

POLICY ON CORPORATE SOCIAL RESPONSIBILITY [CSRP]

FOR

CY MYUTEC ANAND PRIVATE LIMITED

1. INTRODUCTION

- 1.1 In pursuant to section 135 of the Companies Act, 2013 (the act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) framed thereunder on this behalf, "Corporate Social Responsibility (CSR)" is a company's mandatory commitment to contribute and operate in an economically, socially and environmentally sustainable manner.
- 1.2 Accordingly, henceforth, it is a continuing commitment for a company to perform ethically and contribute to economic development of the society at large. CSR, therefore, is not a mere philanthropic activity but also comprises of activities that require a company to integrate social, environmental and ethical concerns into the company's vision and mission through such activities.

For CY MYUTEC ANAND PVT.LTD.

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2. AIMS & OBJECTIVES

- 2.1 CY MYUTEC ANAND PRIVATE LIMITED (hereinafter referred to as "COMPANY") shall continue to enhance value creation in society through its primary business, and in this context the aim and objectives of the CSR activities of COMPANY, enumerated in Schedule VII to the Act, shall be to complement the primary business of the company with the overall social and environmental concerns related to its primary business.
- 2.2 In particular, and without prejudice to the generality of the foregoing, the key aims and objectives of the CSR Policy shall be to:
- (i) Ensure an increased commitment at all levels in the organization to operate its business in an economically, socially & environmentally sustainable manner.
 - (ii) Take up such programmes, whether directly and / or indirectly, which benefit communities and result, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
 - (iii) Generate, through its CSR initiatives, community goodwill for COMPANY and help reinforce a positive & socially responsible image of COMPANY as a corporate entity.
 - (iv) Encourage alignment with millennium development goals related to gender sensitivity, skill enhancement, entrepreneurship development etc.

3. RESOURCES & ALLOCATION OF FUNDS

- 3.1 Every financial year, with the approval of Board of Directors, COMPANY will make a budgetary allocation for CSR activities / projects for that financial year. The budgetary allocation will be based on the net profit of the company, which shall not be less than 2% of the average net profits before tax of the company (CSR Budget).
- 3.2 The unutilised budget for CSR activities planned for a financial year will not lapse and will be carried forward to the next financial year. COMPANY will disclose the reasons for not fully utilising the budget allocated for CSR activities planned for each financial year.
- 3.3 The annual budget earmarked for CSR activities shall have to be spent on implementation of activities in the project mode. The activities not implemented in project mode also have to be in conformity with these guidelines.
- 3.4 Such allocation of funds shall not act as a constraint in the event of a national calamity and COMPANY may contribute such amount as may be deemed necessary for a cause.
- 3.5 Budgetary allocations to Specified Projects may be enhanced or curtailed, as the case may be, by CSR Committee, if found necessary.

4. CONSTITUTION OF CSR COMMITTEE

The CSR functions of COMPANY will be coordinated and monitored by CSR Committee, comprising of not less than three directors one of which shall be an independent director (only if COMPANY is otherwise required to appoint an Independent director u/s 149(4) of the Companies Act 2013), for the successful implementation of the CSR

policy of the Company. The CSR Committee will meet at least once in a quarter. The progress report of CSR Programmes under implementation shall be placed before the Board on quarterly basis.

5. RESPONSIBILITIES OF CSR COMMITTEE

The primary responsibility of the CSR Committee would be to implement the CSR policy and broadly the roles and responsibilities are the following:

- To assist the Board of Directors to formulate suitable policies and strategies to take the CSR agenda of the company forward in the desired direction.
- Formulation of broad guidelines for selection of the projects, planning, execution, monitoring & evaluation.
- Selection of projects in accordance with policy framework & guidelines.
- Submission of annual budgetary requirement for each project along with the targets.
- Formulation of strategies for efficient implementation of projects.
- Monitoring of the progress of the work.

6. THE IMPLEMENTATION MECHANISM

A IDENTIFICATION OF THRUST AREAS:

The thrust areas shall be identified by the CSR Committee on the basis of need identification studies (or) internal need assessment or receipt of proposals/requests etc which shall fall within the ambit of the schedule VII of the Companies Act 2013 and are also in compliance with the aims and objectives specified above. All efforts must be made, to the extent possible, to define the following while identifying the CSR projects:

- Programme objective
- Baseline survey
- Implementation schedule
- Responsibilities and Authorities
- Payment terms
- Major results expected and measurable outcome
- The activities would be taken up in a project mode with milestones and deadlines.

CSR activity can be carried out at any location of its choice within the country, including the backward regions.

B EXECUTION

B.1 COMPANY may not take up the implementation of CSR activity with its existing manpower. Hence, the CSR activities/programmes will be undertaken through SNS Foundation which is a Gurgaon based NGO involved in the social development activities prescribed in the CSR programme. A brief profile of SNS Foundation and its capability is provided in **Schedule-1**.

