

CORPORATE SOCIAL RESPONSIBILITY POLICY

This policy is formulated and recommended by the Corporate Social Responsibility ("CSR") Committee of MTU India Private Limited in compliance with Section 135 (3) (a) of the Companies Act, 2013, read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") notified by the Ministry of Corporate Affairs, Government of India and The Board of Directors ("Board") of MTU India Private Limited ("Company") has adopted the following policy and procedures with regard to implementation of CSR. The Board may review and amend this policy from time to time subject to the recommendations of CSR Committee.

Policy Philosophy

We, MTU India Private Limited ("Company") have always adhered to our group guiding principles in order to achieve our corporate vision of "We are the preferred partner for sustainable solutions in power, propulsion and services. The 2 guiding principles in the context of new requirement of Corporate Social Responsibility are:

1. We take corporate social responsibilities seriously and continuously improve our environmental performance.
2. We are guided by our corporate values and comply with our Code of Conduct and the legislations applicable to us.

We, therefore, are committed to being a good corporate citizen as we believe it helps us achieve our goals and build a sustainable business for our current and future stakeholders. It is therefore a conscious strategy to design and implement social investments / CSR programs to create shared values.

Objective

In line with our beliefs, our objective is to actively contribute towards improving ecological environment for those around us which in turn will create a better livelihood as well as a better society in which we operate so as to promote economic, social and environmental sustainability, promote education and provide a better and sustainable way of life. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and working for a cause of humanity.

Areas not qualified as CSR activities

The following activities shall not be considered as CSR activities:

1. The CSR projects or programmes or activities that benefit only the employees of the company or their families.
2. One- off events such as Marathons / awards/ charitable contribution/ advertisement/ Sponsorship of TV programmes etc.
3. Expenses incurred by companies for fulfillment of any other Act/ Statute of regulations (Such as Labour laws, Land Acquisition Act, 2013, Apprentice Act, 1961 etc.)
4. Contribution of any amount directly or indirectly to any political party.
5. Activities undertaken by the company in pursuance of its normal course of business.
6. The projects or programmes or activities undertaken outside India.

Budget

As per CSR Rules, the Company shall endeavor to incur 2% of the average net profits of the Company made during the three immediately preceding financial years for CSR activities.

The corpus would include 2% of the average net profits, any income arising out of such net profits and surplus arising out of CSR activities.

Implementation

All CSR activities will be implemented by following certain rules and procedures to guarantee that the program reaches its intended target and creates tangible impact. The following procedure, among others, shall be followed while executing CSR activities:

- Identification of priority areas
- Project preparation/ project examination
- Stakeholder identification
- Project implementation

Record of Projects and Programs undertaken

A proper and upto date record of all CSR activities be kept with details of CSR Activities, amount spent and date of implementation.

Monitoring and Reporting Mechanism

- Monitoring and evaluation is an essential part of any CSR initiative, which help businesses in enhancing their CSR programs.
- Compliance with this policy will be continuously monitored and subject to review by the CSR Committee of the company.
- Compliance will be reported to stakeholders through the Company's Annual Report.
- CSR Committee shall ensure that CSR activities are undertaken within India
- It would be responsibility of the CSR Committee to ensure the implementation of this policy.
- This policy should be reviewed annually by the Board, and updated whenever required, ensuring that it reflects the current interests of the stakeholders.
- CSR Committee would be responsible for ensuring that the principles set out in this policy are communicated, understood and observed to ensure compliances in letter and spirit.

Disclosure

The contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website.

Partnerships

Collaborative partnerships may be formed with NGO's and other like-minded stakeholders including other companies, registered trusts and societies as permissible under CSR Rules. This will help widen the Company's reach and leverage upon the collective expertise wisdom and experience that these partnerships bring along.

The Company will engage with well-established and recognized projects and programs under the CSR initiative.

Management Commitment

Our Board of Directors, our Management and all our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Board of Directors shall ensure that the surplus arising out of any CSR activity is not a part of business profits of the Company.

Our CSR policy conforms to the CSR provisions notified by the Ministry of Corporate Affairs, Government of India.



Praveen Mohan
Director & C.E.O.

Date: 2nd February 2016

Notes on amendments		
Type of change	Compiled by/ Date	Change approved:
Original Policy	5-March-2015	CSR Committee 5-Mar-15
Areas covered aligned with Government Notification Areas not covered added as a separate para	18-Jan-2016	CSR Committee 18-Jan-16