



## **ENDURANCE TECHNOLOGIES LIMITED**

CIN: L34102MH1999PLC123296

# **Corporate Social Responsibility Policy**

### **Background**

Corporate Social Responsibility (“CSR”) is an engagement of business entities to bring about an overall positive impact on the community, environment, people and their health and the society at large where it conducts business.

Endurance Technologies Limited (“Endurance”/ “the Company”) is one of the leading auto component manufacturers. It provides solutions across aluminium die-casting, suspension, braking systems and transmissions product categories. Endurance believes that the true measure of success lies beyond our financial performance and growth. The sustainable change we create in communities for future generations directly reflects on our success. At Endurance we believe and strive towards integrating our business values with economic progress, social responsibility and addressing environment issues with a purpose to enhance quality of life.

This Policy is framed pursuant to the provisions of Section 135 of the Companies Act, 2013 (“Act”) and applicable Rules thereunder.

### **Philosophy**

Our holistic approach of working with communities to address complex issues by driving initiatives across education, health & sanitation, livelihood generation, and environment focus areas enables us to deliver a lasting impact. We are determined to act as catalysts to equip individuals with the right skills, tools, and resources to maximize the overall impact on livelihood and to thrive & create a sustainable change in their communities for future generations.

### **CSR Vision**

Endurance believes in delivering a lasting impact. Our vision is to reduce inequity with every community we transform, every child we inspire, and every individual we empower.

### **Approach and Direction**

The CSR initiatives and activities shall focus on:

1. Community development and Promotion of Health & Education – Developmental approach;
2. Building and supporting talent – Progressive approach;
3. Implementation of pro-environment initiatives - Environmental approach;
4. Preservation of National Heritage, Art & Culture – Cultural approach.

The initiatives and activities undertaken by the Company towards fulfilment of its CSR objectives shall conform to following principles:

1. Focus on initiatives aimed at achieving inclusive growth for creating sustainable value for the community at large.
2. Assess the needs of underprivileged sections in the society and engage with communities to embark on activities that have direct and long-term benefits to the society.
3. Promote self-reliance by imparting skill-building & enhancement trainings and facilitating support for employment generation;
4. Create and replicate sustainable models comprising holistic initiatives / activities for fulfilling basic requirements for self-development and accessible to the target underprivileged sections of the society.

**Policy**

1. Endurance may undertake CSR activities, preferably in and around the areas of its operations.
2. Endurance may undertake its CSR projects, programmes and activities either directly or through external implementing agencies as may be permitted by applicable laws from time to time.
3. The CSR projects, programmes and activities shall relate to following areas:

Sr. no.	Area	Projects / Programme / activities
1.	Eradicating hunger, poverty and malnutrition	Providing/ sponsoring mid-day meals for children in schools and other institutions
		Promoting self-employment through interest free loan
		Spreading awareness on nutrition of children and pregnant women
		Supplying food and essentials in disaster-struck areas
		Building homes and toilets for the poor
2.	Promoting preventive health care and sanitation.	Establishing and maintaining hospitals, dispensaries, nursing homes
		Promoting basic and menstrual hygiene through discussions, health care centres and other sanitation improvement activities including sanitary / maternity napkin project.
		Granting medical assistance to poor and deserving people including health check camps, sponsoring cataract surgery, teaching yoga, and organizing sessions with obstetrician-gynaecologists (ObGyns).
3.	Providing safe drinking water and initiating water conservation projects.	Driving water shed projects including repairing wells, deepening of nallahs and rivers, de-silting ponds.

Sr. no.	Area	Projects / Programme / activities
4.	Promoting education including special education among women, elderly, and the differently abled.	Promoting education through balwadis and night schools. Renovating government aided schools, and providing libraries, necessary infrastructure like furniture, computers for digital literacy, inverters & batteries, building / upgrading toilets. Conducting trainings for teachers. Providing bicycles to students for commuting to & from school.
5.	Employment enhancing vocation skills and livelihood enhancement projects.	Imparting vocational training for livelihood and sustenance.
6.	Promoting gender equality and empowering women	<p>Spreading awareness on girl education and prevention of female infanticide.</p> <hr/> <p>Setting up homes and hostels for women. Providing financial support to women entrepreneurs, enabling women to start business to become financially independent, teaching women to use available resources to make products for their family (soaps, creams, food items).</p>
7.	Care for elderly people and orphans	<p>Setting up old age homes, day care centres and such other facilities for senior citizens.</p> <hr/> <p>Setting up of orphanages and sponsoring education of orphans.</p>
8.	Take measures for reducing inequalities faced by socially and economically backward groups	<p>Providing vocational training at nominal charge.</p> <hr/> <p>Enabling access to, or improving the delivery of, public health systems.</p>
9.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	<p>Facilitating crop based research to assess / analyse cost optimum and agro – ecological sustainable farm practices.</p> <hr/> <p>Conducting product life cycle analysis from the soil conservation point of view.</p> <hr/> <p>Initiating renewable energy projects.          Providing street solar lights.          Providing solar power generation units.          Providing mangers for cattle and shelter for animals.</p>
10.	Protection of national heritage, art and culture	<p>Restoring heritage buildings and sites of historical importance and works of art.</p> <hr/> <p>Promoting and development of traditional art and handicrafts.</p>

