

**USHA INTERNATIONAL LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**1. INTRODUCTION**

Usha International Limited (hereinafter referred to as "The Company") as a responsible corporate entity believes in making a positive and lasting impact on the social and economic development of the country. The various projects chosen by the Company under Corporate Social Responsibility (hereinafter referred to as "CSR") display our positive intent and actions to create an environment of sustainable growth in India.

The Company takes its decisions not only on the basis of financial factors but also on the basis of social and environmental impact on the society at large. Therefore, the Company strives to give due consideration to the interest of its stakeholders including the shareholders, customers, suppliers, business partners, local communities and other organizations.

**2. VISION**

Our Vision is to "actively contribute to the social and economic development of the country, ensure sustainable environment and to improve the quality of lives of people in the communities in which we operate and supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy".

**3. CONSTITUTION OF CSR COMMITTEE**

In accordance with Section 135 of the Companies Act, 2013, the Company is required to constitute a CSR Committee of the Board comprising of three or more Directors, out of which at least one Director shall be an Independent Director.

The current structure of the CSR Committee has been given under **Annexure I**

**Powers of the Committee**

Following are the Powers of the CSR Committee:

- (i) Formulate and recommend a CSR Policy to the Board of Directors of the Company for approval;
- (ii) Recommend CSR activities as stated under Schedule VII of the Act, as amended from time to time;
- (iii) Recommend the CSR Budget;
- (iv) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;

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- (v) Create transparent monitoring mechanism for implementation of CSR Initiatives in India;
- (vi) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- (vii) Monitor CSR Policy from time to time;

#### **Frequency of the Meetings of the CSR Committee**

The CSR Committee shall meet atleast once during the financial year. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings.

Quorum for the meeting should be same as that of the Board. Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee. Minutes of the CSR Committee shall be placed before the Board for noting.

#### **4. PROJECTS TO BE UNDERTAKEN BY THE COMPANY**

The CSR activities to be undertaken by the Company, as stated in this Policy, shall be as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The activities which are exclusively for the benefit of employees or their family members shall not be considered as CSR activity.

One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorship of TV programmes etc. shall not be considered as CSR activity.

Expenses incurred by the company for fulfillment of any other Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act, 2003, Apprentice Act, 1961 etc. shall not be considered as CSR activity.

Contribution of any amount directly or indirectly to any political party shall not be considered as CSR activity.

The projects or programmes or activities undertaken outside India shall not be considered as CSR activity.

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

The following are the list of CSR projects or programs which the Company may plan to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

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2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
5. 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;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. rural development projects.
11. Slum area development.
12. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

#### **5. BUDGET**

The total budget for the CSR projects shall be decided by the CSR Committee and further approved by the Board.

The surplus, if any, arising out of CSR projects or programs or activities shall not form part of business profit of the Company and shall be used for the purpose of CSR.

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Tax treatment of amount spent on CSR activities will be in accordance with the Income Tax Act as may be notified by CBDT.

**6. MONITORING MECHANISM**

The monitoring mechanism of the CSR activities may include the following:

- i) CSR initiatives / activities of the Company shall be reported in its Board's report.
- ii) Review by the CSR Committee and reporting to the Board on:
  - amount spent on each activity;
  - amount unspent, if any;
  - manner in which the amount was spent during the financial year

**7. PARTNERSHIP/COLLABORATIONS**

Collaborative partnerships may be formed with various NGO's, government bodies, Corporate etc. This will help to widen Company's reach and leverage upon the collective expertise, wisdom and experience of both the partners.

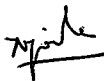
**8. INFORMATION DISSEMINATION**

The Company's engagement in this domain shall be disseminated on its website and annual report.

**9. MANAGEMENT COMMITMENT**

The Board of Directors and Management believe in constantly striving to ensure strong corporate culture which emphasizes on integrating CSR values with business objective and to build a society that works for everyone.

For and on behalf of Board of Directors  
Usha International Limited



N.K. Goila  
Director

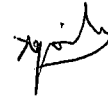
**ANNEXURE – 1**

**MEMBERS**

: Mr. A.K. Jain  
:  
: Mr. Krishna Shriram  
:  
: Ms. Chhaya Shriram

**PERMANENT INVITEE**

: Dr Priya Somaiya

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