

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

1. PURPOSE:

1.1 Main purpose of this policy to lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. This policy shall apply to all CSR initiatives and activities taken up at the various locations for the benefit of different segments of the society.

2. OBJECTIVE :

2.1 CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment its role as a Socially Responsible Industry, with environmental concern. The objective of this CSR Policy is to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all our stakeholders.

3. SCOPE:

3.1 Neo Corp International Limited recognizes and undertake to be fully accountable for our actions, and to adequately impact-assess all of our activities, to ensure that we are not adversely affecting the environment, community, economy or culture in which we operate. NCIL undertake to uphold the values of good citizenship, both through our own behavior, and by influencing other organizations to behave responsibly within the community.

4. PLANNING :

4.1 Corporate social responsibility (CSR), is at the forefront of business initiatives for us at Neo Corp. The importance of incorporating responsible business operations into a company's core values is growing daily and we are taking a lead role in CSR efforts across the organization.

4.2 We define CSR as the management of business operations in an economically, environmentally and socially sustainable manner that takes into account the diverse interests of stakeholders.

4.3 Develop community Development Plans based on the social needs and priority, which can measure the effectiveness of the community development programs.

5. STRATEGIS

5.1 The strategies for designing, implementing and monitoring the CSR activities of NCIL are based on the existing good practice models. These strategies will help in

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

standardizing the CSR related processes, essential in the context of NCIL.

5.2 Build on core strengths and trust in community: NCIL will undertake those activities under its CSR plan where it has a well defined primary responsibility to build trust in the community.

5.3 Take ownership to minimize environmental damage: In determining the thematic CSR activities NCIL focused on the environmental ethics, which pertains to support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility.

5.4 Emphasize sustainability: Before roll out of any projects/initiatives NCIL will assess the feasibility and potential for sustainability. Appropriate partnerships will be formed, especially with government initiatives to ensure that the activities are handed over either to the government or communities and sustained by them after a defined period of time.

5.5 Engage in-house facility for coordinating roll out of CSR activities: The implementation of the CSR activities will be coordinated by a CSR Committee, on need basis.

5.6 Build partnerships with others: Necessary partnerships will be forged with other company, Non-Governmental Organization, Community Based Organization, Technical support Organizations even though the services of individual experts/ consultants will also be solicited.

6. CSR FUNDS

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- 2% of the average Net Profit made by the Company during immediately preceding three Financial Years. Net Profit to be calculated as per provisions of Companies Act 2013;
- any income arising there from;
- surplus arising out of CSR activities carried out by the company and such surplus will not be part of business profit of the company;

7. INITIATIVES:

7.1 For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs and for the purposes of focusing its CSR efforts in a continued and effective manner, some Thrust Areas have been identified and NCIL has started the following initiatives and activities as a CSR:-

- i) Promoting preventative health care through awareness programmes, health chek-ups, provision of medicine & treatment facilities, program for preventing diseases and building immunity;

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

- ii) Promoting education and employment enhancing vocation skills especially among children, women, elders and differently abled and livelihood enhancement project;
- iii) Ensuring environmental sustainability, ecological balance, protections of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- vi) Eradicating hunger, poverty and malnutrition, provision of food, nutrition supplements, clothes etc for the poor, children and other deprived sections of the Society, promoting sanitation, and making available safe drinking water;
- v) Protection of National Heritage, promotion and development of traditional arts and handicrafts.
- vi) Contribution of funds to Corpus of a Trust/ society/ section 8 companies etc.for CSR purpose.
- vii) Rural Development projects;
- viii) Promoting Gender equality & women empowerment;
- viii) Employing people and incurring other costs to carry out aforesaid activities;
- ix) Such other activities as may be prescribed from time to time under schedule VII of the Companies Act, 2013 and as the Board may consider to be appropriate.

8. IMPLEMENTATION & SCHEDULE

- 8.1 CSR programs are undertaken by Neo Corp in various places to the best possible extent within the defined ambit of the identified 'Thrust Areas.'
- 8.2 The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.
- 8.3. Programs which involve considerable financial commitment and are undertaken on a time frame of the following are been considered and accorded enhanced significance:-
 - 6months to 1 year is qualified as Short Term initiatives
 - 1year to 2 Years is defined as Medium Term initiatives.
 - 2 years and above is defined Long Term initiatives.

