

Corporate Social Responsibility Policy

Preamble

Corporate Social Responsibility is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements. Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. Corporate Social Responsibility extends beyond philanthropic activities and reaches out to the integration of social and business goals.

Objectives

With an endeavor to fulfill our commitment to be a socially responsible corporate citizen, the CSR policy has been formulated with the following objectives:

- ◆ To lay down guidelines to embed CSR as a business process for development of the society.
- ◆ To undertake projects/programmes which will enhance the quality of life and economic well-being of the communities in accordance with Schedule VII of the Companies Act, 2013 ("Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules").

Scope and Applicability

The Company CSR policy has been developed in consonance to Section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014. The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

CSR Committee

The following are the Members of the CSR Committee

Name	Status	Position
Mr Vijay Shah	Chairman	Managing Director
Mrs Lata Shah	Member	Director
Mr Ravi Shah	Member	Director

Terms and reference

- a. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules there under.
- b. Recommend the amount of expenditure to be incurred on the activities as above, and
- c. Monitor the CSR Policy of the Company from time to time.

CSR Budget and CSR Expenditure

The total budget for the CSR projects will be decided by the CSR Committee for an approximate sum equivalent to 2% of the average net profits of the company made during the three immediately preceding financial years, in every financial year.

CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee.

Any surplus arising from any CSR programmes/activities/projects shall not form part of the business profit of the Company and shall be used for CSR only. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

Focus Areas

1. Eradicating hunger and poverty
 - ✓ Provide equipment's/systems to poor and unemployed people to make them self-employed and thereby bring them into the mainstream of the society.
 - ✓ Help rural youth to set up their own small workshops in villages to earn their livelihood with pride.
 - ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.
2. Promoting education
 - ✓ Provide technical and commercial education to destitute with a view to develop skills in rural areas.
 - ✓ Grant of scholarship & assistance to deserving young students of weaker sections of society belonging to backward categories including students with physical disabilities.
 - ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.
3. Promotion of rural and nationally recognized sports through:
 - ✓ Adoption of games and sponsoring of events to attract local talent to the games
 - ✓ scholarships to deserving players for training & Development of their skills and improved nutrition
 - ✓ provision of sports items to the schools and athletic organisation
 - ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.
4. Promoting healthcare:
 - ✓ Organise camps for Blood donation, Eye checkup, General Health Checkups /Diet and Nutrition and such other camps as may be decided from time to time.
 - ✓ Providing sanitation facilities in most deserving areas.
 - ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.
5. Rural Developments projects such as:
 - ✓ excavation and deepening of ponds

- ✓ construction of roads, drains and other public utilities
- ✓ drinking water supply arrangements including borewells, tanks and pipe lines
- ✓ electrification of public places
- ✓ Support initiatives in rural areas on health and hygiene
- ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.

6. Promoting Gender Equality and Empowering Women

- ✓ supply sewing machines to women who want to be self-employed
- ✓ Provide Employment to Rural women
- ✓ Such other programmes as may be decided by the CSR committee in conformity with Schedule VII of the Act.

7. Other Activities

- ✓ Welfare for differently disabled persons;
- ✓ Protection of national heritage, art, culture and handicraft; Restoration of Buildings & sites of historical importance & works of art;
- ✓ Support in such form as possible at the time of natural calamity or engage in Disaster Management system;
- ✓ Employing people and incurring other costs to carry out aforesaid activities;
- ✓ Support to NGOs/charitable organizations working for any of the above specified objects;
- ✓ Plantation
- ✓ Such other activities as may be permitted from time to time by law / as the Board may consider appropriate.

Implementation

The CSR Committee will identify and implement its CSR programmes/activities/projects as per the Board's approved CSR policy. The CSR Committee will implement the Company's CSR programmes/activities/projects through Company personnel or through external implementing agencies. The Company may also establish any trust or foundation to fulfil this object, if necessary.

Monitoring and Reporting Framework

Every year, the CSR Committee will present its annual budgets and list of programmes, projects, and activities to the Board for its approval. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary. The monitoring and reporting mechanism is divided into three distinct areas:

- I. Programme Monitoring
- II. Evaluation
- III. Reporting and Documentation

I. Programme Monitoring

The CSR Committee shall monitor the implementation of the CSR Policy through periodic

reviews and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR programmes/activities/projects in accordance with this Policy.

II. Evaluation

The Board shall evaluate the implementation and impact of the CSR Policy on yearly basis.

III. Documentation and Reporting

The CSR Committee will prepare the annual CSR report and submit it to the Board. The Company will report, in the prescribed format the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under the Act and Regulations.
