



ENVIRONMENTAL . SOCIAL . GOVERNANCE

SUSTAINABILITY REPORT - 2019-20

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ABOUT THIS REPORT

This sustainability report aims to provide a cohesive view of our strategy and initiatives to ensure business continuity, continuous improvement of our performance, and collective growth of our stakeholders. It features qualitative and quantitative disclosures relating to our financial as well as non-financial performance between April 1, 2019 and March 31, 2020¹.

Reporting Principles

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards: Core option², and is aligned with the National Voluntary Guidelines on Social, Environmental and Economic (NVG-SEE) Responsibilities of Businesses, issued by the Ministry of Corporate Affairs, Government of India³.

Reporting Scope and Boundary⁴

This report covers our operations in India located at Hosur (units 1 and 2), Ennore, Bhandara, Alwar, Pantnagar, Vellivoyal Chavadi (VVC), North Chennai, Cab Press and Panel Shop (CPPS), foundries in Ennore and Sriperumbudur, and the corporate office in Chennai. We have also included information pertaining to the impact created at Vijayawada⁵, Andhra Pradesh. We aim to expand the scope of our reporting, to include our joint ventures and subsidiaries, in the near future.

Report Content

This report presents our approach and performance on the issues that are material to us and our stakeholders. These have been identified based on our interaction with our internal and external stakeholders as well as suggestions from our senior management. This entire process has helped us realign our sustainability strategy, while ensuring transparent disclosures on key material topics.

The management believes that this report addresses all the issues that are material to our stakeholders. Our sustainability reports are published on an annual basis⁶. The most recent report was published for FY 2018-19⁷,



This sustainability report aims to provide a cohesive view of our strategy and initiatives to ensure business continuity, continuous improvement of our performance, and collective growth of our stakeholders.

and there have been no significant changes from previous reporting periods, in the list of material topics and their boundaries⁸. The report for FY 2019-20 does not feature any restatements from the last report.⁹

Forward-Looking Statements

This report contains forward-looking statements that describe our projections and expectations, based on reasonable assumptions and past performance. These are subject to change in light of developments in the industry, geographical market conditions, government regulations, laws and other incidental factors. These statements must not be used as guarantees of our future performance, since the underlying assumptions could change materially.

Please direct any queries related to this report to¹⁰

N V Balachandar
Chief Sustainability officer
esg@ashokleyland.com

¹ GRI 102-50

² GRI 102-54

³ GRI 102-12

⁴ GRI 102-46

⁵ Vijayawada is only covered under the CSR section of this report

⁶ GRI 102-52

⁷ GRI 102-51

⁸ GRI 102-49

⁹ GRI 102-48

¹⁰ GRI 102-53

MESSAGE FROM THE CHAIRMAN



“

Futuristically we are focusing on **ESG - Environmental, Social and Governance** as a key differentiator for our business.”

Dear reader,

Aapki Jeet. Hamari Jeet. is not just a statement but a clarion call that lies at the heart of all our business endeavours at Ashok Leyland. This commitment to create shared value encourages us to conduct our business in a manner that aims at ensuring improved performance across the triple bottom line. We strive to ensure the success of all of our stakeholders, and contribute to the creation of a more inclusive and sustainable world for all. Towards this end, we have formulated a sustainability framework, SEE, which is helping us bring our vision of creating social value and making a positive impact to fruition.

Our Vision is 'To be a Top 10 Global CV Player creating reliable and differentiated products and solutions, while delivering outstanding stakeholder value'. While our efforts are underway to achieve this, we are focussed to drive the Sustainability agenda through our Environmental, Social and Governance (ESG) initiatives in line with Global best practices. Futuristically we are focusing on **ESG - Environmental, Social and Governance** as a key differentiator for our business.

The focus on cost reduction did not stop us from investing in a plethora of innovations including the AVTR range of modular vehicles, the Phoenix range, and in particular, in the area of electric mobility. These investments in R&D and innovation have helped enhance the resilience and future-readiness of our company. This year also saw the strengthening of our LCV, ICV and MCV portfolios, with launches like the Guru 1010 and Dost+ garnering awards for our Company.

Climate change is a global problem. We are cognizant that to this end, Environmental, Social and Governance (ESG) factors are gaining impetus. As a responsible corporate citizen, we are striving to enhance our performance on these parameters as well. The Ashok Leyland corporate office is the first in India, and fourth in the world, to earn the prestigious LEED v4.1 Platinum certification. This serves as a testament to our laser-sharp focus on energy efficiency, water conservation, site selection, material selection, day lighting and waste reduction across our operations.

We have scaled up our Corporate Social Responsibility (CSR) initiatives to improve the lives of communities that

have formed the bedrock of our success. Our flagship programme 'Road to School' hinges on the pillars of strategy, impact, innovation, sustainability, scalability and replicability, to ensure the well-being of our beneficiaries. It aims at holistic development of children through nutritional support, physical development through sports, improvement in the quality of education, and promotion of arts and culture.

Recognising the socioeconomic impacts of the pandemic, we announced a slew of measures to support our stakeholders that included customers, drivers, employees, community, Government, and medical fraternity. Our efforts include, but are not limited to, distributing meals, donation of essential items, provision of PPE kits, setting up of essential services, providing 24/7 support to stranded drivers and vehicles transporting essential items and medical supplies, employee relief measures and much more.

While the future remains uncertain, I am optimistic that we – at the individual, organisational and industry level – will emerge more resilient on the other side. As we continue to explore new avenues to build upon Ashok Leyland's resilience, our diverse workforce and value chain partners continue to be the drivers of our success. Their commitment, patience, hard work and talent has helped Ashok Leyland traverse many challenges in the past, and we are committed to supporting them through the volatility that is defining the present.

I am delighted to present this sustainability report, which provides a glimpse into our efforts to build a responsible organisation. Once again, I express my gratitude to our stakeholders, who have put their faith in Ashok Leyland, and invite your feedback and suggestions on how we can continue to create shared value.

Yours sincerely,

Dheeraj G Hinduja
Chairman

MESSAGE FROM MD & CEO¹¹



For over 70 years, we have worked towards the good of our customers, employees, communities, value chain partners and investors, and these trying times are no exception. Irrespective of what the future holds, we at Ashok Leyland remain committed to ushering in prosperity for our stakeholders.

Dear reader,

Evolving customer preferences, the advent of new technologies, and growing consideration for sustainability are amongst the factors reshaping the commercial vehicle industry that has been in a state of flux in recent years. The industry has kept itself abreast of all these evolving business landscape along with the Governmental regulations and norms, while meeting the needs of the customers. Amidst these everchanging scenario and the added COVID-19 pandemic, we at Ashok Leyland have stood true to our brand promise of **'Aapki Jeet. Hamari Jeet.'**

Our Vision is 'To be a Top 10 Global CV Player creating reliable and differentiated products and solutions, while

delivering outstanding stakeholder value'. While we are focussed to achieve our Vision, a deep sense of social responsibility lies at the heart of our operations at Ashok Leyland. We believe firmly that the success of our business is inextricably linked to that of our stakeholders. For over 70 years, we have worked towards the good of our customers, employees, communities, value chain partners and investors, and these trying times are no exception. Irrespective of what the future holds, we at Ashok Leyland remain committed to ushering in prosperity for our stakeholders.

Sustainability is the foundation upon which this commitment has been built. Our sustainability framework, SEE, articulates the steps we are taking on the social,

environmental and economic fronts to effect positive change for our stakeholders. It defines the key tenets – ranging from improving the quality and cost-effectiveness of our products to resource conservation and talent retention – that we believe are the hallmarks of a successful organisation. We believe that people are the foundation of any organisation and we continuously work towards achieving a diverse workforce and fostering a inclusive environment for all.

One of the key drivers of this vision is innovation, which has helped Ashok Leyland stay ahead of the curve despite the constantly evolving market. This year, we continued to invest in R&D, to smoothen the transition to the BS-VI emission norms, and were the first OEM to earn the BS-VI certification for our complete range of heavy-duty trucks. We have also invested significant capital in the areas of electric mobility, to align with national and global climate action goals, while future-proofing our portfolio. We also see digital as the future and towards this endeavour, we are focussed towards building new digital capabilities to transform Ashok Leyland into a data-driven organisation. We are slowly but surely progressing from "Thinking Digital" to "Doing Digital".

Climate change poses an unprecedented threat to humans and the ecosystem. It is the duty of corporations to take steps to redress the implications of climate change through adoption of eco-friendly techniques in their operations. We are taking a number of measures within our facilities and different aspects of operations to mitigate the Company's environmental impact. For example, we avoid the use of materials like asbestos in our brake pads, to ensure the health and safety of passengers. On the community engagement front, we have taken various environmental initiatives including – but not limited to – setting up water ATMs, the rejuvenation of lakes and springs, and waste management. Additionally, our corporate office in Chennai boasts of features intended to drive improvement in our energy and water savings, waste management, carbon footprint and employee health. All this has culminated in a LEED v4.1 certification for the building, making it the first corporate office in India, and fourth globally, to have received one.

In light of the COVID-19 pandemic, we have expanded our CSR initiatives to lend support to the most vulnerable groups. Through our key project, the Road to School, we offered continued education to children across all impact communities during the COVID lockdown. We ensured that the educational needs of the children were never impacted or curbed due to the global pandemic situation.

We formed small study groups amongst the children and our educators continued to impart education to these groups of children. We have undertaken the provision of hygiene products, PPE, sanitisers, meals and groceries to frontline workers, drivers and migrant labourers, among others. Extended breakdown support is also being offered during the lockdown to ensure the uninterrupted supply of essential items during this crisis. Moreover, we are working with various authorities and stakeholders to ensure proper sanitisation of buses, and operation of vehicles for transport of medical and security personnel. Our employees have embodied our brand philosophy of 'Aapki Jeet. Hamari Jeet.', and their social responsibility has been more evident in the way they have mobilised personal funds to aid those in need. I am proud of their commitment to serving their communities, while themselves being faced with the challenges posed by the pandemic. Employee health, well-being and safety are of the utmost importance to us, and we have taken various measures at all our sites towards this end. As we embrace new ways of working due to the pandemic, our management is striving to stay connected to employees to help them tide through this crisis.

Our value chain partners are an integral part of our operations. We are constantly engaging with them to derisk our operations, enhance the cost-effectiveness of our products, and drive delivery improvements. Our partners embody the respect for human rights, health and safety, and the environment that flows throughout our operations. We believe that they are equally instrumental in effecting positive change, and building organisational resilience.

While the near future still poses some risks, we remain committed to leveraging our strengths to ensure the well-being of all our stakeholders. Through innovation and strong alliances, I am confident that we will be able to emerge stronger out of this pandemic.

Through this report, we hope to communicate our ESG initiatives in FY 2019-20. Improving our performance on the environmental and social fronts is an ongoing effort throughout the organisation, and we welcome our stakeholders' inputs on how we can do better. I thank you all for your support during this trying year, and hope for your continued health and safety in the future.

Yours sincerely,

Vipin Sondhi
MD & CEO

¹¹ GRI 102-14

ABOUT ASHOK LEYLAND



We have a global network of over 550 touch points that facilitate on-road service for millions of vehicles.

Ashok Leyland¹², flagship of the Hinduja group, is the second largest manufacturer of commercial vehicles in India, the third largest manufacturer of buses in the world, and the 10th largest manufacturers of trucks. Over the last 72 years, we have come from manufacturing a single product to offering more than 500 products catering to nearly every segment and customer needs. At present, we have at least one touchpoint every 50 kms across India. Headquartered in Chennai¹³, we have nine manufacturing plants that give us an international footprint. Seven of these are located in India, whereas we have manufacturing units in Ras Al Khaimah (UAE), and in Leeds, United Kingdom. **We have recently been ranked as 34th best brand in India.**

A USD 2.90 billion company with a footprint that extends across 50 countries, we are one of the most fully integrated manufacturing companies in Asia¹⁴. We have a product range from 2.5 MT Gross Vehicle Weight (GVW) to 55 MT Gross Trailer Weight (GTW) in trucks, 9 to 80-seater buses, vehicles for defence and special applications, and diesel engines for industrial, genset, agricultural and marine applications. We launched India's first electric bus and Euro 6 compliant truck in 2016. Over 70 million passengers use Ashok Leyland buses to get to their destinations everyday, and our trucks keep the wheels of the economy moving. With the largest fleet of logistics vehicles deployed in the Indian Army and significant partnerships with armed forces across the globe, we also help keep borders secure.

In the Commercial Vehicle (CV) space, many of our product concepts have become industry benchmarks and norms. We have an ISO/TS 16949 Corporate Certification, and are the first CV manufacturer in India to receive the onboard diagnostic (OBD-II) certification for BS-VI compliant

commercial vehicle engines, selective catalytic reduction (SCR), iEGR intelligent exhaust gas recirculation (iGER) and CNG technologies. In 2016, we became the first truck and bus manufacturer outside of Japan to win the Deming Prize for our Pantnagar plant, with Hosur Unit II being awarded in 2017.

Our widespread customer base is served through an all-India sales and service network, supplemented by close to 3,000 touchpoints. We have a global network of over 550 touchpoints that facilitate on-road service for millions of vehicles.¹⁵ Moreover, we manage driver training institutes across India, and have trained over 8,00,000 drivers since inception. On-site service training for technicians is provided by our service training institutes in nine locations across India.

An endeavour to serve our stakeholders, and create value in the realms of people, planet and profit lie at the core of our company, in line with our philosophy of '**Aapki Jeet. Hamari Jeet.**'



Our widespread customer base is served through an all-India sales and service network, supplemented by close to 3,000 touchpoints.

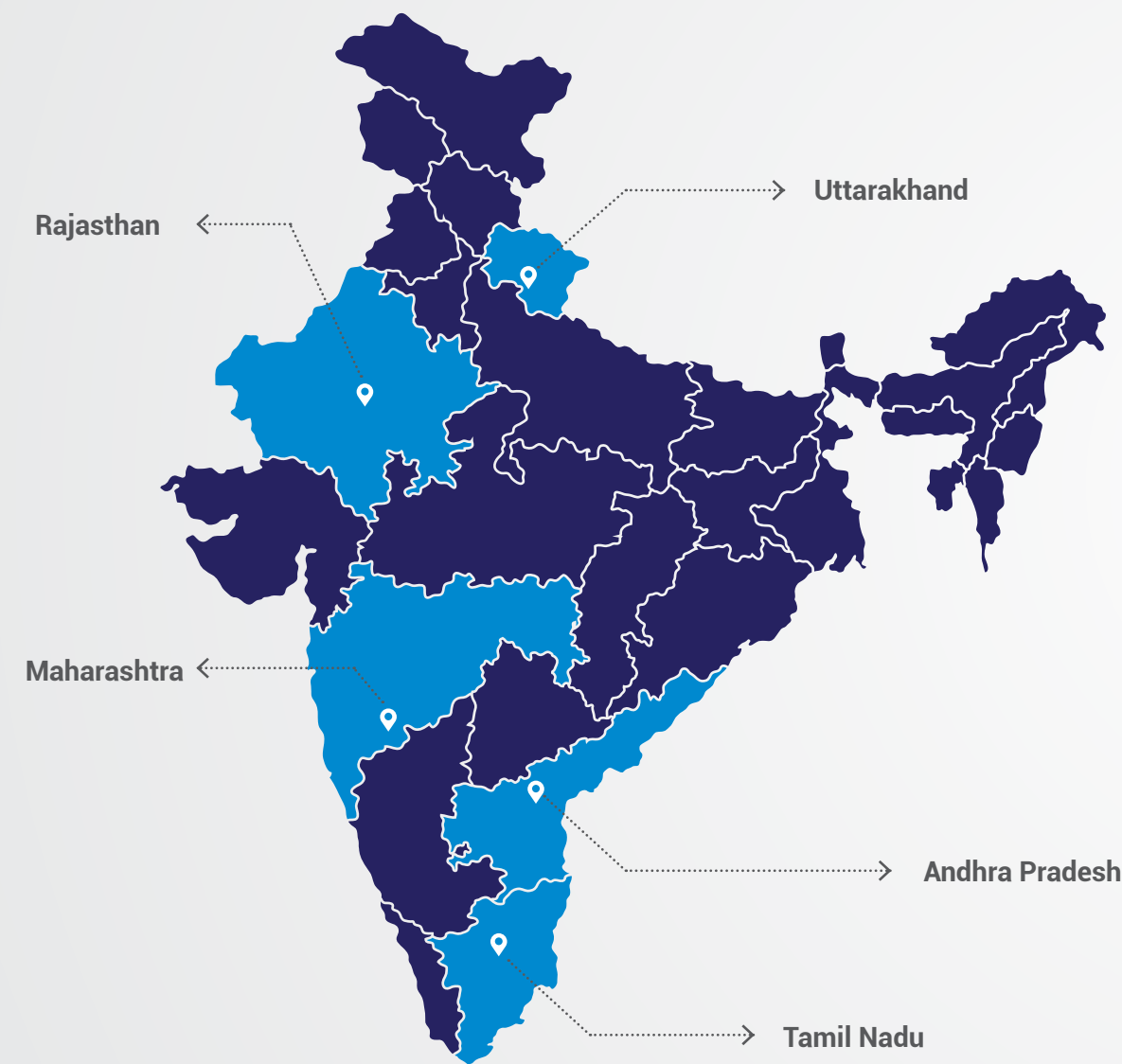
¹² GRI 102-1

¹³ GRI 102-3

¹⁴ GRI 102-7

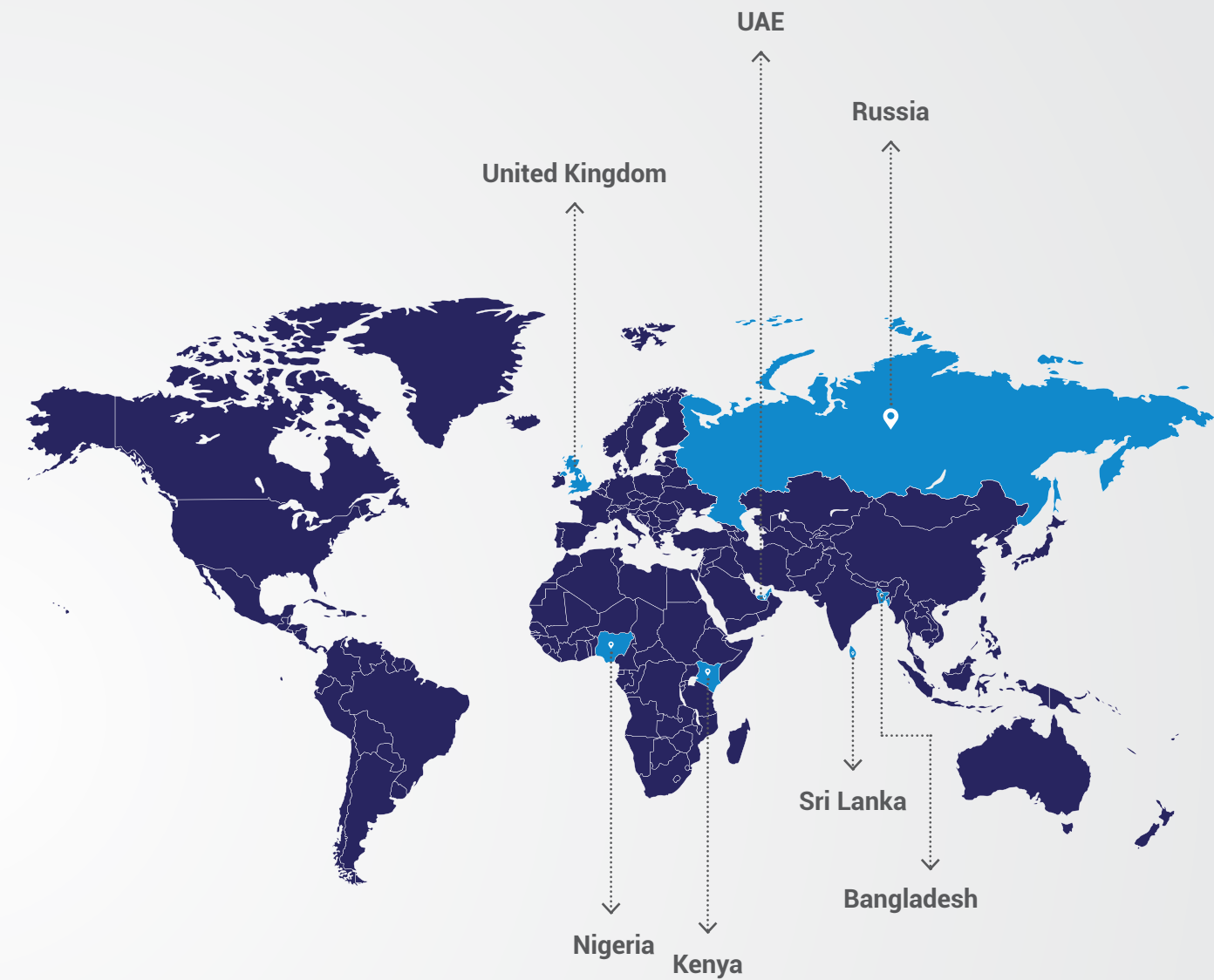
¹⁵ GRI 102-6

Manufacturing Locations in India¹⁶



¹⁶ GRI 102-4

Manufacturing Units - International Presence¹⁷



Our international business arm plays a vital role in our organisation. We use our wide reach to enhance the future-readiness of our organisation by ensuring that our products are at par with those of our peers across the globe. To strengthen our offerings across borders, we

manufacture country-specific products. In FY 2019-20, we delivered 420 buses comprising of 271 double decker buses, 99 AC intercity buses and 50 12M city buses to the Bangladesh Road Transport Corporation.

¹⁷ GRI 102-4

Our Vision¹⁸

Our vision goes beyond solely achieving production numbers, and expands to the value delivered to all stakeholders. It is one of true leadership in the global market.