Sr. no.	Area	Projects / Programme / activities
11.	Setting up public libraries	Setting up public reading rooms and libraries.
12.	Measures for the benefit of armed forces veterans, war widows and their dependents	Sponsoring education/ scholarships for children of armed forces personnel killed or disabled during wars.
		Providing loans at lower rate of interest to war widows for events such as marriage/ higher education of children/ construction of house/ self-employment.
13.	Promoting sports	Providing infrastructure and facilities to promote rural sports and nationally recognised sports.
		Providing training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
14.	Rural development projects	Providing trainings on new techniques in agriculture.
		Development of villages in terms of infrastructure, better living conditions, health and hygiene of villagers.
		Setting up hydroponics units for producing green fodder for cattle.
15.	Slum area development	Constructing dwelling units.
		Upgrading basic infrastructure of slum areas.
16.	Support in response to calamities / natural disasters	Providing financial assistance to agencies engaged into rehabilitation of people affected by any disaster.
17.	Contributions / Donations	Contributions to funds specified/ prescribed under the Act and Rules thereunder or any other statutes applicable to the Company, eligible as CSR expenditure in terms of Section 135 of the Act.
18.	Other initiatives / activities	Other activities as laid down in Schedule VII of the Act, as amended from time to time.

### CSR Projects

The initiatives / activities undertaken by the Company for every project/ programme in fulfilment of its CSR obligation, may be divided into below categories:

1. One-time activities: shall include support extended for one-time events such as blood donation camps, distribution of nutritional kits in schools, donation to charitable trusts/ temples, etc.
2. Short term projects: that are for a duration of less than one year, excluding the financial year in which the project has been initiated.

3. Long term projects: that are for a duration of one year or more but less than two years excluding the financial year in which the project has commenced.
4. Ongoing projects: means a multi-year project(s) undertaken by the Company having timelines not exceeding three years excluding the financial year in which it was commenced.

## **Implementation Mechanism**

### **1. Identification of CSR initiatives /activities**

The CSR team of the Company shall identify projects to be undertaken based on guiding principles and key focus areas, as laid down in the Policy.

### **2. Engagement model**

The Company shall evaluate and decide the engagement model depending on the nature of the CSR project. Considering the expertise required and resource allocation for identified project, CSR initiatives may either be undertaken:

- i. by the CSR team of the Company; and/ or
- ii. in partnership with any of the implementing agencies or other organisations' having desired capability and experience.

### **3. Approval of action plan by the Board**

An action plan shall be drawn in the format appended as Annexure I for review by the CSR Committee and accordingly shall be recommended to the Board for approval. The CSR Committee shall review the below aspects to finalise action plan for any CSR project:

- i. Confirmation to the 'Approach and Direction' as laid down in the Policy;
- ii. Objective/ purpose is as per the guidelines of this Policy;
- iii. Budget outlay and timeframe;
- iv. Outcome and impact are measurable and plan for impact assessment;
- v. Monitoring mechanism through periodic review of:
  - beneficiary acceptance;
  - actual expenses vis-à-vis budget;
  - resource allocation;
  - deployment of income generated from CSR activity, if any; and
  - assets created/ acquired and its beneficiary.
- vi. Review and suggest course correction/ revision, if necessary.

#### 4. **Monitoring/ Review of the CSR activity as per the approved annual action plan**

The CSR activities undertaken by the Company shall be reviewed as per the annual action plan approved for each activity in the following manner:

- i. CSR team/ function shall review these on a monthly basis and submit a report to the Head – CSR responsible for implementing and monitoring the CSR initiatives / activities of the Company. The progress report shall encompass an update on every project and suggest course correction/ revision, if necessitated.
- ii. The CSR Committee of the Company shall review the progress of every project, CSR expenditure vis-à-vis the budget and proposals, if any, at least on a half-yearly basis.

Report of impact assessment of every project, as may be applicable, shall also be considered while reviewing the progress of CSR projects, as mentioned above.

