

FILTRUM AUTOCOMP PRIVATE LIMITED

Corporate Social Responsibility Policy

This Corporate Social Responsibility (hereinafter referred to as 'CSR') Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

The Board of Directors of Filtrum Autocomp Private Limited (“FAPL/the Company”) constituted the Corporate Social Responsibility Committee (“CSR Committee”) on September 10, 2018.

COMPOSITION OF CSR COMMITTEE

The CSR Committee consists of following Members:

- 1) Mr. Niranjana Kirloskar- Chairman
- 2) Mr. Dhaval Kirloskar-Member
- 3) Mr. Jaydeep Bhagat-Member

CSR OBJECTIVE:

FAPL recognizes the impact it has on communities in which it operates and believes that it has a tremendous opportunity to change the lives of these communities and aims to be a trusted partner contributing to the social, economic and environmental progress of India. As part of its dedicated approach to create economic opportunity in the communities in which it operates, FAPL has been contributing its time, expertise and resources to help communities and undertaking a series of initiatives that are relevant.

The key focus areas in which FAPL is committed for sustainable development and inclusive growth are mainly Promotion of Education, Sports, Health, Environment, Local Community Infrastructure Development.

In addition to the key focus areas, FAPL will continue to support activities as per Schedule VII of the Act, as amended from time to time, excluding activities undertaken in pursuance of normal course of business of FAPL.

FAPL aims:

- To provide a development platform for students for empowerment in all walks of life.
- To provide cleaner, healthier and safer environment.
- To ensure sustainability of the projects.
- To strengthen rural areas by improving accessibility, drinking water, sanitation thereby creating sustainable villages.

- To promote preventive healthcare in nearby villages and cities.
- To carry out CSR Programmes in relevant areas to fulfil commitments arising from requests by government / regulatory authorities;

IMPLEMENTATION

- **Planning:**
 - (i) Baseline/ need assessment survey will be carried out prior to the selection of any CSR activity.
 - (ii) With a view to have a baseline data and to ascertain basic needs/ requirements of the people and the area, FAPL Internal and Implementation Team will ensure conducting of a Survey on the basis of which requisite schemes/projects will be identified for implementation.
 - (iii) FAPL will endeavor, at all times, to build and develop the skills of its internal and implementation team and enhance level of CSR awareness within the organization.
 - (iv) While identifying the CSR projects/activities, emphasize will be given on in-house planned projects, proposals from District Administration/local Govt. body/public representatives etc.
 - (v) FAPL Internal Team will scrutinize all such projects and schemes before carrying out the same.
 - (vi) If needed, the company may interact with the Government Organizations/Agencies for finalization of Schemes, etc. Concerned District authorities may also be contacted before taking up CSR activities in local areas.
- **Execution Methodology**
 - (i) FAPL may also collaborate with Non-Government organizations, other companies for undertaking projects or programs or CSR activities.
 - (ii) The external implementation partner will be identified following the due procedure in this regard.

- (iii) Preferably, executing agencies having strong credentials like good track record, relevant experience, recommendation by Govt. / other PSUs etc. shall be engaged for undertaking CSR works.
- (iv) Every project will specify the implementation schedule indicating the starting date, date of completion, likely benefits, etc.
- (v) For the purchase of materials, medical equipment and supply of other material connected with CSR activities, the relevant procedures of the company will be followed from time to time.
- (vi) CSR works executed through contractors shall adopt the same procedure as followed for award of contracts for other FAPL works.
- (vii) NGOs / Voluntary Organizations /Trusts/Society means and requires:
 - (a) A permanent office / address in India.
 - (b) Members of such agency should be predominantly Indian citizens.
 - (c) Certificate of Registration as per Societies'' Registration Act 1860 or under the Public Trust Act 1950 or non-profit making Company under the provisions of the Companies Act.
 - (d) A valid Income Tax Exemption Certificate of 12AA, 80G etc, wherever applicable.
 - (e) Minimum 3 (Three) financial years of sustained experience duly certified with Audit reports and Annual Reports from the competent authorities.

- **Monitoring Mechanism**

- (i) CSR Internal Team shall be responsible for monitoring of CSR activities at every stage.
- (ii) The company shall also form Implementation team at operational areas to monitor the CSR work and submit report to the FAPL CSR Internal Team on timely basis.
- (iii) Prime duty of the Implementation team would be to provide necessary help and assistance to the FAPL CSR Internal team in identification, finalization, implementation, and monitoring of various activities/schemes/projects/programmes under CSR.

- (iv) As monitoring of activities is of paramount importance, the FAPL CSR Internal team will keep a watchful eye on the implementation and periodically review progress of the works.

- **Reporting/Documentation/Transparency**

- (i) FAPL CSR Team shall, after completion of the project, hand over to the user.
- (ii) An assurance will be taken from the stakeholders, that the assets will be utilized for the purpose they have been created and shall also be maintained properly and efficiently.
- (iii) Evaluation of all projects will be done objectively with respect to the intended outcomes.
- (iv) The policy on CSR and the activities carried out under it, also be uploaded on the website of the Company.
- (v) The impact made by the CSR activities will be quantified to the best possible extent.

DISCLOSURE

At the end of every financial year, the CSR Committee will consider an Annual Report on CSR activities and recommend the same for the approval of the Board. The said Report will be disclosed as part of the Report of the Board of Directors of the Company (hereinafter referred to as the 'Board's Report').

CSR EXPENDITURE

It will be the Company's endeavor to spend in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR Programmes in pursuance of this Policy.

- The CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the CSR Plan.
 - Any surplus arising from the CSR Programmes will be used for CSR activities within six months from the end of the relevant financial year. 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.
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- If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years with the approval of the Board, on the recommendation of the CSR and Sustainability Committee.

This Policy will be posted on the Company's corporate website www.filtrum.co.in and web link thereto will be disclosed in the Board's Report of the Company.

In the event of any inconsistency between this Policy and the applicable laws, the applicable laws shall prevail.

This Policy shall be reviewed by the Board, on the recommendation of the CSR Committee, as and when deemed necessary.

ANNUAL ACTION PLAN

In order to comply with the CSR objectives and to achieve the CSR related goals, the Company shall formulate an Annual Action Plan, which would inter alia include the following:

- a. approved CSR projects in accordance with Schedule VII of the Companies Act, 2013
- b. the manner of execution of such projects, modalities of utilization of funds and implementation schedules for the projects
- c. monitoring and reporting mechanism for the projects, and details of impact assessment, if any, undertaken by the Company

Any or all provisions of the CSR Policy would be subject to revision/amendment in consultation with CSR Committee and in accordance with the guidelines on the subject as may be issued by the Government, from time to time. The Company reserves its right to modify, cancel, add, or amend any of the contents of CSR Policy. However, this Policy, in whole or in part, shall stand modified / amended from time-to-time, without any further act on the part of the Company, as and when there would be any statutory modification(s)/ amendment(s) / revision(s) to the applicable provisions thereto. This Policy will be communicated to all concerned persons of the Company.
