

# MUSASHI AUTO PARTS INDIA PRIVATE LIMITED



<b>Policy No.</b>	<b>MAP-ID/FIN/POL NO. 020</b>
<b>Established</b>	<b>26.03.2015</b>

## CORPORATE SOCIAL RESPONSIBILITY POLICY

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## 1. SCOPE AND APPLICABILITY

The policy covers the current as well as proposed CSR projects to be implemented by Musashi Auto Parts India Pvt. Ltd. (Musashi) aligned with the relevant provisions of the Companies Act 2013 ("Act") and the Companies Corporate Social Responsibility Rules 2014 ("Rules").

The policy will cover projects implemented either directly by Musashi or through implementing partners or NGO's

Musashi will give preference to the local areas around its operations for spending the amount earmarked for CSR activities. MAP-ID operations are mainly concentrated in the following areas:

- State of Haryana
- State of Karnataka
- State of Gujarat

Committee may undertake CSR activities in any other area in India as may be decided, from time to time

## 2. OBJECTIVES OF THE POLICY

- To promote strategic and sustainable approach to CSR in line with our corporate vision of being a company which is "trusted" by people, and we positively contribute to develop a better society.
- To ensure that our CSR investments are relevant to the national agenda and contribute significantly to social development in India
- To strengthen and deepen our commitment to the society and environment we operate

## 3. CSR PROJECTS AND ACTIVITIES

In pursuance to Corporate Social Responsibility, Musashi shall adopt CSR activities in following areas:

- Sanitation – Promote sanitation/cleanness including contribution to Swachh Bharat kosh set-up by the Central Government for promotion of sanitation.
- Contribution to the Prime Minister's National Relief 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.

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- ~~Supporting charitable organizations as & when required and approved by Management.~~
- Any other activities, which are related to education, environment, sanitation etc. as requested by local authority or government authority.

At any time, Committee may adopt any other activities defined in Schedule VII of Companies act, 2013 as amended from time to time.

#### **4. CSR COMMITTEE**

Musashi had constituted a CSR committee in accordance with the Act. The responsibilities of the CSR committee will include inter-alia:

- a) To formulate & recommend to the Board of Directors, a CSR Policy indicating the activities to be undertaken as specified in the Act and modify / amend the same as required;
- b) To review and approve annual budgets with respect to CSR projects;
- c) To develop and institutionalize a CSR reporting mechanism in light with Section 135, Rule 8 of the Act;
- d) To monitor the CSR Policy, Projects and Programs from time to time.

The members of the CSR committee are:

- Tomoya Shirai – Chairman
- Gregory Robert Marcel Perrin-Paulus – Member
- Nobuhiro Ito – Member
- Masayuki Matsui – Member
- Naoya Nishimura - Member

#### **5. CSR EXPENDITURE**

Musashi shall spend in every financial year, at least two per cent of its average net profits made during three immediately preceding financial years towards the CSR projects and activities identified under this policy. The net profit and average profits shall be calculated in line with the provisions of section 198 of the Act.

Salaries paid by Musashi to regular CSR employees (if any) or to volunteers in proportion to their time spent on CSR will be factored in the CSR project cost as part of the CSR expenditure.

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In unlikely scenario of Musashi failing to spend the target amount within the specific financial year, the CSR committee shall submit a report in writing to the Board of Directors.

## **6. ANNUAL 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-

- a) list of CSR projects or programmes approved to be undertaken, the manner of execution of such projects;
- b) modalities of utilization of funds and implementation schedules for the projects, monitoring and reporting mechanism for the projects;
- c) details of need and impact assessment, if any, for the projects undertaken by the Musashi;
- d) 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;

## **7. IMPACT ASSESSMENT**

- a) Musashi having average CSR obligation of ten crore rupees or more shall undertake impact assessment through an independent agency of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- b) Also, the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- c) Further, Musashi undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

## **8. IMPLEMENTATION AND REPORTING**

Musashi may conduct / implement CSR programs by itself and/or through registered trusts, societies and / or section 8 (previously section 25) companies with an established track record of at least three years in carrying on activities in the related area/s or as suggested by Ministry of Corporate Affairs vide circulars/notifications.

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Musashi may collaborate or pool resources with other companies to undertake CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending.

The progress on CSR programs undertaken by Musashi will be reported in the Annual Report in the format prescribed by the CSR Rules, 2014

## **9. DUTIES OF EXECUTING DEPARTMENT**

Duties of concerned department, undertaking to monitor and execute CSR projects should be defined in terms of updating finance department on the progress of the projects from time to time.

Finance concerned person should be the part of all discussions right from selection of project, finalization of vendor, deployment of funds in projects and progress of project.

Such report should be placed before the Board as the onus of monitoring the implementation of CSR projects has been put on Board's shoulders.

## **10. CFO/FINANCE MANAGER CERTIFICATION TO BOARD**

The Board of Musashi shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it, and the Chief Financial Officer or the person responsible for financial management shall certify to the effect to the Board.

## **11. AMENDMENTS TO THE CSR POLICY**

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the policy shall be approved by the Board of Directors.

\*\*\*\*\* End \*\*\*\*\*

REVISION HISTORY						
Established / Revised	Ver.	Description	Approved		Checked	Prepared
26-03-2015	0	Established		Yoshiaki Hagimoto	Arun Mehra	Sandeep Sharma
22-08-2017	1	Revised to align with CSR related policy design and Schedule VII related compliances	Masaru Maeda	Yoshiaki Hagimoto	Arun Mehra	Sandeep Sharma
17-12-2021	2	Revised to align with updated statutory laws related to CSR	Hideaki Asakura	Arvinder Singh Gill	Sandeep Garg	Pooja Sharma
30-06-2022	3	Revision pursuant to change in constitution of CSR Committee	Shigemitsu Sakai	Arvinder Singh Gill	Sandeep Garg	Pooja Sharma
23-09-2022	4	Revision pursuant to change in constitution of CSR Committee	Shigemitsu Sakai	Arvinder Singh Gill	Raj Kumar	Pooja Sharma
12.05.2023	5	Revision pursuant to change in constitution of CSR Committee	Tomoya Shirai	Shigemitsu Sakai	Raj Kumar	Pooja Sharma
18.03.2024	6	Revision pursuant to change in constitution of CSR Committee	Tomoya Shirai <i>T. Shirai</i>	Gregory Robert Marcel Perrin-Paulus <i>GP</i> April 15, 2024	Raj Kumar <i>Rite</i> 2/04/24	Pooja Sharma <i>Pooja</i> April 2, 2024