

POLICY NAME : CORPORATE SOCIAL RESPONSIBILITY POLICY			
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Version 1.02				

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Background:

With effect from April 01, 2014, every Company, which has a net worth of Rs 500 Crore or a turnover of Rs.1,000 Crore or net profit of Rs 5 Crore, is required to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility “CSR” Activities. The CSR activities are not permitted to be undertaken for direct or indirect benefits of the normal course of business and are restricted to only those activities mentioned in Schedule VII of the 2013 Act as amended from time to time.

Eligible activities as per Schedule VII:

- i. Eradicating hunger, poverty & malnutrition, promoting preventing 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;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, 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 centers and facilities for senior citizens, measures for reducing inequalities faced by socially and economically backward groups;
- iv. 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 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 off 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;

- vii. Training to promote rural sports, nationally recognised sports, Paralympic and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by Central Government for socio-economic development and relief and welfare of Scheduled Castes, Scheduled Tribes other backward classes, minorities and 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 Development (shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force).*

1. CSR Policy

1.1 CSR Committee

Mindteck (India) Limited "MIL" shall have a Board Level Committee herein after referred to as CSR Committee consisting of three or more Directors out of which at least one shall be an Independent Director.

The role/responsibilities of the CSR Committee include:

- 1.1.1 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.
- 1.1.2 Recommend the amount of budgeted expenditure to be incurred on the activities referred to in clause (2) below.
- 1.1.3 Monitor the Corporate Social Responsibility Policy of the company from time to time.
- 1.1.4 Institute a transparent monitoring mechanism for implementation of the CSR projects/programs/activities
- 1.1.5 Monitor implementation of CSR activities on quarterly basis.
- 1.1.6 Approve programs / projects / activities as approved by Central Govt.
- 1.1.7 Recommend the CSR Budget from time to time for the approval of the Board.

1.2 Members of CSR Committee –

- **Yusuf Lanewala** – Chairman and Managing Director (Chairman)
- **Javed Gaya** – Independent Director (Member)
- **Jagdish Malkani** – Independent Director (Member)

2. CSR Objectives

MIL shall lay down its focus on the following CSR activities in line with statute governing the CSR and for the benefit of public:

- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, differently abled and livelihood enhancement projects.

- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and facilities for senior citizens, measures for reducing inequalities faced by socially and economically backward groups;
- Any other CSR activities as per Companies Act and approved by the Board from time to time.

3. CSR Focus area Projects/ Programs/Activities:

- 3.1 MIL's Focus area CSR projects/programs/ activities will be in the areas of:
- Promoting enhancing vocation skills especially among children, women, elderly, differently abled and livelihood enhancement in the local areas.
 - Setting up old age homes, day care centers and facilities for senior citizens in the Local areas.
 - Any other CSR projects/programs/ activities as per Companies Act and approved by the Board from time to time.
- 3.2 Any projects/programs activities listed above shall be taken up with the approval of CSR Committee.
- 3.4 These projects/programs/activities shall be undertaken at any of the following in order to have sustainability:
- The Local development plan of MIL shall in Bangalore and Kolkata where MIL has official business establishments and any other areas where MIL has business in India.
 - Contribute or donate amount to approved Funds for the CSR cause.
- 3.5 CSR projects/programs/activities shall be implemented through implementing partners/specialized agencies. The minimum eligibility criteria of an implementing partner are as follows:
- It must be a registered society, trust, company or any specialized agency having minimum three years of experience post registration in handling activities of similar nature.
 - Experience of working with any Government Body or Public Sector Enterprise will be preferred.
 - However the CSR Committee may request for any other qualification on a mandatory basis from the applicants while selecting the implementing partners.

4. FINANCIAL RESOURCES & CSR EXPENDITURE

- 4.1** Annual CSR Budget: In alignment with The Companies Act, 2013 the Corporation shall earmark as CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years.
- 4.2** Board shall approve the budgeted amount in respect of CSR activities for every Financial Year based upon MIL profitability.

- 4.3 Surplus:** Any surplus arising out of the CSR projects/programs/ activities will not form part of the business profit of the Company.
- 4.4 Spend:** In case MIL does not spend the required amount, the CSR Committee shall intimate the reasons to the Board on annual basis, to enable the Board to prepare the Board Report accordingly.
- 4.5 CSR Expenditure:** CSR Expenditure includes all expenditure like contribution to corpus for projects or programme relating to CSR activities approved by the Board, but does not include any expenditure not in line with activities, within the purview of Schedule VII of Companies Act 2013.

5. Monitoring

- 5.1** Monitoring process shall be carried out by CSR Group and CSR Committee on quarterly basis.
- 5.2** In addition to the above, at the end of the year, Third Party Impact Assessment of projects shall be carried out.
- 5.3** CSR Committee shall review and approve the Annual Report on CSR activities as per Annexure or such prescribed format on yearly basis.

6. AMENDMENT

- 6.1** This policy shall stand amended in terms of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time.
- 6.2** Any amendment to this policy shall be in writing and become effective only when the same is approved by the CSR Committee. The Board may review and amend this policy from time to time.