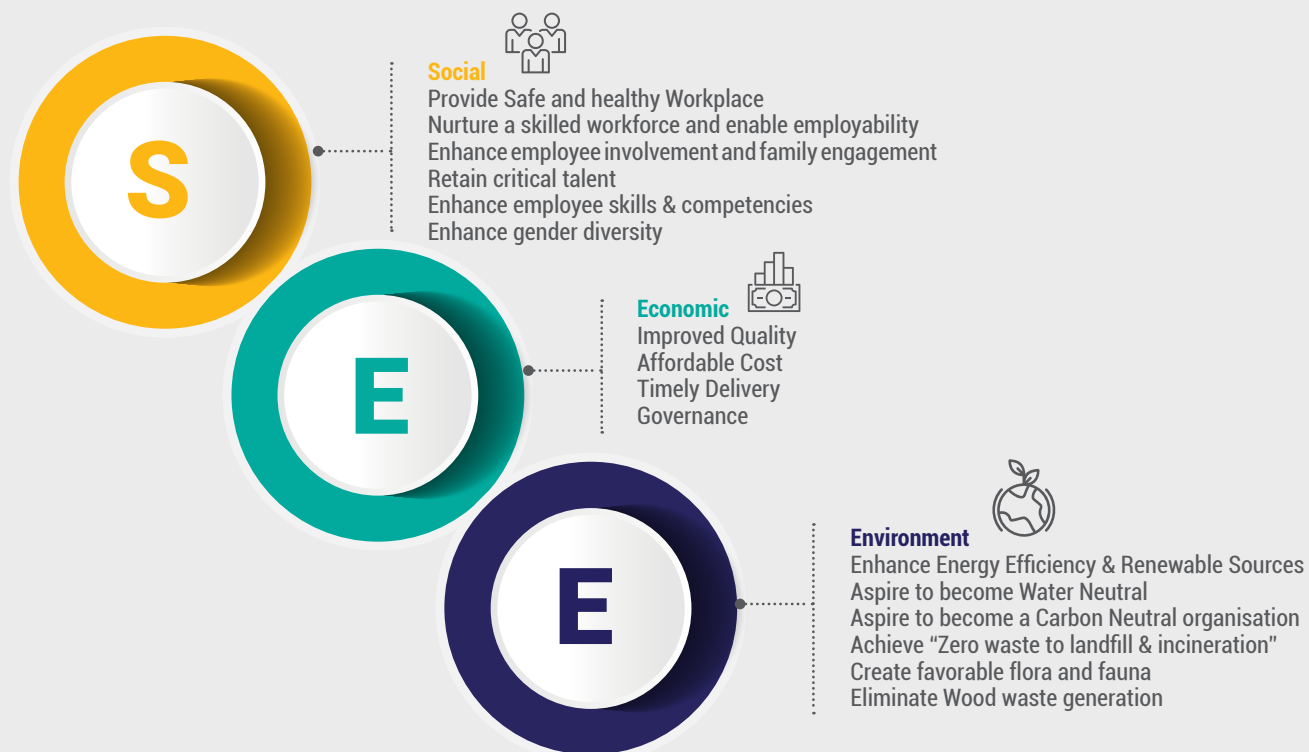
Over the last seven decades of our existence, we have seen how externalities like climate change and urbanisation have transformed businesses around us. A diverse technological landscape, stringent regulations, digitisation, evolving customer expectations, and increased demand of connectivity are all opportunities for us to develop innovative products and solutions. While customer-centricity remains a key tenet of our operations, our innovations are also geared at making a positive impact on society and the environment we operate in.



To be a top 10 global CV player by creating reliable and differentiated products and solutions, while delivering outstanding stakeholder value.

Sustainability Vision

Our Sustainability framework – SEE – Social, Economic and Environment – is our shared vision on how we can contribute towards creating social value and make a positive difference for the customers and communities we serve.



¹⁸ GRI 102-16



Our product portfolio comprises of Medium & Heavy Commercial Vehicles (M&HCV), Light Commercial Vehicles (LCVs), power solutions, and defence mobility solutions.

Product Portfolio^{19, 20}

Our product portfolio comprises of Medium & Heavy Commercial Vehicles (M&HCV), Light Commercial Vehicles (LCVs), power solutions, and defence mobility solutions.

Medium & Heavy Commercial Vehicles (M&HCVs)

Being a widely preferred commercial vehicles brand, we have witnessed a growing customer base for our truck business. Our product range caters to more than 70 applications, including construction, mining, distribution, tractor-trailers and long haulage vehicles. With a consistently growing market share, our trucks business has recorded a favourable performance, cementing customers' confidence in our products – whether they are tractors, intermediate vehicles, tippers or multiple axles.

Trucks

Within the M&HCVs segment, we offer construction and mining tippers, long-haul trucks, multi-axle rigid trucks, and tractors (articulated trucks), and distribution trucks (ICV - Intermediate Commercial Vehicle). We launched the iGen6 technology for BS-VI vehicles in November 2019.

We manufacture buses within the Medium Commercial Vehicle (MCV) and Intermediate Commercial Vehicles (ICV) segments. Within the ICV segment, Ashok Leyland's Sunshine brand is specifically for school applications. The Viking brand within the MCV segment has gained popularity for urban, rural and intercity transport and is a brand to reckon with. We have been providing comfortable and safe public transport solutions to several State Transport Undertakings (STUs). We offer different types of buses, such as city buses, school, staff or tourist buses, suburban application buses, inter-city buses and special application buses.



¹⁹ GRI 102-2

²⁰ GRI 102-9



In FY 2019-20, we launched the OYSTER, which is a new generation BS-VI midi-bus. It was launched in the premium segment for comfort travel and best in class safety. A multipurpose premium bus, the OYSTER has been manufactured for staff, route and tourist applications.

We also launched the 12M bus with enhanced capacity and features to meet varied customer preferences. This bus has been developed with features such as disc brakes, unitised bearing and engine brake. And for passenger comfort, it has features such as front and rear suspension.

Light Commercial Vehicles

We were the first company to introduce power steering in small commercial vehicles. We always strive to ensure driver comfort, safety, and superior level ergonomics in the LCVs that we manufacture.

Within the light commercial vehicles segment, we offer products ranging from 2.5 T to 7.5 T, having between 9 and 46 seats. These LCVs are used in a host of applications including intra-city movement and last mile transportation of fruits, vegetables, cold storage products, groceries, and mineral water. A next-generation LCV truck, PARTNER ensures superior driver comfort and mileage. Similarly, the MiTR is a new-age bus that has been designed ergonomically to maximise passenger comfort.

Power Solutions

We have an array of product offerings within our power solutions business for applications such as marine applications, construction and earthmoving equipment, power generation and agricultural harvester combines. LEYPOWER, which is an established diesel generator brand in India, has a fully integrated power system that meets global standards, while also being cost-effective.

For nearly four decades, we have exhibited high growth in our marine applications segment. Some of the key product offerings include fishing applications covering purse seining, trawling and gillnetting. Further, we manufacture and offer specialised engines for cargo vessels, auxiliary drive-in vessels, power sailing vessels and ferries.

We have been leading the agricultural combines segment in India for almost forty years. Our agricultural engines continue to be the preferred choice for most Original Equipment Manufacturers (OEMs).

Our range of industrial engines not only ensures enhanced productivity, but is also cost-effective. These industrial engines are mainly used in concrete pumps, construction activities, road construction, lifts and air compressors.

Leyparts

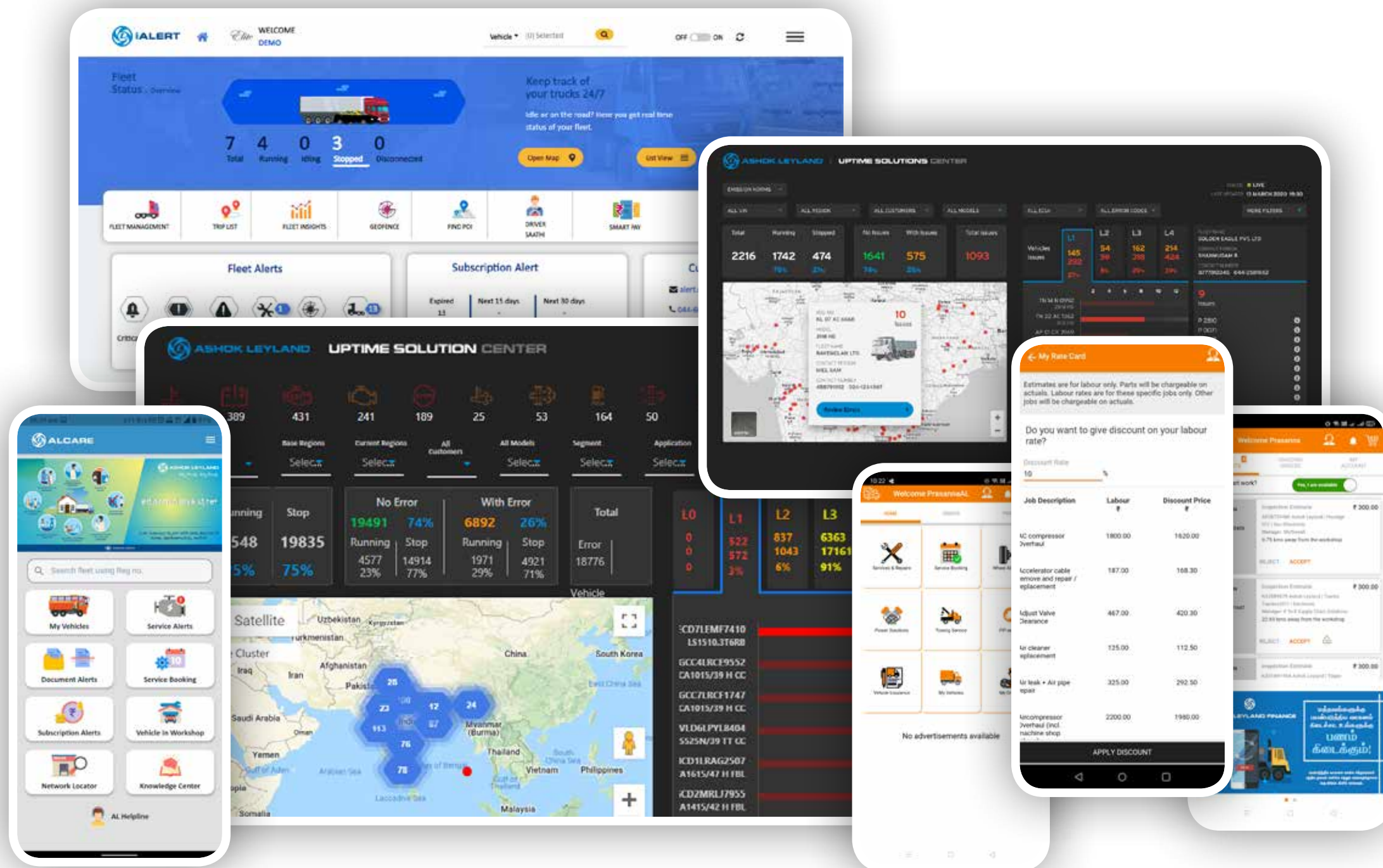
Over the years, we have successfully established our aftermarket capability under the brand of LEYPARTS®. Our vehicles are designed for reliability and performance levels that have redefined the commercial vehicle industry. To sustain this, we have enabled easy access to the entire catalog of 90,000+ spares, under two distinct alternatives – LEYPARTS® and VALUEPARTS.



Our spare parts division focusses on providing the right spare parts at the best prices. With a network of 700+ dealers and 10,000+ retailers across the nation, we ensure that our customers can obtain spare parts and timely services for getting their trucks back on the road. Additionally, we engage with 40,000+ partner mechanics through an industry-leading loyalty program. Our strategically placed warehouses in Hosur, Bhandara, Alwar, Pantnagar and Guwahati ensure seamless availability of parts for dealers, distributors and retailers nationwide.

Defence Mobility Solutions

We are one of the largest manufacturers and suppliers of logistics, combat support and specialist vehicles and associated automotive aggregates to the Indian defence forces for combat operations and peace-keeping missions, under 'Make in India' initiative. Within the defence mobility segment, the Stallion is our flagbearer brand. It is equipped for military payloads from 2.5 MT to 30 MT. Our offerings – such as ambulances, long chassis buses, trucks for fire-fighting and as recovery vehicles, and water bowzers – are used in relief operations by the Indian Armed Forces during natural calamities. Additionally, Ashok Leyland's ambulances continue to be supplied to the Indian Army in large numbers. This, in turn, has also strengthened the armed forces' medical support system in combating the COVID-19 pandemic in the country.



Digital Solutions

Leykart is a digital initiative to help users buy spare parts online. It is an online shop for Ashok Leyland parts that enables customers to identify vehicle parts from a host of systematically presented menu of options of vehicle parts, components, and their models, among much more. Identifying the right component or part from an exhaustive list of models and thousands of components can prove to be a challenging task. Through Leykart, we empower our customers to find the right part or component on their mobile devices. Leykart is an end-to-end solution for our customers' aftermarket needs, which assures the identification and availability of genuine Ashok Leyland parts. Behind the home screen of Leykart is an intricate algorithm which links a wide-ranging database of model numbers,

registration details, chassis numbers and parts. This guides the user through an intuitive search experience to zoom in to the exact part that is required. The algorithm considers the customer's geolocation to identify the mode of fulfilment within the shortest time possible. In case of unavailability of the part in the vicinity, Ashok Leyland warehouses ensure 100% fulfilment of the requirement within the specified lead time.

We understand the importance of leveraging digital to offer solutions to customers for their everyday needs. Our focus is on developing solutions that not only meet customer needs, but also eliminate downtime. We will shortly be launching Driver Saathi, an innovative offering that will help customers increase their productivity through driver skilling, actionable insights on best driving practices, and objective scoring of drivers' performance.

Memberships and Associations²¹

Key bodies and associations with whom we actively engage include the Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Society of Indian Automobile Manufacturers (SIAM), Automotive Research Association of India (ARAI) and Quality Council of India (QCI). Along with these organisations, we have been participating in policy development consultations and other programmes that have focused on electric mobility and institutionalising engines that are BS-VI-compliant.

²¹ GRI 102-13



Confederation of Indian Industry



PERFORMANCE HIGHLIGHTS



AWARDS AND RECOGNITION



Second consecutive **Golden Peacock Award** for Risk Management in the 'Automotive' category of Automotive from the Institute of Directors



First corporate office in India to receive **LEED v4.1 Platinum certification**



ICICI Lombard & CNBC-TV 18 India Risk Management Awards for Best Risk Management Framework & Systems - **Risk Governance and Best Risk Management Framework & Systems - Private Company**



BIMTECH Award for **best CSR initiative for 'Road to School'**



Excellence in CSR Award at the 8th Manufacturing Today Awards



Best Employer of 2019 by AON



Leapvault CLO Award 2019 for the **best virtual learning program** from Tata Institute of Social Sciences and NCOW and PeopleStrong New Code of Work



Gold award at National Energy Management competition conducted by the Society of Energy Engineers and Managers



State-level Energy Efficiency Award in the automobile sector for Alwar plant

CORPORATE GOVERNANCE



The governance framework for Ashok Leyland is built to enhance the stakeholder confidence and efficiency of the organisation.



Our corporate governance practices are aimed at integrating our values with stakeholders' welfare. In all areas of business, we have directed our efforts towards sustainable and shared value creation. We strive to ensure that our business activities are carried out with utmost integrity, transparency and ownership.

Our governance framework is built to enhance stakeholder confidence and increase the efficiency of our organisation. The structure is spearheaded by the Board of Directors, overseeing our activities. They are followed by the Management, a high-level team that actively governs and participates in the daily supervision, planning and administrative processes. The responsibilities of the Board include, but are not limited to, overseeing the functioning of the Company, monitoring legal and statutory compliance, and risk management. Additionally, the Board is also responsible for approving our strategic direction, plans and priorities, and monitoring performance in the context of our strategic business plans.

The Board of Directors and Management work to enhance shareholder value through:

- sound business decisions, prudent financial management, and high standards of ethics
- ensuring transparency and professionalism in all decisions
- achieving excellence in governance by conforming to – and wherever possible, exceeding – the prevalent mandatory guidelines on Governance

Appointment, Evaluation and Remuneration of the Board

The composition of the Board of Directors at Ashok Leyland is in line with the relevant provisions of the Companies Act, 2013, the rules made thereunder, and the Securities Exchange Board of India's (Listing Obligations and Disclosure Requirements), Regulation 2015 relating to corporate governance.

We have a Nomination and Remuneration Committee (NRC), which evaluates the structure, size, composition and diversity of the Board. Further, NRC also assesses the Board's existing skills, outlines gaps, and provides the necessary recommendations to the Board. There is a formal mechanism in place to evaluate the performance of the Committees, Independent Directors and Non-Independent Directors, including the Chairman. A compensation policy has also been devised with the aim of attracting, retaining and motivating professionals to accomplish our strategic objectives.

We have curated our Board members on the basis of their outstanding achievements in their professional careers, experience, personal and professional integrity, financial literacy, familiarity with our business and industry, and the ability to work collaboratively. We ensure utmost diversity on our Board and continue to work towards improving the same. As of 31st March 2020, women constitute 10% of our Board. Further, 20% of our Board members fall in the age group of 30-50 years, while the remaining are above 50 years.²²

²² GRI 405-1

Name	Category	Member of the Committee			
		Audit	Nomination & Remuneration	CSR	Risk Management
Mr. Dheeraj G Hinduja [#]	Promoter, Non-Independent, Non-Executive		✓	✓	
Prof. Dr. Andreas H Biagosch	Independent, Non-Executive				✓
Dr. Andrew C Palmer	Independent, Non-Executive				
Mr. Jean Brunol	Independent, Non-Executive	✓			
Mr. Jose Maria Alapont	Independent, Non-Executive	✓	✓		
Ms. Manisha Girotra	Independent, Non-Executive		✓	✓	
Mr. Sanjay K Asher	Independent, Non-Executive	✓		✓	✓
Mr. Saugata Gupta [#]	Independent, Non-Executive		✓		✓
Mr. Gopal Mahadevan	Non-Independent, Executive				✓
Mr. Vipin Sondhi ^{#,**}	Non-Independent, Executive				

[#] Appointed as Director with effect from November 8, 2019
^{**} Appointed as Managing Director and Chief Executive Officer with effect from December 12, 2019

Committees of the Board

We have instituted various committees to focus on environmental, social and governance-related issues, and accelerate appropriate responses for the same.

The committees operate as authorised representatives of the Board, and their actions are reviewed periodically or by circular resolutions noted during the respective meetings. The committees listed below contribute to economic decision-making in our organisation. Additionally, the Corporate Social Responsibility Committee and Stakeholders’ Relationship Committee are involved in decision-making on environmental and social topics.²³

Board Committees	Function
Audit	AL has an independent Audit Committee that acts as a link between the Management, external and internal auditors, and the Board of Directors. It is responsible for overseeing our financial reporting process by providing direction to the audit function, and monitoring the scope and quality of internal and statutory audits.
Nomination and Remuneration	The NRC is the compensation committee for the administration of Ashok Leyland Employees Stock Option Plan (AL ESOP), 2016 and 2018.
Stakeholders’ Relationship	The Stakeholders’ Relationship Committee receives and addresses the grievances of our key stakeholders. Additionally, it is also responsible for reviewing and responding to complaints received from regulatory institutions such as SEBI and the Ministry of Corporate Affairs.

²³ GRI 102-18

Board Committees	Function
Risk Management	The Risk Management Committee assists the Board of Directors in its responsibilities of overseeing our risk management policies and practices (including the processes for monitoring and mitigating such risks) and our exposure to residual risks.
Investment	We have instituted an Investment Committee, which provides recommendations on our long-term strategic goals related to manufacturing and product strategy.
Corporate Social Responsibility	The Corporate Social Responsibility Committee works towards creating shared and sustainable value, and reviews the CSR activities undertaken by us.
Technology	The Technology Committee deliberates on decisions with regard to product planning and choice of technology thereof. Additionally, it helps us stay ahead of emerging global product and technology trends.

Policy Suite

Good governance and workplace ethics are of the highest importance at Ashok Leyland. In order to ensure the same, we have implemented various policies, which have been made public and are available on our website: <https://www.ashokleyland.com/in/en/investors/investor-information/policies>



Risk Management Framework

At Ashok Leyland, we have a robust Enterprise Risk Management (ERM) framework that embeds the principles of COSO ERM framework, 2017 and ISO 31000:2018 standard to foster a sound risk management culture and facilitate informed decision-making.

Our integrated and standardised ERM framework encompasses all the business units and functions across the organisation. The risk management process enables us to identify and proactively address risk and opportunities, assessing them in terms of likelihood and potential impact. This, in turn, is instrumental in determining our response strategy, and monitoring key risks and opportunities on a regular basis.

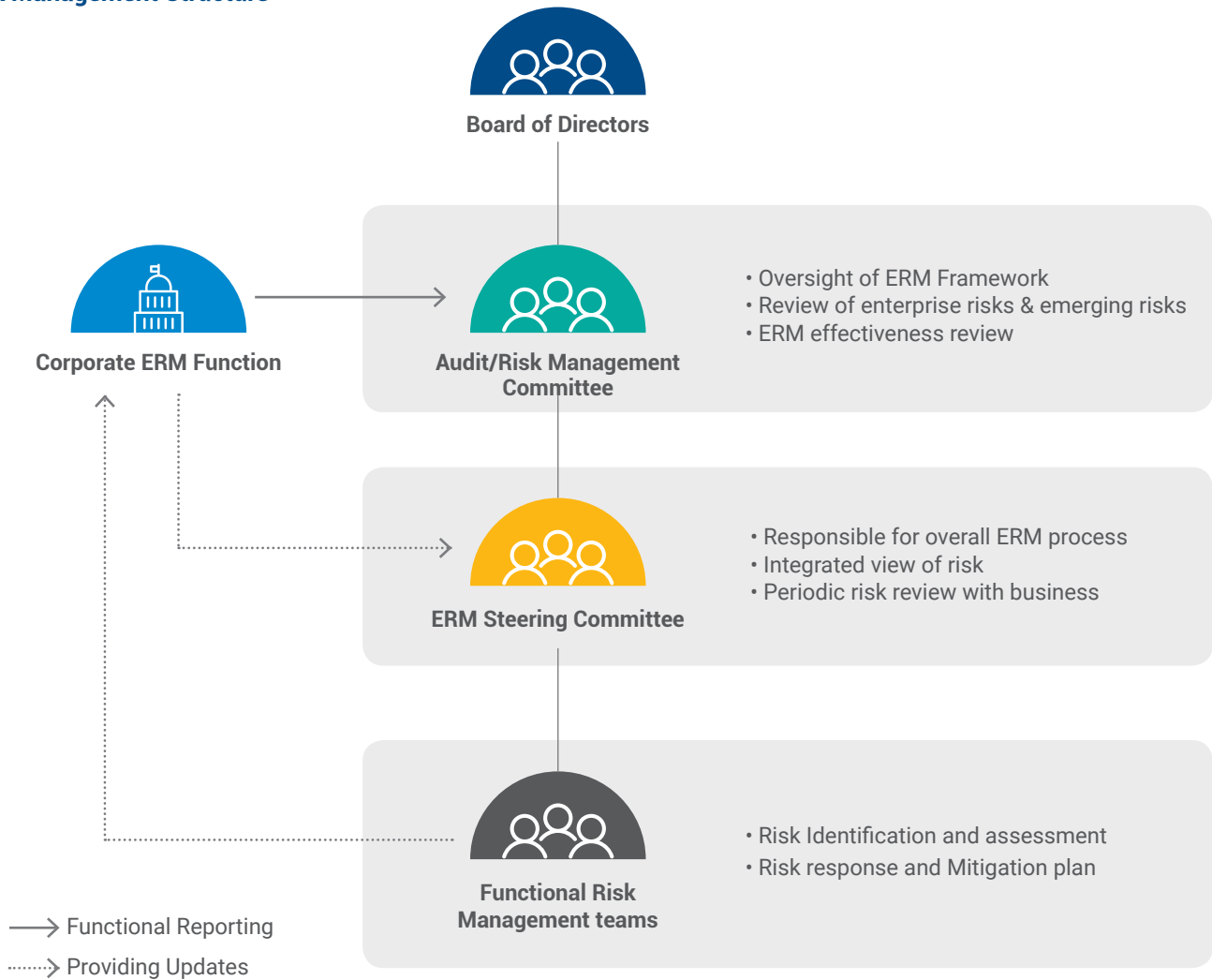
The Board of Directors, through the Risk Management Committee (RMC), is responsible for the overall effectiveness of the ERM framework. The RMC apprises the Board on a

periodic basis about the efficacy of the ERM framework, risks faced by us, and mitigation measures in place. Further, the RMC annually reviews our risk appetite statement.

The ERM Steering Committee consists of core business vertical heads, and is responsible for the risk management process including identification, impact assessment, mitigation and reporting. Additional details on this can be found in our Annual Report FY 2019-20.

The Risk Management Committee of the Board and the ERM Steering Committee (Management-level Committee) set the appropriate tone at the top through their overview of risk management practices. This ensures that the risk culture is disseminated across our organisation. Through the ERM process, we aim to build resilience to the changing business landscape, apply precautionary approach, gain competitive advantage over our peers, and protect and create value for all our stakeholders.²⁴

Risk Management Structure²⁵



²⁴ GRI 102-15, GRI 102-11

²⁵ GRI 102-18

Internal Control System

Given the nature, size and complexity of our operations, we have designed a proper and adequate internal control system to ensure:

- a. Transactions recorded are accurate, complete and authorised
- b. Adherence to accounting standards and compliance with applicable statutes, company policies and procedures
- c. Effective usage of resources and safeguarding of assets

Our Internal Financial Control Framework has been developed in line with the specific requirements laid out under Section 134(5)(e) of the Companies Act, 2013. It supports compliance with the requirements of the Act, in relation to the Directors' Responsibility Statement.

The framework follows the COSO (Committee of Sponsoring Organizations of the Treadway Commission) Internal

Control Framework, 2013 and The Institute of Chartered Accountants of India's Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, which help evaluate the design and operating effectiveness of internal controls in a consistent manner.

Further, our own independent and multi-disciplinary internal audit function – with the support of third-party service providers, where appropriate – carries out risk-based internal audit reviews, based on the annual plan approved by the Audit Committee of the Board. The internal audit function reviews compliance vis-à-vis the established design of internal controls, as also the efficiency and effectiveness of operations.

Any significant deficiencies in internal control that are identified are reviewed periodically and tracked for closure. The summary of the internal audit findings and status of implementation of action plans for risk mitigation are submitted to the Audit Committee every quarter, whereas concerns related to residual risks, if any, are presented to the Board.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT



As a part of stakeholder engagement, we utilise various platforms for discussions and addressing the concerns.

STAKEHOLDER ENGAGEMENT

We define our stakeholders as individuals or groups that influence or are influenced by our operations. We engage with them on an ongoing basis to discuss and address their concerns, and bring out mutually beneficial outcomes on economic, social and environmental fronts.

Our continuous engagement efforts have resulted in the development of long-lasting and reliable relationships with our stakeholders. Their inputs have helped us make

better decisions, enhance our risk management, and build a sense of accountability and trust, while also making our operations efficient. These, in turn, have proven to be important drivers in our sustained growth and market leadership.

We follow a four-step process to conduct stakeholder engagement:²⁶



Stakeholder mapping consists of creating a comprehensive list of stakeholders and classifying them as internal or external. This is followed by the development of an all-inclusive list of key topics and stakeholder prioritisation. Based on the interactions with the prioritised stakeholder, key material topics are finalised and validated by the management.

²⁶ GRI 102-42

Stakeholder Groups and Frequency of Engagement²⁷

Stakeholder Group	Mode of Engagement	Frequency of Engagement	Key Expectations	Feedback Assessment
Employees	<ul style="list-style-type: none">• Monthly and quarterly meets• Personal reviews and visits• Surveys• Trainings• Annual day• Events	Monthly Quarterly Annually Need Basis	<ul style="list-style-type: none">• Better Future Aspects• Safe work environment• Skill development• Knowledge management• Fair remuneration• Employee volunteering for CSR initiatives	<ul style="list-style-type: none">• Employee engagement Surveys• Annual appraisals• Chairman’s award• MD’s townhall meetings
Suppliers	<ul style="list-style-type: none">• Suppliers meet• Tech days• Mutual visits• Need-based meetings with leadership team• Company events	Monthly Annually Need basis	<ul style="list-style-type: none">• Long-term business commitments• Economic scenario with respect to commercial vehicle industry• Scheduling• Supplier development	<ul style="list-style-type: none">• Supplier summit• Workshops• Strategic supplier meets
Customers (Institutional and Retail)	<ul style="list-style-type: none">• Company events• Survey• Ashok Leyland initiatives such as training and development and rewards for purchases to name a few	Need basis Periodically	<ul style="list-style-type: none">• Delivery• Technical Communication• Aftersales service• Quality of service	Customer satisfaction surveys
Government and Regulatory Authorities	<ul style="list-style-type: none">• One-to-one meetings• Events• Conferences	Need basis Periodically	<ul style="list-style-type: none">• Compliance• Tax payment	Compliance reports
Channel Partners	<ul style="list-style-type: none">• Monthly and quarterly meets• Personal reviews and visits• Surveys• Trainings• Events – dealer conference	Monthly Quarterly Annually Need Basis	<ul style="list-style-type: none">• Business targets, commitment and development plan• Training and development• Customer engagement and satisfaction	<ul style="list-style-type: none">• Assessment audits – USI, PMI• Monthly reviews

Materiality Assessment

We conduct a materiality assessment that helps us identify topics that are most important to, or which can have an impact on, our business operations. The exercise is conducted in consultation with both internal and external stakeholders, and is also instrumental in helping us foresee various risks for which we can develop action plans and mitigation measures.

Material Topics ²⁸	Impact Boundary		GRI Topics	GRI Indicators
	Internal	External		
ECONOMIC ASPECTS				
Business growth and profitability	✓		GRI 201: Economic Performance 2016	GRI 201-1
R&D and innovation for fuel efficient products	✓		Non-GRI Aspect	-

²⁷ GRI 102-40, GRI 102-43, GRI 102-44

²⁸ GRI 102,44, GRI 102-47

Procurement - sourcing strategy and policy	✓	✓	GRI 204: Procurement Practices 2016	GRI 204-1
ENVIRONMENTAL ASPECTS				
Energy efficiency	✓	✓	GRI 302: Energy 2016	GRI 302-1, GRI 302-4
Water stewardship	✓	✓	GRI 303: Water and Effluents 2018	GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5
Air emissions (including GHG emissions)	✓	✓	GRI 305: Emissions 2016	GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5, GRI 305-6
Biodiversity	✓	✓	GRI 304: Biodiversity 2016	GRI 304-1, GRI 304-2
Waste management and effluents	✓	✓	GRI 306: Effluents and Waste 2016	GRI 306-2
Resource optimisation	✓	✓	GRI 301: Materials 2016	GRI 301-1, GRI 301-2
SOCIAL ASPECTS				
Product life cycle (end-of-life management)	✓		Non-GRI Aspect	-
Product safety and quality	✓	✓	GRI 417: Marketing and Labeling 2016	GRI 417-2
Recruitment and talent retention	✓		GRI 401: Employment 2016	GRI 401-1, GRI 401-2, GRI 401-3
Occupational health and safety	✓		GRI 403: Occupational Health and Safety 2018	GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9
Customer relationships and satisfaction	✓	✓	GRI 416: Customer Health and Safety 2016 GRI 418: Customer Privacy 2016	GRI 416-1, GRI 416-2, GRI 418-1
Labour management relationship (Freedom of association and collective bargaining)	✓		GRI 402: Labor/Management Relations 2016 GRI 407: Freedom of Association and Collective Bargaining 2016 GRI 409: Forced or Compulsory Labour 2016	GRI 402-1, GRI 407-1 GRI 409-1
Inclusive growth	✓	✓	GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016	GRI 405-1, GRI 406-1
Supply chain sustainability	✓	✓	GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016 GRI 102: General Disclosures 2016	GRI 308-1, GRI 414-1, GRI 414-2, GRI 102-9, GRI 102-10
Training and education	✓	✓	GRI 404: Training and Education 2016	GRI 404-2
Road safety		✓	Non-GRI Aspect	-
Cyber security		✓	GRI 418: Customer Privacy 2016	GRI 418-1
OVERALL				
Regulatory compliance	✓	✓	GRI 307: Environmental Compliance 2016	GRI 307-1
Grievance mechanism	✓	✓	Non-GRI Aspect	-

CALIBRATING POTENTIAL



To build and sustain an agile, enabled and empowered workforce with a global outlook, thereby leading AL from good to great



A deep-seated respect for human rights lies at the core of our ethos at Ashok Leyland. We believe that businesses have an inherent responsibility to protect and serve the interests of all their stakeholders, and are committed to creating shared value through our business strategy, operations and community engagement efforts. This commitment towards ensuring our stakeholders' welfare begins at home, and is reflected in our HR vision "to build and sustain an agile, enabled and empowered workforce with a global outlook, thereby leading AL from good to great".

Our approach to managing our human capital is geared at fostering a safe and healthy work environment that is conducive to employees' personal and professional growth. We pride ourselves on our efforts to ensure equal opportunity, continuous learning, and employee well-being across the organisation. This chapter outlines some of the policies, processes and initiatives that are helping us make Ashok Leyland an employer of choice.

Employment Practices

From changing consumer attitudes towards mobility to the growing importance of ESG considerations for businesses, the auto industry is evolving at a rapid pace. Against this backdrop, it has become more important than ever to employ an agile and diverse workforce that gives us access to a wide range of skill sets, perspectives and experience.

We are equal opportunity employers, who do not differentiate between candidates on the basis of gender, sexual orientation, disability, caste or age. We take a zero-tolerance approach towards discrimination, and communicate the same through our policies, employee contracts and other relevant documents. Technologies like Artificial Intelligence (AI) are also leveraged to gamify the

campus hiring process, and eliminate any potential biases from the recruitment process.

At the same time, efforts are taken to ensure that human rights are upheld across our operations. We comply with all the applicable laws of the land pertaining to human rights. These include aspects such as freedom of association and collective bargaining, child labour, forced labour, occupational health and safety, and non-discrimination. We also ensure that clauses related to these are incorporated in our contracts with value chain partners. No incidents of discrimination or human rights violations were reported in our company this year.²⁹ Further, no operations or suppliers were identified as posing significant risks to the the right of freedom of association and collective bargaining.³⁰

The three pillars of our diversity strategy



**Talent acquisition
& intentional talent
development**

**Engagement
through enabling
environment**

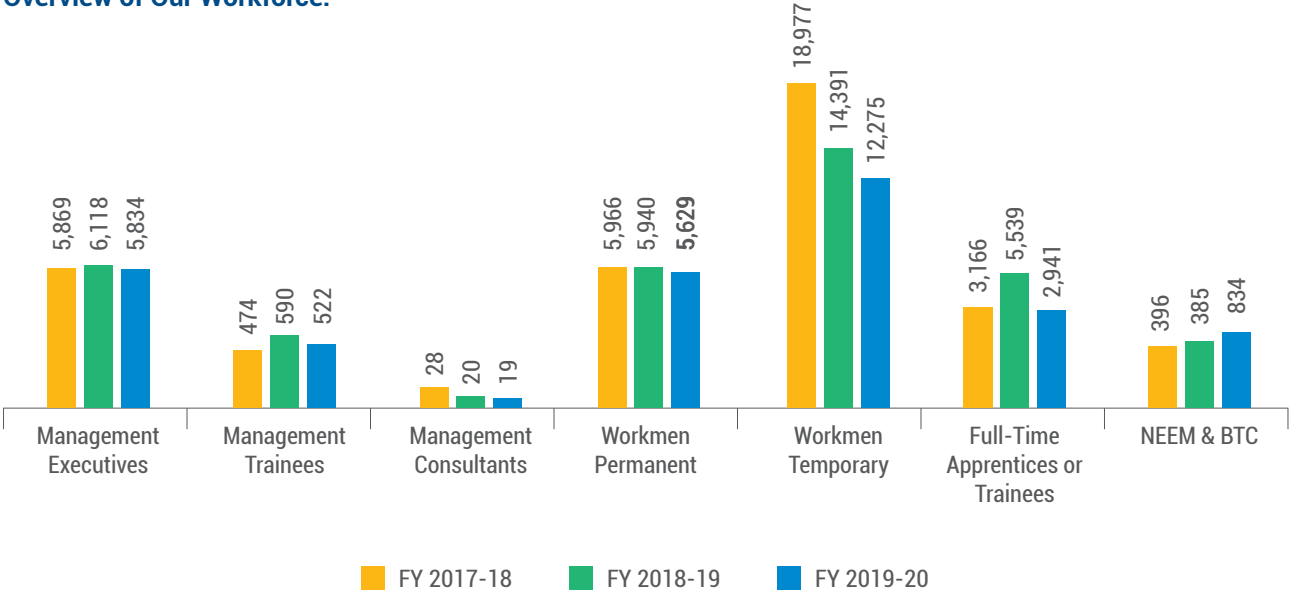


Inclusive offering

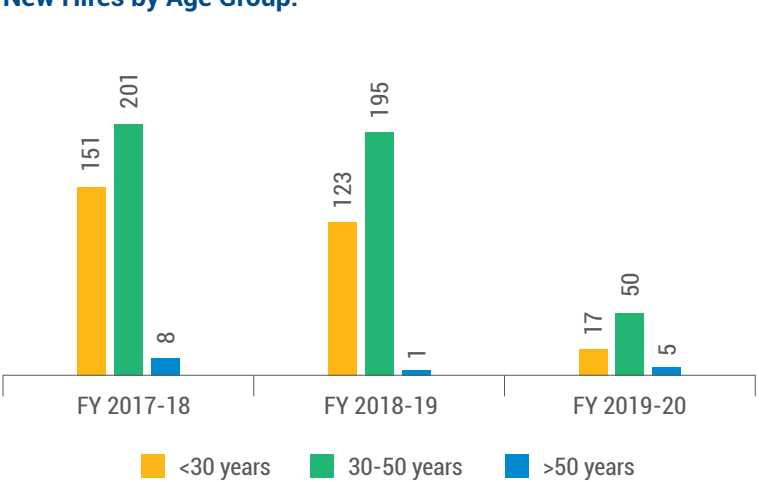
²⁹ GRI 406-1

³⁰ GRI 407-1

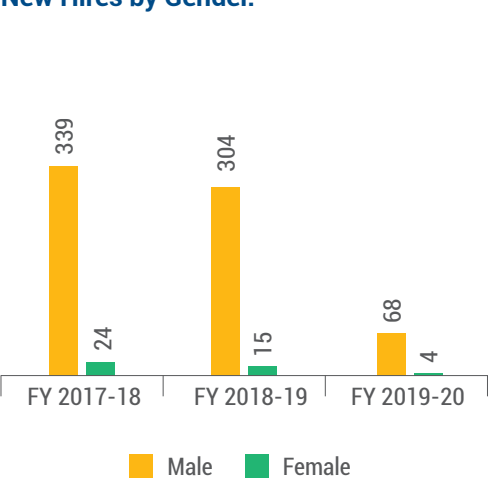
Overview of Our Workforce:^{31, 32}



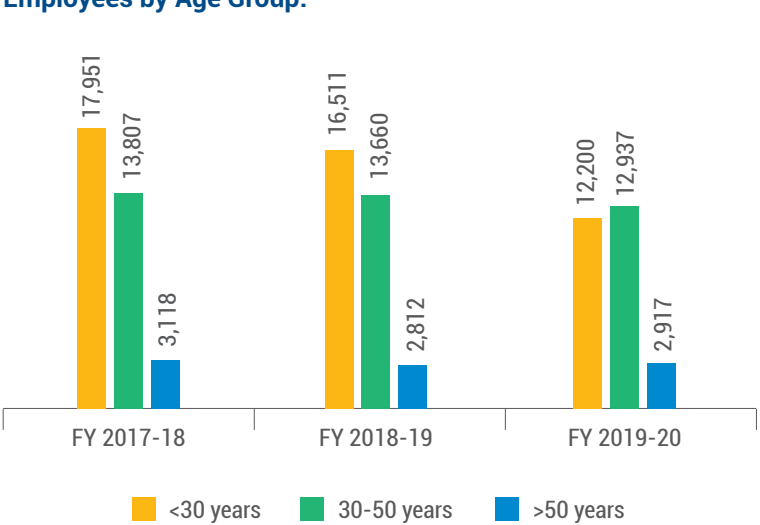
New Hires by Age Group:



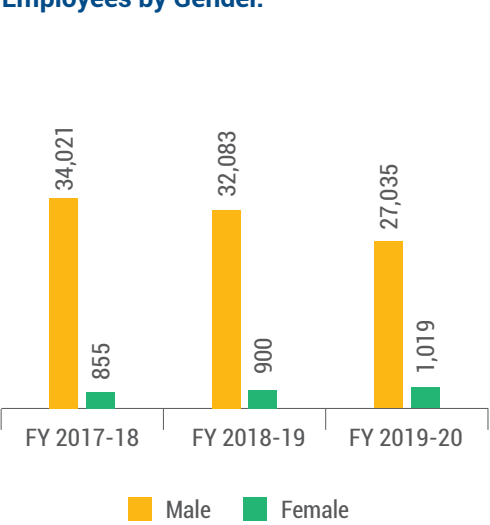
New Hires by Gender:



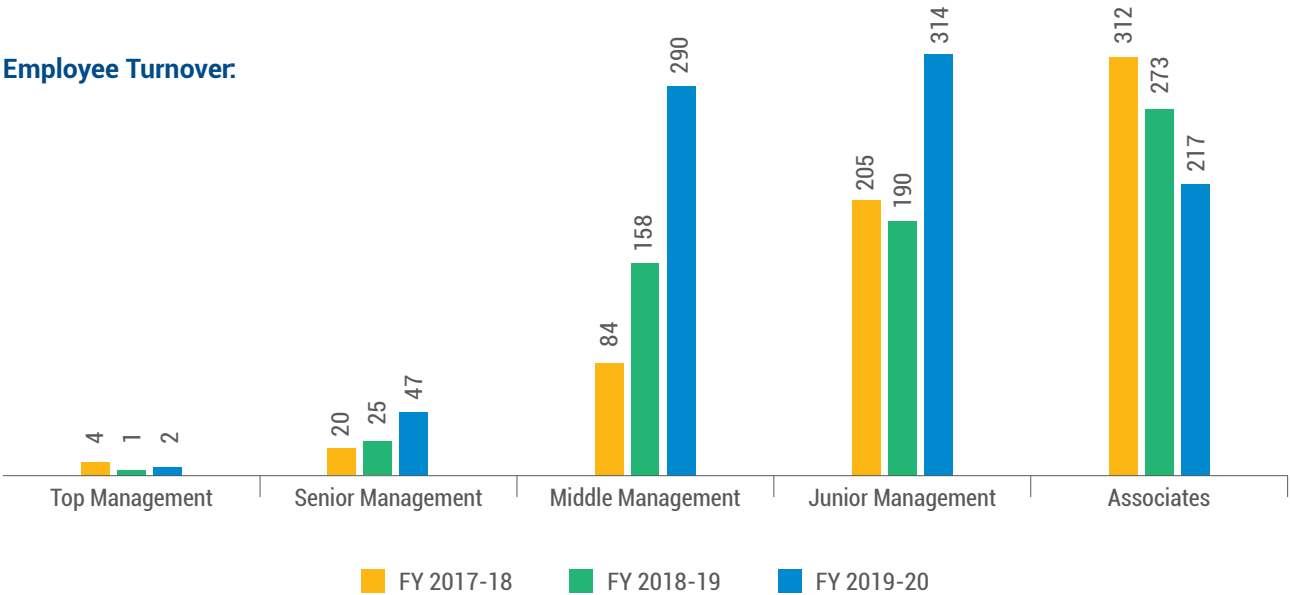
Employees by Age Group:



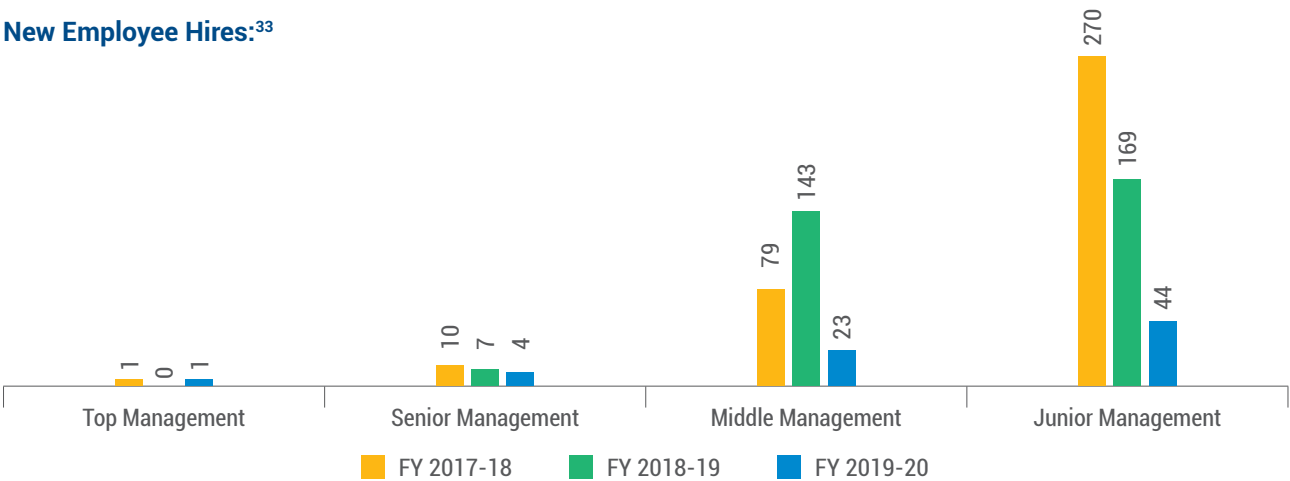
Employees by Gender:



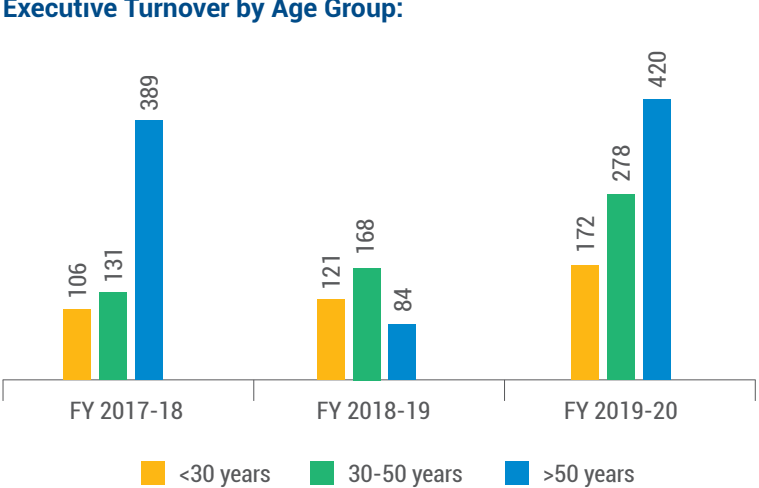
Employee Turnover:



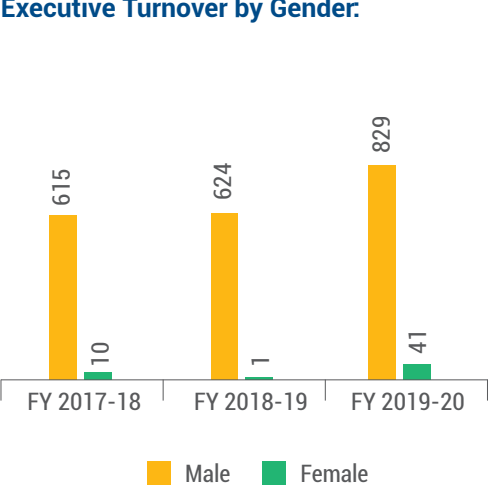
New Employee Hires:³³



Executive Turnover by Age Group:



Executive Turnover by Gender:



³¹ GRI 102-7, GRI 102-8

³² GRI 405-1

³³ GRI 405-1

Of these, women constitute 2.39% science, technology, engineering, and mathematics-related positions, and 0.51% of revenue-generating roles. We also employ 80 differently abled personnel, and for whom we strive to foster an inclusive and accessible workplace.



Testimonial

Being a part of the Women Leadership Programme, I joined AL from a premier B-school. It was a great breakthrough for me to join AL, particularly as I was shifting from a different industry. It was a great experience AL provided and they ensured I feel at home. We were assigned mentors and given extensive training - you name it and we were trained on it - especially the production and marketing processes of AL. I believe, at AL, it is not just building numbers through recruitment, AL also has a longer and sustainable plan for gender equality by nurturing women and handholding them to reach the bigger picture. We are nominated for external events and encourage to build a network inside and outside of AL.

In FY 2019-20, 100% of our associates were covered by a collective bargaining agreement.³⁴ As part of our ongoing endeavour to make Ashok Leyland a workplace of choice, we provide our full-time employees with a host of benefits to ensure their health, well-being, and a good work-life balance. These include – but are not limited to – performance-based rewards, healthcare, life

insurance, retirement provision, and disability and invalidity coverage³⁵. Major process changes, if any, are discussed by the Executive Leadership Team, following which feedback is sought before arriving at a prospective date when they are put into effect.³⁶

Additionally, our employees are entitled to parental leave, in line with the Maternity Benefit Act, 1961. Women can avail 180 days of leave, while men are entitled to 14 days off. Employees also have the provision of availing adoption leave and flexible working during pregnancy.³⁷

Training and Development

The fate of our organisation is inextricably linked to that of our stakeholders. This is especially true when it comes to our employees, who are the drivers of our success. We, therefore, strive to build their capabilities and enhance their skills, to help us thrive in the ever-evolving industry landscape.

Our senior leadership takes a hands-on approach when it comes to shaping our learning and development strategy. Training needs are identified based on discussions in company townhalls, business leaders' meetings, competency-based requirements, and other ad-hoc business needs. They are aimed at enabling the holistic growth of our people by providing them leadership development training, in addition to functional or technical learning. This allows us to build a strong leadership pipeline and ensure the continued resilience and readiness of our organisation.

	FY 2019-20		FY 2018-19		FY 2017-18	
	Female	Male	Female	Male	Female	Male
Total number of employees entitled to parental leave	336	5,498	413	6,315	261	5,153
Total number of management executives who availed parental leave	31	269	10	268	18	235
Total number of management executives who returned to work in the reporting period after parental leave ended	22	265	10	268	18	235
Total number of management executives who returned to work after parental leave ended that were still employed 12 months after their return to work	26	255	10	256	9	163
Retention rate	94%		90%		95%	

³⁴ GRI 102-41

³⁵ GRI 401-2

³⁶ GRI 402-1

³⁷ GRI 401-3

Moreover, we have a benchmarked performance management process to measure employee performance through the year. Anchor, our integrated portal, allows for seamless performance management, assessment and improvement. This system also tracks participation in training, irrespective of whether the module was conducted in a classroom or virtually. Reports are regularly generated and analysed by the HR team to ensure that the developmental needs of employees are being fulfilled.

Learning & Development in FY 2019-20:³⁸

This year, 14,107 of our employees logged a cumulative 1,58,458 training hours, amounting to an average of 11.30 learning hours per employee.

Training Programmes	Training Hours in FY 2019-20	Attendees in FY 2019-20	
		Female	Male
Behavioural Training	17,235	365	5,124
Functional Training	36,435	363	5,005
Technical Training	24,916	219	2,785
AL Boot Camp	79,872	51	105

Ashok Leyland University

This initiative is a part of our efforts to streamline learning and development within the organisation. We have devised a four-cluster competency framework, three of which relate to leadership development and behavioural skills, while the fourth one seeks to build the technical competency of the

learner. The framework is being aligned with Ashok Leyland University's offerings to maximise the impact of both.

This framework is used to curate bespoke learning journeys for all our employees, depending on their functions, expertise, training needs and behaviour. These programmes are complemented with mandatory trainings on subjects like information security, diversity and inclusion, and the prevention of sexual harassment.

The Ashok Leyland University also offers a one-year intensive learning programme known as the Boot Camp for freshers. It is geared at teaching participants advanced problem-solving by the way of on-the-job learning across various functions and locations. They are also given the chance to work closely with a mentor who guides them through the projects.

Additionally, we meet the unique needs of different departments through functional academies aimed at enhancing their technical knowhow. Ashok Leyland University currently has three functional academies: AL HR Academy (ALHRA), AL Finance Academy (ALFA) and AL Information Technology Academy (ALITA).



³⁸ GRI 404-2

This year, we launched the Ashok Leyland Business Analytics Academy under Ashok Leyland University, with the support of Great Lakes Institute of Management, Chennai. The objective of this academy is to lay the foundation for broader data analytics capability, so that we can better leverage data to drive insights and decisions.

The year also marked the launch of Ashok Leyland – Internal Audit & Risk Management Academy (AL AuRA), under the aegis of the Ashok Leyland University. We recognise that in today's global business scenario, we come across several innovations that are transforming businesses. How we equip our people to understand the need to strengthen processes, build robust governance mechanisms, and manage business risks will play an integral role in enabling and sustaining long-term organisational success. The objective of this academy, therefore, is to set the foundation for an understanding of the role of internal audit, risk controls and risk management functional competencies within the Ashok Leyland family.

Apart from this, periodic workshops, digital learning initiatives, access to massive open online courses (MOOCs) and much more is provided to facilitate constant performance improvement of our people and the organisation as a whole.



Testimonial

I gained knowledge on the principles of Brand Management, Brand Architecture, Engagement, Portfolio, Strategy and Product Management. Rather than only theoretical explanation, the course had a lot of real-life examples from the brands that we see and hear about on an everyday basis, which was really helpful in better understanding the principles. I could use some of the techniques explained and the examples cited in the course in some of my work-related activities. Most importantly, it will help me to look at "Brand" in a whole different way, whenever I see any brand-related activities (like launches, advertisements, news articles) from different organisations, with respect to the strategies they would have adopted, the structure they would have followed, etc., for different activities.

I feel Coursera is a very convenient and useful medium for working individuals to improve their knowledge. The course structure, content and deadlines were perfectly manageable in spite of the regular work schedule.



Employee Engagement

An engaged workforce is a productive workforce. At Ashok Leyland, we strive to ensure a continuous connect with our employees to keep them motivated, and address any challenges they may encounter as they discharge their duties. We undertake several engagement initiatives, including leadership meets, personal reviews and visits, surveys, trainings, and celebration of various festivals. We also work to involve our workforce in various activities related to our CSR initiatives to foster a sense of belongingness with our communities.

In FY 2018-19, we conducted the Expressions survey to gauge how engaged and satisfied our employees are. Findings from the survey were used to identify empowerment and autonomy, rewards and recognition, collaboration, and diversity and inclusion as areas with room for improvement. We are working to improve our performance in these areas, and have conducted group discussions, revamped processes, created policies, and established cross-functional teams towards this end.

This year, key management initiatives were taken to achieve our HR vision of building a high-performing, innovative and caring company where it is fun to work. Towards this end, we focussed on various aspects of our employees' journeys

and tried to incorporate key objectives that would help us move further towards our vision of being a top 10 global CV player, creating reliable and differentiated products and solutions, while delivering outstanding stakeholder value.

Across various employee engagement initiatives, numerous activities were conducted to foster a culture which, at the end of the day, makes employees proud, happy and always ready to give their best. Some examples during the year include poster-making, photography, rangoli competition, sports activities, cultural events, and family day celebration. Emotional well-being seminars were also conducted during the year to increase awareness among executives and equip them to take care of themselves.

We also nurture an environment of recognition and appreciation through dedicated platforms of recognition like You Made My Day (YMMD), long service awards, and functional excellence awards. Meanwhile, we encourage innovation through the organisation using internal platforms like Chairman's Awards and Improve. Our employee engagement efforts also incorporate diversity and inclusion considerations. We have held workshops on enhancing self-esteem, confidence and capability in our female employees, in addition to financial literacy workshops, health and wellness-related talks and trainings on gender sensitisation.



Grievance Redressal

We believe that transparent, two-way communication between HR or management and employees is the key to a satisfied and engaged workforce and subsequently, a flourishing organisation. Close consultation is undertaken with our functional heads to ensure that our business decisions are in line with our stakeholders’ best interests. Towards this end, we also follow a mandated procedure as per the Industrial Disputes Act, whereby we provide 21 days of notice regarding any operational change to our workforce. This is adhered to, irrespective of the collective bargaining agreements in place.³⁹ Timely and effective resolution of employee grievances is a key part of this strategy, helping us understand and cater to the needs of our people. Our grievance redressal mechanism lays the foundation for resolution of any disputes; it is overseen by a committee made up of various functional heads and senior management.

Grievances related to administration, meanwhile, are handled according to our People Red Book. It is a process that has been formulated to ensure fair treatment of employees, timely and efficient resolution of complaints, and awareness of the redressal process.

No major grievances regarding our labour practices were reported in FY 2019-20. Additionally, 100% of the minor employee grievances recorded during the year were resolved as on March 31, 2020.

Prevention of Sexual Harassment (POSH)

Our POSH Policy helps us keep our workplace safe and free of harassment, and deal with any incidents that may arise. Members of the Internal Compliance Committee and an HR representative address complaints related to sexual harassment, which can be filed through an online portal. There were no cases of sexual harassment reported in FY 2019-20.

Employee Health, Safety and Well-Being

Occupational health and safety is the most integral part of our human capital management strategy. Owing to the nature of our business, we are cognizant of the inherent risk that accompanies our industry. From our policies to processes, we are constantly working to ensure that we are

“Occupational health and safety is the most integral part of our human capital management strategy. Owing to the nature of our business, we are cognizant of the inherent risk that accompanies our industry.”

the best in class when it comes to ensuring the well-being of our personnel.

Periodic audits, risk assessments and hazard identification exercises are undertaken to minimise the risks facing our employees, including temporary workers.⁴⁰ We have articulated Safety, Health and Environment (SHE) targets towards this end. The targets are also instrumental in helping us achieve our aim of zero harm at Ashok Leyland. Progress on these is overseen by the Safety Committee, which consists of equal representation from senior management and workers. Further, the Committee conducts monthly townhalls to address any concerns, audit findings, and the safety strategy at large.⁴¹ Targets related to safety also form a part of the performance management criteria for relevant personnel to ensure accountability and responsibility across the organisation.

The occupational health and safety management system at Ashok Leyland is in line with the specifications of ISO 45001: 2018. It is externally certified, and covers all categories of employees, including our permanent and temporary workforce, service providers, and apprentices.⁴² Our SHE Policy covers all manufacturing, R&D, warehousing and distribution facilities, in addition to our corporate offices. Training on the Policy, as well as best practices in general, is provided to employees upon joining, in addition to periodic refresher trainings.

This year, we also provided trainings on the following subjects:⁴³

- Hazard identification and risk assessment
- Safety risk analysis
- Safety management system
- ISO 45001: 2018
- Electrical safety
- Industrial safety
- Fire fighting
- Forklift operation
- First aid
- PPE usage
- Hearing conservation
- Obesity awareness
- Yoga
- Lifestyle diseases

100% of our staff has been covered by these trainings in FY 2019-20. Additionally, employees in relevant locations have access to medical checkups, quarterly surveys, medical teams at plants, and safety drills to mitigate any potential risks to their health and safety.⁴⁴

Work-Related Injuries in FY 2019-20:⁴⁵

The table below highlights injuries incurred by our permanent and temporary workers, service providers and apprentices, during the reporting period:

Safety Parameters	UoM	FY 2019-20	FY 2018-19	FY 2017-18
Injuries	Nos.	42	1,089	1,279
Lost days	Nos.	135	24,630	709
Total manhours worked	Million hours	48.61	65.87	85.02
Injury rate*		0.17	3.31	3.01
Lost day rate*		1.32	74.78	1.67

*Injury and lost-day rate have been calculated based on 200,000 hours worked

In line with our standard operating procedures, control measures have been defined for each of the hazards identified, including ones that pose a risk of high-consequence injury.⁴⁶ Further, all of the recorded incidents were inspected to identify the root causes and take corrective action to prevent any future occurrences.⁴⁷

³⁹ GRI 402-1
⁴⁰ GRI 403-2 & GRI 403-7

⁴¹ GRI 403-4
⁴² GRI 403-1

⁴³ GRI 403-3, GRI 403-5
⁴⁴ GRI 403-6
⁴⁵ GRI 403-9

⁴⁶ GRI 403-9
⁴⁷ GRI 403-2, GRI 403-7



We swung into action at the very onset of the pandemic by forming an Emergency Response Team (ERT)

COVID-19 Response


The health and safety of our employees has continued to be our priority in the pandemic landscape. Following the outbreak of COVID-19, we have continuously engaged with our workforce on the measures they need to take, to keep themselves safe. Recognising the magnitude of the pandemic, we issued travel advisories for our people as

early as January 29, 2020. Since then, emails on health, hygiene, and proper use of PPE have become a staple of our employee communication efforts.

We swung into action at the very onset of the pandemic by forming an ERT at the apex level, comprising of senior leaders from diverse streams. The ERT's primary objective has been to focus on the health and safety of employees and their family members through the appropriate interventions, which included measures such as a work from home policy, access to qualified medical practitioners, and setting up of a dedicated helpline to address physical as well as emotional well-being. We continue to monitor the well-being of our workforce, and have taken several measures to engage with and provide timely support to the families that were affected by the pandemic, and are also going beyond to reach out to the extended ecosystem as a part of the welfare initiatives. Existing employee insurance coverage has been strengthened, and additional coverage was also extended to ensure proper care.

Furthermore, we have devised SOPs regarding on-premise working, visitors at our facilities, and sanitisation. We have also set up testing sites across the country, and are ensuring the adequate screening protocols at all locations to fight the COVID-19 pandemic.



**ASHOK LEYLAND**
Aapki Jeeti, Hamari Jeeti.

HEALTH ADVISORY

The current outbreak of 2019-nCoV (nCorona Virus) is spreading across countries globally.





With more than 17,000 confirmed cases 2019-nCoV has been declared a Public Health Emergency of International Concern by the World Health Organization (WHO).

The respiratory virus spreads primarily through contact with an infected person and has an incubation period of 2-11 days.








Here are a few things you can do to protect yourself and your family from the virus and prevent it from spreading.


COMMON SYMPTOMS

2019-nCoV can cause mild symptoms including a runny nose, sore throat, cough, and fever. It can be more severe for some persons and can lead to pneumonia or breathing difficulties. More rarely, the disease can be fatal. Older people, and people with pre-existing medical conditions (such as, diabetes and heart disease) appear to be more vulnerable to becoming severely ill with the virus.

-  **FEVER**
-  **COUGH**
-  **RUNNY NOSE & SNEEZE**
-  **SORE THROAT**

BASIC PROTECTIVE MEASURES

-  Wash your hands frequently with an alcohol-based hand rub or soap and water
-  Avoid touching eyes, nose and mouth
-  Maintain 3 feet distance between yourself and others, particularly those who are symptomatic
-  Avoid consumption of raw or undercooked animal products
-  Cover mouth & nose when coughing or sneezing with a tissue, sleeve or your elbow and not bare hands
-  If you have mild respiratory symptoms and no travel history to China, carefully practice basic respiratory & hand hygiene and stay home until recovery
-  If you have respiratory symptoms or have travelled to China or been in close contact with someone who has travelled from China and has respiratory symptoms - consult doctor immediately

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CONSERVING NATURE AND ENVIRONMENT

While we conserve nature and environment, we also involve communities for a sustained conservation programme



We recognise the role that businesses – especially those with our reach and magnitude – must play in preserving the environment.

We recognise the role that businesses – especially those with our reach and magnitude – must play in preserving the environment. Owing to the nature of our business, we have a dependency on natural resources, water and energy, and have impacts on air quality, water quality and availability, and biodiversity. In line with our endeavour to be a responsible corporate citizen, we adopt measures to use environment-friendly and recyclable materials, optimise material consumption, and deploy innovative processes to lower our environmental impacts. The Environment Management Systems (EMS) of our sites are ISO 14001 certified. We also have a well-established sustainability data management system that comprises of the Standard Operating Procedures (SOPs) for measuring and recording data to monitor every unit's performance vis-à-vis production and resource consumption.

Several measures are in place to reduce any environmental impact caused by our operations. These include stringent environmental targets and comprehensive monitoring mechanisms to ensure that we utilise resources judiciously,

protect and conserve biodiversity, lower our waste generation, conserve water, and manage our emissions. We also carry out periodic audits to keep a check on our compliance with environmental mandates and regulatory norms.

