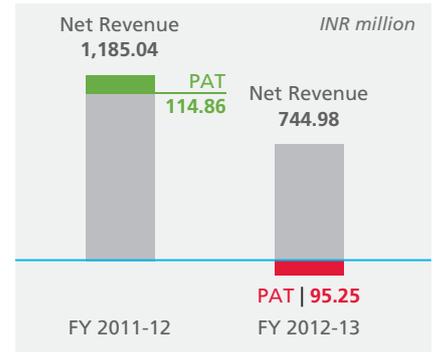
Mahindra Two Wheelers Ltd.
INR million

Net Revenue 5,171.07
FY 2010-11
PAT | 1,692.19

Net Revenue 4,430.80
FY 2011-12
PAT | 2,383.40

Net Revenue 3,857.79
FY 2012-13
PAT | 2,638.60
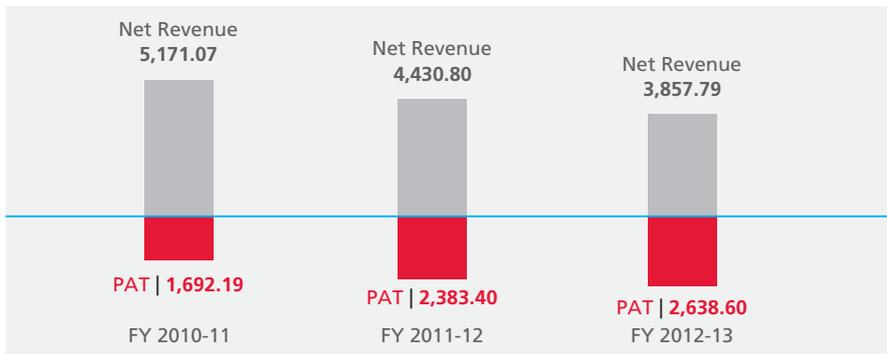
Mahindra Reva Electric Vehicles Pvt. Ltd.
INR million

Net Revenue 285.60
FY 2011-12
PAT | 266.90

Net Revenue 393.33
FY 2012-13
PAT | 318.56
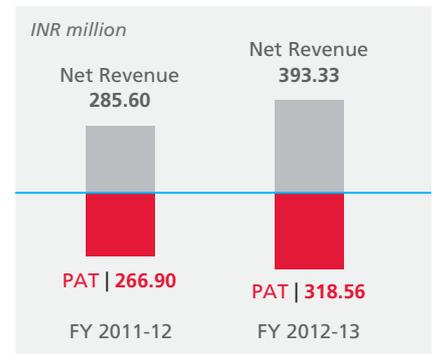
Mahindra Vehicles Manufacturers Ltd.
INR million

Net Revenue 11,850.70
FY 2010-11
PAT 264.20

Net Revenue 44,890.60
FY 2011-12
PAT 1,217.70

Net Revenue 79,036.40
FY 2012-13
PAT 2,837.80
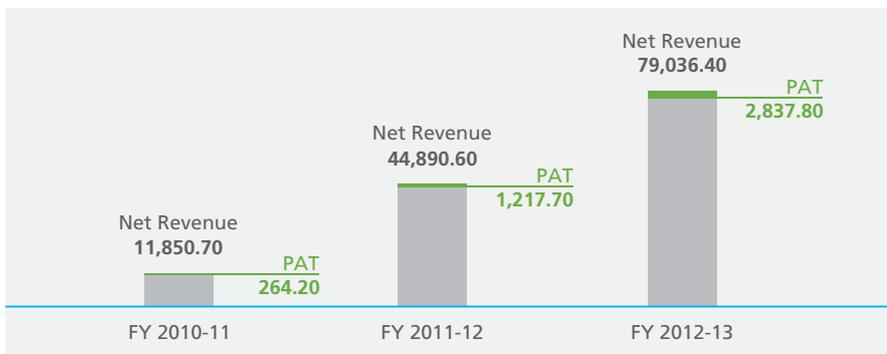
Mahindra Solar One Pvt. Ltd.
INR million

Net Revenue 8.70
FY 2011-12
PAT | 7.60

Net Revenue 53.70
FY 2012-13
PAT | 82.00
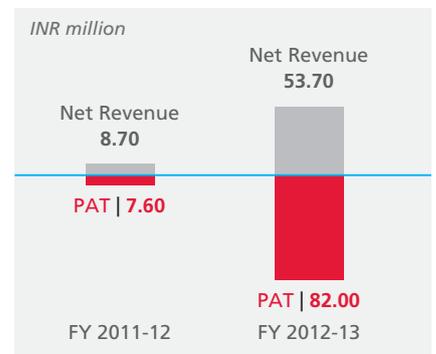
Mahindra Satyam
INR million

Net Revenue 50,660.00
FY 2010-11
PAT | 1,276.00

Net Revenue 63,543.50
FY 2011-12
PAT 12,028.00

Net Revenue 74,047.80
FY 2012-13
PAT 9,018.80

Mahindra First Choice Services Ltd.
INR million

Net Revenue 128.86
FY 2012-13
PAT | 240.85

Economic Value Generated

Economic Value Retained **18,594.60**	Economic Value Distributed **221,824.10**	

FY 2010-11

Total: 240,418.70

Economic Value Retained **20,103.10**	Economic Value Distributed **303,090.00**	

FY 2011-12

Total: 323,193.10

Economic Value Retained **24,616.70**	Economic Value Distributed **385,286.60**	

FY 2012-13

Total: 409,903.30
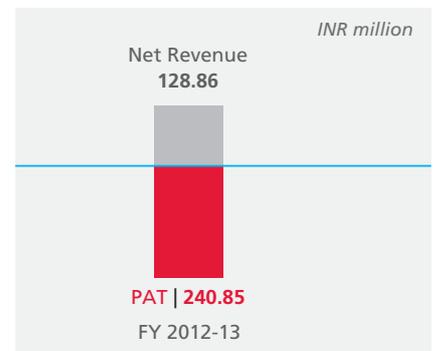
Financial assistance received from the Government

Particulars	INR million
Tax Relief / Credits	5,506.98
Subsidies	0.32
Investment grants, R&D grants, and other relevant types of grants	7.60
Awards	0.15
Financial assistance from Export Credit Agencies (ECAs)	6.16
Financial incentives	1,221.02
Other financial benefits received or receivable from any government for any operation	3,622.48
Total INR million	**10,364.71**

FINANCIAL IMPLICATION OF CLIMATE CHANGE

Today, climate change is not some imperceptible change in temperature or some infinitesimal increase in sea-level. It is more tangible, in-your-face and has significant impact on business - short-term and long-term. It impacts our businesses too.

In an agrarian economy, rainfall still influences sales of agricultural equipment and enablers like tractors. This not only affects our vehicle sales but also affects the farmers who are an important stakeholder for us. Hence we sensitise, train and mentor relevant stakeholders on climate risk and sustainable practices that will help mitigate this risk.

Climate change impacts availability of natural resources and indirectly / directly the price of many raw materials. Thus, we work closely with our supply chain to reduce outages and untenable price rises. Climate change forms an integral part of our scenario planning exercise.

While on one hand, we strive to undo / cap the man-made factors that lead to climate change, we also ensure that when a disaster does take place, we do more than just picking up the pieces. For example, MHRIL's Zest Big Beach Resort in Puducherry was severely impacted by the cyclone in 2011 with temporary closing of operations and estimated revenue loss of INR 139.5 million. We undertook extensive renovations that included a new roofing technology and an improved method of glazing and aluminium structure to ensure better protection in future.

Progress on NAPCC

Our sustainability roadmap and goals are well-aligned to the national agenda on climate change articulated through the National Action Plan for Climate Change (NAPCC) and resonate across six of the nine missions.

NAPCC MISSIONS	AIM	WHAT WE ARE DOING
NATIONAL SOLAR MISSION	**The NAPCC aims to promote the development and use of solar energy for power generation and other uses.**	Mahindra World City Developers Ltd. (MWCL) & Mahindra EPC Services – Off-grid Division, Chennai, successfully commissioned the first off-grid solar power plant in the state of Tamil Nadu at Mahindra World City, Chennai. Installed over 800 sq. mt. and equipped with a remote monitoring system, the 75 kW rooftop solar plant is expected to generate approximately 116,000 units (kWh) of clean electrical energy annually. Also, MSolar has commissioned two new solar plants of 20MW and 10MW in Jodhpur, Rajasthan, in February 2013.
NATIONAL MISSION FOR ENHANCED ENERGY EFFICIENCY	**To yield energy savings of 10,000 MW by 2012.**	Diverse initiatives across sectors helped us achieve inspiring energy savings of 19.39% in 2012-13 as compared to base line year 2008-09.
NATIONAL MISSION ON SUSTAINABLE HABITAT	**To promote energy efficiency as a core component of urban planning.**	Mahindra Lifespace Developers Ltd. continues to build sustainable habitats. Mahindra Royale (Pune) received a platinum certification while Mahindra Ashvita, Bloomdale (Nagpur) and Happinest (Chennai) got a pre-certified gold rating.
NATIONAL WATER MISSION	**20% improvement in water use efficiency through pricing and other measures.**	Water consumption reduced by 27.65% in the year 2012-13 as compared to base line year 2008-09. FES successfully completed Phase 1 of the 'Integrated Watershed Management Project' (IWMP). The project spans over three years, covers 9,660 hectares of area where the water table is 45 feet deep and will directly impact 20,000 Indians across 32 villages in the Damoh district of Madhya Pradesh. Phase 2 of the project is in progress.
NATIONAL MISSION FOR A 'GREEN INDIA'	**Afforestation of 6 million hectares of degraded forest lands and expanding forest cover from 23% to 33% of India's territory.**	Committed to plant 1 million trees in FY 2013, through the Mahindra Hariyali Project, we surpassed this target by planting 1.746 million trees.
NATIONAL MISSION FOR SUSTAINABLE AGRICULTURE	**To support climate adaptation in agriculture through the development of climate-resilient crops, expansion of weather insurance mechanisms, and agricultural practices.**	Mahindra Samriddhi focusses beyond tractors to deliver agri-services that empower the farming community. As a part of this initiative, 157 Mahindra dealerships, across Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, Gujarat and Rajasthan, have been transformed into Samriddhi Centres, offering the farmer with easy access to technological know-how, hybrid seeds, soil and water testing facilities, demo farms, finance and insurance, internet updates, sales and servicing of tractors and tractor implements.

LOCAL SUPPLY

Keeping in mind the length and breadth of our product range and services, we define local supply as goods and services procured / purchased 'within India'.

Encouraging local sourcing not only fuels the local economy, it also makes good business sense. It enables better control and faster response time, lower inventory requirement, lesser costs, greater customisation plus it enriches the local talent pool.

There are some other factors, which influence decisions like benefits from SEZ, favourable taxes and import duties schemes, as compared to the local market procurement. But in these cases the policy mandate maintains a fair balance.

Sectors have started setting their boundary of material / service supply from being India centric to the defined distance from their operations. For e.g. MLDL encourages use of 50% building materials (by cost) which is locally manufactured within 500 km. It helps to minimise the associated environmental impacts resulting from transportation. As a part of Green Supply Chain Management Policy, MLDL gives importance to procure material from local suppliers which has been further extended to their 1st and 2nd tier suppliers and vendors.

Factors which influence supplier selection at Mahindra:

COST

PERFORMANCE & ON-TIME DELIVERY

COMPLIANCE ON ENVIRONMENT, HEALTH & SAFETY GUIDELINES

COMMITMENT TO REDUCE THE CARBON FOOTPRINT

ANALYSING THE TOP 10 SUPPLIERS AS PER MONETARY VALUE FOR EACH BUSINESS, WE FIND THAT ON AN AGGREGATE BASIS, WE HAVE THIS YEAR INCREASED THE GROUP'S SUPPLY FROM LOCAL SUPPLIERS TO 86.12% AS COMPARED TO 83.35% OF LAST YEAR.

Monetary Value of Top 10 Local Suppliers *As % of Monetary Value of Top 10 Suppliers*

FD	99.80%	
MSat	99.50%	
MHRIL	96.30%	
Tech M	92.13%	
Systech	83.20%	
MTWL	77.60%	
MIL	69.40%	
MReva	43.60%	
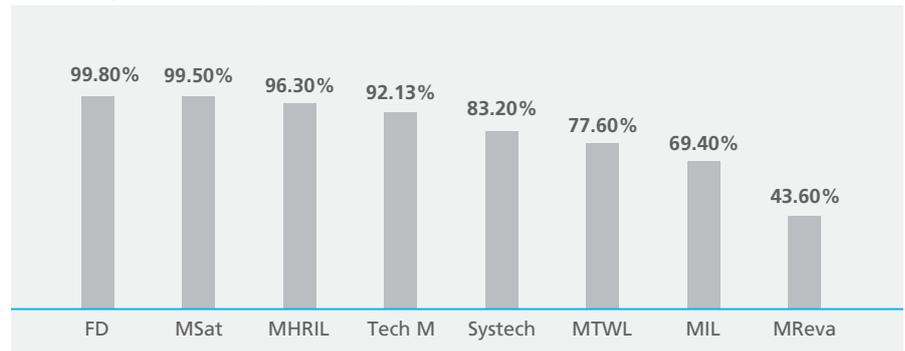
Sector	Monetary value of Significant (Top 10) Suppliers (INR million)	Of the Significant (Top10), Monetary value of Local Suppliers (INR million)	% of Local Suppliers, Out of Significant Top 10 Suppliers
AD	**35,683**	**35,683**	**100%**
FSS	**3,287**	**3,287**	**100%**
MReva	181	79	43.60%
MHRIL	93	89	96.30%
MIL	11,233	7,798	69.40%
MLDL	**1,140**	**1,140**	**100%**
MLL	**2,987**	**2,987**	**100%**
MSat	1,500	1,493	99.50%
MTWL	1,944	1,508	77.60%
MVML	**25,170**	**25,170**	**100%**
MWC	**121**	**121**	**100%**
FD	12,385	12,355	99.80%
Systech	11,805	9,817	83.20%
Tech M	1,270	1,170	92.13%

ENVIRONMENTAL PERFORMANCE

OVERVIEW

No force can stop an idea whose time has come. For us, this idea is Alternative Thinking. It has helped us permeate sustainability into the deepest crevices of our organisation and cascade its tenets in everything that we do.

From thinking of greener processes to inking environmentally-friendly policies; from judiciously using finite resources to switching on infinite alternatives; from planting over 5.3 million trees across India to setting up an INR 5,000 crore green manufacturing plant; from undertaking a slew of small and steady energy-conservation steps to launching a solar chargeable electric car - our efforts remain perennial to seed green changes across our products, processes and premises. These changes, no matter how big or small, are aimed at affecting ever-lasting impacts.

Under our programme H_2Infinity, we are in the process of consolidating all our water initiatives and forging a holistic water management strategy. Instead of the legacy approach which is driven by the fear of scarcity, we are opting for the positive alternative of pursuing abundance. A host of innovative initiatives are already being practiced in our facilities like installation of zig-zag speed breakers to shake off and recycle the water remaining on the vehicle roof post a shower test. Shifting from open loop to closed loop water circulation system, plugging leakages in underground fire pipes. We have also adopted wastewater treatment on a large scale and treated water is meeting the needs of the occupants of Mahindra World City.

Last year, we reached the targets of our roadmap faster than what we initially planned. While we continue to implement small changes that promise big returns, we are introspecting and taking stock of our journey so far, in order to set ambitious future goals.

MANAGEMENT APPROACH

The reporting year saw us come face to face with a natural disaster that nature did not create. Maharashtra in India, where a major chunk of our operation is based, is reeling under a massive hydrological drought. A drought brought upon by rampant use, misuse and abuse of natural water sources; a drought that poses a serious risk to the productivity of industries on a large scale. We did not see it coming. But we were prepared.

AT MAHINDRA, 'ALTERNATIVE THINKING' IS HELPING US UNRAVEL INFINITE OPPORTUNITIES IN CONSERVING THE FINITE SOURCES OF THE EARTH. WE HENCE APPROACH ENVIRONMENTAL RESPONSIBILITY AS BUSINESS COMPETENCY.

We encourage sustainable innovations in products, embed value engineering in processes and seed green consciousness in our people.

Refer our roadmap section for a comprehensive progress status.

ENVIRONMENT POLICIES

Mahindra's environmental management is anchored by an environmental policy that has been formulated by M&M Limited and applies to all Group Companies. The objective is to reduce the organisation's carbon-stress and ecological-footprint on the planet, preserve the balance of this intricate web of life, and create long-term value for the business as well as for the society.

At Mahindra, we have always remained committed towards benchmarking and enhancing our environmental performance. All our Group Companies focus on

complying with all laws and regulations relating to environment in letter and spirit. Our environmental actions are guided by a mandate that all Group Companies should assume leadership roles in various green disciplines.

Environmental Policy

Over the years we have successfully embodied environmental consciousness into our management approach and Code of Conduct.

Adherence to the policy is the responsibility of each employee at Mahindra. Plant managers of respective facilities oversee its implementation.

For our Environment Policy; please refer to Sustainability Report 2009-10.

Green IT Guidelines

Towards environment-friendly use, management and disposal of IT equipment – Mahindra formulated Green IT guidelines in 2008-09. All Mahindra Group IT agencies and users are committed to adhere to these guidelines.

Green Supply Chain Management Policy

Beyond our business verticals, we are also spreading sustainability awareness across our suppliers to develop a green, responsible and sustainable supply chain. To actualise this commitment, we engage with our suppliers and vendors on a regular basis through a steady stream of green initiatives.

C A S E S T U D Y

GREEN SUPPLY MANAGEMENT - A SUSTAINABILITY DOMINO

At Mahindra, we are committed to integrate 'Alternative Thinking' across our supply chain. Our suppliers are an integral contributor to our business operations and are aligned with the Group's sustainability vision.

We have a well-defined and structured process called Differentiated Sourcing Strategy (DSS) to effectively address the criticality of material and suppliers. Portfolio classification is carried out to filter suppliers into various criticality quadrants - strategic, leverage, bottleneck and non-critical. Accordingly, suitable sourcing strategies are derived to boost their performance.

AFS has established triple bottom line standards for suppliers across all countries of operations. These standards encompass:

- **Embedding consciousness in products, services and processes**
- **Environmental management system certified to ISO 14001, EMS or equivalent management system with external independent audits**
- **Environmental performance data availability**
- **Social performance data availability**
- **Guidance regarding sub-contracting** (i.e. requiring to replicate own standards down the supply chain)
- **Upholding fundamental human rights** (e.g. forced or child labour, freedom of association) (ILO conventions)
- **Working conditions** (e.g. working hours, lay-off practices, remuneration)
- **Occupational Health and Safety**
- **Business ethics** (e.g. corruption, anti-competitive practices)
- **Quality of management systems**

A GREEN SUPPLY CHAIN POLICY IS IN PRACTICE SINCE 2010 TO CHANNELISE THE SUPPLIERS ACTIONS AND INTENTIONS TOWARDS A MORE SUSTAINABLE BUSINESS CONDUCT.

GREEN SUPPLY MANAGEMENT - A SUSTAINABILITY DOMINO

We focus on strengthening intrinsic factors critical to a sustainable supply chain management.

Integrated Supply Chain Strategy

Quality Management	Lean and Efficient Supply Base	Technical & Managerial Capacity Building	Supplier Relationship Building	Proximity of Suppliers
Ensuring that our suppliers keep defects below the 100 parts per million mark.	Developing business with preferred suppliers and rationalising suppliers.	Helping suppliers better manage their mission & vision statements, strategies, people practices, financials and Industrial Relations.	Facilitating a supplier advisory council and conducting supplier meets to build bonds and share best practices.	Improving proximity between suppliers to reduce logistics, inventory & waste and increase on time delivery.

To fructify this integrated supply chain strategy, we have been undertaking various measures:

Sustainability Capacity Building

M&M regularly conducts sustainability awareness programmes for its suppliers and has also instituted the Mahindra Sustainability Awards for Suppliers where suppliers gain recognition on the basis of integration of sustainability into strategy, performance and monitoring of GRI parameters.

Optimisation of Packaging

Initiatives in packaging improvement are taken under the scope of policy targets each year and these are directed towards improvement in the quality of material, reducing the cost of logistics operations, improving the efficiency of logistics to thereby reduce the number of trips and in turn the fuel consumed. It also focusses on the reduction in use of wood, corrugated packaging etc. Conservation is seeded in the packing design itself to accommodate more materials within the same space.

Risk Mitigation

Environmental and social risk management is done through proactive capacity planning, vulnerability tracking for identified suppliers and using DSS for identifying structural risks. In order to enhance focussed attention, a separate Risk Management cell has recently been formed under the Head Strategic Sourcing Unit.

Reducing Transport Footprint

We spearhead multiple interventions to lighten the transportation footprint of our supply chain:

1 Shifting to a more environmentally-friendly transport mode (including intermodal solutions)

Transportation of Bolero vehicles from Haridwar plant to Guwahati (2,800 km) and Patna (2,000 km) has been shifted from Road Car Carriers to Rail.	Pick-up trucks manufactured in Mumbai plant which were previously driven down to destinations are now transported by rail to farther locations (beyond 2,000 km).	Maxximo models manufactured at Chakan, Pune are now transported in modified trucks instead of trailers. The capacity of the carrying vehicle has increased from 8 to 12 nos.

2 Collaborating with suppliers to decrease environmental impact from transportation

Suppliers who have manufacturing units at various locations are encouraged to supply from their plants which are closest to M&M plants thus reducing the environmental impact from transportation. Lumax Industries shifted their operations for M&M from their Faridabad plant to their Pune plant. Similarly, Imperial Auto has also set up a new plant in Pune for M&M supplies, whose original supply base was near Delhi.	We have established a supplier park at our Chakan plant; several significant suppliers have set up operations within the park. Another supplier park near our Zaheerabad plant is in progress. This reduces the logistical operations and thereby reduces cost, time and emissions.

3 Optimisation of packaging in order to decrease weight and increase load factors

4 Increased use of ESG preferred freight forwarders and introduction of minimum ESG requirements for freight forwarders

ENVIRONMENTAL MANAGEMENT

We continue to formulate and operationalise plans in order to affect progressive results across all the environmental parameters - from waste management to emission reduction, water conservation to energy efficiency, judicious packaging to balancing biodiversity. Our experience in sustainability reporting has taught us that it is more advisable to continually work on small initiatives instead of waiting for the next paradigm shift to make its way through. This year, we continued to implement the changes that came to light through our comprehensive carbon and water footprinting exercises.

Mahindra has always believed in fair and transparent reporting. We continue to enhance the depth of our reporting as well as revisit the past to unearth inadvertent oversights, if any. This year, we identified certain discrepancies in last year's data and have affected the necessary changes this year.

Most sectors continue to report encouraging progress on the environment front and have achieved the targets assigned to them in the sustainability roadmap. The focus continues to be on water conservation and reduction in energy consumption per unit of produce/service.

Over the years, we have weighed our environmental performance based on our absolute and specific consumption patterns. As part of the reporting process, the specific consumption is calculated by dividing absolute consumption by a denominator based on the nature of business e.g., in case of manufacturing business units, it is number of units produced; for services, it is number of employees or units of services offered etc.

