

## **Corporate Social Responsibility Policy**

### **Purpose**

The purpose of this document is to outline the policies and procedure for the activities of CSR to be undertaken by the company. The document will promote a unified & holistic approach to CSR across all locations of the company thereby ensuring high social impact across all the programs / initiatives under this policy.

The purpose is also to define the procedure to be followed while selecting a partner (governmental or non-governmental organizations) and define the areas of operations by also calling out the areas where the organization will never endeavor to venture.

### **Preamble**

This CSR Policy is formulated in accordance with the provisions of Section 135 of the Companies Act, 2013 (“Act”) and rules made thereunder as amended from time to time.

### **Objective**

The organization, through the CSR agenda, aims to drive the below mentioned objectives:

- 1) Compliance to the above-mentioned statutory requirement
- 2) Seek to create a sustainable well-being in the society and the beneficiaries that the various projects touch upon.
- 3) To be a good Corporate Citizen by partnering with various non-governmental organization of repute to deliver schemes and programs for the benefits of the society at large
- 4) The CSR projects undertaken by the Company shall be conceptualized and embarked upon with a long-term view rather than with an intent of “One Off” support. However, “One Off” support can be explored that will have a lasting impact.

### **Accountability**

The CSR Committee shall designate a person who shall be of CXO cadre and who shall be accountable for driving the CSR agenda of the organization as decided by the CSR Committee and such person shall report to the CSR Committee with respect to CSR Committees of the Company

The Management shall delegate the responsibility of implementation of the CSR activities to such person(s) as the case maybe and such person(s) shall be reporting to the aforesaid CXO as appointed by the CSR Committee.

**Effective Date:**

This policy will be effective from the date on which the Board of Directors approve this policy.

**CSR Framework & Philosophy**

The guiding principle shall be **“Sustainable, Replicable & Impactful Interventions through Community Involvement”**. The organization will demonstrate care for the community, by adhering and living up to its Values through planned and targeted interventions in the areas of (a) education and skill development (b) health and wellness and (c) environmental sustainability. The organization may also extend support to relevant authorities during instances of natural disasters.

The organization will endeavor to ensure that all initiatives undertaken have an impact on the beneficiaries in improving their lives.

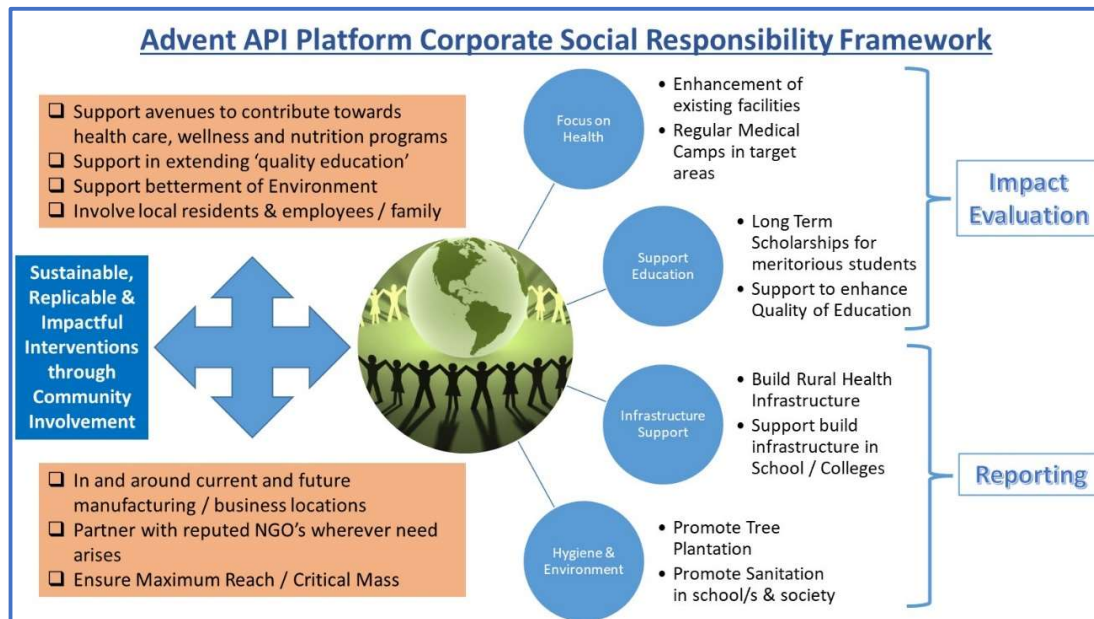
All such initiatives should be based on proper, in-depth and scientific understanding of the need of the community.

