



# Annexure – I

to the Directors' Report

## Business Responsibility & Sustainability Report

At Escorts Kubota Limited (EKL), we believe that Environmental, Social and Governance (ESG) factors are integral to our business strategy and performance. As a leading engineering Company, we operate in sectors such as agriculture and construction that have significant economic, environmental, and social impacts and opportunities. We recognise that our long-term success depends not only on our financial performance, but also on our contribution to the sustainable development of society and the environment. Therefore, we are committed to integrating ESG principles into our business practices and creating shared value for our stakeholders. In this Business Responsibility and Sustainability Report for FY 2023, we present our ESG performance and initiatives across nine principles that are aligned with the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs. We also report on our material ESG topics that are relevant and significant for our business and our stakeholders. We hope that this report will provide a comprehensive and transparent account of our ESG journey and achievements, as well as our challenges and aspirations for the future.

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

Corporate Identity Number (CIN) of the Listed Entity	L74899HR1944PLC039088
Name of the Listed Entity	Escorts Kubota Limited
Year of incorporation	1944
Registered office address	15/5, Mathura Road, Faridabad, Haryana – 121003, India
Corporate address	15/5, Mathura Road, Faridabad, Haryana – 121003, India
E-mail	corp.secretarial@escortskubota.com
Telephone	0129-2250222
Website	<a href="http://www.escortsgroup.com">www.escortsgroup.com</a>
Financial year for which reporting is being done	FY 2022-23
Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>BSE Limited</li> <li>National Stock Exchange of India</li> </ul>
Paid-up Capital	1,31,94,06,040/-
Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Bharat Madan, Whole Time Director & Chief Financial Officer Telephone: 0129-2250222; Email: <a href="mailto:bharat.madan@escortskubota.com">bharat.madan@escortskubota.com</a> <a href="mailto:investor.relation@escortskubota.com">investor.relation@escortskubota.com</a>
Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report cover the standalone operations of Escorts Kubota Limited, in India, unless otherwise stated.

#### II. Products/services

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

S. no.	Description of main activity	Description of business activity	% of turnover of the entity (FY23)
1.	Manufacturing	Manufacturing and/or sale of Agri Machinery Products (Tractors, Implements, Spare parts, Oils Lubes Etc), Construction Equipment's and Railway components in Globally under major brand name - Escorts Farmtrac, Powertrac, Steeltrac, Digitrac, Digimax.	96.75%

\*3.25% turnover for EKL is generated through other income.

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Agri-machinery products	28211	75.69%
2	Construction Equipment	2824	14.13%
3	Railway Components	30204	10.09%

**III. Operations****16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	6	26	32
International	1	1	2

**17. Markets served by the entity:****A. Number of locations**

Location	Number
National (No. of States)	19
International (No. of Countries)	74

**B. What is the contribution of exports as a percentage of the total turnover of the entity?**

Contribution of exports as a percentage of the total turnover of the entity: 7.07%

**C. A brief on types of customers**

Escorts Kubota Limited (EKL), one of India's leading engineering companies and is a preferred partner of choice for farming and construction equipment in the country. For more than seven decades, EKL has helped accelerate India's socio-economic growth through its presence across high-growth sectors, EKL is committed to contributing towards India's growth story and bringing in quality change in the lives of people.

EKL has diverse portfolio and various customer segments are served basis their requirement:

**1. Customers for Agri Machinery Business Division:**

EKL Agri Machinery business is one of the leading manufacturer/ trader of agri-equipments, like tractors, combines, planters, sprayers, and tillage solutions. We sell our products in over 75 countries to individuals and organizations, primarily for use in agriculture, construction and landscaping. Our products offer a unique blend of great design, power and efficiency making them extremely versatile and hence a popular choice for many different segments of customers. Our products are marketed under the Farmtrac, Powertrac, Steeltrac, Digitrac, Farmpower and E-Kubota brands. Our national network of over 1200 dealers act as the last mile connect with our customers and focus on delivering our products and services with a great customer experience. We have served more than 2 million customers till date and continue to grow our user base across India and the world.

**2. Customers for Construction Equipment Business Division:**

We manufacture world-class equipment's for material handling, road building and earthmoving sectors to help meet the emerging needs of the country's infrastructure development projects. Our main customers are Construction & Industrial Companies, Government Agencies, Mining Companies, Rental Companies & Individuals all of them use our products for their day-to-day operations like road construction, excavation, transportation of materials & various other customers who require them for short-term projects including individuals who purchase construction equipment machines for personal use, such as building their homes or maintaining their properties and many more.

**3. Customers for Railway Equipment Business Division:**

We are the trusted supplier of Indian Railways, metros, private wagon builders and rolling stock manufactures. Offerings diversified components including brake systems, couplers, suspension systems, shock absorbers, and many other products.

**IV. Employees****18. Details as at the end of Financial Year:****A. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	<b>EMPLOYEES</b>					
1.	Permanent (D)	2,598	2,466	94.92%	132	5.08%
2.	Other than Permanent (E)	983	899	91.45%	84	8.55%
3.	Total employees (D + E)	3,581	3,365	93.97%	216	6.03%
	<b>WORKERS</b>					
4.	Permanent (F)	1,322	1,313	99.32%	9	0.68%
5.	Other than Permanent (G)	8,702	8,518	97.89%	184	2.11%
6.	Total workers (F + G)	10,024	9,831	98.07%	193	1.93%

**B. Differently abled Employees and workers:**

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

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (Including 3 person as KMP)	18	3	16.67%
Key Management Personnel (Other than Board)	1	0	-

**20. Turnover rate for permanent employees and workers**

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.4%	1.5%	24.9%	18.0%	1.0%	19.0%	13.1%	1.0%	14.2%
Permanent Workers	8.5%	0.2%	8.8%	9.6%	0.2%	9.8%	9.0%	0.1%	9.1%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Escorts Crop Solutions Limited	Subsidiary	100%	No
2	EKL CSR Foundation (Formerly Escorts Skill Development)	Subsidiary	100%	No
3	Escorts Finance Limited	Subsidiary	67.87%	No
4	Farmtrac Tractors Europe Spolka Z.o.o.	Subsidiary	100%	No
5	Adico Escorts Agri Equipments Private Limited	Joint Venture	40%	No
6	Escorts Kubota India Private Limited	Joint Venture	40%	No
7	Kubota Agricultural Machinery India Private Limited	Joint Venture	40%	No
8	Escorts Consumer Credit Limited	Associate	29.41%	No