The denominators for the group companies are delineated in the following table:

Sector	Unit Measure	Denominator		
		2010-11	2011-12	2012-13
AD	Equivalent number of vehicles manufactured	282,018	312,852	355,310
FD	Equivalent number of tractors manufactured	331,923	362,642	316,258
Systech	Tonne of production	284,606	275,874	322,172
MIL	Tonne of production	180,916	239,035	251,841
MTWL	Number of vehicles manufactured	179,625	140,719	112,235
MVML	Number of vehicles manufactured	40,954	116,502	156,143
MSB	Tonne of packaging material.	8,207	3,685	4,880
MReva	Number of vehicles manufactured	NIS	497	296
MSolar	Power generated in MWh	NIS	1,947	9,301
MWC	Acres of area developed and maintained	2,207	2,415	2,425
MLDL	Built up area in sq. ft.	569,938	897,049	836,926
MLL	Full time equivalent employees	509	977	1,030
MHRIL	Room nights booked	237,260	236,556	259,387
FSS	Full time equivalent employees	299	1,034	1,270
Tech M	Full time equivalent employees	35,886	33,867	27,560
MSat	Full time equivalent employees	20,092	23,638	24,923
MFCWL	Area of facility in sq. mtr.	NIS	9,422	9,422
MFCSL	No. of vehicles serviced	NIS	NIS	20,502
MRV	Full time equivalent employees	NIS	NIS	2,294

NIS- Not In Scope

Air Quality

Good air quality may not determine a good quality of life, but compromised air quality is surely detrimental to it. As an automotive major, Mahindra primarily focuses on innovating and integrating practices into products and processes, that maintain and in the long run, enhance the quality of air that we breathe.

We adhere to major statutory emission norms and have streamlined monitoring mechanisms to keep a check on various pollutants on a regular basis. In line with the revised National Ambient Air Quality Standards (NAAQS, 2009), the Particulate Matter (size less than 10 μm) or PM10, Particulate Matter (size less than 2.5μm) or PM2.5, Sulphur Oxides (SOx) and Nitrogen Oxides (Nox) are commonly monitored at all the manufacturing & services locations. Some manufacturing plants also monitor more specific pollutants related to their processes, like Respirable Suspended Particulate Matter (RSPM), Carbon monoxide (CO), Methane (CH_4), Ozone (O_3), Lead (Pb) among others.

Ambient Air Quality 2012-13

Micrograms per cubic meter

Sector	PM 10	PM 2.5	SO$_x$	NO$_x$
NAAQ limits – 2009	100	60	80	80
AD	77	38	15	27
FD	62	34	13	27
MFCSL	61	24	13	18
MHRIL	35	13	4	12
MIL	51	36	22	25
MLDL	53	21	11	15
MSat	44	23	6	15
MVML	19	8	5	6
MSB	81	30	15	17
Systech	60	27	19	28
MTWL	DNRM	DNRM	6	12
MReva	DNRM	DNRM	4	11
MWC	17	10	8	11

DNRM: 'Do not Require Monitoring' as per the pollution control board.

The sector wise concentrations of the ambient air pollutants are the average concentrations of commonly monitored pollutants at various monitoring stations of various plants / locations of each sector.

The ambient air quality standards represented in the table above are for the industrial area and time weighted average of 24 hrs.

Air Emissions (Stacks) 2012-13

Tonne

Sector	SPM	SO$_x$	NO$_x$
AD	28.07	3.52	7.88
FD	22.66	3.87	12.65
MFCSL	0.02	0.02	0.29
MHRIL	0.39	3.04	0.42
MIL	0.005	2.171	0.00002
MSat	0.13	0.19	0.18
MVML	0.02	0.02	0.0018
MSB	0.04	0.20	0.00017
Systech	312.24	590.08	23.50
MTWL	0.75	DNRM	DNRM
MReva	0.01	0.001	0.00

DNRM - 'Do Not Require Monitoring' as per the pollution control board

Ozone Depleting Substances

Mahindra recognises the need to take immediate action and play a responsible role by keeping its actions Ozone friendly. This we do by adhering to the terms and timelines of the Montreal Protocol. Incorporating the regulation of emission of Ozone Depleting Substances (ODS) like Chlorofluorocarbons (CFC), Halons and Hydrochlorofluorocarbons (HCFCs), and implementation of environmental management programmes in our processes are the many ways in which we have been able to substantially reduce the use of ODS.

In 2012-13, the Non-ODS (R134a) consumption stood at 97.64 tonne vis-a-vis 95.61 tonne in 2011-12.

MONTREAL PROTOCOL
25
1987-2012

Greenhouse Gases

We at Mahindra, have always worked on the principle of 'What gets measured, gets managed', to enhance the efficacy of our operations. We continually take up measures to monitor and manage the emissions, so as to circumscribe them.

This year too, we are reporting our emissions across all three scopes:

Absolute GHG Emissions

Scope 1
All direct GHG emissions in CO_2.

140,535   127,979   143,820 tCO_2e

■ 2010-11
■ 2011-12
■ 2012-13

Scope 2
Indirect GHG emissions from consumption of purchased electricity.

609,844   669,798   611,737 tCO_2e
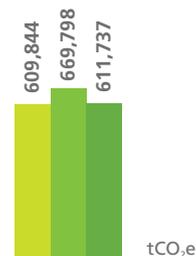
Scope 3
Other indirect emissions, such as inbound & outbound logistics, air travel, daily commutation, paper consumption and transport-related activities.

220,664   285,374   376,183 tCO_2e
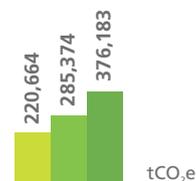
Note: The increase in absolute GHG emissions as compared to the previous year is due to increase in production/service as well as increase in the scope of reporting. This is likely to happen year-on-year as we enhance the scope of our reporting. As a continual improvement, sectors have improved their depth of reporting and have devised processes to capture Scope 3 consumption in detail. This has resulted in the increase of scope 3 emissions compared to the previous year.

GHG Emissions Segmented by Source

(in tCO_2e)

SCOPE 1 - DIRECT EMISSIONS

Source	2010-11	2011-12	2012-13
Diesel / HSD	56,920	41,479	49,612
LDO	3,358	3,439	2,914
Petrol	244	238	322
FO	59,838	52,824	46,916
LPG	12,631	15,063	24,605
Natural Gas + CNG	7,544	14,521	16,771
Propane	NA	415	2,680
Total	**140,535**	**127,979**	**143,820**

SCOPE 2 - INDIRECT EMISSIONS

Electricity Purchased	**609,844**	**669,798**	**611,737**

SCOPE 3 - OTHER INDIRECT EMISSIONS

Inbound logistics, Outbound logistics, Daily commutation, Air Travel, Paper consumption	**220,664**	**285,374**	**376,183**

NA - Not Applicable

Note: The emissions from LPG increased due to reconciliation of the emission factor for the year 2012-13 as per IPCC guidelines. Sectors have started using propane in the middle of the year 2011-12. The locations using propane have utilised it for the whole year 2012-13. The sectors use various fuels like diesel / HSD, natural gas / CNG, LPG, FO and propane, based on the availability of the fuel.

GHG Emissions Sector-wise Composition

(in tCO$_2$e)

Sector	2010-11			2011-12			2012-13		
	Scope 1	Scope 2	Scope 3	Scope 1	Scope 2	Scope 3	Scope 1	Scope 2	Scope 3
Manufacturing Sectors									
AD	23,267	106,998	23,440	19,587	110,652	38,159	27,287	106,696	168,927
FD	16,788	71,492	54,373	22,190	76,609	68,488	17,605	67,513	108,917
Systech	71,386	286,403	51,172	66,182	291,634	78,699	62,008	254,791	21,814
MIL	197	1,293	22,314	152	1,953	42,648	97	2,435	3,088
MTWL	2,978	5,741	4,605	2,156	4,566	3,321	1,438	3,444	2,327
MVML	4,869	22,773	227	5,443*	38,231	15,758	9,797	45,340	35,606
MSB	33	636	14,813	170	730	7,852	153	768	4,816
MReva	NIS	NIS	NIS	86	655	124	56	643	146
Service Sectors									
MSolar	NIS	NIS	NIS	NIS	13	DNA	NA	60	6
MWC	323	4,683	50	524	6,284	346	744	6,322	341
MLDL	337	643	522	685	657	1,123	475	601	639
MLL	324	311	46	DNA	2,028	265	31	569	348
MHRIL	2,148	8,985	257	2,036	8,726	349	2,332	7,878	279
FSS	7	928	477	211	1,585	746	79	2,633	668
Tech M	13,768	50,883	22,172	2,480	63,621	13,820	2,518	55,779	13,978
MSat	4,110	48,075	26,196	5,993	61,613	13,593	11,143	50,034	14,083
MFCWL	NIS	NIS	NIS	84	241	83	46	145	3
MFCSL	NIS	NIS	NIS	NIS	NIS	NIS	21	189	97
MRV	NIS	NIS	NIS	NIS	NIS	NIS	7,992	5,897	99
Total	**140,535**	**609,844**	**220,664**	**127,979***	**669,798**	**285,374**	**143,821**	**611,737**	**376,183**

Last year data corrected.   Note: NIS - Not In Scope, DNA - Data Not Available, NA - Not Applicable

Total Specific Emissions

(in tCO$_2$e/unit of measure)

Sector	2010-11	2011-12	2012-13	% Reduction in 2012-13 over previous year
	Scope 1+2	Scope 1+2	Scope 1+2	Scope 1+2
Manufacturing Sectors				
AD	0.46	0.416	0.377	9%
FD	0.266	0.272	0.269	1%
Systech	1.261	1.297	0.983	24%
MIL	0.0082	0.0086	0.01	-17%
MTWL	0.049	0.048	0.043	9%
MVML	0.68	0.375	0.353	6%
MSB	0.08	0.244	0.189	23%
MReva	NIS	1.491	2.361	-58%
Service Sectors				
MSolar	NIS	0.007	0.0064	8%
MWC	2.27	2.819	2.914	-3%
MLDL	0.0017	0.0015	0.001	14%
MLL	1.25	2.076	0.583	72%
MHRIL	0.047	0.045	0.039	13%
FSS	3.127	1.737	2.135	-23%
Tech M	1.8	1.952	2.115	-8%
MSat	2.6	2.86	2.455	14%
MFCWL	NIS	0.035	0.02	42%
MFCSL	NIS	NIS	0.01	—
MRV	NIS	NIS	6.054	—

NIS - Not In Scope

Notes:

AD, FD, Systech, MTWL, MVML, MSB, MLDL, MLL, MHRIL have all recorded significant reduction in their specific combined scope 1 & scope 2 emissions as compared to previous year.

MIL, MWC, FSS have recorded an increase in their combined specific scope 1 & scope 2 emissions compared to previous year.
The respective sectors have been alerted.

Reduction of MFCWL specific consumption is due to closure of their locations at Bengaluru and Mumbai midyear.

MReva has recorded an increase in the specific consumption due to commissioning of the new location.

GHG Scope 1 Specific Emissions   *(in tCO$_2$e/unit of measure)*

	Sector	2010-11	2011-12	2012-13
Manufacturing Sectors	AD	0.083	0.063	0.077
	FD	0.051	0.061	0.056
	Systech	0.251	0.24	0.192
	MIL	0.001	0.0006	0.0004
	MTWL	0.017	0.015	0.013
	MVML	0.119	0.047	0.063
	MSB	0.004	0.046	0.031
	MReva	NIS	0.173	0.189
Service Sectors	MSolar	NIS	NA	NA
	MWC	0.146	0.217	0.307
	MLDL	0.001	0.001	0.001
	MLL	0.637	DNA	0.030
	MHRIL	0.009	0.009	0.009
	FSS	0.023	0.204	0.062
	Tech M	0.384	0.073	0.091
	MSat	0.205	0.254	0.447
	MFCWL	NIS	0.009	0.005
	MFCSL	NIS	NIS	0.001
	MRV	NIS	NIS	3.484

Note:
NIS: Not In Scope, DNA - Data Not Available,
NA: Not Applicable

GHG Scope 2 Specific Emissions   *(in tCO$_2$e/unit of measure)*

	Sector	2010-11	2011-12	2012-13
Manufacturing Sectors	AD	0.379	0.354	0.300
	FD	0.215	0.211	0.213
	Systech	1.006	1.057	0.791
	MIL	0.007	0.008	0.010
	MTWL	0.032	0.032	0.031
	MVML	0.556	0.328	0.290
	MSB	0.077	0.198	0.157
	MReva	NIS	1.318	2.172
Service Sectors	MSolar	NIS	0.007	0.006
	MWC	2.122	2.602	2.607
	MLDL	0.001	0.001	0.001
	MLL	0.611	2.076	0.552
	MHRIL	0.038	0.037	0.030
	FSS	3.104	1.533	2.073
	Tech M	1.418	1.879	2.024
	MSat	2.393	2.607	2.008
	MFCWL	NIS	0.026	0.015
	MFCSL	NIS	NIS	0.009
	MRV	NIS	NIS	2.571

Note: NIS - Not in Scope,
DNA - Data Not Available

GHG Scope 3 Specific Emissions *(in tCO₂e/unit of measure)*

	Sector	2010-11	2011-12	2012-13
Manufacturing Sectors	AD	0.083	0.122	0.475
	FD	0.164	0.188	0.344
	Systech	0.18	0.285	0.068
	MIL	0.123	0.178	0.012
	MTWL	0.026	0.024	0.021
	MVML	0.006	0.135	0.228
	MSB	1.805	2.131	0.987
	MReva	NIS	0.25	0.492
Service Sectors	MSolar	NIS	DNA	0.001
	MWC	0.023	0.143	0.141
	MLDL	0.001	0.001	0.001
	MLL	0.09	0.271	0.338
	MHRIL	0.001	0.001	0.001
	FSS	1.595	0.722	0.526
	Tech M	0.618	0.408	0.507
	MSat	1.304	0.575	0.565
	MFCWL	NIS	0.009	0.0002
	MFCSL	NIS	NIS	0.005
	MRV	NIS	NIS	0.043

Note: NIS - Not in Scope,
DNA - Data Not Available

GHG Mitigation Initiatives

Various sectors have taken initiatives to reduce energy consumption by implementing conservation measures which have also resulted in reduction of emissions. Here is the sector wise break-up:

Sector	Reduction in Emissions (tCO₂e)
AD	9,475
FD	8,684
FSS	83
MHRIL	374
MIL	8
MRV	536
MVML	1,098
MWC	74
Systech	6,788
MTWL	561
Grand Total	**27,681**

Scope 1 & Scope 2 CO$_2$ mapping and mitigation strategy is imperative for driving Sustainability at Mahindra. But when we tried to give a thrust towards measuring CO$_2$ Scope 3 emission, which emerges mainly from in-bound & out-bound logistics, the biggest challenge was to explore the IT tool to capture the CO$_2$ emission data. To overcome this, a Cross Functional Team (CFT) was formed in FY13.

The methodology of Vehicle Tracking and CO$_2$ mapping software devised by the CFT is as under:

- **Knowing the destination from where the vehicle is coming - The data from transporters is maintained in master files.**

- **Km traversed - Based on the destination, the distances are calculated using Google Maps and Nokia Maps.**

- **Type of the vehicle - This is based on transporters input and is maintained in the master documentation.**

- **Mileage of the vehicle - From Business Excellence Team & Group Sustainability Cell.**

- **CO$_2$ emission/km for a type of vehicle.**

The first trial was conducted successfully at Nashik plant. The mapping was also carried out at the Kandivli plant, where 39,468 vehicles were examined during the period between 1st August and 20th December, 2012. The total CO$_2$ emission was 3,229,621 kg.

This concept of emission mapping was discussed with all other plants, phase-wise and was customised to their needs. AD and MVML have now taken up policy targets in FY 2014 to map the in-bound & out-bound logistics emission data which will help establish Carbon Footprint and Mitigation Strategy for our way forward.

Biodiversity

Biodiversity is the variety seen amongst all life forms nestled on land, water or air. It comprises diversity at three levels: genetic diversity (within species), species diversity (between species) and ecosystem diversity. India accounts for approximately 8% of all the recorded species of the world. We, at Mahindra, are also contributing in our small way to nurture and protect the rich biodiversity of India.

Project Hariyali

Project Hariyali is a step towards nurturing biodiversity. Initiated in 2007, with an objective to plant one million trees by October 2008, this humble initiative surpassed the target by a good 22% and the total trees planted were 1,221,118.

To carry the momentum forward, a target was set to plant one million trees every year. In 2011-2012, we again surpassed the annual target by 20% by planting 1,205,879 trees. In 2012-13, we planted 1,746,418 trees surpassing the assigned target by an impressive 74%. This was possible only with ample support from our employees and community partners.

We are fully aware that plantation is just the first step in the long journey of transforming saplings into trees of the future. Hence, we closely nurture their growth and replant the ones that wither away.

Green Cover Glimpses

Below is a sector-wise snapshot of the number of trees planted by various locations of the Mahindra Group:

Sector	Plantation done till Mar 31, 2013	Sector	Plantation done till Mar 31, 2013
After Market Sector	5,000	Mahindra Research Valley (MRV), Chennai	9,150
Auto & Farm Sector	224,452	Real Estate Sector	32,633
Corporate Centre	3,500	Systech Sector	20,060
Financial Services Sector	54,076	Two Wheeler Sector	9,921
Hospitality Sector	39,530	Araku Valley Plantation	1,344,217
IT Sector	885	Total no. of Trees Planted	1,746,418
Mahindra Partners Division	2,994		

Periyar is a protected tiger reserve and is home to the endangered tiger, elephant and the exquisite flying squirrel along with other rare mammals and birds. The sanctuary has been declared an International Bird Area (IBA).

Club Mahindra Tusker Trails, located on the edge of the Periyar Tiger reserves, has been playing a facilitating role by helping identify 19 endangered bird species out of which four are near threatened, five vulnerable, seven least concern, one endangered and two are critically endangered birds. It has developed a plan to conserve these species over the next few years.

This has been done through the below mentioned efforts:

- **The CMTT team provided for nest boxes for birds like Mynas and Owls to have a safe roosting and nesting space.**

- **Aiding in building safe Bat roosting spaces.**

- **Building materials like cotton and coconut fibre are regularly provided to aid the birds in building nesting homes.**

- **Installing bird and fish feeders to provide them food.**

- **Planting of roosting trees for birds and other afforestation initiatives.**

- **Carrying out awareness campaigns and drives, that involve participation of guests as volunteers and enabling them to connect to the local communities.**

- **Providing and publishing information booklets on birds, butterflies and plants in and around the resort.**

- **Encouraging guided boat cruises around the lake for promoting the importance of the lake ecosystem.**

Energy

We understand the power of saving power, so we work towards energy efficiency, joule by joule. We bring together, the smaller initiatives to power the bigger picture of resource conservation. People, processes and products pitch in conscious efforts each day to empower a better environment.

Absolute Energy Consumption   *(GJ)*

	FY 2010-11	FY 2011-12	FY 2012-13
Indirect	2,602,648	2,860,569	2,716,735
Direct	2,101,561	1,997,525	2,052,889
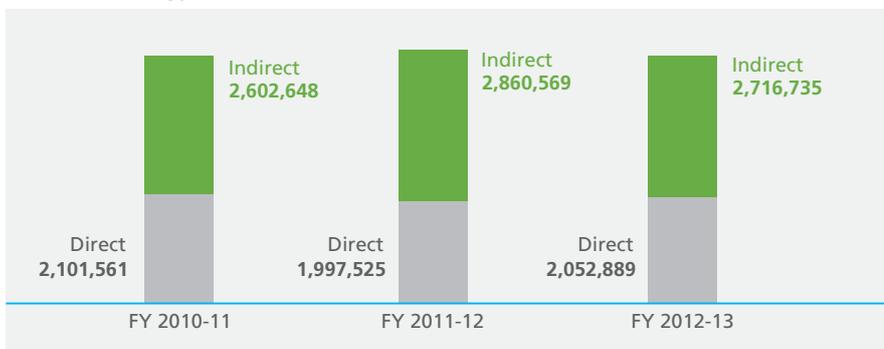
At Mahindra, the main source for indirect energy consumption comprises of purchased grid electricity which is primarily from non-renewable sources.

Total Energy Consumption by Source   *(GJ)*

Electricity from grid
2,716,735

Diesel / HSD | **669,530**

LDO | **39,332**

Petrol | **4,643**

FO | **606,148**

LPG | **390,549**

CNG | **298,957**

Propane | **43,506**

Electricity from renewable
energy source | **225**
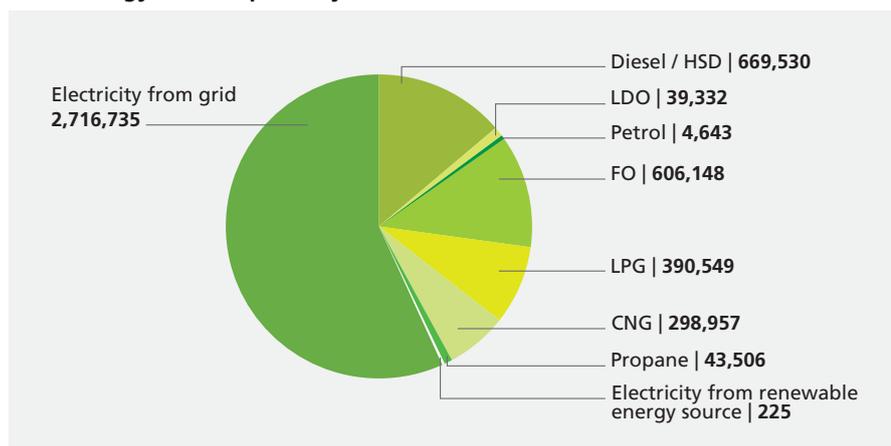
Total Energy Consumption   *GJ*

	Sector	2010-11	2011-12	2012-13
Manufacturing Sectors	AD	907,822	876,163	896,715
	FD	542,668	657,875	557,304
	Systech	2,214,598	2,173,951	1,961,753
	MIL	8,204	10,539	12,012
	MTWL	64,941	49,295	34,778
	MVML	190,827	306,487	353,208
	MSB	3,156	5,425	5,444
	MReva	NIS	3,735	4,073
Service Sectors	MSolar	NIS	57	264
	MWC	23,977	33,383	38,289
	MLDL	7,305	12,011	9,107
	MLL	5,664	8,043	3,011
	MHRIL	70,361	67,904	69,294
	FSS	4,047	9,557	12,669
	Tech M	399,343	300,757	283,896
	MSat	261,296	340,712	389,034
	MFCWL	NIS	2,199	1,310
	MFCSL	NIS	NIS	1,135
	MRV	NIS	NIS	136,328

Note: NIS - Not in Scope

Specific Energy Consumption

(GJ/unit of measure)

	Sector	2010-11	2011-12	2012-13	% Reduction in 2012-13 over previous year
Manufacturing Sectors	AD	3.219	2.801	2.524	10%
	FD	1.630	1.814	1.762	3%
	Systech	7.781	7.880	6.089	23%
	MIL	0.045	0.043	0.048	-11%
	MTWL	0.362	0.350	0.310	11%
	MVML	4.660	2.631	2.262	14%
	MSB	0.384	1.472	1.116	24%
	MReva	NIS	7.516	13.760	-83%
Service Sectors	MSolar	NIS	0.029	0.028	2%
	MWC	10.864	13.823	15.789	-14%
	MLDL	0.013	0.013	0.011	16%
	MLL	11.128	8.232	2.923	64%
	MHRIL	0.297	0.287	0.267	7%
	FSS	13.535	9.243	9.976	-8%
	Tech M	11.130	8.881	10.301	-16%
	MSat	13.005	14.414	15.609	-8%
	MFCWL	NIS	0.233	0.139	40%
	MFCSL	NIS	NIS	0.055	-
	MRV	NIS	NIS	59.428	-

NIS - Not In Scope

The Specific Energy Consumption of AD, FD, Systech, MTWL, MVML, MSB, MLDL, MLL, and MHRIL has dropped in the current year as compared to the previous year due to various energy conservation initiatives implemented by the respective sectors.

