



CORPORATE SOCIAL RESPONSIBILITY POLICY

I. PREAMBLE

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Govt. alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. Mitsubishi Electric India Private Limited (MEI) has adopted CSR as a strategic tool for sustainable growth. For MEI in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

II. INTRODUCTION:

Policy on Corporate Social Responsibility of MEI has been framed after incorporating the features of the Companies Act 2013 and as per notification issued by Ministry of Corporate Affairs, Govt. of India on 27.02.2014 and broadly covers the following: -

- a) Welfare measures for the community at large, so as to ensure the poorer section of the Society derived the maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness.
- c) Protection and safeguard of environment and maintaining ecological balance.

III. OBJECTIVE

The main objective of CSR policy is to lay down guidelines to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

IV. MAIN RESPONSIBILITY

- HR & Admin has the primary responsibility for the administration & implementation of this policy.
- The Committee & its member shall drive the policy for fairness.

V. ALLOCATION OF FUND

The fund for the CSR should be allocated based on 2% of the average net profit of the Company for the three immediate preceding financial years. (Financial year implies any of the three preceding financial years).



VI. SCOPE OF AREAS

As per Schedule VII of Companies Act 2013 the following shall be undertaken under Corporate Social Activities from time to time:

- i) Ensuring environmental sustainability including planned Tree Plantation & Future Idea of Water Conservation and Waste Paper recycling Project.
- ii) Promoting education, Innovation, Creativity including special education and employment enhancing skills especially among Students, children, women, elderly, and differently abled and livelihood enhancement projects, providing free of cost Mitsubishi Electric Group products & technologies to institutes/colleges for imparting training to students/staff.
- iii) To Contribute in the mission of skill development and enhance technology & research skills with students, channel partners, system integrators, dealers, distributors etc.
- iv) Contribution to the Prime Minister's National Relief Fund for any Natural Disaster / calamity / floods / earthquakes / tsunami in India etc. 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;
- v) Contribution to Non-Government Organization (NGO) / Registered Trust for any Natural Disaster / calamity / floods / earthquakes / tsunami in India etc.
- vi) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- vii) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- viii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- ix) Measures for the benefit of armed forces veterans, war widows and their dependents
- x) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- xi) Rural development projects
- xii) PM care fund

VII. IMPLEMENTATION:

- a) Company shall undertake the list of projects or programs falling within the purview of schedule VII of the Act by specifying the modalities of execution of such projects or programs and implementation schedule for the same.
- b) The Board of a company may decide to undertake its CSR activities approved by the CSR committee, through a registered trust or a registered society or a company established by the company.

VIII. INSTITUTIONAL ARRANGMENT:

- a) All proposals under CSR activity would be examined by the CSR Committee keeping in view the Companies Act 2013.



The CSR Committee bifurcated into following categories:-

A. CSR Committee members (Approving committee):

1. Mr. Atsushi Takase – Chairman of CSR Committee
2. Mr. Toru Onoda – Director
3. Mr. S Sriram – Director
4. Mr. Gurvinder Singh Gandhi – CFO

B. CSR Execution team (Non-members)

1. Ms. Priyankur Priya Tiwary – Head (Corporate HRA)
2. Mr. Jasveer Singh Bedi – Sr. Manager (Admin & GA)

C. Other non-members (in Attendance)

1. Mr. Manish Jain – Company Secretary & Legal
2. Mr. Neeraj Kumar – Dy. Manager (Legal)
3. Mr. Jun Hirokawa – ACO (HR)
4. Mr. Yuji Hoshi – DGM (Accounts)

- b) Managing Director shall act as Chairman of the Committee.
- c) The members of CSR Committee shall nominate any of its officers (s) as their representatives, to look after the progress of CSR activities to be undertaken.
- d) The activities of the CSR Committee will also involve the following:
 - i) To decide the priority of the activities to be undertaken under CSR.
 - ii) To interact with the CSR Implementing agencies for determining the activities to be undertaken.
 - iii) The Committee will monitor and review the progress of activities Undertaken/completed from time to time.

IX. MONITORING:

- a) The CSR Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII.
- b) The Board of Directors of the company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the company and disclose contents of such policy in its Board report and the same shall be displayed on the company's website, if any.
- c) The CSR Committee of MEI shall monitor the progress of work of ongoing projects from time to time and case to case basis or the monitoring may be carried out by External Reputed Agency.
- d) The CSR Committee shall recommend the amount of expenditure to be incurred on the activities referred to in clause VII.
- e) CSR Committee shall review the implementation of CSR activities in every six months and recommend the amount of expenditure to be incurred on CSR activities.
- f) The CSR committee shall monitor the Corporate Social Responsibility policy from time to time.
- g) If the company fails to spend the allocated budget in a particular year, the company shall specify the reasons for not spending the amount in the Board Report.



- h) MEI shall include a separate/chapter in the Annual Report on the implementation of CSR activities/project including the fact relating to physical and financial progress.
- i) The CSR Committee shall ensure that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

X. CSR EXPENDITURE:

- CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
- Subject to provision of the Companies Act 2013, the CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

XI THE FOLLOWING ACTIVITIES WOULD NOT QUALIFY AS CSR:

- Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.
- The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with the provision of the Act.
- Activities undertaken by the Company in pursuance of its normal course of business.
- The Project or Programme or Activities undertaken outside India.
- Expenses incurred for fulfillment of any other Act / statute of regulations (such as Labour laws, Land Acquisition Act 2013, Apprentices Act, 1961 etc.)
- One off events such as Marathons / awards / Charitable Contribution / advertisement / sponsorship of TV Programmes etc.

XII. REVISION / AMENDMENT / WITHDRAWAL:

Management reserves the rights to include/ amend/revise any clause / section in any part of the policy.
