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**Corporate Social Responsibility Policy**

1. PHILOSOPHY :

Business enterprises are the economic organs of society and draw on societal resources. The Management of Jocil Limited (Jocil or Company) believes that participation of business enterprises in building economic, social and environmental capital will enhance societal sustainability. In line with this belief, the Company shall continue devising unique models to promote standards of living and environmental capital. The Company makes decisions based not only on financial factors, but also on the social and environmental consequences. Accordingly the Corporate Social Responsibility (CSR) Policy of the Company is :

- To pursue a corporate strategy that enables realization of the twin goals of shareholder value enhancement and social value creation in a mutually reinforcing and synergistic manner.
- To align CSR Programmes with the business value chains of the Company and make them outcome oriented.
- To implement CSR Programmes primarily in the economic vicinity of the Company's operations with a view to ensuring the long term sustainability of such community interventions.
- To contribute to sustainable development in areas of productivity, quality, competitiveness, value addition, skill development, resource enhancing etc.
- To collaborate with communities and institutions that contribute to the national mission of eradicating poverty and hunger, especially in rural areas.
- To align the Company's operations with the national objective of inclusive growth and employment generation.
- To sustain and continuously improve standards of Environment, Health and Safety through the collective endeavour of the Company and its employees at all levels.
- To encourage the development of human capital of the Nation by expanding human capabilities, confidence, competence through skills development, vocational training etc.

2. CSR COMMITTEE :

Section 135 (3) of the Companies Act 2013 (the Act) and Rule 6 of Companies (Corporate Social Responsibility Policy) Rules 2014 (the Rules) requires the Company to formulate a Corporate Social Responsibility Policy (CSR Policy) to include, *inter alia* CSR Programmes, implementation schedules and monitoring processes of such programmes. Accordingly this Policy is formulated and approved by the Board of Directors at its meeting held on January 30, 2015.

The Board of Directors of the company in line with the requirements of the Act and the Rules made thereunder appointed Corporate Social Responsibility Committee consisting of four Directors out of which one is an Independent Director.

### 3. DEFINITIONS :

- a) "Corporate Social Responsibility (CSR)" means and includes but is not limited to : -
- i) Projects or programs relating to activities specified in Schedule VII to the Act; or
  - ii) Projects or programs relating to activities undertaken by the Board of Directors of a company (Board) 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.
- b) "CSR Committee" means the Corporate Social Responsibility Committee of the Company.
- c) "CSR Policy" relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.

### 4. CSR PROGRAMMES:

In the aforesaid background of CSR philosophy of the company, CSR activities or programs or projects are undertaken with a long term view. Projects are identified in a participatory manner, in consultation with stakeholders. However, the activities undertaken by the company under the CSR Policy have to be related to the activities included in Schedule vii of the Act. The areas identified are as given below –

- a) Promoting education including employment enhancing vocational skills.
- b) Ensuring environmental sustainability
- c) Eradicating poverty and malnutrition etc.
- d) Health care and sanitation and making available safe drinking water
- e) Promoting gender equality and reducing inequalities faced by socially and economically backward groups
- f) Promotion of sports, libraries, traditional arts and handicrafts
  
- g) Contribution to Prime Minister's National Relief Fund or any other Funds set up by Central Government.
- h) Development of slum and rural areas.

### 5. IMPLEMENTATION OF CSR ACTIVITIES:

The Company desires to implement the CSR programmes through Company personnel or through External Implementing Agencies – registered Trust, registered Society or a Company established by the company or its holding or associate company under section 8 of the Act or otherwise.

The Company shall specify the projects or programs that should be undertaken by the entities, the modalities of utilisation of funds on such projects and programs and the monitoring and reporting mechanism.

The Company shall ensure that the CSR programmes undertaken by these entities are in accordance with their objectives and administrative and accounting processes laid down in their respective Trust Deeds / Memorandum and Articles of Association. The Company shall also ensure that these entities are created exclusively for undertaking CSR activities or where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule vii of the Act.

The Company may also collaborate with the other companies for undertaking CSR projects or programmes or activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Rules.

#### 6. GOVERNANCE :

The CSR Committee shall identify the activities to be undertaken by the company during the financial year in accordance with the CSR Policy. The CSR Committee shall also arrive at expenditure to be incurred on such activities. The activities so identified along with the specified budgets thereof shall be recommended to the Board for its approval. The Board shall consider and approve the CSR plan with any modifications that may be deemed and necessary.

After obtaining the approval of the Board the company shall assign the task of implementation of the CSR plan within specified budget and time to such persons or bodies as it may deem fit.

The CSR Committee shall review the implementation of the CSR programme periodically and issue necessary directions from time to time to ensure orderly and efficient execution in accordance with this policy. The CSR Committee once in every six months shall provide a status update to the Board on the progress of implementation of the approved CSR programmes. It shall be the responsibility of CSR Committee to review such reports and keep the Board apprised of the status of implementation of the same.

#### 7. CSR EXPENDITURE :

The CSR Committee in every financial year shall recommend the amount of expenditure to be incurred on the CSR activities to the Board for its approval.

While making such recommendation the CSR Committee shall take into consideration the minimum amount required to be spent on CSR activities as per the provisions under Sec. 135 (5) of the Act.

CSR expenditure shall include all expenditure, direct and indirect, incurred by the Company on CSR programmes undertaken in accordance with the approved CSR plan. It includes contributions to corpus fund for projects or programs relating to CSR activities approved by the Board on the recommendations of the CSR committee. Any surplus arising from any CSR programmes shall be used for other CSR activities. Any income arising from CSR programmes will be netted off from the CSR expenditure and such net amount will be considered and reported as CSR expenditure.

8. AMENDMENTS :

The Company reserves the right to amend or modify this Policy in whole or in part at any time without assigning any reason whatsoever.

9. FREQUENCY OF MEETINGS :

The meetings of the Committee shall be held as and when required.

10. SECRETARY :

The President & Secretary of the Company shall act as Secretary of the Committee.

11. MINUTES OF THE COMMITTEE MEETING :

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee or Chairman of the next meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

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