

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Objectives and Vision

We wish to be perceived as a ‘Company with conscience’ and to actively and continually contribute to the social and economic development of the communities for the benefit of deprived, under-privileged and differently able persons. Our approach will be based on merits only without any regard to religion, caste or creed.

2. Purpose

Pursuant to Section 135 of the Companies Act, 2013 (“Act”), each Company which falls under any of the following criteria, during any financial year, shall adopt a Corporate Social Responsibility (CSR) Policy, indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act (as amended from time to time), and shall endeavor to spend at least two percent of its average net profits made during the three immediately preceding financial years on CSR activities in pursuance of its CSR Policy:

- Net worth of Rs.500 crores or more; or
- Turnover of Rs.1000 crores or more; or
- Net profit of Rs.5 crores or more

3. CSR Committee

In accordance with the provisions of Act and the Rules framed thereunder, the CSR committee has been constituted by the Board of Directors of the Company for undertaking and monitoring the CSR activities/programmes/projects in the areas stated under Schedule VII to the Act, as amended from time to time.

4. CSR Policy of the Company

The CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas. The Board of Directors of the Company have, on the recommendations of the CSR Committee, adopted this Policy. The Company may collaborate or pool resources inter se to undertake CSR activities.

5. **Focused areas under CSR Policy**

Though there are numerous addressable areas where there are cultural prejudices and a lack of equity, social justice, awareness and affordability for basic rights in our society, we have identified the following areas for the well being of people, providing employment potential to them and preserving environment:

- Eradicating hunger, poverty and malnutrition, promoting healthcare, specially, amongst children, women, elderly and other weaker sections of the society;
- Promoting education/literacy enhancement;
- Skill development for enhancing employment and livelihood;
- Environment protection and maintaining ecological balance;
- To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
- To provide equal opportunities to beneficiaries of the Company's CSR Programs as vendors or employees on merit; and
- To promote sustainability in partnership with industry associations, like the Confederation of Indian Industry (CII), in order to have a multiplier impact.

In addition to the aforesaid preferred areas, the company may take up other areas as it may deem important in future, out of any of the following activities specified in Schedule VII to the Act:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality; empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare; agro forestry; conservation of natural resources and maintaining quality of soil, air and water;

- (iv) Protection of national heritage art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (v) Measures for the benefit of armed forces veterans, war veterans and their dependents;
- (vi) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- (vii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (viii) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
- (x) Rural development projects.

6. **Area of Operation for CSR**

The area of operation for undertaking CSR activities will be restricted to the territorial jurisdiction of India.

7. **Organizational structure to undertake CSR activities**

- i) A task team will be formed by the CSR Committee to identify various projects within the framework of the CSR Policy of the Company and present the detailed project to CSR Committee.
- ii) CSR Committee will examine the project and with modification, as may be required, it will recommend the project to the Board for approval.

8. **Manner of undertaking CSR Activities/Implementation**

The CSR activities would be undertaken in the best possible manner to ensure that the amount spent is utilized for the benefit of target people in the most effective manner. The CSR activities shall be carried out in any of the following ways as the CSR Committee in its absolute discretion may decide. The CSR Committee may decide to use any one or all or a combination of any of the following ways to undertake the CSR activities/ projects/ programmes:

- a. Directly by the Company through its personnel.

- b. Through Tirath Ram Charitable Hospital, a Trust that has been established by the Promoters of the Company.
- c. Through any other registered trust/any registered society/any other company/organization that are qualified for undertaking CSR activities in terms of the provisions of the Companies Act, 2013 and have proven track record and possessing core competencies to undertake such activities.
- d. By participating in the CSR Schemes (of the nature as prescribed in Schedule VII of the Act) as prescribed under Section 35 of the Income-tax Act.
- e. The Company, in the due course, may also form a foundation for undertaking such CSR activities.

9. Resource allocation/CSR expenditure

- i) The Company will spend at least 2% of its average net profit made during the three immediately preceding financial years. The net profit would be computed in accordance with Section 198 of the Act.
- ii) In the event of CSR activities being undertaken through external agencies, the Company may make the payment on the basis of work performed as per the agreement with external agency or contribute the total amount of the project in tranches for creating corpus exclusively for the project proposed to be undertaken by the external agency.
- iii) CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR projects/programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Projects/ Programmes shall not form part of the business profit of the Company and shall be used for CSR only. Accordingly, any income arising from CSR Projects/ Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

10. Monitoring/CSR Reporting

- Implementation Schedule for each CSR activity/project/programme shall be approved by the CSR Committee.
- The CSR Committee will follow stringent monitoring of the progress of the CSR activities and will establish a Management Information System to monitor the progress of the project, utilization of amount and benefits delivered to and realized by the target people.

- A report on periodic basis, as may be desired by the Board, shall be provided to the Board.
- The CSR Committee will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable recommendations as may be necessary and recommend to the Board for approval.

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