

ORIX Auto Infrastructure Services Limited

(CIN: U63032MH1995PLC086014)

Corporate Social Responsibility (CSR) Policy

(Effective date: December 21, 2016)



V.2.

The policy which lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large along with the company's philosophy for setting down its responsibility as a corporate citizen is titled as the '**ORIX Auto Infrastructure Services Limited- CSR Policy**'.

I. Preamble :

The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavor to uplift the under privileged part of the society. With rapidly changing corporate environment, more functional autonomy, operational freedom etc. our company has adopted CSR as a strategic tool for sustainable growth.

This policy shall apply to all CSR initiatives and activities taken up by the Company in pursuance of the requirements of Section 135 and Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force). It includes guiding principles for selection, implementation and monitoring of activities.

II. Objective / Goals :

This CSR policy aims with following objectives / goals:

- (1) To make CSR a key business process for sustainable development for the Society;
- (2) To aim at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities;
- (3) To directly and indirectly take up the programmes that benefit the communities residing in the local areas wherever the Company operates and results, over a period of time, in enhancing the quality of life and economic wellbeing of the local populace;
- (4) Contributing to the sustainable development in the areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India;
- (5) Collaborating with other Companies to contribute to the national mission of eradicating hunger and poverty, especially in rural areas, through agricultural research, knowledge sharing, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programs and such other initiatives in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules").

III. Our CSR Vision :

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which the Company operate ensuring participation from the community and thereby create value for the nation.

IV. Our CSR Mission :

- (1) Ensuring socio-economic development of the community through different participatory and need- based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become **SELF-RELIANT** and build a better tomorrow for themselves.
- (2) Ensuring environmental sustainability through ecological conservation and regeneration, protection & re growth of endangered plant species, and promoting biodiversity.

V. Our Activities :

The CSR activities to be pursued by the Company will be in line with our stated Vision and Mission, focused in areas not just around our branches and offices, but also in other geographies based on the needs of the communities. However, preference shall be given to local areas around the offices/branches of the Company where it operates pursuant to Section 135 of the Companies Act, 2013:

The areas under which the Company will implement its CSR Projects are as follow:

(1) Eradicating hunger, poverty and malnutrition :

- (a) Provision of food, nutrition supplement, clothes etc for the poor, children and other deprived sections of the society.
- (b) Provision of shelter for homeless.
- (c) Promoting sanitation, making available safe drinking water including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation.
- (d) Mid-day meal by corporate through additional nutrition
- (e) Disaster relief including medical aid, food supply, supply of clean water

(2) Promoting Health care including Preventive Health care through awareness programmes, health check-ups, provision of medicine & treatment facilities, program for preventing diseases and building immunity.

Giving medical and legal aid treatment to road accident victims & Provisions for aids and appliances to the differently - able persons.

(3) Ensuring environmental sustainability and ecological balance through :

- (a) Plantation drives in schools, villages and other areas in general;
- (b) Reviving endangered plants, promoting agro-forestry;
- (c) Protection of flora & fauna;
- (d) conservation of natural resources;

- (e) Maintaining quality of soil, air & water (Clean Ganga Fund set up);
- (f) Adoption of wastelands to cultivate plants;
- (g) Promoting biodiversity;
- (h) Animal welfare and veterinary services;
- (i) Technical support and Knowhow for improving farming and building capacities of small farmers;
- (j) Promoting alternate energy resources; and
- (k) Research on the field for individuals crops to find out the most cost optimum and Agri-ecological sustainable farm practices with a focus on water management, Renewable energy projects etc..

(4) **Employment and livelihood enhancing vocational skills and Livelihood Enhancing Projects:**

A growing economy like India requires a large and skilled workforce. The Company's skill training initiatives will aim at training and capacity development of youth, physically disadvantaged and women from economically weaker sections of society, and to empower them to gain access to opportunities for sustainable livelihood and growth.

The Company will support technical training courses, Skill Development Centre's , non formal vocational programs aimed at creating livelihood opportunities, soft skill training aimed at creating livelihood opportunities, soft skill training aimed to facilitate integration into mainstream and soft loans for self-financing of training.

(5) **Promotion of education** especially among children, women, elderly and the differently abled including:

- (a) Non-formal education programmes;
- (b) Supporting schools with infrastructure like benches, toilets, potable water, fans etc;
- (c) Supporting the infrastructure or running cost of reading programs, libraries, supportive classes, Computers, science laboratories etc;
- (d) Supporting other educational institutions;
- (e) Improving educational facilities in general;
- (f) Supporting children for higher education; and
- (g) Educating the masses and Promotion of Road safety awareness in all facets of road usage, Safety traffic engineering and awareness through print, audio & visual media, Research and studies.

- (6) **Promoting gender equality and empowering women** including:
- (a) Adult literacy for women;
 - (b) Promoting and providing credit support to women's self-help and joint liability groups;
 - (c) Training in vocations pursued by women;
 - (d) Setting up homes and hostels for women and orphans;
 - (e) Setting up old-age homes and other facilities for senior citizens; and
 - (f) Setting up hostels for working and student women, day care centers for kids of working women.
- (7) **Rural Development Projects:** Strengthening of rural areas by improving accessibility hosing drinking water, sanitation, power, participate in school development in villages, livelihoods, thereby creating sustainable village.
- (8) **Contribution to Fund:** 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- (9) **Contribution to:**
- (a) 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
 - (b) 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).
- (10) **Other Activities :**
- (a) Promotion of Sports with special focus on training for rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
 - (b) Welfare for differently disabled Person;

- (c) Reducing inequalities faced by the socially and economically backward groups;
 - (d) Protection of national heritage, art, culture and handicraft; Restoration of Buildings & sites of historical importance & works of art, setting up public libraries; promotion and development of traditional art and handicrafts; and
 - (e) Welfare of armed forces personnel, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - (f) Slum area development:

Explanation.— For the purposes of this item, the term ‘slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.”
 - (g) disaster management, including relief, rehabilitation and reconstruction activities.
- (11) Such other activities as the Board may consider to be appropriate. The Company may from time to time identify newer activities to the above list, in so far as such activities are as defined in Schedule VII of the Companies Act, 2013, as amended, from time to time.

