

LIVGUARD BATTERIES PRIVATE LTD

CORPORATE SOCIAL RESPONSIBILITY POLICY

**CSR Policy under the Companies Act, 2013 (18 of 2013) and Companies
(Corporate Social Responsibility Policy) Rules, 2014**

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. CSR Philosophy

Livguard Batteries Pvt. Ltd. (Livguard) upholds its national, social and environmental responsibilities at the highest standards. These standards are a core part of our business values and operations as we passionately innovate products & solutions that will help us meet and surpass the expectations of our stakeholders, making Livguard an agent of change and pride in their lives.

Corporate Social Responsibility (CSR) at Livguard underscores this commitment to our stakeholders - in the communities around our plants & offices, and includes in its wider scope to those employed by its contractors and suppliers, ensuring that they benefit from the company's presence in their neighbourhood.

Livguard corporate social responsibility is rooted in the company's core values of innovation and passion, driven to work as a team with many partners, to establish excellent services and products that will transform the lives of people in our communities for better, forever.

2. CSR Vision

The CSR philosophy outlined above, defines the strategic approach and choices that Livguard is making to achieve its CSR vision. We identify four key areas where Livguard will strengthen its CSR efforts. These identified areas will be aligned across all its target locations as well as other needy areas to ensure common focus and synergy in efforts;

1. **Education:** To enhance and create opportunities for access to good quality education, from primary education to higher technical education, leading to improved employment and all round development.
2. **Health:** To ensure available, accessible and affordable good quality healthcare services in the local communities leading to improved good health and wellbeing.
3. **Livelihood:** To create trained and skilled workforce through vocational & livelihoods linked trainings ensuring their participation in work.
4. **Environment:** To increase environmental resilience by providing communities with solutions and products to use alternate environment friendly technologies.

The company may also consider undertaking or supporting CSR initiatives beyond its geography in alignment to the four identified areas on matters of national importance based on community need and exigencies including natural disasters etc. We will involve the feedback and opinions of all stakeholders in assessing such emergent calamities, before investing in it.

We recognise that as a part of our commitment to CSR, we might be presented with some compelling opportunities not necessarily outlined in the selected areas that require our support.

As a part of our CSR policy we will remain flexible to fund these activities, not exceeding 20% of our overall planned CSR spend for the financial year under review.

CSR activities shall be primarily implemented at geographic areas adjoining our manufacturing units. Presently these are located at Gagret- Himachal Pradesh and Baddi- Himachal Pradesh.

3. CSR Project, Programs & Activities

Table 1: The CSR programmes along with implementation modalities

Thematic area	Ref to: Schedule VII Section 135 (Notification 27 th Feb 14)	Projects/ Programs to be undertaken	Modalities of execution	Implementation schedule	Allocated budget
Health	(i) Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water				
Education	(ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects				
Environment	(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintain quality of soil, air and water				

Rural development projects	(x) Impactful rural development programs/ projects				
Total					

4. SURPLUS OF CSR

Each year we are committed to spend 2% of our average net profit calculated over the preceding three financial years.

Any un-utilised surplus from the annual CSR budget shall not form a part of the business profit of the company for that year and will be ploughed back into CSR programmes and activities.

Any under-spent amounts based on the allocations in Table 1 above, will be ring-fenced for the identified projects as determined in Table 1 and additional projects shortlisted over three years.

CSR budgets will be planned on a 3 to 5 years ongoing basis. CSR budget outlays will complement the 3 to 5 years plans. However, the CSR expenditure reporting shall be done annually.

5. CSR IMPLEMENTATION-

Livguard will undertake its CSR activities at locations as per plans specified above through registered Trusts, Societies or Section 8 Companies that meet the mandatory requirements by law. The CSR Committee will identify these agencies.

6. MONITORING, REVIEW & EVALUATION

There are four (4) levels of Monitoring and Reviews undertaken for CSR Initiatives

Level 1: Local reviews – done *monthly* by the implementing partners against action plans; reported *quarterly* by the implementing partners to Livguard against project outputs; Reviewed by Livguard CSR team/ designated staff *quarterly*.

Level 2: Livguard CSR team/designated staff reviews progress and reports *quarterly* to CSR Committee; CSR Committee reviews progress and reports *six monthly* update to Board against progress on project outputs and support required.

