

**CHANDRA PRABHU INTERNATIONAL LIMITED#**



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**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

## 1. SHORT TITLE & APPLICABILITY

This Policy describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. Titled as the "**Chandra Prabhu International Limited CSR Policy**", this Policy has been prepared keeping in mind the Company's business ethics and the requirements of the 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 27<sup>th</sup> February, 2014. Notwithstanding any provision mentioned in this Policy, any change thereto with respect to the legal framework of Corporate Social Responsibility as specified in Section 135 of the Companies Act, 2013 read with relevant rules, shall have effect including the statutory amendment and modifications thereto in the legal provisions.

## 2. DEFINITIONS

'**Act**' means the Companies Act, 2013;

'**Board**' means the Board of Directors of Chandra Prabhu International Limited;

'**Company**' means Chandra Prabhu International Limited;

"**Corporate Social Responsibility (CSR)**" means and includes but is not limited to

(i) Projects or programs relating to activities specified in Schedule VII to the Act or

(ii) Projects or programs relating to activities undertaken by the board of directors of a company (Board) in pursuance of recommendations of the CSR Committee of the Board as Per declared CSR Policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.

'**CSR Expenditure**' shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities specified in this policy as approved by Board on recommendation of CSR Committee;

'**CSR Committee**' means the committee constituted under the provisions of Section 135 of the Act;

'**Directors**' shall mean the directors of the Company;

'**Net profit**' means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act and Rules Made thereof.

## 3. 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.

#### **4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

##### **Composition:**

The Corporate Social Responsibility Committee of the company consists of three directors amongst whom one is Independent Directors. The Composition of the CSR Committee as follows:

<b>Sl. No.</b>	<b>Name of Chairman/ Member</b>	<b>Category</b>	<b>Designation</b>
1.	Mr. Gajraj Jain	Chairman Cum Managing Director	Chairman
2.	Mr. Jitendra Kumar Mishra	Non-executive / Independent Director	Member
3.	Mrs. Hemlata Jain	Woman Director	Member

**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 would thrive to hold at least one meeting in a financial year.

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

##### **Role of CSR Committee**

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- b. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- c. To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d. 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.

The Board of Directors shall endeavor that the Company spends 2% of the average pre-tax net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

## 5. CSR BUDGET/CSR SPEND

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programs, 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.

## 6. CSR ACTIVITIES

6.1 CPIL may allocate its resources earmarked for CSR activities in any of the following manner:

- (a) Undertake various CSR activities on its own within the overall framework of the CSR Policy of the Company;
- (b) undertake various CSR activities through a registered trust, a registered society or a company established under section 8 of the Companies Act, 2013;
- (c) collaborate resources with other companies to undertake CSR activities;

6.2 The activities that may be included by the company in its Corporate Social Responsibility Policy as prescribed under Schedule VII of the Companies Act, 2013 are as follows:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swacch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the 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, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v. 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;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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, and other backward classes, minorities and women;
- ix. (a) Contribution to incubators or research and development projects in the field of

science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- x. Rural Development Projects; and
- xi. Slum area development
- xii. Activities related to promotion of road safety as suggested vide General Circular No. 21/2014 dated 18.06.2014 issued by Ministry of Corporate Affairs.
- xiii. Other areas as may be prescribed from time to time.
- xiv. Other areas as may be prescribed under Companies Act, 2013 or rules made there under from time to time.

Preference shall be given to CSR activities in local area where the operations of the Company are carried out.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of JIN, and shall be used only for CSR activities.

## **7. CSR EXPENDITURE**

The CSR projects or programs or activities undertaken by the Company as per the 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 regions where the Company operates.

All expenses and contributions for CSR activities will be made after obtaining subsequently approval from the Chairman of the CSR Committee in the beginning of financial year, which would then be placed before the forthcoming CSR committee for noting and record. The expenses so incurred during the year shall be within the overall budget approved in the beginning of the year by the committee. The detailed expenditure chart shall be got vetted by the committee at the end of the respective financial year.

## **8. IMPLEMENTATION PROCESS**

- a. Identification studies by the Senior Management/ professional institutions/agencies to identify the CSR program in line with the Policy;
- b. Internal need assessment by cross functional teams at the local level;
- c. Receipt of proposals/requests from charitable institutions and NGOs;



## **12. DISCLOSURES**

The Board's report, being a part of the Annual Report shall disclose the composition of the Corporate Social Responsibility Committee, the contents of such policy and the CSR initiatives undertaken. This CSR Policy shall also be placed on the website of the Company.