The need of the community can be identified by either of the below mentioned methodologies:

1. After proper evaluation of the requests received from community
2. Some initiatives can be suo moto taken up by the organization basis the understanding of the need of the community
3. After proper evaluation of the requests received from any of the appropriate governmental authorities
4. And lastly as an outcome of a scientific study carried out by any professional organization

All such initiatives shall, however, be first presented to the CSR Committee which shall review all the proposals and then forward the same to the Board for its approval. Please note that the approval of the Board is sine qua non for execution of any of the project/s.

**Approach towards CSR shall be built around the below framework:**



- 1) All CSR projects will be in line with the CSR Vision, framework as well as areas listed in Schedule VII of The Companies Act, 2013.
- 2) CSR initiatives by the company will not include any activity undertaken in pursuance of normal course of business of the company or any project/s benefitting the employees of the company (directly or indirectly).
- 3) The organization, under no circumstances, will ever provide cash benefits to the proposed beneficiaries directly, be associated with or fund any religious organization or a political party and will get involved in any sort of social activism.
- 4) The organization will actively explore the possibility of creating a recurring and sustainable model of continued CSR viz., institutionalizing scholarships for meritorious students in government schools, continually opportunity of upgrading the quality of education.

## Focus Areas and Mode of Implementation

Health and Wellbeing	Education	Infrastructure Support	Hygiene & Environment
<ul style="list-style-type: none"><li>• Provide support for infrastructure development for primary, secondary &amp; tertiary health care facilities</li><li>• Conducting need based health camps</li><li>• Improve food security &amp; enhancing nutrition</li><li>• Make availability of safe drinking water</li></ul>	<ul style="list-style-type: none"><li>• Provide support for infrastructure development in primary and secondary schools</li><li>• Enabling higher education through merit based scholarships</li><li>• Skill development and vocational training</li><li>• Improve access to high quality education in schools</li></ul>	<ul style="list-style-type: none"><li>• Provide support to develop Community Infrastructure</li></ul>	<ul style="list-style-type: none"><li>• Ecological sustainability through aforestation and plantation</li><li>• Promoting renewable energy</li><li>• Improving water conservation and rain water harvesting</li><li>• Promote sanitation</li></ul>

## Usage of Funds

- 1) The Company shall endeavor to spend in every financial year, two percent of its average net profits (or such other limit as maybe prescribed under the Act, and rules framed under) during the three immediately preceding financial years or such other period as maybe prescribed under the Act.
- 2) All administrative expenditure relating to CSR shall be approved or ratified by the CSR Committee and the Board and will be in accordance to the limits as per Section 135 of the Act, and the rules made thereunder as amended from time to time.
- 3) Any Income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company and the same shall be ploughed back for use in CSR activities.
- 4) Any unspent amount, other than the unspent amount relating to an ongoing project, will be transferred to a fund specified in Schedule VII, in accordance with the applicable CSR Rules from time to time.
- 5) Unspent CSR fund of ongoing projects will be transferred within the specified period as per CSR Rules to a special account opened by the company in any scheduled bank. Such amount shall be spent by the company towards CSR within such time as stipulated by the provisions of Section 135 of Companies Act, 2013 and rules made thereunder as amended from time to time, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within the stipulated period as per CSR Rules.
- 6) The organization will avoid funding any of the “funds” created by various governmental authorities for any purpose whatsoever. However, all such funding if required, should be made with the explicit consent of the CSR Committee and Board and the specific purpose of such contribution shall be

clearly called out and mentioned in the proposal. As far as possible, the organization will endeavor to execute such project rather than making any cash contribution to any such funds / corpus.

