

# BUSINESS RESPONSIBILITY REPORT

| <b>Section A</b> | <b>General information about the Company</b>                                   |  |
|------------------|--|--|
| 1                | Corporate Identification Number  | L65993PN2007PLC130076  |
| 2                | Name of the Company  | Bajaj Auto Limited   |
| 3                | Registered Address   | Mumbai-Pune Road, Akurdi, Pune 411035  |
| 4                | Website  | <a href="http://www.bajajauto.com">www.bajajauto.com</a>                       |
| 5                | Email Address  | <a href="mailto:brr.response@bajajauto.co.in">brr.response@bajajauto.co.in</a> |
| 6                | Financial year reported  | 1 April 2019 – 31 March 2020   |
| 7                | Sector(s) that the Company is engaged in                                       | Automobile   |
| 8                | Three key products/services manufactured/ provided by the Company              | Motorcycles and three & four wheeler vehicles                                  |
| 9                | Total number of locations where business activity is undertaken by the Company | Akurdi, Chakan & Waluj (Maharashtra) and Pantnagar (Uttarakhand)               |
| 10               | Markets served by the Company  | India and 79 countries across the world  |
| <b>Section B</b> | <b>Financial details of the Company</b>  |  |
| 1                | Paid up capital  | ₹ 289 crore  |
| 2                | Total turnover   | ₹ 31,652 crore   |
| 3                | Total profit after tax   | ₹ 5,100 crore  |
| 4                | Total spending on CSR as percentage of PAT (%)                                 | Refer Annual Report on CSR activities  |
| 5                | List of the activities in which expenditure in 4 above has been incurred       | Refer Annual Report on CSR activities  |

| <b>Section C</b> |  | <b>Other details</b>   |
|------------------|--|--|
| 1                | Does the Company have any subsidiary company/companies?  | Yes (for details, refer Note 1 of Consolidated Financial Statements)     |
| 2                | Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)  | No   |
| 3                | Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | No   |
| <b>Section D</b> |  | <b>BR information</b>  |
| 1                | Details of Director(s) responsible for BR  |  |
|                  | (a) Details of the Director/Directors responsible for implementation of the BR policy/policies:  |  |
|                  | DIN Number   | 07464437   |
|                  | Name   | Mr. Pradeep Shrivastava  |
|                  | Designation  | Executive Director   |
|                  | (b) Details of the BR head:  |  |
|                  | DIN Number (if applicable)   | Not applicable   |
|                  | Name   | Mr. Soumen Ray   |
|                  | Designation  | CFO  |
|                  | Telephone number   | (020) 6610 6000  |
|                  | E-mail ID  | <a href="mailto:soumenray@bajajauto.co.in">soumenray@bajajauto.co.in</a> |
| 2                | Principle-wise BR policy/policies  | Included in this report  |
| 3                | Governance related to BR   | Included in this report  |
| <b>Section E</b> |  | <b>Principle-wise performance</b>  |
| 1                | Principle-wise performance   | Included in this report  |

# **PREFACE**

As mandated by the Securities and Exchange Board of India (SEBI), India's top 1000 listed entities based on market capitalisation on the BSE and NSE, are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for FY 2019-20. This Report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

Bajaj Auto Ltd. ('BAL' or 'the Company'), to whom the said requirement is applicable, presents its eighth BRR in line with the NVGs and the BRR requirement of SEBI. This Report provides information on key business responsibility initiatives undertaken by the Company. The business responsibility performance of the Company is assessed annually by BAL's Board of Directors.

## PRINCIPLE 1



### **Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

The three pillars of trust, integrity and credibility drive BAL's business philosophy, which is built on the key foundational values of ethics, transparency and accountability. In order to make sure that these principles are upheld, BAL adopted a Company-wide 'Code of Conduct' (CoC) in 2009. This CoC highlights integrity and good working norms, as well as the process to address any violations. The CoC covers an exhaustive list of topics, including anti-bribery, anti-corruption, the prevention of sexual harassment at the work place, and other similar laws of the various jurisdictions where the Company operates. BAL is committed towards ensuring corruption free operations and the CoC contains clear guidelines to ensure the same. The CoC requirements are applicable to every BAL employee globally and employees are familiarized with it during their induction process. The CoC is periodically reviewed and updated to align it with laws, organisation structure and any other changes that may have an impact on the contents of the CoC.

With the aim of enabling employees to raise concerns to the Company's Management, the CoC also contains a 'Grievance Redressal Policy' and a 'Whistle Blower Policy'. No complaints were received with respect to the above two policies in this year. The Company is in the process of establishing an ethics helpline, which will strengthen the governance mechanism, whistle-blower policy and employee grievance redressal process.

In addition to these, there is a separate CoC that is specifically applicable to the Company's Directors and Senior Management. It reiterates that 'Directors and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment'. All Directors and Senior Management personnel have affirmed compliance with this CoC. The Annual Report contains a declaration to this effect that is signed by the Managing Director.

BAL is an industry partner of the World Economic Forum's initiative, 'Partnership Against Corruption Initiative' (PACI). In addition, the Company is also signatory to the Model Code of Conduct developed by Confederation of Indian Industry (CII).

## PRINCIPLE 2



### **Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

The Research and Development (R&D) division of BAL is where over 1,300 highly qualified and skilled employees come together and share their insights on technological developments to help the Company push the envelope year after year. BAL's state-of-the-art R&D centre is located in Akurdi, where the Management and Senior leadership work together to enhance the synergy between R&D, manufacturing and sales.

BAL consistently aims to be the front runner in developing innovative and sustainable products while addressing the needs of consumers in every segment. The Company is also cognizant of the dependence on natural environment and invests resources to ensure safety and resource efficiency at all stages of the product lifecycle. This is evident in the Company's initiatives on resource efficiency and safety, as described below.

#### **Product sustainability**

Every BAL product is compliant with the environmental standards in the Indian Central Motor Vehicle Rules (CMVR), as applicable from time to time. These include regulation of the tail-pipe emissions of air pollutants such as Carbon Monoxide (CO), Hydro-carbons (HC), Nitrogen oxides (NO<sub>x</sub>) gases as well as Particulate Matter (PM). For such compliances, all BAL models are 'Type Approved' certified by the Automotive Research Association of India (ARAI).

