

NIHON KOHDEN INDIA PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY

The Company “Nihon Kohden India Private Limited” upholds a deep conviction in Social Responsibility that transcends all operations and businesses. Company has contributed to the growth of all its stakeholders and wants to improve and continue its relationship with different stakeholders from the perspective of making the contribution to society in philanthropic activities. This policy aims to work together with local communities as a good corporate citizen.

CSR VISION

- Develop meaningful and effective strategies for engaging with all stakeholders;
- Consult with local communities to identify effective and culturally appropriate development goals;
- Partner with credible organizations like trusts, foundations etc. Including non-government organizations;

CSR OBJECTIVES

- To contribute to sustainable power development by discharging Corporate Social Responsibilities.
- To lead the sector in the area of Resettlement & Rehabilitation and Peripheral Development.
- To lead the sector in Environment Protection.

CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY 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 shall form a Corporate Social Responsibility Committee (hereinafter referred to as the ‘CSR Committee’) consisting of 3 directors as recommended by Board of the Company from time to time.

The CSR Committee shall carry out the following functions:

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

MEETINGS OF CSR COMMITTEE

The members of the CSR committee shall meet as many times as may be required by them in order to perform their duties and functions.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

In accordance with the primary CSR philosophy of the group and the specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendment(s) thereof, the CSR activities of the Company will have the following thrust areas:

- eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation (**including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation**) and making available safe drinking water;
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- 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 (**including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga**);
- 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;
- measures for the benefit of armed forces veterans, war widows and their dependents;
- training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- 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;
- contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- rural development projects;
- slum area development.

CSR SPEND

At least 2% of the average net profits of the company made during three immediately preceding financial year shall be spent every financial year on this policy.

CSR EXPENDITURE

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

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. CSR expenditures like salaries of personnel who are engaged in CSR activities, can be 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.

However amount spent on this cannot make up more than the amount sanctioned by the Board and the company or any person prescribed or authorized by the CSR committee should have a track record of more than three years in implementing such training.

CSR THOROUGH REGISTERED TRUST, SOCIETY, OTHERWISE

The Board of Directors of the Company may decide to undertake CSR activities approved by the CSR committee, through

- (a) a company established under section 8 of the Act or a registered trust or a registered society established by the Company either singly or along with any other Company,
or
- (b) a company established under Section 8 of the Act or a registered trust or a registered society established by the Central Government or State Government or any entity established under an Act of parliament or a State legislature:

Provided that- if, the Board decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified here, such company or trust or society shall have an established track record of three years in undertaking similar programs or projects; and the company has specified the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism”.

GOVERNANCE

- The CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out and the specified budgets thereof.
- The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit.

- The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon
- The CSR Committee shall review the implementation of the CSR Programmes twice a year and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
- At the end of every financial year, the CSR Committee will submit its report to the Board.

CSR REPORTING

The Board's Report of a company shall include an annual report on CSR. 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 report and the same shall be displayed on the company's website, if any

MANAGEMENT COMMITMENT

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

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

For and on behalf of

Nihon Kohden India Private Limited



Hirotsume Kobayashi
Managing Director