

VENUS GARMENTS (INDIA) LIMITED (VGIL)
CORPORATE SOCIAL RESPONSIBILITY POLICY

PHILOSOPHY

India is one of the largest growing economies in the world. However, it continues to be deluged with various problems and challenges of poverty, health hazards, environmental degradation, illiteracy, poor educational standards, inadequate infrastructure, power crisis and the largest number of undernourished children which many believe, the root cause of social unrest.

VGIL is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen.

Our aim is to be one of the most respected companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social environmental and economic value to the society. As a responsible corporate citizen, we try to contribute for possible social, educational and environmental causes on a regular basis. We firmly believe that to succeed, an organization must maintain highest standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

Constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy has become mandatory under the Companies Act, 2013. Accordingly, our Company has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs. This policy shall apply to all CSR initiatives and activities taken up not only at the various work-centers and locations of the Company but also in any other parts of the country, for the benefit of the society.

CONSTITUTION OF CSR COMMITTEES

In terms of section 135 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company at its meeting held on 21ST March, 2015 has constituted a CSR Committee.

The CSR Committee will consist of three directors, out of which at least one director shall be independent director.

The Committee will meet at least once in a year to discuss and review CSR activities and Policy or Board is free to set the frequency. A quorum of two members is required to be present for the proceedings to take place. Such other meetings of the Committee can be convened as and when deemed appropriate. The Committee shall have the authority to call such employee(s), senior official(s) and or externals, as it deems fit. The Company Secretary, if any appointed, shall act as Secretary to the Committee.

Committee Members:

S.No.	Names	Member
1	Mr. Tarun Jain	Chairman
2	Mr. Mayank Dhasmana	Member
3	Mr. Rajeev Gupta	Member

Email ID – cs@vgil.com

SCOPE AND FUNCTIONS:

The CSR Committee to, inter alia, carry out the following functions;

- To 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 of the Companies Act, 2013 and the rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

POLICY / CSR ACTIVITIES:

The Policy recognizes that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 read with Schedule VII of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- 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;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- 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 Caste\$, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects.
- Slum area development
- Any other Projects / activities the Government may add from time to time to the Schedule VII of the Companies Act, 2013 or allow through clarifications/ Circulars.
- Any ancillary or incidental activities required to be performed to undertake any of the projects mentioned above subject to the prior approval of the CSR Committee.

CSR activities shall be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

IMPLEMENTATION:

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements;

The CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc. The CSR committee shall recommend the board to spend at least 2% of the average net profit of the company made during the three financial years immediately preceding financial year to the thrust areas mentioned in schedule VII of the Companies Act, 2013. If company is unable to spend such amount due to loss occurred in any of the financial year out of the three preceding financial years, then board shall specify reason in their report.

The CSR activities will be carried out directly or indirectly at the corporate office, in and around the areas of the projects of the Company. However, this shall not bar the Company from pursuing its CSR activities in any other areas. The CSR activities will be carried out / implemented, directly or indirectly, through Trust / Society / Company established by the company or Section 8 Companies registered under New Act / Agencies established / registered to carry on the CSR activities as defined under the Rules. In such cases, the Company will specify the CSR Programmes which may be undertaken by those Trusts in accordance with their Objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memorandum and Articles of Association.

EXPENDITURE NOT COVERED OR RECOGNISED:

In terms of the Rules, the following contributions shall not be considered as CSR Expenditure;

- a) Contributions of any amount, whether directly or indirectly, to any political party or any person associated with a political party.
- b) Amount spent, whether directly or indirectly, for the benefit of employees of the Company, its Subsidiaries and Associates and their families.
- c) Expenses incurred by the Company for the fulfillment of obligations any act / statute of regulations (such as labour laws, land acquisition act etc.)
- d) Expenses incurred by the Company for one off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programs etc.
- e) Other contributions / expenses not recognized under the Act / Rules as amended or modified, from time to time.

FUNDING AND ALLOCATION:

Following is the mode of funding and allocation of area wise planned expenditure for the CSR activities.

1. The Company shall, in every financial year, contribute a statutory minimum limit as defined in Act.

2. The CSR Committee shall prepare its annual planned expenditure, for a financial year, for the CSR activities including the thrust areas and manner of implementation etc., and submit the same for approval of the Board in the following format.

Sr. No.	CSR Activities / Thrust Areas	Schedule of Implementation	Annual Budget	% of Allocation

3. The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.
4. The Company has an option to carry forward such unspent money to next year by depositing it in a separate CSR Fund (Corpus) created by the company or to contribution to the corpus of a Trust / Society / Section 8 Companies etc., as long as they are created exclusively for undertaking CSR activities.

MONITORING MECHANISM:

The CSR Members of the Company will coordinate / review the implementation of CSR activities at various areas and report to the Board through the CSR Committee. The CSR Committee shall meet at least once in a year to monitor the implementation of CSR Plan and its activities. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website.

The CSR Committee shall place before the Board, a draft annual report on CSR activities as per the specified format, in a board meeting to be held in July/August of the following year for Board's review and finalization. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

AMENDMENTS TO THE POLICY:


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

REPORTING FORMAT:

Periodic reporting on the CSR activities, execution modalities, implementation schedules etc., to the CSR Committee shall be in the following format which may be amended by the CSR Committee from time to time.


SR. No	Company Initiative	Schedule VII Activity	Execution details	Budget (Rs)	Amount Spent (Rs)	Remarks

Recommended by CSR Committee


Director
Mr. Tarun Jain
DIN: 00468048

Date: 15/04/2015

For Venus Garments (India) Limited


Whole Time Director
Anil Kumar Jain
DIN: 00467842

Date: 04/05/2015