**Studies conducted by the Company on its products have indicated the recyclability and recoverability rates of 87% and 94% respectively**

As per the requirement for emissions under CMVR, BAL is also compliant with the emission Conformity of Production (COP). The Company also ensures compliance with emission standards for the models exported globally, in line with the respective country's norms.

All vehicles that are currently sold by BAL for Indian markets are BS-VI compliant. Furthermore, BAL is focussing on electric mobility going forward. To enable this shift, a state-of-the-art electric vehicle and components testing lab has been established, besides developing in-house designs and products. Taking the first step in its electric mobility journey, BAL recently introduced 'Chetak Electric', an electric scooter which is not only environment friendly, but also safe, convenient and comfortable.

Demonstrating BAL's commitment towards sustainability at all stages of the vehicles lifecycle, studies conducted by the Company on its products have indicated the recyclability and recoverability rates of 87% and 94% respectively.

In line with the norms set by the Government, all two-wheeler models having engines greater than 150cc have anti-lock braking system, while those having engines lesser than 150cc have combined braking system.

### **Sustainable Sourcing**

BAL has a 'Green Purchasing Policy' which is applicable to its entire supply chain. The policy lists the requirements related to water, energy and natural resource conservation. A large number of BAL's key vendors are for ISO 14001 and OHSAS 18001 management systems.

The Company gives preference to local vendors wherever possible and has identified certain vendor clusters which are located close to each of the its plants. BAL ensures engagement with its vendors through the 'Bajaj Auto Vendor Association' (BAVA), which currently has 163 members. Currently, 135 of these members are ISO 14001/OHSAS 18001 certified and the Company plans to make such certifications a prerequisite for all BAVA members in the future, except for assembly and 3PL logistics vendors.

Underlining the importance that BAL places on safety, BAVA Safety Committees have been formed at Chakan, Waluj and Pantnagar. Each Committee consists of the safety officers and HR heads of BAVA members in that cluster. These members are provided regular safety trainings to improve their performance. In FY 2019-20, Behaviour Base Safety (BBS) training was initiated and provided to all committee members. Further, a detailed safety audit plan and check sheet is prepared to enable cross-audits at other locations within the clusters. These audits, conducted by the committee members themselves, provide them a platform to share best practices with others. In FY 2019-20, a total of 124 such audits were completed.

BAL has a Total Productive Maintenance (TPM) Policy which assists Tier I and Tier II vendors to enhance their operational, human and cost efficiencies. In FY 2019-20, 174 Tier I vendor groups and 295 Tier II vendors were practising TPM. Extension of practice of TPM to Tier 2 vendors is reviewed in BAVA Executive & Management Committee meetings. To advance the adoption of TPM, BAL has also instituted the TPM Awards which recognise best TPM performing vendors. Cumulatively, 128 BAL TPM Awards and 71 BAL TPM Excellence Awards have been distributed to vendors. Furthermore, 23 vendors have been recognized with the JIPM TPM Excellence Award and 11 vendors received JIPM TPM Excellence Consistency Award. To support improvement in the working efficiency of the service providers working in the BAL plants, TPM has also been extended to them. Further, to enhance innovation and improve efficiency, best kaizens are awarded in the annual function. These cover a variety of topics, including productivity, quality, cost, delivery, safety and morale.

Additionally, 'Cluster Kaizen Competition' which is an initiative to drive efficiency improvement at the vendor level is conducted every year. Furthermore, a final competition is held between clusters that recognizes improvements in the areas of quality, productivity, capacity increase with minimal investments, safety, environment & legal etc.

***In FY 2019-20, 34 vendors installed roof top solar projects of 9 MW (cumulative 30 MW) capacity at their premises, resulting in generation of green power and reduction in greenhouse gas emissions.***

In FY 2019-20, BAL initiated a change in the practice of third party legal and environmental audits of vendors. After the closure of all previous findings from the previous two cycles, a list of applicable laws for vendors has been created. Further, a portal has been developed for all BAVA members to upload their compliance status with applicable laws. The Company is also transitioning to an online system

through which alerts will be sent to BAL and its vendors for any upcoming renewals.

Further, BAL encourages its vendors to adopt best practices in energy conservation, besides promoting installation of solar panels at major vendor locations. In FY 2019-20, 34 vendors installed roof top solar projects of 9 MW (cumulative 30 MW) capacity at their premises, resulting in generation of green power and reduction in greenhouse gas emissions.

## Waste reduction

With the aim of achieving a Plastic Mukt Bajaj by 2022, various initiatives have been taken to reduce and eliminate plastic in incoming vendor packing, as well as outgoing material packing, some of them are as follows:

- Replaced plastic packaging of cable with reusable cotton packaging
- Eliminated primary plastic packing of gear primary drive and gear balancer
- Reuse of plastic ribbon based on its quality
- Eliminated the plastic packaging of hand gloves

## PRINCIPLE 3



### Businesses should promote the well-being of all employees

BAL continues to invest in skill and competency building and the overall well-being of its employees to drive performance excellence.

In the year 2019-20, BAL hired 3,330 employees, including 236 permanent employees, 221 on probation, 2,628 trainees, 107 interns and 138 contractual employees, leading to a total headcount of 10,718 employees as of 31 March 2020. Each of the four plants have Company recognised trade unions and 39.65% of the employees are members of the same. Currently, BAL has 24 specially-abled permanent employees. As an equal opportunity employer, BAL encourages employment of women across the organization. As on 31 March 2020, there were 595 women employees in BAL.

While there were no complaints filed or pending relating to child labour, forced labour, involuntary labour or discriminatory employment during the year 2019-20, one complaint related to sexual harassment was filed and closed during the same period as per laid down procedure.

With the aim of ensuring the safety and security of women employees, BAL has formulated a 'Prevention of Sexual Harassment at Workplace' (POSH) policy. In line with the requirement of law, an internal committee has been revised for Akurdi and a sales circle wise committee has been created. Additionally, a new external member has been on-boarded in the POSH Committee. Further, a POSH module has been launched for the plant internal committee.

