

Eicher Motors Limited

Corporate Social Responsibility Policy

I. Objectives of the Policy

We at Eicher Motors Limited (hereinafter referred to as “EML” or the “Company”) aim to create economic value and to actively contribute toward the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance.

II. Applicability

1. EML Corporate Social Responsibility (“CSR”) policy has been developed pursuant to Section 135 of the Companies Act 2013 and relevant rules prescribed therein (“Act”).
2. The Policy lays down the criteria for identifying programmes eligible for financial assistance and for determining the quantum of assistance in relation with such programmes.
3. Any surplus arising out of CSR programmes shall not form part of business profits of the Company.

III. Eligible Programmes and CSR Budget

1. Only those programmes that are eligible in accordance with the Act and are consistent with the CSR themes identified by the CSR Committee shall be eligible for grants.
2. CSR Committee will recommend the programme wise expenditure to the Board for its consideration and approval as per the provisions of the Companies Act, 2013.

IV. Implementation

The Company’s CSR programmes will be identified and implemented according to this policy. The Company will ensure every programme has:

- a. Clearly defined objectives consistent with this policy
- b. A system for monitoring actual spending by the grantees
- c. Impact assessment
- d. A reporting framework and system in alignment with the Act

The company will implement its CSR programs on its own or through eligible third parties including Goodearth Education Foundation and Shroff Eye Hospitals. EML may also collaborate with such parties for undertaking programs in such manner as the CSR Committee may deem fit.

V. Evaluation, Monitoring and Reporting Framework

1. Evaluation

Prospective programmes shall be presented to the CSR Committee for evaluation. The proposals shall set out proposed budget, social need for the programme and benefits expected.

2. Monitoring

Programme monitoring mechanism will ensure:

- The CSR policy is implemented as per the Act
- The CSR policy is implemented ensuring that all programmes are duly carried out as budgeted

CSR spends will be closely monitored and funds shall be released against verifiable utilizations as per the approved work plans. This may include field visits, comprehensive documentation, and regular interaction with beneficiary communities.

Salaries paid by the Company to regular CSR staff as well as to volunteers (in proportion to company's time/hours spent specifically on CSR) can be factored into CSR project cost as part of the CSR expenditure.

3. Reporting

The CSR Committee will prepare the annual CSR report and present for approval of the Board. This report will ensure that CSR programmes are being properly documented.

VI. Administration

1. CSR Committee

- a. Composition of the CSR committee: will consist of three or more directors including atleast one Independent Director.
- b. The CSR committee of EML will be responsible for:
 - formulating the CSR policy in compliance to Section 135 of the Companies Act 2013, with such policy to indicate activities to be undertaken as per Schedule VII of the Companies Act 2013
 - recommending to Board the CSR expenditure to be incurred
 - recommending to Board, modifications to the CSR policy as and when required
 - regularly monitoring the implementation of the CSR policy

2. Board

The Board of EML will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee
- Approve the amount to be spent by the Company on its CSR activities
- Disclosure in its Annual Report and ensuring annual reporting of its CSR activities on the Company website

3. Themes for CSR

Following themes shall be given preference while identifying and approving programmes for the purposes of CSR initiatives:

1. Road safety
2. Environmental sustainability

Further, the company may continue to undertake CSR initiatives to support:

3. Children's Education, and
4. Healthcare

The Committee may include any other themes that are within the purview of Section 135 of the Companies Act 2013 and relevant rules prescribed therein.