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes  
(ii) Turnover (in ₹) - 83,44,95,30,239/-  
(iii) Net worth (in ₹) - 84,34,81,42,367/-

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://www.escortsgroup.com/contact-us/business.html?view=business">https://www.escortsgroup.com/contact-us/business.html?view=business</a>	-	-	-	-	-	-
Investors (other than shareholders)	Yes <a href="https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/23-11-2020-investor-grievance-redressal-policy.pdf">https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/23-11-2020-investor-grievance-redressal-policy.pdf</a>	-	-	-	-	-	-
Shareholders	Yes <a href="https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/23-11-2020-investor-grievance-redressal-policy.pdf">https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/23-11-2020-investor-grievance-redressal-policy.pdf</a>	1,506	3	-	131	1	-



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
Employees and workers	Yes <a href="https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/Whistle-Blower-Policy-aug22.pdf">https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/Whistle-Blower-Policy-aug22.pdf</a>	103	6	-	7	0	
Customers	Yes <a href="https://www.escortsgroup.com/contact-us/business.html?view=business">https://www.escortsgroup.com/contact-us/business.html?view=business</a>	1,61,686	52	Includes complaints and queries received from various platforms	1,27,402	162	Includes complaints and queries received from various platforms
Value Chain Partners	Yes <a href="https://www.escortsgroup.com/contact-us/business.html?view=business">https://www.escortsgroup.com/contact-us/business.html?view=business</a>	-	-	-	-	-	
Other (Media)	Yes <a href="https://www.escortsgroup.com/contact-us/media.html?view=media">https://www.escortsgroup.com/contact-us/media.html?view=media</a>	-	-	-	-	-	

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy & Climate Change	Risk	As a manufacturer of agricultural and construction equipment, EKL is dependent on fossil fuels as a source of energy for their machinery. Any disruption in the supply of fossil fuels or a significant increase in their price could adversely affect the company's operations and profitability. Secondly, as climate change is leading to more frequent and intense weather events such as floods, droughts, and hurricanes, it can impact the demand for agricultural equipment. The extreme weather events can damage crops and reduce the demand for farm equipment. This can directly affect the sales of EKL, which could lead to a decline in revenue.	EKL has taken various steps towards mitigation: 1. Working and launching Alternative Fuel products- Electric Tractor, CNG fuel base machines, hybrid machines. 2. Leveraging Kubota's expertise in advanced farm mechanization solutions to address global food security and enhanced farm productivity needs.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Operations EHS impact	Risk	EHS risks can have significant impact on EKL in several ways which can lead to Human cost, legal and regulatory consequences, financial impact, reputational damage, operational disruptions and employee productivity.	EKL has established a robust Environment, Health and Safety (EHS) management system that covers all its operations. EKL ensures compliance with all applicable EHS laws and regulations, as well as international standards and best practices. EKL also conducts regular EHS trainings, audits, inspections, and risk assessments to identify and mitigate potential hazards and incidents. EKL also has a dedicated EHS team and a grievance mechanism to address any EHS issues or concerns.	Negative
3	Resource Efficiency	Opportunity	EKL sees resource efficiency as an opportunity to improve its operational efficiency and productivity, as well as to reduce its environmental impact and costs. EKL adopts the 3R principle of Reduce, Reuse and Recycle for its resource consumption, such as water, raw materials, packaging materials, and waste. EKL also invests in research and development to innovate new products and processes that are more resource-efficient and eco-friendly.		Positive
4	Customer Satisfaction	Opportunity	EKL sees customer satisfaction as an opportunity to build long-term relationships with its customers and to increase its market share and reputation. EKL strives to provide innovative and quality engineering solutions that meet or exceed customer expectations and needs. EKL also engages with its customers through various channels, such as surveys, feedback forms, meetings, workshops, webinars, newsletters, websites, social media platforms, and grievance mechanisms, to understand their preferences, concerns, and suggestions. EKL also ensures customer satisfaction by providing timely delivery, after-sales service, warranty support, and product training.		Positive



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Employment	Opportunity	EKL sees employment as an opportunity to attract, retain, and develop a skilled and diverse workforce that is essential for its success and sustainability. EKL provides fair and competitive compensation and benefits to its employees, as well as opportunities for learning and career growth. EKL also fosters a culture of excellence, integrity, innovation, customer focus, and teamwork among its employees. EKL also respects the human rights and labour rights of its employees and ensures a safe, healthy, and inclusive work environment for them.		Positive
6	Value, Ethics and Compliance	Risk	EKL recognises that value ethics compliance are essential for its reputation and trust in the market and society. EKL faces the risk of legal or regulatory violations or ethical breaches that could harm its image and performance.	To mitigate this risk, EKL has established a Code of Conduct that outlines the values and principles that guide its actions and decisions. EKL also has various policies and procedures that ensure compliance with all applicable laws and regulations in the countries where it operates. EKL also conducts regular trainings, audits, reviews, and assessments to monitor and ensure compliance and ethical conduct across the organisation. EKL also has a whistleblower mechanism that allows anyone to report any suspected or actual violations or breaches without fear of retaliation.	Positive
7	Community Engagement & Local Employment	Opportunity	EKL sees community engagement & local employment as an opportunity to support the social development of the communities where it operates and to strengthen its social license to operate. EKL engages with the local communities through various initiatives that focus on education, health care, skill development, livelihood enhancement, women empowerment, and rural development. EKL also creates employment opportunities for the local people and supports local suppliers and vendors.		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Supply Chain Sustainability	Risk	EKL recognises that supply chain sustainability is critical for its business continuity and performance. EKL may face the risk of disruptions or delays in its supply chain due to various factors such as natural disasters, pandemics, political instability, environmental or social issues, or non-compliance or unethical practices by its suppliers or vendors.	To mitigate this risk, EKL has established a Supplier Code of Conduct that sets the minimum standards and expectations for its suppliers and vendors in terms of quality, environmental, social, and governance aspects. EKL also conducts regular assessments, audits, and reviews of its suppliers and vendors to ensure their compliance and performance. EKL also diversifies its supply chain sources and locations to reduce its dependency and vulnerability.	Negative
9	Product Responsibility & Association	Opportunity	EKL sees product responsibility & association as an opportunity to improve its product quality and safety, as well as to increase its brand value and recognition. EKL ensures that its products meet or exceed the applicable standards and regulations for quality and safety in the countries where it operates. EKL also conducts regular product testing, inspection, and certification to ensure its product quality and safety. EKL also provides product information and labelling to inform its customers about the features, benefits, and risks of its products. EKL also associates with reputable industry associations and bodies that promote best practices and standards for its products and sector.		Positive