MReva has recorded an increase in the specific consumption due to commissioning of the new location.

MIL, MWC, FSS, MSat have recorded an increase in their specific energy consumption. The respective sectors are poised to identify mitigation actions for implementation

Reduction of MFCWL specific consumption is due to closure of their locations at Bengaluru and Mumbai midyear.

Energy Savings

(GJ)

- Mahindra World Cities | **324**
- Mahindra Vehicle Manufacturers Ltd. | **7,304**
- Mahindra Research Valley | **2,354**
- Mahindra Intertrade Ltd. | **34**
- Mahindra Holidays & Resorts Ltd. | **1,642**
- Financial Services Sector | **364**
- Systech | **29,800**
- Two Wheeler | **2,850**
- Auto Division | **20,627**
- Farm Division | **39,700**
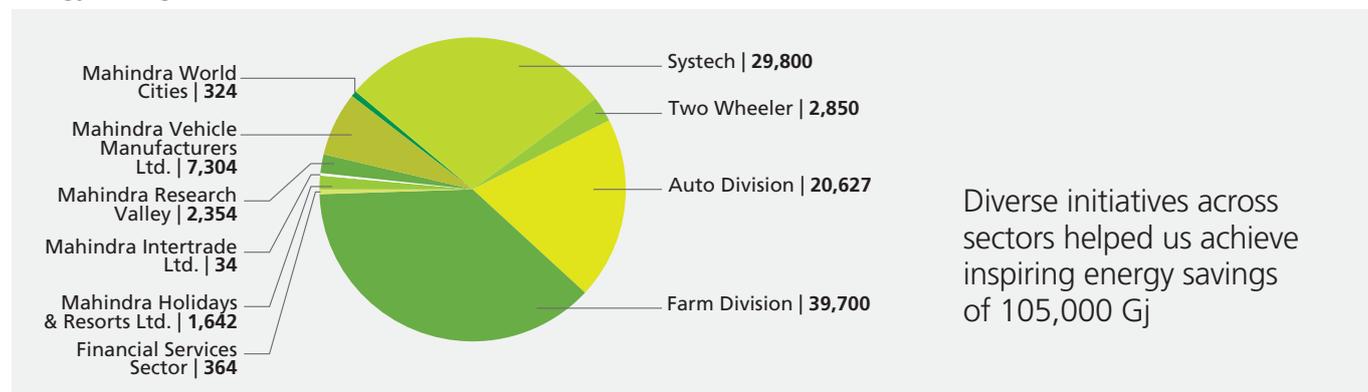
Diverse initiatives across sectors helped us achieve inspiring energy savings of 105,000 Gj

ENERGY SAVING INITIATIVES

AUTOMOTIVE DIVISION	**Haridwar**	▪ Replaced 70 nos., 450 W Metal Halide roof lights with 200 W Hinoday MAG coupled induction lights. | **Savings: INR 226,800 per annum.**
		▪ VFD / Servo Motor concept elimination by Programme Modification **Saving of 275,400 kWh per annum.**
		▪ Interlocking of the lights and fans in the main line with operation of conveyor. **Savings: INR 83,903 per annum.**
	Zaheerabad	▪ Reduction of chilling compressor running hours by implementing CED paint in place of AED paint. | **Savings: 33,824 kWh**
	Nashik	▪ Removal of pregelling oven from the sealer oven process. **Savings: 500,000 kWh, 175 MT LPG**
		▪ Removal of baking oven and cooling zone from NPS process. **Savings 20,700,000 kWh**
		▪ Replaced forced cooling draft towers with natural cooling towers with no power requirement and less drift loss. | **Savings: 36,000 kWh**
	Igatpuri	▪ Installation of 200 W magnetic coupled flood lights. | **Savings: 49,140 kWh**

ENERGY SAVING INITIATIVES

FARM DIVISION	Kandivali	▪ Replaced 250 W Metal Halide lamps with 150 W induction lamps. **Savings: 7.97L kWh per annum**
		▪ Conversion of open loop water circulation system to closed loop. **Savings: 2.26L kWh per annum**
	Rudrapur	▪ Installation of a chiller unit in the VTU Power Pack. **Savings: 77,400 kWh per annum**
		▪ Installation of VFD in compressor. | **Savings: 165,000 kWh**
		▪ Elimination of NVA while transferring the Jaipur transmission line. **Savings: 51,972 kWh**
	Swaraj Plant 1	▪ Use of efficient lighting systems **Savings: 488,186 kWh**
		▪ Installation of energy efficient compressor GA-110. | **Savings: 62,400 kWh**
		▪ Use of a small compressor (45 kW) for MHT shop during off hours. **Savings: 123,120 kWh**
MSB		▪ Installation of power saving AC units and occupancy sensors.
MHRIL	Thekkady	▪ Installation of timers to restrict the running of bakery oven from 8 am to 4 pm. **Savings: 3,612 kWh**
		▪ Replacement of tube lights with energy saving LEDs and CFLs. **Savings: 1,886 kWh**
	Ashtamudi	▪ Installation of energy saving unit to split ACs. | **Savings: 12,295 kWh**
		▪ Installation of timer for chiller unit.
MLDL	Splendour	▪ Use of fly ash with unique thermal conductivity (avg 0.17 W/mK) (tested by IIT-B) contributed in energy efficient wall assemblies and eliminated the need for internal cement sand plastering. This was the major contributor for achieving up to **34% energy saving.**
MVML	Chakan	▪ Wet on wet painting process in 45 JPH Bolero Paint Shop. **Savings: 432,040 kWh per annum and 64,806 kg of LPG**
		▪ Redesign of process and walkway lights of 45 JPH paint shop to turn off during breaks. | **Savings: 144,245 kWh**
		▪ Cooling tower and pump energy reduction by selective operation of spray pump, stopping circulation pump when there is no production in other shops. **Savings: 91,267 kWh per annum**
MWC	Chennai	▪ LED lights installed in place of MH / SV lights. | **Savings: 89,900 kWh**
MTWL	Pithampur	▪ Installation of a solar water heater for the canteen and guest house. **Savings: 15 kWh per day**
		▪ Incorporation of VFD in UF circulation pumps. | **Saving of 10,848 kWh per month**
		▪ Conversion of paint shop process from AED to ACED. | **Savings: 278,019 kWh pa**
		▪ Installation of 256 CFM (37kW) compressor for new paint shop in place of a 75 kW compressor. | **Savings: 86,762 kWh pa**
SYSTECH STAMPINGS	Nashik	▪ Installation of CFL lamps in canteen, basement & DG set room.
		▪ Replacement of 250 W lamps with 85 W CFL lamps. | **Savings: 11,160 kWh**
		▪ Installation of efficient STP plant motor. | **Savings: 10,573 kWh**
	Kanhe	▪ Installation of energy control panel & compact fluorescent lamps.

SYSTECH FORGINGS	**Chakan**	▪ Effective and close monitoring of system in all three shifts and by continuously arresting the air leakages. **Savings: 1,316,815 kWh per annum**
SYSTECH GEARS	**Chakan**	▪ Installation of VFD to compressor. | **Savings: 40,000 kWh per annum**

HARNESSING SOLAR ENERGY BY LIGHT PIPE INSTALLATIONS AT AD, NASHIK PLANT

INITIATIVE

The SCM office, at Nashik plant of AD saw successful installation of the Light Pipe System. This is a first for the Mahindra Group to run the office lighting completely on solar lighting.

This new technology uses three stage principles of Light Collection, Light Reflection and Light Dispersion. It operates as described below:

Collector	Reflective Pipe	Diffuser
Collects the solar rays during daytime and maximises solar light passed on while restricting the UV and the IR rays.	Mirror finish reflective pipe with reflectance up to 98%, ensures maximum light passage.	Disperses the soft white solar light evenly in the area below.

Advantages of the Light Pipe system

- No use of electricity during day time
- Virtually no heat build up during strong sunlight in summer
- Light capture is high at low sun angles (i.e. even before 9 am and after 3 pm)
- The unique diffuser ensures uniform light dispersion
- Daylight can reach false ceiling covered areas ▪ Zero UV radiation
- Can reach darker interiors by bending the pipe ▪ No shadow effect
- The life of the light pipes is a minimum of 20 years
- No light and dark spots ▪ No glare effect observed (White light)

CERTIFICATION OF ISO 50001 ENERGY MANAGEMENT SYSTEM AT MAHINDRA SANYO SPECIAL STEEL PVT. LTD.

INITIATIVE

Mahindra Sanyo Special Steel Pvt. Ltd. was recommended ISO 50001 making the Company the first unit to obtain this certification within the Mahindra Group. ISO 50001 enables the organisation to establish the systems and processes necessary to improve the energy performance, which in turn results in the reduction in greenhouse gas emissions and energy cost through systematic management of energy.

Being an energy intensive industrial unit, it shoulders greater responsibility towards energy reduction initiatives in the Group. Its share of energy consumption in the overall M&M runs as follows:

37% in Scope I | 22% in Scope II

The company will continue to strive to optimise energy use and reduce carbon footprint in step with the National Mission for Energy Conservation and thereby enact the responsibility towards protection of our planet.

ISO 50001 enables the organisation to establish the systems and processes necessary to improve the energy performance, which in turn results in reduction in greenhouse gas emissions and energy cost through systematic management of energy.

ENERGY CONSERVATION TRAINING SEMINAR AT MIQ

Mahindra Institute of Quality and Group Sustainability jointly conducted a training seminar on 'Energy Conservation' at MIQ Nashik from 3rd to 5th of October 2012.The objective of the programme was to enhance energy conservation knowledge to enable effective asset selection, resource utilisation, process optimisation and operational efficiency.

The focus was on reduced usage of electrical and thermal energy. Technology advances and their rapid deployment in Indian industry in new asset selection as well as retro fitments were discussed. Topics such as National / International Energy Scenario, Sustainability at M&M, Solar Energy and its storage, Energy Conservation Act, PAT Scheme, ISO-50001, Lighting System, Green Factories and Cooling Towers were covered by Internal Faculty from the Group.

Topics of Electrical Distribution, Motors & Drives, HVAC, Diesel Generators, Fuels, Furnaces, Refractories, Compressed Air Systems, Pumps & Pumping Systems and Building Management Systems were covered by external faculty from Siemens, Blue Star, Cummins, PCRA, Bharat Gears, TRL Trosaki, Atlas Copco, Grundfos and Johnson Controls. This interaction provided a unique platform to learn the latest technologies and also how to grab the 'low hanging fruit'.

Based on the new learning, each participant identified projects which can be implemented at their plant. These projects have been grouped in three categories:

Projects implementable within participants own 'zone of influence'

Projects which have quick payback are very attractive and for which fast approvals can be sought

Projects which will require diligence and capital budgeting

These projects are under implementation and well on track.

The feedback was positive and the training seminar was given an overall rating of 4.3 on a scale of 1-5.

RENEWABLE ENERGY PROJECTS

Sector	Location	Type	Description
MTWL	Pithampur	Solar Water Heater	Solar water heater for canteen and guest house (15 kWh / day)
MREVA	Bengaluru	Solar PV	Car park roof top (75 kWp)
MLDL	Faridabad	Solar PV	Rooftop PV (11 kWp)
MWC	Chennai	Solar PV	Rooftop PV (75 kWp)
MHRIL	Kumbalgarh	Solar Water Heater	For kitchen hot water (5,800 Litres / day)
AD	Igatpuri	Wind	2 kW Windmill (3.3 MWh)
MVML	Chakan	Solar Thermal	Solar assisted LPG vaporiser (720 kWh / day saved)
		Solar Parabolic Concentrator	Customised integrated solar & heat recovery project for paint shop (184 MWh / annum)
		Solar Thermal	Customized integrated solar & heat recovery project for LTV engine shop (1,474 MWh / annum)
		Solar + Wind	5 kW hybrid wind and solar system (4.38 MWh / annum)
		Solar Water Heater	Solar hot water system for central kitchen (569 MT CO_2)

Water

There is no other alternative to water, but there are infinite alternatives to conserve water. Right from plugging the water tap gaps to bridging the gap in groundwater levels; from recharging existing bore wells to replenishing dried-up water bodies; from recycling wastewater to harvesting rainwater - there are myriad ways to ensure perennial accessibility of fresh water.

At Mahindra, our aim is to change the water equation from H_2O to $H_2\infty$.

Water conservation has always been an integral part of Mahindra's sustainability initiatives. But in the light of the massive and disastrous hydrological drought in Maharashtra, the importance of water and the sensitivity towards its conservation has increased manifolds.

Last year, we had undertaken a water footprinting exercise. Based on it, we identified opportunities to reduce, reuse and recycle water and planned strategies to address the same across sectors. Implementation of the various water conservation projects have resulted in the better utilisation of this resource in many sectors this year.

Water Consumption by Sector
m³

	Sector	2010-11	2011-12	2012-13
Manufacturing Sectors	AD	1,114,406	914,193	958,525
	FD	616,670	699,621	573,971
	Systech	2,589,183	1,595,308	1,417,451
	MIL	19,703	51,323	43,869
	MTWL	70,352	55,097	47,146
	MVML	563,820	446,725	488,721
	MSB	23,537	22,019	16,952
	MReva	NIS	8,093	16,172
Service Sectors	MWC	1,297,748	1,400,377	1,558,412
	MLDL	194,899	202,363	114,657
	MLL	66	185	13,894
	MHRIL	252,082	308,374	297,356
	FSS	5,395	4,162	11,299
	Tech M	145,956	208,057	198,228
	MSat	361,911	427,455	484,437
	MFCWL	NIS	2,297	358
	MFCSL	NIS	NIS	1,187
	MRV	NIS	NIS	17,640

NIS - Not In Scope

The new Reva plant has been commissioned, so the usage is full year as compared to partial-year usage last year.

Mahindra Logistics and Financial Services sector showed a higher consumption due to a significant improvement in data collection process as compared to the previous years.

Reduction in MTWL consumption is due to less volume of production.

Mahindra World City supplies water to Mahindra Research Valley, Iris Court and Aqualily locations of MLDL. To avoid double accounting, the group consumption does not include the water consumption of these three sites in the year 2012-13; however it has been included in respective sector water consumption. In addition, Mahindra World City supplies water to all companies located in their premises. Total group water consumption is 6,186,077 kL.

Specific Water Consumption
m³/unit of measure

	Sector	2010-11	2011-12	2012-13	% Reduction in 2012-13 over previous year
Manufacturing Sectors	AD	3.952	2.922	2.698	8
	FD	1.858	1.929	1.815	6
	Systech	9.099	5.783	4.400	24
	MIL	0.109	0.215	0.174	19
	MTWL	0.392	0.392	0.420	-7
	MVML	13.767	3.920	3.130	20
	MSB	2.867	5.975	3.474	42
Service Sectors	MWC	588.014	579.866	642.644	-11
	MLDL	0.340	0.209	0.137	34
	MHRIL	1.060	1.303	1.146	12
	Tech M	4.070	6.143	7.193	-17
	MSat	18.013	18.083	19.437	-7
	MFCWL	NIS	0.244	0.038	84
	MFCSL	NIS	NIS	0.058	-
	MRV	NIS	NIS	7.690	-

The specific water consumption at AD, FD, Systech, MIL, MVML, MSB, MLDL, MHRIL, MFCWL reduced as compared to last year due to a concentrated water conservation drive and various projects.

FSS & MLL devised a process of calculating the water consumption in the current year for most of their locations, which was not there last year. MReva had started production at their new plant in the middle of the reporting period. Hence, the specific water consumption for these three sectors have been mentioned separately.

Specific water consumption at MTWL increased due to the commissioning of a new paint shop for motor cycles.

Tech Mahindra and Mahindra Satyam showed a higher specific consumption due to a significant improvement in data collection process as compared to the previous years.

The ongoing construction activities at MWC locations resulted in an increase in specific water consumption.

m³/unit of measure

Sector	2010-11	2011-12	2012-13
MReva	NIS	16.28	54.64
MLL	0.13	0.19	13.49
FSS	18.04	4.03	8.90

Water Withdrawal by Source

<div style="text-align: right">%</div>

Source	2010-11	2011-12	2012-13
Municipality Water	27.29	33.17	33.04
Surface Water	30.80	21.01	17.54
Ground Water	34.98	37.41	38.83
Rain Water	0.78	0.79	1.98
Tanker	5.73	7.45	8.42
Bottled Water	0.43	0.17	0.19

Volume of Water Recycled and Reused

Source	Volume of water recycled & reused (m³)	% of water recycled & reused of total water consumption
Auto Division	258,763	27
Farm Division	131,475	23
Mahindra Holidays & Resorts	194,350	65
Mahindra Reva	2,639	16
Mahindra Satyam	3,600	0.74
Mahindra World Cities	475,470	31
Systech	36,110	2.5
Two Wheeler	17,843	38

Note:
Recycle & Reuse of water: For maximum utilisation of the resource, water is recycled and reused after treating in the effluent and sewage treatment plants. It is used back in the process as well as for gardening and flushing purposes.

Discharged Water Quality

The discharged water, if untreated may lead to pollution of other water bodies as well as result in increasing the toxicity in the surrounding groundwater. At Mahindra, we are committed to maintain the natural water cycle. Hence, efficient discharge systems comprising of ETPs (Effluent Treatment Plants) and STPs (Sewage Treatment Plants) are set-up investing significant resources.

Thus, we maintain zero discharge of waste water pollutants. Regular monitoring of our waste water is done by internal as well as external agencies, in terms of parameters like C.O.D, B.O.D, pH etc. specified by statutory authorities The values have always been found to be within the guidelines and limits, defined by the State Pollution Control Boards and local regulatory authorities.

WATER MANAGEMENT - THE MAHINDRA WAY

INITIATIVE

In order to understand the way water affects the industry, it is important that all the stakeholders have a holistic view. Hence, a new programme 'Water Management: The Mahindra Way' was introduced at Mahindra Institute of Quality (MIQ) in March 2013.

The purpose of the programme was to understand the various water streams which are planned in a new manufacturing facility and issues related to it. Major topics covered included:

- Business risk arising from water scarcity ▪ Effective water utilisation
- Process optimisation and statutory requirements ▪ Rainwater harvesting
- State of water resources in India ▪ Water audits, accounting and disclosure
- Water demand management and conservation (water neutral and positive)
- Water policies & statutory requirements ▪ Watershed management (Damoh case study)
- Water treatment technologies and sharing of best practices from M&M

A visit was organised to the Nashik Municipal Corporation's Treatment Plant to understand the practical aspects of treatment. The programme was jointly organised by MIQ and Group Sustainability Cell, and 32 participants from M&M group companies and suppliers attended it.

The participants have identified improvement projects at their respective locations on basis of collective learning and discussion. Action plan was prepared by the participants including suppliers to implement the identified projects.

WATER CONSERVATION INITIATIVES

At Mahindra, we understand that conservation of water is a huge responsibility and hence, all Group Companies strive to optimise water consumption.

AUTOMOTIVE DIVISION

Haridwar		▪ Installation of zig-zag speed breakers just after shower test, to shake off and recycle water from the vehicle roof which was otherwise wasted.
Nashik		▪ Installation of rainwater harvesting systems (now 11 systems). **Savings: 3,783 m³/annum**
		▪ Identification and elimination of leakages from underground fire pipelines.
		▪ Usage of treated water for urinals. | **Savings: 23,725 m³/annum**
		▪ Regular water audits at AS Nashik since 2006, for identifying water conservation opportunities and actualising it via appropriate interventions.
		▪ 25 to 30% savings in AD Nashik paint shop through a plethora of measures .
Chakan		▪ Using the expertise and technology of National Environmental Engineering Research Institute, Nagpur to improve the treatment and disposal of water through plantation of special trees for rapid evaporation.
Kandivli		▪ Inaugurated an upgraded facility of ETP/STP-RO to meet the ever increasing demand of water due to increase in production, to treat 350 kL of water/day.

FARM DIVISION

Kandivli	▪ Conversion of open loop cooling system to closed loop. **Savings: 2,500 m³/annum**
	▪ Installation of spring control taps. | **Savings: 750 m³/annum**
	▪ Auto level controller installed at ETP pumping station for maximum utilisation and elimination of the overflow. Ensure 100% utilisation of ETP treated water.
Nagpur	▪ Connection of all overhead tanks in series along with overflow sensors to avoid loss due to overflow.

MVML

Chakan	▪ Plantation of special trees for rapid evaporation as this eliminates the requirement for RO and MEE.
	▪ Installation of rainwater harvesting system with a potential storage of 150,000 m³ of water.

MWC

Chennai	▪ Planting of drought-resistant plant species which has been implemented for 60 acres land. | **Savings: 321,200 m³/annum**

Materials

At Mahindra, we understand that sustainable sourcing of raw materials goes a long way in making the end product sustainable. 'Alternative Thinking' is the key to catalyse innovation and find new ways to reduce, reuse and recycle materials with a keen eye on the materials consumption per unit of produce.