In the reporting year, a new Performance Management System (PMS) was launched across BAL, which includes a bi-annual feedback process. An organisation wide communication regarding the new PMS was undertaken through workshops, caselets, videos and Q&A sessions. Further, a separate communication plan was created for each employee. In order to bring about a change in the organisation structure, BAL also aims to streamline its hierarchy and provide faster growth to high potential and high performers through Grade Board banding.

**No complaints filed or pending relating to child labour, forced labour, involuntary labour or discriminatory employment during the year 2019-20**

Being cognizant of the fact that continuous skill enhancement gives a zest to the productivity of the employees, BAL provides its workforce various platforms and opportunities to upskill. In the year 2019-20, more than 9,341 employees were trained through 586 training programmes, comprising of 12,800 people-days. Besides this, employees were given training through TPM pillars, which included safety, health and environment related

training spanning 4,987 people-days. The Company also has leadership development and other programs arranged for senior level employees, the key ones include:

- Self-Insight for Leading Manager
- Self-Insight for Leadership
- Stress and Wellness Programs

Through the Company's collaboration with Loughborough University, six employees have successfully completed their Master's program with Distinction in the academic year 2018-19. At Loughborough, the options offered are Mechanical Engineering, Automotive Engineering and Materials & Technology Engineering. A graduation ceremony was organized for these six employees on 7 November 2019. The second batch of five BAL employees joined the University in September 2019. Bajaj Auto Limited has recently signed an MoU with Coventry University, which is one of UK's leading universities for Product Design and Electrical & Electronics Design. This offering is in continuation to our pursuit of providing global learning exposure at prestigious institutes for our engineers.

Through e-learning library "THORS", our employees have attended 1,981 training sessions across 140 unique training programs. Going forward, this will enable more employees to benefit from the available learning resources due to flexibility and ease of access of this platform. Engineer's Day Celebration was held at BAL's R&D department on 6 May 2019, where Dr. Mylswamy Annadurai, Program Director - Chandrayan, ISRO, addressed the gathering. The celebration also included a series of engagement events like online quiz and blogging contest. The event saw participation of over 150 R&D employees.

BAL focuses on the overall well-being of employees, providing them with requisite facilities and regular recognition. Some of the key initiatives in this area include company car lease scheme for middle management, prodigy felicitation program for employees' children and sponsoring the employees for participation in Pune FLO Half Marathon.

Various initiatives were taken up in the reporting year to leverage the digital medium. Under digitization, BAL launched user data automation, where employee data sync is automated between SAP and SuccessFactors. This helps to reduce time and effort in running manual syncs to ensure the right accesses for the employee. Further, MACH Website was launched, which is a design and build challenge event for top five engineering colleges of India, as a pipeline for Graduate Trainee Engineer (GTE) hiring. The Company has also launched an online system for conducting 360 degree feedback. On the social media front, BAL continues to be the fastest growing LinkedIn page for any automotive company and has the most followers for any Indian two-wheeler company.

#### PRINCIPLE 4



**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

BAL is an equal opportunity employer and ensures zero discrimination towards socially disadvantaged sections in the workplace. With the aim of formalizing its commitment, it launched the 'Code of Conduct for Affirmative Action' in 2006, which ensures that preference is given to people from socially disadvantaged sections of the society, provided merit and other business considerations are equal.

During the year 2019-20, BAL recruited 3,330 new employees of which 298 (8.95%) belong to scheduled castes & scheduled tribes and 1,032 (30.99%) belong to OBC category.

#### PRINCIPLE 5



**Businesses should respect and promote human rights**

As a responsible corporate citizen, BAL ensures compliance with all applicable laws and strives to uphold the human rights of all its internal and external stakeholders. In this regard, a quarterly legal compliance report is submitted to the Company's Board of Directors. In the year 2019-20, there were no complaints on violation of human rights.

## PRINCIPLE 6



### Business should respect, protect and make efforts to restore the environment

BAL is committed to improving lives, now and for generations to come, by ensuring that its products and operations are safe for its employees, customers and the environment. The Company strives to continuously improve its efficiency while reducing its carbon footprint, thereby supporting a clean environment and society. BAL continues to remain in full compliance with all applicable regulations and is committed to the continual improvement of its performance, especially pertaining to safety, occupational health and environment.

As evident in BAL's Safety, Health and Environment (SHE) policy, the Company accords highest priority to employee health, safety and protection of environment. BAL strives to create a proactive SHE culture that addresses significant safety, occupational health & environment aspects related to activities, products and services. The Company is also committed towards minimizing the generation of waste and conserving natural resources through better technology and practices. The Company consistently strives towards creating and preserving a cleaner, healthier and safe work environment.

Continuing its endeavour to reduce packaging waste generation and bring down demand for virgin material, the Company has replaced wooden crates with steel frames, while plywood and thermocol have been replaced by corrugated or eco-link boards.

In the year 2019-20, BAL actively engaged in conducting activities on World Environment Day, which is observed on 5th June. Various activities were carried out across 102 dealerships in 19 states which saw participation of a total of 9,617 vehicles. The activities included Pollution Under Control (PUC) camps, sapling distribution and plantation, drawing competition in schools and education and knowledge sharing by various authorities.

Below are the key highlights of the plant-wise SHE initiatives and performance:

## Environment

### Waluj

- Achieved 9.19% reduction in specific power consumption
- Achieved 5% reduction in specific LPG consumption
- Attained 5.71% reduction in specific water consumption
- Achieved 14% reduction in specific Greenhouse Gas (GHG) emissions
- Zero liquid discharge with 100% recycling of process wastewater
- Created rainwater harvesting and groundwater recharge structures
- Certified with latest version of OHSAS 18001 with ISO 45001:2018
- Installed 5MWp solar roof top power plant
- Installed energy efficient Screw Compressor to reduce electrical consumption by 7.5%.
- Planted 550 Neem saplings, cumulative number of saplings planted till date: 64,500