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Diversity & Inclusion	Opportunity	<p>EKL sees diversity &amp; inclusion as an opportunity to leverage the diverse perspectives and talents of its workforce and stakeholders, as well as to foster a culture of respect and belonging. EKL ensures that its workforce reflects the diversity of the markets and communities where it operates in terms of gender, age, ethnicity, religion, disability, sexual orientation, and other aspects. EKL also ensures that its workforce is treated fairly and equitably in terms of compensation, benefits, opportunities, recognition, and development. EKL also promotes a culture of inclusion where everyone feels valued and respected for their unique contributions and perspectives. EKL also engages with diverse stakeholders to understand their needs and expectations and to address any issues or concerns related to diversity &amp; inclusion.</p>		Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

S. No.	Principle Description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
A. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)									
B. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
C. Web Link of the Policies, if available**	The Policies of the Company are placed on the Company's website under governance section and the same can be accessed through the weblink: <a href="https://www.escortsgroup.com/investors/governance.html">https://www.escortsgroup.com/investors/governance.html</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	<ul style="list-style-type: none"> <li>ISO-9001, ISO-14001 &amp; ISO-45001 is implemented across all the plants</li> <li>IRIS (International Railway Industry Standard) Certification is obtained for Railway Equipment Business Division</li> </ul>								
Principle 1	Please refer to the page 40-42 of the Integrated Report								
Principle 2									
Principle 3									
Principle 4									
Principle 5									
Principle 6									
Principle 7									
Principle 8									
Principle 9									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to the page 40-41 of the Integrated Report								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Please refer to the page 40-41 of the Integrated Report								
<b>Governance, leadership, and oversight</b>									



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer to leadership message at Page 26-27								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Ms. Nitasha Nanda Whole Time Director DIN: 00032660								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The directors and senior management periodically monitor the business responsibility performance of the Company. The Board of directors reviews the business responsibility performance on an annual basis. The CSR Committee reviews the social performance and the Risk Management Committee assess and review the identified risks from time to time.								

### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Directors and Senior Management of the Company periodically or on need basis review the Business Responsibility Policies and guide on further actions, if required for modifications/improvement in the policies.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with statutory requirements of relevance to the principles.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No, however all policies and processes are subject to Internal and statutory audits / reviews done for the Company from time to time								

### 12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

### Principle 1:

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### E: Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	• Training on BRSR Principles	94.4%
Key Managerial Personnel	7	• Code of Conduct Training • Leadership Training	100%
Employees other than BoD and KMPs	16	• Code of Conduct • Prevention of Sexual Harassment • Whistle Blower • Gifts and Hospitality	72%
Workers	833 Multiple trainings were conducted	• Safety Training • Prevention of Sexual Harassment • Code of Business Conduct • Nayi Urja Nayi Disha	<ul style="list-style-type: none"> <li>• Safety Training – 100%</li> <li>• Prevention of Sexual Harassment – 100%</li> <li>• Code of Business Conduct – 100%</li> <li>• Nayi Urja Nayi Disha – 23%</li> </ul>

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

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

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL



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

Yes, Escorts Kubota Limited have well-defined anti-corruption and anti-bribery section as part of code of conduct policy. It applies to all employees and members of the Board of Directors of the Company. It also applies to individuals who serve the Company on contract, subcontract or any other such basis.

The policy has been displayed on the Company's website:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/EKL-Code-of-Conduct.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/EKL-Code-of-Conduct.pdf)

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

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

NIL

## L: Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	1. Kaizen Workshop for continuous improvement with supplier 2. Discussion on EKL's Mid-term Business Plan (MTBP) with Suppliers	1. 10% for Workshop for Kaizen 2. 100% for MTBP

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

Yes, Escorts Kubota Limited have code of conduct procedure to avoid/manage conflict of interest. The policy has been displayed on the Company's website:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/KUBOTA-Group-Charter-for-Code-of-Conduct.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/KUBOTA-Group-Charter-for-Code-of-Conduct.pdf)

## Principle 2:

Businesses should provide goods and services in a manner that is sustainable and safe

### E: Essential Indicators

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

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	2.36%	2.14%	EKL has invested on Trem IV & Stage 5 emission regulations which have resulted in the reduction of Reduction in emissions and improvement in efficiency of products
Capex	0.53%	0.25%	

#### Note

- R&D represents total R&D expenses + Capex related to R&D
  - Capex represents R&D assets capitalised during the year and do not includes adjustments for R&D capital work in progress and R&D repeated capital advances
  - Revenue from sale of goods and services has been considered to calculate %ages
2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

Yes, % of returnable packaging - 20%

Escorts Kubota Limited have procedures including Supplier's code of conduct, Suppliers Quality Manual for sustainable sourcing and initiatives for Green/Returnable Packaging. The description is provided below:

**Supplier Code of Conduct:** Escorts is committed to ethical business practice and has formulated Supplier's code of conduct to ensure that the Supplier(s) dealing with Escorts uphold the highest standards of ethical business conduct and provide services that comply with applicable laws and industry standards.

**Supplier Quality Manual:** The Company strives to procure components without compromising on Quality, hence to strengthen the Quality of the component supplied by our supplier and to provide the guiding principle for the regular supplies "Supplier Quality Manual "is being shared with vendor.

**Green/Returnable Packaging:** We are working on green /returnable packaging with suppliers. Returnable Packaging will not only improve inbound/ outbound freight efficiency but also will reduce the packaging waste with Improved quality control. Some other benefit includes Improved workplace safety, reduce inspection/ unload and load time, reduces warehousing and storage needs, Reduce labour costs.

On the basis on market demand and supplier performance, wide network of supplier is periodically rationalised. Our supplier base includes technology driven auto component manufacturing organisation, well established core auto ancillary companies, large number of Small & Medium Enterprises (SME) and MSME.

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

Waste management in a safe and responsible manner is a crucial priority for our businesses.



**Plastics:** All plastic waste generated in the plant premises is disposed off through an authorized recycler approved by the Central Pollution Control Board or the State Pollution Control Board. From FY 2023-24, EKL will focus on the recycling of plastic from post-consumer market also.

