



GRAVITA INDIA LIMITED

Corporate Social Responsibility Policy

(Effective from 24th March 2015)



CORPORATE SOCIAL RESPONSIBILITY POLICY **OF GRAVITA INDIA LIMITED**

Concept

Corporate Social Responsibility (CSR) has been making holistic and meaningful contributions to the society in many life-touching areas, for decades now. CSR initiatives and activities at Gravita Group extend well beyond its core business objectives, and the organization's commitment and concerns for the society are evident from the various initiatives it has taken in different fields in such short period.

The CSR objectives of Gravita India Limited (herein after 'Gravita' or 'Company') further gets reiterated through the company's vision statement that "All our businesses are targeted at maintaining the highest level of environmental integrity. We firmly believe that eco – friendly business practices are the key to prevention and protection of our natural resources."

Measures already taken by Gravita

At Gravita, CSR key areas of focus are Health, Education & Environment.

Gravita is a responsible global Lead manufacturer. The company's responsibility towards the environment is reflected in its primary business objective of recycling Lead products, which save energy and in turn, helps conserve finite mining resources.

Offering proper access to medical and other essential healthcare facilities including free medicines across its operation facilities is an important aspect of Gravita's social initiatives.

Realizing the importance and relevance of education, the Company has adopted a School in Phagi near its plant. Gravita is supporting the children of this school with books, stationary, bags, drinking water bottles and sports kit etc coupled with providing Computers in the Computer Lab of this School. The children are provided with regular medical check-ups as well on regular intervals as mutually decided with school management.

The company is equally concerned about the environment and has taken many initiatives in this direction like planting of large number of trees, using environment friendly technologies, adopting beautification drive of public parks in Jaipur.

The other measures that Gravita India Limited has already taken for the benefit and sustainable development of environment and contribution to the society include blood donation camp & health check-ups, donation to SOS foundation & Akshaya Patra Foundation, motivational seminars for employees and sports activities for enhancing social bonding between the employees and their families, Training & Development of employees and promotion of education of the wards of employees through Education policy of the Company.

Objective of the Policy

The CSR policy of the Company is being reduced in black and white to create a policy that encompass not only the measures already taken by Gravita but also to expand the horizons by including and adopting more areas of CSR as envisaged through the provisions of Companies Act, 2013 and the Rules made there under.

This Policy defines the mechanism using which the CSR activities of the Company will be carried on hitherto.

1. Definitions:

1.1 "Act" means the Companies Act, 2013;

1.2 "Board" means Board of Directors of the company;

1.3 "Company" means Gravita India Limited;

1.4 "Corporate Social Responsibility (CSR)" means and includes but is not limited to:-

- a) Projects or programs relating to activities specified in Schedule VII to the Act as enumerated in Clause 4 of this policy and includes such projects or programs which may be included by the Central Government from time to time; or
- b) Projects or programs relating to activities undertaken by the Board of directors of the company 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.

However, CSR shall not include:

- a) Activities being carried outside India;
- b) Activities exclusively for the benefits of employees of the Company or their families;
- c) Activities being undertaken by the Company in its normal course of business; and
- d) Contribution of any amount directly or indirectly to any political party.

1.5 "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

1.6 "Net Profit" means the net profit of the Company as per its Financial Statements prepared in accordance with the applicable provisions of the Act.

2. Corporate Social Responsibility Committee:

2.1 Formation:

- a) The Board shall form a Corporate Social Responsibility Committee consisting of such number of directors as are required to be member of such Committee under the extant provisions of Companies Act 2013;
- b) The Committee can call any further invitees who are expert in the field of CSR Activities or are involved in implementing the CSR policy of the Company;
- c) CSR initiatives of the Company must be aligned with business strategy and CSR strategy must clearly define objective, milestones and payback;
- d) The Secretary to the Board shall act as Secretary to the Committee.

2.2 Terms of reference: The Terms of reference of the Committee shall include but not limited to the following:

- a) Recommend the various CSR Activities to be undertaken by the Company;
- b) Recommend the amount of expenditure to be incurred on the recommended CSR activities;

- c) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- d) Monitor this policy periodically;
- e) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programs/ activities proposed to be undertaken by the Company;
- f) The Committee shall have the authority to discharge its responsibilities, including the authority to retain and terminate the engagement of such consultants and counsels as the Committee may deem necessary or helpful in carrying out its responsibilities and to establish the fees and other terms for the retention of such consultants and counsel. However, such fees shall be borne by the company;
- g) The Committee may form sub-committees for any purpose to be undertaken by it and may delegate to such sub-committees or to members of the management of the Company, such powers and authority as it deems appropriate;
- h) Approve to undertake CSR activities in collaboration with Gravita Group companies/ other Companies/firms/NGOs etc. and to separately report the same in accordance with the CSR Rules;
- i) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- j) Monitor CSR Policy from time to time;
- k) Monitor activities/charter of Joint Working Group (JWG) who are authorized to ensure that the CSR activities of the Company are implemented effectively;
- l) Authorize executives of the Company to attend the CSR Committee Meetings.

2.3 Meetings of the Committee:

- a) A meeting of the Committee may be called by its Chairman or any member at least once in every six months. Minutes of its meetings will be approved by the Committee and signed by the Chairman of the same meeting or if the same is not available by the Chairman of the next Committee meeting.
- b) The minutes of the Committee shall be placed at the Board Meeting held next after the Committee meeting.

- c) Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee.

2.4 Representation before Shareholders:

The Chairman of the Corporate Social Responsibility Committee or any member of the Committee shall be available to answer questions regarding the Corporate Social Responsibility Committee's activities at the Annual General Meeting of Shareholders.