Energy and Emissions

Our focus on reducing GHG emissions and optimising energy consumptions stems from our commitment to reducing climate change impacts. In line with this, we identify risks concerning emissions and accordingly, take measures to mitigate their impacts. To reduce energy consumption and emissions, we have introduced low-energy equipment in our production processes and increased the use of renewable energy. Every functional department strives to introduce changes or improvements that could lower energy consumption and emissions. In FY 2019-20, our total energy conservation was 14,544 GJ,⁴⁸ whereas we recorded GHG emission⁴⁹ reduction⁵⁰ of 3,312.8 tCO₂e

Energy Consumption (000'GJ)⁵¹

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
Types of Non-Renewable Energy			
High Speed Diesel (HSD)	273.28	419.76	324.55
Heavy Fuel Oil (HFO)	2.32	8.78	9.98
Compressed Natural Gas (CNG)	21.58	36.35	44.50
Liquefied Petroleum Gas (LPG)	48.69	69.16	69.00
Propane	12.54	27.82	9.73
Dissolved Acetylene (DA)	0.39	0.49	0.29

⁴⁸ GRI 302-4

⁴⁹ Electricity saving (including foundries)

⁵⁰ GRI 305-5

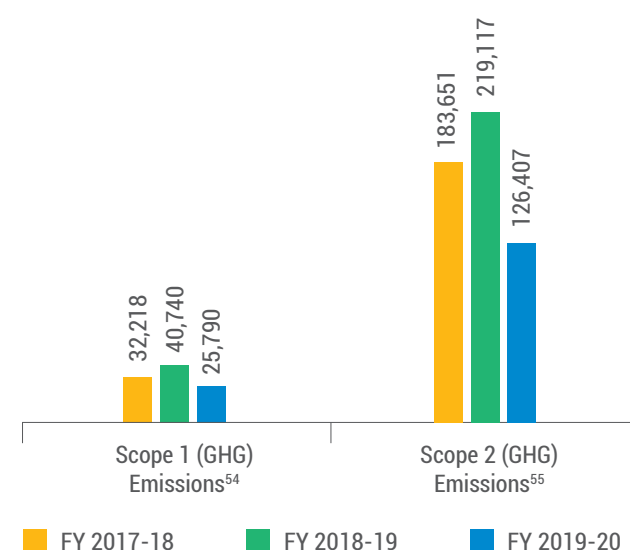
⁵¹ GRI 302-1

Particulars	Electricity consumption (000'GJ)		
	FY 2019-20	FY 2018-19	FY 2017-18
Grid Electricity	617.95	961.98	830.54
Wind	174.30	240.64	297.87
Solar	36.48	24.76	22.72

We track our Scope 1, Scope 2 and Scope 3⁵² emissions in line with the GHG Protocol developed by the World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD). Streamlining of our internal data management systems for Scope 3 emissions is underway. This will not only enable us to benchmark our year-on-year performance, but also facilitate effective comparison with our peers. We regularly monitor and keep a check on ambient air quality and air emissions from our manufacturing units.

In FY 2019-20, our specific Scope 1 emissions were 0.25 tCO₂e/HECU, and specific scope 2 emissions were recorded at 1.23 tCO₂e/HECU.⁵³

Scope 1 and Scope 2 Emissions (tCO₂e)



⁵² GRI 305-3
⁵³ GRI 305-4
⁵⁴ GRI 305-1

Scope 3 Emissions (tCO₂e)

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
Upstream transportation and distribution	18,218	42,827	64,652
Downstream transportation and distribution	1,494	25,638	71,066
Waste generated in operations	177	902	1,147
Employee commute	5,919	326,955	17,763
Business travel	18 ⁵⁶	4,359	2,728

Ozone-Depleting Substances⁵⁷ (Kg of CFC-11 eq)

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
R 22	524	541	552
R 404A	12	25	43
R 413A	0	4	0
R 410 A	108	180	15
R 407C	29	115	86
R 134A	3639	2395	372

⁵⁵ GRI 305-2
⁵⁶ For road travel only
⁵⁷ GRI 305-6

Site-Level Initiatives



CASE STUDY 1: OPTIMISING POWER CONSUMPTION AT BHANDARA

Description:

The team at Bhandara optimised power consumption for heating washing machine solutions through a heat recovery system. Previously, electrical heaters would be used for heating the washing solutions. The improved method, however, uses the heat recovered from air compressors' waste heat.

Measures were taken to reduce the power consumption in CGCF 2 furnace, wherein the loading fixture was modified to increase the output of the furnace with the required quality. The loading fixture height was modified for enhancing the loading capacity of shaft and gears in each loading tray.

Outcome:

Modifications in the heater design have led to power savings of approximately 89.1 GJ per annum. Meanwhile, modifications made in the loading fixture for enhancing the output of the furnace have culminated in nearly 821.34 GJ of power saved per annum.

Before



After



CASE STUDY 2: FUEL AND POWER SAVING AT ENNORE AND CPPS

Description:

At Ennore, key process changes have been implemented to save fuel and energy. Replacing the diesel boiler with an LPG boiler in the main land canteen has led to daily savings of diesel worth INR 9,085. Also, utilising the heat generated from compressors instead of using electrical heaters to operate Shop 5 washing machines has helped us save 405.72 GJ of energy as on 31st March 2020.

At Cab Press and Panel Shop (CPPS), an initiative was taken to generate power savings in the cooling water area. Earlier, there were four pumps being used to run the cooling water system of the equipment; one of these cooling tower was installed with three pumps, while another had one pump.

On in-depth analysis, it was understood that the two cooling towers could be operated with three pumps. The required changes were made in the pump deliveries for the three pumps to support two cooling towers.

Outcome:

At Ennore, the utilisation of compressor heat instead of electrical heaters has led to energy savings. Meanwhile, at CPPS, changes made in the pump delivery system has resulted in the elimination of one pump, thereby leading to cost and energy savings.

Materials

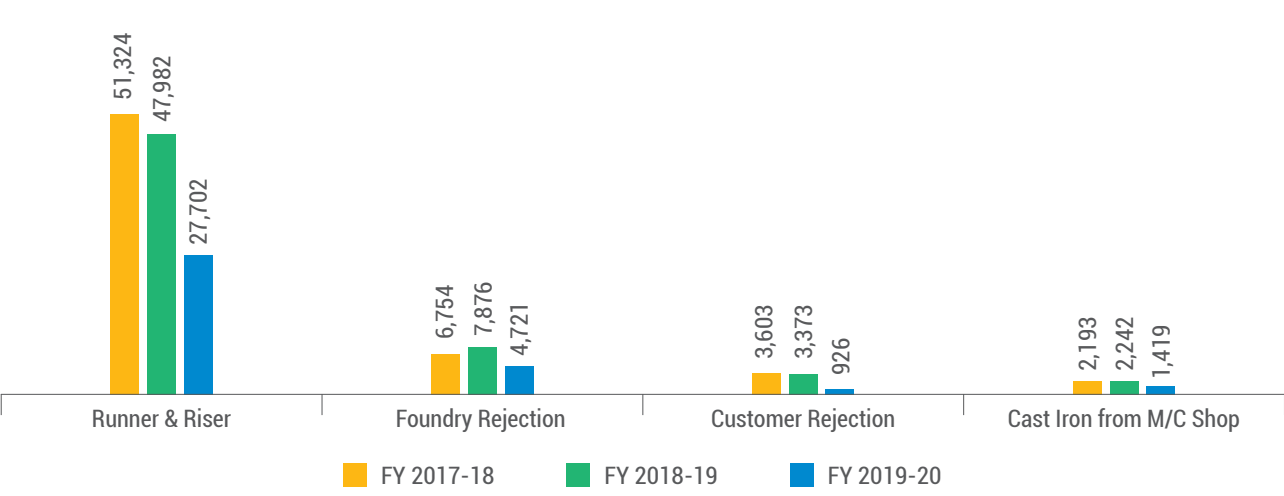
At Ashok Leyland, material consumption is tracked at both the unit and corporate levels. This data is used to monitor and optimise material consumption, something

we also endeavour to do throughout the value chain. At the initial stages of product development, we identify ways to mitigate the environmental impact of our products. We also make process changes that can optimise material use without compromising on the quality of the product.

Materials	UOM	FY 2019-20 ⁵⁸	FY 2018-19	FY 2017-18
Primary Materials				
Steel	MT	15,941	4,22,371	3,53,497
Steel Scrap	MT	33,610	58,055	54,147
Cast Iron Scrap	MT	18,389	27,740	22,710
Pig Iron Scrap	MT	6,087	9,389	8,856
Ferrous Alloys	MT	1,872	3,685	3,231
Associated Materials				
Oil & Lubricants	MT	6,818	10,664	25,673
Paints	MT	2,090	2,222	1,664
Chemicals	MT	1,380	2,309	3,091
Consumable Gas	MT	727	1,150	911
Sand	MT	62,162	104,409	100,372
Other Consumables	MT	54	900	675
High Speed Diesel (HSD)	KL	2,385	5,330	4,266
Compressed Natural Gas (CNG)	MT	130	75	19
Semi-Manufactured Goods				
Copper	MT	118	449	453
Non-Metallic	MT	11,602	16,902	2,928
Batteries	MT	1,459	4,628	9,018
Aluminum	MT	0.15	2,434	2,413
Tyres and Tubes	MT	56	3,027	1,431,715*
Castings and Forgings	MT	0.16	8,681	8,372
Packaging Materials				
Wood	MT	49	306	1,020
Plastic (PVC, Polythene)	MT	101	73	87
MS Pallets	MT	30	117	47
Carton Box	MT	72	144	238

⁵⁸We reported the data for tyres and tubes in terms of numbers in FY 2017-18, however to bring in consistency in the reporting parameters units we will hereafter report the same in MT.

Recycled Materials Consumption (in MT)⁵⁹



Site-Level Initiatives



CASE STUDY 3: REDUCTION IN AIR EMISSIONS AT ENNORE AND BHANDARA

Description:
At our Ennore facility, we have undertaken various initiatives for energy conservation. These include, but are not limited to, H4 package AC optimisation, chassis spot cooler running hour optimisation, and variable frequency drive in vehicle test motor for optimisation. The engineering team at the Ennore plant also took measures to minimise Scope 1 emissions by converting the 17 HSD operated forklift into one that is battery-powered.

The plant engineering team at Bhandara took steps to reduce power consumption in Continuous Type Gas Carburising Furnace (CGCF) 2 deployed in heat treatment. By doing this, the team was able to generate monthly power savings of up to 20.11GJ/ton.

Outcome:
These measures have led to a reduction in Scope 1 emissions.



⁵⁸ GRI 301-1

⁵⁹ GRI 301-2



CASE STUDY 4: INSTALLATION OF ENERGY EFFICIENT FIXTURES AT HOSUR II

Description:

At our Hosur Unit II, measures were taken to reduce the fixed energy share in the overall power consumption of the plant. These included converting all peripheral lighting, such as high-mast lights, mid-mast lights and streetlights into LED lightings, and replacing conventional centrifugal pumps with energy efficient multistage pumps.

Outcome:

Replacing conventional equipment with energy efficient alternatives has culminated in energy savings.

Water

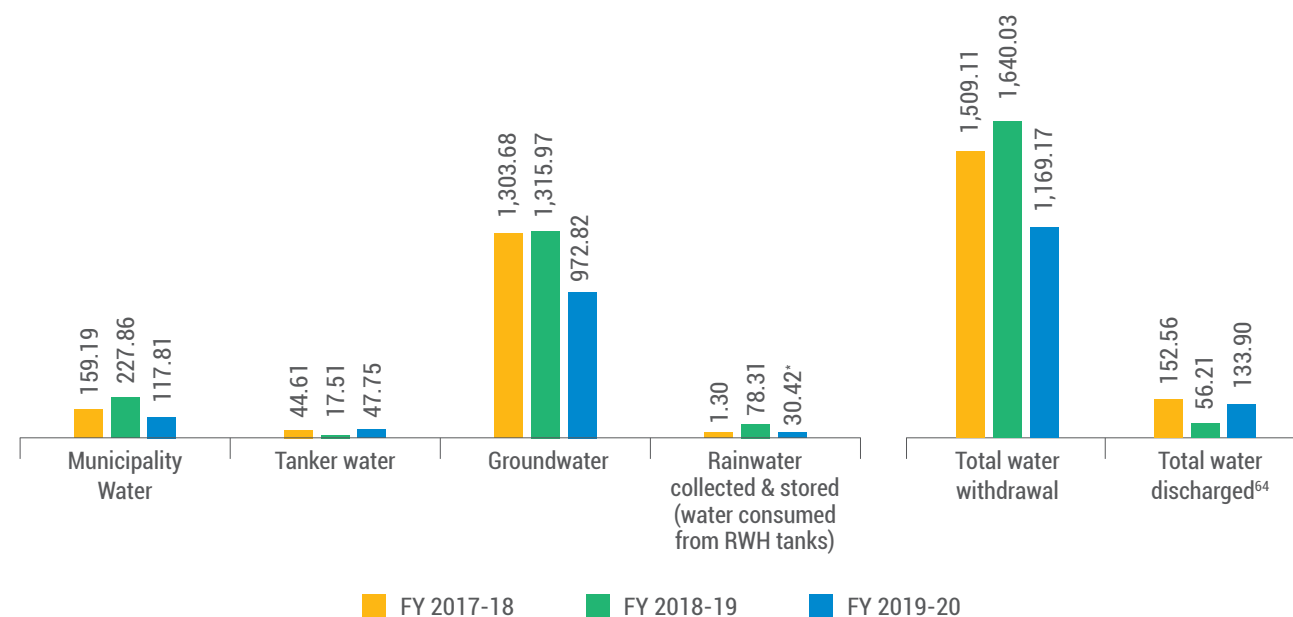
Water conservation has become a social and environmental concern around the world. Managing the impacts of our operations that are situated in areas prone to water stress and other climate-related volatilities is of paramount importance to us. Water is a shared resource, which makes it even more important for us to utilise it in a responsible manner.

We are committed to reducing the amount of water that is withdrawn and monitoring the quality of wastewater

discharged. One of our key water related goals is to achieve water positivity.⁶⁰ Our sources of water consumption include groundwater, municipality water, borewells, and open wells. We also utilise rainwater from our rainwater harvesting facilities. Total water consumption in FY 2019-20 amounted to 10,35,269 KL,⁶¹ whereas we had a specific water withdrawal of 11.34 KL/HECU.

We employ stringent treatment processes to ensure that the wastewater we discharge is as per applicable laws.⁶² We endeavour to ensure a "Zero Discharge" status at our sites.

Water Withdrawal – Source-Wise (000' KL)⁶³



⁶⁰ GRI 303-1

⁶¹ GRI 303-5

⁶² GRI 303-2

⁶³ GRI 303-3

⁶⁴ GRI 303-4

Site-Level Initiatives



CASE STUDY 5: WATER CONSERVATION AT ENNORE, BHANDARA AND PANTNAGAR

Description:

At the Ennore plant, measures were taken to reduce specific water consumption. Some of these measures included reusing RO-reject water for domestic purposes at Shop 1, Shop 2, Shop 6 and Shop 7, utilising subway spring water for domestic purposes, and utilising condensate water for domestic purposes at frame assembly spot cooler.

At Bhandara, the utility, horticulture and building maintenance teams took steps to reduce absolute water consumption by implementing activities such as micro irrigation, reusing wastewater, reducing water wastage in washrooms, conducting internal water audits, daily monitoring of water consumption, and utilisation of rainwater.

The Pantnagar team, meanwhile, implemented measures to reduce the water footprint through recycling of Electrophoretic deposition (ED) paint in Ultra Filtration (UF) and changing backwash frequency, installation of aerators in 192 taps to reduce the excess flow, elimination of leakage and overflow by through regular monitoring, and utilising rainwater for gardening purposes.

Outcome:

Measures taken at the sites to conserve water have led to a reduction in specific and absolute water consumption.

Before



After



CASE STUDY 6: WATERLESS TECHNOLOGIES AT OUR CORPORATE OFFICE

Description:

We have implemented initiatives to reduce water consumption, by adopting the innovative waterless urinals technology and installing water-saving aerator taps. All existing urinals have been converted to waterless urinals, which are primarily low-maintenance systems. Not only do they ensure water savings, but are also an eco-friendly alternative to conventional urinals. Furthermore, the installation of water-saving aerator taps has been a significant measure to ensure water savings.

Outcome:

Adoption of waterless urinals technology has led to reduced water consumption, while the water aerators have helped save water by approximately 50%.

Waste Management⁶⁵

We have a systematic process of treating, managing and disposing waste. Every site has designated personnel for supervising and ensuring proper disposal of waste, and for

coordinating with waste disposal organisations authorised by the respective State Pollution Control Board.

Recycling of waste, wherever feasible, is carried out at our sites. Every site takes measures to contribute significantly to the “Zero Waste to Landfill” campaign.

Hazardous Waste Category	UOM	FY 2019-20	FY 2018-19	FY 2017-18
Used / Spent oil	MT	299	551	449
Wastes / Residues containing Oil - Oil Soaked Cotton Waste	MT	251	439	432
Wastes / Residues containing Oil - Grinding sludge	MT	213	239	245
Alkali Residues	MT	0	2	2
Phosphate Sludge	MT	59	94	99
Wastes and residues - Paint sludge	MT	436	707	444
Filter, Residues	MT	4	27	2
Wastes/residues (sealant/ PVC residues from painting process)	MT	0	4	0
Discarded containers / barrels / Liners contaminated with hazardous wastes / chemicals	MT	455	896	712
Spent ion exchange resin containing toxic metals	MT	0	2	3
Oil and Grease Skimming Residue	MT	4	7	35
Filter and Filter Material	MT	50	41	100
Chemical sludge from wastewater treatment (ETP Sludge)	MT	93	231	167
Used Batteries	MT	46	97	134
E-Waste	MT	4	12	36

Non-Hazardous Waste Category	UOM	FY 2019-20	FY 2018-19	FY 2017-18
Steel castings, MS scrap	MT	29,587	27,623	25,463
Aluminium Scrap	MT	435	257	340
Scrap Tyres and Tubes	Nos	3,675	2,504	4,743
Rubber Scrap	MT	50	63	100
Cable & Electrical Scrap	MT	27	89	5,452
Steel dust/ Shot blast dust/ grinding dust	MT	183	465	759
Wood Waste	MT	1,827	4,754	4,997
Cardboard/ Waste paper	MT	2,068	4,663	5,174
Plastic Waste/ Used HDPE bags	MT	501	607	1,095
Waste sand	MT	91,687	1,23,121	1,16,313
Food waste	MT	99	298	441
Garden waste (jungle wood, dry leaves etc)	MT	538	617	

⁶⁵ GRI 306-2

Site-Level Initiatives



CASE STUDY 7: HAZARDOUS WASTE REDUCTION IN HOSUR I AND BHANDARA

Description:

Unit I of the Hosur plant has implemented measures to reduce the quantity of hazardous waste that gets generated at the site. For this, the estate maintenance team has undertaken activities such as adopting alternative methods of cleaning by using vacuum pump, converting the wet cutting machine to dry cutting machine, and eliminating oil and coolant leakage through daily audits, to name a few.

Oil-soaked hazardous waste not only has an adverse environmental impact, but also has a high disposal cost.

At Bhandara, innovative steps have been taken to reduce oil-soaked hazardous waste by 40%. The process involves using chip wringer for extracting oil from filter cloth to remove the oil content from the filter paper and reusing the extracted oil back in the system.

Outcome:

These measures have resulted in lower cost of disposal of hazardous waste at the sites.



CASE STUDY 8: UTILISATION OF FOUNDRY WASTE IN SRIPERUMBUDUR

Description:

The team at ALFD-SPU took an initiative to utilise foundry waste. The focus of these efforts has been on the utilisation of waste for improved storage space in scrap yards. There is a space constraint in the scrap yard, owing to the high generation and accumulation of foundry waste. This, in turn, leads to multiple material movements and issues pertaining to the storage of other scrap materials.

The three types of process waste materials include green sand, core sand, slag and fettling sand. The team carried out a root cause analysis using the 3R methodology, and identified ways in which these materials could be managed efficiently. It was concluded that waste sand could be recycled to produce paver blocks. This waste sand has been converted to paver blocks, which have been used within the plant premises.

Outcome:

Converting foundry waste into paver blocks has not only reduced the quantity of waste generated, but has also reduced the excessive accumulation of such waste in the scrap yard.

Utilisation of waste sand to produce Paver Blocks at ALFD-SPU





CASE STUDY 9: PAINT DRUMS USED AS TREE GUARDS AT ALFD-SPU

Description:

At ALFD-Sriperumbudur, the production services department reduced hazardous waste by utilising discarded paint drums as tree guards. To protect trees, the foundry division at Sriperumbudur began using empty paint drums as tree covers, instead of discarding and selling them to authorised vendors.

Outcome:

This innovative method adopted to use disposed paint drums as tree guards has helped reduce the quantity of hazardous waste generated at the site.

Empty paint drums used as tree guards



Biodiversity

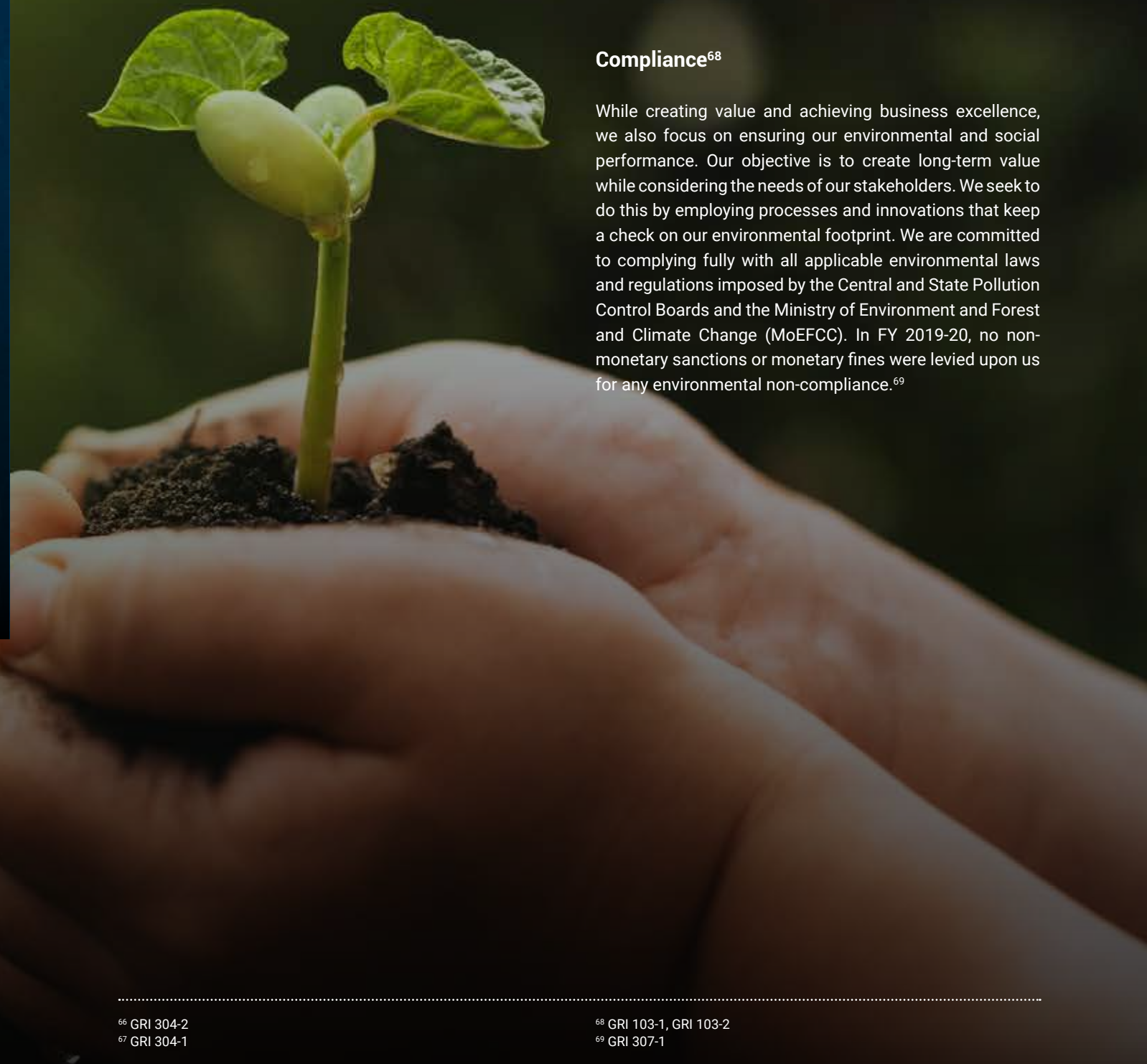
We strive to ensure that our operations pose minimal or no harm to biodiversity and ecological balance. We do not procure or extract resources from World Heritage-listed properties. Additionally, we do not operate in locations that are or lie within the vicinity of areas that are home to International Union for Conservation of Nature (IUCN) Red List Threatened Species.⁶⁶ Apart from the Ennore plant, no other site is situated in a biodiversity hotspot or in close proximity to protected water bodies. No operational sites are

owned, leased, managed in, or adjacent to, protected areas or areas of high biodiversity value outside protected areas.⁶⁷

We engage with communities to undertake environmental initiatives to protect the natural environment and ensure the responsible use of natural resources. Tree plantation drives are undertaken across all our units, towards this end. We have adopted the Miyawaki method of creating forest areas across nine of our manufacturing units. A biodiversity data management system has also been developed to keep a record of saplings planted within and outside our manufacturing premises.