**E-waste:** E-waste is not material to EKL. All the E-waste is disposed through authorised third parties.

**Hazardous waste:** We recycle or incinerate Hazardous wastes or send them to landfill. We have partnered with Satyam Petro Chemical, a Haryana State Pollution Control Board (HSPCB) dealer, to recycle our waste oil. For disposing the other types of hazardous wastes, we have partnered with Gujarat Enviro Protection & Infrastructure Ltd. (GEPIL), also a HSPCB dealer, who incinerate the paint sludge and dispose the rest into landfill.

**Other waste** – All the other Non-hazardous waste generated is sent to the recycler.

**I- Lead acid battery waste** – The Lead acid battery waste generated in plant premises is sent to authorized lead acid battery recycler who is authorized by Central Pollution Control Board or State Pollution Control Board)

**II- Lithium-ion waste battery** – EKL has made an agreement with authorised Lithium-ion battery recycler for disposal of the lithium-ion battery at the end of its life. We ensure the recycling/extraction of the metals of lithium battery waste from the recycler by obtaining certificate.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Yes.

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Escorts Kubota Limited has submitted details on the Central Pollution Control Board portal as per Central Pollution Control Board requirement and directions. For plastic waste, Extended Producer Responsibility registration as brand owner/Importer is under process.

## L: Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? –** No, the entity has not conducted any Life Cycle Perspective / Assessments (LCA) for any of its products.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
-	Nil	Nil	Nil	Nil	Nil

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

Name of Product / Service	Description of the risk / concern	Action Taken
Nil	Nil	Nil
Nil	Nil	Nil

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

Indicate input material	Recycled or re-used input material to total material			
	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	-	Nil	Nil	Nil

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

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
<b>Plastics</b> (Including packaging)	Nil	111.12	Nil	Nil	Nil	Nil
<b>E-waste</b> (includes electrical scrap)	Nil	41.38	Nil	Nil	Nil	Nil
<b>Hazardous waste</b> ETP Sludge, Grinding Sludge, Industrial Waste, Paint Sludge, Phosphate Sludge, waste coolant, waste used oil, Discarded Asbestos, Celdak Pad, Bio-medical waste, battery Waste)	Nil	632.51	252.85	Nil	Nil	Nil
<b>Others</b> (Non-hazardous waste)	Nil	14,754	4.56	Nil	Nil	Nil

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

### Principle 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains

## E: Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2,466	2,444	99.11%	2,444	99.11%	0	0%	0	-	0	-
Female	132	127	96.21%	127	96.21%	132	100.00%	0	-	0	-
Total	2,598	2,571	98.96%	2,571	98.96%	132	5.08%	0	-	0	-
Other than Permanent employees											
Male	899	882	98.11%	882	98.11%	0	-	0	-	0	-
Female	84	80	95.24%	80	95.24%	80	95.24%	0	-	0	-
Total	983	962	97.86%	962	97.86%	80	8.14%	0	-	0	-

- b. Details of measures for the well-being of workers.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,313	1,313	100.0%	1,313	100.0%	0	-	0	-	0	-
Female	9	9	100.0%	9	100.0%	9	100.0%	0	-	0	-
Total	1,322	1,322	100.0%	1,322	100.0%	9	0.68%	0	-	0	-
Other than Permanent workers											
Male	8,518	7,535	88.46%	7,535	88.46%	0	-	0	-	0	-
Female	184	91	49.46%	91	49.46%	184	100.0%	0	-	0	-
Total	8,702	7,626	87.64%	7,626	87.64%	184	2.11%	0	-	0	-



## 2. Details of retirement benefits

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98.96%	100.00%	Y	100.00%	100.00%	Y
Gratuity	98.96%	100.00%	N	100.00%	100.00%	Y
ESI	0.04%	0.98%	Y	100.00%	100.00%	Y
Others –Please specify	-	-	-	EPS	EPS	Y

## 3. Accessibility of workplaces

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

Yes, Escorts Kubota Limited complies with the Rights of Persons with Disabilities Act, 2016, and the premises are largely accessible as per the requirements.

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

Yes, we have a policy for Equal Employment Opportunity as per the Rights of Persons with Disabilities Act, 2016 and can be accessed via link:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/EKL-Code-of-Conduct.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/EKL-Code-of-Conduct.pdf)

Our Code of Business Conduct also highlights our policy to promote equal opportunities to all without discriminating on the grounds of gender, age, language, cultural background, sexual orientation and gender identity, health or medical condition, religious beliefs, physical ability, appearance, marital status, etc. The Code of Business Conduct can be accessed via link:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/EKL-Code-of-Conduct.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/EKL-Code-of-Conduct.pdf)

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	5	100%	-	-
Total	5	100%	-	-

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

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Escorts Kubota Limited have Grievance Mechanism Policy which is accessible to internal stakeholders and is available on Company's intranet and brief under code of business conduct that can be accessible on website:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/Escorts\\_COBC\\_Policy\\_V1-2.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/Escorts_COBC_Policy_V1-2.pdf)

In case of any unethical matter, all employees are encouraged to report the concern to their supervisor or reporting manager. For Organisational issues, performance and appraisal related concerns or if the complaint is against the Supervisor or Reporting Manager, they are directed towards Human Resource Manager. Employees should reach out to the Ethics Committee if complaint is of the nature as described in the whistle blower policy which can be accessed via link:

[https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/Whistle-Blower-Policy-aug22.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/Whistle-Blower-Policy-aug22.pdf)

All complaints are reviewed periodically, and investigation is carried out followed by strict disciplinary action against person.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	2,598	0	-	2,383	0	-
- Male	2,466	0	-	2,270	0	-
- Female	132	0	-	113	0	-
Total Permanent Workers	1,322	1,322	100.0%	1,440	1,440	100.0%
- Male	1,313	1,313	100.0%	1,428	1,428	100.0%
- Female	9	9	100.0%	12	12	100.0%

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2,466	2,466	100.0%	2,466	100.0%	2,270	2,270	100.0%	2,270	100.0%
Female	132	132	100.0%	132	100.0%	113	113	100.0%	113	100.0%
Total	2,598	2,598	100.0%	2,598	100.0%	2,383	2,383	100.0%	2,383	100.0%
<b>Workers</b>										
Male	1,313	1,313	100.0%	1,313	100.0%	1,428	1,428	100.0%	1,428	100.0%
Female	9	9	100.0%	9	100.0%	12	12	100.0%	12	100.0%
Total	1,322	1,322	100.0%	1,322	100.0%	1,440	1,440	100.0%	1,440	100.0%

All Employees (Excluding other than permanent employees) and all workers (Excluding other than permanent workers) are provided with health & safety trainings & Skill upgradation trainings.