Sector-wise Materials Consumption

Tonne

Material	2010-11	2011-12	2012-13
AUTOMOTIVE DIVISION			
Semi-manufactured	553,185	605,661	875,128
Associated Materials	DNA	629	0
Packaging Materials	DNA	142	0
Total	**553,185**	**606,432**	**875,128**
Semi-manufactured (kL)	DNA	DNA	5,417
Associated Materials (kL)	DNA	DNA	3,254
Total	**DNA**	**DNA**	**8,671**
MVML			
Semi-manufactured	4,990	105,830	144,203
Total	**4,990**	**105,830**	**144,203**
Wheels (Nos.)	230,419	0	0
Semi-manufactured (kL)	DNA	DNA	1,017

Sector-wise Materials Consumption

Tonne

Material	2010-11	2011-12	2012-13
FARM DIVISION			
Semi-manufactured	497,738	536,375	418,681
Associated Materials	156	146	121
Packaging Materials	DNA	1,269	886
Total	**497,894**	**537,790**	**419,688**
Semi-manufactured (kL)	DNA	DNA	7,935
Associated Materials (kL)	DNA	DNA	3,456
Raw Material (kL)	DNA	DNA	387
Total	DNA	DNA	**11,778**
Semi-manufactured (Nos.)	DNA	DNA	149,752
Raw Materials (Nos.)	DNA	DNA	37,473
Total	DNA	DNA	**187,225**
SYSTECH			
Semi-manufactured	279,430	345,436	500,888
Associated Materials	48,894	31,343	42,458
Raw Material	17,620	17,117	17,442
Packaging Materials	36,967	1,817	1,348
Total	**382,911**	**395,713**	**562,136**
Associated Materials (KL)	DNA	DNA	466
Raw Materials (KL)	DNA	DNA	65
Total	DNA	DNA	**531**
Associated Materials (No)	65,300	78,008	19,616
Raw Materials (No)	DNA	DNA	11,698
Packaging Materials (No)	4,083,508	4,364,929	1,669,615
Total	**4,148,808**	**4,442,937**	**1,700,929**
Raw Materials (m)	DNA	DNA	73,560
MWC			
Semi-manufactured	3,712	9,013	1,557
Raw Materials	1,950	21,582	13,233
Total	**5,662**	**30,595**	**14,790**
Semi-manufactured (Rmt)	DNA	DNA	653
MIL			
Semi-manufactured	145,003	199,867	121,840
Associated Materials	224	602	4
Raw Materials	DNA	DNA	93,526
Packaging Materials	1,064	1,917	2,343
Total	**146,291**	**202,386**	**217,713**
Associated Materials (Nos.)	DNA	9	9
Associated Materials (kL)	DNA	DNA	2
Packaging Materials (m)	DNA	DNA	51,050
MTWL			
Semi-manufactured	19,474	15,417	12,218
Associated Materials	198	199	34
Packaging Materials	73	181	84
Total	**19,745**	**15,797**	**12,336**
Semi-manufactured (kL)	DNA	DNA	440
Associated Materials (kL)	DNA	DNA	113
Total	DNA	DNA	**553**

Sector-wise Materials Consumption *Tonne*

Material	2010-11	2011-12	2012-13
MSB			
Packaging Materials	8,207	3,685	4,878
Total	**8,207**	**3,685**	**4,878**
MLDL			
Semi-manufactured	92,060	130,068	96,901
Associated Materials	DNA	53	112
Raw Materials	44,471	48,710	80,140
Total	**136,531**	**178,831**	**177,153**
Associated Materials (Nos.)	DNA	6,221	0
Semi-manufactured (Nos.)	DNA	1,589,129	0
Semi-manufactured (kL)	0	0	8,889
Associated Materials (kL)	0	0	1
Total	**0**	**0**	**8,890**
MREVA			
Semi-manufactured	NIS	DNA	252
MFCSL			
Associated Materials	NIS	NIS	0.22
Raw Materials	NIS	NIS	0.03
Total	NIS	NIS	**0.25**
Semi-manufactured (kL)	NIS	NIS	22
Associated Materials (kL)	NIS	NIS	8
Raw Materials (kL)	NIS	NIS	3
Total	NIS	NIS	**33**
Semi-manufactured (Nos.)	NIS	NIS	89
Associated Materials (Nos.)	NIS	NIS	43
Raw Materials (Nos.)	NIS	NIS	13
Total	NIS	NIS	**145**

Printer Cartridges & Toner Consumption *Nos.*

Sector	2010-11	2011-12	2012-13
MLL	328	288	701
MHRIL	41	0	0
FSS	79	61	84
Tech M	1,183	3,219	1,291
MSat	1,581	1,172	798

SAVE PAPER, SAVE ENVIRONMENT — INITIATIVE

The need for recycling paper cannot be understated. As one of the major reasons for deforestation, rampant and uncontrolled use of paper poses a serious threat to the environment. The Auto and Farm Sectors implemented an initiative for rationalising paper consumption through the process of 3Rs – Reducing, Reusing and Recycling. The objective was to generate a sense of individual responsibility and ownership to drive the initiative.

Implementation The target of 10% reduction was met by different steps taken under the initiative. The reduction in paper utilisation directly co-related with number of trees saved as well as cost saving. Moreover, it seeded the idea of optimum resource utilisation in the minds of the employees.

Quantitative Impact

Year	Paper Recycled AFS (Tonne)	Saved Trees (Nos.)	Cost Savings INR
2010-11	13	225	65,000
2011-12	77	1,309	385,000
2012-13	91	1,547	318,598

The way forward is to expand this campaign of 'Reduce-Reuse-Recycle' to other materials like plastic, tin, e-waste etc.

Waste

Mahindra strives to manage and reduce waste at all existing functions through the medium of systematised processes revolving around reducing consumption, reusing whatever can be reused and recycling whatever can't be. Our activities focus on effective and safe disposal of waste produces across the manufacturing cycle of a product.

The waste generated is classified into appropriate categories and disposed off accordingly. A big chunk of our waste is sold to third party contractors for proper disposal. Consisting of mostly non-hazardous waste, this waste material ultimately finds its way into large scale recycling or reuse.

Hazardous waste on the other hand is directed to authorised common hazardous waste collection with the requisite treatment, storage and disposal facilities.

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	5,949	7,617	6,835
Liquid (kL)	850	808	2,038
Liquid (Nos.)	DNA	DNA	3,205
Batteries (Nos.)	3,457	4,886	6,929
Batteries (Tonne)	0	5.8	380
Containers (Nos.)	190,256	172,100	158,429
Containers(Tonne)	DNA	DNA	4
Cartridges (Nos.)	92	588	16
Others, like Oil filters, drums, e-waste (Nos.)	13,662	0	9,895

Non-hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	189,153	208,454	225,701
Solid, Tyres, Drums etc. (Nos.)	0	678	89,179
Liquid (kL)	20	1.56	0
Containers (Tonne)	0	5.5	0
Containers (Nos.)	50,238	86,918	67,311
Tyres (Nos.)	111	0	0

Note

Hazardous solid waste (Tonne) include ETP sludge, Phosphating sludge, paint sludge, E-waste, biomedical waste, oil soaked waste.

Hazardous liquid waste (kL) includes Scrap oil. DG set waste oil, used oil from vehicles, waste coolant.

Non-hazardous solid waste (Tonne) include wooden, steel, metal scrap, food waste, paper waste, rubber scrap.

Sector Specific Break-up

AD

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	1,983	2,162	2,820
Liquid (kL)	621	366	373
Liquid (Nos.)	DNA	DNA	3,075
Batteries (Nos.)	965	732	294
Batteries (Tonne)	DNA	DNA	367
Containers (Nos.)	119,098	118,331	3,850
Oil Filters	1,420	0	0
Drums	6,319	0	0

Non-hazardous Waste

	2010-11	2011-12	2012-13
Solid (Tonne)	97,798	56,331	73,049
Containers and Plastic Materials (Nos.)	0	30,701	32,145
Solid Tyres, Drums etc. (Nos.)	92	678	54,338

FD

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	734	797	713
Solid (Nos.)	DNA	DNA	8
Liquid (kL)	91	143	162
Batteries (Nos.)	525	1716	920
Containers (Nos.)	47,940	36,504	45,388

Non-hazardous Waste

	2010-11	2011-12	2012-13
Solid (Tonne)	13,545	13,191	20,865
Containers and Plastic Materials (Nos.)	9,898	22,725	7,747
Drum (Nos.)	0	0	0

SYSTECH

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	3,048	3,653	2,334
Liquid (kL)	94	166	149
Liquid (Nos.)	DNA	DNA	70
Batteries (Nos.)	130	8	66
Batteries (Tonne)	DNA	DNA	2
Containers (Nos.)	17,077	17,265	33,531
Containers (Tonne)	DNA	DNA	3
Others (Nos.)	5,792	0	0

Non-hazardous Waste

	2010-11	2011-12	2012-13
Solid (Tonne)	63,638	113,386	98,120
Liquid (kL)	20	1	0
Containers, Tyres and Plastic Materials (Nos.)	782	696	3,091
Tyres (Nos.)	19	0	0

Sector Specific Break-up

MHRIL

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	11.3	0	0
Solid (Nos.)	DNA	DNA	606
Liquid (kL)	0.5	4.7	108
Batteries (Nos.)	3.0	2.0	84*

Non-hazardous Waste			
Solid (Tonne)	731.1	430.1	590
Solid (Nos.)	DNA	DNA	1,191
Containers (Nos.)	DNA	DNA	13

*Note : * The increase is a result of improved reporting process*

MFCSL

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Nos.)	NIS	NIS	9,112
Liquid (kL)	NIS	NIS	6

MIL

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	3.1	0.7	1
Liquid (kL)	7	7.2	8
Batteries (Nos.)	33	0	31
Containers (Nos.)	DNA	DNA	11

Non-hazardous Waste			
Solid (Tonne)	5,857	9,715	10,549
Liquid (kL)	0	0	0

MWC

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	410.61	0	0
Batteries (Nos.)	DNA	332	0

Non-hazardous Waste			
Solid (Tonne)	DNA	822	1,094
Containers (Tonne)	DNA	5.5	0

MLDL

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	25.815	0	0

Non-hazardous Waste			
Solid (Tonne)	DNA	58.4	328

FSS

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	DNA	DNA	0.15

Non-hazardous Waste			
Solid (Tonne)	9	7.12	0*

Note: 0 here refers to wastage that will not be reported. E-waste will be reported instead of waste paper wastage*

Sector Specific Break-up

MTWL

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	52.87	305.1	172
Liquid (kL)	2.50	3.6	5
Batteries (Nos.)	0	486	0

Non-hazardous Waste			
Solid (Tonne)	1,031	1,269.03	1,801
Solid (Nos.)	DNA	DNA	30,968
Containers (Nos.)	39,415	32,796.0	24,595

MSB

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	0.46	0.38	5
Liquid (kL)	0.108	0.14	14
Batteries (Nos.)	50	14.00	0
Containers (Nos.)	41	0	15
Cartridges	DNA	DNA	16

Non-Hazardous Waste			
Solid (Tonne)	4,827.753	1,463.3	1,578

MVML

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	56.5	624.5	771
Liquid (kL)	23.2	111.7	208
Containers (Nos.)	6,100	0	75,634
Batteries (Nos.)	DNA	DNA	2,626

Non-Hazardous Waste			
Solid (Tonne)	2,158.7	11,599.4	17,186
Containers (Nos.)	143	0	0
Tyres (Nos.)	DNA	DNA	2,270

Msat

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	59.91	57.5	16
Solid (Nos.)	DNA	DNA	169
Liquid (kL)	10.01	5.5	11
Containers (Nos.)	1,751	0	0
Batteries (Nos.)	DNA	1,410.0	1,702

Non-Hazardous Waste			
Solid (Tonne)	121.58	142.4	204

Sector Specific Break-up

Tech M

Hazardous Waste	2010-11	2011-12	2012-13
Solid (Tonne)	DNA	14.4	3
Cartridges (Nos.)	92	588	0
Batteries (Tonne)	DNA	5.8	10.5
Batteries (Nos.)	DNA	188	649
Liquid (kL)	DNA	DNA	995
Others			
Computers (Nos.)	131	0	0

Non-Hazardous Waste			
Solid (Tonne)	DNA	11.0	106

MReva

Hazardous Waste	2011-12	2012-13
Solid (Tonne)	0.201	0
Containers	DNR	850
Batteries (Nos.)	DNR	482

Non-hazardous Waste		
Solid (Tonne)	27.9	24.5

MRV

Hazardous Waste	2012-13
Batteries (Nos.)	75
Liquid (kL)	60

Non-Hazardous Waste	
Solid (Nos.)	132
Solid (Tonnes)	207
Total	**474**

WASTE MANAGEMENT INITIATIVES

Mahindra strives to align all processes and resources with proper handling of waste, thereby effectively reducing all forms of waste in everyday function through the medium of various waste management initiatives.

Various waste management initiatives adopted across our units:

AUTOMOTIVE DIVISION	**Nashik**	• Robotic painting in paint shop for optimum paint application and reduction in paint sludge.
		• Implementation of 'First In First Out' system for waste disposal
		• Installation of filter press for Phosphate & ETP Sludge handling
		• Reuse and resizing of cotton waste
		• Making use of ESKA® system for paint sludge dewatering
		• Recycling of used thinner for lower end application
SYSTECH STAMPINGS	**Kanhe**	• Recycling scraps of bins, pallets and trolley to make new bins
		• Use of scrap waste for making pallet / trolley and waste wood for crates / boxes

MVML: TOWARDS WATER NEUTRALITY

CONSERVATION

alternative CONSERVATION

Corporate Sustainability is fast becoming a buzzword. Progressive nations, the world over, are propagating green practices. Bureaucracy is mandating the corporate to embrace responsible business conduct. While this sustainability movement is good, its momentum needs to be much better and much more efficient.

While 'conserving water' is vital to sustainability of 'life as usual', managing 'profits and proficiency' is primary to sustainability of 'business as usual'. Alternative Thinking, at Mahindra, is a competitive edge. Rather than exploring different solutions in isolation, we innovate holistic interventions. Recently, team MVML designed and implemented alternative water management solution with dual benefits - rainwater harvesting and tertiary effluent treatment. This two-in-one water management plant was not just cost-effective but also eco-friendly.

Are our environmental management processes completely green? Are our resource-efficiency measures equally operationally stable and cost competitive?

At Mahindra, compliance is the starting point of our sustainability trail. While RO and MEE were in place to treat and recycle the treated effluent in process, there was room for improvement. There was a need to set-up a tertiary treatment system. But the team saw the bigger picture.

The natural topography of the North gorge lends it a bowl shape, ideal to create a storage reservoir. An alternative water management solution combining 'the need' and 'the opportunity' was planned. In consultation with Maharashtra Pollution Control Board (MPCB) and National Environmental Engineering & Research Institute (NEERI), MVML spearheaded HRTS (High Rate Traspiration System) - RWH (Rainwater Harvesting) Scheme.

A detailed pilot study was carried out. Site selection, material usage, resource efficiency, species of trees, safety measures were adequately deployed.

HRTS is a cost-effective and green tertiary treatment. It consists of plantation of trees like Eucalyptus with high affinity towards water on ridges made up of black cotton soil.

The combined HRTS-RWH scheme is first-of-its-kind exploration in the automobile industry.

Construction of intra-back dam: excavation and casting

Tree plantation

Water harvestation in progress

Ecological Benefits

RWH

- Water reservoir of capacity 150,000 m³ for storage of rainwater.
- Harvested rainwater meets 65 days of plant's water requirement.

HRTS

- Elimination of GHG emissions caused in treatment process.
- Elimination of hazardous waste.
- Opportunity to develop HRTS area as Ecopark inside MVML.

Economical Benefits

RWH

- Savings of approx. INR 10 million, by deploying geotechnical survey which predicted that no lining is required to store the effluent during monsoon.
- Reduced capex by approx. 40% over conventional construction methods.

HRTS

- Annual savings of INR 1.44 million in operating cost.

Operational Benefits

RWH

- Reduction in construction time by three months.

HRTS

- No NCR/show cause notice from MPCB has been received regarding the performance of the system post this scheme.

FROM CONSUMPTION TO CONTRIBUTION

As a benefactor with a high intensity of energy and water consumption and waste disposal, the paint shop at AD, Nashik adopted the ' Reduce-Reuse-Recycle' initiative as a medium of giving back to the environment.

The team first classified all items under 9 categories and then used a systematic approach on attempting to Reduce, Reuse and Recycle every single natural resource that entered and left the paint shop (in any form).

MATERIAL	REDUCE	REUSE	RECYCLE
Paint	▪ Engine compartment paint deletion ▪ Primer dry film thickness optimisation		
Thinners	▪ Reduction in thinner consumption by using water based substitute product 'AquaBrite' for floor cleaning ▪ Reduction in thinner consumption by using Tack peelable coating on booth side walls	▪ Reusing the flushed thinner after fine filtration for paint charging	▪ Recycling of thinner through "Project Shivambhu"
Under Body and Sealer	▪ Optimisation of UBC coating below spare wheel cover and fuel tank area on Scorpio, Bolero and Xylo ▪ Reduction in sealer consumption by optimising sealer bead size	▪ UBC & PVC sealer collected without contamination and reused	
Melt Rubber	▪ Standardisation of melt sheet types among Scorpio, Bolero and Xylo ▪ Optimisation of melt rubber sizes		▪ Exploration of the possibility of broken melt sheet to be sent back to the supplier for using as a raw material in same product
Tape	▪ Substituting fixtures with self falling tapes		
Paint Sludge	▪ Reduction of paint sludge by 100 to150 kg/day through modification of process for reducing moisture	▪ Developing new sources that use paint sludge as a raw material in primer manufacturing	
Plasticiser	▪ Line flushing process frequency reduced to once a year	▪ From this year, we have started resending the plasticiser back to the supplier for being used as a raw material in UBS / Sealer products	
LPG	▪ ED oven recovery ▪ Primer & topcoat oven heat recovery		

FROM CONSUMPTION TO CONTRIBUTION

Results

The total cost savings accrued by Project Sarva Sparshi stands at INR 2.78 Crores per annum.

The paint shop was able to achieve the following results
over the period of this financial year.

Material Category	Material Reduction	Unit	Cost Savings (in Lacs)
Paints	53	kL	35
Thinner	55	kL	39.3
UBC and Sealer	145	Tonne	111.5
Melt Rubber	58	Tonne	14.9
Tape	1.3	Tonne	2.6
Paint Sludge	65	Tonne	16
Plasticiser	2.5	Tonne	3.4
LPG	97	Tonne	52.2

WASTE TO WEALTH MONTH - ENGAGING FOR SUSTAINABILITY   INITIATIVE

Waste to Wealth month was observed at Mahindra Sanyo Special Steel, Khopoli from 23rd February to 22nd March, 2013. During the month, environmental engagement, awareness and collaborative activities were initiated across all departments using a Cross Functional Team (CFT).

The team regularly visited the plant to collect suggestions from all employees collected through suggestion boxes. A record 1,405 number of suggestions were received, out of which 74% were from executives and the rest were from the workers. Implementation work on the suggestions received has already been initiated and is being monitored by the steering committee. The team also collaborated with IIT-Bombay on calculating the theoretical consumption of energy in the processes. Additionally, regular meetings and reviews were conducted to observe progress in each identified area. This resulted in effective engagement by all level of employees including contract workmen.

Packaging

Our businesses which require packaging for the products and services such as spare parts, cars, tractors, IT consultancy, financial services, logistics and construction, unfailingly ensure the usage of green packaging. Reuse and recycling of packaging materials is cascaded throughout all of our sectors. We work towards encouraging the implementation of green packaging with our employees, suppliers as well as vendors, through various modes of engagement and interaction.

INITIATIVES - GREEN VALUE CHAIN

Under our policy of Green Supply Chain Management, we work to cover all aspects of our supply chain, so as to ensure a thorough green supply chain. Below are some of this year's initiatives:

MVML | **Chakan**

- The plant reduced diesel consumption through improvement in packaging and truck utilisation. Corrugated and wooden packaging in vehicles was reduced by replacing it with reusable plastic boxes. Select best practices have also been cascaded to suppliers.

AUTOMOTIVE DIVISION	**Nashik**	▪ AD, Nashik has been actively involved in educating, inspiring and guiding its suppliers on sustainability and has till date supported 14 major suppliers in obtaining ISO 14001 certification. The plant aims to support its remaining major suppliers in obtaining the certification by 2015.
SYSTECH		▪ This year, the Gears, Composites and Stampings businesses of the Systech Division provided training to suppliers on 'greening' their operations and logistics. Supplier audits were also carried out.

Spills

At Mahindra, a comprehensive environment management system is in place to mitigate the risk of spills, thereby ensuring 360° safety at our operations. In the reporting year, Mahindra witnessed no significant spill.

Environmental Compliance

The environmental compliance committees in various sectors of Mahindra Group continuously ensure that there is full compliance of all applicable laws. In the current fiscal year, we were not fined for any non-compliance.

SOCIAL PERFORMANCE
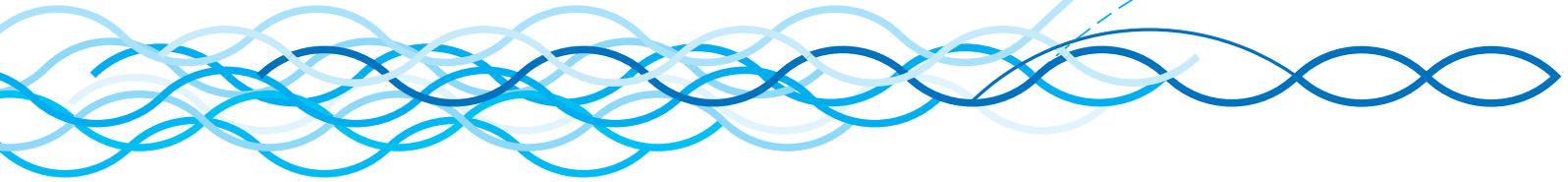
Give back to the society, to march ahead.

Strengthen the foundation, to rise higher.

Steer continued efforts, to drive infinite growth.

> WE APPROACH SOCIAL RESPONSIBILITY AS 'MAKING ORGANISED INVESTMENTS' RATHER THAN 'OFFERING EPISODIC CHARITY'.

MANAGEMENT APPROACH

At Mahindra, we strongly believe that corporate and communities are interdependent. Hence, to stand tall and strong, we continue to empower people at the base of the pyramid. Societal improvement forms an integral part of our business strategy.

We approach social responsibility as 'making organised investments' rather than 'offering episodic charity'. The objective is to trigger a positive domino effect of community well-being for now and forever. Hence, for us, social conduct is as strategic as our corporate conduct, a girl child as important a stakeholder as our investor and a healthy community as powerful an asset as a healthy bottom-line. Testimony to this commitment is the pledge our Chairman made in 2005, to annually invest 1% of Profit After Tax (PAT) in Corporate Social Responsibility (CSR) initiatives.

Water is core to human survival. Even more paramount than energy. The task to make the community water self-sufficient is a multi-faceted challenge and needs interventions that range from infrastructural to cultural. We have already completed the first phase of an Integrated Watershed Management Programme covering around 332 villages and about 10,000 hectares of land.

We manage our social investments with utmost professionalism and seek to leverage them for maximum on-ground impact. We seed interventions which are in harmony with the needs of the nation and have the potential to yield long term cascading positive impacts in society. These two sieves have got us to focus on three core areas - education, health and environment. We also promote sports and performing arts and provide a platform for young talent to rise.

KEY HIGHLIGHTS

- Project Nanhi Kali has transformed the lives of more than
  78,338 girl children
  from socially and economically challenged sections of the society.

- The Mahindra group has supported
  29,702 Nanhi Kalis
  while the other contributors are corporate donors that have been approached by KCMET.

- This year, witnessed an addition of
  3,673 girl beneficiaries
  to this growing tribe.

- **6,817 people**
  benefited from the medical camps conducted through the Lifeline Express Programme.

- **550 students**
  were awarded the Mahindra All India Talent Scholarship this year taking the total tally to
  6,354.

- **1,070 students**
  have been awarded the K. C. Mahindra Scholarship for Post Graduate Studies till date.

- Till date,
  95,522 students
  from all across India have been awarded scholarships and education grants amounting to approx.
  INR 1,011.51 million
  from KCMET.

- This year,
  2,605 underprivileged students
  were provided livelihood training at Mahindra Pride Schools.

