

CSR Policy of Ludlow Jute & Specialities Limited

CSR Committee – Terms of Reference

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board. The Committee shall constitute of at least 3 members amongst whom one shall be an Independent Director.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, others may be invited to attend all or part of any meeting as and when appropriate or necessary.
- 1.3 The Board shall appoint a Director of the Company as the Committee's Chairman. In the absence of the Committee's Chairman and/or an appointed deputy, the remaining members present shall elect any one member amongst themselves to chair the meeting.

2. Secretary

- 2.1 The Company Secretary shall act as the Secretary of the Committee.

3. Quorum

- 3.1 The quorum for a meeting of the Committee on CSR shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be authorised to exercise all or any of the powers and discretions vested in or exercisable by the Committee.

4. Meetings

- 4.1 The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. However the Committee shall meet at least twice a year at appropriate intervals.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend, no later than 4 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present.
- 6.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed by all other members of the Board, unless it would be inappropriate to do so.

7. Role of Corporate Social Responsibility Committee

The role of CSR Committee is:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter/ things as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

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, if any, in such manner laid down in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Board of Directors shall endeavor that the Company spends 2% of the average pretax net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

8. Activities, Planning & Implementation

Areas for Activities as per Schedule VII

The Company shall identify projects / activities which will fall in any one or more of the following areas /sector for its CSR spending:

1. Eradicating hunger, poverty and malnutrition;
2. Promoting health care
3. Making available Safe drinking water & Sanitation;
4. Promoting Education;
5. Enhancing Vocational Skills & Livelihood enhancement Projects;
6. Women Empowerment;
7. Setting up homes and hostels for women and orphans;
8. Reducing inequality faced by socially and economically backward groups;
9. Training to promote rural sports and nationally recognized sports;
10. Promoting Art & Culture;
11. 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;

12. Setting up old age homes, day care centers for senior citizens;
13. Rural Development Projects;
14. To ensure environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water and
15. Any other areas as may be identified by the CSR Committee from time to time

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates.

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.

9. Reporting Responsibilities

9.1 The Committee shall report to the Board as appropriate;

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed; and

9.3 CSR initiatives of the Company will be reported in the Annual Report of the Company & the Boards' Report in compliance with Section 135 and rules made there under.

10. Other Matters

The Committee shall:

10.1 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;

10.2 Oversee any investigation of activities which are within its terms of reference; and

11. Authority

The Committee is authorised:

11.1 To seek any information it requires from any employee of the company in order to perform its duties;

11.2 To obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference;

11.3 To call any employee to be questioned at a meeting of the Committee as and when required; and

12. General

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
The provisions of this Policy subject to approval of the Board.