### Pantnagar

- Achieved 4.5% reduction in specific power consumption
- Achieved 30% reduction in specific water consumption
- Zero liquid discharge with 100% recycling of process wastewater
- Created rainwater storage pond with capacity 25,000 KL
- Installed Reverse Osmosis plant for treating Effluent Treatment Plant (ETP) treated water, which is used in paint shop
- Installed Piezometer to measure ground water level
- Installed online stack emission monitoring system
- Installed ETP storage tank with 200 KL capacity to store emergency effluent water
- Air pollution reduction - SO<sub>2</sub> (Mg/nm<sup>3</sup>): 41.3
- Paint Sludge Reduction (Kg/vehicle): 0.16
- Reduction in BOD Mg/ltr.: 15.5
- Reduction in COD Mg/ltr.: 54.95

- Reduction in plastic waste generation (gm/vehicle): 51
- Installation of day light pipes in all shops and natural turbo ventilator in the paint shop
- Institution of Hydromx solution in hot water generator, thus ensuring fuel saving
- Installation of aerators in taps and enhancement of rain water storage pond to conserve water

### Chakan

- Achieved 4.92% reduction in specific power consumption
- Achieved 5.8% reduction in specific LPG consumption
- Attained 14% reduction in specific water consumption
- Realized 12% reduction in specific GHG emissions
- Created rainwater harvesting and groundwater recharge structures
- Zero liquid discharge with 100% recycling of process wastewater
- Use of solar power from roof top 2 MW solar power plant
- Planted 1,250 fruit trees, cumulative number of trees of varied species planted till date: 45,000
- Composting of food waste using Black Soldier Flies BSF larva

### Akurdi

- Use of Induction LED for street lighting, shop lightings and office fittings
- Use of energy efficient pumps for ETP and water supply
- Use of solar power from roof top 3.22 MWp solar power plant
- Optimum utilization of energy in water chillers for R&D process area
- Made efficient use of Sewage Treatment Plant (STP) treated water for gardening
- Water chiller integration and removal of multiple Heating Ventilation and Air Conditioning (HVAC) systems led to reduction in water consumption
- All water-cooled ACs are converted to air cooled conditioners
- Installed water aerators for taps and ensured daily check for leakages

## Health and Safety

### Waluj

- Implemented and certified for IMS Certification (Safety + Environment)
- Trained 5,072 contractual workmen and 1,910 BAL employees on SHE topics
- Participation in Safety Rally organized by DISH office & Marg Aurangabad to create safety awareness

### Pantnagar

- Installation of hand railing and speed breakers at identified locations on plant road
- Installation of ozone friendly gas-based auto fire suppression system in server room
- Vaccination of bio medical waste and food handlers to prevent any untoward incident

### Chakan

- Won the gold medal for safety presentation and silver medal in skit completion organized by Quality Circle Forum of India, Pune chapter, during Safety Week 2020
- Trained 1,253 contractual workmen and 912 BAL employees and 241 trainees on SHE topics.
- Implemented and Certified for IMS Certification (Safety + Environment) ISO 14001:2015 and OHSAS 18001:2007

### Akurdi

- Trained 1,127 contractual workmen and 59 permanent employees and 145 trainees on SHE topics.
- Undertook 15 mock drill with various scenarios
- Organized various competitions as part of the Safety Week Celebrations

All plants of BAL operate as per the 'Consent-to-Operate' provided by the respective State Pollution Control Board (SPCB) and are within permissible limits with regards to the emissions and waste generated. No show cause notice was received from the Central Pollution Control Board (CPCB) or the respective SPCB.

## PRINCIPLE 7



### **Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

BAL actively engages with several industry and government associations, domestic as well as global, to present its views on setting of new industry standards and regulatory developments related to the automotive manufacturing industry. Areas covered include governance and administration, economic reforms and inclusive development policies, among others. As a responsible corporate citizen, BAL aims to bring about a positive impact in the business ecosystem of the automotive manufacturing industry. Some of the key associations of which BAL is member of, are:

- Confederation of Indian Industry (CII)
- Society of Indian Automobile Manufacturers
- World Economic Forum
- Federation of Indian Export Organizations
- The Automotive Research Association of India
- Maharashtra Chamber of Commerce, Industries and Agriculture
- National Safety Council
- The Advertising Standards Council of India
- Indian Merchant Chamber
- Bombay Chamber of Commerce and Industry
- Engineering Export Promotion Council of India
- Quality Circle Forum of India

## PRINCIPLE 8



### **Businesses should support inclusive growth and equitable development**

The vision and philosophy of late Shri Jamnalal Bajaj, the founder of Bajaj Group, guide the Corporate Social Responsibility (CSR) activities of the group. He embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning. Bajaj Group believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, Bajaj Group addresses the needs of communities residing in the vicinity of its facilities by taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development, and response to natural calamities. For society, however, Bajaj is more than a corporate identity. It is a catalyst for social empowerment and the reason behind the smiles that light up a million faces.

It is this goodwill that has made the Company **"The World's Favourite Indian"**!

#### **Guiding principles:**

The Bajaj Group believes that social investments should:

- **Benefit generations:** The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.
- **Educate for self-reliance and growth:** To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.
- **Promote health:** The Company believes good health is a pre-requisite for both education and productivity.
- **Encourage for self-help:** To guide and do hand holding for self-help, individually and collectively

to create excellence for self and for the team.

- **Be focused:** The Company believes that activities should be focused around locations where it has a presence and hence can effectively guide, monitor and implement specific projects.
- **Target those who need it most:** Care for the sections of the society, which are socially at the lowest rung irrespective of their religion or caste or language or colour.
- **Sustain natural resources:** The Company encourages balanced development and ensures least adverse impact on environment – Growth with Mother Nature's blessings.

## Our Activities

(Please refer to the **Annual Report on CSR activities** for a detailed list of partners and grant amounts)

## Rural Development

### 1. Jankidevi Bajaj Gram Vikas Sanstha (JBGVS)

JBGVS is a registered society and a Trust, founded in 1987. It is an apolitical and secular rural development organisation. It aims to act as a catalyst and assist the participating rural community for their own development in the selected 297 villages of Pune, Aurangabad and Wardha Districts of Maharashtra, Sikar District in Rajasthan and Udhamsingh Nagar District of Uttarakhand. Since its inception in 1987, JBGVS has been involved in implementing integrated rural and urban development programmes aimed towards improving the quality of life of the poor and economically weaker section of the society. The major focus has been to improve primary education, health, environment, and livelihood. Presently the activities that are carried out by JBGVS both independently and in partnership with domain specific NGOs are given in the succeeding paragraphs.