VI. **Ongoing projects:**

On-going 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. It 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.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall make modifications, if any, for smooth implementation of the project within the overall permissible time period.

VII. **Our approach to implementation:**

- (1) The CSR activities will be undertaken by the Company either by itself or through the following
 - (a) a company established under section 8 of the Companies Act, 2013 (“Act”), or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 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.
- (2) The above entities selected for undertaking CSR activities of the Company, will need to register themselves with the Central Government by filing e-form CSR-1 electronically and obtain a unique CSR Registration Number from the MCA effective April 1, 2021.
 - (3) Contribution to various Projects/programmes aligned with our Vision and Mission and pursuant to CSR Rules and Schedule VII of the Companies Act 2013 and
 - (4) Collaborating or pooling resources with other companies to undertake aforesaid CSR activities in line with CSR Rules.

VIII. CSR Committee :

The Composition of the Committee shall be as per provisions of section 135 of the Companies Act, 2013 as may be amended from time to time.

- (1) As per the Act, the Committee shall consist of three or more directors, out of which at least one director shall be an independent director.
- (2) The Members of the Committee shall be appointed by the Board.
- (3) The Committee will meet at least once in a year and otherwise as required.

IX. Terms of Reference of the Committee :

- (1) To formulate & update a CSR Policy and seek recommendation of the Board on the CSR activities to be undertaken by the Company.
- (2) To suggest areas of intervention & approve projects for CSR activities.
- (3) Put monitoring mechanisms in place to track the progress of each project.
- (4) To approve CSR expenditure in accordance with the Companies Act, 2013 including the Rules and Schedules framed thereunder and the CSR Policy of the Company referred to in clause (1).
- (5) To review and update Corporate Social Responsibility Committee Charter annually.

X. Determination of allocation of amounts :

- (1) The CSR committee will determine the amount to be collected for each activity

yearly basis subject to a minimum 2 % of average net profit for immediate preceding three financial years calculated as per Section 198 of the Companies Act, 2013 read with the CSR Rules and Schedule VII thereof.

- (2) The Company shall treat the administrative overheads and CSR Spends i.e., CSR surplus, excess expenditure and unspent CSR funds as per the modalities prescribed in the Section 135 of the Companies Act, 2013 and CSR Rules.

XI. Disbursement :

The disbursement of funds will be either in tranches form or one-time payment depending on the nature and requirement of the project. The terms, conditions and timing of disbursement will be approved by the CSR Committee.

XII. Implementation

The Board/CSR Committee shall provide guidance on the allocation of the CSR budget in line with Section 135 and Schedule VII of the Companies Act, 2013 on an annual basis and shall approve the Projects for CSR contribution.

The CSR Projects will be undertaken based on the annual action plan formulated and recommended by the CSR Committee and approved by the Board. The Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee based on reasonable justification to that effect.

In case of deviation in implementation as defined in the annual action plan, such changes will be approved by the Board of Directors of the Company.

XIII. Monitoring:

The CSR Committee will, through HR Head / Company Secretary, ensure monitoring mechanism for confirming implementation of the projects/ programs/activities proposed to be undertaken by the Company.

The HR Head/Company Secretary would have the responsibility of monitoring approved projects and funds disbursements for such projects. Monitoring mechanism may include visits, meetings and progress/ status reporting by the NGOs. The Company's CSR activities will be reviewed by the CSR Committee.

A company may engage international organizations for designing, monitoring and evaluation of the CSR Projects or Programmes or for capacity building of Company's personnel for CSR.

XIV. Certificate by CFO:

The Board of Directors will satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or

the person responsible for financial management will certify the same to that effect.

XV. Reporting:

CSR initiatives of the Company will also be reported as a part of the Directors' Report in the Annual Report of the Company as per the annexure of CSR Rules and also as per the any other statutory and regulatory reporting requirements.

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/CSR Committee on website of the Company for public access.

XVI. Communication & Information Dissemination :

In order to ensure transparency and communication with all stakeholders, the composition of the CSR Committee, the CSR Policy and Projects approved by the CSR Committee/Board will be displayed on the Company's website for public access and made available in the public domain.

XVII. Amendment:

The policy as reviewed by the CSR Committee shall be placed before the Board for its approval. Any and all provisions of this Policy shall also be amended as required due to any regulatory changes from time to time.

In case any amendments in the Companies Act, 2013 or CSR Rules or Schedule VII framed thereunder not being consistent with the provisions laid down under this Policy, then the provisions of such amendments shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly effective from the date as laid down under such amendments as notified from time to time.

Adoption / Modification History

Date of Adoption/Revision	Version	Description	Introduced/Revised by	Approved by
December 21, 2016	V.1	Adoption of Initial draft	Secretarial Department	Board of Directors
July 29, 2021	V.2.	Revision in CSR Policy	Secretarial Department	Board of Directors