



CORPORATE SOCIAL RESPONSIBILITY POLICY

(Proposal)

[proposed date of implementation 13th August 2014]

The CSR Policy has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made there under. The Company will undertake CSR activities specified in Schedule VII to the Companies Act, 2013.

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CORPORATE SOCIAL RESPONSIBILITY POLICY

“The business of businesses should not be about money. It should be about responsibility. It should be about public good, not private greed.”

1. OBJECTIVE

Cravatex Limited is committed to support the underprivileged sections of your society and thereby undertakes corporate social responsibility initiatives in accordance with the terms of Section 135 of the Companies Act, 2013 and the guidelines stated in Schedule VII of the Companies Act 2013

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The board of Directors of the Company have constituted a CSR Committee of Directors comprising of three directors with at least one being an Independent Director as mentioned below:

Name	Role
Nabankur Gupta Non-Executive Director	Chairperson
N. Santhanam Non-Executive & Independent Director	Member
Rajesh Batra Managing Director	Member

3. ROLE OF CSR COMMITTEE

The CSR Committee will play the following role in fulfilling the Company’s CSR objectives:

- Recommendation of the project/ programme to be undertaken within the long term vision and strategy of Cravatex Limited in respect of CSR activities, amount of expenditure to be incurred, types of activities, roles and responsibilities of various stakeholders etc.
- Formulation of a monitoring mechanism for ensuring implementation of the projects/programs undertaken or the end use of the amount spent by it towards CSR activities.

The Contribution will be made for any activities undertaken within India. The Committee will give preference to the local area and areas around it where it operates in spending the amount earmarked for CSR activities.

Surplus arising out of the CSR activities will be utilized for the benefit of the Community.

4. Role of board of directors

The role of the board with respect to CSR is as under:

- Review the recommendations in respect of annual budget for CSR:
- Disclose contents of the policy in the companies report/website: and
- Ensure that the company spends in every financial year, atleast two percent of the average net profits made during the three immediately preceding financial year of the Company on CSR activities

5. Disbursement of CSR budget

The Company may undertake CSR activities either by pooling the resources into Ram Batra Memorial Foundation or other non-profit organizations (NGOs) or a combination of both.

The CSR Committee will decide on the budget allocation of CSR Projects and Programme and the tranches of disbursement of amount.

6. Partnering Organizations

While undertaking any project of program along with other NGO (partnering organization), the Company will undertake due diligence to evaluate the NGO's reputation, track record, capacity and competency , including organization structure, requisite permits and licenses, presence in desire geography and compatibility with the CSR Policy.

7. Process for undertaking CSR activities / projects through partnering NGOs.

The following procedure will be adhered to while undertaking /funding CSR activities /projects through NGOs:

- Presentation of Projects / Program details
- Execution of Memorandum of Understanding (MoU) with the partnering NGOs, which will detail the key roles and responsibilities of each of the parties for a specified project or projects identified by the Cravatex Limited / Company.
- Scheduling of disbursements of funds relating to the program and monitoring system in accordance with pre-agreed milestone with partners.
- The Committee whilst making any contribution will specify the activities for which it is made and the amount for the same.

8. Monitoring

CSR Committee will institute a transparent monitoring mechanism for implementation of CSR Projects or programs undertaken by the Company or through NGOs.

9. Volunteering

The Company will encourage and enable employees and other stakeholders to participate in the projects supported by it through Employee Volunteering Programmes (EVP).

The Head HR will play a specific role in building capacities, skills and talents under the concept of the Company's broader vision on CSR.

10. Self- Assessment of CSR initiatives

The Company will introduce mechanism for self- assessment of CSR activities pursued by it and strive to improve existing policy and system. It will also undertake impact assessment of the development projects on the target group.

11. Dissemination of Information

The CSR Committee will report to the board of the Company from time to time the status of the CSR projects / activities undertaken by it along with the report on the impact created by such projects / activities.

The Company would upload this Policy on its website www.cravatex.com. Further, detailed status report on the CSR activities carried out by the Company will be disclosed every year as part of the Directors' Report in the Annual Report. The said information will also be uploaded on the website of the Company.

The CSR activities of the Company would be visible through newsletters, website, press releases and Directors' Annual Report (as an integral part of business) articulated on major occasions and employee / shareholder / dealer meetings.

CSR INITIATIVES BY CRAVATEX LIMITED

Our focus area for CSR in FY 14-15 is to enhance the lives of the underprivileged children in Mumbai by supporting their nutritional and educational needs. Through our various programs we plan to reach out to about **530 underprivileged children** in Mumbai. The budget allocated for this purpose is INR 15,00,000/- for FY 14-15.

In our endeavor to support the nutritional and educational needs to these children, we are working closely with three NGOs

- **Mumbai Mobile Creches (MMC)**, a Mumbai Based NGO, established with the objective to implement comprehensive programs for children of construction workers and other low income communities between the ages 0 to 14 which focus on their overall education and cognitive, emotional, moral, physical and social development without profit motive
- **Shelter Don Bosco**, a Mumbai based non-government organization established in 1987 with a mandate to work for the street children of Mumbai and to provide shelter and to empower them by imparting education, skill training and holistic personality development programs.
- **Aseema Charitable Foundation**, a Mumbai based non-governmental organization established in 1995 with a mandate to protect and promote the human rights of underprivileged children.

Projects undertaken by Cravatex Limited

1. Project Muskaan

“Project Muskaan”, is our first CSR project in association with Mumbai Mobile Creches (MMC). Under Project Muskaan, Cravatex Limited will provide a funding of INR 4,00,000/- to MMC to support them in their efforts towards catering to nutritional needs of underprivileged children. The funds will be utilized by MMC for the purpose of providing regular breakfast to approximately **215 children** for a period of 12 months at the day care centers in different construction sites across Mumbai, Thane and Navi Mumbai. This support will be provided for the duration of June 2014 to May 2015 and may be extended in subsequent years following a review of the programme in May 2015. In the case of extension of this support, MMC will provide revised budgets in writing to Cravatex Limited.

2. Project Arpan

Through ‘*Project Arpan*’ – which means to share without holding back, Cravatex Limited will support Shelter Don Bosco leverage their resources to take care of the street children currently residing at the shelter home.

For the next one year Batra Group will provide the shelter home monthly food supplies to take care of the nutritional needs of about **65 children**. Along with this we will also provide the kids sports kits and school stationary for their current academic year.

Programme	Donation Frequency	Programme Description
Nutritional Support	Monthly	All the supplies will be deliverable at registered address of Shelter Don Bosco by Cravatex Limited on a monthly basis.
Support towards educational & holistic development of children	Annually	Stationary requirements – All the items have been delivered at the registered address of Shelter Don Bosco at the being of the academic year.
	Annually	Sports kits & Tee-shirt requirements – All the items have been delivered at the registered address of Shelter Don Bosco at the being of the academic year.

3. Project with Aseema Charitable Trust

Cravatex Limited will provide a grant of INR 5,00,000/- to Aseema to support them in their efforts towards education and health of underprivileged children. The funds will be utilized for providing mid-day meals, to be given to **250 children** studying in a municipal school supported by Aseema. This support will be provided for the academic year 2014-15 and may be extended in subsequent years following a review of the programme in April 2015

In addition to the grants provided to the NGOs, Cravatex Limited undertook Employee Engagement and Volunteering Programs to increase the awareness of community responsibility in the organization and making our initiatives more inclusive in nature.