B.2 CSR Coordinator, to be appointed by CSR committee would be responsible for submitting the progress reports after review with the implementing agencies on projects approved in the identified thrust areas for consideration of the CSR Committee

C MONITORING, EVALUATION AND IMPACT ASSESSMENT OF CSR ACTIVITIES

C.1 SNS foundation shall be responsible for monitoring the project and shall provide periodic reports to COMPANY and will ensure that the project gets completed within the specified time period.

C.2 The progress report of the activities undertaken shall be reported to CSR Committee on Quarterly basis along with the impact assessment.

D. DOCUMENTATION & DISSEMINATION

- D.1 The CSR approach including the base-line data (wherever applicable) made available at the start of the project and the impact so quantified on completion of the project shall be documented for record purposes and future use as well as for sharing of experience.
- D.2 The CSR Policy shall be uploaded on COMPANY website.
- D.3 CSR initiatives of the company will be reported in the Annual Report of the Company, in the manner and form prescribed under the Act and Rules.
- D.4 Activities undertaken under CSR activities shall be, if required, reported to National CSR Hub for record purpose.

7. GENERAL

- 7.1 The power to interpret & administer the policy shall rest with CSR Committee whose decision shall be final and binding, which is also empowered to make any supplementary rules/orders to ensure effective implementation of scheme.
- 7.2 Any or all provisions of the CSR policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued by the Government, from time to time.

8. MISCELLANEOUS

8.1 COMPANY reserves the right to modify, add, delete or amend any of the provisions of this Policy.

8.2 This policy will supersede / override any previous policy made in this regard

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SCHEDULE-1

CSR ACTIVITIES & SNSF's CAPABILITY

ORIGIN:

The promoters of the Anand Automotive Limited established SNS Foundation (SNSF) in April 1976 to function as the social engagement arm of the business. 'SNS' stands for Sant Nischal Singhji (1882-1978), a lay priest and social reformer from District Yamunanagar in Haryana. Sant Nischal Singhji was the spiritual mentor to the Anand family. It was Santji's bold and inspiring actions towards social service, the field of education in particular that served as the motivation for laying the foundation stone for SNSF.

MISSION:

The Foundation strives to mobilize participation of benefactors from all sections of society to work towards sustainable development of marginalised sections - particularly women, by following a rights based and empowerment approach, in the fields of *Education, Health, Natural Resource Management, Sustainable Livelihoods and Governance*.

ACHIEVEMENTS: 1976 – 2013:

Serving as the *social engagement wing* of Anand, SNSF has also partnered with range of other organizations for fulfilling its mission.

- UN agencies viz. UNDP, other international development organizations viz. American India Foundation, Asian Development Bank, British High Commission, International Labour Organization,
- Collaborations with Central and State Govt. agencies, under the Sarva Shiksha Abhiyan, National Child Labour Project, National Rural Livelihoods Mission, National Rural Health Mission and National AIDS Control Programme.
- The Foundation has and continues to be a preferred choice for many Indian and multinational corporations for fulfilling their CSR mandate the most recent being Honeywell Technology Solutions Lab (HTSL).
- Other partnerships include, Agilent Technologies, Bechtel Corporation, Philips India Lighting, GE Capital & GE Money, Perfetti Van Melle, Philips India Lighting, Reliance Industries Limited, Sona Koyo.

BENEFICIARY & ACTIVITY

- 10,000 rural families benefitting from access to micro-credit
- 100,000 government school students have received access to quality education
- 25,000 youth have improved on their employability through various vocational training opportunities
- 2 lakh population in hilly and tribal regions enjoy better health indicators

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- Lead NGO for reproductive, sexual and child health for the Ministry of Health & Family Welfare in Himachal Pradesh and sought out with eagerness by Ministry of Rural Development in Maharashtra.

Capability statement

The above partnerships stand testimony to the Foundation's mission statement of mobilizing benefactors to participate in the development process of their societies. Today, with the on-field experience of more than 3 decades in community service and delivered partnerships of sorts, SNSF has strategically evolved and established itself as the CSR implementing agency and attained capability to undertake, implement, monitor and deliver the CSR activities as required under the Companies Act, 2013.

A closer look at the activities defined as CSR in Schedule VII of the Companies Act 2013, finds a perfect match with SNSF's areas of intervention in community development.

EXAMPLE FROM SCHEDULE VII	CORRESPONDING SNSF ACTIVITY
In sync with the mandate ' <i>promoting education, including special education and employment, enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects</i> '	Activities of developing libraries, laboratories; imparting life-skills education; building classrooms and washrooms etc. in government schools. (Annual Reach Out: 15000) Further SNSF has a well structured skill development program certified by National Institute of Open Schooling offering courses in apparels, beauty care, IT/ITeS. This also includes courses in 2-Wheeler Technician and Electrician certified by industry leaders – Honda and Schneider. (Annual Reach Out: 5000)

Similarly with respect to other mandates outlined under Schedule VII, SNSF has in place successful field tested programs which are both scalable and replicable across geographies based on support available. Essential quality improvements in these programs are also put on hold due to lack of resources. For e.g. Providing skills in personality development/job readiness, basic computers, spoken English and placement services to all 5000 candidates is a dream yet to be fulfilled. Presently it is extended to about 25% of the population.

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