

MINDA CORPORATION LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY



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CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility is part of the way Spark Minda, Ashok Minda Group do business with commitment to the community, for a green environment, safe workplace and good health, for a sustainable future. CSR is of utmost concern at the Group, while our Group Companies undertakes several CSR initiatives at local level, the Group also undertake CSR initiatives through Moga Devi Minda Charitable Trust (MDMCT) that was established in 1987 by Late Shri SL Minda, erstwhile founder of Minda Group. Over the year (MDMCT) has implemented several CSR projects such as all round development of children, women and youth belonging to underprivileged section that have been acclaimed at the State and National level.

With the advent of the Companies Act, 2013 ("Act") constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company has formulated a CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

I OBJECTIVES

- To lay down the guidelines for the Company to evolve its relationship with society by way of social and economic contribution and by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.
- To fulfil the directive of the Act enjoining prescribed companies to develop and implement a CSR policy specifying the activities to be undertaken by the Company.
- To prepare list of activities, programmes and projects to be undertaken during the implementation year, specifying modalities of execution and implementation schedules for the same.
- 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.
- Any surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit.

II DEFINITIONS

- a) **Act:** The Act means Companies Act, 2013.
- b) **Corporate Social Responsibility:** It means Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013.
- c) **CSR Activity:** It means and includes but is not limited to:-
- i) Projects or programmes relating to activities specified in Schedule VII to the Act;
 - ii) Projects or programmes relating to activities undertaken by the Board of Directors of a Company (the Board) in pursuance of recommendations of the CSR Committee of the Board in the manner prescribed in the CSR policy.

It is pertinent to mention that any activity which is undertaken exclusively for the benefit of employees of the Company or their family members shall not be considered as CSR activity.

- d) **CSR Committee:** It means the CSR Committee of the Board of Directors formed under Section 135 of the Act.
- e) **Net profit:** It shall mean the net profit as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- f) **Average Net Profit:** It shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

III GEOGRAPHIC REACH

The Act provides that the Company shall give preference to the local area and areas around where it operates, for spending the amount earmarked for Corporate Social Responsibility. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

IV SCOPE/ LIST OF CSR ACTIVITIES

The Policy recognises that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Schedule VII of Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014:

- i) Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & making available safe drinking water and contribution to the Swach Bharat Kosh, set-up by Central Government.
- ii) Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently-abled & livelihood enhancement projects;
- iii) Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centres & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
- iv) Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro-forestry, conservation of natural resources & maintaining quality of soil, air & water, contribution to the clean-Ganga Kund set up by Central Government for rejuvenation of river ganga.
- v) Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up public libraries; promotion & development of traditional arts & handicrafts;
- vi) Measures for the benefit of armed forces veterans, war widows & their dependents;
- vii) Training to promote rural sports, nationally recognised sports, Paralympic sports & Olympic sports;
- viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
- ix) Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government;
- x) Rural development projects;
- xi) Slum Area.

In addition to the above any activity recommended by the CSR Committee time to time may also be carried out by the Company.

V MODALITIES OF EXECUTION OF PROJECTS/PROGRAMMES

CSR Committee: The CSR Committee consists of Chairman and two members of the Board with one of them being an independent Board Member.

The Committee will meet at least twice in a year to discuss and review CSR activities and policy. A quorum of two members is required to be present for the proceedings to take place. Such other meetings of the Committee can be convened as and when deemed appropriate. The Committee Members may attend the meeting physically or via such audio-visual means as permitted under the Regulations. The Committee shall have the authority to call such employee(s), senior official(s) and or externals, as it deems fit.

VI CSR VEHICLE

CSR activities will be mainly undertaken by Section 8 Company (under Companies Act, 2013) to be established by the Company. However, the Company may also undertake the CSR activity directly or through any other agency engaged in similar type of activities.

VII MONITORING MECHANISM

The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes / activities proposed to be undertaken by the Company.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

CSR Policy and initiatives of the Company will be reported in the Annual Report of the Company in the manner prescribed under the CSR Rules. All the CSR & Sustainability projects would be documented and hosted on the Company's website also.

VIII GENERAL

The CSR Policy referred to above is to be read in conjunction with the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014.

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 the Government from time to time or as decided by the Board of Directors of the Company.

The above Policy Guidelines are subject to review at suitable intervals and subject to revision accordingly.

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