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2,466	2,466	100%	2,270	2,270	100%
Female	132	132	100%	113	113	100%
Total	2,598	2,598	100%	2,383	2,383	100%
<b>Workers</b>						
Male	1,313	1,313	100.0%	1,428	1,428	100%
Female	9	9	100.0%	12	12	100%
Total	1,322	1,322	100.0%	1,440	1,440	100%

Note: Includes only permanent employees

**10. Health and safety management system:**

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

Yes, Escorts Kubota Limited has implemented a robust health and safety management system across the business. We have EHS policy, applicable to all employees and workers and multiple processes implemented to eliminate risk in the system. Also, we have more than 30 signed off document for safety environment & compliances and under implementation. All our operational facilities are certified with ISO 45001 & ISO 14001.

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

Escorts Kubota Limited follow Risk Assessment process as per ISO 45001 for identification of risks and development of mitigation plan. All such processes are prepared by central team and trainings are imparted for all area heads to develop the competency. Further, all the mitigation plans are periodically updated to ensure safety at workplace.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

All sites have incident and hazard reporting procedures laid down to assist the workforce to highlight unsafe working conditions and remove themselves from such situations. We have multiple platform and processes to report hazards like Safety Observation tour (SOT) where Concerned line manager goes to the workmen & ask for safety related issues, if any. Also, we have online safety risk reporting mechanism, and we provide multiple trainings for Safety Risk Assessment, Mock Drill Fire-Disaster Management, Emergency Management, Driving Safety etc. A Safety Committee meeting is also held on monthly basis with complete workmen participation.

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

We have dedicated occupational health centre at all plants which has all time access for workmen to take facility for non-occupational illness. A full time Doctor is available to take care of the regular medications and general medicines are provided by the Company for illness. In case, issue persists, Doctor provides support to obtain outside medications.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.26
	Workers	0.67	1.69
Total recordable work-related injuries	Employees	0	6
	Workers	230	82
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	2
	Workers	18	30

Last year data has been reiterated/ regrouped as per instructions provided in BRSR guidelines.

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

Escorts Kubota Limited manufacturing plants are certified with ISO 45001 & ISO 14001. Every measure has been taken to ensure a safe and healthy workplace. Performance in safety, environment, and compliance is being monitored by top management monthly. We have a defined & well-established structure with defined accountability and accordingly management review the progress on various parameters.

Every manufacturing plant has a separate safety committee where equal participation of the workers, and the management is ensured. At the group level, the group safety committee is ensuring horizontal deployment of action as per standardised process.

For strategic actions and planning, a yearly safety environment plan is prepared, and based on that, monthly activity tracking is done. We are equally focusing on man, machine, and method. For men, different types of training and development are planned on a regular basis.

For machines, we have focused on inherently safe equipment, which we are ensuring with a target of zero level-1 machines. For methods, we have focused on Escorts Kubota system guidelines, where we ensure each process should have a written document and all processes are carried out according to Kubota Production System (KPS). To motivate our employees, one company - one rule is enforced. Various motivational activities, such as National Safety Week, Fire Service Week, Road Safety Week, Environment Week, etc., are celebrated from time to time to ensure the participation of employees.

**Employee Engagement:** Organisation wide drive of training & awareness programs, and other motivational activities for all the employees for safe act and safe behaviour.

**R/R & consequence:** Reward/Recognition & Consequence Management has been implemented for dealing with all types of situations and work behaviours.

13. Number of complaints on the following made by employees and workers

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	17,490	326	-	8,965	357	-
Health & Safety	5,478	105	-	3,481	74	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (Including assessments done by Escorts Kubota Limited and third parties)
Working Conditions	100% (including assessments done by Escorts Kubota Limited and third parties)

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

Safety at the workplace is of utmost priority at Escorts Kubota Limited. We have system in place w.r.t. safety inspections, operation control, monitoring, audit and assessments and others. Gaps, learnings, improvements are implemented across the Company to avoid Repeated incidents. The corrective actions are driven by site leadership of each location.

**L: Leadership Indicators**

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

(A) Yes, Escorts Kubota Limited provide 3 policy benefits for Managers/ employees:

1. Death benefit Scheme
2. Jeevan Dhara policy benefits in case of death
3. Accidental insurance of 20 lacs in case of accidental death

(B) In case of workers' death, the organisation provides following benefits:

1. Provision of ₹12 lacs as onetime payment or job for one biological son (if meeting the education & Age criteria). Additionally, EDLI, EPS, PF and Gratuity is also provided to the beneficiary.
2. Voluntary contribution by all employees (employees+ workers) is also collected and given to the employee nominee.
3. The amount from Death benefit Scheme and Jeevan Dhara policy benefits is also provided to the nominee.

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

Escorts Kubota Limited ensures that statutory dues as applicable to the transactions are deducted and deposited in accordance with regulations. The proof of Statutory dues submission is also reviewed as part of the internal and statutory audit and monthly copy of ESI/ PF challans and Electronic Challan Receipt is shared by the manpower contractor with the Employee Relation team; The ER team validates the challan along with wage sheet and salary bank transfer sheets submitted by the contractor.

The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

Yes, the employees can opt to continue the medical insurance of self and family (premium paid by self),

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	0%
Working conditions	0%

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

NIL

**Principle 4:**

**Businesses should respect the interests of and be responsive to all its stakeholders**

**E: Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

At Escorts Kubota Limited, the engagement approach takes into cognisance the fact that each stakeholder group is unique and has a distinctive set of priorities. Insights gathered from stakeholder engagements, help validate the Company's performance and shape new perspectives.

The process for identifying key stakeholders is on the basis of the material influence they have on the Company or on how they are materially influenced by the Company's corporate decisions and the consequences of those decisions.

