



**Himatsingka Seide Limited**

# Policy on Corporate Social Responsibility

*(Effective from April 1, 2014)*

### **Preamble**

It has been made mandatory by the Section 135 of the Companies Act, 2013 for the Company to formulate a Corporate Social Responsibility (CSR) Policy. The Policy is to be formulated by the Corporate Social Responsibility Committee and the Committee must recommend the same for the approval of the Board. Subsequently, the policy shall also be placed on the website of the Company.

The Board of Directors of the Himatsingka Seide Limited has, at its meeting held on November 11, 2014 approved and adopted this policy as recommended by the Committee. The Policy Modified and approved by the Board vide circular resolution dated January 22, 2018.

### **Effective Date**

The policy shall take effect from April 1, 2014.

### **Definitions**

For the purposes of this policy

**“Act”** shall mean the Companies Act, 2013 and shall include any amendments made thereto.

**“Average net profit”** shall be net profit of the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013.

**“Corporate Social Responsibility activities or CSR Activities or Activities”** shall mean the activities recognised for Corporate Social Responsibility as specified under the Schedule VII of the Companies Act, 2013 and shall include any additions or amendments made thereto.

**“Corporate Social Responsibility Committee or CSR Committee or Committee”** shall mean a Committee of the Board of Directors of the Company constituted under provisions of Listing agreement and Companies Act, 2013.

**“Board”** means Board of Directors of HSL.

**“Company or HSL”** shall mean Himatsingka Seide Limited, wherever it is referred to in the policy.

**“Minimum spending requirement”** shall mean the minimum amount to be spent on CSR activities as prescribed under section 135 of the Companies Act 2013, and the rules made thereunder.

**“Policy”** shall mean the Policy on Corporate Social Responsibility of HSL.

**“Rules”** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall include any amendments made thereto.

## The Policy

### **What CSR means to Himatsingka:**

Corporate Social Responsibility (CSR) is central to the operating philosophy of the Company as it is the Company's constant endeavour to ensure that its businesses uphold the highest standards of governance and compliance.

### **CSR Activities:**

The Company proposes to engage in one or more of the following CSR activities:

- 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;
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement;
- 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;
- undertaking rural development projects;
- undertaking slum area development projects;
- eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- 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;
- measures for the benefit of armed forces veterans, war widows and their dependents;
- training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;

- making 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;
- making contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- making contributions to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation;
- making contributions to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.

**Identification:**

The Company has set up a CSR committee (Committee) for the purpose of identifying CSR projects and overlooking, supervising and providing guidance for their implementation. The Committee shall explore various areas and filter and shortlist projects for CSR activities and recommend them for the approval of the Board of Directors.

**Implementation:**

The Committee, with respect to implementation of the selected projects, among others, shall:

- a) At the beginning, study the project and assess the requirements and estimate the budget for the same.
- b) Evaluate the project and specify time lines for their completion.
- c) Set achievable short term, medium term and long term goals as required for each project.
- d) Draw up annual milestones for each project.
- e)\* Enter into partnership with agencies such as NGOs, Trusts (whether established by the Company or not), Institutions, Confederations, Section 8 companies under the Companies Act, 2013 (and such other companies established under any other previous Company Law) or in partnership with other similar Organizations.
- f) Set up teams and assign them responsibilities with respect to the implementation of the projects.

*\*Inserted Vide approval dated January 22, 2018*

**Monitoring:**

The Committee shall monitor the implementation of the CSR projects through quarterly reports and if required through field visits as well and periodically inform to the Board the details and progress of the implementation.

**Budget and expenditure:**

The Budget for the activities undertaken/ to be undertaken shall be evaluated by the committee and recommended to the Board of Directors for its approval. The sanction of the Budget shall be made by the Board and the amount spent shall also be in line with the minimum spending as per statutory requirements for the time being in force.

The expenditure on these activities shall include contribution to corpus for the projects approved by the Board on recommendation of the CSR committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013 or any statutory modification thereto for the time being in force.

**Surplus from CSR activities:**

Surplus, if any, arising from any of the CSR activities, projects or programmes shall not form part of the business profit of the Company.

**Authority to make amendments:**

The CSR Committee shall have the right to make recommendations to the Board with regards to any amendment to the policy and the Board shall have the power to make any amendments to the Policy as it deems fit from time to time, provided that the Policy continues to be in line with the requirements under the Section 135 of the Companies Act and the Corporate Social Responsibility policy rules made there under, for the time being in force.

This policy shall be disclosed on the Company's website.