

Annual Report on CSR activities

1. Brief outline of Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes

Introduction:

The Corporate Social Responsibility (CSR) activities of the Bajaj Group are guided by the vision and philosophy of its Founder, late Jamnalal Bajaj, who embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning.

The Bajaj Group believes that the true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, the Bajaj Group addresses the needs of communities residing in the vicinity of its facilities, taking sustainable initiatives in the areas of health, education, water, environment conservation, infrastructure and community development and response to natural calamities. For society, however, Bajaj is more than a corporate identity. It is a catalyst for social empowerment. It is the reason behind the smiles that light up a million faces.

Its goodwill resonates in the two simple words that live in the collective consciousness of Indians – *Hamara Bajaj*.

Guiding principles

The Bajaj group believes that social investments should:

- **Benefit generations:** The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.
- **Educate for self-reliance and growth:** To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.
- **Promote health:** The Company believes that good health is a prerequisite for both education and productivity.
- **Encourage self-help:** To guide and do hand holding for self-help, individually and collectively, to create excellence for self and for the team.
- **Be focused:** The Company believes that activities should be preferably focused around locations where the Company has a presence and hence can effectively guide, monitor and implement specific projects.
- **Target those who need it most:** Care for sections of society, which are socially and economically at the lowest rung, irrespective of their religion or caste or language or colour.
- **Sustain natural resources:** The Company encourages balanced development and ensures least adverse impact on the environment - growth with Mother Nature's blessings.

CSR Policy:

A detailed CSR Policy was framed by the Company on 15 May 2014, with the approvals of the CSR Committee and the Board. The Policy, inter alia, covers the following:

- Philosophy
- Scope
- List of CSR activities
- Modalities of execution of projects/programmes
- Implementation through CSR Cell
- Monitoring assessment of projects/programmes

The CSR Policy gives an overview of the projects or programmes, which would be undertaken by the Company from time to time.

The CSR Policy is placed on <http://www.bhil.in/inv/pdf/csr-policy-020514-bhil.pdf>

2. The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', which was constituted by the Board at its meeting held on 28 March 2014, has the following members:

Rahul Bajaj, Chairman
 Nanoo Pamnani
 Sanjiv Bajaj

During the year under review, the Committee met four times on 11 July 2017, 17 August 2017, 20 November 2017 and 12 February 2018.

3. Average net profit of the Company for last three financial years prior to 2017-18: ₹ 456.49 crore.

4. Prescribed CSR Expenditure (2% of amount as in item No. 3): ₹ 9.13 crore.

5. Details of CSR spent during the financial year:

(₹ In Crore)

Particulars	
a. Total amount to be spent	9.13
b. Amount spent	9.15
c. Amount unspent, if any (a-b)	Nil
d. Manner in which the amount spent during the financial year:	As provided in enclosed Table 1

6. In case the Company fails to spend the 2% of the average net profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report. - Not applicable

In addition to what is stated above, the Bajaj Group implements many CSR initiatives of substantial value through its Group Charitable Trusts operating at various locations in the country. Major initiatives that continued and/or that were taken up anew by the Bajaj Group through such entities during the year under review are given in another detailed Report, which is hosted on the Company's website www.bhil.in and a physical copy of this report will be made available to any shareholder on request.

7. Responsibility statement of the CSR Committee that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company

The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

Rahul Bajaj
Chairman of CSR Committee

Sanjiv Bajaj
Managing Director & CEO

Pune: 18 May 2018

Table 1: Report on manner of expenditure for CSR during the financial year ended 31 March 2018

(₹ In Crore)

Name/Details of the Implementing Agency	CSR Project/ Activity identified	Sector in which the project is covered	Location of Project/ programme (Local area or State/ District)	Amount outlay/ Approved	Amount spent direct/ overheads during 2017-18	Cumulative Expenditure up to 2017-18
Magic Bus India Foundation, Mumbai	Holistic development and work readiness programmes for adolescent children	Enhancing vocational skills among children	Pune and Aurangabad, Maharashtra	8.34	2.21	2.44
Eklavya Foundation, Bhopal	To construct Eklavya Bhopal Campus building	Education	Bhopal, Madhya Pradesh	3.20	1.10	2.70
Gene Campaign, New Delhi	Improving the food and nutrition security of rural communities	Malnutrition	Nainital and Almora, Uttarakhand	3.03	0.61	0.61
Round Table India Trust, Chennai	Construction of Infrastructure for Education/classrooms	Education	Pune, Maharashtra	0.85	0.61	0.76
Gramprabodhini, Nigdi, Pune	Rural educational development Centre -Construction of science & computer labs	Education	Pune, Maharashtra	0.85	0.54	0.85
Jai Hind Sindhu Education Trust, Pune	Renovation of old buildings	Education	Pune, Maharashtra	0.50	0.50	0.50
Social Entrepreneurs Foundation, Mumbai (UnLtd India)	Find, fund and support Social Entrepreneurs	Rural Development	Mumbai, Maharashtra	3.50	0.50	0.50
Others - through implementing agencies, such as Mahan Trust, Basic Health Care Services Trust, Shashwat Trust, Vidya Bhawan Society, Yuva Mitra, Janarth Adivasi Vikas Sanstha, Seva Mandir, Amhi Amchya Arogyasathi, etc.	For different projects such as - To improve health and nutritional status of children and women, Low cost health care and nutrition services, Aquatic Livelihood Resource Centre, Building a hostel for tribal girls and a Teacher Training Centre, Building resilient ecosystem against malnutrition, etc.	Eradicating hunger, Poverty and Malnutrition, Education, Environmental Sustainability	For different locations in Maharashtra and Rajasthan	11.34	3.08	3.81
TOTAL				31.61	9.15	

NOTES:

- a) All amounts mentioned above as spent relate to amounts spent through implementing agency, unless stated otherwise.
b) There is no expenditure on overheads in the above list.