For details on Process of Stakeholder Engagement, refer to 'Stakeholder Engagement' section of Integrated Report 2022-23.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	<ul style="list-style-type: none"> <li>As Clients/customers</li> <li>Advocating for innovations</li> <li>Development of product quality standards</li> <li>Regulatory compliance</li> <li>CSR initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>Meetings as and when required</li> <li>Regulatory &amp; Legal requirements</li> <li>Technology &amp; Innovation</li> <li>Capacity expansion</li> </ul>
Employees	No	<ul style="list-style-type: none"> <li>Feedback sessions</li> <li>Training &amp; safety programmes</li> <li>Festival Celebrations</li> <li>Games</li> <li>Award Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly feedback sessions</li> <li>Trainings throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>Meeting on regular basis and employees townhall</li> <li>Job Satisfaction</li> <li>Fair Pay and performance remuneration</li> <li>Training &amp; Development</li> <li>Performance review</li> <li>Grievance redressal mechanism</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey</li> <li>Installation of "Care" devices in tractors</li> <li>Web Portals</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>All means of communication throughout the year with our customers on:-</li> <li>Customer Satisfaction</li> <li>Customer complaints</li> <li>Extending product &amp; services</li> </ul>
Suppliers	No	<ul style="list-style-type: none"> <li>Annual Supplier Convention</li> <li>Supplier Audits</li> <li>Informal Interaction</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>Transparent, fair &amp; accountable supply chain practice</li> <li>Supplier financial health/ reputation</li> <li>Service Quality</li> <li>Access to knowledge on sustainable supply chain practices</li> <li>Innovation &amp; Technology</li> </ul>



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local community	No	<ul style="list-style-type: none"> <li>• CSR Initiatives</li> <li>• Public disclosure of company information</li> <li>• Local Employment</li> </ul>	+ Throughout the year	<ul style="list-style-type: none"> <li>• CSR Initiatives</li> <li>• Creation of job opportunities</li> <li>• Relationship development</li> </ul>
Investors & shareholders	No	<ul style="list-style-type: none"> <li>• General Body Meetings</li> <li>• Interaction with Investors</li> <li>• Annual Report</li> <li>• Media Updates</li> <li>• Company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General body meetings</li> <li>• Monthly investor meets</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion on financial &amp; non-financial performance, market value of shares</li> <li>• Shareholder returns</li> <li>• Effective &amp; robust corporate governance</li> </ul>

## L: Leadership Indicators

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

Our stakeholders are those individuals or organisations who have an interest in, and/or whose actions impact our ability to execute our strategy. We periodically engage with different stakeholder groups and actively respond to their concerns and issues through various means.

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

No.

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

Escorts always consciously acts as a responsible corporate citizen and engages with the marginalised & vulnerable sections of our society.

The Company's CSR activities focus on the disadvantaged, vulnerable and marginalised segments of society. Kindly refer to the Annexure - E i.e. Annual Report on Corporate Social Responsibility Activities at page 166-169 and Social and Relationship Capital at page 70-77 for further details.

## Principle 5:

Businesses should respect and promote human rights

## E: Essential Indicators

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,598	2,598	100.0%	2,383	2,120	88.96%
Other than permanent	983	983	100.0%	933	-	-
Total employees	3,581	3,581	100.0%	3,316	2,120	63.93%

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Workers</b>						
Permanent	1,322	1,322	100.0%	1,440	955	66.32%
Other than permanent	8,702	8,702	100.0%	6,451	2,211	36.07%
Total workers	10,024	10,024	100.0%	7,891	3,166	41.83%

\* Human Rights is part of EKL CoBC so every employee is trained during Induction

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	2,466	-	-	2466	100.0%	2,270	-	-	2,270	100.0%
Female	132	-	-	132	100.0%	113	-	-	113	100.0%
<b>Other than permanent</b>										
Male	899	-	-	899	100.0%	854	-	-	854	100.0%
Female	84	-	-	84	100.0%	79	-	-	79	100.0%
<b>Workers</b>										
<b>Permanent</b>										
Male	1,313	-	-	1,313	100.0%	1,428	-	-	1,428	100.0%
Female	9	-	-	9	100.0%	12	-	-	12	100.0%
<b>Other than permanent</b>										
Male	8,518	-	-	8,518	100.0%	6,293	6,293	100%	-	-
Female	184	-	-	184	100.0%	158	158	100%	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	15	17,75,000	3	18,00,000
Key Managerial Personnel	1	NA	-	-
Employees other than BoD and KMP	2,463	9,50,004	131	6,58,980
Workers	1,313	39,255	9	17,955

\*Mr. Nikhil Nanda, Mr. Seiji Fukuoka and Mr. Bharat Madan are also KMP as per the Companies Act, 2013.

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

Yes. The Company has Ethics committee to look into issues reported due to contravention of Code of business conduct and complaints received through whistle blower mechanism through toll free number, mail or post; from any stakeholder. For any interpersonal grievance, there is a Grievance redressal committee. Employees have the option of approaching any committee.



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

EKL has Human Rights Policy to redress grievances related to human rights issues. Also, Reporting avenues have been provided for EKL employees, customers, suppliers and other stakeholders to raise concern or make disclosure when they become aware of any actual or potential violation of the Company's code, policies or law including human right violations. Representation made in the reporting avenues are reviewed and appropriate action, if required, being taken.

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

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	1	Complaint has been closed by the time the report is being published	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

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

Escorts Kubota Limited is committed to providing equal opportunities to all individuals and is intolerant towards discrimination and / or harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identification and expression (including transgender identity), political opinion, medical condition, language as protected by applicable laws.

The Company has Whistle blower Policy to protect the whistle blower. The identity of the complainant remains confidential, in case a complaint is filed and action is taken on immediate basis.

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

Yes. Human rights requirements form part of your business agreements and contracts.

9. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	Escorts Kubota Limited periodically monitors compliances of all the relevant laws and policies pertaining to mentioned issues.
Sexual harassment	No observation has been observed by statutory authorities and third parties during the reporting FY 2022-23.
Discrimination at workplace	
Wages	
Others - please specify	

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

NIL

## L: Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Escorts Kubota Limited regularly through training convey its employees on Code of Conduct. The Company strives to uphold the basic principles of human rights in all its operations. This is in alignment with its codes and policies. The company regularly sensitizes its employees on the Code of Conduct, Human Rights through various training and awareness programs.

2. Details of the scope and coverage of any Human rights due-diligence conducted

Escorts Kubota Limited is of the belief that it has upheld the basic principles of human rights in all its dealings. This is in alignment with its Human Rights Policy. The Company follows zero tolerance to child, forced or compulsory labour and regularly sensitises its employees on the Code of Conduct through various training programmes.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the registered and corporate office and all plants have ramps for easy movement of differently abled visitors. Most of the offices are located in commercial premises which may be on the ground floor or have elevators and infrastructure for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	No assessment conducted during the year 2022-23. We are aiming to conduct assessment in the near future.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NIL

## Principle 6:

Businesses should respect and make efforts to protect

## E: Essential Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	187.13	172.98
Total fuel consumption (B)	153.06	153.67
Energy consumption through other sources (C)	4.53	4.08
Total energy consumption (A+B+C)	344.72	330.73
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.04 x 10 <sup>-7</sup>	0.05 x 10 <sup>-7</sup>
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

All the values are in Tera Joules

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Energy consumption for FY 2022-23. Details for the same have been mentioned in the assurance statement.



