

SML ISUZU LIMITED

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CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

CSR ROADMAP

1. Develop meaningful and effective strategies for engaging with all stakeholders to produce an overall positive impact on society at large;
2. Check and prevent pollution; recycle, manage and reduce waste, manage natural resources in a sustainable manner;
3. Ensure efficient use of energy and environment friendly technologies;
4. Consult with local communities to identify effective and culturally appropriate developmental programmes depending on the needs;
5. Partner with credible organizations like trusts, foundations etc. including non-government organizations operating in the areas such as education, skill development, healthcare, environment;
6. Nurturing young minds and developing them into responsible citizens specially from the under privileged section of society;

CONSTITUTION OF CSR COMMITTEE

Keeping in line with Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), the Board of Directors of the Company has formed a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') headed by the Chairman, to *inter alia*, carry out the following functions:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in prescribed Schedule;
- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- (c) to monitor the Corporate Social Responsibility Policy from time to time.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

In accordance with the specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendment(s) thereof, the thrust areas identified under the CSR activities of the Company are as under :

ENTRIES IN SCHEDULE VII TO THE COMPANIES ACT 2013	THRUST AREA IDENTIFIED BY THE COMPANY	
	PROJECTS OR PROGRAMS	MODALITIES OF EXECUTION
(i) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water	Promoting Health Care, sanitation & safe drinking water.	The area to be covered and the participating organization / entity for execution of activities to be identified.
(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Supporting education of underprivileged children / girl child including infrastructure. Sponsorship of education through scholarships for only deserving candidates.	Aid, the scheme and organization / entity through whom the programme is to be executed to be identified.
(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Sponsoring vocational education for women	The area to be covered and the participating organization / entity for execution of activities to be identified.

ENTRIES IN SCHEDULE VII TO THE COMPANIES ACT 2013	THRUST AREA IDENTIFIED BY THE COMPANY	
	PROJECTS OR PROGRAMS	MODALITIES OF EXECUTION
(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	May be considered in future	
(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;	May be considered in future	
(vi) measures for the benefit of armed forces veterans, war widows and their dependents;	Support to war widows & their dependents through scholarships for education.	The area to be covered and the participating organization / entity for execution of activities to be identified.
(vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	May be considered in future.	

ENTRIES IN SCHEDULE VII TO THE COMPANIES ACT 2013	THRUST AREA IDENTIFIED BY THE COMPANY	
	PROJECTS OR PROGRAMS	MODALITIES OF EXECUTION
(viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled castes, the Scheduled tribes, other backward classes, minorities and women;	May be considered	
(ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government	May be considered	The institution and the project to be identified.
(x) Rural development projects	May be considered in future	

IMPLEMENTATION

CSR Projects / Programs identified by the Company, as mentioned in the Policy, will be implemented during 2014-15 and / or beyond. The Company may also undertake other CSR activities, in line with the provisions of the Companies Act 2013, as may be appropriate from time to time.

SURPLUS OF CSR PROJECTS

The surplus, if any, arising out of the CSR projects or programmes or activities, shall not form a part of the business profit of the Company and will be ploughed back into the CSR activities.

CAPACITY BUILDING

The Company may build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent, as well as how to effectively manage other organizations through which or in collaboration with which the Company undertakes/ may undertake CSR activities.

CSR expenditure including salaries of personnel (if any) who are engaged in CSR activities, spent on capacity building for the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects and expenses incurred on their training etc. cannot make up more than 5% of the overall CSR spend for the year. Further, organization(s) providing the capacity building training, wherever engaged, must have a track record of more than three years in implementing such training.

MONITORING AND REVIEW MECHANISM

The administration of the CSR Policy and the execution of identified CSR projects, programs and activities under it shall be carried out under the overall superintendence and guidance of an internal monitoring group to be formed for this purpose.

The internal monitoring group shall submit its report periodically to the CSR Committee which shall monitor the CSR activities of the Company.

Further, any or all provisions of the CSR Policy would be subject to revision/ amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.
