

# Fagun Co CSR Policy

Adopted by the Board of Directors of Fagun Co Private Limited at their meeting held on 29 July 2020

## **1. INTRODUCTION**

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.

Fagun Co Private Limited in India is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

Fagun Co commits itself to contribute to the society in ways possible for the organization and has set up its committed core CSR team, as a means for fulfilling this commitment.

## **2. AIMS & OBJECTIVES**

This policy, encompasses the company's long-term vision and strategy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for carrying out socially useful activities / projects and programs for welfare & sustainability and development of community at large, preferably at local area and in its areas of operation, it is titled as "Fagun CSR Policy".

This policy shall apply to all CSR projects, activities and initiatives taken-up by the Company as may be decided by the management of Fagun Co Private Limited for the benefit of different segments of the society.

## **3. CSR Committee**

CSR Committee shall be formed as per the applicable laws. Fagun Co shall have a CSR Committee of Board consisting of two directors. The Committee shall meet at least once a year and at such frequency as it deems fit.

The duties & responsibilities of the CSR Committee shall be to:

- I. 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 Companies Act, 2013;
- II. Recommend the amount of expenditure to be incurred on the activities referred to in clause (i);

- III. Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- IV. Adhere to Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force);
- V. Carry out such other activities as are incidental for implementing the CSR projects in line with the requirements of the Companies Act, 2013; and
- VI. To carry out all other activities as informed or delegated by the Board of Directors from time to time.

#### **4. RESPONSIBILITY OF THE BOARD**

- I. To approve the CSR Policy and the CSR Expenditure after taking into consideration the recommendations made by the CSR committee.
- II. Ensure the CSR spending every financial year of at least 2% of average net profits made during immediately preceding 3 financial years, in pursuance with the Policy.
- III. Ensure disclosure of the contents of the CSR Policy on the Fagun Co Private Limited website.
- IV. Preparation of annual report on the CSR in the prescribed format as per the Companies Act, 2013.

#### **5. FAGUN CO PRIVATE LIMITED SHALL PROMOTE CSR ACTIVITIES AS UNDER**

Activities which may be included by companies in their Corporate Social Responsibility Policies Activities relating to:

- I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive 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 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 art 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, Paralympics 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- IX. 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;
- X. 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 Organization (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);
- XI. Rural development projects;
- XII. Slum area development. For the purposes of this item, the term `slum area' 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; and

XIII. Disaster management, including relief, rehabilitation and reconstruction activities.

## **6. CSR FUNDING AND ALLOCATION**

For achieving CSR objectives, Fagun Co private Limited will allocate 2% of the average net profits of the Company made during the three immediately preceding financial years, as its annual budget for the current year.

The annual budget allocated on a yearly basis will be utilized to carryout activities / projects relating to the CSR Areas as per the CSR Plan for the year.

The CSR Expenditure done by the Company shall mean all expenditure incurred in respect of specific projects/programs relating to the approved CSR activities.

If the Company fails to spend the allocated CSR amount, the Board shall in its report made under clause(o) of sub- section(3) of section 134 of Companies Act,2013,specify the reasons for not spending the amount.

The surplus arising out of the CSR activities or projects shall not form part of the business profit of Fagun Co.

## **7. IMPLEMENTING CSR ACTIVITIES**

Fagun Co Private Limited shall undertake the CSR activities directly and also through various implementing agencies such as, NGO's, non-profit organizations, Trusts, Societies etc. Such implementing agencies shall have an established track record as prescribed under the law.

Appropriate documentation of executing partners and expenditure entailed will be undertaken on a regular basis and the same will be made available at the Corporate Office.

Fagun Co Private Limited may also collaborate with other companies for undertaking the CSR projects/programs subject to fulfilment of separate reporting requirements as prescribed in the Rules.

The time period/duration over which a particular program will spread, will depend on its nature, extent of coverage and the intended impact of the program

By and large, preference will be given for the CSR programs to be executed in and around the areas adjoining Fagun Co's Registered office and Corporate Office.

## **8. CSR REPORTING**

The Board in its Annual Report shall include the details of the CSR activities undertaken in the Financial Year.

The CSR Committee shall provide an annual report on the implementation and monitoring of the CSR Policy and that it is in compliance with CSR objectives of Fagun Co Private Limited, which statement shall form part of the Boards' Report.

Fagun Co Private Limited shall display on its website [www.faguncompany.com](http://www.faguncompany.com) the contents of its CSR Policy and other information as may be required to be displayed.

## **9. AMENDMENTS**

The Policy may be reviewed and amended by the Board of Directors of the Company from time to time.

## **10. DISCLOSURE**

All disclosures, display and reporting requirement related to CSR shall be made in accordance with the provisions of the Act and Rules made thereunder.