

LUMAX AUTO TECHNOLOGIES LIMITED	POLICY NO:	4
	ISSUE DATE:	13-11-2014
	EFFECTIVE DATE:	13-11-2014
CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY	REVISION NO:	NA
	REVISION DATE:	NA
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4.1 PURPOSE

The main objective of this policy is to make CSR a key business process for sustainable development of the society. Through this policy, the Company aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of the policy. In doing so build a better, sustainable way of life for the weaker sections of society, enhance human excellence and improve quality of life.

4.2 POLICY GUIDELINES

1. As outlined in the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company may undertake CSR projects directly, or through a registered Trust or a registered society or a special purpose company etc. It may also collaborate with other companies for undertaking CSR projects. The company may incur expenditure to build CSR capacity of its own personnel or other implementation institutions subject to the 5% expense cap as specified in the Rules. Currently, the Company's CSR activities are being undertaken through Lumax Charitable Foundation, as stated in this Policy, as projects or programs or activities.
2. The CSR activities which are exclusively for the benefit of employees of the Company or their family members shall not be considered as CSR activity.
3. The Company shall give preference to the local areas where it operates, for spending the amount earmarked for CSR activities.
4. The Company shall undertake the CSR projects or programs in accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 and rules made thereunder, with the approval of Board of Directors on the recommendation of CSR Committee.
5. The Company would have expertise or will develop expertise, taking help from partners/ advisors as required, in the Selected CSR Activities to be able to execute the

programs effectively, and add value to the Programs in addition to providing funds

6. The Company will maximize opportunities for its employee participation in the Selected CSR Activities as Volunteers to enable them to give back the society.
7. The Company targets to run an efficient CSR program ensuring that maximum proportion of our funding is used for actual programs rather than administrative or other activities (no more than 5%).
8. The Company will decide and manage Implementation of the Selected CSR Activities in such a manner to achieve in maximum social good from each Rupee of its CSR spend.
9. The Company considers its CSR spend not as a charity or donation but as an important investment in the welfare of our stakeholders and for better future for our company and society.
10. The Company will arrange to display Company's CSR Policy and its Annual CSR Report on the Company's Website.

4.3 SCOPE

In line with its vision, the Company, through its CSR initiatives is committed to enhance the Social and Economic development of communities and geographical areas, particularly in the vicinity of the plant locations. This will include education, skill building for livelihood of people, health, and social welfare etc., particularly targeting at disadvantaged sections of society.

4.4 AREAS COVERED

Initially, the Company's main focus are as under the CSR will be as follows :

- I. **Education** :To encourage education amongst the under-privileged, the Company is focused on adopting the Girl Child from under-privileged section of the society, where the fees of first session of such children is sponsored and the school is supported in various infrastructure requirements to create a healthy learning environment e.g.

Computer Lab/Flooring/DG Set/ water purifier and cooler/ building a hall and providing furniture etc.

II. Health :To create the healthy society, the Company in partnership with various agencies, is strive to make healthcare available to more people in more places.

The CSR team will also plan collaborative partnerships with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders, wherever required. This will help widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

4.5. CSR COMMITTEE

The Board of Directors of the Company have constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee"). The composition of the Committee is as follows:

S.No.	Name	Category
1	Mr. Roop Salotra	Chairman
2	Mr. D.D. Gupta	Member
3	Mr. D. K. Jain	Member

The committee shall meet twice a year to review the implementation of CSR activities/ project/ programs. The onus for the successful and time bound implementation of the CSR activities/ projects on the ground is with the CSR team.

4.6 CSR COMMITTEE'S RESPONSIBILITY

- Committee shall recommend the amount of expenditure to be incurred on the CSR activities.
- Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.
- Committee shall issue a responsibility statement (for inclusion in the Board Report) that the implementation and monitoring of CSR policy, is in compliance with the CSR objective and policy of the company.
- Committee shall decide the priority of the activities to be undertaken under CSR.

- Committee shall issue Annual Report on CSR activities to be included in the Board Report.

4.7 BOARD'S RESPONSIBILITY

- The Board shall ensure that the activities included in CSR policy of the company are undertaken by the company.
- The Board shall ensure that the company spends, in every financial year, at least 2% of the average net profit of the last 3 years as per policy.
- If the company fails to spend such amount of 2%, the Board shall specify the reasons for not spending the amount, in Board Report.

4.8 BUDGET

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

However, initially the Company may not be able to spend such amount due to limited resources available, the Board shall specify the reasons in the Board Report for not spending the amount.

Approving authority for the actual CSR amount to be spent would be the Managing Director or CFO of the Company (ensuring the expenses are for CSR projects approved by Board and as per the CSR policy)

The investment in CSR will be project based. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus of Lumax Charitable Foundation, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by Central Board of Direct Taxes.

4.9 IMPLEMENTATION

The Company's engagement in this domain is disseminated on its website, annual reports and its house journals as and when deem fit.

CSR Committee of Board will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Our Corporate Social Responsibility policy conforms to the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder.

The company has appointed Group CSR Head, who will be responsible for implementation of the CSR projects. He will keep CSR Committee briefed with the progress and request guidance, if required.

4.10 MANAGEMENT COMMITMENT

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Approved by:

ASHISH DUBEY
CHIEF FINANCIAL OFFICER