



Policy on Corporate Social Responsibility

1. OBJECTIVE

The main objective of CSR Policy is to make CSR a key business process for sustainable development of society, IMIL will act as a good corporate citizen and aims at supporting the Govt. in enhancing welfare measures of the society within the frame work of its policy.

2. DEFINITIONS

"**Act**" means the Companies Act 2013

"**Board**" means the Board of directors of Igarashi Motors India Limited ('IMIL')

"**Company**" refers to IMIL

"**Committee**" means the internal CSR committee of IMIL constituted formulating, recommending & expenditure monitoring of CSR activities.

"**CSR**" refers to Corporate Social Responsibility

"**CSR Activities**" means activities covered under Schedule VII of the Act

3. SCOPE

3.1 Geographic Scope:

- a) The immediate surroundings of IMIL factory premises
- b) The State, district, town or city as a whole where the IMIL factory is located
- c) The country as part of IMIL's contribution to nation's emergencies w.r.t reliefs for trauma due to incidents or natural calamities.

3.2 Activity Scope:

- a) To develop Women Skill development
- b) Environment Protection
- c) other activities covered under the Schedule VII of the Act

4. PRINCIPLES

- a. Ensure care for all stakeholders in implementing its core business as well as CSR activities.
- b. Remain committed to protecting the interests of all its partners and stakeholders including employees, contractual workers, shareholders, suppliers, end users and customers, communities affected
- c. Undertake ethical business practices building on the existing systems for maintaining transparency and accountability.
- d. Technology will be used to facilitate fair and transparent processes
- e. Promote healthy workplaces and maintain commitment to quality, health and safety in every aspect of business.

- f. Ensure environmental consideration and strategic environment conservation initiatives as an integral aspect of business processes.
- g. Promote equality of opportunity and diversity of workforce throughout business operations.

5. PROCESS

5.1 Committee:

- i. IMIL will have constituted its internal CSR committee at its office
- ii. The Committee shall comprise of such number as specified under the Act.
- iii. The Committee shall meet at such times as may be required for undertaking CSR activities

5.1.1 Functions & Duties of the Committee

- a. CSR Budget finalization with the Board of Directors Approval
- b. Monitoring & Fund Allocation for the projects
- c. Recommendations for necessary support
- d. Documentation of the minutes of the committee meeting
- e. Preparing the annual report at the end of the financial year, giving a complete account of its activities which shall include project status, expense report any other relevant documents.

5.2 CSR Through Trust, Partners:

The Committee may decide to undertake CSR Projects through a registered trust or a Company established by the Company or its Holding Company or subsidiary or associate Company. The Committee may also decide involve specialized agencies, which could include NGOs, Trusts, Self-Help Groups, Govt./ Semi- Govt./ Autonomous Organisations, Educational Institutions, Professional Consultancy Organisations, Registered Voluntary Organisations, or any other appropriate agency/ authorities.

The Committee shall explore the possibility of collaboration with similar corporate organisations/companies for undertaking CSR projects, programs or activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs or activities.

5.3 Project Selection:

- 5.3.1 CSR committee will be the controlling authority w.r.t the Project selection
- 5.3.2 The committee may shortlist & selects the projects including key focus areas (Ex. Women Education, Women Employment, Environment Protection) which are listed in Schedule VII of the Act.

5.4 Project Execution:

- a) Committee shall decide to execute the projects through IMIL's employees and/ or through relevant external agencies
- b) The selection executing team/external agencies for CSR will be done on the basis of their willingness, interest and past track record.

5.5 Project Management & Monitoring:

- a) The management & Monitoring of the projects will be under the direct preview of committee
- b) The Monitoring & Report submission of the projects will be Monthly / Quarterly / Yearly based on the projects requirement
- c) The CSR working members ,if any, shall directly report to the committee
- d) Project status & completion evidences shall be provided now and then to the committee
- e) At the end of every financial year, the Committee will submit its report to the Board.

5.6 Project Fund Allocation:

- a) Fund allocation for the project shall be the committee's discretion based on the project report submitted
- b) All expense reports of the projects shall be kept readily available
- c) The expenses towards the projects shall be submitted & settled on regular basis
- d) Any additional expenses incurred other than those mentioned in the project budget shall be done only after obtaining the board approval
- e) The Management & Monitoring of the projects will be under the direct supervision of the committee members

5.7 CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Projects undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Projects shall be used for CSR.

6. Policy Effective Date

This Policy comes into effect from April 01, 2014.