9. IMPLEMENTED AREA:

- 9.1 Most of Our CSR initiatives are being focused and carried out in the adjoining areas of the factory premises Pithampur, District Dhar, Madhya Pradesh.
- 9.2 We have jointly started a project with **Sivananda Datavya Chikitsalaya, at Rikhiapeeth**

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

based on accountability approach for providing stress on the long term sustainability.

10. CSR COMMITTEE :

- 10.1 The members of the CSR Committee and its Chairman will be appointed by the Board on the recommendation.
- 10.2 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the individual still meets the criteria for membership of the Committee.
- 10.3 The Corporate Social Responsibility Committee of the organization consists of the following members:-

CSR Portfolio	Name of the Member	Designation
Chairman	Shri Sunil Trivedi	Chairman Managing Director
Member	Smt. Shobha Dubey	Independent Director
Member	Shri Shrawan Patodi	Independent Director

11. CSR COMMITTEE'S RESPONSIBILITY:

- 11.1 Establish and timely review of CSR policies and programs.
- 11.2 Oversight and implementation of CSR compliance systems;
- 11.3 Review of annual budgets with respect to CSR initiatives.
- 11.4 Establish and develop the Company's strategic framework and objectives with respect to CSR initiatives.
- 11.5 Provide reports to management on the Company's CSR initiatives including significant sustainable community development action plans.
- 11.6 Share proper inform to the management on the Company's CSR performance to assess the effectiveness of the declared initiatives.
- 11.7 Act upon the findings and recommendations from any investigation or audit by regulatory agencies or external auditors or consultants concerning the CSR audit.
- 11.8 Disclosure of corporate social responsibility matters in the Company's continuous disclosure documents and any annual social responsibility report.

12. AUTHORITY:

- 12.1 To seek any information it requires from any employee of the company in order to perform its duties.
- 12.2 To obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference.
- 12.3 To call any employee to be questioned at a meeting of the Committee as and when

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

required.

- 12.4 To have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.
- 12.5 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.
- 12.6 Oversee any investigation of activities which are within its terms of reference.
- 12.7 Arrange for periodic reviews of its own performance and at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

13. MEETINGS AND QUORUM

- 13.1 The Committee will hold at least two scheduled meetings in each financial year plus such additional meetings as it decides are required in order to carry out its responsibilities.
- 13.2 The chairperson can call a meeting of the Committee for updating the progress of the initiatives, which are carried out.
- 13.3 The Committee may have in attendance such members of management and such other persons as it deems necessary to provide required information and explanations.
- 13.4 The Company Secretary will act as secretary to the Committee and is responsible, in conjunction with the chairperson, for drawing up and circulating the agenda, supported by explanatory papers and reports, to Committee members prior to each meeting.
- 13.5 The Company Secretary will record the minutes of the meetings of the Committee and ensure the minutes are circulated to all directors.
- 13.6 A quorum is at least two non-executive independent directors who are members of the Committee.
- 13.7 All directors have a standing invitation to attend any meeting of the Committee.
- 13.8 The chairperson of each meeting of the Committee will report back to the board at its next scheduled meeting on the key points of discussion, the decisions taken and the recommendations of the Committee.

14. ACTIVITY MONITORING SYSTEM

- 14.1 To ensure effective implementation of the CSR initiatives undertaken by NCIL, a proper monitoring mechanism put in place.
- 14.2 The progress of CSR programs under implementation at various place are regularly monitored and reported to the Chairman on a monthly basis.
- 14.3 The CSR committee conducts impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic programs.
- 14.4 CSR committee is also tried to obtain feedback from beneficiaries about the programs.
- 14.5 Appropriate documentation of the NCIL CSR Policy, annual CSR activities and expenditure entailed will be undertaken on a regular basis and the same will be available for the public.

Neo Corp International Limited Plot No 62-63, Sector-1	CSR POLICY	Policy No	HR-POL-
		Revision No	01
		Date	23-May-2014

- 14.6 CSR initiatives of the Company will also be reported in the Annual Report of the Company.
- 14.7 Committee Member will provide a progress update to the NCIL Board on the CSR activities being undertaken across the country.
- 14.8 Reports on activities/projects identified /implemented shall be submitted to the NCIL Board by Committee Members every six months.
- 14.9 Efforts will be made to report tangible and measurable results including number of beneficiaries and impact on their lives. Human interest stories will be a part of the reporting to highlight the qualitative impact of the CSR initiatives.