

GRAUER & WEIL (INDIA) LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

This Corporate Social Responsibility (hereinafter referred to as 'CSR') Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

OBJECTIVES OF THE CSR POLICY

- i. The objectives of the CSR policy is to promote socio economic development in rural areas, improve education, eradicate extreme hunger and poverty, promote gender equality and empowering women, reducing child mortality and improving maternal health, health care and sanitization, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, promoting and protecting natural heritage and culture and such other matters of common good.
- ii. Promotion and Financing any other activities to be advised by the Govt. or approved by the Board from time to time.
- iii. Promote eligible Trusts and Societies and/or encourage eligible trusts and societies or other implementing agencies, registered under section 8 of the Companies Act, who are engaged in promoting the above objectives solely with our company or jointly with any other companies

DEFINITIONS:

- a) "Act" means Companies Act, 2013 including any Statutory modification or re- enactment thereof;
- b) "Board" means Board of Directors of the Company.
- c) "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act read with the Rules framed thereunder as amended from time to time.
- d) "CSR Committee" means Corporate Social Responsibility Committee of the Board.
- e) "CSR Policy" means a statement containing the approach and direction given by the Board of the Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- f) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project

but whose duration has been extended beyond one year by the board based on reasonable justification;

CSR ACTIVITIES TO BE UNDERTAKEN:

The Committee shall undertake one or more of the activities, listed in the Schedule VII of the Act as amended from time to time as its projects for CSR activity viz.,

The Company through its CSR programs strives to create educated, healthy, sustainable and developed communities through various initiatives thereby reinforcing a positive & socially responsible image with maximum development impact. The CSR programs of the Company enables

- a) Promoting education by enhancing the learning levels of children in primary and middle school
- b) Promoting holistic child development focussing on health, nutrition, life skills, art & culture as part of learning
- c) Provide sustained initiatives for Hygienic drinking water
- d) Enhancing environmental and natural capital through activities which focus on conservation of lakes, ponds, natural springs
- e) Providing preventive health care
- f) Engage in interventions like skill building & vocational training to enhance employability and livelihoods
- g) Encourage an increased commitment from employees towards CSR activities and volunteering
- h) Contribute to charitable and participate in ways that touch the lives of these communities
- i) Engage in initiatives which strive for overall development and that positively impacts society at large.

CSR EXPENDITURE

The Committee shall determine an amount equivalent to 2% average of the net profit earned during the three immediate preceding financial years in accordance with the provisions of Section 198 of the Act and shall thereafter prepare a budget of expenditure to be applied for the CSR projects contemplated.

The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule

4; or (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or (c) a public authority.

IMPLEMENTATION

The Company's CSR Programmes will be implemented through the CSR personnel of the Company or external implementing agencies, duly registered with the Ministry of Corporate Affairs. The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

In case CSR Programmes are implemented through external agencies, the programmes to be undertaken by those agencies will be specified, and it will be ensured that such programmes are covered in the Objects laid down in the respective Trust Deeds / Memoranda and Articles of Association of the external agencies.

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the Rules;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board based on the recommendations of the CSR Committee may alter such plan at any time during the financial year to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s) or supporting relief, rehabilitation or reconstruction activities arising out of natural calamity/disaster as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

MONITORING

The Committee shall through its members monitor the expenditure incurred vis-à-vis the budgets and moneys provided to the CSR departments. The Board of the Company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect. In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

REPORTING

The Board's Report shall include an annual report on CSR containing particulars as specified in the format under the Act. Impact assessment, if any required, shall be annexed to the Report.

PUBLICATION OF THE POLICY

The CSR policy recommended by the Committee and approved by the Board will be hosted in the Company's website. Additionally, the Board of Directors of the Company shall disclose the composition of the CSR Committee, and CSR Policy approved by the Board on their website.

AMENDMENT

The Committee and the Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force.