

Corporate Social Responsibility Policy

Philosophy

Recognizing that business enterprises are economic organs of society and draw on societal resources, it is our belief that a company's performance must be measured not just by its financial performances but also by its impact on the welfare of the society at large. These initiatives are independent of the normal conduct of our business. Programs, projects and activities (collectively "CSR Programs") carried out in this regard are the subject matter of this Policy.

CSR Policy

It is our policy

1. To direct our CSR Programs, inter alia, towards achieving one or more of the following - enhancing environmental and natural capital; supporting employment; promoting education; providing preventive healthcare, creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India;
2. To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development;
3. To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
4. To pursue CSR Programs primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
5. To carry out CSR Programs in relevant local areas to fulfil commitments arising from requests by government/regulatory authorities and to earmark amounts of monies towards Corporate Social Responsibility (CSR) activities and to spend such monies directly in the areas the Company operates or through CSR Cells of such administrative bodies of the government ;
6. To provide equal opportunities to beneficiaries of the Company's CSR Programs as vendors or employees on merit;
7. To promote sustainability in partnership with industry associations, like the Council for Leather Exports, or Federation of Indian Exporters or Confederation of Indian Industry (CII) wherever necessary.

Implementation

To implement the Company's CSR Programs through Company personnel or through external implementing agencies or through Trusts or Section 8 Companies that may be established by the Company from time to time). In such cases, the Company will specify the CSR Programs which may be undertaken by those Trusts in accordance with their Objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memoranda and Articles of Association.

Governance

1. Every year, the CSR and Sustainability Committee will place for the Board's approval, a CSR Plan delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
2. The Corporate Management Committee (CMC) will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit.

3. The persons/bodies to which the implementation is assigned will carry out such CSR Programs as determined by the CMC within the specified budgets and timeframes and report back to the CMC on the progress thereon at such frequency as the CMC may direct.
4. The CMC shall review the implementation of the CSR Programs once a quarter and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.
5. Once every six months the CMC will provide a status update to the CSR and Sustainability Committee on the progress of implementation of the approved CSR Programs carried out during the six month period. It shall be the responsibility of the CSR and Sustainability Committee to review such reports and keep the Board apprised of the status of implementation of the same.
6. At the end of every financial year, the CSR and Sustainability Committee will submit its report to the Board.

CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programs undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programs shall be used for CSR. Accordingly, any income arising from CSR Programs will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

Composition of CSR Committee

The CSR committee is being formed with the following persons

1. Shri Ajit Thomas Chairman
2. Shri Dilip Thomas Director
3. Shri Habib Hussain Chief Executive

Corporate Social Responsibility

In terms sub-section (1) of section 135 of Companies Act 2013, read with Companies (Corporate Social Responsibility) Rules 2014, every company

- a. Having net worth of more than Rs. 500 crores or
- b. Having a turnover of more than Rs. 1000 crores or
- c. A net profit of more than Rs. 5 crores,

in any financial year shall form Corporate Social Responsibility Committee (CSR Committee) consisting of 3 or more directors including an independent director. Provisions for Intendent director does not apply to a private company and the no. of directors will be minimum 2 only

Schedule VII of Companies Act lists out many objectives for the activities like

- a. Eradicating hunger, poverty, promoting health and sanitation , providing safe drinking water
- b. Promoting education, vocational skills
- c. Promoting gender equality, empowering women
- d. Ensuring environmental sustainability, ecological balance
- e. Protection of national heritage, art and culture
- f. Measures for benefit of armed force veterans, war widows
- g. Training to promote rural sports, national and Olympic sports
- h. Contribution to Prime Minister's relief fund
- i. Contributions to technological incubators in Central Government recognized institutions
- j. Rural development projects.

The preference to be given to local areas.

The CSR Committee has to recommend a policy on achieving the above objects to the Board and get its approval for implementation. The policy is to mentioned in the Directors' Report.

The amount to be spent for the above purposes is at least 2 % of the average net profits of the company in the preceding 3 years. Reasons for not spending or for shortfall in spending should be mentioned in the Directors' Report.