

## **INTERNATIONAL COMBUSTION (INDIA) LIMITED**

### **Corporate Social Responsibility Policy**

**(Pursuant to Section 135 of the Companies Act, 2013 and adopted by the Board of Directors of the Company at its meeting held on 5<sup>th</sup> November, 2014 upon the recommendation of the Corporate Social Responsibility Committee of the Board)**

#### **Philosophy**

Recognizing that business enterprises are economic organs of society and draw on societal resources, it is the Company's belief that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. The Company believes that in the strategic context of business, enterprises possess, beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of entrepreneurial vitality, innovation and creativity. In line with this belief, the Company shall continue to generate livelihood. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment.

#### **CSR Policy**

It is the Company's policy –

- a) To direct its CSR Programmes, inter alia, towards achieving one or more of the following –
  - i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation ;
  - ii) promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects ;
  - iii) protection of national heritage, art and culture ;
  - iv) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government/ State Governments for socio-economic development ;
  - v) ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water ;
  - vi) creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India ;
- b) To develop the required capability and self-reliance of beneficiaries at the grass roots, in the belief that these are prerequisites for social and economic development ;
- c) To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact ;

- d) To carry out CSR Programmes in relevant local areas to fulfill commitments arising from requests by government/regulatory authorities ;
- e) To provide equal opportunities to beneficiaries of the Company's CSR Programmes such as vendors or employees on merit ;
- f) To promote sustainability in partnership with industry associations, like the Bengal Chamber of Commerce & Industry, Indian Chamber of Commerce, Confederation of Indian Industry (CII), Indo-German Chamber of Commerce, etc. of which the Company is a member through various activities and programmes.

### **Implementation & Administration of the Policy & Programmes**

The Company shall implement its CSR Programmes through the Company personnel or through external implementing agencies including duly registered and recognized Non-Governmental Organizations (NGOs).

Every financial year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.

The CSR Committee shall be responsible for the implementation, monitoring and review of this Policy and the yearly CSR Plans within specified budgets and timeframes.

It shall be the responsibility of the CSR Committee to report and keep the Board apprised of the status of implementation of the same.

### **CSR Expenditure**

The Company shall incur expenditure on CSR activities as required under Section 135 of the Companies Act, 2013 read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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.