#### Natural Resource Management (NRM):

##### i. Bajaj Water Conservation Project (BWCP):

**Phase I** of BWCP covered 51 villages of Paithan Taluka of Aurangabad. The project provided access to drinking water and irrigation facilities for the villagers. Currently, JBGVS is working on soil health improvement, livelihood generation through fishery and goat rearing, and agriculture productivity enhancement in these villages.

**Phase II** covered 110 villages of Gangapur and Aurangabad Talukas which are drought prone. Through continuous work since 2017 towards water conservation, almost 80% of the villages have got access to clean drinking water. The villagers were also facilitated with lifesaving irrigation to their crops in second phase of BWCP. As of March 2020, the total water harvesting capacity created was 31,724 TCM, which has enabled irrigation potential of 3,898 Hectare. Moreover, silt removed from Percolation Tanks and Nalas was spread over 2,408 Hectares of agriculture land, thereby enhancing its productivity. BWCP Phase III, Aurangabad has committed budget of ₹ 19,878 lakh, out of which ₹ 9,810 lakh has been disbursed.



**Phase III** of the project was launched in Vaijapur Taluka of Aurangabad District in September 2019, covering 12 villages with an area of 8,584 Hectares and 2,511 households. In addition, phase III has been started in Aurangabad, Satara and Yavatmal Districts of Maharashtra, covering 30 villages with a budget of ₹ 4,263 lakh. These villages have an area of 17,696 Hectares and include 34,898 households. Apart from these, detailed project report preparation for new watershed projects is in process. These will cover 22 villages, with an area of 25,182 Hectares, spread across five blocks of Satara, Ahmednagar and Beed Districts of Maharashtra.

Following are the achievements till date of BWCP Phase II, Aurangabad Project:

- 94 Village Development Committees (VDCs) formed
- 559 Self-Help Groups (SHGs) formed
- 447 Water Use Groups (WUGs) formed
- 329 sites of Nala deepened and 88 Km length widened
- 18 Core Wall Gabions (CWGs) constructed
- 63 new Cement Nala Bunds (CNBs) constructed and 14 old structures repaired
- 83 Percolation Tanks deepened
- 186 Farm Ponds dug and 55 wells recharged

**Case Study:** Due to shortage of rainfall over a long period, Mr. Vijay Bisan Tupe and others in his village faced several water related challenges – from scarcity of drinking water for animals and human consumption to lack of water for agricultural purposes. A bandara was constructed under the Bajaj Water Conservation Project (BWCP) on Shivna river, 4 kms from the village. Built at a cost of ₹ 250 lakh, this bandara has helped raise the ground water level by 50 feet and recharged about 70 borewells in a one and a half kilometre radius. It has made a positive impact on the lives of the village residents who expect this water level to be maintained for at least a year.

## **(ii) Foundation of Ecological Security, Anand, Gujarat:**

One of the most critical problems being faced today is the degradation of land and water resources in the catchment areas. This has led to depleting water supplies, thereby affecting agricultural productivity. This project intends to augment conservation of water for improving resilience of agriculture in rain fed areas. The project is spread over Bhilwada, Udaipur, Rajsamand, Chhitorgarh and Pratapgarh Districts of Rajasthan, covering an area of more than 35,000 Hectares. The total commitment from Bajaj to this project is ₹ 2,700 lakh, out of which ₹ 1,485 lakh has already been disbursed till March 2020.

## **(iii) Shramjivi Janta Shahayak Mandal, Satara:**

The project is in Mann Taluka of Satara District, Maharashtra and covers four villages, spread over 5,224 hectares and benefiting 1,136 Households with a population 6,251. The major issue associated with this area is low rainfall. Average annual rainfall of the project area for the last 10 years is 451.31mm with severe scarcity of potable drinking water. The villagers, especially women are the worst affected who spend a lot of time and energy in fetching drinking water from distant places during summer. Bajaj Group is supporting this project with a funding to the tune of ₹ 1,185 lakh. With the funding till March 2020, four Village Development Committees, 39 Self Help Groups, 26 Water User Groups have been formed. Plus, 1,498 Loose Boulder Structures and 31 Gabion Structures have been constructed. Also, water absorption trenches were excavated covering an area of 74 Hectares. Due to this water conservation work, this year all wells and percolation tanks have enough water and farmers have got lifesaving irrigation for their crops. This has also reduced migration from villages.

## **iv. People Science Institute (PSI), Dehradun, Uttarakhand:**

PSI is pioneering the work of natural resource management, community-led watershed-based livelihoods development, post disaster reconstruction and rehabilitation, disaster safe housing, environmental quality monitoring, promotion of system intensification and river conservation. The proposed program in partnership with Bajaj aims to regenerate and protect 50 critical springs in five water scarce districts of Uttarakhand. Considering dependency of a minimum of 20 households per spring, the program will benefit about 1,000 households covering a population of around 5,000.

## Education

### i. Room to Read - Literacy Program in Udhamsingh Nagar and Maharashtra:

Room to Read Literacy Program attempts to improve literacy instruction and the establishment of school libraries to provide the students with well-trained teachers, effective literacy curriculum and a print rich environment to build the habit of reading among children. The phase one of project implementation oversaw establishment and handover of 54 classrooms with facilitation of a project coordinator to periodically monitor the outcomes of the project. Under phase two, currently instruction classes for



Class-1 and library sessions for Classes 2-5 are being held using teaching mechanisms like read aloud, shared, paired & independent reading. So far, the 154 Bajaj funded Room to Read Literacy Programmes have provided quality reading materials to 19,245 students.

### ii. AASRA Trust - Education for street children, Dehradun, Uttarakhand:

The project in partnership with Bajaj works towards empowering street children with education. The project has 21 programme activities ranging from identification of out-of-school children, enrolling them in school and supporting them with facilities to retain them in schools till graduation.

### iii. Fellowship support to Teach For India

Teach to Lead through its Teach For India (TFI), Fellowship program provides an opportunity to India's brightest and most promising individuals, from the nation's best universities and workplaces, to serve as full-time teachers to children from low-income communities in some of the nation's most under-resourced schools. Through their 'Be the Change Project' fellows reveal the power of collective action as they engage with the community and the large ecosystem around them to affect change. Projects include building school management, parent employment empowerment and active community engagement. In the program funded by Bajaj, TFI is supporting 165 fellows and reaching out to 3,500 students per year.

