

## **POLICY FOR CORPORATE SOCIAL RESPONSIBILITY**

### **INTRODUCTION**

- Corporate Social Responsibility (“CSR”) at P H Capital Limited (“Company”) portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. Along with sustainable economic performance, environmental and social stewardship is also a key factor for holistic business growth. As a responsible corporate citizen, we try to contribute for social and economic development on regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behaviour towards its employees, consumers and societies in which it operates. We are of opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder’s lives.
- This CSR Policy shall operate as the Corporate Social Responsibility Policy of the Company for the purposes of Section 135 of the Companies Act, 2013 and the rules made thereunder including the Companies (Corporate Social Responsibility Policy) Rules 2014 (“CSR Rules”) as amended from time to time.

### **VISION AND POLICY STATEMENT**

- Through sustainable measures, actively contribute to the social, economic and environmental development of the community in which the Company operates ensuring participation from the community and thereby create value for the nation.
- The CSR Committee will annually recommend the CSR programmes and projects to the Board for its approval. The Board of Directors of the Company through its CSR Committee will plan and monitor the expenditure of CSR activities.

### **OBJECTIVES**

Companies CSR Policy intends to:

- The Company, without any restriction of Caste, creed and religion will work for Educational and social activity.
- The Company willing to give primary education and other knowledge to the un-educated peoples and willing to open teaching classes for senior citizen, women etc.

### **DEFINITIONS**

“Act” means the Companies Act, 2013, as amended from time to time.

“Board” means the Board of Directors of the Company.

“Company” means ‘P H Capital Limited’.

“CSR” means Corporate Social Responsibility.

“CSR Committee” means Corporate Social Responsibility Committee of the Company constituted by the Board.

“CSR Rules” means Companies (Corporate Social Responsibility Policy) Rules 2014 and amendments thereon.

“CSR Policy” means this Policy.

“CSR Expenditure” shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee.

“Net profit” shall have the meaning ascribed to it in the Act.

“NGO” means non-governmental organisation.

### **CSR PROGRAMMES AND PROJECTS**

The Company proposes to adopt one or more of the following CSR activities as prescribed by applicable laws, including Schedule VII of the Companies Act, 2013, as amended from time to time:

- 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to 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;
- vii. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- viii. contribution to the Prime Minister's National Relief 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, 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.

- The CSR activities shall be undertaken within the territory of the Republic of India
- The Company’s CSR projects and programmes will be undertaken by the Company by itself or with joint and collaborative efforts of other companies.
- The CSR projects and programmes may also be implemented through registered public charitable trusts, not-for-profit companies set up under Section 25 of the Companies Act, 1956 corresponding to Section 8 of the Companies Act, 2013) through recognized and reputed NGOs and similar entities.

## **CSR COMMITTEE**

- The Company has constituted Corporate Social Responsibility Committee (“the Committee”) comprising of following three Directors out of which one Director is an Independent Director:
  - a) Ms. Sejal Dalal - Chairperson
  - b) Mr. Rikeen Dalal - Member
  - c) Mr. Naveen Chaturvedi - Member

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of the Companies Act, 2013 and CSR Rules notified with regard thereto.

- The CSR policy and programs shall be implemented, managed and supervised by the CSR committee appointed by the Board.
- The CSR Committee shall comprise at least of such number of directors as is mandatorily required by applicable laws.
- The Committee shall inter alia:
  - Formulate and update the CSR Policy which will be approved by the Board;
  - Decide the CSR activities to be taken up by the Company in accordance with this Policy;
  - Decide the amount to be allocated for each project or activity;
  - Oversee and monitor the progress of the initiatives rolled out under this Policy; and
  - Submit a report, to the Board on all CSR activities undertaken during the financial year
  - The Committee shall meet at least once in a financial year.

## **RESPONSIBILITIES OF CSR COMMITTEE**

- The responsibilities of the CSR Committee include:
- Formulating and recommending to the Board of Director the CSR Policy and indicating activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities, and
- Monitoring CSR activities from time to time
- Such other functions as the Board of Directors may deem fit

## **ROLE OF THE BOARD**

- After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or

subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that –

- If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other
- company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;
- Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates,
- As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

### **CSR REPORTING**

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

### **FINANCIAL OUTLAY AND IMPLEMENTATION FOR CSR ACTIVITIES**

- Every year, the Company shall with the approval of its Board make a budgetary allocation for CSR activities/ projects for the year. The budgetary allocation will be based on the profitability of the Company and the requirements of applicable laws.
- The Company expects to spend the budgeted amount allocated for CSR activities/ projects planned for each financial year, within that year. If for any reason, the budget of a year remains unutilised, the same would not lapse and would be carried forward to the next year for expenditure on CSR activities, which were planned for implementation in the previous year, but could not be completed due to some reason.
- The CSR Committee and the Board of Directors will disclose the reasons for not being able to spend the entire budgeted amount on the CSR activities as planned for that year.
- The amount allocated for emergency needs but not utilised in the year of its allocation may be carried forward to the next year for utilization for CSR activities.
- Any surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the Company.
- The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

### **MONITORING AND REPORTING FRAMEWORK**

- The Company recognises that monitoring is critical for assessment of the progress as regards timelines, budgetary expenditure and achievement of targets. Monitoring maybe done periodically with the help of identified key performance indicators, the periodicity being determined primarily by the nature of key performance indicators.
- Monitoring will be done in project mode with continuous feedback mechanism, and recourse always available for mid-course correction in implementation, whenever required.
- The performance of the Company's CSR activities would be monitored on the basis of their achievement of annual targets and the utilization of their annual budgets for the activities planned and the targets set for each year.

- Implementation and monitoring of the CSR activities will be overseen by the CSR Committee. The monitoring and evaluation may be assigned by the CSR Committee to an independent external agency for the sake of objectivity and transparency.
- If the projects are being implemented by external agencies, the Company may in consultation with CSR Committee designate special executives for this purpose.