Compliance⁶⁸

While creating value and achieving business excellence, we also focus on ensuring our environmental and social performance. Our objective is to create long-term value while considering the needs of our stakeholders. We seek to do this by employing processes and innovations that keep a check on our environmental footprint. We are committed to complying fully with all applicable environmental laws and regulations imposed by the Central and State Pollution Control Boards and the Ministry of Environment and Forest and Climate Change (MoEFCC). In FY 2019-20, no non-monetary sanctions or monetary fines were levied upon us for any environmental non-compliance.⁶⁹



⁶⁶ GRI 304-2
⁶⁷ GRI 304-1

⁶⁸ GRI 103-1, GRI 103-2
⁶⁹ GRI 307-1



CREATING OPPORTUNITIES, TRANSFORMING LIVES



Our CSR and community development efforts are aimed at supporting environment, education, skill development and healthcare in underprivileged communities.”

We are a trusted corporate citizen and fulfil our community responsibility by making positive impacts in the regions where we operate. Our CSR and community development efforts are aimed at supporting environment, education, skill development and infrastructure in the underprivileged communities, over a period of 25 years.

In 2015, we established an exclusive CSR wing named “Road to School” that works closely with the community to identify and address their socioeconomic issues, with the aim to create self-sustaining communities. **Our CSR team focusses on the areas of education, health, infrastructure, environment, water and road safety.** We also have a CSR policy in place, which guides us in executing our activities in an effective manner.

Our aim is to implement innovative, sustainable and impactful programmes through partnerships that will not only add value to the community but also the company. Our operations do not have any significant actual or potential negative impacts on the local communities.⁷⁰ Meanwhile, community engagement in the form of impact assessments and development programmes is implemented at 95% of our operational locations.⁷¹ In FY 2019-20, we spent INR 41.52 crore towards our CSR activities.

Based on the trends and analysis of learning outcomes in primary and middle schools in and around our Hosur facility, the CSR group decided to work towards improvement of learning levels and holistic development of underprivileged children. The Road to School Project was launched in FY 2015-16 in 36 primary and middle schools with a focus on remedial education. Over time, the programme has grown into a holistic child development model, with a focus on education, health and nutrition of children between the ages of 6 and 14 years. Today, our CSR investments and

efforts are impacting more than 56,000 students from 711 communities in four districts of Tamil Nadu. Road to School has been conceptualised as a long-term project, with an intervention period of between five and seven years, to bring about holistic and systemic changes in quality education, health and nutrition.

This CSR initiative is a unique collaborative model, being implemented in collaboration with Sarva Siksha Abhiyan, the Government of Tamil Nadu, and school management committees. The project is being implemented by partnering with well-known Non-Governmental Organisations (NGOs) such as Learning Links Foundation for academic and wellness support, Akshaya Patra Foundation for serving nutritious meals, Sports Village Foundation for sports activities, and Rhapsody for music-related interventions in schools. We regularly monitor the methodology adopted by these partners, and measure the positive impact created by the project.



Community engagement in the form of impact assessments and development programmes is implemented at 95% of our operational locations. In FY 2019-20, we spent **INR 41.52 crore** towards our CSR activities.

⁷⁰ GRI 413-2

⁷¹ GRI 413-1

Alignment with SDGs

Our Road to School programme is aligned with the United Nations Sustainable Development Goals, and the national agenda of improving the quality of education, health, nutrition, social and civic awareness amongst underprivileged children from government schools.



Education

Education plays a crucial role in the growth and development of the community. Access to quality education helps individuals take advantage of various opportunities that arise in the future. Education also empowers people to alleviate poverty, provides financial stability, brings the awareness and access needed to improve health and hygiene, amongst much more. Our initiatives Road to School and Road to Livelihood seek to provide quality education to the rural community.

Road to School (RTS)

This is a holistic child development model programme that focusses on learning enhancement through remedial, scholastic and co-scholastic interventions. It supports the health and well-being, nutrition and physical development of students. Musical training is imparted in select government schools of Krishnagiri, Tiruvallur, Namakkal and Salem. The target beneficiaries include children from below the poverty line, migrants and tribal communities.



Expanding the Learning Ground

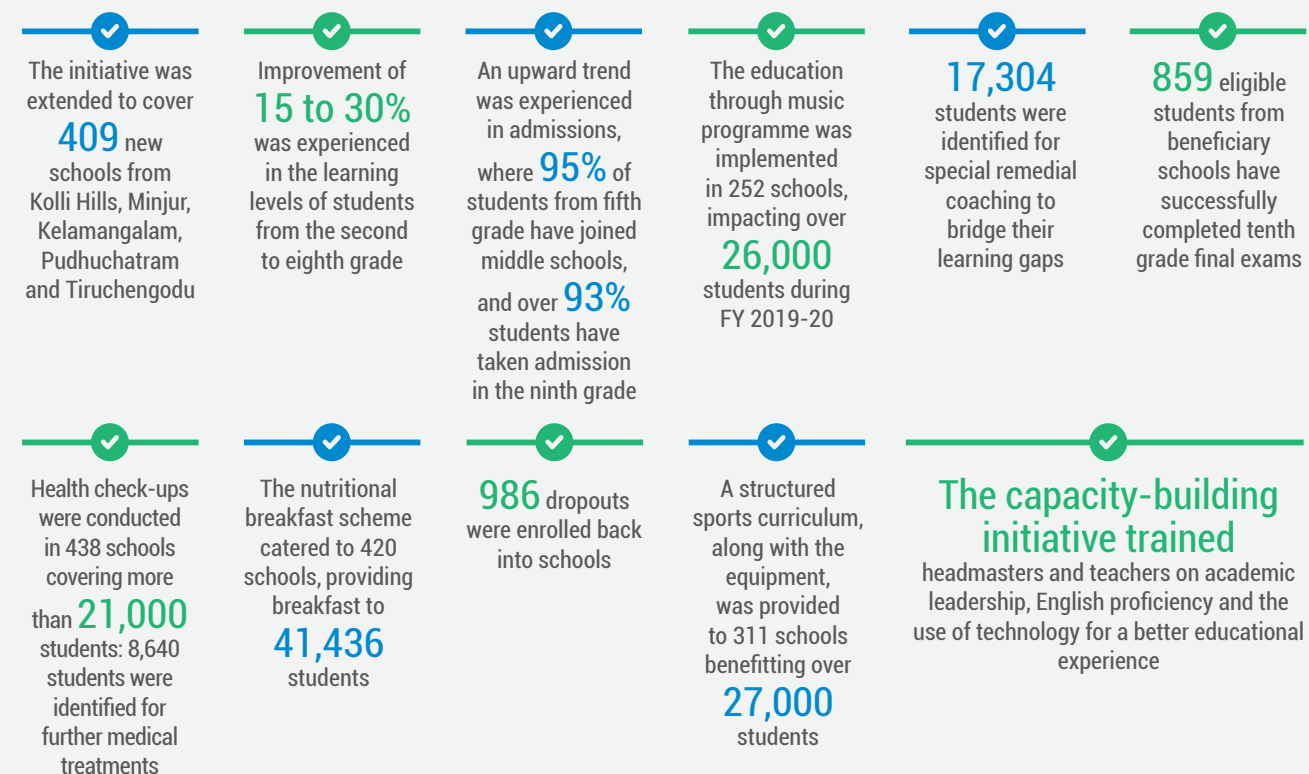
Our holistic RTS programme provides the underprivileged students not only with basic education but also paves the way to enhance their skills through a two-year basic training programme conducted by us at our Hosur Plant. Through this programme, the students are provided with theoretical as well as hands on experience in our shop floors. This activity improves their skills, making them industry ready.

Gurumoorthy, a student in this programme is undergoing his motor mechanical trade and is confident in pursuing his career in engineering. During this programme, a stipend is provided to the candidates which helps him support his family. Like Gurumoorthy, 23 other students have also benefited from this programme.



Key Highlights of FY 2019-20

We collaborated with 711 schools across RTS locations, benefitting 56,000 students. 524 of these schools were directly funded by us benefitting around 43,000 students, while 187 schools were funded by our partner organisation, Hinduja Leyland Finance Limited benefitting around 13,000 students.



Road to Livelihood (RTL)

This programme seeks to enhance access to education by eliminating the barriers encountered along the way. Through this programme, we undertake various initiatives such as girl child scholarship, counselling, skill development and healthcare support for drivers.

Girl Child Scholarship

244 students were given cash awards of INR 12,000

143 of these students also received bicycles

Psychometric Evaluation and Counselling

2,500 students were counselled professionally from Hosur, Namakkal and Chennai

Skill Development

240 students from the mechanic motor vehicle stream received training on current technologies in commercial vehicle

INR 100 lakh has been donated towards the Hosur Industries Association for the construction of a Skill Development Centre

Enabling the development of the trucking community



We have taken various initiatives that cater to the children and families of truck drivers, mechanics, lorry body building unit technicians, cleaners and the lorry drivers. We have collaborated with the education department and tied up with 83 RTS schools, which have enrolled 7,500 students and 151 Hinduja Leyland Finance Limited (HLFL) schools, benefitting 9,386 students of this community. In addition to this, we have also established a driver healthcare centre and mobile medical units that have benefitted 6,647 individuals. Water ATMs were also installed at the community level, to ensure access to safe drinking water for around 1,000 families.

AL Cares - Saksham

This programme mainly focuses on the communities residing around the Alwar, Bhandara and Vijayawada plant areas. The initiatives carried out by us include improvements in the school infrastructure, training of teachers, English proficiency coaching, wellness and personality development for the students. In addition to this, activities like healthcare awareness campaigns, discussions on government schemes, addressing social issues and health checkups are carried out.

In FY 2019-20, this programme has benefitted 961 students at seven schools in the area. Around 250 new students were admitted during this year. Additional activities like tree plantation, hygiene awareness, cooking and painting were also undertaken.

Success Story

Beyond the Call of Duty

Sowmiya, a resource person appointed at Panchayat Union Primary School, Thiruvallur district, noticed that the students and community members were unaware of basic hygiene practices. To raise awareness and implement hygienic behaviors, she started conducting a daily awareness classes. She taught the students about the importance of personal hygiene, hand-washing, bathing, brushing and much more.

Through these sessions, she reached 30 students of the school, in addition to their families. The school was also awarded with a Swachh Bharat Puraskar Award by the Thiruvallur District Collector for contributing to the goals of Swachh Bharat Mission.

Institution Development

As a part of this programme, we have donated four ICU ambulances to Primary Health Centres (PHC), which has helped 3,500 households living in the remote villages to gain access to healthcare services in case of emergencies. We have also equipped the Nagamangalam Primary Health Centre near Hosur, with basic amenities, under the My Hospital, My Pride scheme.

Water Initiatives

We recognise that the private sector has a significant role to play in addressing regional water concerns. We have collaborated with Hinduja Foundation to implement various water initiatives, such as the installation of purified drinking water ATMs, the rejuvenation or restoration of Himalayan springs, solid and liquid waste management, lake rejuvenation, and much more, in accordance with the objectives of the National Water Mission – Jal Jeevan.

As on March 31, 2020, we have successfully installed 19 ATMs that has benefitted 75,000 people, dispensing 45,000 litres of drinking water in rural areas everyday. We also took up rejuvenation activities in Maharashtra, which involved increasing the height of the Kinh-Gadegaon Reservoir offshore bund, increasing the water holding capacity by 65%. This activity benefitted around 4,000 people, along with the adjoining wildlife sanctuary. Additionally, the Alasanatham Lake in Hosur was also rejuvenated, benefitting over 8,000 people.

Meanwhile, we have rejuvenated 15 springs and set up 30 roof rainwater harvesting systems in Uttarakhand, benefitting 240 families. This has particularly helped the women in the community, who walked a distance of around 1.5 km to fetch 20 litres of water in the hilly terrains. The water discharged from the springs was also increased by 128.50 lakh litres per annum,

In partnership with the Ambuja Cement Foundation, we have initiated the Sustainable Water Management Project in Alwar, comprising of activities like rainwater harvesting, groundwater recharging, sanitation and efficient water utilisation practices like drip irrigation and sprinklers.

Moreover, we have implemented solid and liquid waste management projects in Uttarakhand allowing 655 families



to dispose garbage through a designated garbage collection vehicle. 2.5 kms of the Hathyari river were also cleaned, in addition to stopping the letting of grey water into the river.

Employee Volunteering

This is an employee engagement initiative aimed at ensuring a clean and green environment for all. 1,748 employees volunteered for this programme participating in various activities like computer teaching, black board painting, low-level board painting, tree plantation, classroom cleaning, campus cleaning, and school building-painting, among much more.





We have a vast network of suppliers whom we encourage to adhere to the sustainability best practices that we follow.

Our suppliers are an important pillar for the smooth functioning of our business. Our sourcing vision is to establish a lean and efficient supply chain that delights our customers and enhances our supplier relationships.⁷²

Owing to macroeconomic developments, we face challenges related to ever-increasing complexity in the supply chain and the changing demands for raw materials with the adoption and expansion of the electric mobility segment. To ensure that suppliers keep abreast with these changing trends, our team liaises with suppliers to increase transparency, and maintain efficient utilisation of resources, while simultaneously monitoring their sustainability standards.

Our stakeholders demand that we operate in conformity with the environmental and social norms, making it an integral aspect for us to incorporate within our supply chain as well. We have a vast network of suppliers whom we encourage to adhere to the sustainability best practices that we follow.

Through our Board-approved Supplier Code of Conduct, we aim to make sure our suppliers abide by our environmental and social parameters. We have also established a commercial framework, in accordance with our values and applicable industry standards, to maintain a cordial relationship with our value chain partners. Additionally, to manage sustainability-related risks in our supply chain, we have a formalised Enterprise Risk Management (ERM) process for risk identification, assessment, monitoring and corrective actions. This process is conducted on a quarterly basis.

We have integrated our ESG objectives related to cost control, delivery improvements and supplier engagements into our supply chain strategy, wherein we boost

our performance by adopting advanced technology. Innovations in these areas require our suppliers to be ready with the raw materials and parts. We also include ESG factors like legal compliance and labour laws in our supplier selection process.⁷³ During FY 2019-20, we have not made any significant changes in our supply chain from the previous year.⁷⁴

Partnering with New Suppliers

We are working towards enhancing the quality and delivery of our products, while making them more affordable. In order to achieve this goal, we not only set the expectations for our existing suppliers but also identify new suppliers who abide by the established legislations, while also meeting our SEE framework parameters. A Plan-Do-Check-Act cycle is used to evaluate the compliance of our suppliers with our standards. 100% of our new suppliers undergo a screening process using our established social and environmental criteria.⁷⁵ We also take into consideration other capabilities like manufacturing, problem-solving, and quality control among others to assess our new suppliers.



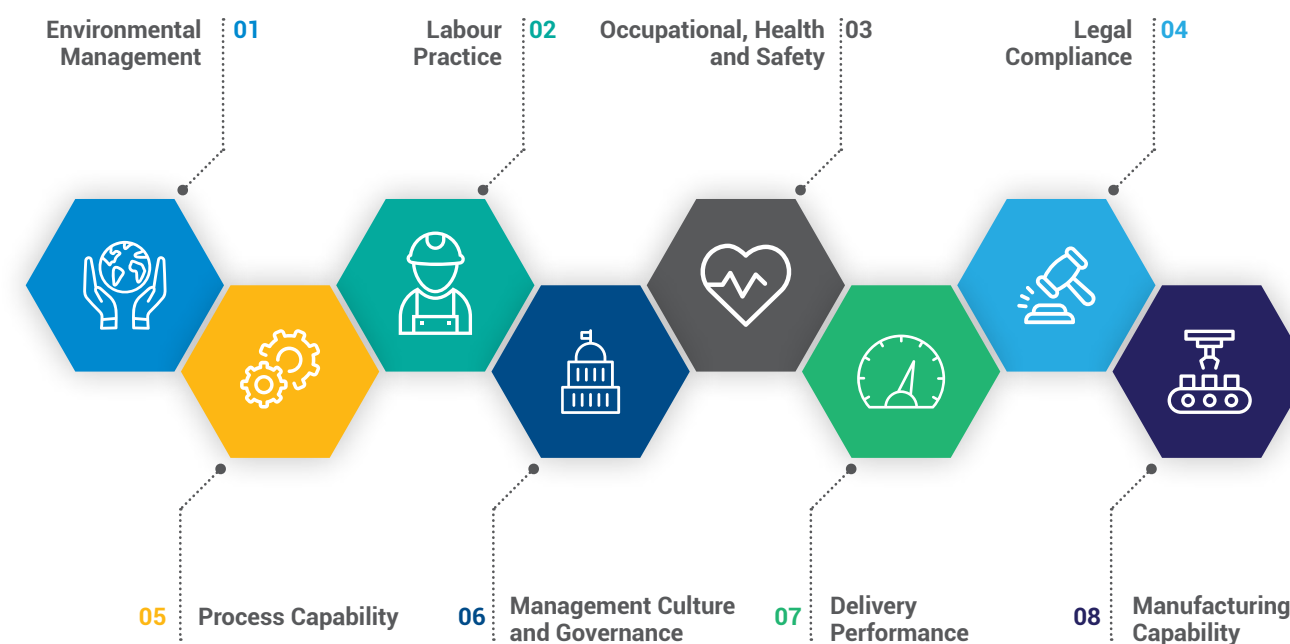
A Plan-Do-Check-Act cycle is used to evaluate the compliance of our suppliers with our standards. 100% of our new suppliers undergo a screening process using our established social and environmental criteria.

⁷² GRI 103-1
⁷³ GRI 103-2

⁷⁴ GRI 102-10
⁷⁵ GRI 308-1, GRI 414-1

Supplier Selection

Our supplier selection process consists of a formalised system that includes an on-boarding process conducted for every new supplier. This process helps us understand and effectively rate our suppliers based on their incorporated systems and processes.



Through this process, suppliers are gauged, and promising partners are selected to work with us. As of March 31, 2020, we have 762 Indian suppliers (domestic) and have engaged with 30 new suppliers. All our suppliers have a high level of labour involved in their operations and we have spent INR 8,000 crore on purchases made from them. Of the total expenditure, 99% is spent on procuring parts and raw materials from local suppliers, while less than 1% is spent on imports.⁷⁶ We also work towards engaging with local suppliers, by training them to build their capacity and generating employment. Indian suppliers account for 99% of our total supplier base, comprising of most of our raw material purchases.

Supplier Assessment

We conduct a scorecard-based annual audit of all our suppliers to ensure their conformity with all the

applicable rules and regulations. On the basis of the scores received, our suppliers are categorised into top and normal suppliers. Suppliers with the best scores are evaluated once every two years, while the rest are provided improvement assistance, in addition to audits conducted every six months to track their progress. This financial year, we carried out 364 surveillance audits for our suppliers, and did not find any breaches in the regulations related to legal or human rights.⁷⁷

Through our Supplier Evaluation Audit (SEA), we have also audited these suppliers on their social and environmental impacts. The parameters on the basis of which these audits were assessed included pollution certificate, CSR activities, instances of child labour, mechanisms for disposal of hazardous waste and maintenance of the ISO 14001 program. All our audited suppliers fit the criteria and agreed to improve on their current practices.⁷⁸

⁷⁶ GRI 102-9, GRI 204-1
⁷⁷ GRI 409-1

⁷⁸ GRI 308-2, GRI 414-2

A digital platform has also been established to monitor and evaluate the performance of our suppliers. Performance dashboards have been created for over 350 suppliers based on our performance criteria and the same is communicated to them in order for them to enhance their performance accordingly.⁷⁹

Building Relationships with Suppliers

We aim to develop long-term relationships with our suppliers and assist them in expanding their capabilities to achieve overall success. We continuously engage with our suppliers during the year, through various programmes like the Supplier Summit and the Strategic Partners Meet, to build a strong bond and encourage them to perform better. Additionally, we also conduct need-based interactions with our suppliers that involve the top and middle management to keep them updated with the latest regulations, and seek their feedback. An anonymous supplier satisfaction survey is also carried out on 126 of our high buy value suppliers, wherein we received a 97% satisfaction score for FY 2019-20. This survey was conducted on parameters like pride in our association, honouring our commitment, scheduling, engagement in quality, fairness in price settlement, and communication. We have taken up various initiatives

over time, like Leykart, Supplier SAMRAT, Supplier Buddy and many more. This year, we have also executed other significant initiatives to strengthen our relationship with our suppliers.

