

CSR Policy and the details of CSR activities initiated by the Company (2018-19)

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken:

Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. The purpose of CSR has been to catalyze sustainable growth and development by creating an enabling environment for the Company to work in partnership with the Government, Non-Government, and Civil Society Organizations, as well as Community Organizations in the field of Corporate Social Responsibility.

The Company's philosophy for CSR has been to initiate sustainable projects in Health and Education to uplift the area in which the Company Plant is located.

Company has undertaken and proposes to undertake Projects / activities under Corporate Social Responsibility as specified in Schedule VII of the Companies Act, 2013.

CSR Policy has been disclosed on Company's website and a web link is as under:

<https://www.hitachiaircon.in/cms/materials/1fb51160ba.pdf>

2. Composition of CSR Committee (as on 31.03.2019):
 - Mr. Gurmeet Singh (Chairman of Committee)
 - Mr. Ashok Balwani (Independent Director)
 - Mr. Yoshikazu Ishihara (Director)
3. Average net profit of the Company for last three financial years: Average net profit: Rs. 1144.7 Million.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 22.9 Million.
5. Details of CSR spent during the financial year:
 - a. Total amount to be spent for the financial year: Rs. 23.1 Million
 - b. Amount unspent, if any: Nil

c. Manner in which the amount spent during the financial year (2018-19):

Sr.	CSR Project / activities	Sector	Locations of the Project	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs - Sub heads		Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure	Overheads		
1	Physical Health Center Karan Nagar	Health	Karan Nagar	1,302,805			1,186,844	Direct by the company
2	Training for self-employment	Vocational Education	Karan Nagar	588,000	460,260		460,260	Direct by the company
3	Training for self-employment	Vocational Education	Andhra Pradesh	2,624,728	2,037,137		2,037,137	Direct by the company
4	Sanitation Project 188 Toilets	Basic Infrastructure	Achaasan	4,758,640	4,658,640		4,658,640	Direct by the company
5	Children Balwadi - Budasan Village	Basic Infrastructure	Budasan	1,764,761	1,852,468		1,852,468	Direct by the company
6	Construction at Primary School Project (6 classrooms/ one shed/ Drinking water /Toilet blocks)	Basic Infrastructure	Karan Nagar	5,465,000	5,362,107		5,362,107	Direct by the company
7	Sponsorship - Support to 10 Para Athletes	Paralympic sports	Pan India	4,021,234	4,021,234		4,021,234	Direct by the company
8	Sanitation Project- 100 Toilets	Basic Infrastructure	Mokasan and Siyapura	2,761,341	2,672,700		2,672,700	Direct by the company
9	Remuneration to employees of CSR Dept.	Overheads	Karan Nagar			805,256	805,256	Direct by the company
	Total Expenditure			23,286,509	22,251,390	805,256	23,056,646	Direct by the company

6. Reasons for not spending the entire amount: Not applicable

7. Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.