

CENTURY TEXTILES AND INDUSTRIES LIMITED

Regd. Office : "Century Bhavan", Dr. Annie Besant Road, Worli, Mumbai 400 030

CIN: L17120MH1897PLC000163

Corporate Social Responsibility (CSR) Policy

1. Preamble

The Company has formulated a Corporate Social Responsibility (CSR) Policy given herein below pursuant to Section 135 of the Companies Act, 2013 ("the Act") and Notification dated 27th February, 2014 issued by the Ministry of Corporate Affairs under the said section. The policy is framed for undertaking activities as may be found beneficial and feasible for betterment of critical social, environmental and economic development of the weaker sections of the society, preferably locally, near to the factory sites of Century Textiles and Industries Limited (CTIL).

2. Purpose

The key purpose of this policy is to:

- Define what CSR means to CTIL and the approach adopted to achieve such goals
- Define the kind of projects that will come under the ambit of CSR
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated

3. Policy Statement

The CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon and focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with the B.K. Birla group's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company so as to benefit the communities at large and create a social and environmental impact.

4. Scope of CSR activities

As a practice, we classify only those projects that are over and above our normal course of business, as CSR. This policy applies to all our CSR projects and it will be further reviewed and updated from time to time depending on the exigencies of the social environment prevailing at that time.

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation 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) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- * (iv) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- * (v) 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- * (vi) rural development projects;
- (vii) The Committee may include such other activities which are specified in Schedule VII of the Companies Act, 2013 and amendments thereto from time to time;

The Company may undertake its CSR activities approved by the CSR Committee as mentioned above, through a registered trust provided such trust shall have an established track record of three years in undertaking similar programs or projects.

Deleted

5. Governance Structure

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5.1 Board-level CSR Committee

Our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR projects undertaken by the Company. The committee will report to our Board of Directors

5.1.1 Members of CSR Committee \$

- Smt. Rajashree Birla
- Shri Yazdi P. Dandiwala
- Shri Pradip Kumar Daga
- Shri Rajan A. Dalal
- Shri Rajendra Kumar Dalmia



5.1.2 Responsibilities

- Formulate and update the Company's CSR Policy, which will be approved by the Board of CTIL
- Approve projects that are in line with the CSR policy
- Put modalities of implementation and monitoring mechanisms in place to track the progress of each project, programs or activities undertaken by the Company
- Recommend the CSR expenditure to the Board of CTIL who will approve it
- The Committee shall meet to review the progress made as may be required from time to time.

6. CSR Budget

The total budget for the CSR projects will be decided by the CSR Committee within the limit prescribed in Section 135 of the Companies Act, 2013.

7. Treatment of Surpluses

Any surplus generated from CSR projects undertaken by the Company will be tracked and channelized into the Company's CSR corpus. These funds will be further used in the development of the CSR projects and will not be added to the normal business profits of CTIL.

This policy was recommended by CSR Committee in its meeting held on 04.02.2015 and was approved by the Board on the said date.

- § 1. Shri D.K. Agrawal was nominated as a member of the Committee by the Board with effect from 1st April, 2016 in place of Shri B.L. Jain who retired from the services of the Company with effect from the said date.
2. Shri D.K. Agrawal ceased to be a member of the Committee due to his demise on 24th August, 2018.
 3. Smt. Rajashree Birla and Shri Rajendra Kumar Dalmia were nominated by the Board as members of the Committee with effect from 15th September, 2018.

* Activities (iv) to (vi) are included as per recommendation of CSR Committee in its meeting held on 29.10.2018 and approved by the Board on the said date and the note as mentioned hereunder was deleted.

NOTE: Under the provisions of section 135 of the Companies Act, 2013, a company is required to spend on CSR activities, an amount equivalent to at least 2% of the average net profits of the company made during the three immediately preceding financial years. Since the Company does not have any such "average net profits" as on date, the Company is not required to spend any amount on CSR activities. As and when in future, the Company has any "average net profit" as contemplated in section 135, the scheme will be suitably modified by the CSR Committee to identify specific projects, as also the modalities of execution, implementation schedule and monitoring process of such projects.