Logi-file

This initiative highlights the new washing and packaging standards adopted by us. This new washing standard consist of a cleanliness procedure that ensures the parts remain clean and safe from the point of origin to its use. This procedure is on par with the international practices followed. We have implemented new washing facilities and Millipore testers for 92 suppliers and 72 engine part families. The new packaging standard includes an additional 20 sensors to secure the electronic parts from any damage.

K54 2.0

This initiative was introduced to drive saving on costs by making our supply chain and overall operations efficient. The target for FY 2019-20 was 2% of the purchase spend value, and we successfully achieved this target through commercial and commodity levers.



⁷⁹ GRI 103-3

Leveraging New Manufacturing Processes and Onboarding New Technology Suppliers for BS VI

As our operations have expanded, we have focused our attention on the development of parts for our machines using new technologies. In the reporting period, we have developed 5,000 new parts, marking a 2.6-time increase compared to the previous year.

We have adopted various technologies like 3D printing and hi-tech laser cutting to reduce our lead time and increase productivity. We have also taken initiatives to stock for the future, in case we face fluctuations in demand.

In addition to this, we have onboarded nine new technology suppliers for BS VI, from whom we have imported 33 new parts to increase the quality of our products.

Leveraging Digital Platforms

The Supplier Buddy application and Supplier Performance Dashboard are two initiatives under this programme. The Supplier Buddy – Mobile Chatbot addresses partners’ queries, along with recording their invoice status, purchase order details, tax details and debit details. This application resolves over 150 queries from more than 40 suppliers on a monthly basis. The Supplier Performance Dashboard, meanwhile, provides suppliers with a quarterly performance report to improve their performance.

Improvement in Supplier Truck Turnaround Time (TAT)

We have implemented an automated system, Radio-Frequency Identification (RFID) tag scan in all the three major vehicle plants. This system uses the RFID tag to reduce waiting time at different stages. Some of its benefits include a reduction in queue time from 15 minutes to less than 2 minutes and gate entry time from 3 minutes to less than 2 minutes. This has reduced the overall TAT by 50%.



PRODUCT INNOVATION



We are committed to identifying precise customer needs and developing products that are best-suited to fulfilling them.

In a dynamic scenario that involves ever-changing customer demands, we ensure that we make the best use of our skills and resources to deliver long-term value. We are committed to identifying precise customer needs and developing products that are best-suited to fulfilling them.

Growing customer preference for environmentally friendly products is a key driving force for us to innovate and emerge a prominent market player. In recent years, we have directed our efforts towards developing products like fuel-efficient vehicles by employing latest technologies and expertise in the domain.

Our manufacturing, engineering, design, supply chain and process planning teams work closely to ensure that the vehicles being developed meet the necessary safety requirements. In addition to incorporating safety considerations, the focus is also on introducing user-friendly features that can enhance the effectiveness of the products. Some of the key factors that are considered in product innovation are market trends, customer requirements, safety and environmental standards and requirements. In FY 2019-20, we did not receive any cases of customer grievances pertaining to the health & safety aspect of our products. Furthermore, there have been no violations around product-based compliances pertaining to labeling and advertisement.⁸⁰



In FY 2019-20, we did not receive any cases of customer grievances pertaining to the health & safety aspect of our products.

Electric Mobility

Owing to a shift towards environmental consciousness, regulatory requirements are becoming more and more stringent. In addition to developing efficient products, there is a growing need for developing products that would make a minimal impact on the environment. Given India's National Electric Mobility Mission Plan 2020 (NEMMP) to promote rapid adoption and production of hybrid and electric vehicles in the country, we have begun taking necessary measures to foray into the market. We consider this an opportunity to further expand our business by launching products that not only meet customer requirements, but are also sustainable.

Through Circuit, which is our EV product platform, we are focussing on energy management strategies such as fast-charging and swap technology that enable us to reduce the size of the onboard battery. We are also exploring other commercially feasible and viable technologies. Given the challenges in battery operations and charging infrastructure, we are working towards aspects such as increasing battery life.

Shift from BS IV to BS VI

We firmly believe that by focusing on sustainable mobility, we can expand our product offerings and keep pace with changing market trends. As we move from manufacturing vehicles compatible with BS IV to manufacturing vehicles BS VI-compliant vehicles, our product development team has established standards and guiding principles for carrying out operations as per the requirements. The Modular Business Platform is enabling us to develop vehicles from the existing segments of our product portfolio.

⁸⁰ GRI 417-2

Quality

We ensure product quality by considering a host of parameters such as process, manufacturing, design and environment. Key factors and measures adopted to ensure quality parameters have been enlisted below:



In addition to the above, we have systems and mechanisms in place for resolving customer complaints. These include the quick resolution team for new platform issues, product lifecycle management for customer complaint resolution, and warranty data analysis and corrective preventive action for reliability improvement.

We also make quality-related improvements to ensure that our products have a low environmental impact. Towards this end, we have adopted the following:

- Emission under limits (BS-6) monitoring through onboard diagnosis stage – 1
- Emission characteristics validation through in-house confirmation of product

Innovation in Our Product Portfolio

Trucks

PARTNER is a next-generation LCV truck offering superior performance and mileage. It has features to ensure enhanced driver comfort. This intricately designed truck has modern interiors with air-conditioning options. While the truck has been designed considering driver comfort and safety, it comes with a sophisticated engine that provides greater mileage than other trucks.

Our latest range of 16-wheeler trucks has been designed to ensure fuel efficiency. They have a greater load-carrying capacity, and a lower environmental impact due to lower emissions.

Our trucks are designed to deliver optimal performance through enhanced fuel efficiency and superior comfort through improved ergonomics. For example, the Captain 2518 has been developed to meet high productivity norms in mines irrespective of topographical features, terrain or even depth. It has a driver-friendly cabin that ensures safety, comfort and superior performance in totality.

iEGR Technology

In addition to being a non-hazardous and reliable technology, iEGR gives the best-in-class total cost of ownership. Being the only player in the Indian CV market to employ this technology, we have exhibited our commitment to adopting technologies that help reduce environmental impact. The iEGR technology helps reduce emissions by eliminating the use of a chemical called Diesel Exhaust Fluid (DEF). By adopting this technology, the consumption of DEF is reduced by more than 1,200 liters per truck. We have also employed this technology to redesign our haulage and multi-axle vehicles with enhanced payload capacities.

Our recently introduced range of Gross Vehicle Weight (GVW) vehicles has an additional payload capacity of 20%, while utilising the same resources. Our range of long-distance trucks is equipped with i-alert devices that help in tracking the vehicle and facilitate communication with emergency services at the click of a button.

Product Innovation in FY 2019-20

We have again reestablished our position as a thought leader, with the introduction of i-Gen6 technology in BS-VI. Living up to the ever-dynamic demands and changing preferences of customers, we have taken the necessary measures to deliver products that provide world-class performance. We have introduced technological modifications in our vehicle engines to control NOx emissions. With fewer sensors, this technology has simple functioning and consumes lower quantities of DEF, thereby lowering the operational cost.



We have introduced technological modifications in our vehicle engines to control NOx emissions.

Fuel Bowser



We have introduced new products to meet government initiatives on alternate fuels, while also satisfying customer requirements. The Fuel Bowser has been developed for door-to-door delivery of diesel. Its areas of application include mines, remote locations, construction sites and equipment such as generator sets.

Reefer



For the safe transportation of vaccines, we have designed the Reefer. This vehicle has all the necessary features for the safe handling and transportation of vaccines. It provides the right temperature for the preservation of vaccines, as recommended by vaccine manufacturers, and protects them from exposure to light at every link in the cold chain.



Special Vehicle

Disinfectant and Special Vehicles:

We launched the Disinfectant Vehicle with features for effective spraying and automatic adjustment of throw angles. It has been designed to carry out sanitisation and disinfection drives in public areas, such as roads, bus stops, factories, and hospitals.

We have designed special vehicles for sanitisation purposes, as well as to ensure the cleanliness of public spaces. These vehicles are used for solid and liquid waste collection, garbage disposal, and for cleaning roads and walkways.



Disinfectant Vehicle

OYSTER:

This is a new BS-VI midi-bus launched in the premium segment for best-in-class safety and comfortable travel. With plush interiors and a host of convenient features, OYSTER is a multipurpose premium bus that has been designed and manufactured for staff, route and tourist application.

12M with 250 HP Engine:

The 12M bus is equipped with a powerful front engine and embedded with features that meet the requirements of our end-users. These features include an engine brake, unitised bearing and disc brake, all of which make it a reliable offering in the market. Furthermore, the vehicle has front and rear suspension and powerful AC for ensuring maximum passenger comfort.

Defence:

In FY 2019-20, there were efforts taken towards the indigenisation of imported aggregates contributing to the overall defence ecosystem, to afford greater business opportunities to Micro, Small and Medium Enterprises (MSMEs). The year presented several opportunities for developing indigenously designed, developed and manufactured defence mobility solutions.

CUSTOMER DELIGHT





Our engineers employ sophisticated technologies and mechanisms to identify potential issues and take necessary actions accordingly.

Understanding our customers' requirements is key to not only fulfilling, but also exceeding customer expectations. In line with this objective, we carry out extensive market research to identify demand patterns and provide the best product and service offerings.

Our focus on ensuring product quality begins from the initial stages of product conceptualisation. Our engineers employ sophisticated technologies and mechanisms to identify potential issues and take necessary actions accordingly. We are committed to extending seamless after-sales service to our customers, and carry out repair and maintenance of vehicles through 750+ workshops PAN-India.

Developing a systematic feedback mechanism has also been integral in helping us deliver value to customers. Our customer satisfaction index improved from 745 in FY 2018-19 to 750 in FY 2019-20. Moreover, we received post-service feedback from 85% of our customers. Their feedback, combined with extensive research, helps us finalise vehicle designs and features before new models are rolled off the assembly line.

To assess the health and safety impacts of our products,⁸¹ we conduct checks for services as well as spares. For services, there are processes followed in the design and manufacturing phase and the operating phase. Meanwhile, the following measures have been taken for spares:

- Use of non-asbestos BBL
- Shift from Low Density Polyethylene (LDPE) to carton for gears
- Carton shredding machine in lieu of void fill
- Compliance with plastic usage guidelines

To ensure compliance related to product health and safety, we carry out system checks for service adherence, in addition to reminders and stakeholder trainings for service adherence and genuine spares and lubes usage. Systems which involve availing scheduled services mandatorily for warranty eligibility, is also applied. In FY 2019-20, there were no cases of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services.⁸²

Sales Journey

During the sales journey, we also place emphasis on raising awareness about vehicle servicing and resolving issues pertaining to spare parts. We provide our customers with operating manuals that lay down specific standard operating conditions and maintenance checks for getting optimal performance.

Practical Improvement in Sales and Marketing or PRISM is a programme that focusses on marketing-related aspects. Through PRISM, we focus on developing our marketing strategies and building people capabilities. The PRISM process provides data pertaining to customers and various transactions on an annual basis. We launched PRISM 2.0 with the objective of addressing the dynamic business environment with the aid of digital technology.

Leverage Analytics to Drive Decisions or LEAD employs data analytics to derive actionable inputs from sales and service-related data. These inputs are embedded in our processes and systems. LEAD aids in capturing data and carrying out data analysis, in the context of organisational objectives.

SELECT is a platform for us to engage with customers. The primary focus is on developing strategic relationships, enhancing mutual trust, building brand loyalty, and ensuring long term business value. We engage with our customers to identify and address their preferences and requirements. We extend priority services and other rewards and privileges to our SELECT customers who are identified according to their business relationship with us over a period of time. The SELECT initiative is based on the 3 Ps which are Priority, Privileges and Profit. We prioritise our SELECT customers by extending services such as helpdesk support, training support through Knowledge on Wheels (KNOW) and Workshop on Wheels (WOW). We connect with our customers and their families by conducting unique engagement initiatives such as events, rewards for purchases, and personalised greetings. For every transaction, we give reward points to our customers, which they can redeem for special benefits or vouchers of their choice. These benefits cover availing services and purchase of new vehicles and spares.

We extend on-site services to customers who operate their vehicles in remote locations such as construction sites, mines and big fleet sites. We have a dedicated 24X7 multilingual call centre for PAN-India support in the event of vehicle breakdowns. We have also established an online payment gateway called EasE-Pay that enables customers to pay for our services online.

We have introduced e-Diagnostics, which is a Bluetooth diagnostic device that identifies the error code for customers' vehicle by connecting the smartphone with their vehicle. The driver or mechanic can resolve the issue by following the process explained visually.

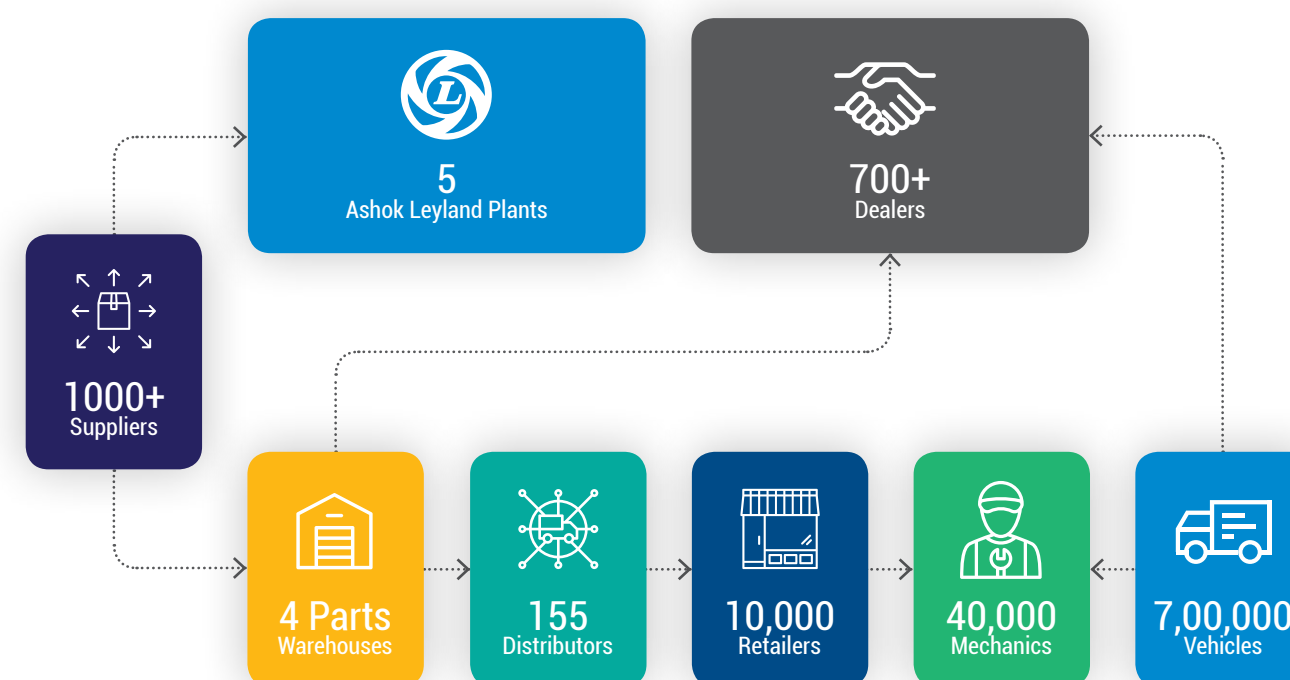
With the help of PRISM, we have been able to ensure that we resolve our customers' concerns and issues within the shortest time possible. Through our call centres, which offer multilingual support, we track and monitor customer grievances till they are resolved. There are different modes of receiving customer grievances, including PSF, long distance (LD) calls, social media and email.

We ensure that customer grievances get resolved within 14 days from the receipt of complaint. Stakeholders involved in the grievance redressal process include the HO coordinator, our field team, the channel partner and the customer.

After-Sales Journey

We provide reliable and seamless after-sale service to our valued customers through site services and workshops, and by providing them with genuine vehicle spare parts.

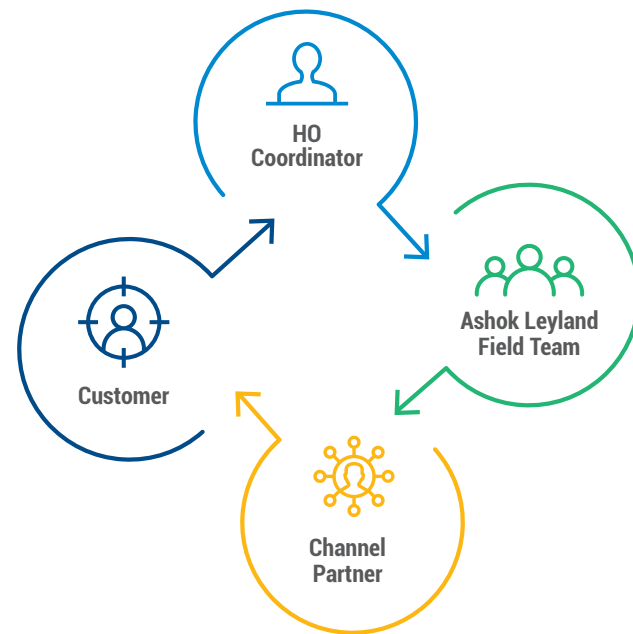
Aftermarkets Supply Chain



⁸¹ GRI 416-1

⁸² GRI 416-2

Stakeholders involved in the customer grievance redressal process



For immediate assistance for accident repair services, we are establishing a dedicated accident repair facility to ensure timely and high-quality repair and quick claim support. ServiceMandi is our pioneering digital initiative, which connects fleet managers or owners and drivers to certified workshops through mobile applications. There are different apps for fleet managers, drivers and the workshops.

iALERT is a state-of-the-art connected vehicle technology that enables customers to monitor their vehicles in near real time. It keeps customers updated on their vehicles' health and other key parameters. The alerts sent by this technology help fleet managers to focus and enhance safety, performance and productivity of the fleet.

We engage with our channel partners through monthly and quarterly meets, surveys, trainings, dealer conferences, personal reviews and visits. The frequency of engagement may range from monthly or quarterly to yearly or even need-based. The focus of these engagements is primarily on aspects such as customer engagement and satisfaction, training and development, and achieving business targets and commitments. We are upgrading our channel partner workshops with modern equipment and better technologies for enhanced customer interface. Our workshops with smart bays deliver high-quality repair and delivery of vehicles. We provide our channel partners with service manuals that consist of step-by-step guidelines for repair

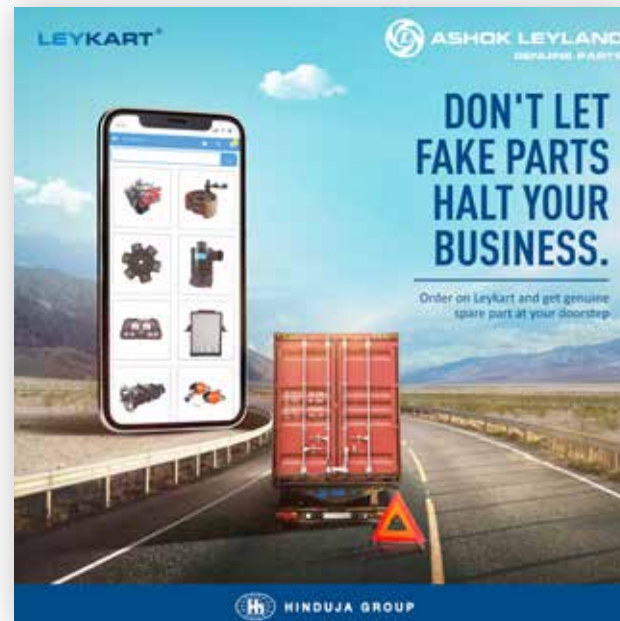


and rectification of product issues. Changes in product and service requirements, meanwhile, are communicated to channel partners through circulars.

We ensure the effective communication of SOPs and protocols for product quality through stakeholder trainings, service reminders, leaflets and online media and through the Uptime Solution Centre.

Spare Parts

Leykart, Ashok Leyland Mechanic Club, SparkFlow and SPARK are the key initiatives in the aftermarket domain. We ensure the availability of genuine repair and maintenance spares, lubes and accessories through primary (dealers, authorised service centers), secondary (distributors, retailers, mechanics) and online (Leykart) channels.



Our objective is to ensure that we don't just have a transactional relationship with our mechanics. The Ashok Leyland Mechanics Club is a multi-tier loyalty programme developed with the objective of bettering the lives of our mechanics. We offer benefits such as family health insurance, trainings and scholarships for children.

Project SPARK was implemented with the objective of delivering multi-fold revenue growth, enhanced profitability and strengthening our bottom line. SPARKFlow is a strategy that we have adopted to ensure that there is more than 95% availability at the front end, so as to achieve increased sales with optimum inventory.

To tackle the risk from counterfeiting products in the aftermarket business, we have taken stringent measures to revamp the packaging strategy for genuine components and parts. For example, the pricing label has special features that indicate that the product is genuine.

We have taken measures to highlight genuine product attributes, which cover:

PACKAGING

Revamping of packaging through redesigned skin, MRP label, QR code, and serial number

01

ASLI NAKLI⁸³

Training programmes on the usage of genuine vehicle parts and components

02

POSTERS

Initiatives to educate mechanics on the usage of genuine parts and components

03

COMPONENT BRANDING

Through laser marking, and embossing

04

VENDOR BRANDING

Tamper proof labels and embossing

05

⁸³ English translation: Real and Fake



We have been working consistently towards enhancing our dealer performance”

Network

Enhancing our network enables our channel partners to increase our global footprint through our services, sales and aftermarket services. We have been working consistently towards enhancing our dealer performance, so that our customers can easily access our products and services. We focus on monitoring the quality of service by considering factors such as technical and customer handling capabilities.