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

No, as we do not fall under DC Category

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	4,58,101.94	6,26,949.00
(iii) Third party water (Municipal water supplies)	61,454.80	34,940.3
(iv) Seawater / desalinated water	-	-
(v) Others	41,329.00	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)*	5,19,556.74	6,61,889.30
Total volume of water consumption (in kilolitres)	3,48,539.74	4,57,139.50
Water intensity per rupee of turnover (Water consumed / turnover)	$0.42 \times 10^{-5}$	$0.64 \times 10^{-5}$
Water intensity (optional) – the relevant metric may be selected by the entity		

EKL has stopped the extraction of ground water in Railway plant and resulting third party water increased. For FY 2021-22 figures have been reiterated as per guidance note - Purchased water was not part of Third-Party Water procurement.

\*Water withdrawal includes city water & ground water only Recycled water is part of others (v) and is not included in total volume of water withdrawal

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Water Withdrawal and Water Consumption for FY 2022-23. Details for the same have been mentioned in the assurance statement.

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

Yes. Escorts Kubota Limited has a Zero Liquid Discharge (ZLD) plant at their Railway Equipment Business Division facility in Faridabad. The wastewater generated in plant operations is used for gardening and landscaping purpose.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	2021-22: ug/m3	97,858.98	4,56,91,571.37
	2022-23: kg/year		
SOx	2021-22: ug/m3	2,206.00	7,37,736.99
	2022-23: kg/year		
Particulate matter (PM)	2021-22: ug/m3	92,454.78	70,88,048.05
	2022-23: kg/year		
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – Ozone Depleting Substances (HCFC – 22 or R-22)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> Equivalent	9,153.03	12,796.24
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> Equivalent	36,907.51	37,960.00
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO <sub>2</sub> e/INR of revenue	0.06 x 10 <sup>-5</sup>	0.07 x 10 <sup>-5</sup>
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Scope 1 also include fugitive emissions

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. –

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Scope 1 and Scope 2 Emissions for FY 2022-23. Details for the same have been mentioned in the assurance statement.

7. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.

Yes, Conversion to Gas Gensets: EKL has discontinued 33 Diesel Genset out of 35 and switched to Gas Genset for power generation. This year 5 Gas gensets were installed and for FY 23-24, EKL is in procurement process for 6 new genset of capacity 1300KW.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	111.12	100.15
E-waste (B)	2.67	2.71
Bio-medical waste (C)	0.22	0.23
Construction and demolition waste (D)	-	-
Battery waste (E)	37.20	-
Radioactive waste (F)	-	-
Total Waste Generated	<b>151.21</b>	<b>103.06</b>
<b>S.No. Other Hazardous waste (G)</b>		
ETP Sludge	45.998	46.14
Grinding Sludge	10.56	14.91
Paint Sludge	397.67	468.56
Waste Used Oil	97.75	72.70 in KL
Industrial Waste	1.29	0.52
Phosphate Sludge	37.03	24.30
Discarded Asbestos	200.41	9.83
Others (Waste coolant, Celdak Pad, Electrical Scrap)	92.99	
Total Hazardous Waste Generated (G)	<b>883.69</b>	Total (G) Excluding waste oil: 564.24 MT Waste Oil: 72.70 KL
<b>Other Non-hazardous waste generated (H), Please specify, if any.</b>		
Wooden	1,268.05	1,080.61
Garbage	4.56	1,736.84
Casting	322.42	622.81
Forging	221.40	-
Tractor Parts	146.87	-
Turning & Boring	4,151.66	-



Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Radiator	3.13	-
Rubber	57.99	-
Others	8,582.19	-
Total Non-Hazardous Waste Generated (H)	14,758.29	3,440.26
Total (A+B + C + D + E + F + G + H)	15,793.20	Total Excluding waste oil: 4,107.59 MT Waste Oil: 72.70 KL

Data restated for waste oil

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	-	-

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	1.51	-
(ii) Landfilling	304.14	-
(iii) Other disposal operations	15,487.55	4,177.40
<b>Total</b>	15,793.2	4,177.40

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Waste Generated (Hazardous and Non-Hazardous) for FY 2022-23. Details for the same have been mentioned in the assurance statement.

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

EKL have robust waste management infrastructure within our plants which considers environmental impact, social effects and commercial viability.

The waste generated is recycled or incinerated or sent to landfill. For recycling our waste oil, we have partnered with Satyam Petro Chemical, a Haryana State Pollution Control Board (HSPCB) dealer. For disposing the other types of hazardous wastes, we have partnered with Gujarat Enviro Protection & Infrastructure Ltd. (GEPIL), also a HSPCB dealer, who incinerate the paint sludge and dispose the rest into landfill.

Various initiative has been taken to manage waste in our operations. We have an Oil Filtration Unit which cleans industrial lubricants, enhancing equipment's longevity and efficiency. We convert food waste into compost and use it for gardening, encourage reduced usage of paper at all our facilities and offices, promote recycling of paper and have designated waste bins for paper to facilitate paper recycling.

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

No

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-
-	-	-	-

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

No data Recorded

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-
-	-	-	-	-	-

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Escorts Kubota Limited is compliant with the applicable environment laws/guidelines.

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

## Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	4.53	4.07
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	4.53	4.07
<b>From non-renewable sources</b>		
Total electricity consumption (D)	187.14	172.98
Total fuel consumption (E)	153.06	153.67
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	340.2	326.65

Renewable Energy consumption is only from captive solar plant. All figures are in Tera Joules and accordingly FY 2021-22 figures are revised.

All figures are in Tera Joules and accordingly FY 2021-22 figures are revised accordingly

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Energy consumption for FY 2022-23. Details for the same have been mentioned in the assurance statement



## 2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	1,71,017 KL	2,04,749.7 KL
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	1,71,017 KL	2,04,749.7 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given Limited Assurance on Water Discharge for FY 2022-23. Details for the same have been mentioned in the assurance statement.