### iv. Swadhar- School Intervention program for underprivileged children in classes 1-4, Pune Urban

The project runs in partnership with Swadhar and works towards facilitating school intervention for children between Classes 1-4 in 58 schools across Pune. The project operating in close coordination with the School Board through its 'Book Fairies' undertakes distribution of books to the target children in allotted time slots to inculcate effective reading habits in the children, thereby improving their language & vocabulary. A reading ability test is conducted twice every academic year to gauge development in the children. The project currently reaches out to 12,000 children in the location.

## Health

### i. The Kamalnayan Bajaj Hospital, Aurangabad:

The Kamalnayan Bajaj Hospital, which is a charitable institute, extends services to Below Poverty Line (BPL) and Economically Weaker Section (EWS) of the society. While the treatment for BPL patients is free, for EWS it is subsidized to the extent of 50%. Till date, the benefit of this scheme has been extended to 1,57,457 patients and an amount of approximately ₹ 17.48 crore has been spent on it.

**ii. Sri Chaitanya Mission (Bhakti Vedanta hospital)**

Bhaktivedanta Hospital & Research Institute (a project of Sri Chaitanya Seva Trust) is a NABH accredited hospital which focuses on healthcare. It is a 200 bed multispecialty hospital providing free, concessional and affordable healthcare services through preventive and protective holistic approach to the needy sections of the society. The hospital provides state of the art facility to bottom of the pyramid in Maharashtra and Uttar Pradesh, touching 11 million lives. Bajaj Auto Limited supported the infrastructure development for housing 100 additional beds. The intent behind the ₹ 600 lakh project is to create facilities that would provide surgical assistance to people with eye health disorders, besides providing the treatment for cancer.

**iii. United Way of Delhi (UWD) – Neev Programme: Setting up anganwadis in Udham Singh Nagar, Uttarakhand:**

The project (formerly known as Born Learning) aims at providing nutritional and educational support to children in the pre-primary age group (0-6 years). Children falling under this age bracket require maximum physical, psychological and emotional support to blossom into healthy adults. Believing in this notion, the project which runs in Udham Singh Nagar has already established 20 anganwadis in the said location to provide a healthy environment for child growth and education. The project also proposes to establish 100 more such anganwadis in the JBGVS core geography. An evidence of the impact of the ongoing partnership is a 25% rise in the admission of children in the established Anganwadis, as evident from UWD records.

**iv. AROHI- Reducing maternal and child morbidity in Nainital and Almora, Uttarakhand:**

The project attempts to bring maternal health facilities to the doorstep of the remote village women from the Kumaon Himalayas who otherwise suffer from poor health due to lack of proper infrastructure and inaccessible transport facilities. The goal of the project is to reduce maternal and child morbidity & mortality in the Okhalhanda block of Nainital District. The project has established a resource centre reaching out to 10 villages in the said location and a mobile medical unit which reaches out to 105 village women with diagnostic facilities during pregnancy and post childbirth. The partnership has impacted lives of 1,00,000 beneficiaries from three blocks- Ramgarh, Okhalkhanda & Kapkot of Nainital & Bageshwar District by eliminating maternal death rates and successfully handling two critical cases of ante natal women.

**v. The Corbett Foundation - The Bajaj Saksham Project, Nainital, Uttarakhand**

The project aims to provide primary healthcare facilities to the communities living in and around the tiger reserves of Corbett, Kanha and Bandhavgarh. It also helps to create a harmonious coexistence between wildlife and human beings by building healthy communities to sustain the reserves. The project undertakes health service delivery through mobile medical units and OPD centre in Garhwal and has impacted 17,278 patients through the field and special health camps conducted every week.

**vi. Agrani - Training frontline health workers for safe healthcare practices**

The Arogya project is being implemented in four regions of Champawat block, covering a population of 9,400 people across 31 villages. Through the project, Agrani engages with 29 frontline workers to ensure that safe and hygienic healthcare practices exist within the community. The project also conducts monthly awareness sessions on anaemia and menstrual health for adolescent girls and boys in three government schools, covering approximately 1,200 students.



### vii. Jimmedari Foundation, Udham Singh Nagar, Uttarakhand

Under the Bajaj Mobile Health Clinic project, in partnership with Jimmedari Foundation, beneficiaries from rural villages of Udham Singh Nagar have been provided with equitable and accessible primary healthcare services in the form of Mobile Health Clinic. The health clinics operate once a-month through a fixed date outreach initiative, benefiting 30,000 people across 25 villages. Bajaj Auto Limited supported them with the provision of a mobile van worth ₹ 13.80 lakh to set up the mobile health clinics that would carry out the primary healthcare service delivery.



### viii. Sri Ramkrishna Vivekananda Sevasrama:

The project reaches out to the inhabitants of Guptakashi in Rudraprayag District with healthcare service delivery which is otherwise inaccessible to them due to the extreme weather conditions and difficult terrain. The Bajaj Health Initiative- Rudraprayag Project, attempts to run two free medical clinics for the people living in the remote area of Kedarnath valley reaching out to 30,000 people.

## Livelihood

### i. BAIF Institute for Sustainable Livelihood Development (BISLD) Uttarakhand:

BISLD has established 50 Cattle Development Centres in five Districts (Udham Singh Nagar, Nainital, Champawat, Almora, Bageshwar) of Uttarakhand, which will provide services to 500 villages and 27,500 families. Animals are an essential part of the production system in Uttarakhand and the region faces fodder scarcity, lack of awareness and reach of health management services for livestock, resulting in low yielding livestock. BISLD has conducted 232 veterinary health camps in which 11,830 animals got health check-up and vaccination. BISLD has been providing doorstep breed enhancement services (Artificial Insemination) through which 44,640 procedures which have been done till March 2020. Further, advisory services and package of practices have been provided to 5,304 farmers. The project has also introduced sorted semen (Sorted Semen Artificial Insemination) and has undertaken 3,944 procedures with sorted semen. The overall objective of the project is upliftment of the community with sustainable livelihood development, through introduction of livestock value chain.

