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VEDANT FASHIONS PRIVATE LIMITED

CSR POLICY DOCUMENT

VEDANT FASHIONS PRIVATE LIMITED

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Interpretation

For the purposes of this Policy references to the following shall be construed as:

- i. "VFPL" or "Company" shall mean Vedant Fashions Private Limited.
- ii. "Corporate Social Responsibility" or "CSR" shall mean the activities mentioned herein and intended to be undertaken by the Company to achieve and further the Company's vision & Mission.
- iii. "CSR Policy" shall mean the contents herein, including any amendments made by the board of directors of the Company.
- iv. "Corporate Social Responsibility Committee" or "CSR Committee" shall mean a Committee consisting of Mr Ravi Modi, Mr Ajay Modi and MsShilpi Modi, duly constituted by the Board of directors of the Company.
- v. "Net Profits" shall mean the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
 - a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
 - b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013
- vi. "Priority Projects" shall mean such CSR projects which are selected by the CSR Committee from time to time including the ongoing projects to be pursued by the Company.
- vii. "Total CSR Spend" shall mean [2%] of the average Net Profits of the last three financial years in relation to the financial year in question.

Corporate Social Responsibility Philosophy

Social responsibility has always been at the forefront of Company's operating philosophy and as a result the Company has been consistently contributing to socially responsible activities even when CSR was not mandatory by Law. Corporate Social Responsibility (CSR) at VFPL portrays the deep symbiotic relationship that the Company enjoys with the society. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

As a responsible corporate entity, VFPL since 2010 has been actively contributing to various Foundations/Trusts that work towards promoting healthcare of the underprivileged more specifically in heart surgery of underprivileged people and towards rural education more particularly education for tribal children. The Company would continue its endeavour to help the society at large through any means and mode as may, from time to time, be recommended by the Company's CSR Committee and approved by the Board including without limitation the Foundations/Trusts it is already contributing to.

VFPL's Corporate Social Responsibility Policy is rooted in the Company's core values of quality, reliability and trust guided by best standards and practices, and driven by our aspiration for excellence in the overall performance of our business.

CSR Vision

To actively contribute to the social development of the communities in which we operate by promoting healthcare and education of the underprivileged, and eradicating malnutrition. In doing so, build a better sustainable way of life for the weaker sections of society.

CSR Projects

The Policy recognises that Corporate Social Responsibility is not merely compliance and CSR is not just all about spending; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the 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.

The Company encourages its directors and employees to recommend to the CSR Committee meaningful projects in accordance with the Guiding Principles that may be taken up by the Company, under the supervision of the CSR Committee.

In addition to Projects that may be taken up by the Company directly, the Company may also collaborate with other companies or entities, including its group companies, if any, and as per the provisions of Companies Act, 2013, to carry out CSR Projects, in accordance with this Policy.

Manner of Identification of CSR Projects

- i. A CSR Project may be identified by the CSR Committee, either based on its own discretion, or based on recommendations by any stakeholder, as mentioned above, keeping in view activities specified in Schedule VII of the Companies Act, 2013. The CSR Committee may accord priority to projects in local areas in which it operates for spending the amount earmarked for CSR activities as mentioned in Section 135 of Companies Act, 2013.
- ii. The CSR Committee, after identifying a CSR Project and ascertaining a target spending for carrying out the identified activities shall recommend the same to the Board of the Company.

CSR Projects to be Undertaken

In accordance with the existing CSR Philosophy of the Company of promoting healthcare and education of the underprivileged and specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and any amendments thereof, the

Committee has currently identified the following Priority Projects to be recommended to the Board for its approval and execution thereon-

- Promoting health care including preventive health care and sanitation –In health care, the CSR project to be taken up by the Company on a medium to long-term basis as its mandatory CSR activity would be assisting heart surgery of underprivileged people by contributing to Manas Foundation and Have a Heart Foundation, a Trust engaged in promoting healthcare of the underprivileged and a non-profit organization that aims to save the lives of underprivileged children by sponsoring heart surgeries and post-operative care respectively, or through any means and mode as may, from time to time, be recommended by the Company's CSR Committee and approved by the Board including, but without limitations to the above mentioned organizations.

Promoting Informal Education for Tribal Children - the CSR project to be taken up by the Company on a medium to long-term basis as its mandatory CSR Project would be facilitating and /or assisting opening of 100 one-teacher schools in tribal areas across the country by contributing to Friends of Tribal Society, a non-government, voluntary organization committed to the upliftment of tribals and other deprived in rural India, by providing basic education to tribal children and giving the villagers health care education, development education and empowerment education, or through any means and mode as may, from time to time, be recommended by the Company's CSR Committee and approved by the Board including, but without limitation to Friends of Tribal Society.

Notwithstanding the listing of the Priority Projects, the CSR Committee may recommend to the Board other CSR Projects as may be identified by it based upon the activities specified under Schedule VII of the Companies Act, 2013.

Carrying out of CSR Projects through external agencies

When the Company decides to execute a CSR Projects through an external agency, such as a trust, society or NGO ("Agency"), it would adhere to the following guiding principles:

- ✓ The agency must be eligible for carrying the CSR Project, and must have track record in carrying similar project for a period to the satisfaction of the Committee, but not less than 3 years. Subject to the above, any director of the company may be associated/ affiliated as a trustee, governing body member or in any other manner with the Agency, provided that no personal benefit, directly or indirectly, should flow from such agency to any such director.
- ✓ The committee shall provide specific Project agenda, targets, target spending, accomplishments, manner of execution etc to the Agency, subject to discussions with the Agency.
- ✓ The disbursement of funds to the Agency must be done on a progressive basis so as to align with the funding needs to the Project, and to permit the evaluation to the activity carried so far. The Agency must provide periodically reports, to the satisfaction of the Committee, about execution of the Project.

CSR Expenditure

The CSR Committee shall ascertain a target spending for carrying out the CSR activities, which shall not be less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years and recommend the same to the Board of the Company for its approval.

CSR Expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR activities undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Activities shall be used for CSR and shall not form part of business profits of the Company.

Monitoring and Reviewing Mechanism

- The CSR Committee shall meet periodically, as may be required to discuss and review CSR activities and Policy and to monitor and evaluate the performance of the Projects.
- Based on analysis of projects, the CSR Committee may carry out roadmap planning for allocation of budget and selection of projects.
- The CSR Committee, with the approval of the Board, can obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee or external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

Amendments to the Policy

Any of the provisions of the CSR Policy would be subject to revision/amendment by the Board of Directors of the Company based on recommendations of the CSR committee or else in accordance with the guidelines on the subject as may be issued, from time to time.
