

CSR Policy of Tata Autocomp GY Batteries Private Limited ('TGY' / 'the Company')

TGY Core Values

To improve the quality of life of the communities we serve through long-term stakeholder value creation.

Philosophy of CSR

TGY shall make a positive impact on the Society & Community through CSR activities that shall develop/improve their economic status and conserve the environment.

Purpose of CSR Activities

- 1) To serve the society to fulfill local and national goals in all the countries where we operate.
- 2) To provide opportunities to TGY employees to contribute to these efforts through volunteering

Resources for CSR

We propose to deploy the following resources for our CSR activities

Funds: At the minimum, as required by law (i.e. 2% of average net profits of the past 3 years as per Indian Companies Act 2013 [the Act] for companies operating in India). Surplus, if any, arising out of CSR activities shall be ploughed back into CSR and shall not be a part of business profits.

Expertize of our BU CSR committee through structured volunteering program of our Company: Expertize of Internal skill development Centers.

Facilities: At our factories to build skills in areas relevant to our business.

Resources from our business partners: Synergize our efforts with that of JV partners, customers and suppliers.

Resources from other companies: Look for opportunities of Synergies with like-minded organizations.

The spend on CSR will need resourcing directly by the company by setting up an exclusive CSR department or a Trust of its own or by collaborating with other NGOs. It is clarified that CSR Regulations allow donations to other tax exempted NGOs provided the funds are earmarked as a part of the corpus of that NGO and are used for the specified purposes stated by us. This route will also be taken wherever required.

The CSR spend will include both revenue and capital expenditure and the expenditure incurred on capacity creation is counted towards CSR.

Sectors and issues

A) Skills

The company will through its skill development centers set up in the business units and the ITI's adopted by the company to build skill in youth. This would be through vocational training and guidance that will ultimately lead to their livelihood.

In addition, employees' families who can teach women in rural places about dress designing, cooking etc. will also run community development initiatives.

B) Early childhood Education/orphanages/physically challenged

The company encourages volunteering by employees to support early education and health of children living in orphanages. The support would be provided for their education, ration, medical treatment, books etc.

C) Environment Conservation

The company will focus on various activities which conserves the environment e.g. Tree plantation, focus on 3R (Reduce, Reuse, Recycle) etc.

D) Other Initiative

In addition, the company would support during natural disasters, calamities and in other TATA group initiative. However for disaster & calamity, the spend should be on account of medical aid (promoting & preventive health care), food supply (eradicating hunger, poverty and malnutrition) & supply of clean water (sanitation and making available safe drinking water).

N.B. The Company will identify specific projects and programs under the above sectors chosen for the CSR spend. It is important to note that activities such as marathon, awards etc. are not recognized as CSR. Also the programs undertaken by the Company should not be a part of company's normal business activities.

Geographies and target communities

The geographical focus of the company's CSR activities will be where we have a significant presence. Currently, it is the state of Maharashtra in India. In this geography, we would concentrate our efforts on villages and habitations within 100 km radius of our plants and offices.

While we will ensure that all communities benefit from our CSR activities, we would focus on those groups that are socially and economically marginalized. This would include physically challenged, girl children, scheduled casts and tribes.

Implementation Mechanism

We will implement our CSR through in house teams and by involving families of employees. We will also take help of TATA trusts as per TATA group directions.

Monitoring Mechanism

Each of our CSR projects and programs would have clearly defined output, outcome and process indicators that will have to be reported at specified frequencies. The board appointed CSR committee and the BU CSR committees would monitor all projects and programs. The monitoring process will cover any modifications to the policy, including the CSR structure, program and financial reviews. The CSR Committee will report to the Board.

All projects and programs above a value of Rs. 10 Lac will also be subject to an annual financial audit by a third-party auditor as part of a regular financial audit.

Composition of CSR Committee

As per the Act, a board committee is constituted. The board committee will provide guiding directions to the company on matters of CSR and will regularly monitor progress.

Names of the Board Committee members:

1. Mr. Goro Iwami (Chairman of the Committee)
2. Mr. Sureshnarayanan Sundaresan
3. Mr. Masaki Yoshioka
4. Mr. Ravi Chidambar

The Committee shall approve all CSR projects/programs involving a spend of greater than Rs. 10 lacs in a year. It shall also approve the NGOs with whom the Company will collaborate or contribute for CSR programs. The Committee will also prepare the draft CSR report at the end of the year for approval by the Board for reporting to the shareholders. The Committee should meet on a quarterly basis.

For implementation of the overall directions set by the Board Committee the Company will form a BU CSR Committee which will have employees from all sections. The CSR Committee will do the implementation and report to the Board Committee on:

- a) The Company' CSR performance.
- b) Updates on new projects from time to time.

Listing of CSR Program

| <u>Sr. No.</u> | <u>CSR Project or activity identified</u> | <u>Sector in which the project is covered</u> | <u>Projects or Programs</u> 1) <u>Local area or other</u> 2) <u>Specify the State and District where projects or programs was undertaken</u> | <u>Amount outlay (budget) project or programs wise</u> | <u>Amount spent on the projects or programs</u> <u>Sub heads:</u> 1. <u>Direct expenditure on projects or programs</u> 2. <u>Overheads</u> | <u>Cumulative expenditure up to the reporting period</u> | <u>Amount spent Direct or through implementing agency</u> |
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**For & On Behalf of the Board of Directors
Tata Autocomp GY Batteries Private Limited**

Date:
Place:

Director

Director