  The fifth Mahindra Pride School opened its doors in Srinagar with the specific objective of helping the youth of Jammu and Kashmir channelise their energies productively.
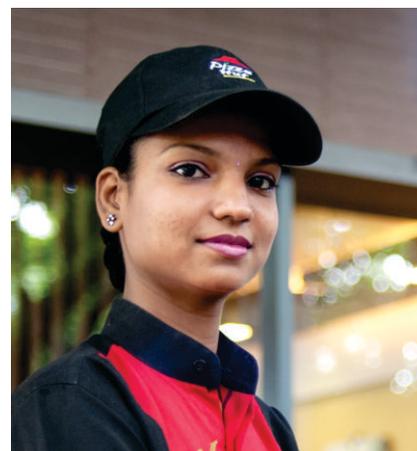
- **1.746 million trees**
  were planted under the Mahindra Hariyali Project in FY 2013 well surpassing the set target of
  1 million trees.

- Since the inception of Esops,
  82,918 volunteers
  have contributed
  351,961 man hours
  towards three focus areas of education, health and environment.

CSR GOVERNANCE

Like our economic bottom line, we also govern our social bottom line with equal diligence, transparency and responsibility. Leading the Mahindra social responsibility drive are our change agents -

CSR Council	CSR Department	Esops Volunteers Programme

For more information on the CSR Council, please refer to the corporate governance section of this report.

Foundations & Trusts

K.C.MAHINDRA
EDUCATION TRUST
Changing India, child by child

Through the years, the Trust has undertaken a number of education initiatives, which have empowered the lives of 95,522 deserving students from the lower strata of the society by contributing more than INR 1,101.51 million.

In the reporting year, the Trust contributed over INR 222.36 million empowering 81,528 deserving students through its various education initiatives and projects, which include Nanhi Kali, Mahindra Pride School and Scholarships.

THE TRUST CONTRIBUTED OVER INR 222.36 MILLION EMPOWERING 81,528 DESERVING STUDENTS THROUGH ITS VARIOUS EDUCATION INITIATIVES AND PROJECTS.

Mahindra Foundation

During the reporting year, the Foundation disbursed INR 7.92 million towards bringing smiles to the faces of children with special needs at the 'Shartul Gurukul Centre for special children' by supporting various activities of the centre.

The Foundation facilitated the Indian Cancer Society in providing post-surgery kits to breast cancer patients and supported Mahindra EPC Services in their endeavour to provide 168 solar lights to the state of Maharashtra.

Mahindra Foundation USA (MFUSA)

Established in 2007, MFUSA seeks global support for the education of under-privileged girls in India. It reaches out to Americans and Indians residing in the US to support education of girl children through Project Nanhi Kali. MFUSA takes forward its mission through the creation of volunteer Nanhi Kali chapters and online campaigning.

Till date, the Foundation has raised USD 372,384 as Nanhi Kali donations.

tm Tech Mahindra FOUNDATION

Education

Recognising the Profession

Teaching is a profession that teaches all other professions. Hence, its importance cannot be over-emphasised. TMF has instituted two awards in collaboration with the Municipal Corporation of Delhi (MCD) to encourage teaching and teachers.

School Excellence Awards honour municipal corporation schools that are making efforts to ensure quality and holistic educational opportunities for marginalised children.

Teaching the Teachers

A collaborative project of TMF and East Delhi Municipal Corporation (EDMC), In-service Teacher Education Institute focuses on capacity enhancement of all stakeholders, especially teachers to bring about systemic reforms in education.

Vocational Training

SMART

Skills-for-Market Training (SMART) nurtures socio-economically disadvantaged youth in the trades of IT, Tally, BPO, hospitality, retail and sales. In 2012-13, two SMART Centres were set up in Hyderabad and Delhi-NCR.

For more information about our foundations, please refer to page 122 of Sustainability Report 2011-12 on the following link.
http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports

CSR INVESTMENTS

Total: INR 892.23 million

INR million

Category	Value
TMF / KCMET / MF	**383.55**
Education	**23.39**
Health	**41.01**
Social	**43.78**
Environment	**27.45**
Others	**4.95**
Culture	**71.56**
Sports	**296.54**
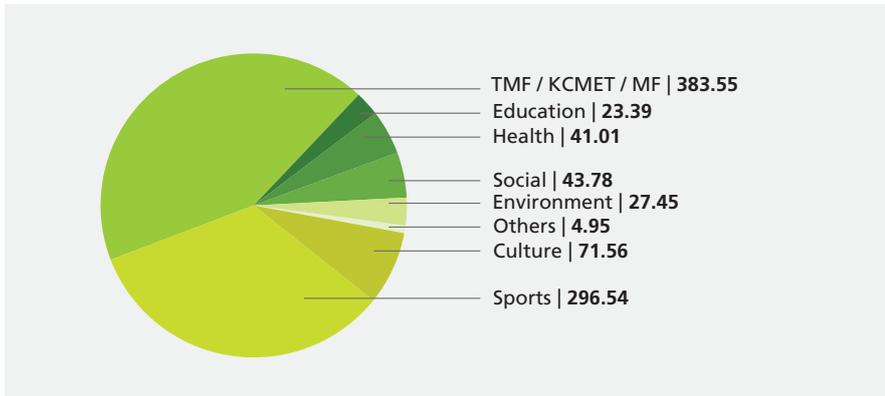
ESOPS - EMPLOYEE SOCIAL OPTIONS

Overview

Esops has a new meaning at Mahindra - Employee Social Options. Instituted by Keshub Mahindra, Esops is Mahindra's employee volunteering programme where competition meets compassion, professionalism meets philanthropy and team power meets empowerment. Mahindraites share their time, passion and knowledge in three core focus areas - education, environment and healthcare. They are also encouraged to involve their family members in Esops activities. Based on the needs of the communities, they ideate projects, construct annual activity plans, implement initiatives and monitor results. Thereby playing a meaningful role in making the society healthier, cleaner, greener and more literate.

Flagged off in 2005, Esops has today gained momentum and become a crusade within Mahindra. The volunteering has multiplied manifolds and the impact has expanded to over 20 states and three union territories.

> **ESOPS IS MAHINDRA'S EMPLOYEE VOLUNTEERING PROGRAMME WHERE COMPETITION MEETS COMPASSION, PROFESSIONALISM MEETS PHILANTHROPY AND TEAM POWER MEETS EMPOWERMENT.**

Group-wide Initiatives

At Esops, we seed an endeavour at the right place and right time with the right impact. The volunteers' skill sets are strategically matched with community needs for triggering a rightful and fruitful change. Across sectors and businesses, employees rise to take charge of India's future by contributing in a small yet significant manner.

Nanhi kali

A promise to ensure a brighter future for the girl child.

LIFELINE EXPRESS

A hospital on wheels delivering good health and well-being to the medically under-served.
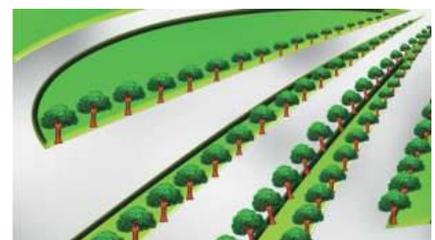
Mahindra Hariyali

A drive towards nurturing a greener planet.

Year	Esops Volunteers	Esops Man-hours
2006 - 2007	4,588	Data Not Available
2007 -2008	9,947	Data Not Available
2008 - 2009	10,341	35,130
2009 - 2010	10,440	49,280
2010 - 2011	15,147	73,509
2011 - 2012	12,588	84,792
2012 - 2013	19,867	109,250
Total	**82,918**	**351,961**
	Total	Total

Esops Growth Report

This year 19,867 Esops volunteers contributed 109,250 man-hours towards social programmes. Together, the team Esops initiated 956 activities, mainly across 3 focus areas of health, education and environment.

Esops' Nationwide Footprint

Esops' circle of influence spans across all states and union territories of India except Manipur, Mizoram and Nagaland.

Composition of Esops' Initiatives during FY 2013

22% 32%

12% 34%
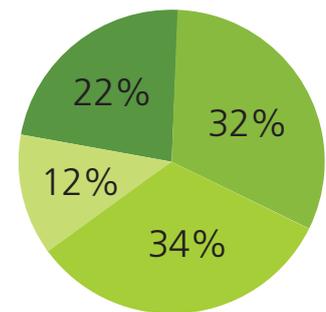
Esops' Initiatives 2012 - 2013

	SOCIAL
	ENVIRONMENT
	HEALTH
	EDUCATION

HIMACHAL PRADESH
PUNJAB
CHANDIGARH
UTTARAKHAND
HARYANA
DELHI
ASSAM
RAJASTHAN
UTTAR PRADESH
BIHAR
JHARKHAND
GUJARAT
MADHYA PRADESH
WEST BENGAL
CHHATTISGARH
MAHARASHTRA
ORISSA
ANDHRA PRADESH
GOA
KARNATAKA
PUDUCHERRY
TAMIL NADU
KERALA

Esops
Employee social options

Esops' Initiatives

Mahindraites with their compassion to give back to society and their zeal to nurture nature, participated in a slew of initiatives. From spearheading health camps to seeding environmental awareness and from lighting up smiles on the faces of the elderly to lighting up streets of villages, they contributed to community building, promoting education, enhancing the environment and raising the health quotient.

Detailed below are some of the activities undertaken by Esops Volunteers in the recent past.

Esops in Communities

Spent quality time sharing love and compassion at an old age home where they distributed clothes and catered to varied needs of the elderly.

Interacted with differently abled children.

Gifted water coolers and RO filters to orphanages.

Built shelters for farmers and constructed schools for the underprivileged.

Provided necessary medical support to malnourished children.

Carried out road safety awareness programmes.

Distributed food grains and other supplies in rural and remote areas.

Distributed solar street lamps in villages.

Encouraged women led small scale businesses.

Esops in Environment

Organised tree plantation days across Mahindra locations as part of the Mahindra Hariyali Project

Facilitated rainwater harvesting plants

Enhanced eco-consciousness and implemented alternative techniques for energy conservation

Spread environmental awareness and global warming consciousness amongst school children.

Undertook waste management awareness programmes.

Participated in cleanliness and hygiene drives in villages.

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Esops in Health

Conducted free health check-up camps for cancer detection, antenatal care for women, dental care, skin disease, paediatric care, eye check-ups etc.

Sensitised the community members about the ill effects of tobacco consumption through rallies and camps.

Adopted an innovative and a popular tool - street plays to educate the community on HIV / AIDS, personal hygiene, nutritious diet, dental care and child health care.

Conducted various blood donation camps in the community.

Provided free surgical aid with the help of established hospitals, agencies, NGOs etc.

Helped 6,817 people in Puri and Naksalbari get medical treatment as part of the Lifeline Express initiative.

Esops in Education

Helped upgrade school infrastructure by contributing tables, benches, chairs & computers.

Encouraged employees to clean and paint school premises, plant trees etc. through Shramdaan.

Distributed educational materials to schools / children's home and other educational institutions.

Organised plant visits for various schools & other educational institutions.

Supported and contributed towards Project Nanhi Kali.

Conducted workshops for rural school teachers on effective teaching methodologies.

Interacted with school children by organising various extracurricular activities, summer camps etc.

Spread knowledge on wide range of topics, career counselling, mentoring students etc.

Encouraged children to showcase their talent and creativity in the field of engineering via competitions.

Triggered various youth development programmes to embed livelihood generation capabilities in youth.

Initiated Green School Programme to embed eco-awareness among children - the future custodians of Mother Earth.

Sector-wise Initiatives

AUTO DIVISION

Textbooks and Beyond

The Plant Quality team of Auto Division, Igatpuri donated stationary and study material to 62 tribal school students of Ashram School situated in Igatpuri. The Esops team went one step further and installed a mini invertor for the school, from their own pocket.

Positives Attract

A matrimonial event was organised for people affected with HIV+ by Auto Division, Nashik. Around 1,500 people with HIV / AIDS from 43 districts of Maharashtra were encouraged to find a suitable life partner. This event helped transform the lives of the HIV affected.

Building a Roof

Every year the village of Samarad in Ahmednagar district faces heavy monsoon showers. The Esops team of Paint PU Auto Division, Nashik built a shelter, where villagers who were out feeding their cattle could seek respite from the incessant rains.

Road Safety Awareness

Press Shop, MVML Chakan took to the roads to spread safety awareness. 50 volunteers joined hands with senior PCMC traffic police inspectors

and displayed banners at various bottleneck junctions in Pimpri, Finolex Chauk, Akurdi, Nashik-Phata and Fuge-wadi areas. They also interacted with two-wheeler and four-wheeler commuters to sensitise them about traffic rules.

Check Dam

Sendyachimet village located near Nashik City lacks water and irrigation facilities. Nashik plant constructed a check dam with the help of NGOs and the local community, which has led to enhanced water access for the villagers.

A Cradle for National Sporting Champions

The tribal areas surrounding Nashik have immense latent talent and could provide an inexhaustible supply of young athletes. To harness this potential, the Nashik plant adopted 12 promising athletes from these tribal areas and nurtured them with modern training & development facilities. Today, these athletes contribute 70% of all athletics medals won by Maharashtra in various national events. They also hold the honour of creating 15 national records in a span of just two years.

Boosting the Sporting Spirit

10 Esops volunteers from Auto Sector - Haridwar donated a volley ball, net and two iron poles to the Rajkiye Junior High School. The volunteers themselves loaded the poles into the vehicle and delivered them to the school.

Protecting the Police

A 45-member Esops team of Auto Sector, Kandivli convened at the Mumbai Traffic Police Headquarters to
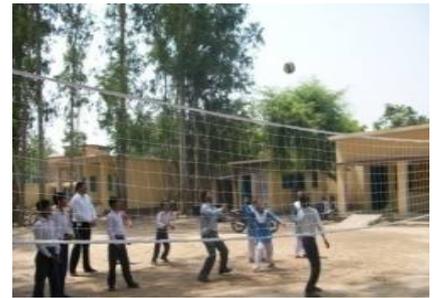
handover face masks for 2000 traffic police constables across 25 traffic police stations of Mumbai. These masks provide protection from pollutants such as dust, fumes, mist and smoke emitted by vehicles.

MAHINDRA TWO WHEELERS LTD.

Colours of Motivation

MTWL, Pithampur painted a Government school at Arjun Nagar, Indore with the objective to make the school's environment conducive and friendly, so that the kids come to school with enthusiasm. 14 Esops volunteers cleaned the classes from the ceiling to the floor and painted the entire school, wall to wall.

FARM DIVISION

Mobilising Mobility

The Esops team initially conducted a survey in various government schools, to determine how many girls had to commute long distances to attend school. To make the commute easier for the girls, the team decided to contribute 50 bicycles to the government school situated in Kanakpur.

Fuelling Auto Passion among Children

Swaraj Division organised the Regional Jet Toy Olympics 2012, courtesy SAEINDIA's - A World in Motion programme, for Class VI students of 17 Schools at Millennium School, Mohali.This initiative was undertaken to embed auto passion among the future technocrats of the country. The competition witnessed 34 teams from 17 schools of Chandigarh, Mohali and Panchkula.

LEISURE & HOSPITALITY

Anti-drugs Awareness Session

7 MHRIL Esops volunteers were instrumental in arranging an anti-drugs awareness session for over 600 school children at St. Joseph's High School, Ooty along with 'Shanthasheela' - an organisation working towards anti-drug awareness. The session was presided by an Alcohol Anonymous Group and local police officers.

Today's Children. Tomorrow's Change Makers

MHRIL Esops team, Masinagudi helped institute a Bal Panchayat comprising 80 students of Masinagudi Govt. High School. The objective was to embed in children, leadership qualities, social stewardship and governance capabilities.

Livelihoods for Rural Women

Esops has been associated with Kudumbhashree Women's Co-operative's papad making unit for the last one year. Buoyed by the success, MHRIL Munnar inaugurated a pickle making unit, which will provide livelihood to 25 women from weaker sections of society. Club Mahindra has committed to buy the pickle. Future plans include initiating a tailoring unit and a paper bag making unit.

SYSTECH

Street Plays for Social Change

23 Esops volunteers of MSSSPL, Khopoli staged a street play dedicated to 'AIDS / HIV awareness' for 300 villagers of Wasrang village, in association with Maharashtra

Samajik Vikas Trust, Maharashtra Kala Sanskruti Manch and Maharashtra AIDS Control Society.

Being Responsible Neighbours

MPD, Bhosari designed a unique safety programme 'Suraksha Sahayogunder' for neighbouring small scale industries. The objective was to train at least one safety leader per unit, who would then cascade the enhanced safety standards across the unit. Topics covered under the programme ranged from safety basics to creation of a cost-effective and unit-specific safety improvement programme.

Green School Programme

MSSSPL, Khopoli initiated 'Green School Programme' - an audit to calculate the green quotient of JCMM School, Khopoli. Audit parameters included air quality check, usage of water, land and energy as well as generation of waste.

AFTERMARKET SECTOR

Spreading Compassion

9 Esops volunteers of Mahindra First Choice Wheels Limited interacted with 41 senior citizens at 'Jeevan Asha', an old age home at Andheri, Mumbai. They also donated woollen blankets, clothes and fruits.

REAL ESTATE SECTOR

Caring for the Differently Abled

Five volunteers from MWC, Chennai visited a home for the differently abled in Chengalpet, Chennai and provided bed sheets and other utilities, as requested by the caretaker of the home.

Creating a Brighter Future

The children of construction workers of Project Bloomdale in Nagpur got a reason to cheer, as six Esops volunteers of MLDL built an informal school for them named Gyan Deep School.

MAHINDRA PARTNERS

Retention via Recognition

Just like at work, at Esops too, we create an environment where volunteers are motivated and positive efforts are recognised. This helps us attract community champions who are passionate as well as compassionate. It instils in the Esops teams, the spirit to carry on the good work with zest and enthusiasm.

Medical Centre for Rural Women

MSolar funded the construction of a medical centre for girls in Rawra village. They also provided the initial grant for constructing the residence of Auxiliary Nurse Midwife (ANM).

We have institutionalised two awards which felicitate achievers across various categories.
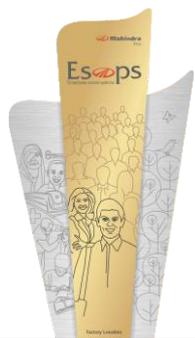
Esops Awards

Initiated in 2008, the Esops Awards are celebrated every year to laud Esops activities which demonstrated maximum positive impact.

The most promising projects are chosen in two categories - Factory and Non-factory locations.

43 applications were received this year by the CSR department. The internal screening committee evaluated each one of them on certain pre-set criteria such as impact on beneficiaries, Esops volunteer participation and rationale for the activity. They shortlisted nine applications for the final round.

This year, the jury declared two winners in the Factory locations category itself. Joint winners of Esops Awards 2012-13, Factory location category:

AD Nashik for Prayas HIV / AIDS awareness and rehabilitation	MVML Chakan for Bandhan Healthcare for women and children

Esops Star Performer Awards 2012-2013

Esops 'Star Performer Awards' were initiated in April 2010, to identify best performing locations in the social sphere. Recognised in factory and non-factory location categories, these awards are based on parameters like number of Esops volunteers, number of man-hours and number of activities organised by locations.

This year's Esops 'Star Performers' were:

Factory Location | 1-50 Employees **Mahindra Steel Service Centre Ltd., Bhopal**	Non-factory Location | 1-50 Employees **Mahindra World City, Jaipur**	Factory Location | 51-500 Employees **Automotive and Farm Equipment Sector - Farm Division, Jaipur**
Non-factory Location | 51-500 Employees **Mahindra Lifespace Developers Ltd.**	Factory Location | 500+ Employees **Mahindra Forging, Chakan**	Non-factory Location | 500+ Employees **Mahindra & Mahindra, Mahindra Towers, Worli, Mumbai**

PRAYAS: A +VE EFFORT

In India, there are close to 2.8 million adults living with HIV / AIDS and as many as 5 million AIDS orphans. These are just on-the-record numbers, as many argue that the real number is close to 12-14 million.

Unfortunately, this disease often falls prey to ignorance rather than sensitisation.

The society often treats such patients with stigma rather than empathy. Realising the gravity of the situation, Nashik plant of Auto Division conceptualised 'Prayas' a comprehensive programme to combat HIV / AIDS.

Nashik was identified as an impact area because HIV prevalence in the district is estimated to be 1% of the population.

Moreover, Nashik promised a sure shot supply of volunteers to take charge of this ambitious project, as we have a massive manufacturing unit and a large network of vendors and suppliers at Nashik.

To enable the HIV+ positive people to rise and live a dignified life, Mahindra AD approached the programme through two key planks:

| **1** Prevention | **2** Rehabilitation |

1

The Prevention Drive

Our first step to ensure HIV / AIDS prevention was mass awareness through various platforms like:

AIDS Education

Maximum prevalence of HIV+ in Nashik District was found in young population below 24 years. Hence, we targeted schools and colleges first, to infuse credible knowledge about AIDS.

Red Ribbon Clubs

We also established Red Ribbon Clubs in 14 schools / colleges across Nashik. The clubs were driven by teachers and students, specially trained by NGOs and district health authorities on creating AIDS awareness.

Bridge Population

Bridge population refers to the population of truckers and migrants who owing to their transitory nature of work, often fall prey to unprotected relationships and hence face the risk of HIV transmission.

Condom Vending Machine Installations

Mahindra & Mahindra is the first factory in Nashik to put up condom vending machines & also distribute free condoms through discreetly kept take away boxes.

Factories & Municipal Wards

AIDS awareness has been cascaded across all 108 municipal wards through various means including rallies, street plays and wall paintings.
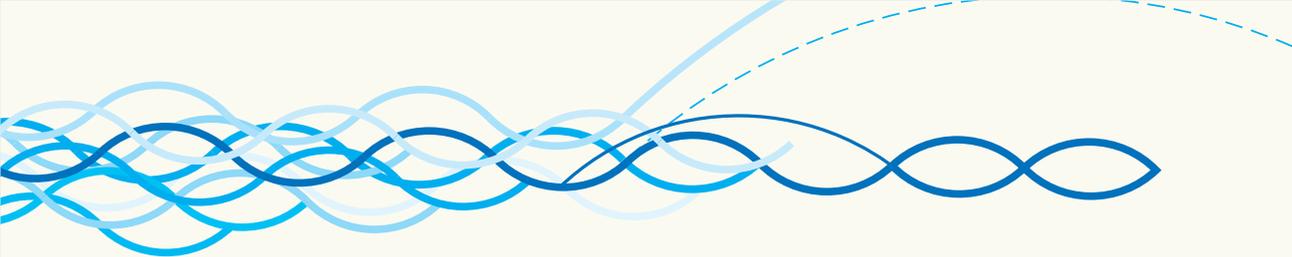
2 The Rehabilitation Drive

After persistently pursuing the awareness campaign for 28 months, the team leapt forward to ensure a dignified life for them. The aim was to mainstream the affected people into the society and empower them with good health and financial freedom. We focused on rehabilitation via three key enablers: counselling services, vocational training and nutritional support.

Nutritional Packages

A growing body of evidence demonstrates how children living with HIV / AIDS (CLHAs) are especially vulnerable to infections and diseases. To ensure better immunity and vitality for 100 such children, nutritional packages are being provided. Furthermore, we also visit the abode of these children to monitor the adequacy of nutritious food available to them.

Vocational Training

Vocational training on candle making, warli painting, craft, lanterns and bag making was provided by experts to the people affected by HIV to help them become self sustainable. Team Prayas also ensured suitable markets for the products made by HIV+ persons.