Level 3: *Annual* Review against project indicators and utilisation by implementing partner; *Annual* review by CSR team/designated staff of progress against project indicators; CSR team/designated staff report to CSR Committee against overall annual CSR project indicators;

CSR Committee reports to Board *annually* against CSR Policy. Board reviews progress annually and presents annual company CSR report.

Level 4: CSR Committee reviews CSR Policy *annually* and presents revised policy framework to Board for approval. Board approves CSR policy and annual CSR outlay.

Besides monitoring and review, the basis for engaging with community will be undertaken through socio-economic baselines studies to assess the community needs and priorities and align the CSR programmes to meet the objectives at all new locations, prior to developing and implementing programs within a defined geography.

Livguard will employ one or more staff teams to operationalise the CSR Policy and follow the implementation modalities as specified. Any training costs for this staff team and overall Livguard employees in matters of engaging with the company CSR policy and developing their capacities to undertake CSR initiatives on behalf of the company will be met within the mandated 5% of overall CSR annual budget.

7. Monitoring Framework

Key Outcome Indicators to evaluate on a quarterly, six monthly and annual basis.

Project	Key Activities	Outputs	Outcome Indicators
Health	1) Health Check Up Camps 2) Health Awareness Camps 3) Mobile Medical Unit 4) Anganwadi /nutrition 5) Village Health Centres	Nos of camps Nos of awareness camp Nos of monthly mobile van visits No of health centres established Nos of patients reached through each camps Nos of treatments Nos of referrals Nos of patients left without health care	% of patients access to specialist health care % reduction in serious ailments % of increase in demand for good govt health facilities % of reduced common ailments due to increase in positive health and hygiene behaviour % of reduced absenteeism at anganwadi due to better child health
Education	1) Student scholarships 2) Students sports/ learning events 3) vocational training courses 4) School Infrastructures and Class room development	Nos of scholarships Nos of extracurricular activities/student participants Nos of students/voc courses No of schools have minimum level of infrastructures No of Schools have teaching and learning materials (TLM)	% of reduced drop out of poor students from education % of poor bright students' academic excellence Qualitative improvement in students all round development % of increase in workforce participation % of improvement in remuneration leading to increased choices

Environment resilience	<p>1) Alternate and renewable power solutions to poor families</p> <p>2) Safe drinking water to school students</p> <p>3) No of villages covered under afforestation drive</p> <p>4) No of villages possess waste disposal systems and equipment's</p>	<p>Nos of people trained to use alternate power products</p> <p>Nos of households having access to alternate/renewable power products</p> <p>Nos of children drinking safe & clean water at school everyday</p> <p>Nos of children falling sick & missing school due to unsafe drinking water</p>	<p>%f reduction on dependence on traditional fuel</p> <p>% increase in clean energy</p> <p>% increase in productive hours due to alternate energy products</p> <p>% reduction of diahoerrea and other waterborne infections in children</p>
Rural Development	<p>Popular community events involving government officials, local leaders, business houses</p> <p>Model Villages Development Plans</p>	<p>Nos of people participated</p> <p>Nos increase in the govt spend in community services and public entitlements</p> <p>Nos increase in local business investments in community</p> <p>No of Villages prepared Village Micro Plans</p>	<p>Increase in govt-public interface and accountability</p> <p>Increase in public grievance redressal systems</p> <p>Increase in local PPP initiatives</p> <p>% Households exposed to new and improved livelihood means</p>

8. Reporting framework

1.	2.	3.	4.	5.	6.	7.	8.
Sl No	CSR Project / Activity	Sector	Project/Programme 1. Local Area/others 2.State/ District	Amount Outlay (budget) programme wise	Amount spent by project/programme: 1.Direct 2.Overheads	Cumulative spend upto reporting period	Amount spent direct / through implementing agency*
1							
2							
3							
4							

*Give details of implementing agency/ies

9. Livguard Batteries Pvt. Ltd. CSR Committee Composition

A committee of Board of Directors has been formed of four, in pursuance of Rule 5 (1) (i) of Section 135 of The Companies Act.

10. Amendment

Amendment can be made in the CSR Policy as per the provisions of section 135 of Companies Act 2013 Govt. of India with approval of the CSR Committee as per requirement.