AUTORIDERS INTERNATIONAL LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY ('CSR POLICY' OR 'POLICY')

1. OBJECTIVE

Autoriders International Limited ("Company") recognises its responsibility towards society and the environment and is committed to conducting its business in a socially responsible, ethical and sustainable manner. The Company has formulated this Corporate Social Responsibility Policy ("Policy") in accordance with the provisions of Section 135 of the Companies Act, 2013 ("Act"), Schedule VII to the Act, the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("CSR Rules"), and other applicable provisions of law. This Policy sets out the principles, objectives and framework for identifying, undertaking, implementing, monitoring and reporting the Corporate Social Responsibility ("CSR") activities of the Company. The Policy shall apply to all CSR projects, programmes and activities undertaken by the Company in India in accordance with the Act, Schedule VII and the CSR Rules.

2. CSR VISION

The Company's CSR philosophy is 'Do Good to Do Well and Do Well to Do Good'. The Company's vision is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioural practices which will contribute to the economic and sustainable development within the Company, industry, and society at large.

3. SCOPE

This Policy shall apply to all CSR projects, programmes and activities undertaken by the Company in India in accordance with Section 135 of the Act, Schedule VII to the Act and the CSR Rules, as amended from time to time. The CSR activities undertaken by the Company shall be projects or programmes undertaken in a project or programme mode and shall be within the areas or subjects specified in Schedule VII to the Act. The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities, to the extent practicable and in accordance with the Act.

4. DEFINITIONS:

a. **Corporate Social Responsibility (CSR)** means the activities undertaken by the Company pursuant to its statutory obligation under Section 135 of the Act, in accordance with the provisions of the Act, Schedule VII and the CSR Rules.

b. **CSR Committee** means the Corporate Social Responsibility Committee of the Board constituted under Section 135 of the Act.

c. **CSR Policy** means a statement containing the approach and direction given by the Board, taking into account the recommendations of the CSR Committee, regarding the activities to be undertaken by the Company in areas or subjects specified in Schedule VII to the Act and the expenditure thereon.

d. **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
   (i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
   (ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

e. **Ongoing Project** shall have the meaning assigned to it under the CSR Rules and shall mean a multi-year project undertaken by the Company in fulfilment of its CSR obligation, having timelines not exceeding the period prescribed under the applicable provisions of the CSR Rules.

f. **CSR Expenditure** means expenditure incurred by the Company on CSR activities in accordance with Section 135 of the Act, Schedule VII and the CSR Rules.

5. CONSTITUTION AND ROLE OF THE CSR COMMITTEE

Where constitution of a CSR Committee is applicable to the Company under Section 135 of the Act, the CSR Committee shall be constituted and comprise such number of Directors, including Independent Director(s), as may be prescribed under the Act and the Rules made thereunder. Provided that amount required to be spent by the Company under Section 135(5) of the Act does not exceed ₹50 lakh, the requirement for constitution of the CSR Committee shall not be applicable and the functions of the CSR Committee shall be discharged by the Board of Directors in accordance with Section 135(9) of the Act.

The CSR Committee shall

a. formulate and recommend to the Board of the Directors (“Board”), the CSR Policy indicating the activities to be undertaken by the Company in areas or subjects specified in Schedule VII to the Act;

b. formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy, in accordance with the applicable provisions of the CSR Rules;
c. recommend the amount of CSR expenditure to be incurred on the activities undertaken pursuant to the CSR Policy;
d. identify and recommend to the Board CSR projects, programmes and activities falling within the scope of Schedule VII to the Act;
e. institute a transparent monitoring mechanism for implementation of the CSR projects, programmes and activities undertaken by the Company;
f. monitor the CSR Policy of the Company from time to time and the implementation of the Annual Action Plan;
g. recommend to the Board any alteration in the Annual Action Plan during the financial year, based on reasonable justification;
h. undertake such other functions and responsibilities as may be prescribed under the Act, CSR Rules or assigned by the Board from time to time.

6. ROLE OF THE BOARD

The Board of Directors of the Company ("Board") shall have overall responsibility for ensuring compliance with the CSR provisions applicable to the Company.

