

Emami Infrastructure Limited

Corporate Social Responsibility Policy

Introduction

Corporate Social Responsibility (CSR) builds a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

1. SHORT TITLE & APPLICABILITY

This policy, which encompasses the company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the "**Emami Infrastructure Limited CSR Policy**". It has been prepared keeping in mind the company's business ethics and to comply with the requirements of Companies Act, 2013 (hereinafter called as "the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014, notified by the Ministry of Corporate Affairs vide Notification dated 27th February, 2014 and further amended Notification dated 6th August, 2014.

This policy shall apply to all CSR initiatives and activities taken up at the various work-centres and locations of the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled persons.

2. CSR VISION STATEMENT & OBJECTIVE

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

The main objective of the Policy is to establish the basic principles and the general framework of action for the management to undertake and fulfil its corporate social responsibility.

3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition:

The Corporate Social Responsibility Committee shall consist of three Directors amongst whom one shall be an Independent Director.

Meetings:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

The members of the Committee may invite any Executives, Advisors, Representatives of Social Organisations, Auditors of the Company as it may consider necessary to attend the meeting.

Quorum:

The quorum for a meeting of the Committee on CSR shall be two-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

Sitting Fee:

The members of the Committee shall be paid such sitting fees for attending each meeting of the Committee as may be fixed by the board from time to time.

Role of CSR Committee:

The role of CSR Committee is:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule-VII of the Act;
- b. To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- c. To monitor the CSR Policy of the Company from time to time;
- d. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- e. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.
- f. To carry any other function as is mandated by Board from time to time and/or enforced by any statutory notification, amendment or modification as may be necessary or appropriate for performance of its duties.

The Board of Directors shall, after taking into account the recommendations made by the CSR committee, approve the CSR policy for the company and disclose its contents in their

report and also publish the details on the Company's website, if any, in such manner laid down in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Board of Directors shall endeavor that the Company spends 2% of the average pre-tax net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR Policy.

4. RESOURCES

Funding & Allocation

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on activities laid down in this Policy.

5. ACTIVITIES, PLANNING & IMPLEMENTATION

Areas for Activities

The Company shall identify projects / activities which will fall in any one or more of the following areas /sector for its CSR spending:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to Clean Ganga Fund set up by the Central Government for the promotion of sanitation;

5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. 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;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. Rural development projects;
11. Slum Area Development; and
12. Any other areas as may be notified by the Central Government from time to time.

The CSR projects or programs or activities undertaken by the company as per Company's CSR Policy in India only shall amount to CSR Expenditure in accordance with the provisions of sub-section (5) of section 135 of the Act.

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates.

All expenses and contributions for CSR activities will be made after approval from the Chairman of the CSR committee, which would then be placed before the forthcoming CSR committee for noting and record. The Chairman will ensure that the expenses/contribution and donation will be in full compliance of the CSR Policy.

Officers for implementation

- ❖ The Company shall appoint officers at its business places (Units & Corporate Office) to undertake, supervise and monitor the CSR activities and expenditures.
- ❖ Such officers will be responsible to ensure that the expenditures are made in full compliance with this policy. They will submit periodical report to the committee.
- ❖ The Company will see that these officers have CSR capacities of their own and if required, they will be given required training to take up these tasks.

- ❖ The Company can also appoint implementing agencies like charitable trusts and NGOs/ Institutions with established track records of at least three financial years.

Implementing Agency

The Company may decide to undertake its CSR activities directly or through a Registered Trust or a registered society or a company established by the company under section 8 of the Act.

Provided that –

If such trust, society or company is not established by the Company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;

The Company shall specify the project or programs to be undertaken through these entities, modalities of utilization of funds on such projects and programmes.

6. Exclusions:

The CSR activities shall be undertaken by the Company excluding the activities undertaken in pursuance of its normal course of business.

The Company will not make any contribution of any amount directly or indirectly to any political party.

The CSR projects or programs or activities that benefit exclusively for the employees of the Company and their families shall not be considered as CSR activities in accordance with this policy

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company but should be added in the CSR Fund.

7. CSR PROGRAMES

CSR programmes will be undertaken by various work centres i.e. Corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified Project/ Program.

The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The process for implementation of CSR programmes will involve the following steps:

Identification of programmes at Corporate, Units and work centre level will be done by means of the following:

- (a) Need identification Studies by the Senior Management/ professional institutions/agencies.
- (b) Internal need assessment by cross-functional team at the local level.
- (c) Receipt of proposals/requests from Charitable institutions and NGOs
- (d) Suggestions from the Board of Directors/senior management level.

8. MONITORING AND FEEDBACK

- a. To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head.
- b. The progress of CSR programmes under implementation at work centre will be reported to corporate office on a quarterly basis and the same shall be placed before the Board.
- c. The report on progress on the CSR programme undertaken by the Company will be put forward to the CSR Committee with full details of cost incurred and results achieved on a regular basis.
- d. Work centres and zonal office will try to obtain feedback from beneficiaries about the programmes implemented at the area.
- e. Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.
- f. CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder.

9. GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.