### **Monitoring, Reporting and Assessments (MRA) of CSR Projects**

All CSR activities carried out by the company shall be evaluated on an on going basis and presented to the board. The CSR Committee and Board of the Company shall monitor and review the implementation of all CSR Projects.

The MRA framework aims to focus on outcome and impact measurement in multiple ways by measuring changes in the lives of the communities that is being engaged. The MRA team may consist of experts form the respective fields who will continue to play a critical role in routine monitoring and analysis of the different parameters that represent the program through:

1. Details of the program and the intended change that was envisaged while embarking upon the program and the current status thereof.
2. Routine program monitoring to ensure the efficacy and continued relevance of the initiative.
3. Details of the beneficiaries, beneficiary acceptance and course corrections.
4. Continued impact on the beneficiaries through Impact Assessment Studies.
5. Extent of the efficacy as against the planned efficacy.
6. Establish efficient information systems towards developing solutions for collecting, collating, storing, processing and transmitting information.

The impact assessment shall be undertaken by an agency identified and appointed by company post approval of the CSR Committee and Board. The impact assessment shall be carried out as required by and in the manner set out under the applicable law, and the impact assessment reports shall be placed before the CSR committee and Board and shall be disclosed as legally required.

### **Disclosures:**

1. Annual report on CSR activities shall be included in the Board's Report for every financial year.
2. The constitution of the CSR Committee and the CSR Policy of the Company shall be hosted on the Company's website.
3. The Annual action plan of the Company and such other details as required to be disclosed under Section 135 or other applicable sections of the Act ready with rules framed thereunder shall be hosted on the Company's website.

### **Selecting and Appointing CSR Partners**

The company can undertake CSR activities either by itself or partner with other entities eligible to undertake CSR activities. Presented below is the indicative list of aspects to be considered while engaging with other entities:

- A. Due diligence of the implementing agency would be conducted to check the credentials of the organization. The following information from the interested implementing agencies would be sought, as relevant:
  - i. Memorandum / Article of Association or Constitution

- ii. Unique CSR Registration Number with Ministry of Corporate Affairs
  - iii. Registration Certificate
  - iv. Registration Certificate under Section 12 A
  - v. Audited Accounts of last three years
  - vi. IT Exemption Certificate under Section 80G (Lifetime Validity)
  - vii. PAN Card
  - viii. IT Exemption Certificate under Section 35(i), if available
  - ix. Acknowledgement of Income Tax Return along with IT return filed (last three years)
  - x. FCRA Certificate (if any) and latest copy of FCRA return FC-3, if available
  - xi. Description of the projects currently being worked on
- B. Ensure that the project / program is consistent with the list of activities in Schedule VII
- C. An empowered team from the organization shall visit / meet the representatives to assess the organizational requirements
- D. Evaluate current Quarterly Reporting Formats and processes being followed by the agency for any other projects
- E. Enter into a written agreement with the agency post due diligence.

#### **Roles and Responsibilities of CSR Committee**

- 1) The Board level CSR Committee of the company shall be responsible for formulating and recommending to the Board the CSR Policy and a CSR Annual Action Plan. The Board may, however, alter such plan at any point of time during the financial year, as per the recommendation of the CSR Committee, based on reasonable justification to that effect.
- 2) The CSR Committee reports to the Company's Board of Directors
- 3) To monitor the CSR Projects and to report on the progress of the projects to the Board of the company at regular intervals.
- 4) Carry out such other activities as required under provisions of Section 135 and other applicable Section of the Companies Act, 2013 and the Companies (Companies Social Responsibility) Rules, 2014.