A sales and service satisfaction survey is carried out bi-annually, covering customers of LCV and M&HCV vehicles. The objective of the survey, which is carried out by a third-party, is to capture sales and service satisfaction.

For identifying opportunities, increasing drive service absorption ratio and ensuring operational improvements for dealers, we employ comprehensive financial dashboards. The dealer financials exercise entails exhaustive dealer reviews with the senior leadership at dealerships on sales, parts, service, and financial performance.

Training

We have pioneered the concept of an institute for drivers. We established the first DTI (Driver Training Institute) in India at Namakkal, Tamil Nadu in 1995. Since then, 10 more DTIs were established in various parts of the country. Over 13 lakh drivers have been trained by the DTIs since inception. Our DTIs curriculum steps beyond the normal driver training by providing drivers with knowledge on stress management, AIDS awareness, firefighting skills and yoga.

We conduct trainings for supervisors, drivers, mechanics, and dealers to enhance their technical and communication skills. We lay great emphasis on skill upgradation, towards

which end we have developed an operational framework that focusses on extending continual skill improvement. We have 12 service training centers, through which we conduct trainings in vernacular languages. Service training is extended to all dealerships at the time of new product and technology launches. Similarly, we also provide sales training to dealer sales executives in order to increase their knowledge and skills, thereby enhancing productivity. Through our driver training programme, we focus on making the rural youth employable and adding to their sector-specific skills. Given the need for high-quality drivers who are well-acquainted with safety awareness, we consider it important to conduct driver trainings on a periodic basis.

We have introduced the Knowledge on Wheels (KNOW) platform to help people residing in remote areas all across India have greater access to technical training programmes. Through our mobile trucks, we deliver on-site trainings at various customer locations. We also impart these trainings at our channel partner locations, local mechanic garages, and several government institutes. Key topics covered during the training sessions include troubleshooting, maintenance, familiarisation, and diagnostics, with the help of sophisticated equipment and tools.

Through SuccessFactors Learning Management System, our service executives can easily access e-learning modules that we develop. They can also guide and encourage our service technicians to upgrade their knowledge. We have also carried out a BS-VI familiarisation training through multiple panel discussions and webinars.

The Service Samrat initiative acknowledges the efforts of our service technicians. Based on a selection process entailing multiple steps, winners are selected from among the participants. This activity is conducted across all our dealerships and channel partners.

Solutions

Our customer solutions business was established with the objective of providing solutions to our customers to tackle issues such as rising costs of fuel and resource constraints during the lifecycle of the vehicles that they purchase from us. The eN-Dhan programme was introduced to help customers address their major concern around operating expense driven by surging fuel costs.

We have been employing the digital medium for the smooth delivery of solutions and programmes to our stakeholders and customers. Other services include accident repairs, breakdown support, maintenance contracts, recon aggregates, mechanics training, telematics services, and extended warranties.



CREATING SHARED VALUE



In the reporting period, we focussed primarily on cost optimisation, our sustainability vision and investment in research and development.

Continuous evolution by building competency and delivering shareholder value is one of our key endeavours. This year, we ensured that our long-term prospects and initiatives related to inclusive growth furthered our aim of conducting our business in a responsible manner. **In the reporting period, we focused primarily on cost optimisation, our sustainability vision and investment in research and development.** Efforts were also directed to delivering several new products designed to meet the specific applications of our customers across market segments. As an outcome of this, we introduced a modular truck platform AVTR for the medium and heavy range, alongside the innovative i Gen BS-VI emission technology.

FY 2019-20 was a year of economic slowdown for the automobile industry. We, however, continued to expand our network of dealerships and service centers to enable our connect with the customers, both for sales and aftermarket support. Our adjacent businesses, such as defence, spare parts and power solutions, demonstrated strong resilience in these testing times and provided a steady revenue stream to maintain capacity utilisation at our plants.

During the financial year, the global economy grew at 2.9%. As a result of the COVID-19 pandemic, the global economy

is projected to contract sharply by 3% in 2020, much worse than during the 2008-09 financial crisis. The commercial vehicle market in India posted a year-on-year drop of 29% in Total Industry Volumes (TIV), which was led by 20% drop in LCV and 42% drop in the M&HCV segments.

In these testing times, we attained a 28.9% market share in the domestic M&HCV truck segment. In the domestic M&HCV bus segment, we continued to maintain overall leadership, with a market share of 45.1%, which is 3.9% more than that in FY 2018-19. Our company regained leadership in STU segment, with strong order wins from Tamil Nadu, Gujarat and Maharashtra STUs, thereby registering a growth of 6% over the previous year.

In FY 2019-20, we recorded total vehicle sales of 116,280 units in the domestic market and 8,920 units in the export market. In FY 2019-20, we recorded a sale of 46,646 LCVs and 71,368 M&HCVs, which included 18,141 M&HCV buses and 53,227 M&HCV trucks including defence vehicles. We were able to achieve a market share of 31.8% in M&HCV bus and truck segment, even though the total industry volume decreased by 42%.

In the domestic M&HCV bus segment, we continued to maintain overall leadership, with a market share of **45.1%**, which is 3.9% more than that in FY 2018-19.

In FY 2019-20, we recorded total vehicle sales of **116,280** units in the domestic market and 8,920 units in the export market.

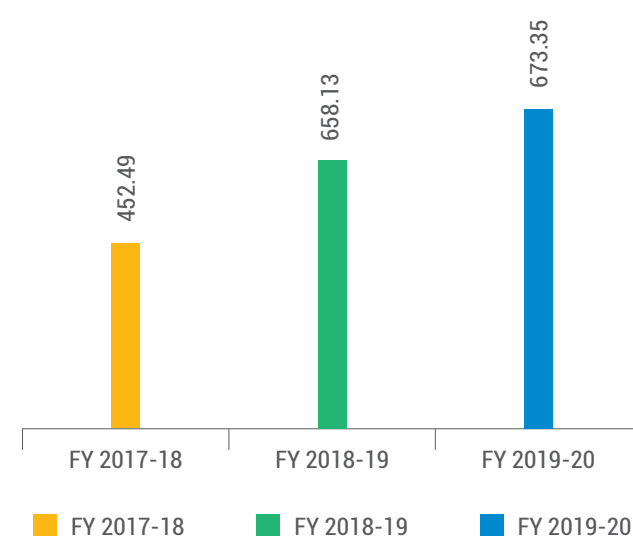
We were able to achieve a market share of **31.8%** in M&HCV bus and truck segment, even though the total industry volume decreased by 42%.

Economic Performance (INR cr)⁸⁴

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
Economic value generated	17,590.81	29,164.89	26,829.58
Economic value distributed	18,415.04	27,851.27	25,645.18
Operating cost	15,370.91	24,437.28	22,181.48
Community investment	41.52	34.07	15.67
Payments to government	285.16	524.81	1,046.79
Employee wage and benefits	1,613.46	2,098.77	1,837.78
Payments to providers of capital	1,103.99	756.34	563.46
Economic value retained	(824.23)	1,313.62	1,184.40

During FY 2019-20, our R&D efforts were directed towards technology absorptions with reference to engines and aggregates, and the development of M&HCV range from BS-VI perspective. In the financial year, we have invested INR 673.35 crore in R&D, contributing to 3.85% of the total turnover.

Total R&D Expenditure (INR Cr)



As a result of our R&D investments, we have derived the benefits listed below:

Entire product range for BS-VI vehicles with best-in-class total cost of ownership ready for launch

New modular platform that allows for configuration of significantly higher number of variants with significantly less number of parts

Fleet of electric buses operational in Ahmedabad

Seven patents obtained, seven design registrations obtained, and seven provisional patents filed in FY 2019-20

R&D Expenditure (INR Cr)

Particulars	R&D Expenditure (INR Cr)		
	FY 2019-20	FY 2018-19	FY 2017-18
Capital expenditure	41.87	119.35	62.54
Revenue expenditure	649.21	544.90	396.50

⁸⁴ GRI 102-7, GRI 201-1

ASSURANCE STATEMENT

Independent Assurance Statement

Scope and Approach

DNV GL Business Assurance India Private Limited (DNV), has been commissioned by Ashok Leyland Limited ('Ashok Leyland' or 'the Company', Corporate Identity Number (CIN) L34101TN1948PLC000105) to undertake independent assurance of the Company's Sustainability Report 2019-20, in its printed format ('the Report') including references to the Annual Report 2019-20 for the financial year ending 31 March 2020. The sustainability disclosures in this Report have been prepared based on the identified material topics and related performance disclosures based on the Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('GRI Standards') and its Core option of reporting. The reporting scope and boundary encompasses economic, environment and social performance of Ashok Leyland's operations, as brought out in the Report in the section 'About this Report' for the activities undertaken by the Company during the financial year 1 April 2019 - 31 March 2020.

We performed a limited level of assurance based on DNV's VeriSustain^{TM1}, which is based on our professional experience, international assurance best practices including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised* and the GRI Principles for Defining Report Content and Quality. Our assurance engagement was planned and carried out during June 2021 – July 2021. The intended user of this assurance statement is the management of Ashok Leyland.

Responsibilities of the Management of Ashok Leyland and of the Assurance Provider

The Management of Ashok Leyland has the sole responsibility for the preparation of the Report and are responsible for all information disclosed in the Report as well as the processes for collecting, analysing and reporting the information presented in the printed Report as well as maintaining the integrity of online versions of the Report and related references made to the Annual Report and website. In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of Ashok Leyland.

We did not provide any services to Ashok Leyland during the reporting period, which in our opinion, would have constituted a conflict of interest with this assurance work. Our assurance engagements are based on the assumption that the data and information provided by Ashok Leyland to us as part of our review have been provided in good faith and are free from misstatements.

Basis of our Opinion

As part of the assurance process, a multi-disciplinary team of sustainability and assurance specialists performed assurance work through remote audit for selected sites of Ashok Leyland considering a limited level of assurance using DNV's remote assessment methodology. We adopted a risk-based approach, i.e. we concentrated our verification efforts on the issues of high material relevance to Company's business and its key stakeholders. We undertook the following activities:

- Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in this Report.
- Reviewed the process of reporting on Organisational Profile, Strategy, Ethics and Integrity, Governance, Stakeholder Engagement and Reporting Practices based on GRI Standard 102: General Disclosures 2016.
- Reviewed the performance disclosure of identified material topics and related GRI Standards; that is, carried out a remote assessment of the processes for gathering and consolidating performance data related to identified material topics and, for a sample, checked the processes of data consolidation to assess the Reliability and Accuracy of performance disclosures reported based on GRI's Topic-specific Standards;
- Interviewed personnel responsible for the management of sustainability issues and reviewed selected evidences to support issues disclosed in the Report.
- Reviewed sustainability disclosures for selected operational sites located at Hosur (Unit 2) and Bhandara and overall data aggregation and consolidation by the sustainability team at the Company's Corporate Office at Chennai;
- Reviewed draft and final sustainability report and presented a gap assessment report against the requirements of GRI Standards: Core option.

¹ The VeriSustain protocol is available on www.dnv.com

* Assurance Engagements other than Audits or Reviews of Historical Financial Information.

Considering the COVID-19 pandemic and related travel restrictions, we carried out remote assessments of Ashok Leyland's operations to review the processes and systems for aggregating site level sustainability information.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. The reported data on economic performance, expenditure towards Corporate Social Responsibility (CSR) activities, and other financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial information within the Report.

Opinion and Observations

On the basis of the verification undertaken, nothing has come to our attention to suggest that the Report together with referenced information does not properly describe Ashok Leyland's adherence to the GRI Standards: Core option of reporting, including the GRI 102: General Disclosures 2016, GRI 103: Management Approach 2016 and the disclosures related to the following GRI Standards:

- GRI 201: Economic Performance 2016 – 201-1;
- GRI 204: Procurement Practices 2016 – 204-1;
- GRI 301: Materials 2016 – 301-1, 301-2;
- GRI 302: Energy 2016 – 302-1, 302-4;
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 304: Biodiversity 2016 – 304-1, 304-2;
- GRI 305: Emissions 2016 – 305-1, 305-2, 305-3 (Partial disclosure)*, 305-4, 305-5, 305-6;
- GRI 306: Effluents and Waste 2016 – 306-2;
- GRI 307: Environmental Compliance 2016 – 307-1;
- GRI 308: Supplier Environmental Assessment 2016 – 308-1, 308-2;
- GRI 401: Employment 2016 – 401-1, 401-2, 401-3;
- GRI 402: Labor/Management Relations 2016 – 402-1;
- GRI 403: Occupational Health and Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9;
- GRI 404: Training and Education 2016 – 404-2;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1;
- GRI 406: Non-discrimination 2016 – 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 – 407-1;
- GRI 409: Forced and Compulsory Labour – 409-1;
- GRI 413: Local Communities 2016 – 413-1, 413-2;
- GRI 414: Supplier Social Assessment 2016 – 414-1, 414-2;
- GRI 416: Customer Health and Safety 2018 – 416-1, 416-2;
- GRI 417: Marketing and Labeling 2016 – 417-2;
- GRI 418: Customer Privacy 2016 – 418-1.

* Ashok Leyland has disclosed Scope 3 emissions covering five out of the fifteen categories (as listed in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard)

Observations

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain and GRI reporting principles:

Materiality

The process of determining the issues that is most relevant to an organization and its stakeholders.

The Report brings out the process of the materiality determination as adopted by Ashok Leyland based on GRI's reporting principles. The materiality determination process carried out in the reporting period 2016-17 was reviewed to evaluate its adequacy considering the business scenario for the current reporting period. This process took into account inputs from key internal and external stakeholders and senior management of the Company, as well as issues considered important for the automotive sector and global peers.

Nothing has come to our attention to believe that the materiality determination process has not missed out any significant material topics based the current business of Ashok Leyland and the overall sustainability context.

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report articulates the application of GRI's principle of Stakeholder Inclusiveness and the key stakeholder engagement modes used by the Company in the section 'Stakeholder Engagement and Materiality Assessment' of the Report. Ashok Leyland has adopted a process for mapping its stakeholders which consists of creating a comprehensive list of stakeholders and classifying them as internal or external, followed by the development of an all-inclusive list of key topics and stakeholder prioritization.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report brings out the Company's responses to key material issues through descriptions of the Company's policies, strategies and management systems including key performance indicators for the identified material topics using selected GRI Standards.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

Ashok Leyland has developed a spreadsheet-based system to capture and report sustainability related performance for the identified material topics across its reporting boundary. The majority of data and information verified through our remote assessments with Ashok Leyland's management teams at the Corporate Office and sampled sites were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed for correctness.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported?

The Report articulates Ashok Leyland's scope and boundary of reporting, that is, Economic, Environmental and Social performance for the material topics identified by the Company for the reporting period 2019-20, covering its boundary of operations in India. Further, the Report incorporates disclosure requirements considering the Principle of Completeness as defined in GRI 101: Foundation 2016. During our interaction with the senior management team and as stated on the report, it was expressed that the Company is committed towards progressively expanding its reporting boundary to include the sustainability impacts of subsidiaries and other entities included in its financial statements, in future reporting periods.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The Report brings out disclosures related to Ashok Leyland's sustainability performance including key concerns and challenges faced during the reporting period in a neutral tone in terms of content and presentation.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct² during the assurance engagement and maintain independence where required by relevant ethical requirements including the ISAE 3000 (Revised) Code of Ethics. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and Management Report. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

For DNV GL Business Assurance India Private Limited

<p>Thamizharasi Kaliaperumal</p> <p>Digitally signed by Thamizharasi Kaliaperumal Date: 2021.08.02 14:25:57 +05'30'</p> <p>Thamizharasi Kaliaperumal Lead Verifier DNV GL Business Assurance India Private Limited, India.</p>	<p>Radhakrishnan, Kiran</p> <p>Digitally signed by Radhakrishnan, Kiran Date: 2021.08.02 12:53:05 +05'30'</p> <p>Kiran Radhakrishnan Assurance Reviewer DNV GL Business Assurance India Private Limited, India.</p>
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2 August 2021, Bengaluru, India.

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² The DNV Code of Conduct is available on request from www.dnv.com

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GLOSSARY OF ABBREVIATIONS

Abbreviation	Full Form
AI	Artificial Intelligence
AIDS	Acquired Immunodeficiency Syndrome
AL	Ashok Leyland
AL AuRA	Ashok Leyland – Internal Audit & Risk Management Academy
ALCOB	Ashok Leyland Corporate Building
AL ESOP	Ashok Leyland Employee Stock Option Plan
ALFA	AL Finance Academy
ALHRA	AL HR Academy
ALITA	AL Information Technology Academy
ARAI	Automotive Research Association of India
ASCI	Advertising Standards Council of India
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BRR	Business Responsibility Reporting
BS	Bharat Stage
BSE	Bombay Stock Exchange
BTL	Below the line
CATI	Computer Assisted Telephone Interview
CEO	Chief Executive Officer
CGCF	Continuous Type Gas Carburizing Furnace
CII	Confederation of Indian Industry
CNG	Compressed Natural Gas
COSO	Committee of Sponsoring Organisations of the Treadway Commission
COVID-19	Corona Virus, 2019
CPPS	Cab Press and Panel Shop
CSR	Corporate Social Responsibility
CTC	Cost To Company
Cu.mt	Cubic Meter
CV	Commercial Vehicle
DA	Dissolved Acetylene
DEF	Diesel Exhaust Fluid
DET	Diploma Engineer Trainee
DG	Diesel Generator
DSE	Dealer Sales Executive
DTI	Driver Training Institutes
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECU	Equivalent Cabin Unit
ED	Electrophoretic deposition
EGR	Exhaust Gas Recirculation
ELP	Emerging Leaders Program
EMS	Environment Management Systems
ENT	Ear, Nose, Throat
ER	Employee Relations
ERM	Enterprise Risk Management
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
ESOP	Employees Stock Option Plan
ETP	Effluent Treatment Plant
EV	Electric Vehicles
EWP	Extended Warranty Package
FDSS	Fire Detection and Suppression System
FES	Fire Equipment Services
FICCI	Federation of Indian Chambers of Commerce and Industry
FTE	Full Time Equipment
FY	Financial Year
GET	Graduate Engineer Trainee

Abbreviation	Full Form
GHG	Green House Gases
GJ	Giga Joules
GMP	General Management Program
GRI	Global Reporting Initiative
GTW	Gross Trailer Weight
GVW	Gross Vehicle Weight
GWP	Global Warming Potential
HECU	Hybrid Equivalent Common Unit
HFO	Heavy Fuel Oil
HIV	Human Immunodeficiency Virus
HLFL	Hinduja Leyland Finance Limited
HP	Horse Power
HR	Human Resources
HSD	High Speed Diesel
Hz	Hertz
ICC	Internal Compliance Committee
ICVs	Intermediate Commercial Vehicles
IDP	Individual Development Plan
iEGR	intelligent Exhaust Gas Recirculation
INR	Indian Rupees
ISAE	International Standard on Assurance Engagements
ISMS	Information Security Management System
ISO	International Organisation of Standardisation
IT	Information Technology
ITI	Industrial Training Institute
IUCN	International Union for Conservation of Nature
KLD	Kilo Litre per Day
Km	Kilometer
Kmpl	kilo meter per liter
KNOW	Knowledge on Wheels
kW	Kilo Watt
kWh	Kilowatt-hour
KYC	Know Your Customer
L&D	Learning & Development
LCV	Light Commercial Vehicle
LD	Long Distance
LDPE	Low Density Polyethylene
LEAD	Leverage Analytics to Drive Decisions
LED	Light Emitting Diode
LLF	Learning Links Foundation
LPG	Liquefied Petroleum Gas
M&HCV	Medium & Heavy Commercial Vehicle
MD	Managing Director
MCV	Medium Commercial vehicle
MITR	Mutual Improvement Through Relationships
MoEFCC	Ministry of Environment and Forest & Climate Change
MOOCs	Massive Open Online Courses
MSME	Micro, Small and Medium Enterprises
MT	Metric Ton
MWh	Megawatt hour
NEEM	National Employment Enhancement Mission
NEMMP	National Electric Mobility Mission Plan
NGO	Non-Governmental Organisation
NOx	Nitrogen Oxide
NRC	Nomination and Remuneration Committee

Abbreviation	Full Form
NSE	National Stock Exchange
NVG-SEE	National Voluntary Guidelines on Social, Environmental and Economic
OBD	On Board Diagnostic
ODS	Ozone Depleting Substances
OEM	Original Equipment Manufacturer
PHC	Primary Health Centres
PM	Particulate Matter
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
PRISM	Practical Improvement in Sales and Marketing
PVC	Polyvinyl Chloride
QCI	Quality Council of India
R&D	Research & Development
RACE	Rapid Average Cost Estimation
RFID	Reduce of Frequency Identification
RLNG	Regasified Liquid Natural Gas
RMC	Risk Management Committee
RO	Reverse Osmosis
RTL	Road to Livelihood
RTS	Road to School
SAP SF	SAP Success Factors
SCR	Selective Catalytic Reduction
SEA	Supplier Evaluation Audit
SEBI	Securities Exchange Board of India
SEE	Social, Economic and Environmental
SHE	Safety, Health and Environment
SIAM	Society of Indian Automobile Manufacturers
SOPs	Standard Operating Procedures
SOx	Sulphur Oxides
SPARK	Spare Parts Accelerated Reforms Kick-off
STP	Sewage Treatment Plant
TAT	Turnaround Time
tCO2e	Tonne CO2 Equivalent
TDS	Total Dissolved Solids
TIV	Total Industry Volumes
UAE	United Arab Emirates
UF	Ultra-Filtration
UN SDGs	United Nations Sustainable Development Goals
VOCs	Volatile Organic Compounds
VTS	Vehicle Tracking System
VVC	Vellivoyal Chavadi
WBCSD	World Business Council on Sustainable Development
WOW	Workshop On Wheels
WRI	World Resources Institute
YMMD	You Made My Day
YTP	Young Talent Program



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