

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. INTRODUCTION:

The Company and the Board hereby recognize that we must integrate our business values and operations to meet the expectations of our stakeholders. They include customers, employees, investors, suppliers, the community and the environment.

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to undertake CSR activities in accordance with the provisions of section 135 of the Companies Act, 2013 and related Rules.

2. AIMS & OBJECTIVES:

- (i) To develop a long-term vision and strategy for Company's CSR objectives
- (ii) Establish and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
- (iii) To establish process and mechanism for the implementation and monitoring of the CSR activities for the Company.

3. COMMITTEE COMPOSITION:

Mr.Niraj R. Choksi, Mr.Jignesh R. Desai, Jt.Managing Directors and Mr. Misbah Y. Baxamusa, Director of the Company are been appointed as the Committee Members to comply and undertake the roles of the CSR Committee as prescribed under the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. Members of the CSR Committee may be replaced by any other member of the Board.

4. COMMITTEE MEETINGS:

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities but not less than once in half year.

5. **DUTIES AND RESPONSIBILITIES OF CSR COMMITTEE:**

- Review and monitor of the CSR activities to be undertaken by the Company as per the list of activities specified in Schedule VII to the Companies Act, 2013 and appended to this Policy as Annexure – 1. Annexure 1 may be revised in line with any amendments/ inclusions made to Schedule VII of the Companies Act, 2013.
- Formulate and recommend to the Board the CSR activities/ programs to be undertaken by Company.
- Recommend the CSR Expenditure to be incurred on the CSR activities/ programs.
- Institute a transparent mechanism for implementation of the CSR projects and activities. Effectively monitor the execution of the CSR activities.
- Preparation of annual report of the CSR activities undertaken by the Company and submit and represent such report to the Board.

6. **RESPONSIBILITIES OF THE BOARD:**

- Approve the CSR Policy and the CSR expenditure incurred on the CSR activities after taking into consideration the recommendations made by the CSR Committee.
- Ensure the CSR spending every financial year of atleast 2% of the average net profits made during immediately preceding 3 (three) financial years, in pursuance with the Policy.
- Ensure disclosure of the contents of the CSR Policy on the Company's website.
- The Company shall undertake its CSR activities through various implementing agencies such as NGO's, non-profit organizations, etc. Such implementing agencies shall have an established track record as prescribed under the law. The Board may, in the future, decide to undertake and implement its CSR activities through a registered trust or registered society or a section 8 company (Non-profit entity) established by the NJ Group. In case the trust, society or a section 8 company is not established by the company or its holding or subsidiary or associate company, then such an entity will need to have a 3 years track record of undertaking similar projects or programmes.
- The Director's Report shall include:
 - (a) Contents of the CSR Policy and Composition of the CSR Committee;
 - (b) An annual report on the CSR activities in the prescribed format as per Annexure – 3;
 - (c) Reasons for failure to spend required amount on CSR activities, if any.

7. CSR EXPENDITURE:

- In every financial year, the Company shall spend atleast 2% of the average net profits made during immediately preceding 3 (three) financial years.
- CSR Expenditure shall mean all expenditure incurred in respect of specific projects/ programs relating to the approved CSR activities.
- It shall not include expenditure on an item or activity not in conformity or in line with the activities listed in Schedule VII of the Companies Act, 2013.

8. CSR ACTIVITIES – PROJECTS:

The existing CSR activities undertaken by the Company are listed in Annexure – 2, appended to this Policy.

9. IMPLEMENTING CSR ACTIVITIES:

- The day to day implementation and execution of the CSR activities/ projects shall be carried out through the members of the CSR committee.
- Some of the initiatives taken up by the Committee will facilitate the involvement of the Company's employees as volunteers in ongoing projects and events, giving them an opportunity to engage in social activities.
- The Company shall undertake the CSR activities directly and also through various implementing agencies such as NGO's, non-profit organizations, etc. Such implementing agencies shall have an established track record as prescribed under the law.

10. CSR REPORTING:

The Board in its Annual Report shall include the details of the CSR activities undertaken in the Financial Year. The particulars to be stated in the report shall be in the format as prescribed in Annexure – 3.

The CSR Committee shall provide a responsibility statement on the implementation and monitoring of the CSR Policy and that it is in compliance with the CSR objectives of the Company, which shall form part of the Board's Report.

11. DISPLAY OF CSR ACTIVITIES ON COMPANY'S WEBSITE:

The Company shall display on its website the contents of its CSR Policy and other information as may be required to be displayed.

12. REVIEW AND AUDIT:

The CSR Committee shall be appraised on the implementation of the CSR activities and the progress shall be monitored on half yearly basis.

The Company shall through its internal controls, audit and evaluation by its audit team, report the impact of its CSR activities/ projects.

The records relating to the CSR activities and expenditure incurred shall be properly/ meticulously maintained.

13. AMENDMENTS:

The Policy may be reviewed and amended from time to time.

- BY MANAGEMENT ORDER

ANNEXURE – 1

CSR Activities listed in Schedule VII of the Companies Act, 2013

Activities which may be included by Companies in their Corporate Social Responsibility Policies

Activities relating to:

1. eradicating extreme hunger and poverty;
2. promotion of education;
3. promoting gender equality and empowering women;
4. reducing child mortality and improving maternal health;
5. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
6. ensuring environmental sustainability;
7. employment enhancing vocational skills;
8. social business projects;
9. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
10. such other matters as may be prescribed.

ANNEXURE – 2

Company's Existing Projects

Following project is the existing and current CSR activity being handled:

1. Educating and empowering of underprivileged children.
2. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases.

ANNEXURE – 3

Format for the annual report on CSR activities to be included in the Board's Report

(As per the CSR Rules, 2014)

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ activity identified	Sector in which Project is covered	Projects/ Programmes 1. Local area/ others 2. Specify the state/ district (name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Subheads: 1. Direct expenditure on project 2. Overheads:	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementing agency
1							
2							
3							
	TOTAL						

In case the Company failed to do the minimum mandated Corporate Expenditure, it shall provide reasons for doing so in the Board Report.

A responsibility statement of the CSR committee shall also be included in the Board's Report.