Employing PLHAs

Taking the initiative further, the M&M volunteers and NGOs with the help of our numerous suppliers & vendors made a pitch for employment of trained / semi-skilled People Living with HIV / AIDS (PLHA) in local industries of Nashik.

Counselling Centre

Opened at Mahindra premises in 2007, today we have MSW qualified counsellors and modern audio-visual aids to support. A total of 220 HIV+ people have already registered with the counselling centre so far.

Each of the PLHAs working at the rehabilitation centre has a suitable earning of INR 2,500 per month.

POSITIVE IMPACTS

- **Increased employment opportunities for the PLHA making them self sufficient.**
- **Increasing life span of PLHA & CLHA by providing moral and social support.**
- **Improvement in the health of CLHA / PLHA.**
- **PLHAs have found life partners in each other.**

BANDHAN - AN EVERLASTING BOND

MOTHER & CHILD DEVELOPMENT PROGRAMME AT PUNE

Bandhan
V care & grow together

Bandhan - is one of the oldest and most cherished ESOPS initiatives at MVML which believes in caring for the community and growing together.

A healthy mother is a child's first line of defence - be it fighting child mortality or eliminating malnourishment. Mothers have the power to nurture the next generation and hence empowering women with healthy lives and livelihoods becomes imminent.

'Bandhan' a project initiated in 2007 by MVML focuses on holistic development of mothers as well as children in Nighoje in Khed Taluka, Pune, Maharashtra. Considerable work has been done by MVML employees in two key domains:

| **1** Healthcare | **2** Education |
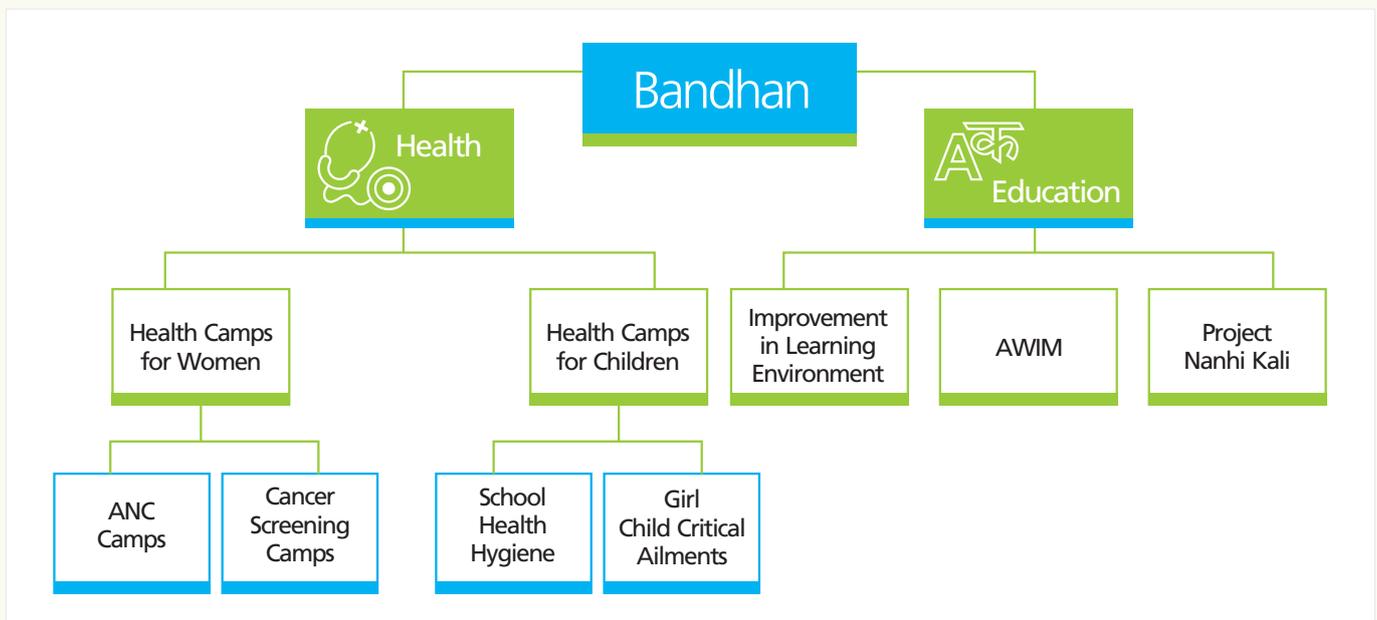
Owing to the need of the hour, Project Bandhan has organised several healthcare initiatives, hand in hand with several prestigious healthcare centres. Some of such key initiatives include:

Ante-natal Camps (ANC)

are organised each month for expectant mothers to provide free medical checkups and continuous assistance from 1st to 9th month of pregnancy. Expert consultation on proper hygiene and nutrition is also given to expecting mothers.

Cancer Detection Camps

offer free investigative tests like Pap-smear test, physical examination and pathological tests to married women

above 30 years of age. General awareness and information about cancer is also shared with women.

Health Camps

for children are conducted once in a year by paediatricians to encourage proper oral and personal hygiene.

Free Plastic Surgeries

are being rendered to girl children suffering from cleft palate and cleft lip.

Over and above facilitating holistic healthcare for women and children, Project Bandhan has also extended support to education by developing school infrastructure and providing employment opportunities to the village youth.

Today, Bandhan has become an integral part of the lives of both the beneficiaries and the volunteers. Started with one village in 2007, it has reached over 10 villages in Khed taluka. The scope of health cover has also increased from ANC to Cancer detection camps, critical ailments for girl child and health and hygiene camps for children.

Going forward, the objective is to expand the project in two ways - increase sphere of influence and enhance scope of activities, to provide help for all health related concerns, related to mother and child, further evolving to help empower women in these villages.

Mahindra Finance has always aimed to be socially responsible and work towards the welfare of the community. One such programme is the Village Electrification Project.

In 2012, under this programme **a total of 168 solar street lights** were set up in the villages of Jalna, Aurangabad, Nanded and Naigaon in Maharashtra.

A detailed study was conducted after which these villages were zeroed in on. A site survey was conducted to locate where exactly these street lights should be setup and identify the unlit areas, so that maximum benefit could be brought to the villagers. In Vizapur Taluka for e.g., streetlights were setup near the village temple, public toilets, at the cremation ground and the village chaupal, areas that were frequented by the residents and were high density meeting spots.

A local team including the panchayat was also consulted, to be able to correctly locate the right areas for setting up the lights. For the same, an amount of **INR 4,710,000** was given to the Mahindra Foundation to carry out the project.

Solar Street Lamp at Hatnur Kannad, Aurangabad

The objective of the VEP is primarily to help the less fortunate in the remote parts of rural India where there is no electricity reach. Being a rural financing company, Mahindra Finance has reach in the interiors of India. This helps the team perform an authentic need assessment before undertaking VEP. An organisation cannot prosper unless it looks after the welfare of all the stakeholders that it interacts with. The Village Electrification Project brought double benefits of providing light to the unlit villages along with using a form of renewable energy, that does not harm the environment. Identifying the genuine needs of the people and taking cognizance of the fact that these villages were remote and Government initiatives lacked in providing electricity, the same were identified. The objective of this project was perfectly aligned with our mission of transforming rural lives and driving positive change in these communities.

Continuing with the Village Electrification Project, Mahindra Finance has also identified some villages in Tamil Nadu for setting up solar street lights, this year. A minimum of six street lights will be installed in each village, so that we are able to make a substantial impact, instead of just increasing the count of villages without actually being able to make a difference.

EDUCATION SUPPORT

Education is a versatile virtue - a source of self-sufficiency, a cradle for awareness and a gateway to innovation. It helps nurture not only an individual but a nation.

At Mahindra, education has remained a core focus area for long. We continue to cascade this powerful tool through three strategic interventions: girl child education | vocational and livelihood training | scholarships for students at the base of pyramid.

Project Nanhi Kali

'Girl child education' is our investment into the future.
A future which is more empowered and less discriminatory, more productive and less economically-deprived, more progressive and less conservative. Testimony to this premise, are several detailed studies that validate the fact that a country's economic development and social well-being are heavily dependent on the education of its female population.

Project Nanhi Kali, a brainchild of the K.C. Mahindra Education Trust, supports the primary education of girl children hailing from backward and underprivileged families in India. The project provides academic, material and social support that allows a girl child to access quality education and helps her attend school with dignity. These motivations significantly reduce dropout rates.

Individuals and corporate are encouraged to adopt Nanhi Kalis and fund their education expenditure.

The cost of the Nanhi Kali sponsorship is INR 2,400 for a girl studying in class 1-5 and INR 3,600 for a girl studying in class 6-10.

SUPPORTING KCMET IN ITS ENDEAVOUR IS THE MAHINDRA GROUP WHO IS THE LARGEST DONOR OF PROJECT NANHI KALI.

KCMET's Girl Child Education Story - Statistically Speaking

From 1,000 to 78,338 in 13 years

1996
Project Nanhi Kali was incepted by the K. C. Mahindra Education Trust (KCMET) with an objective to support the primary education of underprivileged girl children in India

2000
Supported over 1000 Nanhi Kali and collaborated with 15 partner NGOs

2004
Supported over 3500 Nanhi Kali

2005
KCMET entered into a partnership with Naandi Foundation to jointly manage Project Nanhi Kali and extended support to girls till 10th standard.

2006
Reach rose by 300% to over 14,000 Nanhi Kalis in just one year

Donations for Project Nanhi Kali crossed INR 1 Crore.

2007
Supported over 31,000 Nanhi Kalis; more than double as compared to 2006

2010
Crossed the 50,000 mark and reached out to over 54,000 Nanhi Kalis

Donations crossed INR 10 Crore.

2012
Supported 74,383 Nanhi Kalis.

Individual donor support crossed the 6000 donors mark.

Corporate donor support touched the 300 mark.

2013
Supported the education of 78,338 underprivileged girls of which 29,702 girls were supported by the Mahindra Group.

Reached out to
30 districts in 9 states
(Maharashtra, AP, Chhattisgarh, Karnataka, Delhi, Rajasthan, Tamil Nadu, Madhya Pradesh & Haryana).

60% Nanhi Kalis
are at the primary level &
40% at the secondary level
of schooling

61% Nanhi Kalis
are from tribal and remote rural communities and
39% are from urban slums.

Donations raised for Nanhi Kali -
INR 226.5 million

Total number of Nanhi Kali donors
7,414

82% of the supporters are corporate donors

13% supporters are individuals

5% support Nanhi Kali as part of the employee payroll giving scheme

Ripple Effects of Project Nanhi Kali

A substantial increase has been witnessed in enrolment and attendance of the children at schools due to the project

Dropout rates have reduced to less than 10% within the project in comparison to national figures of 30% at primary and 70% at secondary levels.

Assessments have reported a 10% increase in learning outcomes in the project areas within a period of a year.

Online Donation Made Easy

This year the new, redesigned Nanhi Kali website went live on 24th January 2013. This new site is poised to provide donors, a far better experience while navigating the site and making a donation. The website seamlessly connects the donor facing web portal with SAP at the backend for Nanhi Kali's business functions.

Mahindra Pride School

In October 2012, we set up our fifth Mahindra Pride School (MPS) in Srinagar, with the specific objective of helping the youth of Jammu and Kashmir channelise their energies productively. With successful commencement of the first batch, MPS is well poised to nurture an increasing number of Srinagar youth to achieve respectable jobs in the organised sector.

This is one of the significant milestones for the Mahindra Pride Schools as the feat was achieved despite the prevalent social and political turmoil in Srinagar. The overwhelming response of the local youth is a testimony to the fact, that this step was the need of the hour. It was heartening to witness that in spite of weeks of imposed curfew in the valley, the first batch of 84 students braved the local conditions to not only enrol at the school, but bravely commute every day for training.

"

The aim of Mahindra Pride Schools is to train and create a pool of one million employable youth by 2022.

Anand Mahindra
Chairman, Mahindra Group

MPS offers intensive skill training in a range of specialisations including retail sales, hospitality & house-keeping and ITES including BPO & KPO. It recognises the intrinsic capabilities of a student, imparts knowledge, nurtures talent and empowers him/her with the confidence to take up new economy jobs in the organised private sector. The objective is to mainstream socially & economically disadvantaged youth through vocational education and training.

With over 85% of them coming from the Scheduled Castes and Scheduled Tribes, till date MPS have nurtured 5,666 youth who have been placed in well reputed companies.

Some of the leading entities that regularly employ MPS graduates across the country include:

Hospitality Management

JW Marriott Group, Cafe Coffee Day, McDonalds, KFC, Pizza Hut, Hotel Le Meridian, Seasons, Innvenue Hospitality Management, Taj Deccan, Barista, Hotel President, Lavasa, Taj Deccan Odyssey

Sales/CRM

Mom & Me, Westside, Lifestyle, Spinach - The food retail chain, Landmark (TATA Group), TCS (BPO), TATA Business Services, ITC Wills, Angel Broking, Bajaj Allianz, Belltron, SBI Bank, Hyundai Dealers

MAHINDRA PRIDE SCHOOLS ARE ALSO LOCATED AT PUNE, CHENNAI, PATNA AND CHANDIGARH WITH 600 STUDENTS GRADUATING ANNUALLY FROM EACH CITY, EXCEPT CHENNAI WHERE THE NUMBER IS 800.

SALARIES DRAWN BY MPS STUDENTS RANGE FROM INR 5,000 TO 25,000 PER MONTH.

The average monthly salary is slightly over INR 10,000 and the highest starting salary offered till date at MPS is INR 25,000 per month by Cognizant.

"

The Mahindra Group recognises that there is a larger need to appropriately skill massive numbers of unemployed Indian youth for the burgeoning service sector, where there is a huge demand for a skilled job-ready workforce at the entry level.

Rajeev Dubey
President - Group HR & Aftermarket Sector, Mahindra & Mahindra

In 2012-13, 2,605 students received training across the five schools. Below is a brief profile of students who have graduated from these schools:

Details	Pune	Chennai	Patna	Chandigarh	Srinagar	Total	%
No. of students graduated in FY 13	608	800	550	563	84	2,605	
Student composition (Genderwise)							
Girls	184	397	62	149	5	797	31
Boys	424	403	488	414	79	1,808	69
Caste							
SC	185	238	93	300	1	817	31
ST	21	17	06	05	0	49	2
OBC	148	122	240	132	2	644	25
BC	8	227	115	25	0	375	14
DNT/VJNT	140	0	0	0	0	140	5
MBC	0	176	0	0	0	176	7
Others	106	20	96	101	79	402	15
RBA	0	0	0	0	2	2	0.1
Education Background							
10th Fail	7	31	6	11	0	55	2
10th Pass	67	49	66	185	11	378	15
XIIth Pass	128	46	129	296	21	620	24
Diploma Holders	20	15	0	1	0	36	1
Undergraduates (not completed)	173	320	249	22	35	799	31
Graduates	175	327	92	47	15	656	25
Post Graduates	38	12	8	1	2	61	2
Placement Highlights FY 12-13							
Highest Salary Offered in FY 12-13 (Note: Until Batch 3 of this year, placement of 4th Batch is in process)	21,466	24,648	15,000	17,670	13,500	**MPS has achieved 100% placement in reputed organisations for every batch**	
Employer Name	Syntel	TCS	HDFC & Axis Bank	Gurukul Management Marketing	Mahindra Finance	**The average monthly starting salary per batch has been consistently increasing.**	

In 2012-13, the Mahindra Group of Companies recruited 86 MPS students:

- Mahindra & Mahindra Ltd. | **5 students**
- Tech Mahindra | **29 students**
- Mahindra & Mahindra (Dealership) | **44 students**
- Mahindra Retail (Mom & Me and Bean Stalk) | **8 students**

There has been a significant increase in the number of campus interviews and the endorsement from employers who had earlier recruited graduates from MPS.

GIVING WINGS TO THEIR DREAMS

Rising against odds and finding hope in despair, today's youth are yearning to create a better life for themselves. MPS takes pride in nurturing many such youth and empowering them to rise.

Gayatri, an MPS, Chennai alumnus triumphed against the odds of social stigma and emotional trauma of an abusive father, and earned her way to financial freedom and self-confidence. She went on to successfully complete her training at MPS that landed her a prestigious job at TCS Chennai with a salary of INR 24,000 per month.

Mala's father, a police officer, died on duty and her emotionally-disturbed mother committed suicide thereafter. Her cousins were her source of strength and motivated her to join MPS. Today, she is well on her way to independence with a steady job at Neeyamo Enterprise Solutions earning INR 18,000 a month, that empowers her to support herself and her brother's education needs.

SCHOLARSHIPS AND GRANTS

K. C. Mahindra Scholarships For Postgraduate Studies Abroad

Established in 1956, the K.C. Mahindra Scholarship for Postgraduate Studies Abroad offers an interest free loan of INR 2 lac to approximately 50 deserving students every year to pursue their post graduate studies abroad. In 2010, 'Mahindra Fellows Fund' was set up to award top three students with an interest free loan scholarship of INR 8 lac maximum.

Since inception, the Trust has provided almost 1070 scholarships to Indian students pursuing their post-graduate studies abroad. In FY 2013, 44 students were entitled to INR 2 lac and three students were entitled to INR 8 lac. The total amount disbursed - INR 112 lac.

IN FY 2013, 44 STUDENTS WERE ENTITLED TO INR 2 LAC AND 3 STUDENTS WERE ENTITLED TO INR 8 LAC. THE TOTAL AMOUNT DISBURSED - INR 112 LAC.

"

The K.C. Mahindra Education Trust selects scholarship recipients based on their financial need and academic achievements. This year, we received over 700 applications from students who obtained admission in several Ivy League universities, both in the US and the UK. The three K.C. Mahindra Fellows hail from very diverse backgrounds and displayed remarkable grit and determination to rise above their challenging situations and secure admission in prestigious universities such as Stanford, Oxford and Harvard, clearly epitomising the Mahindra philosophy of Rise.

Anand Mahindra
Trustee of K.C. Mahindra Education Trust, Chairman and Managing Director, Mahindra Group.

Mahindra All India Talent Scholarship (MAITS)

The scholarship was established in 1995 for students belonging to economically disadvantaged families and wishing to pursue a diploma course at a recognised government polytechnic in India.

This year, the Trust granted the scholarship to a total of 550 students to pursue vocational diplomas in government polytechnics. The scholarship which in the past was for INR 5,000 for a three year period has been increased to INR 10,000 for a three year period with effect from 2012-13.

TILL DATE,
6,354 STUDENTS HAVE
BEEN AWARDED
THE MAHINDRA ALL INDIA
TALENT SCHOLARSHIP
(MAITS)

S U C C E S S S T O R I E S

RISING AGAINST ODDS

Umapathi Surendra Mohan (Hyderabad)

Among the 852 students interviewed, 15 year old Umapathi Surendra Mohan is a shining example.

Umapathi had secured admission in electrical engineering and his father, who is a priest was barely able to finance the educational expense. MAITS eased the burden and today Umapathi aspires to follow the footsteps of his role model - Abdul Kalam, and dreams of designing the fastest mode of transportation and getting a job at ISRO.

AN INSPIRATION IN DISGUISE

P. Karnakar Reddy (Hyderabad)

Orphaned at a very young age, Karnakar learned to create a livelihood for himself. He used to supply milk to households, to support his basic education. But his ambitions were much bigger, he dreamt of becoming an engineer.

Today, he is a MAITS recipient and has enrolled for a Diploma in Electronics Engineering, after passing his SSC with a GPA as high as 9.0.

K.C. Mahindra UWC Scholarship

K.C. Mahindra UWC Scholarships are offered to deserving students in the age group of 16 to 18 years. These students are given an opportunity to study at the United World Colleges and experience the concepts of international education, shared learning and community service.

Mahindra Search for Talent Scholarship

The Mahindra Search for Talent Scholarship has been set up in 35 educational institutions around India, with an objective to enthuse and reward excellence in academics. KCMET has provided funds to each school to create a corpus. The schools invest the corpus amount in various government approved securities and the interest earned is used to fund the Mahindra Search for Talent Scholarships, which are given to students in the form of cash awards.

HEALTH SUPPORT

Overview

India is one nation, with two diverse realities. While the better half of India enjoys the fruits of progress and development, the other half is denied of even basic rights, like the right to good health. At Mahindra, we are committed to resolve this conflict of duality and strive to bring basic healthcare access to the lower strata of society, in the remotest of regions of the country.

Lifeline Express

At Mahindra, our definition of out-patient care is going out to wherever the patient is. A vanguard of this premise is the Lifeline Express. This unique hospital-on-rails reaches out to the remotest-of-the-remote hinterlands in India which are bereft of medical attention.

The Mahindra Group, over the years, has supported the Lifeline Express with not only financial assistance, but also by contributing its time and efforts via its employee volunteering programme - Esops.

This mobile hospital brings free medical care to people whose geographical location, financial means or disability prevents them from going to a formal hospital. It is a full-fledged hospital with fully air-conditioned and well-equipped coaches that include two operation theatres, a recovery room, a diagnostic centre and other advanced medical & surgical facilities.

Slowly but steadily the Lifeline Express, over the years, has gathered momentum with an increase in the number of patients treated on YOY basis, which is evident from the table below:

THIS YEAR, THE LIFELINE EXPRESS TOOK ITS HEALTHCARE SOJOURN TO PURI IN ODISHA AND NAKSALBARI IN WEST BENGAL, BENEFITING ALMOST 6,817 PEOPLE.

Year	Location	No. of Patients Operated	No. of Hearing Aids Distributed
2007	Rudrapur, Uttarakhand	647	106
2008	Rangia, Assam	594	242
2009	Wardha, Maharashtra	1,153	281
2010	Farrukhabad, Uttar Pradesh	1,578	245
2011	Rajgir, Bihar	2,240	214
	Haridwar, Uttarakhand	2,189	254
2012	Puri, Odisha	848	164
	Naksalbari, West Bengal	771	175

LIFELINE EXPRESS IS A FULL-FLEDGED HOSPITAL WITH FULLY AIR-CONDITIONED AND WELL-EQUIPPED COACHES THAT INCLUDE TWO OPERATION THEATRES, A RECOVERY ROOM, A DIAGNOSTIC CENTRE AND OTHER ADVANCED MEDICAL & SURGICAL FACILITIES.

A Saving Grace
Lifeline Express at Puri, Odisha

The Lifeline Express Project in Puri was sponsored by Mahindra & Mahindra Financial Services Limited (MMFSL). This 20-day long project was managed by Mahindra Finance in association with the Impact India Foundation and the district administration wherein Polio, epilepsy, hearing difficulties and cleft lip were treated. Eye and dental camps were organised.

2,550 PEOPLE RECEIVED SURGICAL INTERVENTION, TREATMENT, AIDS AND APPLIANCES OUT OF WHICH 575 PEOPLE RECEIVED FREE CONSULTATION FROM THE SURGEONS.