### ii. Bajaj Auto - BYST Youth Entrepreneurship Development Program

The Bajaj Auto - BYST Youth Entrepreneurship Development Program, with a financial support of ₹ 507.5 lakh has successfully created more than 1,000 entrepreneurs from Aurangabad and Wardha and generated employment for 29,725 individuals. The sectors in which such entrepreneurs were created include: Engineering, Hotels & Catering, Lifestyle, Logistics, Marketing & Branding, Medical & Health, Photo & Videography, Stitching & apparel, Service sector- repairing work, multiservice etc, with the highest results in the field of engineering. Of these newly created entrepreneurs, Mr. Yogesh Ghodke from Aurangabad and Mr. Swapnil Nimje from Wardha are two pioneers who are running their units in respective sectors with a turnover of more than two crore through support under this CSR project. A few among these entrepreneurs also received awards in their respective fields of work. Post immense success, the project in the current year proposes to provide another 72 months further hand holding to 1,500 new entrepreneurs to enhance their scope and utilize their potential. The total cost for the project is ₹ 1,000 lakh.

### iii. CORD, Almora, Uttarakhand:

Chinmaya Organization for Rural Development (CORD) in partnership with Bajaj is undertaking integrated rural development programs that include: community institute building, gender, health, women empowerment, livelihood, micro-credit, social inclusion of disabled etc. The project is undertaking training on various rural development issues that would reach out to a population of 5,000 from four panchayats of Dholadevi and Dwarahat block of Almora District, Uttarakhand.

**iv. HIMAL PRAKRITI, Munsiyari, Uttarakhand:**

Himal Prakriti is working with a vision to promote nature conservation and sustainable livelihoods in the Himalayas. It is strengthening and supporting the processes for the democratic governance of natural resources through the reactivation of Van-Panchayats. Its activities include research & conservation action, nature-based education, advocacy & policy interventions and exploring & promoting suitable low-cost technology innovations in the remote Himalayan villages. With support from Bajaj, Himal Prakriti has so far established 11 Poly Houses, 24 Smokeless Chulhas and four nurseries. With the support of the villagers the project activities like pond rejuvenation and conservation of traditional breeds of 11 yaks has also been undertaken.

**v. Sahjeevan Munsiyari, Uttarakhand:**

Bajaj Auto Ltd. is supporting Sahjeevan, a not-for-profit organization that aims to create livelihood opportunities for shepherd communities. Sahjeevan's core area of work involves herd improvement, conserving alpine rangeland and ecological resources, and reducing animal-human conflict. To achieve this, Sahjeevan has recently undertaken an in-depth baseline survey to gain an estimate of the total number of herding communities spread out across the Himalayas. The baseline survey gives an insight onto the attitudinal shifts of the herding communities based on the problems faced by them. Besides this, they have also set up trap cameras across the Himalayas to assess and analyse the scope of predator attacks on the sheep herds.

**Sports**

**i. Abhinav Bindra Foundation**

Bajaj Auto Limited has funded the establishment of the Abhinav Bindra Foundation which provides world class infrastructure to athletes in India, so that they can increase their performance by mitigating injuries and attain accurate result by adopting world class machinery. Abhinav Bindra Targeting Performance (ABTP) provides world's best facilities and helps to improve athlete's performance. It helps to prepare world class athletes and helps athletes to become fit for world events. The objective of the Foundation was to set up a high-performance training and advance rehabilitation centre with state-of-the-art technology. This centre, in Pune, Maharashtra, has all the modern facilities and technologies for providing world-class assessment, training, injury prevention, rehabilitation, besides redefining health and fitness with principles of recovery and rejuvenation.

**Disaster/Relief**

**i. Chief Minister's Relief Fund (CMRF) – Odisha**

In the state of Odisha, cyclone Fani had caused extensive damage to public property and infrastructure along with loss of lives. According to the Government, the cyclone had devastated as many as 20,367 villages in 14 coastal districts of Odisha. Besides, the cyclone had affected one crore and sixty lakh people and damaged one lakh and eighty-eight thousand hectares of agricultural land. To meet the expenditure of the ongoing relief efforts, the Government had sought monetary aid from various quarters. As a responsible



corporate citizen, the Bajaj Group provided a helping hand to the Government and donated ₹ 10 crore to the Chief Minister's Relief Fund (CMRF).

**ii. Chief Minister's Relief Fund (CMRF) – Maharashtra**

Districts in Pune division, specifically Kolhapur and Sangli, battled unprecedented floods in the past year. In addition, Pune, Thane, Nashik, Palghar, Ratnagiri, Raigad and Sindhudurg Districts also received heavy rains. As per media reports 761 villages in 69 Talukas were affected by floods, with close to four and a half lakh people from various flood hit districts, mostly from Sangli and

Kolhapur, being shifted to 372 temporary camps and shelters. Further, more than 13,000 people had been relocated in Pune and PCMC as well. As the Government worked to provide relief to the affected citizens, the Bajaj Group provided a helping hand by donating ₹ 5 crore to the Chief Minister's Relief Fund (CMRF).

### iii. Response to The Global Pandemic Covid-19

The Bajaj Group has actively stepped in to fight the Coronavirus pandemic, which has struck India hard. The Bajaj Group has pledged an amount of ₹ 100 crore to fight Covid-19 in India. As part of its response to the pandemic, the Bajaj Group will work closely with the government and its strong network of over 200 NGOs and deploy measures to make resources available for fighting the Coronavirus. The primary focus will be towards supporting upgradation of key healthcare infrastructure which will be needed to tackle the spread of Coronavirus. The Group has identified government and private sector hospitals where it will help upgrade ICUs and procure much needed equipment like ventilators for patients and personal protection equipment for healthcare workers, doctors, nurses and other medical staff. Further, isolation units have also been set up and testing facilities have been enhanced for Covid-19 in the areas of Pune, Pimpri-Chinchwad and the rural areas of Pune.

