

Corporate Social Responsibility Policy

1. PREAMBLE

“CIVILIZATION” in true sense means coming and working together for each other with the idea of benefiting the other. However, to keep pace with the changing environment the “civilization” seems to lose its true meaning, one should realize that the synergy is gained by coming together and not by staying isolated. The organizations must understand the need of the hour that the Government cannot alone uplift the society as a whole and thus every organization must extend their hands for this noble cause.

The organization functions in the society, it is a part of it and it receives resources, man power, revenue, etc. from the society and it inherently becomes the responsibility of the organization to return to the society by giving what the society wants so that it can become a better place for the entire human race.

Section 135 of the Companies Act, 2013 requires the company to formulate the Corporate Social Responsibility Committee and a policy thereon.

Innovators Façade Systems Limited (“the Company”) by this Policy anticipates working for the human civilization.

2. OBJECTIVE

CSR is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of the company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

3. REGULATORY REFERENCE

- a) Section 135 of the Companies Act, 2013 (“the Act”);
- b) Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”);

4. POLICY

- a) This policy shall be known as Corporate Social Responsibility Policy of the Company which is referred in this Policy as “the Policy” or “CSR Policy”.
- b) The Policy shall be displayed on the website of the Company.

5. COMMITTEE

- a) The Company has formed a committee which shall be known as the Corporate Social Responsibility Committee (“the Committee”);
- b) The Committee shall consist of three or more directors, out of which at least one Director shall be an independent director at all point of time;
- c) The composition of the Committee shall be disclosed by the Board of Directors of the Company in its Report.

6. CSR ACTIVITIES

(a) The following activities shall be termed as CSR Activities: -

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and 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 centers 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;

- 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 recognized 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 socioeconomic development and relief and welfare of the Scheduled Caste, 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.

(b) The CSR Activities shall not include the following: -

- a. activities undertaken in pursuance of normal course of business of the Company;
- b. activities that benefit only the employees of the company and their families;
- c. any contribution to any political party;

7. CONTRIBUTION FOR CSR ACTIVITIES

- a. The Board of the Company shall ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of the Policy;
- b. If the Company fails to spend such amount the Board shall, in its report specify the reasons for not spending the amount;
- c. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company and shall be carried forward for spending in the next financial year.
- d. The contribution in CSR Activities shall only be made in India;

Explanation: if any contribution in CSR Activities is made outside India, the same shall not be considered in calculation of two percent limit as specified in clause (a) above;

- e. The Company shall give preference to the local area and areas around it where it operates for spending the amount earmarked CSR activities.

8. IMPLEMENTATION

- a. The Board may decide to undertake its CSR activities approved by the CSR Committee through a registered trust or registered society or company established by the Company or its subsidiary or associate Company under the Companies Act, 2013;
- b. The Company may also collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.
- c. Companies may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the company in one financial year.

9. MONITORING AND REPORTING

- a. The CSR Committee shall monitor and review the progress of activities undertaken/completed;
- b. The Committee shall meet periodically;
- c. The Board of Directors of the Company should periodically review the implementation of the Policy and CSR Activities;
- d. The Board Report shall consist a section of Annual Report on CSR as per the format prescribed under the Rules.

10. AMENDMENT

The Company reserves its right to amend or modify the Policy in whole or in part, so long as it is not inconsistent with the provision of the Act and Rules.