



JALAN TRANSOLUTIONS (INDIA) LIMITED

**CORPORATE SOCIAL RESPONSIBILITY
(CSR) POLICY**

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INTRODUCTION

The term "Corporate Social Responsibility (CSR)" can be referred as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to companies efforts that go beyond what may be required by regulators or environmental protection groups.

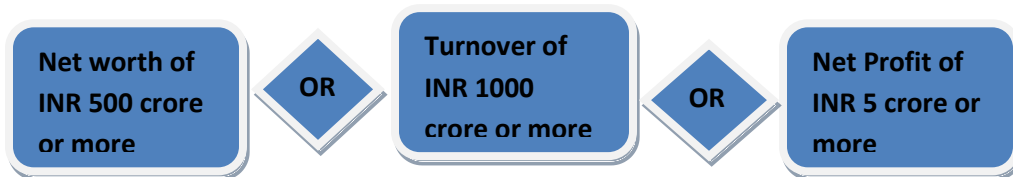
Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change.

"CSR is the process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies. Thus CSR is not charity or mere donations. CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operations and growth."

Corporate Social Responsibility is an organization's sense of responsibility towards the community and environment (both ecological and social) in which it operates. Companies express this citizenship through their waste and pollution reduction processes, by contributing educational and social programs and by earning adequate returns on the employed resources. We at *Jalan Transolutions (India) Limited* as a corporate citizen has more common approach to CSR that is corporate philanthropy. This includes monetary donations and aid given to non-profit organizations and communities. Donations are made in areas such as the arts, education, housing, health, social welfare and the environment, among others.

APPLICABILITY

All those companies whose Net worth of INR 500 crore or more; or Turnover of INR 1000 crore or more; or Net Profit of INR 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee". The pictorial representation below gives the representation of CSR Policy.



THE OBJECTIVES OF THE POLICY

The Corporate Social Responsibility Policy of the Company is formulated with the following broad objectives:

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects;
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting;
- Creating opportunities for employees to participate in socially responsible initiatives.

DEFINITIONS

In this Policy unless the context otherwise requires:

1. "Act" means the Companies Act, 2013;
2. "Annexure" means the Annexure appended to these rules;
3. "**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.
4. "**CSR Committee**" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
5. "**Company**" means "Jalan Transolutions (India) Limited".

6. "**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.

7. "**Net profit**" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely :-

(i) Any profit arising from any overseas branch or branches of the company' whether operated as a separate company or otherwise;

(ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

ROLE OF CSR COMMITTEE

The CSR Committee constituted in pursuance of Section 135 of the Companies Act, 2013 shall be required to carry out the following activities:

- a) 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;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

SCOPE

I. Education

India has around 25% of its total population illiterate. One of the main factors contributing to this relatively low literacy rate is the lack of proper school facilities. There is a shortage of classrooms to accommodate all the students, therefore following are the activities in this regard:

- ✓ Support to Technical /Vocational Institutions for their self -development.
- ✓ Academic education by way of financial assistance to Primary, Middle and Higher Secondary Schools.
- ✓ Adult literacy amongst those belonging to BPL.
- ✓ Awareness Programmes on girl education.
- ✓ Counseling of parents
- ✓ Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
- ✓ Spreading legal awareness amongst people and disadvantageous sections of the society about their rights & remedies available.

- ✓ Promotion of Professional Education by setting up educational Institutions offering courses in Engineering, Nursing, Management, Medicine and in Technical subjects etc.
- ✓ Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get uninterrupted education.

II. Health Care organizing, health awareness Camps on

India has one third of world's poor. According to the World Health Organization, it is estimated that 98,000 people in India die from diarrhoea each year. The lack of adequate sanitation, nutrition and safe water has significant negative health impacts, following are the activities in this regard:

- ✓ AIDS TB and Leprosy
- ✓ Social evils like alcohol, smoking, drug abuse etc.
- ✓ Child and Mother care
- ✓ Diet and Nutrition.
- ✓ Blood donation camps.
- ✓ Diabetics detection & Hypertension Camps
- ✓ Family Welfare.
- ✓ Senior Citizen Health Care Wellness Clinics.
- ✓ Fully equipped Mobile Medical Vans.
- ✓ Tele medicine
- ✓ To supplement the different programmes of Local/State Authorities.
- ✓ Along with De addiction centers

