

## CORPORATE SOCIAL RESPONSIBILITY POLICY

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### **1. Introduction and Background**

EPC Industrié Limited has been a socially responsible corporate going beyond the legal & statutory requirements to make responsible investments in the community. The Company has defined Corporate Social Responsibility (CSR) and pledged to commit 2% PAT for its CSR initiatives specifically to benefit the economically and socially disadvantaged communities. With the belief that Education is the main route to address India's social challenges, the Company selected Education as its main thrust area for CSR. Being a part of Mahindra Group and as a responsible corporate citizen, EPC Industrié Limited also participates in the areas of public health and environment. More specifically, the major CSR programs that the Company has been participating in are as follows –

- **Project Nanhi Kali** – Founded in 1996, this is a sponsorship program that supports the education of under privileged girls from poor urban, remote rural and conflict afflicted tribal communities by providing them comprehensive academic and material support. Since 2005 the Project is jointly managed by the K C Mahindra Education Trust and Naandi Foundation.
- **Project Hariyali** – Since 2007 the Company has committed to increase green cover by planting a million trees every year on an ongoing basis.
- **ESOPs** - EPC employees have been encouraged to volunteer for various CSR projects in the areas of education, health and environment through the Employee Social options program (ESOPs). Some of the projects to which the employees have extended their volunteering efforts are skill development of youth, HIV/AIDS awareness, donations of medical equipment to orphanages and senior citizens etc.
- **Disaster Relief and Rehabilitation** - The Company has provided consistent and timely support to relief and rehabilitation initiatives in those parts of India which are effected by natural calamities by either contributing to the Prime Minister's or Chief Minister's Relief Fund or by directly engaging in rebuilding villages e.g. the construction of 45 houses and associated infrastructure in the villages of Pattori Gram Panchayat affected by the Kosi floods/ Uttarakhand disaster.

In keeping with the RISE philosophy the Company will continue to drive positive change to enable people and communities to RISE above their limiting circumstances.

## 2. Objective of the CSR Policy

The **objective** of this policy is to -

- Promote a unified and strategic approach to CSR across the Company by incorporating under one 'Rise for Good' umbrella the diverse range of its philanthropic giving, identifying select constituencies and causes to work with, thereby ensuring a high social impact.

- Ensure an increased commitment at all levels in the organisation, by encouraging employees to participate in the Company's CSR and give back to society in an organised manner through the employee volunteering programme called ESOPs.

### **3. Scope and Applicability**

This policy shall be applicable to employees of EPC Industrié Limited.

### **4. Policy Statement**

#### **4.1 CSR Vision Statement & Ideology**

Our redefined 'Core Purpose' is to "challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to RISE". In line with our Core purpose, our CSR vision is to focus our efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE.

For EPC Industrié Limited responsible business practices include being responsible for our business processes, products, engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value for our key stakeholders.

#### **4.2. Total Outlay –**

From April 1<sup>st</sup>, 2014 in line with the new Companies Act 2013 (the Act), EPC Industrié Limited pledges to contribute at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall

be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company may spend upto 5% of total CSR expenditure in one financial year on building CSR capabilities.

#### **4.3 CSR Thrust Areas –**

The Company will focus its efforts within the constituencies of girls, youth & farmers through programs designed in the domains of education, health and environment. The Company may also make contributions to its Corporate Foundations/Trusts i.e. K C Mahindra Education Trust and Mahindra Foundation, towards its corpus for projects approved by the Board.

Our commitment to CSR will be manifested by investing resources in any of the following areas -

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation & making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly & the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women & orphans; setting up old age homes, day care centres, and such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agroforestry, conservation of natural resources & maintaining quality of soil, air & water;
5. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up of public libraries; promotion & development of traditional arts & handicrafts;
6. Measures for the benefit of armed forces veterans, war widows & their dependents;
7. Training to promote rural sports, nationally recognized sports, paralympic sports & Olympic sports;

8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the company.

#### **4.4 Implementation -**

The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programs to be undertaken, the modalities of execution, evaluation and implementation schedule from time to time.

While CSR programs may be identified by the CSR Committee, Corporate Foundations (KCMET, Mahindra Foundation) or CSR Committee will also evaluate projects submitted directly by reputed not for profit organisations having an established track record of at least 3 years in carrying on the specific activity. To ensure that there is focus and maximum impact the CSR Committee will endeavor to work on fewer projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

#### **4.5 Monitoring process of CSR activities -**

The CSR Committee will review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The Committee will review the strategy from time to time and may choose new focus areas and projects as and when required. In addition the CSR Committee will mandate the effective and timely monitoring and evaluation of varied CSR projects by directing employees responsible for CSR or a third party

independent agency to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc if and as may be required especially for the strategic and high value CSR programmes.

In order to ensure transparency and communication with all stakeholders, the CSR Policy will be uploaded on the Company website so that it is available in the public domain.

#### **4.6 Executing Agency / Partners -**

CSR initiatives will be implemented either directly by the company through its ESOPs structure where the EPC employees will directly implement the CSR programs or through implementing partners which include NGO's having an established track record of at least 3 years in carrying on the specific activity. The main implementation partners the company will continuously work with are the company's Corporate Foundations namely the Mahindra Foundation, The K C Mahindra Education Trust, Tech Mahindra Foundation and Naandi Foundation.

The following minimum criteria will be ensured while selecting NGO's / voluntary organizations for program execution

- a) The NGO is a registered Society / Public Charitable Trust / Section 25 Not for Profit Organizations / company established under section 8 of the Act etc
- b) The NGO has a permanent office / address in India
- c) The NGO has a valid Income Tax Exemption Certificate
- d) The NGO has submitted a detailed project proposal and budget which has been approved by the CSR Committee.

The Company may also collaborate with other companies to undertake CSR projects or programs, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programs.

For CSR activities undertaken through other Executing Agency, the Company will specify the projects or programs to be undertaken through these agencies, the modalities of utilization of funds on such projects or programs.

***Ashok Sharma***  
***Executive Director and CEO***