The Board shall:

a. after taking into account the recommendations of the CSR Committee, approve the CSR Policy of the Company;
b. ensure that the CSR activities included in the CSR Policy are undertaken by the Company;
c. approve the Annual Action Plan and any alteration thereto, as recommended by the CSR Committee;
d. ensure that the CSR activities are undertaken either by the Company itself or through eligible implementing agencies in accordance with Rule 4 of the CSR Rules;
e. ensure that, where CSR activities are undertaken through an implementing agency, such agency satisfies the eligibility, registration and other requirements prescribed under the CSR Rules, including registration with the Central Government by filing Form CSR-1, wherever applicable.
f. ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR Policy;
g. give preference to the local area and areas around the Company where it operates while spending the amount earmarked for CSR activities, to the extent practicable;
h. satisfy itself that the funds disbursed for CSR activities have been utilised for the purposes and in the manner approved by the Board;

i. monitor the implementation of ongoing CSR projects with reference to the approved timelines and year-wise allocation and make modifications, where necessary, for smooth implementation within the overall permissible period;
j. disclose the contents of the CSR Policy and such other CSR-related information as may be prescribed in the Board's Report and on the website of the Company; and
k. specify the reasons for any unspent CSR amount in the Board's Report and undertake the necessary transfer of such unspent amount in accordance with Section 135 of the Act and the CSR Rules.

7. CSR ACTIVITIES FOR IMPLEMENTATION:

The Company shall undertake CSR activities in areas or subjects specified in Schedule VII to the Act, as amended from time to time.

The Company may, inter alia, undertake activities relating to:

a. **Promotion of Education:** Promotion of education, including special education and employment-enhancing vocational skills, especially among children, women, the elderly and the differently abled, and livelihood enhancement projects.

b. **Other Schedule VII Activities** The Company may also undertake such other CSR activities falling within the areas or subjects specified in Schedule VII to the Act, as may be approved by the Board on the recommendation of the CSR Committee.

The CSR activities shall be undertaken in accordance with the applicable provisions of the Act and the CSR Rules.

8. CSR MONITORING AND REPORTING FRAMEWORK

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy and the Annual Action Plan through periodic review of CSR projects, programmes and activities and their utilisation of funds.

The persons responsible for implementation of CSR activities shall provide periodic reports to the CSR Committee on the progress and utilisation of CSR funds.

9. CSR EXPENDITURE

The Company shall incur CSR expenditure in accordance with Section 135 of the Act, Schedule VII and the CSR Rules.

Any unspent CSR amount shall be dealt with in accordance with Section 135 of the Act and the CSR Rules, as applicable.

Any excess CSR expenditure may be set off against the CSR obligation of the immediately succeeding three financial years, subject to the conditions prescribed under the CSR Rules and approval of the Board.

Any surplus arising out of CSR activities shall not form part of the business profits of the Company and shall be dealt with in accordance with the CSR Rules.

The Company shall ensure that administrative overheads relating to CSR do not exceed the limit prescribed under the CSR Rules.

10. DISCLOSURE OF THE POLICY

The Company shall disclose the CSR Policy, composition of the CSR Committee and CSR projects approved by the Board on its website, if any, in the manner prescribed under the Act and the CSR Rules. The prescribed CSR disclosures shall also be included in the Board's Report.

11. CSR REPORTING

The Board's Report of the Company shall include the Annual Report on CSR in the prescribed format and containing the particulars prescribed under the CSR Rules.

12. FREQUENCY OF MEETINGS

The CSR Committee shall meet as often as may be necessary for effective discharge of its functions and responsibilities, subject to applicable provisions of the Act, the Rules, SS-1 and other applicable laws.

13. QUORUM

The quorum for a meeting of the CSR Committee shall be two (2) members, as stipulated by the Board, unless otherwise prescribed under the Act, the CSR Rules, Secretarial Standards, Articles of Association of the Company or any other applicable law.

14. CHAIRMAN

In the absence of the Chairman, the members of the CSR Committee present at the meeting shall choose one amongst them to act as Chairman.

15. SECRETARY

The Company Secretary of the Company shall act as Secretary of the CSR Committee.

16. MINUTES OF THE COMMITTEE MEETING

The proceedings of all meetings of the CSR Committee shall be recorded in the Minutes Book maintained for the purpose and shall be signed by the Chairman of the meeting or the Chairman of the Committee, as applicable, in accordance with SS-1. The Minutes shall be placed before the Board at its subsequent meeting

17. MISCELLANEOUS:

The CSR Policy shall be reviewed and amended by the Board from time to time based on the recommendation of the CSR Committee or otherwise, as may be considered necessary, to ensure compliance with amendments to the Act, Schedule VII, CSR Rules, Secretarial Standards and other applicable laws.

In case of any conflict between this Policy and the provisions of applicable law, the provisions of such law shall prevail.

****

Autoriders international Ltd Head Office: 4A, Vikas Centre, 104, S. V. Road, Santacruz (West), Mumbai - 400 054. India.
*Tel. 022-4270 5271 /4270 5272 * Email: ho@autoriders.in * Website: www.autoriders.in
CIN: L70120MH1985PLC037017