III. Environment

The Greener India initiative aims to do this through its innovative projects that focus on achieving time-bound goals linked to the environmental sustainability; following are the activities in this regard:

- ✓ Organizing sensitizing programmes on Environment Management and
- ✓ Pollution Control.
- ✓ Green belt Development
- ✓ A forestation, Social Forestry, Check Dams, Park.
- ✓ Restoration of mined out lands.
- ✓ Development of jobs related to agro product i.e., Dairy/Poultry/farming and others.
- ✓ Plantation of saplings producing fruit.
- ✓ Animal care.

IV. Social Empowerment.

- ✓ Self /Gainful Employment Opportunities – Training of Rural Youth for Self Employment (TRYSEM) on Welding, Fabrication, and other Electronic appliances.
- ✓ To provide assistance to villagers having small patch of land to develop mushroom farming, medicinal plants, farming & other cash crops to make them economically dependent on their available land resources.
- ✓ Training may be provided by agricultural experts for above farming.
- ✓ Organizing training programmes for women on tailoring Embroidery designs,
- ✓ Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other
- ✓ Vocational Courses.
- ✓ Care for senior citizens.
- ✓ Adoption/construction of Hostels (specially those for SC/ST & girls)
- ✓ Village Electricity/Solar Light
- ✓ upliftment of truck drivers and their families
- ✓ To develop infrastructural facilities for providing electricity through Solar Lights or alternative renewal energy to the nearby villages. Recurring expenditure should be borne by the beneficiaries.
- ✓ Pawan Chakki as alternative for providing electricity in villages, etc.

THE GEOGRAPHIC REACH

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

GOVERNANCE MECHANISM

Jalan's CSR will have a multi-tiered governance mechanism.

The CSR Committee of the Board will govern and review the CSR of the company from time to time. The CSR Committee will recommend the Annual Business Plan for CSR to the Board for its approval. The plan will include resource requirements and allocation across interventions and locations.

The composition of the CSR committee of the board is as below:

Mr. Rajnish Kumar Pandey - Non-executive, Independent Director- Chairman

Mr. Manish Jalan – Chief Financial Officer & Executive Director- Member

Mrs. Pushpa Jalan - Non-executive, Non-Independent Director- Member

SCOPE AND FUNCTIONS OF CSR COMMITTEE

The CSR committee will recommend a formal CSR Policy, this document and will recommend particular CSR activities, set forth a budget, describe how the company will implement the project, and establish a transparent means to monitor progress.

ADMINISTRATION OF CSR PROJECTS

Company can meet its CSR obligations by funneling its activities on its own or through a third party, such as a society, trust, foundation or Section 8 company (i.e., a company with charitable purposes) that has an established record of at least five years in CSR-like activities. Company may also collaborate and pool their resources, which could be especially useful for small and medium-sized enterprises. Managing Director of the company will have the power to sanction any project for CSR up to a limit of 7.5 lakhs, above which Board's approval will be required to sanction the amount.

IMPLEMENTATION

- The investment in CSR should be project based and for every project time framed periodic mile stones should be finalized at the outset.
- Project activities identified under CSR are to be implemented by Specialized Agencies and generally NOT by staff of the company. Specialized Agencies could be made to work singly or in tandem with other agencies.
- Such specialized agencies would include:
 - Community based organization whether formal or informal.
 - Elected local bodies such as Panchayats
 - Voluntary Agencies (NGOs)
 - Institutes/Academic Organizations
Trusts, Mission etc.
 - Self-help groups
 - Government, Semi Government and autonomous Organizations.
 - Standing Conference of Public Enterprises (SCOPE)
 - Mahila Mondals/Samitis and the like Contracted agencies for civil works
Professional Consultancy Organization etc.

FUNDING

- As per the regulations the company will set aside, for annual CSR activities, an amount equal to 2% of the average net profits of the Company made during the three immediately preceding financial years. Any unutilized CSR allocation fund of a particular year, will be carried forward to the next financial year i.e. the CSR budget will be non lapsable in nature;
- The tax treatment of CSR spent will be in accordance with the Income Tax Act, 1961 as may be notified by the central board of Direct taxes.

REVIEW OF POLICY

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.
