

CORPORATE SOCIAL RESPONSIBILITY POLICY OF MAHINDRACIE AUTOMOTIVE LIMITED

1. Introduction

Corporate Social Responsibility (CSR) has been an integral part of the way Mahindra CIE Automotive Limited, (MCIE or the Company) has been doing business since inception. The Company has been encouraging its employees to participate in the Employee Social Options (ESOPs) program, to drive positive change in society, through health checkup camps, tree plantation, vocational guidance to school children in the nearby schools etc. ESOPs initiatives are specifically designed to benefit the economically and socially disadvantaged communities in three selected thrust areas of Education, Public Health & Environment.

MCIE is committed to its social responsibilities and takes initiatives to serve the society as a good corporate citizen.

The major activities that the company has been investing in to discharge its social responsibilities are as follows –

Donation to Project Nanhi Kali – MCIE employees voluntarily contribute donations to Nanhi Kali Project.

Project Hariyali – MCIE contributes towards Hariyali Project to increase green cover by planting trees every year on an ongoing basis.

Education: Scholarships/Felicitation is given to the meritorious wards of the employees and village students to help/support in their further education.

Promote education for the economically backward students - the Company encourage them by providing educational aid like books, school bags, donations to school for infrastructure i.e. benches, sound system, computers, laboratory aid, etc.

Recognition of meritorious students and teachers also has been a vital part of MCIE's CSR activities.

ESOPs – MCIE employees are encouraged to volunteer for various CSR projects in the areas of education, health and environment through the Employee Social options program (ESOPs).

Disaster Relief and Rehabilitation – MCIE provides consistent and timely support to relief and rehabilitation initiatives to those who are affected due to natural calamities by either contributing to the Prime Minister's or Chief Minister's Relief Fund by contributing one day salary, donating clothes & other items in line with Mahindra Group activities.

Health Services – MCIE renders health check up services for school students and villagers to detect and take early treatment for the various diseases.

Environment – Providing street light and poles, solar lanterns, drinking water tanks and coolers, tree plantation, development of gardens inside the plant premises, etc.

2. **Short Title and Applicability**

This policy, which encompasses the company's philosophy for discharging its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as the 'MCIE CSR Policy'.

This policy shall apply to all CSR initiatives and activities taken up at the various work-centers and locations of MCIE, for the benefit of the economically and socially disadvantaged communities in three selected thrust areas of Education, Public Health & Environment.

3. **CSR Vision and Objectives:**

The **objective** of this policy is to -

- Promote a unified and strategic approach to CSR across the Company by incorporating under one umbrella the diverse range of activities, select constituencies and causes to work for, thereby ensuring a high social impact.
- Ensure an increased commitment at all levels in the organisation, by encouraging employees to participate in the Company's CSR initiatives and

give back to society in an organised manner through the employee volunteering programme called ESOPs.

4. Total Outlay –

From April 1st, 2014 in line with the new Companies Act 2013 (the Act), MCIE shall contribute at least 2% of the average net profits of the Company made during the immediately preceding three financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5. CSR Thrust Areas

The Company will focus its CSR activities in and around Company's Plants and Offices in the domains of Education, Health, Environment and Rural Development Projects.

The Company may also make contributions to Prime Minister's National Relief Fund or any other fund set up by the Central/State Government for socio-economic development relief & welfare which qualifies the criteria as per CSR Rules and the relevant provisions of the Companies Act 2013.

Any other activities that the CSR Committee of the company may decide from time to time.

5. Implementation –

The Corporate Social Responsibility Committee (CSR Committee) of the Board shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve, on recommendation of the Management, the projects or programs to be undertaken, the modalities of execution and implementation schedule from time to time.

6. Monitoring process of CSR activities –

The CSR Committee will convene quarterly/half yearly meetings to review the progress of varied CSR activities with budget for further directives.

7. Modalities and Executing Agency / Partners –

CSR initiatives will be implemented either directly by the Company where its employees will directly implement the CSR programs or through implementing partners which may include NGO's having an established track record of at least 3 years in carrying out the specific activity.

While selecting NGO's / any other organizations (implementing partner) for program execution, minimum criteria as prescribed under the Companies Act, 2013 and Rules made there under shall be ensured:

The Company may also collaborate with other Companies to undertake Joint CSR Projects or Programs, provided that the CSR Committees of those Companies are in a position to report separately on such Projects or Programs.