Lifeline Scorecard | Puri, Odisha

Disability	No. of Patients who visited OPD	No. of Patients receiving Consultation	Patients who received other Services	Patients who were Operated
Polio	20	14	NA	16
Cleft Lip	20	16	NA	4
Ear	469	243	164 *	62
Eye	721	302	NA	419
Dental	1,172	NA	815 **	357
Epilepsy	148	NA	148 ***	NA
Total	**2,550**	**575**	**1,127**	**848**

Note:

* Patients who received hearing aids

** Patients who received medicines and no surgery

*** Patients who received counselling and medicines

> The Lifeline Express is better equipped than the best of hospitals. The dream that poor will get free and best medical care is being fulfilled. This is a model hospital-on-wheels, the first of its kind in the world. I congratulate all the organisers and wish this great project reaches every nook and corner of India.

Murlidhar C. Bhandare
Former Governor of Odisha

> I have heard so much about the Lifeline Express and am so glad to observe it today. This is the best form of community service.

Dr. Pawan Goenka
President - AFS, M&M Ltd.

A Breath of Life
Lifeline Express at Naksalbari, West Bengal

The Lifeline Express project in Naksalbari, West Bengal was the 8th Lifeline Express project sponsored by the Mahindra Group. It was inaugurated on 9th February, 2013 and was sponsored by the Auto Division of Mahindra & Mahindra Limited. The Lifeline Express in Naksalbari treated patients with hearing related disorders, dental issues, eye related operable disabilities and epilepsy.

Lifeline Scorecard | Naksalbari, West Bengal

Disability	No. of Patients who visited OPD	No. of Patients receiving Consultation	Patients who received other Services	Patients who were Operated
Ear	585	374	175 *	36
Eye	1,923	1,649	NA	274
Dental	1,649	NA	1,188 **	461
Epilepsy	110	NA	110 ***	NA
Total	**4,267**	**2,023**	**1,473**	**771**

Note:

* Patients who received hearing aids

** Patients who received medicines and no surgery

*** Patients who received counselling and medicines

"

The Mahindra Group does business and makes profits, but is an integral part of this country and wants to contribute towards its development. Bringing the 'Train of Hope' to Naksalbari underscores our commitment to enable people and communities to 'Rise', everywhere.

Mr. Rajeev Dubey
Chairman - CSR Council and President
(Group HR, Aftermarket and Corporate Services) and
Member of the Group Executive Board, Mahindra & Mahindra Ltd.

"

Patients have to go to doctors for treatment; here the Mahindra Group has brought doctors to patients, for this I am grateful to them.

Shri. Sankar Malakar
Honourable MLA,
Matigara Naksalbari, West Bengal

SPORT AND CULTURE

Mahindra Racing

In 2011, the Mahindra Group put India on the world motorcycle racing circuit by entering the Mahindra Racing team into the FIM MotoGP World Motorcycle Racing Championship. In 2012, the team also entered the Italian National Motorcycle Racing Championship (CIV) with an entirely new set up.

With 18 races spread across 14 countries, MotoGP presents an exciting opportunity to define the Mahindra brand globally. Our participation in MotoGP affords us a steep learning curve. It also helps showcase our engineering and technology expertise on a platform where we compete with the best in the world.

WITH 18 RACES SPREAD ACROSS 14 COUNTRIES, MOTOGP PRESENTS AN EXCITING OPPORTUNITY TO DEFINE THE MAHINDRA BRAND GLOBALLY.

H I G H L I G H T S

Racing by Example

In the CIV, 2012 season, the team competed in the 125GP class, where they created history by becoming the first Indian team to win the Constructors Title in a European motorcycle racing championship. This was not only a historic achievement for Mahindra Racing, but also for the Indian motorsport. The series saw the team record six victories from eight races, which included three double podium finishes.

A Grand Fanfare

Mahindra Racing has a strong Facebook fan base of 663,000 fans making it the biggest online motorsports community in India. The fans engage with the brand through novel experiences like live rider chats, exclusive race pictures & videos, exciting contests and much more.

The Awards Circuit

- ZigWheels Motorsport Award of the Year, 2012

- NDTV Car and Bike Awards - Mobile 1 Motorsport Award of the Year, 2012

- PRCI Corporate Collateral Gold Award in the Online Newsletter - Motor Cycle Racing Championship category

- AutoTrack Motorsport Award 2012 - For promoting young riders

Mahindra Racing will begin the 2013 Moto3 World Championship season in Qatar on 7th April with a new bike, new team and an exciting new rider line-up.

Experienced Spanish rider Efrén Vázquez (26, from Bilbao) joins Portuguese teenager Miguel Oliveira (18, from Pragal near Lisbon) for the Mahindra Racing campaign.

Last year, Mahindra Racing announced a new technical partnership with established Swiss firm Suter Racing Technology AG for the co-development of a new Moto3 bike (250cc, 4-stroke) for 2013. Mahindra has also moved its MotoGP team operations from Italy to Switzerland.

In March 2013, the team completed the official IRTA tests (winter tests) in promising style with Miguel achieving top 10 finishes throughout the three tests, with the best result being 5th at Valencia.

For the Italian National Motorcycle Racing Championship (CIV), Mahindra Racing has announced the signing of 16-year-old Andrea Locatelli and 17-year-old Michael Rinaldi as the team's new riders for the 2013 season, scheduled to begin in Mugello on April 6 this year. The riders will represent Mahindra Racing in the Moto3 (250cc, 4stroke) class of this prestigious championship.

Mahindra Excellence in Theatre

Celebrating excellence in theatre and stage craft, the Mahindra Group proudly presented the eighth edition of the Mahindra Excellence in Theatre Awards (META) held on 8th March 2013, at Delhi. Recognising and rewarding all aspects of theatre production and stage craft, META is one of Indian theatre industry's premier awards. META provides a concrete platform to celebrate and promote theatre's varied elements like playwriting, set design, costume and light design, direction and performance. Instituted by the Mahindra Group, in continuation of their commitment to promote the arts, META 2013 aims at bringing together the best of Indian theatre from the year gone by.

After enthralling theatre audiences during the six-day Mahindra Excellence in Theatre Festival showcasing 10 of the nation's best theatre productions, the spotlight turned to the winners across META's 13 categories.

'Gasha' made waves after it was awarded the Best Play along with Best Ensemble and Best Original Script, while Satyabrata Rout was adjudged the Best Director for 'Matte Ekalavya' whose lead, Dingri Naresh won the award for Best Actor. Valeria Olgoin from Sadhna Centre for Creative Practice won the Best Actor (Female) for a stunning performance in 'After the Silence'. Other plays to win awards included

'Mirugavidushagam', 'So Many Socks' and 'The Old Man and the Sea'. Renowned theatre personality, Ebrahim Alkazi was honoured with the META Lifetime Achievement Award for his illustrious contributions to the field.

Mahindra Blues

If there is one thing that binds the whole world together, it is rhythm. Mahindra Blues Festival is one such endeavour to bring legends from across the globe and enable Indian audiences to experience them up-close and live.

Known as Asia's largest and finest of Blues phenomenon, this year's festival featured a stellar artist line-up, showcasing legends like Walter Trout, Michael Messer, Robert Randolph and Dana Fuchs, along with home-grown talent like Soulmate and Big Bang Blues.

A WATERSHED MOMENT

ACCESS

alternative ACCESS

Once upon a time, water was believed to be infinite. But not any more. Soaring population, expanding urbanisation, accelerated industrial production and a vast and thirsty farm belt, have put new strains on public water network.

While the access to water might not be infinite, opportunities to conserve the same are surely infinite. Mahindra has spearheaded an integrated watershed project to incorporate the 3Rs of water conservation - reduce, replenish and recharge. The aim is to meet water needs of 20,000 Indians, such that they can live healthily and happily, now and ever after.

Water scarcity already affects more than 40% people on the planet. In 2030, 47% of the world population will be living in areas of high water stress; lest we change the equation.

Our Integrated Watershed Management Project (IWMP) works on a two-pronged approach. While on one hand, it seeks to enhance the water conservation capabilities of some of the most remote geographies of India, it also seeks to spark a social transformation through carefully planned interventions. Phase 1 of this project, covered in the previous report, involved diligent planning and initiation, whereas phase 2 concentrated on the actual implementation.

The project aims to make a holistic achievement while addressing following key issues:

1 Improving water availability by constructing watershed structures

2 Restoring ecological balance by conserving and developing natural resources i.e. soil, water and vegetation

3 Mobilising community through formation of community-based organisations

4 Increasing area under cultivation and its crop production intensity

5 Creating livelihood and self-sustenance

6 Bringing about holistic development through interventions in health, sanitation and education

7 Increasing per capita income by at least two folds

Phase 2 of IWMP, spanning over 3 years, covers 9,660 hectares of area, where the water table is 45 feet deep and will directly impact 20,000 Indians across 32 villages in the Damoh district of Madhya Pradesh

Intervention

The process began with the formation of a 19-member team in our project location. The team's primary objective was to create awareness about the programme, enrol participation from the community and ensure successful execution of the programme. The team then conducted key baseline activities like household surveys and net planning of the entire project area. These helped form the raw data and 5-year development targets for the action areas.

Community empowerment was facilitated through the following de-centralised organisations:

Watershed Committees

Decision-making body comprising local villagers. Through our 'Participatory Rural Appraisal', they participate in the ideation of the development plans and are pivotal in implementing the planned activity.

User Groups

Groups comprising local villagers who are responsible for taking care of the structures built. They also maintain bank accounts for user charges. It will ensure sustainability of the structures.

Community Development Officers

Our Community Development Officers go to the villages and help in formation of Self Help Groups (SHGs). They are trained in livelihood enhancing activities like sewing, goat-rearing, etc., and are provided with revolving funds to start these activities as a micro-enterprise. More than 200 SHGs have been formed so far and 40 have been granted revolving funds. Others are in the processes of development. These enterprises are helping the women's groups earn up to INR 3,000 per month.

The Project Team

The project team conducts regular meetings involving community in the development work for planning and execution. Visits of Government officials and agri-scientists to the area help in creating awareness within the project area about various government schemes.

Seed Production Societies

Groups of farmers are formed, who will make available breeder seeds and high yielding gen-1 and gen-2 seeds. These seeds will be distributed to the other farmers in the project area and adjoining fields.

Apart from these multi-level interventions, we conduct visits for farmers to nearby districts for exposure to irrigation avenues and also visits to agricultural universities, and invite people from village communities to share their experiences of gainful agriculture ventures by optimisation of resources.

Impact

We completed 32 high impact Entry Point Activities like reconstructing school's boundary walls, cement concrete roads and crematoriums which have helped the community participate in the development work. A total of 52 hectare of land has been brought under vegetation and horticulture development.

The core work in Watershed Development is construction of Soil and Water conservation structures. So far we have constructed eight check dams, 17 ponds and tanks, 1,100 soil conservation structures like stone outlets and gully plugs, trenches which run up to 80,000 meters and water storage spaces of capacity 450 million litres.

Also, more than 1,200 farmers received an improved variety of seeds in the Rabi (Wheat) and Kharif cycle (Paddy, Pigeon pea, Black gram and soya bean) in 2012. Most farmers have registered productivity acceleration by 25-30%.

Long Term Goals

Our project will help create a forest cover on 1,000 hectare of land. This will also be instrumental in conserving natural resources and maintaining environmental balance.

With our water conservation structures, we aim to create 42 million m^3 of water-storing capacity in the area. This will increase water table level in the area.

The soil and water conservation measures will reduce the erosion of the fertile top layer of the soil improving soil health, helping maintaining humidity, recharge water in the ground and increase in yield.

Encouraging and accelerating the adoption of micro-irrigation systems like Drip and Sprinkler will help farmers use irrigation water more prudently.

ANNEXURES

MEMBERSHIPS

All India Management Association, New Delhi

The Associated Chambers of Commerce and Industry of India (ASSOCHAM)

Bombay Chamber of Commerce & Industries

Bombay First

BMTPC - Building Materials and Technology Promotion Council

Bureau of Energy Efficiency (BEE) - New Delhi

Childlink India Foundation

CII Apex Council of Affirmative Action

CII Western Regional Council

CII National Committee of Indian MNCs

CCI - Clinton Climate Initiatives

Central Pollution Control Board

Confederation of Indian Industries (CII)

Confederation of Indian Industries - (CII) Hyderabad

Confederation of Indian Industries - Mumbai

CREDA (Chennai)

DST - Department of Science and Technology

Federation of Indian Chambers of Commerce and Industry (FICCI)

Harvard Business School(I) Research Centre

Indian Council on Global Relations

Indian Green Building Council

Indo American Chamber of Commerce

Indo French Chamber of Commerce and Industries

Indo German Chamber of Commerce

IIT Bombay

Lal Bahadur Shastri Institute of Management

Leadership in Energy and Environmental Design (LEED)

Maharashtra Chamber of Housing Industry (Mumbai & Pune)

Mumbai Waste Management Association (MWML), Taloja

Mumbai Cricket Association

National HRD Network

National Safety Council

Population First

SIAM - New Delhi

SOIL (School of Inspired Leadership) Consortium

The Council of EU Chambers of Commerce

The Indian Hotels

TCB Conference Board

United Nations Global Compact and

Global Compact Network India

Walchand Talent First Limited

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures

	Strategy and Analysis					
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
1.1	Statement from the most senior decision-maker of the organization.	Fully	1-2			
1.2	Description of key impacts, risks, and opportunities.	Fully	27-29			
	Organizational Profile					
2.1	Name of the organization.	Fully	7-8			
2.2	Primary brands, products, and/or services.	Fully	13-17			
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	7-8			
2.4	Location of organization's headquarters.	Fully	8			
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	18			
2.6	Nature of ownership and legal form.	Fully	13			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	15,18			
2.8	Scale of the reporting organization.	Fully	13, 51, 76, 81 Mahindra & Mahindra Ltd. Annual Report 2012-13 : pg 15, 53 and 54			
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	13 (Comparing to last year, there have been few changes in the holding structure)			
2.10	Awards received in the reporting period.	Fully	22-26			
	Report Parameters					
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	7			
3.2	Date of most recent previous report (if any).	Fully	7			
3.3	Reporting cycle (annual, biennial, etc.)	Fully	7			

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures

Report Parameters						
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
3.4	Contact point for questions regarding the report or its contents.	Fully	8			
3.5	Process for defining report content.	Fully	7 We have mentioned the detailed exercise on materiality that was done in 2010-11. Significant stakeholders, material issues and their prioritization has not changed this year. Please refer to pages 3-4 of Sustainability Report 2009-10			
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	7-8			
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	8			
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	7-8			
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	87-89			
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	90			
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	7-8			

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures

Report Parameters						
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	142 onwards			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	9-11			
Governance, Commitments, and Engagement						
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	19			
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	19			
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	M&M Ltd Annual Report 2012-13 pg 58			
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	19			
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	M&M Annual Report 2012-13 pg 62-63			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	M&M Annual Report 2012-13 pg 57-59			
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	M&M Annual Report 2012-13 pg 59			
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	20-21			

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures

Governance, Commitments, and Engagement						
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	29, Mahindra Sustainability Report 2009-10 pg 27			
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	M&M Ltd. Annual Report 2012-13 pg 62			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	84			
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	27			
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	21-22			
4.14	List of stakeholder groups engaged by the organization.	Fully	30-34			
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	30-34			
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	30-34, We have mentioned about the detailed stakeholder engagement, including method, frequency of engagement and key results that was done in 2009-10 which has not changed this year.			

STANDARD DISCLOSURES PART I: Profile Disclosures

Governance, Commitments, and Engagement						
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
			Please refer to pages 29-33 of the Sustainability Report 2009-10 http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports			
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	30-34			

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

DMAs	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
DMA PS	**Disclosure on Management Approach PS**						
Aspects	Product Portfolio	Not			Not applicable	MMFSL is financial organisation thus none of our processes perceive any direct and/or material environmental and/or social risks	
FS1	Policies with specific environmental and social components applied to business lines.	Not			Not applicable	MMFSL offerings are not known to have Environmental and/or social implications	
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Not			Not applicable	MMFSL is financial organisation thus none of our processes perceive any direct and/or material environmental and/or social risks	
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Not			Not applicable	MMFSL does not provide any commercial/corporate banking or insurance services.	

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

DMAs	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Not			Not applicable	Since the associated Environmental and social policies and processes do not exist, processes for improving staff competency	
FS5	Interactions with clients/investees/ business partners regarding environmental and social risks and opportunities.	Not			Not applicable	Currently we do not interact with clients/ investees/business partners regarding social and environmental risks and opportunities, as our client base consists only of individual clients, who do not pose any environmental/social risks to our business.	
	Audits	Not			Not available	Currently, FSS does not have an environmental or a social policy	2015
	Active Ownership	Not			Not available	Currently FSS, does not carry out the activities/monitor the data required for the FS10, FS11 and FS12 indicators	2015
DMA EC	**Disclosure on Management Approach EC**						
Aspects	Economic Performance$_{COMM}$	Fully	75-76				
	Market presence	Fully	75-76				
	Indirect economic impacts	Fully	75-76				
DMA EN	**Disclosure on Management Approach EN**						
Aspects	Materials	Fully	84-85				
	Energy	Fully	84-85				
	Water	Fully	84-85				
	Biodiversity	Fully	84-85				
	Emissions, effluents and waste	Fully	84-85				
	Products and services	Fully	84-85				
	Compliance	Fully	84-85				
	Transport	Fully	84-85				
	Overall	Fully	84-85				

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

DMAs	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
DMA LA	**Disclosure on Management Approach LA**						
Aspects	Employment	Fully	37-39				
	Labor/management relations	Fully	37-39				
	Occupational health and safety_{COMM}	Fully	37-39				
	Training and education	Fully	37-39				
	Diversity and equal opportunity	Fully	37-39				
	Equal remuneration for women and men	Fully	37-39				
DMA HR	**Disclosure on Management Approach HR**						
Aspects	Investment and procurement practices	Fully	37-39				
	Non-discrimination	Fully	37-39				
	Freedom of association and collective bargaining	Fully	37-39				
	Child labor	Fully	37-39				
	Prevention of forced and compulsory labor	Fully	37-39				
	Security practices	Fully	37-39				
	Indigenous rights	Fully	37-39				
	Assessment	Fully	37-39				
	Remediation	Fully	37-39				
DMA SO	**Disclosure on Management Approach SO**						
Aspects	Local communities	fully	114-115				
	Corruption	Fully	114-115				
	Public policy	Fully	114-115				
	Anti-competitive behavior	Fully	114-115				
	Compliance	Fully	114-115				
DMA PR	**Disclosure on Management Approach PR**						
Aspects	Customer health and safety	Fully	60-61				
	Product and service labelling	Fully	60-61				
FS15	Policies for the fair design and sale of financial products and services.	Fully	19				
	Marketing communications	Fully	74				
	Customer privacy	Fully	74				
	Compliance	Fully	74				

STANDARD DISCLOSURES PART III: Performance Indicators

Product and Service Impact							
Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Product Portfolio							
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	Fully	72-73 More than 90% of the loans disbursed were to customers in villages having an average annual household income of less than INR 2 lacs.				
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Fully	72-73 Our business model helps customers grow by providing them loans based on their future earning capacities. Currently the monetary value of our products and services is INR 23,83,858				
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Not			Not available	FSS has not designed products and services to deliver specific environmental benefits in current reporting year	2015
Audit							
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Not			Not available	Policies and procedures do not exist in current year of report there is no audit conducted	2015
Active ownership							
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	Not			Not applicable	FSS does not have any asset management operations as well as we are not in the business of investment banking and insurance therefore environmental and social interaction with other companies in portfolio is not relevant	

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
FS11	Percentage of assets subject to positive and negative environmental or social screening.	Not			Not applicable	FSS does not have any asset management operations and therefore environmental and social interaction with other companies in portfolio is not relevant	
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	Not			Not applicable	FSS is not in the business of investment banking	
Economic							
Economic performance							
EC1$_{COMM}$	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	81, The figures provided for economic value distributed includes donations and community investment. For specific values please refer M&M Ltd. Annual report 2012-13 pg 121				
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	82				
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	M&M Annual Report 2012-13 pg 123-124				
EC4	Significant financial assistance received from government.	Fully	81				
Market presence							
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Not				The mahindra group does not report on salary related data	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	83				

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	Currently Mahindra Group companies does not have any specific procedure for local hiring of senior management. The hiring takes place purely on merit irrespective of location of the person.				
Indirect economic impacts							
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	119				
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Not					2015
Environmental							
Materials							
EN1	Materials used by weight or volume.	Fully	102-104				
EN2	Percentage of materials used that are recycled input materials.	Partially	102-104	Percentage values	Not available	Sectors/locations are recycling and reusing the material. Monitoring mechanism is under study	2015
Energy							
EN3	Direct energy consumption by primary energy source.	Fully	94-96				
EN4	Indirect energy consumption by primary source.	Fully	94-96				
EN5	Energy saved due to conservation and efficiency improvements.	Fully	96-99				
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	62-65 67-69				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	96-99				

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Water							
EN8	Total water withdrawal by source.	Fully	101				
EN9	Water sources significantly affected by withdrawal of water.	Fully	100				
EN10	Percentage and total volume of water recycled and reused.	Partially	101			Sectors/locations are recycling and reusing the water. Monitoring mechanism is under study	2015
Biodiversity							
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	93-94 The facility located near protected area of high biodiversity is the manufacturing plant at Kandivli, Mumbai. The 5.6 hectare plant is 5 Kms away from the Sanjay Gandhi National Park, one of the few National parks that lie within city limits.				
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	93-94				
EN13	Habitats protected or restored.	Fully	93-94				
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not			Not Available		2015
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not			Not Applicable	None of our plants are located near the habitats where IUCN red list species are observed.	
Emissions, effluents and waste							
EN16$_{COMM}$	Total direct and indirect greenhouse gas emissions by weight.	Fully	89				
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	91-92				

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	92-93				
EN19	Emissions of ozone-depleting substances by weight.	Fully	88				
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	88				
EN21	Total water discharge by quality and destination.	Fully	101				
EN22$_{COMM}$	Total weight of waste by type and disposal method.	Fully	105-109				
EN23	Total number and volume of significant spills.	Fully	113				
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not			Not available		2015
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not			Not available		2015
Products and services							
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	61-68				
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Partially	112-113	Percentage values of reclaimed products and packaging	Not available	Measurement of reclaimed packaging material is not currently done and will require coordination among customers, dealers, distributors and shipping entities. Mahindra aims to report on this indicator in the next one year, once we can work with necessary groups to ensure that we are capturing accurate and meaningful data.	2015

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Compliance							
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	113, There were no fines during the reporting period.				
Transport							
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Not			Not available		2015
Overall							
EN30	Total environmental protection expenditures and investments by type.	Not			Not available		2015
Social: Labor Practices and Decent Work							
Employment							
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	51-54 Permanent full time employees are broken down by employment type as Senior, Middle, Junior Management and workmen. There were no Permanent part time employees. Part time employees means Fixed Term Contract, Third Party Contract and others who are non permanent. Genderwise breakup provided.				
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	53-54				
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Not			Not available		2015

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
LA15	Return to work and retention rates after parental leave, by gender.	Not			Not available	Currently, we do not track the data for retention rates after parental leave	2015
Labor/management relations							
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	50				
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	51				
Occupational health and safety							
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not			Not available		2015
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	57				
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	58-59				
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	56-59				
Training and education							
LA10	Average hours of training per year per employee by gender, and by employee category.	Partially	55-56	Gender and Employment Category	Not available	We have provided the total number of employees and training hours for each category. However the average has not been calculated.	2015
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Not			Not available		2015

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	All employees are part of the formal Performance Management System.				
Diversity and equal opportunity							
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Partially	51-54	Breakdown of employees per employee category, according to age group, minority group membership and other indicators of diversity	Not available	At present there is no process of categorising the employees as per the demographics. It will be reported after setting the process.	2015
Equal remuneration for women and men							
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Not			Not available	The process will develop to report the ratio.	2016
Social: Human Rights							
Investment and procurement practices							
HR1COMM	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Not			Not available	Currently, we do not monitor the number of significant investment agreements/contracts which include human rights concerns or have undergone human rights screeening	2015
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	33-34 We do not carry out screening for the human rights. However, human rights clauses are incorporated in the supplier/ contractor agreements and audit checklists				

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	55-56				
Non-discrimination							
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	38				
Freedom of association and collective bargaining							
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	37-38, 50				
Child labor							
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Fully	37-38				
Prevention of forced and compulsory labor							
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Fully	37-38				
Security practices							
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	56				
Indigenous rights							
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	No incidents occurred during the reporting period.				

