

CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

PIONEER INDIA ELECTRONICS PRIVATE LIMITED

FRAMED UNDER SECTION 135(3)(a) OF THE COMPANIES ACT, 2013

I. CORPORATE SOCIAL RESPONSIBILITY (CSR) PHILOSOPHY

Social and environmental responsibility has always been at the forefront of Company's operating philosophy and as a result of Company consistently contributes to socially responsible activities. Corporate Social Responsibility (CSR) at PIONEER INDIA ELECTRONICS PRIVATE LIMITED portrays the deep symbiotic relationship that the Company enjoys with the communities it engages with. As a responsible corporate citizen, the Company attempt to contribute towards social and environmental causes on a regular basis. The Company believes that to succeed, an organisation must maintain the highest standards of corporate behaviour towards its employees, consumers and the society in which it operates. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

PIONEER's Corporate Social Responsibility Policy is rooted in the Company's core values of spreading knowledge, quality, reliability and trust guided by international standards and best practices, and driven by our aspiration for excellence in the overall performance of our business.

II. CSR VISION

1. Develop meaningful and effective strategies for engaging with all stakeholders;
2. Consult with local communities to identify effective & culturally appropriate development goals;
3. Either directly engage or in partner with credible organizations like trusts, foundations etc. including non-government organisations;
4. Check and prevent pollution; recycle, manage and reduce waste, manage natural resources in a sustainable manner;
5. Ensure efficient use of energy and environment friendly technologies;

III. CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Keeping in line with section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') headed by Mr. MINORU OGAWA , Managing Director, to *inter alia*, carry out the following functions:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified the prescribed Schedule;
- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) to monitor the Corporate Social Responsibility Policy from time to time.

IV. CSR PROJECTS, PROGRAMS AND ACTIVITIES

In accordance with the primary CSR philosophy of the group and the specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendment(s) thereof, the CSR activities of the Company will have the following thrust areas:

Entries in Schedule VII to the Companies Act, 2013	Projects or Programs undertaken/ to be undertaken by the Company	Modalities of Execution	Implementation Schedule
(i) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare 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 centres 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, agroforestry, 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 windows and their dependents			
(vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports			
(viii) contribution to the Prime Minister's National Relief Fund or any other Fund set up by the Central Government for socio-economic	To spend entire amount of 2% of average net profit as per section 135 of the Companies Act 2013, by way of contribution to	Contribution to be made by way of transfer of amount through banking channel	Within prescribed time limit

development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women	Prime Minister's National Relief Fund, to enable the fund to spend the amount for relief to the beneficiary as per the policy of the Fund		
(ix) contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government			
(x) rural development projects			
(xi) slum area development			

V. PURPOSE OF CSR ACTIVITIES OF PIONEER INDIA ELECTRONICS

While we will endeavor to achieve our larger objective of community empowerment, to begin with our primary focus will be 'contribution to Prime Minister's National Relief Fund.

VI. FUNDS

At least 2 % (two per cent) in every financial year, of the average net profits of the company made during the three immediately preceding financial years shall form the Funds available for implementation of CSR projects.

VII. SURPLUS OF CSR PROJECTS

The surplus, if any arising out of CSR projects or programmes or activities shall not form a part of the business profit of the Company and will be ploughed back into the CSR activities.

VIII. CAPACITY BUILDING

The Company may build CSR capacities of its own personnel by training its staff to think strategically about how and where the money is being spent, as well as how to effectively manage other organizations through which or in collaboration with which the Company undertakes/ or may undertake CSR activities. CSR expenditure like salaries of personnel who are engage in CSR activities, can be spent on capacity building

for the CSR team in the Company who have been especially entrusted the assignment to execute CSR projects and expenses incurred on their training etc.

However amount spent on this cannot make up more than 5% of the overall CSR spend for the year and the organization providing the capacity-building training where engaged, must have a track record of more than three years in implementing such training.

IX. CSR THROUGH REGISTERED TRUST, SOCIETY, OTHERWISE

The Board of Directors of the Company may decide to undertake CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the Company or its holding or subsidiary or associate company under section 8 of the act or otherwise. Provide that:

- (i) if such trust, society or company is not established by the Company or its holding or subsidiary or associate company, it shall have an established track record of 3 (three) years in undertaking similar programs or projects;
- (ii) the Company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
- (iii) the CSR projects or programs or activities will be undertaken in India only
- (iv) the company shall not contribute any amount directly or indirectly to any political party.

X. MONITORING AND REVIEW MECHANISM

- (a) Each of the CSR projects and programmes would have clearly defined output, outcome and process indicators which will have to be reported on at specified frequencies, which will be at least bi-annually.
- (b) All projects and programmes will be monitored by the Company CSR team, based on these reports and regular field visits. The monitoring process will cover both programme and financial reviews.
- (c) The CSR Committee will receive quarterly progress reports of all CSR activities of the company.

Further, any or all provisions of the CSR Policy would be subject to revision/ amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.

XI. COMPOSITION OF THE CSR COMMITTEE

The members of the CSR Committee are as follows:

1. Mr. Seiya Tanaka
2. Mr. Minoru Ogawa
3. Mr. Arimasa Kinoshita

XII. DISPLAY OF CSR ACTIVITIES ON COMPANY'S WEBSITE

The annual report of the CSR activities along with the contents of the CSR policy of the Company shall be displayed on the company's website