##### Impact Assessment

The Company shall conduct impact assessment of all its CSR projects in the following manner:

- i. Internal assessment** – CSR team/ function shall use Community Engagement Index and such other tools, as may be necessary, to assess the impact of each CSR project on an annual basis.
- ii. External assessment** – This shall be undertaken, as per the requirement under the Act and Rules thereunder, with reputed academic institutions/industry associations /consultants /market research agencies to assess the overall impact on community.

Further, with respect to CSR projects/ programmes aimed at societal development, the CSR team along with external agency, if any, shall engage with the target beneficiaries to assess community needs and priorities and, if necessary, align the community development programs, to meet its objective.

#### **CSR Governance**

##### Role of CSR Function of the Company

The CSR team of the Company shall comprise officials having appropriate/ adequate domain knowledge and experience. The role of CSR function will include undertaking, coordinating and review of all activities towards fulfilment of CSR obligations of the Company in terms of this Policy and shall include:

1. Identification of activities as per the laid down guidelines.

2. Preparation of action plan for every CSR project, as a whole and annual action plan.
3. Resource allocation.
4. Identify and propose engagement of implementing agencies, where necessary.
5. Monitor and review the CSR activities, as approved by the Board.
6. Recommend course correction in terms of activities or budget, as the need may arise based on periodic review of approved CSR projects.
7. Conduct and facilitate impact assessment of CSR projects, if required.
8. Ensure that all expenditure towards the programs are diligently documented.
9. Ensure that any surplus generated out of the CSR activities shall not form part of the business profit of the Company and shall be dealt with as per the Act and Rules thereunder.

#### Role of CSR Committee

The role of CSR Committee shall, *inter alia*, encompass the following:

1. Conduct meetings, at least every half year, to review the implementation of CSR programmes /activities of the Company.
2. Review proposals for new CSR projects and if deemed fit, recommend to the Board for approval.
3. Review the CSR Policy and recommend revisions, if any, to the Board for approval.
4. Formulate and recommend to the Board, an annual action plan or any revision thereto, in pursuance of its CSR Policy, which shall include the following, namely:
  - 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.

#### Role of Board of Directors

The role of Board of Directors shall, *inter alia*, encompass the following:

1. Review and approve revision to the CSR Policy of the Company based on the recommendation of the CSR Committee.
2. Ensure fulfilment of CSR obligations of the Company as prescribed under Section 135 of the Act and Rules thereunder.

3. Ensure that minimum of 2% of average net profit (before tax) of the last three years is spent on CSR initiatives / activities undertaken by the Company.
4. Review and approve new CSR projects to be undertaken by the Company.
5. Review and approve budget, as may be proposed for CSR projects of the Company and review the CSR expenditure, every half year to ensure that the funds so disbursed have been utilised for the purposes and in the manner as approved by it.
6. Review and approve the annual action plan or any revision thereto, in pursuance of its CSR Policy, as may be recommended by the CSR Committee.
7. Ensure that the CSR activities are undertaken by the Company either itself or through any of the implementing agencies as defined under the Rules of the Act.
8. Monitoring the implementation of Ongoing Projects with reference to the approved timelines and year-wise allocation and make modifications, if any, for smooth implementation of the project within the overall permissible time period.
9. Review and approve the Annual Report on CSR.

**Review and Amendments to the Policy**

The CSR Committee shall review the Policy once in every two years or upon any changes required in the Policy on account of regulatory amendments and if necessitated, recommend changes to the Policy, to the Board.

===== *End of Policy* =====

*Format of Action Plan is attached as 'Annexure I'*





**Annexure I**

**Format of Action plan**

I. Project: (Name of the project – e.g. Village Development Project for .....)

II. Project Category (*please tick the appropriate box*):

One-time activity  Short term project

Long term project  Ongoing project

III. Budget: Rs. \_\_\_\_\_

IV. Details of the Project

<b>Sr. no.</b>	<b>Particulars</b>	<b>Information</b>	<b>Time Duration (est.)</b>	<b>Remarks</b>
1.	Date of commencement			
2.	Target date of completion			
3.	Phase 1 (activity)			
4.	Phase 2 (activity)			
5.	Phase 3 (activity)			
6.	Monitoring			
7.	Impact Assessment**			
8.	Phase 4/ last phase (Handover/ Maintenance)			

\*\* Mandated for companies whose CSR expenditure is Rs. 100 million or more, in the three immediately preceding financial years. Impact assessment shall be undertaken for all the CSR projects having an outlay of Rs. 10 million or more and which have been completed not less than one year before undertaking the impact study