

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 AND OBJECTIVES

- The CSR Policy sets out our commitment to ensure that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives.
- This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and the rules issued thereunder.

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.

1. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules.
2. Without prejudice to the generality of the foregoing, the CSR Committee shall be responsible for the following activities:
 - (i) Formulating and recommending CSR activities to the board of directors;
 - (ii) Recommend amount of expenditure;
 - (iii) Monitor CSR policy of the company;
 - (iv) Formulate annual action plan in pursuance of the CSR policy in accordance with the applicable law, and inclusive of the following items:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

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

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:
 - i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking
 - ii. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly, and the differently abled and livelihood enhancement projects;
 - 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 back ward groups;
 - iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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;
 - 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;
 - vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;

- viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for social-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
 - ix. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government, and contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
 - x. Rural development projects;
 - xi. Slum area development Explanation - For the purpose of this item, the item 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under law for the time being in force;
 - xii. Disaster management including relief, rehabilitation and reconstruction activities; and
 - xiii. Any other project as may be specified under Schedule VII of the Companies Act, 2013, from time to time.
2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
 3. The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board.
 4. In case any of the CSR Activities to be undertaken are anticipated to be long term i.e. an ongoing project being of a term of 3 (three) years excluding the financial year in which it was commenced, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.

CSR EXPENDITURE

1. The Company shall spend at least 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years in accordance with the Act and the Rules and the CSR Policy.

2. The CSR Committee shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.
3. Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy and the annual action plan for the financial year in which such surplus has arisen.
4. In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws.
5. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

CSR THOROUGH REGISTERED TRUST, SOCIETY, OTHERWISE

The Board shall ensure that the CSR activities are undertaken by the company itself or through -

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), 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
- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The Board shall ensure that the above-mentioned entities have registered itself with the Central Government by filing the form CSR-1 electronically and a unique CSR Registration Number has been allotted to them.

GOVERNANCE AND MONITORING

- 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 CSR Committee shall maintain proper minutes of all its meetings.

In respect of the reporting, the Board will be responsible to ensure that:

- (i) The report of the Board includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the Act and the Rules;
- (ii) The contents of the latest and updated version of the CSR Policy is included in the report of the Board;
- (iii) The contents of the CSR Policy along with composition of the CSR committee, and projects approved by the Board are also made available on the website (if any) of the Company.
- (iv) In case of failure to ensure the minimum CSR Expenditure, detailed reasons for the same are adequately disclosed in the Board Report.

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



Kentaro Kusano
Managing Director