## 3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: NIL
- (ii) Nature of operations: NIL
- (iii) Water withdrawal, consumption, and discharge in the following format: NIL

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	9,30,878.21	14,022.18
Total Scope 3 emissions per rupee of turnover		1.12 x 10 <sup>-5</sup>	0.02 x 10 <sup>-5</sup>
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Scope 3 figures are not comparable as in FY2021-22 only one category was reported as against 5 categories in FY2022-23. Please refer to page number 68 for details.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

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

NIL

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Conversion to Gas Gensets	EKL has discontinued 33 Diesel Genset out of 35 and switched to Gas Genset for power generation, This year 5 Gas gensets were installed and for FY 23-24, EKL is in procurement process for 6 new genset of capacity 1300KW.	Reduction in CO <sub>2</sub> emissions
2.	Optimization of Paint during Painting operation and Disposal of paint in Environment-efficient manner	Following steps has been taken for the initiative: <ul style="list-style-type: none"> <li>Reduction in paint consumption</li> <li>Switched to co-processing for paint disposal instead of incineration</li> </ul>	Adoption of Environment-friendly waste disposal methodology
3.	Reduction in water consumption	EKL has taken various water conservation measure to reduce its water consumption	Reduction in water consumption

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

EKL have an Enterprise Risk Management (ERM) framework that allows for efficient resource allocation. Our ERM framework addresses critical risks in four domains: strategic, operational, financial, and compliance risks.



The systematic and proactive approach enables us to identify and manage risks effectively.

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

NIL

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

0%

### Principle 7:

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

### E: Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Number of affiliations with trade and industry chambers/ associations - 6

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	CII – Confederation of Indian Industry	National/Regional/State & Zone
2	IACC- Indo-American Chamber of Commerce	National
3	FICCI- Federation of Indian Chambers of Commerce & Industry	National
4	TMA - Tractors & Mechanization Association	National
5	ICEMA - Indian Construction Equipment Manufacturers Association	National
6	FIA – Faridabad Industry Association	State

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

Company has carried out training across verticals on various policies like code of conduct and Competition Compliance Policy during the year to create awareness amongst the various stakeholders of the Company.

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

### L: Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-
-	-	-	-	-	-



## Principle 8:

Businesses should promote inclusive growth and equitable development

### Essential Indicators

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

NIL

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-
-	-	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

NIL

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

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

- EKL has established Grievance Redressal Policy and system to receive and address enquiry/grievance from an internal & external stakeholder.
- An Ethics Committee is responsible to look into any breach/violation of the Company's Code of Conduct, Supplier Code of Conduct in case of fraud, misconduct, corruption, financial issues, conflicts of interest, insider trading or antitrust regulations, theft, embezzlement, employee relations and human resources issues, such as harassment, discrimination, improper workplace conduct or immigration issues, loss prevention and asset protection, workplace violence and alcohol/ drug abuse, environment, conflict minerals, health and safety, such as occupational health and safety violation etc.
- Shareholders can approach the compliance officer or can contact through E-mail/phone to lodge their complaints via contact details as mentioned on the EKL website.

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

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	27.82%	26.10%
Sourced directly from within the district and neighbouring districts	46.15%	45.77%

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

NIL

Details of negative social impact identified	Corrective action taken



2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

NIL

S. No.	State	Aspirational District	Amount spent (In ₹)

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes

- (b) From which marginalized /vulnerable groups do you procure?

Data not Captured

- (c) What percentage of total procurement (by value) does it constitute?

27.82%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

NIL

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	-	-	-	-
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

NIL

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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups*
1.	COVID Support	6,839	75
2.	Community Development	1,63,100	51.18
3.	Road Safety	1,130	50
4.	Health Care	10,191	100
5.	Farmer Training Program	1,090	50

\*100% where the scheme implemented for marginalized group and 50% for mixed community except for COVID programme where maximum marginal people benefitted hence 75% has been assumed.

**Principle 9:**

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

**E: Essential Indicators**

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

EKL handhold its customer with utmost importance and engages with them through various channels like Customer Empathy index, Service Quality index to understand their needs and obtain crucial insights into their requirements, interests, and preferences.

The Customer Empathy Index is calculated based on pre-defined parameters including Complaint Appointment, Turnaround Time, and Customer Satisfaction and the Service Quality Index is calculated based on Post Service Feedback, Doorstep Services, and First Time Right (Comeback and Repeat). EKL installs "Care" device in tractors to helps farmers access customer care support instantly.

To ensure customer grievances get addressed in time and with quality, our team follows a time bound standard operating procedure of grievance redressal. Once a customer registers a grievance, it is logged in our system. We analyse the issue and provide Corrective actions and ensure proper resolution. We take measures to make sure that customers don't face the same issues in the future. During the reporting year, we did not receive a single complaint on breach of customer privacy and loss of customer data.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Data Not Captured

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

	FY 2022-23 Current Financial Year		Remarks	FY 2021-22 Previous Financial Year		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

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

	Number	Reasons for recall
Voluntary recalls	NIL	-
Forced recalls	NIL	-

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

Yes. Escorts Kubota Limited have policy on Cyber Security and risks which clearly outlines the approach on data privacy. The policy is available on intranet of the company. Also the EKL's risk policy covers data protection briefly. The Policy is available at following link: [https://www.escortsgroup.com/templates/escortsgroup\\_home/images/pdf/policy-on-risk-management.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/pdf/policy-on-risk-management.pdf)



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

Escorts Kubota consider data privacy, a critical aspect to ensure customer information safety. Our Policy on "Risk Management" clearly outlines our approach to maintaining data privacy.

### Leadership Indicators

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

- Company Website: [www.escortsgroup.com](http://www.escortsgroup.com)
- Company social media channels
- Company authorized Dealerships and Distributors
- Company Toll Free Numbers
- Print Media and Electronic Media
- Influencer Meets
- Client Submissions

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

At Escorts Kubota Limited, we work together and with our partners and customers to explore new ways to incorporate sustainable materials across our solutions and bring them to new markets including increased communications, which includes but not limited to Onsite services for raw material testing and product application, through Technical Mobile Van. Site supervision services to educate customers on right construction methodologies and practices. The Company also install the products at customer site after giving proper demo and usage guidance, product information, warranty and other essential information of the product. Also, the mobile apps, various tutorials and customer care helpline helps the customers to utilise the product fully and properly. The Company is paving the path to educate its vendors/ customers for the safe and responsible usage of products, and it will deliver the substantial transformational Change in the tractor Industry in near future.

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

NIL

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

The Company furnish the information about its product as required under applicable laws.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Escorts Kubota Limited conduct customer satisfaction survey periodically to understand customer review/satisfaction level. Also, the Company maintains customer Satisfaction Index through call centres and feedback based on service records internally.

6. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - 0
- b. Percentage of data breaches involving personally identifiable information of customers - 0.0%