

NIS MANAGEMENT LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

NIS MANAGEMENT LIMITED seeks to be a good corporate citizen in all aspects of its operations and activities. It is the Company's intent to make a positive difference to society. It recognizes that it cannot do it all; so that if there are choices to be made, prioritization will be towards doing fewer projects with greater impact and focusing initiatives on communities in which the Company lives and operates.

VISION AND COMMITMENT

Our vision is to drive 'holistic empowerment' of the community through implementation of sustainable initiative which will have maximum societal impact by identifying the critical needs and gaps.

We shall remain committed to the following operating principles –

- Conducting business in a socially responsible and ethical manner;
- Protecting the environment and the safety of people;
- Supporting human rights; and
- Engaging, learning from, respecting and supporting the local communities and cultures with which we work.

PHILOSOPHY AND APPROACH

The company proposes to create a social impact through 'hands on' execution of the social initiatives, directly and/ or through partnerships with individuals, institutions, NGOs and local Government bodies for the purpose of accessing expertise/ enhancing resources.

CSR ACTIVITIES

The company may carry out any one or more of the CSR activities, notified under Schedule VII read with Section 135 of the Companies Act, 2013 and the rules made there under and as amended from time to time, inter-alia the following:

- To fight against hunger, poverty and malnutrition;
- To promote health care, sanitation and make available safe drinking water;
- To promote education and enhance vocational skills especially among children, women and differently abled persons;
- To promote gender equality, empowering women, setting up old age homes and such other facilities for senior citizens;
- To facilitate rural development and slum area development;
- To ensure environmental sustainability, ecological balance, conservation of natural resources, etc.;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- To provide training to promote rural sports, nationally recognized sports, paralympic sports and Olympic Sports;
- Contribution to the Prime Ministers' National Relief Fund or any other such funds;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

However, the CSR Committee shall have authority to decide to carry out any other CSR activities within the purview of permissible activities under the Act from time to time.

OPERATIONAL FRAMEWORK

The Board may decide to undertake its CSR activities approved by the CSR Committee, through:

- a) A company established under Section 8 of the Act or a registered trust or a registered society, established by the Company, either singly or alongwith any other Company; or
- b) A company established under Section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State Legislature.

(Provided that such Company, Trust or Society shall have an established track record of 3 years in undertaking similar programs or projects)

The Company may also collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programs in accordance with these rules.

Provided that the CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.

The CSR projects, programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with Section 135 of the Companies Act, 2013.

CSR COMMITTEE

The Company's CSR governance structure will be headed at the Board level by the CSR Committee that will be responsible for CSR activities/ projects undertaken. The Committee will report to the Board of Directors of the Company. The CSR Committee shall comprise of at least three directors, one of whom shall be an Independent director. The Board shall be empowered to modify the composition of CSR Committee, provided that there shall always be at least one Independent director as part of CSR Committee or such other composition as may be prescribed from time to time.

RESPONSIBILITIES OF CSR COMMITTEE

The CSR committee shall be mainly responsible to;

- Formulate a CSR policy, inter-alia in compliance with Section 135 of the Companies Act, 2013 and Schedule VII thereof and the Companies Corporate Social Responsibility Policy) Rules 2014.
- Identify and recommend to the Board, from time to time, the activities/ projects in line with such CSR policy and seek its approval for expenditure thereon, from the Board of Directors of the Company.
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- Recommend to the Board, modifications to the CSR policy as and when required.
- Formulate a CSR Management Committee, if required to monitor the approved CSR activities, spending thereon from time to time with a robust and transparent governance structure to oversee the implementation of CSR Policy.

CSR BUDGET & EXPENDITURE

The total budget for the CSR activities/ projects will be recommended by the CSR Committee and shall be approved by the Board of Directors of the Company.

The expenditure to be incurred on CSR activities/ project during a financial year shall not be less than 2% of the average net profits of the Company (calculated in accordance with the provisions of Section 198 of the Companies Act, 2013) made during the three immediately preceding financial years of the Company.

Provided that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

Provided further that the CSR activity does not include the activities undertaken in pursuance of normal course of business of the Company.

CSR expenditure of the Company shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but should not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Contribution of any amount directly or indirectly to any political party under section 182 of the Companies Act, shall not be considered as CSR activity.