

CSR Policy of TATA AutoComp Systems Limited

TATA AutoComp - Purpose

To improve the quality of life of the communities we serve through long term stake holder value creation.

Philosophy of CSR

TATA Autocomp System will make a positive impact on the Society & Community thru CSR activities which develops/improves their economic status and conserves the environment.

Objectives of CSR Activities

- 1) To serve and be seen to serve the society to fulfill local and national goals in all the countries where we operate.
- 2) Provide opportunities for employees of Tata AutoComp to contribute to these efforts through volunteering

Surplus, if any, arising out of CSR activities shall be ploughed back into CSR and shall not be a part of business profits.

Resources for CSR

We propose to deploy the following resources for our CSR activities

Funds: At the minimum, what is required by law (i.e. 2% of average net profits of the past 3 years as per India's Companies Act 2013 for companies operating in India)

Expertize: Of our Plant CSR committee through structured volunteering program
Products and Services of our Company: Expertize of Internal skill development Centers.

Facilities: 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 within and outside Tata AutoComp : Look for opportunities of Synergies with like-minded organizations outside Tata AutoComp.

N.B.

A..The 2% mentioned above is to be applied to Tata AutoComp's standalone PBT but will exclude the inter-company dividends.

B. 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 where ever required.

C. 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 (eg . Maninagar and Kadegaon) to build skill in youth's .This would be through vocational training and guidance which will ultimately lead to their livelihood.

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

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 Green Initiative which conserves the environment e.g. Tree plantation, focus on 3R (Reduce, Reuse, Recycle) etc. not only inside the Company but outside within a vicinity.

D) Other Initiative

In addition the company would support during natural disasters, calamities and other TATA group initiative. However for disaster & calamity spend 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 one off activities such as marathon; awards etc. are not recognized as CSR. Also the programs 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, these are the states of Maharashtra, Jharkhand, Gujarat, UP, Uttarakhand, Tamil Nadu and Karnataka in India and Nanjing in China. In these geographies, 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, employee volunteering and by involving families including Ladies Club 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 which will have to be reported on at specified frequencies. All projects and program will be monitored by the board appointed CSR committee and the BU CSR committees. The monitoring process will cover any modifications to the policy, including the CSR structure, program and financial reviews. The CSR Committee will report out to the Board.

All projects and program above a value of Rs. 10 Lac will also be subjected 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. Hari Mundra (Chairman)
2. Mr. Satish Pradhan
3. Mr. Ajay Tandon

The committee should approve all CSR projects/programs greater than 10 lacs in a year. It will also approve the NGOs with whom the company will collaborate or contribute to 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 back to the board committee on:

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

Listing of CSR Program

Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1) Local area or other 2) specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1							
2							
3							
4							
5							
6							