



## **LIVGUARD BATTERIES PRIVATE LIMITED**

# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

**CSR Policy under the Companies Act, 2013 (18 of 2013) and  
Companies (CSR Policy) Amendment Rules, 2021**

Policy on Corporate Social Responsibility, Effective Date: 01 April 2021

This Policy has been approved by the Board of Directors of the Company at their meeting held on 24th November, 2021.

## **1. CSR PHILOSOPHY**

Livguard Batteries Pvt. Ltd. (Livguard Batteries) 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 Batteries an agent of change and pride in their lives.

Corporate Social Responsibility (CSR) at Livguard Batteries 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 Batteries 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 Batteries is making to achieve its CSR vision. We identify four key areas where Livguard Batteries 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. 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 COMMITTEE**

The Members of the CSR Committee are:

<b>S.No.</b>	<b>Name of Members</b>	<b>Designation</b>
1.	Navneet Kapoor	Director & Chairman
2.	Gurpreet Singh Bhatia	Director
3.	Paresh Chandra Pradhan	Director
4.	Raghav Ramdev	Director

The function and responsibility of the CSR Committee shall be to provide recommendations to the Board with respect to CSR Projects that may be undertaken by the Company in accordance with the CSR Policy as well as the Companies Act, 2013 and the CSR Rules as amended from time to time.

The CSR Committee shall undertake the following functions:

- i) Formulate and recommend CSR projects to the board of directors;
- ii) Recommend amount of expenditure;
- iii) Monitor CSR policy of the company; and
- iv) Formulate annual action plan in pursuance of the CSR policy in accordance with the applicable law, and inclusive of the following items:
  - a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) The manner of execution of such projects or programmes;
  - c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) Monitoring and reporting mechanism for the projects or programmes; and
  - e) Details of need and impact assessment, if any, for the projects undertaken by the company.
- v) The CSR Committee shall consist of at least two directors of the Company. The number of members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

- vi) The CSR Committee shall hold meetings which shall be attended by minimum of two members of the Committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.
- vii) All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee for their inputs and the final decision/determination/ interpretation shall rest with the Board.
- viii) No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

#### **4. CSR EXPENDITURE**

We pledge to contribute at least 2% (two percent) of average Net Profits of the Company made during the 3 (three) immediately preceding financial years in accordance with the Act and the Rules and the CSR Policy.

The CSR Committee shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.

The Board shall be responsible for sanctioning the CSR Expenditure and along with the CSR Committee responsible for taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group for application towards the CSR Activities.

Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy and the annual action plan for the financial year in which such surplus has arisen.

In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws and shall not include the following:

- i. activities undertaken in pursuance of normal course of business of the company any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- ii. contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- iii. activities benefitting employees of the company as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019);

- iv. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services; and
- v. activities carried out for fulfilment of any other statutory obligations under any law in force in India.

The Board shall ensure that the administrative overheads shall not exceed 5% (five percent) of total CSR expenditure of the Company for the financial year.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

- a) A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
- b) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c) A public authority

Provided that any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, (i.e. 22nd January 2021) shall within a period of one hundred and eighty days from such commencement comply with this requirement, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

In case the company is unable to spend the earmarked amount for CSR activities during a particular financial year, specify reasons for non-spending in its Director Report and transfer the unspent amount in following manner:-

- In case of on-going projects, to transfer such unspent amount, within a period of 30 days from the end of financial year, to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the unspent CSR account;
- In case there is no on-going project, it has to transfer such unspent amount, within 6 months of the expiry of the financial year, to any of the funds mentioned in Schedule VII to the Act.

In case there is excess amount spent towards CSR beyond the statutory obligation during any financial year by the Company, the set-off can be claimed up to immediately succeeding 3 (three) financial years, provided that:

- a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.

b) the Board of the company shall pass a resolution to that effect.

## **5. CSR IMPLEMENTATION**

Livguard Batteries will undertake its CSR activities at locations as per Annual action plan recommended by the CSR Committee and approved by the Board through itself or Implementing agencies or registered Trusts, or 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 on monthly basis either by Livguard Batteries CSR team/ designated staff or implementing partners against Annual action plans, as the case may be.

**Level 2:** Livguard Batteries 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 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 Batteries 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 Batteries 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.

<b>Project</b>	<b>Key Activities</b>	<b>Outputs</b>	<b>Outcome Indicators</b>
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	1)Alternate and renewable power solutions to poor families 2)Safe drinking water to school students 3) No of villages covered under afforestation drive 4) No of villages possess waste disposal systems and equipment's	Nos of people trained to use alternate power products Nos of households having access to alternate/renewable power products Nos of children drinking safe & clean water at school everyday Nos of children falling sick &missing school due to unsafe drinking water	%f reduction on dependence on traditional fuel % increase in clean energy % increase in productive hours due to alternate energy products % reduction of diahoerrea and other waterborne infections in children

Rural Development	Popular community events involving government officials, local leaders, business houses Model Villages Development Plans	Nos of people participated Nos increase in the govt spend in community services and public entitlements Nos increase in local business investments in community No of Villages prepared Village Micro Plans	Increase in govt-public interface and accountability Increase in public grievance redressal systems Increase in local PPP initiatives % Households exposed to new and improved livelihood means
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## **8. REPORTING FRAMEWORK**

Refer to the Annexure – 1 for reporting formats.

## **9. AMENDMENT**

The Board of the Company may, on the recommendation of CSR committee and subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.



