

HEMADRI CEMENTS LIMITED

CORPORATE SOCIAL RESPONSIBILITY

POLICY

Corporate Social Responsibility(CSR) Policy

Preamble:

The term '**Corporate Social Responsibility**'(CSR) has gained much importance in the recent days due to many reasons like regulatory impositions, increasing social awareness of the corporates, changing attitude of the corporate world to make society a part of its environment etc. From Hemadri Cements Limited (HCL) point of view, the term '**CSR**' not merely restricts itself in allocation of funds for social activities; but further extends in returning the society what it has taken it from as well as develop the healthy and sustainable relationship between HCL and all the components of the society with which it is dealing directly or indirectly.

Introduction:

HCL had voluntarily initiated numerous CSR activities in recent past; much before the introduction of formal regulations on CSR

Objectives:

HCL recognizes its responsibility to society and contributes significantly towards the betterment of the local communities it serves.

HCL ensures that the resources and employees' time are contributed to the community at large as well.

In the light of the above various efforts have been made by the company to make a difference.

Recommended sectors for CSR activities:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitization and making available safe drinking water
- ii. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- iii. Promoting gender equality, empowering women, setting 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. Ensuing environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

- v. Protection of natural 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 benefits 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 Ministers' National Relief Fund or any other fund set up by Central Government for socio-economic development and relief and welfare of Scheduled Castes, 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

Programs selected for undertaking CSR activities:

Programs selected for undertaking CSR activities shall be decided amongst the above listed and such other activities as may be specified in Schedule VII of the Companies Act 2013, restricted to only within India.

Scope of activities covered:

The scope of activities of the Company will not only restrict to providing funds for promoting aforementioned activities, but also in creating opportunities for the locals and others which will make them independent and capable of raising their livelihood.

Implementation schedule:

The CSR activities as mentioned above shall be undertaken by the Company during any time between 1st April to 31st March, every year. The CSR Committee shall decide on the implementation schedule.

CSR Committee: Constitution / Monitoring / Source of Fund

Constitution:

The Committee shall comprise minimum of Three directors of the Company out of which one shall be an Independent Director or such other lesser number of directors as may be prescribed under the Companies Act 2013.

Monitoring:

The Committee shall monitor, from time to time ,the implementation of CSR activities either by itself or by appointing independent agency, if it may deem so. Further a committee shallfrom time to time designate any person who may include any employee(s)of the Company / Committee Member(s) / external agency(ies) or any other person, who shall after carrying out the necessary inspection/ examination(s)/ confirmation(s),submit a report to the CSR Committee. The report shall contain the details on implementation of CSR activities undertaken by the Company.

Source of funds:

The funds required for utilization on CSR activities shall be allocated out of the profits of the Company. The Company shall spend on CSR activities an amount of at least 2% percent of the average net profits calculated as per the provisions of the Companies Act, 2013, made preceding 3 financial years on CSR activities. The surplus; if any; arising out of CSR activities shall not form part of the business profits of a Company. (Rule 6 2)

Implementation:

The Company shall implement CSR directly or through registered society or registered trust or Company under Section 8 of the Act as specified by the Companies Act, 2013.