## PRINCIPLE 9



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

### Company's Philosophy

BAL believes that 'customer centricity' is a fundamental driver for business excellence. Guided by its Quality policy, the Company uses various modes like service centres, web-based interfaces, dealer showrooms and call centres to engage with its customers and seek feedback for continuous improvement and enhanced customer experience. To engage closely with its customers and enhance its service quality, the Company has also launched a Bajaj Care Service mobile app. BAL also ensures regular engagement with local service providers through structured familiarization programmes and trainings.

The Company has also taken keen interest in improving the quality of service provided by its dealers. This is achieved via a host of initiatives including Dealer Service Quality Standard Audits, Kaizen Awards and Skill Contests, besides the roll-out of the 'Centralized Dealer Management System' (CDMS) for all the dealers. In order to provide quick and effective customer support all the call centres have been integrated with the CDMS. This allows the support executive to identify customers using their mobile number and instantly access all the customer related data.

In order to ensure customer on-road safety and efficient use of vehicles, BAL provides an owner's manual with each vehicle that includes safety check mechanisms, Do's and don'ts as well as fuel saving tips. Also, it conducts pre-monsoon campaigns, focused on safe driving and preventive check-up tips for the season. During the year 2019-20, 101 cases were filed at the consumer forum, while 358 cases are pending as on 31 March 2020.

BAL is a signatory to Advertising Standard Council of India (ASCI), who evaluates and provides corrective recommendations for advertisements. As a responsible organization, BAL's marketing department ensures hygiene factors in all its advertisements such as displaying helmets by all passengers on bikes and disclaimers for advertisements with bikes performing stunts.

### Commercial vehicles:

BAL's continued to support the 'Swarozgar Campaign' and the 'Driver Bane Malik' initiative are testimonies to its enduring quest of empowering its customers. Swarozgar Campaign enables rural youth to enter the three-wheeler business, while Driver Bane Malik ensures contract drivers are assisted in purchasing their own vehicles. Additionally, 'Certified Service Technician' and 'Power Technician' programmes have been initiated by BAL and are aimed at upgrading the skills of technicians by providing them training and tools. These programmes are designed to provide better service

***To engage closely with its customers and enhance its service quality, the Company has also launched a Bajaj Care Service mobile app.***

to BAL customers, while also increasing the earning potential of the technicians. The 'Certified Service Technician' and 'Power Technician' programmes currently have 1,246 and 2,996 empanelled technicians respectively, spread across India. An annual 'Road Safety Campaign' was organised at 128 dealerships, which included a check of the vehicle's health condition and eye check-up of the drivers.

Further, various skill contests were initiated across two levels – technician and supervisor. A total of 749 technicians at state level and 178 technicians at zonal level participated in these contests. At supervisor level contests, there were 210 participants at state level and 86 at zonal level. Additionally, implementation of dealer service station audit process has enabled improvement in the dealer service quality.

With the aim of improving customer experience, BAL has enhanced warranty and now provides three free services. The Company has also strengthened its call centre manpower for better customer service.

### **Motorcycles:**

Underlining its truly global customer base, BAL has created the brand identity of **'The World's favourite Indian'**. It truly reflects the presence of Bajaj in countries across the world.

Through various programmes, BAL's marketing team aims at providing enhanced riding experience to its customers. Innovative ways are adopted to engage with the customers. These include riding activation tours, biking tours, knowledge sessions and expeditions. A special focus is given on principles of safe riding for which exclusive programmes are held for customers with high-end motorbikes. The Company helps them become better riders irrespective of their riding skills – beginner, amateur, trained or professional.

To improve customer experience and vehicle turnaround time, a mobile app has been launched, which is used to open job cards at workshops, thereby reducing the waiting time for customers. The motorcycle business unit has adopted paperless service support to customers in order to transform their service experience. Electronic parts catalogues is one of the examples of such digital tools which helps in ordering the exact type of the parts required. Furthermore, the Company has opened 22 regional training hubs in order to step up the capability of the workshop teams.

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***The first-hand experience of customers at call centre has been improved significantly where 95% of the customers are responded within five hours.***

With the aim of improving transparency for customers, customer information boards and customer grievance escalation boards have been installed at the dealerships. The first-hand experience of customers at call centre has been improved significantly where 95% of the customers are responded within five hours. In addition to this, an email response station has been further developed to respond to customers within 10 minutes.

BAL's Service Strategy is aimed at stepping up customer experience at workshops, which is coined as Customer Success. The key elements being:

- to step up the capability of channel and internal team
- to enhance the quality of network along with culture transformation at the workshops
- to bring about more rigour on process and system compliance and bring along digital transformation
- to achieve desirable business outcomes through improved customer service satisfaction index and dealer workshop revenue growth

***As a value addition for the customers, BAL also provides the option of installing the charging system at the residence of customers via its installation partner.***

One of the pillars of the service strategy for motorcycles is that BAL will have a structured engagement programme with the local mechanics, thereby promoting positive word of mouth feedback about Bajaj motorcycles. With the aim of amplifying the same, BAL initiated a programme named 'Bajaj ke Ustaad'. The Company had commenced this activity of structured engagement with the local mechanics

with the help of a mobile training van in January 2019. More than 5,500 local mechanics in more than 260 locations from the states of the western zone including Rajasthan, have undergone this product familiarization program in the reporting year.

### **Electric Vehicle:**

BAL recently introduced 'Chetak Electric', a one of its kind electric vehicle in the two-wheeler segment. Besides being environment friendly with zero emissions, Chetak is also much quieter to run than the petrol-powered two-wheelers. With advanced safety features, it provides a safe and comfortable experience to its riders.

The process of purchasing the vehicle is simple and is completed online through the Chetak e-commerce portal. This includes booking, uploading documents, choosing the financing and insurance option and then finally making the payment. The customer needs to visit the store only for document verification and to receive the final delivery. For prospective customers who want to know about the vehicle in greater detail, an experience centre has been built in Pune. Here, with the help of augmented reality, customers can understand the technology in the different parts of the product.

Owners of the Chetak Electric have the convenient option of charging the vehicle through a regular five ampere domestic socket. In addition to this, the customers get a Chetak mobile application, which helps them track the battery level. As a value addition for the customers, BAL also provides the option of installing the charging system at the residence of customers via its installation partner.

With the aim of continuously improving the customer satisfaction levels, customer feedback is collected at various points in the customer's purchase journey, right from the test ride to installation of the charging system.