

CORPORATE SOCIAL RESPONSIBILITY POLICY:

PREAMBLE:

Corporates and Multinational Companies involvement in Corporate Social Responsibility (CSR) activities is not a new concept in India. Major Companies in India are engaged in social welfare activities since long back. However, the Companies Act, 2013 has brought it under the legal purview.

Yuken India Limited ("YIL") is committed to undertake Corporate Social Responsibility ('CSR') activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and The Companies (CSR) Rules 2014 as amended from time to time.

OBJECTIVES:

- To ensure an increased commitment at all levels in the Organization to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of the stakeholders.
- To directly or indirectly take up programs that benefit the communities over a period of time, in enhancing the quality of life and economic wellbeing of the society.

DEFINITIONS:

"Act" means the Companies Act, 2013.

"Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

"Corporate Social Responsibility (CSR)" means and includes but is not limited to: -

- (i) Projects or programs relating to activities specified in Schedule VII to the Act; or
- (ii) Projects or programs relating to activities undertaken by the board of directors of a Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will specified in Schedule VII of the Act.

"CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

"CSR Policy" means a statement containing the approach and direction given by the board of a Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;

“Company” shall mean Yuken India Limited;

“Net profit” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -

- any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
- any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act:

“Ongoing Project” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

COMPOSITION OF CSR COMMITTEE:

The CSR Committee shall consist of 3 (Three) or more Directors and such number of other members as may be decided by the Board of Directors from time to time.

Our Company CSR Committee is as under:

Si No.	Name	Designation
1	Dr. Premchander	Chairman
2	Mr. C P Rangachar	Member
3	Mr. R Srinivasan	Member

Meetings of the Committee may be held from time to time as may be required.

RESPONSIBILITIES OF CSR COMMITTEE:

- 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.
- Recommend the amount of expenditure to be incurred on the activities for every year.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Where the amount to be spent by a Company under Section 135 (5) of the Companies Act, 2013, does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such Company.

RESPONSIBILITIES OF BOARD:

- Ensure that the activities as are included in Corporate Social Responsibility Policy of the Company are undertaken by the Company.
- The Board of every Company shall ensure that the Company spends, in every financial year, at least 2 (two) % of the average net profits of the company made during the 3 immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.
- shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

FOCUS AREAS:

Environmental Sustainability:

- Promoting awareness about environmental issues.
- Undertaking plantations and afforestation activity.

Education:

- Promoting Education in all forms, including special education and Employment enhancing vocational skills especially among children, women, elderly and differently abled, who are in need and financially backward. Provide financial support to academic institutions for providing infrastructure facilities with the objective of assisting students in their studies.
- Improving quality of education in existing schools and promoting the other cultural activities.

Rural Development:

- To development of Rural Area and identified the registered Trusts who engaged in the work of rural Development.

Disaster Relief:

- Contribution money for adopting the relief measures during the time of Natural Disaster, anywhere in the Country.
- Contribution money for development of standard of living of peoples who suffered any natural disaster in the Country.

Others activities: other CSR Activities in line with Schedule VII of the Companies Act, 2013 as amended from time to time and approved by the CSR Committee.

FUNDING AND IMPLEMENTATION:

CSR Committee will recommend to Board:

- Areas of CSR Activities to be under taken by the Company for every year and requirement of Funds for completing the identified projects.
- Referring the Registered trusts/ Non-Government organizations (NGO) who has well experience and good track record in different field of CSR activities.
- After recommendation of CSR Committee, Board will approve the funds and referred registered trusts/ Non-Government organizations (NGO) on the basis of CSR Activity.
- Company was appoint any top level management person to monitor and supervisor the CSR Activity from time to time.

CSR Implementation. –

- 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.
- Every entity, covered under sub-rule (1) of CSR Rules, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

CSR Action Plan:

- The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR policy, which shall include the following, namely: -
 - (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 as specified in sub-rule (1) of rule 4;
 - (c) the modalities of utilization 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: Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Display of CSR activities on its website.

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

Transfer of unspent CSR amount.

There is no Ongoing CSR Project:

- Within a period of 6 months from the Closure of FY, transfer unspent amount to Fund Established by the Government.

In Case Company, having Ongoing CSR Project:

- Unspent CSR Amount will be transferred to Separate Bank account within 30 days from the date of closure of Financial Year.
- Such unspent amount shall be spent by the Company with in period of 3 financial years from the date of Transfer.

Incase Not spent within 3 years, the entire amount is transferred to fund established by the Government.

REVIEW OF POLICY:

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.

CONFLICT OF POLICY:

In the event of the Policy being inconsistent with any regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this Policy.

AMENDMENTS:

Any or all the provisions of this policy are subject to revision/modification by the Committee/Board, as may be required.