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STANDARD DISCLOSURES PART III: Performance Indicators

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Assessment							
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Not			Not available	Currently, we do not carry out explicit human rights reviews.	2015
Remediation							
HR11	Number of grievances related to human rights filed, addressed and resolved through formalgrievance mechanisms.	Fully	No incidents occurred during the reporting period.				
Social: Society							
Local communities							
SO1 (FSSS)	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Fully	119-122				
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	119-122				
FS13	Access points in low-populated or economically disadvantaged areas by type.	Fully	17				
FS14	Initiatives to improve access to financial services for disadvantaged people.	Fully	17				
SO9	Operations with significant potential or actual negative impacts on local communities.	Fully	There are no operations with significant impact on local communities				
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	There are no operations with significant impact on local communities				
Corruption							
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Not			Not available	Currently, we do not conduct risk analysis related to corruption	2015

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	22, Anti-corruption training is provided to all employees during induction.				
SO4	Actions taken in response to incidents of corruption.	Fully	There have been no reported incidents of corruption				
Public policy							
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	22				
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	M&M Ltd. Annual Report 2012-13 pg 121				
Anti-competitive behavior							
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	No incidents were reported for the reporting period				
Compliance							
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	21				
Social: Product Responsibility							
Customer health and safety							
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	69-72				
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	73				

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART III: Performance Indicators

Perfor-mance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Product and service labelling							
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	73				
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Fully	There have been no incidents of non-compliance.				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	65-66				
FS16	Initiatives to enhance financial literacy by type of beneficiary.	Partially	Multilingual brochures and national language website available. More awareness sessions will be conducted.	We do not monitor the type of beneficiary	Not available	There is no process of monitoring the type of beneficiary.	2017
Marketing communications							
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	74				
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not			Not available		2015
Customer privacy							
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	73				
Compliance							
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	73				

INDEX FOR UNGC PRINCIPLES

Principle	Category	Description	Page No.
Principle 1	Human rights	Businesses should support and respect the protection of internationally proclaimed human rights.	Management Approach 39, Materiality 7, Stakeholder Engagement 37
Principle 2	Human rights	Businesses should make sure that they are not complicit in human rights abuses.	Management Approach 39, Materiality 7, Procurement Practices 37
Principle 3	Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Management Approach 38, Employees covered by collective Bargaining agreements 50
Principle 4	Labour	Businesses should uphold the elimination of all forms of forced and compulsory labour;	Materiality 7, Management Approach 38
Principle 5	Labour	Businesses should uphold the effective abolition of child labour; and	Management Approach 38, HR & Administration policy 49
Principle 6	Labour	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Core values 20, Management Approach 38
Principle 7	Environment	Businesses should support a precautionary approach to environmental challenges;	Corp. Governance Policies 21, Management Approach 84, Financial Implications of Climate Change 82, Environmental Policy 84-85
Principle 8	Environment	Businesses should undertake initiatives to promote greater environmental responsibility; and	Management Approach 84, Environmental impacts 61
Principle 9	Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Materiality 7, Code of Conduct 21, Environmental Impacts 61, Management Approach 84, R&D spend 76
Principle 10	Anti corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	Core Values 20, Anti corruption policies & procedures 22

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ABCI	Association of Business Communicators of India
ACE	Awards for Customer Excellence
ACETECH	Architecture, Construction, Engineering Technology
AD	Automotive Division
AFS	Automotive Farm Sector
AGC	Avaya Global Connect
AIDS	Acquired Immunodeficiency Syndrome
AIMA-IOCL	All India Management Association - Indian Oil Corporation Limited
ABS	Antilock Braking System
ANM	Auxiliary Nurse Midwife
AT&T	American Telephone & Telegraph
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BCL	Business Continuity Leader
BCMS	Business Continuity Management Systems
BCP	Business Continuity Plan
BHAG	Big Hairy Atrocious Goal
BIA	Business Impact Analysis
BKS	Bharatiya Kamgar Sena
BMW	Bavarian Motor Works
BPO	Business Process Outsourcing
BPI	Business Psychologists International
BR	Business Responsibility
BS	British Standards
BSE	Bombay Stock Exchange
BSS	Business Support Systems
BS-III	Bharat Stage - three
BS-IV	Bharat Stage - four
BT	British Telecommunications
C2 CRDe	2-cylinder Common Rail Diesel Engine
CO$_2$	Carbon dioxide
3R	Reduce / Recycle / Reuse
CH$_4$	Methane
CAE	Computer Aided Engineering

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CCI	Clinton Climate Initiative
CDP	Carbon Disclosure Project
CED	Cathodic Electro Deposition
CEO	Chief Executive Officer
CGC	Corporate Governance Cell
CFC	Chlorofluorocarbon
CFL	Compact Fluorescent Lamp
CFO	Chief Financial Officer
CFT	Cross Functional Team
CGSF	Common Guaranteed Safety Program
CLHA	Children Living with HIV AIDS
CII	Confederation of Indian Industry
CIO	Chief Information Officer
CITU	Centre of Indian Trade Unions
CMO	Chief Marketing Officer
CMTT	Club Mahindra Tusker Trail
CMVR	Central Motor Vehicle Rules
CMAI	Communication Multimedia And Infrastructure
CNG	Compressed Natural Gas
CO	Carbon Monoxide
CRISIL	Credit Rating & Information Services of India Limited
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
CTO	Chief Technical Officer
CV	Commercial Vehicles
D&B	Dun & Bradstreet
DNA	Data Not Available
DSIR	Department of Science and Industrial Research
EBD	Electronic Brake force Distribution
ECM	Energy Conservation Measures
ECEM	Enterprise Carbon and Energy Management
EDGE	Enterprise Driving Growth & Excellence
EDC	Engine Development Centre

ACRONYMS

EFI	Employers Federation of India
ELV	End of Life Vehicle
EDMC	East Delhi Municipal Corporation
EPA	Environmental Protection Agency (USA)
EPC	Engineering, Procurement, and Construction
ESCo	Energy Services Company
ER	Employee Relation
ERP	Enterprise Resource Planning
ESI	Employment Status Indicator
ESP	Electronic Stability Program
ESIC	Employee State Insurance Corporation
Esops	Employee Social Option Scheme
ETP	Effluent Treatment Plant
EU	European Union
EURO IV	European emission standards - Four
EURO V	European emission standards - Five
EVP	Executive Vice President
EVP	Employee Value Proposition
FAPCCI	Federation of Andhra Pradesh Chambers of Commerce
FD	Farm Division
FE-EVI	Financial Express- Emergent Ventures International
FICCI	Federation of Indian Chamber of Commerce and Industry
FIDC	Finance Industry Development Council
FIFA	Federal International Football Association
FMS	Feedback Management System
FTM	First Time Managers
g/hph	Grams per horse power hours
GDP	Gross Domestic Product
GDR	Global Depositary Receipts
GHG	Greenhouse Gas
GJ	Giga Joules
GEB	Group Executive Board
GMC	Group Management Cadre

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GoB	Government of Bihar
GPS	Global Positioning System
GPMD	Global Program for Management Development
GRI	Global Reporting Initiative
GRIHA	Green Rating For Integrated Habitat Assessment
GSM	Global System for Mobile Communications
H2O	Water
HCFC	Hydrochlorofluorocarbon
HCNG	Hydrogen Compressed Natural Gas
HHD	Hand Held Device
HOC	Heat of Compression
HP	Horse Power
HPCL	Hindustan Petroleum Corporation Limited
HR	Human Resources
HRD	Human Resource Development
IBA	International Bird Area
ICAI	Institute of Chartered Accountants of India
ICRISAT	International Crops Research Institute for the Semi Arid Tropics
ICT	Information, Communication, and Technology
IDC	International Data Corporation
IGBC	Indian Green Building Council
IHECT	International Centre for Hydrogen Energy Technologies
IIT	Indian Institute of Technology
IIMM	Indian Institute of Materials Management
ILO	International Labour Organization
IMC	Indian Merchant Chamber
IMDS	International Material Data Sheet
IMS	Integrated Management System
INR	Indian Rupee
IRADe	Integrated Research & Action for Development
ISO	International Organization for Standardization
IT	Information Technology
ITDP	Integrated Talent Development Process

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ITES	Information Technology Enabled Service
JAU	Junagadh Agricultural University
JCMM	Jagdish Chandra Mahindra Memorial
JNNSM	Jawaharlal Nehru National Solar Mission
KCMET	K.C. Mahindra Educational Trust
KPO	Knowledge Process Outsourcing
KL	Kilo Litres
LBSIMT	Lal Bahadur Shastri Institute of Management and Technology
LCV	Light Commercial Vehicle
LEED	Leadership in Energy & Environmental Design
LED	Light Emitting Diode
LDO	Light Diesel Oil
L&D	Learning and Development
LPG	Liquefied Petroleum Gas
LSPV	Load Sensing Proportioning Valve
LTL	Learning to Lead
MACE	Mahindra Consulting Engineers
MAITS	Mahindra All India Talent Scholarships
MBCSPL	Mahindra Business & Consulting Services Private Limited
MCD	Municipal Corporation of Delhi
MCL	Mahindra Composites Limited
MD	Managing Director
META	Mahindra Excellence in Theatre Award
MFCSL	Mahindra First Choice Services Limited
MFCWL	Mahindra First Choice Wheels Limited
MFL	Mahindra Forgings Limited
MFUSA	Mahindra Foundation USA
MGD	Million Gallons Per Day
MGTL	Mahindra Gujarat Tractor Limited
MGTPL	Mahindra Gears & Transmissions Private Limited
MHIL	Mahindra Hinoday Industries Limited
MHRIL	Mahindra Holidays & Resorts India Limited
MIBL	Mahindra Insurance Brokers Limited

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MIDC	Maharashtra Industrial Development Corporation
MIL	Mahindra Intertrade Limited
MILES	Mahindra Integrated Logistics Execution System
MIQ	Mahindra Institute of Quality
MLDL	Mahindra Lifespace Developers Limited
MLL	Mahindra Logistics Limited
MMDC	Mahindra Management Development Center
MMFSL	Mahindra & Mahindra Financial Services Limited
MN 25	Mahindra Navistar 25000 kg
MNAL	Mahindra Navistar Automotives Limited
MNC	Multi National Company
MNEPL	Mahindra Navistar Engines Private Limited
MOU	Memorandum of Understanding
MPD	Magnetic Products Division
MPS	Mahindra Pride School
MPTS	Mahindra People Transport Solutions
MPUAT	Maharana Pratap University of Agriculture & Technology
MQS	Mahindra Quality System
MReva	Mahindra Reva Electric Vehicles Pvt. Limited
MRHFL	Mahindra Rural Housing Finance Limited
MRV	Mahindra Research Valley
MSat	Mahindra Satyam
MSB	Mahindra Spares Business
MSOLAR	Mahindra Solar One Pvt. Limited
MSSSCL	Mahindra Sanyo Special Steel Pvt. Limited
MTWL	Mahindra Two Wheelers Limited
MUSCO	Mahindra Ugine Steel Company Limited
MVML	Mahindra Vehicle Manufacturers Limited
MWC	Mahindra World City
MWCDL	Mahindra World City Developers Limited
MWCJL	Mahindra World City Jaipur Limited
NAAQS	National Ambient Air Quality Standards
NAPCC	National Action Plan on Climate Change

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NASSCOM	National Association of Software & Services Companies
NATRIP	National Automotive Testing & R&D Infrastructure Project
NBFC	Non-Banking Financial Companies
NBC	National Building Code
NDTV	New Delhi Television Limited
NGO	Non Governmental Organization
NHRDN	National Human Resource Development Network
NIS	Not in Scope
NITIE	National Institute Of Industrial Engineering
NMACS	Networking, Mobility Analytics, Cloud & Security
NOx	Oxides of Nitrogen
NOA	National Outsourcing Association
NRI	Non Residents of India
NSE	National Stock Exchange
NSDF	National Sports Development Fund
NVG-SEE	National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business
OECD	Organization for Economic Cooperation & Development
OBD	On Board Diagnostic
OCB	Overseas Corporate Bodies
ODS	Ozone Depleting Substance
OEM	Original Equipment Manufacturer
OTM	Oracle Transport Management
OSS	Operations Support Systems
PAT	Profit After Tax
PAU	Punjab Agricultural University
Pb	Lead
PFOS	Perflourooctane-sulfonates
PLHA	People Living with HIV/AIDS
POP	Plaster of Paris
PRCI	Public Relations Council of India
PWD	Persons with Disability
QCD	Quality Cost and Delivery
QCFI	Quality Circle Forum Of India

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RA	Risk Assessment
RCI	Resort Condominium International
RBI	Reserve Bank of India
RIICO	Rajasthan State Industrial Development & Investment Corporation Limited
RMC	Ready Mix Concrete
ROI	Return On Investment
ROHS	Restriction on Hazardous Substances
RRR	Rate and Reusability Rate
RSPM	Respirable Suspended Particulate Matter
R&D	Research & Development
SAP	System Application Products and Data Base
SAM	Software Analysis and Management
SCM	Supply Chain Management
SEZ	Special Economic Zone
SEBI	Securities and Exchange Board of India
SIAM	Society of Indian Automobiles Manufacturers
SIBM	Symbiosis Institute of Business Management
SLP	Senior Leaders Program
SLT	Senior Leadership Team
SOx	Oxides of Sulphur
SO$_2$	Sulphur Dioxide
NOA	SOIL
SPM	Suspended Particulate Matter
SRI	Solar Reflectance Index
STAT	Statistic
STAMP	Structural Testing Analysis & Measurement of Projects
STP	Sewage Treatment Plant
SUV	Sports Utility Vehicle
SYMC	Ssangyong Motor Company Limited
SYSTECH	Systems & Technologies Sector
TCF	Trim Chassis Final
Tech M	Tech Mahindra
TMF	Tech Mahindra Foundation

ACRONYMS

TIDCO	Tamil Nadu Industrial Development Corporation
TLG	Thought Leadership
TNAU	Tamil Nadu Agricultural University
TPM	Total Productive Maintenance
TTP	Tertiary Treatment Plant
TxMS	Transaction Management System
UAE	United Arab Emirates
UK	United Kingdom
UNEP	United Nations Environment Programme
UNGC	United Nations Global Compact
UNIDO	United Nations Industrial Development Organization
US	United States
USA	United States of America
USD	United States Dollars
UV	Utility Vehicle
UWC	United World College
VAVE	Value analysis and value engineering
VC	Vice Chairman
VECV	Volvo-Eicher Commercial Vehicles
VFD	Variable Frequency Drives
VOC	Volatile Organic Compound
WBCSD	World Business Council for Sustainable Development
WOW	Wet On Wet
WRI	World Resources Institute

GLOSSARY

Biodiesel
Biodiesel refers to a non-petroleum based diesel fuel consisting of short chain alkyl esters, made by transesterification of vegetable oil.

Biofuels
Solid, liquid or gas fuel derived from recently dead biological material.

Carbon Dioxide Equivalent (CDE) and Equivalent Carbon Dioxide (CO2e)
Two related but distinct measures for describing how much global warming a given type and amount of greenhouse gas may cause, using the functionally equivalent amount or concentration of carbon dioxide (CO2) as the reference Equivalent CO2 (CO2e) is the concentration of CO2 that would cause the same level of radiative forcing as a given type and concentration of greenhouse gas.

C2 CRDe Technology
Two cylinder, common rail diesel engine technology stands for Common Rail Direct Fuel Injection engine. It is the latest state-of-the-art technology for diesel engines and suits passenger cars as well as commercial vehicles.

Carbon Disclosure Project (CDP)
Organisation that works with shareholders and corporations to disclose the greenhouse gas emissions of major corporations. M&M Limited is a signatory for CDP.

Chlorodifluoromethane (Difluoromonochloromethane)
Hydrochlorofluorocarbon (HCFC) commonly used in air conditioning applications.

CRISIL Level 1
Rating that indicates the company's capability with regard to corporate governance and value creation for all stakeholders is the highest.

COPC-2000 ® CSP Global Standard Certification
The COPC-2000 ® CSP Standard is a Performance Management Framework designed to deliver results in Customer Service Provider (CSP) contact center environments including Call Centers, E-Commerce Centers and Transaction Processing Operations.

Dichlorodifluoromethane (R-12)
Usually sold under the brand name Freon-12, is a chlorofluorocarbon halomethane, commonly known as CFC, used as a refrigerant and aerosol spray propellant. (R-22)- is a colourless gas better known as HCFC-22, R-22. Earlier it was commonly used as a propellant and in air conditioning application. These applications are being faced out its manufacturing was banned in the US and many countries in 1994 due to concerns about damage to the ozone layer.

ECOTEL ® Certification
ECOTEL ® is a prestigious environmental certification designed by HVS' Sustainability Services specifically for the hospitality sector. This certification recognizes outstanding achievement along the triple bottomline: environmental, social and fiscal parameters.

End-to-End Supply Chain Solutions
Management of a network of interconnected businesses involved in the ultimate provision of product and service packages required by end customers .Supply chain management spans all movement and storage of raw materials, work-in-process inventory, and finished goods from point of origin to point of consumption.

EURO IV or EURO V Standards
Reduction of pollutant emissions from light vehicles. The European Union is introducing stricter limits on pollutant emissions from light road vehicles, particularly for emissions of nitrogen particulates and oxides. The Regulation also includes measures concerning access to information on vehicles and their components and the possibility of introducing tax incentives.

G3.1 Guidelines
An update and completion of the third generation of GRI's process guidance on how to define the content of a sustainability report

GRIHA Certification
GRIHA rating system consists of 34 criteria categorized under various sections such as Site Selection and Site Planning, Conservation and efficient utilization of resources, Building operation and maintenance, and Innovation points. Eight of these 34 criteria are mandatory, four are partly mandatory, while the rest are optional. Each criterion has a number of points assigned to it. It means that a project intending to meet the criterion would qualify for the points. Different levels of certification (one star to five stars) are awarded based on the number of points earned. The minimum points required for certification is 50.

The Green Home Rating system by IGBC Indian Green Building Council
The green home rating system by Indian Green Building Council (IGBC) is India's first, and is exclusively designed for the residential sector. Different levels of certifications such as Certified, Silver, Gold and Platinum are awarded to a project in recognition of its green commitment.

ISO 27001 Global Certification
The only auditable international standard which defines the requirements for an Information Security Management System (ISMS). The standard is designed to ensure the selection of adequate and proportionate security controls.

ISO-50001
Specifies requirements for establishing, implementing, maintaining and improving an energy management system, whose purpose is to enable an organization to follow a systematic approach in achieving continual improvement of energy performance, including energy efficiency, energy use and consumption

ISO 9001:2000
Quality Management Systems directive that provides a number of requirements which an organisation needs to fulfill if it is to achieve customer satisfaction through consistent products and services which meet customer expectations.

ISO 14001:2004
International specification for an Environmental Management System (EMS). It specifies requirements for establishing an environmental policy, determining environmental aspects and impacts of products/activities/services, planning environmental objectives and measurable targets, implementation and operation of programs to meet objectives and targets, checking and corrective action and management review.

ISO/TS 16949
Quality management system requirements for the design and development, production and, when relevant, installation and service of automotive-related products.

ISO/TS 16949:2002
Quality management systems -- Particular requirements for the application of ISO 9001:2000 for automotive production and relevant service part organizations

kWh - kilowatt-hour
Unit of energy equivalent to one kilowatt of power expended for one hour of time. The kilowatt-hour is not a standard unit in any formal system, but it is commonly used in electrical applications

OHSAS 18001:2004
Occupation Health and Safety Assessment Series for health and safety management systems. It is intended to help organisations to control occupational health and safety risks. It was developed in response to widespread demand for a recognised standard against which to be certified and assessed.

OHSAS 18001:2007
Managing Health and Safety (OH&S) issues in the workplace represents an enormous challenge due to varying human nature, skills set, process complexity & local culture and have implications for everyone at the workplace. Effectively managing these issues means taking account not only of legal requirements, but also the well-being of your personnel in the organisation.

ODS
Ozone Depleting Substances are those substances which deplete the ozone layer and are widely used in refrigerators, airconditioners, fire extinguishers, in dry cleaning, as solvents for cleaning, electronic equipment and as agricultural fumigants.

Mahindra Quality Way
An assessment by external national and international experts of Mahindra's Quality Policy, systems, procedures and performance against world-class standards to identify: strengths, opportunities for improvement, scoring profile for prioritising improvements.

NAAQS
The clean air act which was last amended requires EPA to set National Ambient Air Quality Standards for pollutants considered harmful to public health and the environment. http://epa.gov/air/criteria.html

NASSCOM
A not-for-profit was set up in 1988 to facilitate business and trade in software and services and to encourage advancement of research in software technology.

GLOSSARY

Scope I
Greenhouse gas emissions that occur from sources that are owned or controlled by a company, such as combustion facilities (e.g.: boilers, furnaces, burners, turbines, heaters, incinerators, engines, flares etc), combustion of fuels in transportation (e.g.: cars, buses, planes, ships, barges, trains etc) and physical or chemical processes (e.g.: in cement manufacturing, catalytic cracking in petrochemical processing, aluminium smelting etc).

Scope II
GHG emissions that are from the generation by another party of electricity that is purchased and consumed by the company. This is described as "purchased electricity" for the purposes of the GHG Protocol.

Scope III
Other indirect greenhouse gas emissions, including those associated with employee travel, supply chain, leased assets, outsourced activities, use of products and waste disposal.

SEI-CMMI level 5
A Level 5 CMMI rating provides the highest recognition to an organization's software and systems engineering processes.

Solar Reflectance Index
A fraction of the incident solar energy which is reflected by the surface in question. The best standard technique for its determination uses spectrophotometric measurements, with an integrating sphere to determine the reflectance at each different wavelength. The average reflectance is then determined by an averaging process, using a standard solar spectrum. This method is documented by ASTM (Amer. Soc. for Testing and Materials).

Special Economic Zone (SEZ)
A geographical region that has economic laws that are more liberal than a country's typical economic laws.

USGBC LEED Certification
LEED Professional Accreditation distinguishes building professionals with the knowledge and skills to successfully steward the LEED certification process.

United Nations Global Compact
A framework for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption. M&M Limited is a signatory to UNGC.

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