

Registered Office : 9, Brabourne Road, Kolkata - 700 001

## CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

### 1. INTRODUCTION

The Indian Wood Products Co Ltd (IWP) believes in the shared value creation and interdependency of business and society at large. IWP is committed to social development and views and progress not only of the Company but also wish to make a positive difference in the society and lives of people.

At IWP, we do not conduct business only for growth success and progress of the Company but also tries for creation and distribution of wealth for the betterment of people around us. IWP believes that the true measure of growth & success of the Company does not reflected only in its balance sheet but also lies in its ability to improve enhance and enrich the lives of people and communities residing around us.

### 2. OBJECTIVE

The main object of the Policy is to implement the basic principles of Corporate Social Responsibility (CSR) activities to empower weaker and less privilege sections of the society to create social capital and to undertake and fulfill its Corporate Social Responsibilities.

### 3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- a) Composition – The CSR Committee shall consist of at least 3 (Three) Directors amongst whom at least one shall be an Independent Director..
- b) Meetings – The Committee shall held meeting as and when required, to discuss various issues on implementation of the CSR policy of the Company.
- c) Quorum – The Quorum for a meeting of the CSR Committee shall be one third of its total strength or two members, whichever is higher.
- d) Sitting Fees – The Sitting Fees for attending the meeting shall be determined by the Board of Directors of the Company from time to time. However at present no sitting fee shall be payable to the members for attending the meetings of the Committee.



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e) Role of CSR Committee :-

- I. 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
- II. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
- III. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- IV. Once every six months the CSR Committee will provide a status update to the Board on the progress of implementation of the approved CSR Programmes carried out during the six month period.
- V. At the end of every financial year, the CSR Committee will submit its report to the Board.

The Board of Directors shall, after taking into account the recommendations made by the CSR Committee, approve the CSR policy for the Company and disclose its contents in their report and also publish the details on the Company's website, in such manner as laid down in the Companies (Corporate Social Responsibility Policy) Rule, 2014, as amended from time to time.

#### 4. KEY FEATURES

The key features of the Corporate Social Responsibility Policy of the Company are:

1. To align with the Corporate Social Responsibility Rules framed by the Ministry of Corporate Affairs, the Social investments of the Company would be broadly in the areas of health education, environment conservation and sustainability, and social business projects.
2. CSR activities would be generally conducted as projects or programmers and would be undertaken for eradication of extreme hunger and poverty, promotion of education, promotion of gender equality, empowerment of women, improvement of mental health, slum area development and rural development projects, employment enhancing vocational skills, ensuring environmental sustainability, sanitation including contribution to swachh bharat kosh set up by



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the Central Government, ensuring animal welfare, contribution to the Prime Minters National Relief Fund or any other project set up by the Central Government for socio-economic development, contributions or funds provided to technology incubators located within academic institution which are approved by Central Government and rural development projects.

3. IWP may set up a Trust or Section 8 Company or Society or Foundation or any other form of entity within India in order to facilitate the implementation of its CSR projects and/or programmes.
4. IWP may also undertake the implementation of its CSR projects and/or programmes through Trust, Society or Section 8 Companies operating in India, which are not set by IWP, and who have an established track record of at least three years in carrying on activities in related areas.
5. IWP may also collaborate or pool resources within its group or associate companies or any other Company(ies) to implement its CSR projects and/or programmes.
6. The CSR Committee, constituted by the Board of Directors of the Company, would recommend to the Board of Directors, the projects and/or programmes which are to be undertaken by IWP and shall also recommend the modalities of execution in the areas/sectors chosen and implementation schedules for the same.
7. Based on the recommendation of the CSR Committee, the Board of Directors of the Company shall decide upon the vehicle through which the CSR projects/programmes would be undertaken i.e. whether the projects and/or programmes are to be undertaken by IWP on its own or by pooling of resources or through a Trust or Section 8 Company or Foundation, whether set up by IWP or not and operating in India, or in any combination thereof.
8. The implementation of the projects and /or programmes would be monitored as per the monitoring mechanism prepared and set up by the CSR Committee. The primary function of the monitoring mechanism would be to ensure that the allocations are spent for the intended purposes and are spent in India only.
9. All expenses and contributions for CSR activities will be made after approval from the Chairman of the CSR Committee, which would then be placed before the forthcoming CSR Committee for noting and record. The Chairman will ensure that the expenses/contribution and donation will be in full compliance of the CSR Policy. Review for the expenses should be approved by the Board on recommendation by the CSR Committee.



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10. The surplus arising out of the CSR projects or programmes would not be a part of business profits of IWP.
11. The corpus for CSR projects and/or programmes would include 2 percent of the average net profits immediately preceding 3 financial years, any income arising there from and the surplus arising out of CSR activities.

## 5. CSR Expenditure

The Board of Directors shall Endeavour that the Company spends 2% of its average net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CRS Policy.

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR only. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

## 6. CONCLUSION

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Government, from time to time.

The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.

Date: - 12.11.2016

