

**Jullundur Motor Agency (Delhi) Limited
("JMADL" / "COMPANY")**



**Policy on
Corporate Social Responsibility**

Corporate Social Responsibility Policy

Preamble

Jullundur Motor Agency (Delhi) Limited, a company formed and registered under the provisions of the Companies Act, 1913 as Private Limited and thereafter, converted into Public Limited company as on 14th day of August, 1975, having its registered office at 458-1/16, Sohna Road, Opposite Gurgaon Courts, Gurgaon – 122001, Haryana, INDIA (hereinafter referred to as “**JMA**” / “**Company**”) is engaged in the business of distribution of spare parts across India and is one of leading distribution house in their field. JMA aims to carry out charitable objects and purpose wide enough for the extension of the benefit thereof to all, irrespective of class, creed and relief poor, education, medical relief and advance of any object of general and or public utility.

Management of JMA is also committed to contributing funds towards its societal responsibilities beyond statutory obligations. JMA has the track record to contributing the funds to charitable trust(s) /society (ies) and other institution(s) which are engaged in carrying out aforesaid CSR activities.

Now, pursuant to the provisions of Section 135 of the Companies Act, 2013 (hereinafter referred to as “**Act**”) read with Schedule VII of said Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time (hereinafter referred to as “**Rules**”), a company having net worth of INR 500 crore or more, turnover of INR 1000 crore or more or net profits of INR 5 Crore or more, shall constitute CSR Committee which shall formulate and recommend CSR Policy to the Board of Directors of the Company (hereinafter referred to as “**Board**”). Rules also allow the Board to undertake its CSR activities through a registered trust established by the Company.

In line with the requirement of Act, Schedules and rules made there under, this Corporate Social Responsibility Policy (herein after referred to as “**CSR Policy**”) has been formulated and recommended by the CSR Committee for approval of the Board.

CSR Committee

CSR Committee of JMA consist four directors including Managing Director and also, Chairman of the Board. The Composition of CSR Committee, as appointed by Board of Directors of the Company, is as under:

1. Mr. Alok Sondhi, Chairman;
2. Mr. Virat Sondhi, Managing Director;
3. Mr. S C Vasudeva, Chairman and Independent Director on the Board; and
4. Mr. A C Anand, Independent Director

CSR Activities

CSR Policy recognizes that CSR is not merely compliance; it is commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as per the Act, Schedules and Rules made there under:

- i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- ix) rural development projects; and
- x) Contribution to the ***Prime Minister's National Relief Fund*** or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

CSR Expenditure

The Company would contribute at least 2% of the average Net Profits made during the three immediately preceding financial years calculated as per the provisions of the Act and Rules prescribed. The Board of the Company may at its discretion contribute over and above of statutory requirement of 2%. However, all the contribution made towards charitable trust(s) / society (ies) / institutions shall be subject to the provisions of this CSR Policy and Act, Schedules and Rules made there under, as amended from time to time.

Plans / Key Focus Area for contribution of Funds

Board of the Company is very keen to contribute funds (either through its own trust/ society or contributing into others trust / society or otherwise) towards following areas:

- i) To facilitate the rural or downtrodden people toward a healthy life by providing them free medical services and educating them about the health related issues;
- ii) To provide preventive health care, combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other disease including Other areas also which include healthcare or education or any other activity in any other given or chosen field;
- iii) To educate the children or people who are financially not strong to get a good education;

- iv) To provide aid to schools / colleges in downtrodden areas for providing necessary infrastructures to students;
- v) To contribute and take sanitation projects;
- vi) To contribute in Prime Minister Relief Fund or any other fund set up by the Central Government or State Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- vii) To contribute in Swatch Bharat Abhiyan Fund

Board may also set up its own trust or society to carry out aforesaid one or more activity (ies) as a project and may choose another project on completion of one project from time to time. Board may also after discussion with CSR Committee may contribute in additions of other activities as specified above.

Implementing Agency

JMA intends to undertake all its CSR activities through its own trust or through such other agencies as may be prescribed under the Act, Schedules and Rules made there under. The Company may also undertake CSR activities directly without involvement of any other trust / agency. Board is also free to take decision to contribute any amount in Prime Minister Relief Funds.

Trust of the Company shall inter alia undertake CSR activities as per this Policy and also in conformity with the provisions of the said Act, Schedule and Rules made there under (as amended from time to time).

JMA may explore the possibility of collaboration with other corporate/ companies / group companies (if any), for undertaking CSR project(s), programme(s) or activity(ies).

Monitoring Mechanism

A list of CSR project(s) / activity (ies) / programme(s) which the Company plans to undertake either by itself or through any other agency (ies) or trust(s) or charitable intuition(s) or any other institution(s) or organisation(s) during the implementation year shall be laid down before the CSR Committee, specifying modalities of execution in the area(s) / sector(s) chosen and implementation schedule for the same.

The CSR Committee will further review the CSR activities of the Company and will provide progress report to the Board every six month/ such other intervals as may be deemed fit by the Board.

Geographic Reach

Since JMA exists across India and is engaged in the business on pan India basis, the Company may give preference to the local areas around it where it operates, for spending/contributing the amount earmarked for CSR activities. However, the CSR Committee may identify such areas other than those stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

Reporting of CSR Initiatives

Details of CSR activities undertaken by JMA and amount contributed along with the reasons for contributing the same if any shall also be reported in Annual Report of the Company under the heading Directors Report.

This CSR Policy will be subject to review and changes as may be required from time to time.

A copy of this CSR Policy shall also be on website of the Company i.e. www.jmaindia.com, in line with the requirement of provisions of the Act and Rules made there under.