3. Powers of Board:

The Board shall after taking into account the recommendations made by CSR Committee:

- a) Approve the CSR policy for the company and disclose contents of such policy in its report and also place it on the company's website;
- b) Ensure that the activities as are included in CSR policy of the company are undertaken by the Company;
- c) Ensure that the company spend in every financial year such amount/s as is required to be spent under the extant provisions of Companies Act 2013 read with Rules and Regulations for the same;
- d) If the company fails to spend such amount, the Board shall in its report specify the reason for not spending the requisite amount;
- e) The Board may at all times amend this Policy and/or revoke any powers granted by it to the Corporate Social Responsibility Committee, if the substance of the Committee for which it was formed is not happening the way it should, as required under law.

4. Scope of Activities :

The Company may engage in all or any of the following activities:

4.1 Health and Care:

- a) Eradicating hunger, poverty and malnutrition
- b) Promoting preventive health care
- c) Sanitation
- d) Making available safe drinking water
- e) Contribution to the 'Swach Bharat Kosh' set-up by the Central Government for the promotion of sanitation

4.2 Education:

- a) Promotion of education including special education and employment
- b) setting up libraries
- c) livelihood enhancement projects
- d) Enhancing vocational skills especially among children, women, elderly, and the differently abled

4.3 Environment:

- a) Ensuring environmental sustainability
- b) Ensuring ecological balance
- c) Protection of Flora and Fauna
- d) Animal Welfare
- e) Agroforestry
- f) Conservation of natural resources
- g) Maintaining quality of soil, air and water
- h) contribution to the 'Clean Ganga Fund' setup by the Central Government for rejuvenation of river Ganga

4.4 Equality:

- a) Promoting gender equality
- b) Empowering women
- c) Setting up homes and hostel for women and orphans
- d) Setting up old age home, such other facilities for senior citizens
- e) Day care centers
- f) Adopting measures for reducing inequality faced by socially and economically backward groups

4.5 Art and Culture:

- a) Protection of national heritage
- b) Protection of art and culture
- c) Restoration of building and sites of historical importance and works of art
- d) Promotion and development of traditional arts and handicrafts

4.6 Sports: Training to promote

- a) Rural sports
- b) Nationally recognised sports
- c) Paralympic sports
- d) Olympic sports

4.7 Others:

- a) Measures for benefit of
 - (i) Armed forces veterans
 - (ii) War widows and their dependents
- b) Rural Development Projects
- c) Slum area development
- d) Contribution to
 - (i) Prime Minister's National Relief Fund
 - (ii) Any other fund set up by Central Government for Socio-Economic Development
 - (iii) Relief and welfare of the Scheduled Caste, Scheduled Tribes, Other backward classes, Minorities and women.
 - (iv) Technology incubators located within academic institutions which are approved by the Central Government.

5. Other Provisions:

- a) The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in accordance with the provisions, amendments and rules specified in the Act.
- b) The Company may build CSR capacities of their own personnel as well as their implementing agencies through institutions while complying with respective provisions and amendments, if any, under Companies Act, 2013.
- c) The CSR initiatives of the Company shall focus the areas surrounding its plant locations or where the Company has its offices;
- d) Any surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company and shall be re-deployed in the promotion of CSR initiatives of the Company.

6. CSR Initiatives:

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve

any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

6.1 Annual CSR Plan:

Yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines the following aspects of CSR initiatives of the Company:

- ✓ Tailor-made CSR projects depending upon allocated spend and geographical presence
- ✓ Partnering agencies/companies/firms
- ✓ Process Owners
- ✓ Project Proposals
- ✓ Targeted Beneficiaries & their key needs
- ✓ Alignment with Schedule VII
- ✓ Project Goals and milestones
- ✓ Activities and Timelines including expected closure dates
- ✓ CSR Budget with projections
- ✓ Monitoring mechanism
- ✓ Progress reporting and frequency of reports
- ✓ Risks and mitigation strategies
- ✓ Any other information as may be required by the CSR Committee

6.2 Collaboration

The Company may collaborate with other Gravita Affiliates or its subsidiaries or any other Company/Trusts/Societies as may be approved by CSR Committee to implement CSR activities and the same shall form a part of the Annual CSR Plan. The Company may form trusts/Societies on its own to carry out CSR activities in accordance with the CSR Rules and to administer its CSR activities. The Company may also collaborate its CSR activities with other Affiliates or its subsidiaries or any other Company as may be eligible and approved by the CSR Committee vis-à-vis the Board of Directors and towards this effort, the Company may jointly along with other Affiliates or its subsidiaries or any other Company form Trusts to administer the CSR activities.

6.3 Monitoring Process:

A Joint Working Group (JWG) comprising of employees of the Company and representatives of entities with which the Company decides to collaborate for fulfilling its CSR obligations, will be created to ensure effective implementation and monitoring of the projects approved by the CSR Committee. The JWG will submit periodic reports to the CSR Committee of the Company on the progress of the various projects approved by the Committee and entrusted to the JWG for implementation and monitoring.

6.4 Reports:

JWG shall assist the CSR Committee to prepare reports that are required to be placed before the Board. The format of the Report shall be the format as prescribed under the CSR Rules stated hereunder:

S.no	CSR Project or Activity Identified	Sector which the project is covered	Project or Programs 1) Local Areas, 2) Specify the state and district where projects or programs was undertaken	Budget (Project or Program	Amount spent on Project or Program	Cumulative Expenditure	Amount Spent Direct or through Agency	Target Date & Status
					a)Direct Expenditure b) Overheads c)			

7. Information Dissemination:

The Company shall disseminate the CSR Policy adopted by the Company on its website, disclose the CSR activities being undertaken by it and the amount spent on CSR Activities in its Annual Report/Board's Report.

8. Policy Review and Future Amendment:

The Committee may review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

Revision History:
