

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. INTRODUCTION

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

MG Automotives (Bus & Coach) Private Limited is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

MG Automotives (Bus & Coach) Private Limited commits itself to contribute to the society in ways possible for the organization and Board of Directors of the Company are overseeing the CSR activities as a means for fulfilling this commitment.

2. AIMS & OBJECTIVES

A) The Aims of this Policy are to:

- a. To develop a long-term vision and strategy for MG Automotives (Bus & Coach) Private Limited CSR objectives.
- b. To establish relevance of potential CSR activities to MG Automotives (Bus & Coach) Private Limited core business

B) The objectives of this Policy are to:

- a. undertake CSR activities in accordance with the Act, Schedule VII and the CSR Rules;
- b. support appropriate social, economic, environmental and community development initiatives;
- c. provide a framework for identification, implementation, monitoring and reporting of CSR activities; and
- d. ensure effective utilisation of CSR expenditure in accordance with applicable law.

3. CSR ACTIVITIES

The Company may undertake any activity falling within the ambit of Schedule VII to the Act, including:

- a. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

- b. promoting education, including special education, employment-enhancing vocational skills and livelihood enhancement projects;
 - i. Promotion of education especially among children and the differently abled including:
 - ii. Supporting schools with infrastructure like benches, toilets, potable water, fans etc.
 - iii. Supporting schools with equipment related to science and technology
 - iv. Supporting children for higher education.
 - v. Supporting physically and mentally challenged children for their education and food.
- c. promoting gender equality, empowering women, supporting senior citizens and reducing inequalities faced by socially and economically backward groups;
 - i. Adult literacy for women, Training in vocations pursued by women
 - ii. Supporting old-age homes & other facilities for senior citizens
- d. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintenance of quality of soil, air and water;
- e. protection of national heritage, art and culture, restoration of historical sites and works of art, public libraries and promotion of traditional arts and handicrafts;
- f. measures for the benefit of armed forces veterans, war widows and their dependants, including eligible Central Armed Police Forces and Central Para-Military Forces veterans and their dependants;
- g. training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- h. contribution to eligible funds specified in Schedule VII, including the Prime Minister's National Relief Fund and PM CARES Fund;
 - i. Contribution and Financial Assistance, Contribution to 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.
- i. contribution to eligible incubators and research and development projects in science, technology, engineering and medicine;
- j. contribution to eligible public-funded universities, national laboratories and other institutions specified in Schedule VII for eligible research;
- k. rural development projects;

- l. Strengthen rural areas by improving drinking water facility, sanitation, power and livelihood, thereby creating sustainable villages.
- m. slum area development;
- n. disaster management, including relief, rehabilitation and reconstruction; and
- o. any other activity falling within the scope of Schedule VII, as amended or prescribed from time to time.

The above activities shall be undertaken only to the extent permissible under the Act, Schedule VII and the CSR Rules.

4. CSR COMMITTEE

Where the amount required to be spent by the Company under Section 135(5) does not exceed ₹50 lakh, the requirement for constitution of a CSR Committee under Section 135(1) shall not be applicable.

Accordingly, pursuant to Section 135(9) of the Act, the functions of the CSR Committee shall be discharged by the Board of Directors of the Company.

If the Company subsequently becomes subject to the requirement for constitution of a CSR Committee, the same shall be constituted and operated in accordance with the Act and the CSR Rules.

5. CSR FUND

CSR Fund of Company is generated and utilized in following Manner:

A. CSR EXPENDITURE

The Company shall, in every financial year, spend at least 2% of the average net profits made during the three immediately preceding financial years, or such period as may be applicable under Section 135(5), on CSR activities.

CSR expenditure shall be incurred only on eligible CSR activities in accordance with the Act, Schedule VII and the CSR Rules. Administrative overheads shall be within the prescribed statutory limit.

The surplus arising out of the CSR activities or projects shall not form part of the business profit of MG Automotives (Bus & Coach) Private Limited.

B. UNSPENT CSR AMOUNT

Any unspent CSR amount shall be dealt with strictly in accordance with Section 135(5) and (6) of the Act and the CSR Rules, including transfer to the Unspent CSR Account or to a Fund specified in Schedule VII, as applicable.

The reasons for failure, if any, to spend the prescribed amount shall be disclosed in the Board's Report.

C. SURPLUS AND EXCESS CSR SPEND

Any surplus arising from CSR activities shall not form part of the business profits of the Company and shall be dealt with in accordance with the Act and CSR Rules.

Any excess CSR expenditure may be set off against subsequent CSR obligations to the extent and subject to the conditions prescribed under applicable law.

6. RESPONSIBILITY OF THE BOARD

The Board shall:

- a. approve and review the CSR Policy;
- b. approve the CSR activities, projects and programmes to be undertaken;
- c. approve the Annual Action Plan and modifications thereto, wherever permitted, if required;
- d. determine and approve the CSR expenditure;
- e. ensure implementation of approved CSR activities in accordance with applicable law;
- f. ensure proper utilisation of CSR funds and monitor implementation;
- g. comply with the provisions relating to administrative overheads, surplus, excess expenditure and unspent CSR amounts; and
- h. ensure the prescribed CSR disclosures and reporting in the Board's Report and on the Company's website, if any.

7. IMPLEMENTING CSR ACTIVITIES

The implementation and execution of the CSR activities/projects shall be carried out through the persons designated for the CSR activities/projects either as whole or part from time to time by Board of MG Automotives (Bus & Coach) Private Limited.

MG Automotives (Bus & Coach) Private Limited shall undertake the CSR activities directly and also through various implementing agencies such as, NGO's, non-profit organizations, etc. if and as required. Such implementing agencies shall have an established track record as prescribed under the law.

MG Automotives (Bus & Coach) Private Limited may collaborate with other Companies for undertaking the CSR projects/programs subject to fulfilment of separate reporting requirements as prescribed in the Rules. Some of the initiatives taken up by MG Automotives (Bus & Coach) Private Limited will facilitate the involvement of MG

Automotives (Bus & Coach) Private Limited employees as volunteers in ongoing CSR activities and events, giving them an opportunity to engage in socially meaningful activities, thus, enabling them to realize their full potential and role as socially responsible citizens (Employee Volunteer Programs). The initiatives undertaken may be communicated to the employees through specific awareness campaigns, so as to enable maximum participation.

8. CSR REPORTING AND DISCLOSURE

The Company shall make all CSR disclosures and filings prescribed under the Act and CSR Rules, including the prescribed disclosure in the Board's Report and Form CSR-2, wherever applicable.

The CSR Policy, Annual Action Plan (if any), approved CSR projects and such other information as may be prescribed shall be placed on the Company's website i.e. <https://www.mgbusandcoach.com/>.

9. AMENDMENT

The Board may review, amend or revise this Policy from time to time to give effect to amendments in the Act, Schedule VII, the CSR Rules or other applicable statutory requirements.

10. GOVERNING PROVISION

In the event of any inconsistency between this Policy and the provisions of the Act, Schedule VII, the CSR Rules or any other applicable law, the statutory provisions shall prevail.