

POLICY
CORPORATE SOCIAL RESPONSIBILITY

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OF

CARRIER MIDEA INDIA PRIVATE LIMITED

I PREAMBLE

Corporate Social Responsibility (CSR) is part & parcel of Company's Values.

II OUR VISION

To provide opportunities for children and their families to move from poverty and dependence to self-reliance and we believe that education can bring prosperity and equality in the society.

Recognizing the responsibilities towards society, we intend to carry out various initiatives like supporting education, medical treatments, etc and various other charitable and noble causes. Beside Education, Company is committed to serving the community to prevent health with special focus on visually disabled and is closely associated with the NGOs, Societies, trust who help to assess the requirements of the community.

The Company resolves to contribute towards development of knowledge based economy by discharging corporate social responsibilities (CSR) that would positively impact on customers, employees, shareholders, communities and other stakeholders in various aspects of its operations.

III POLICY IMPLEMENTATION

1. Constitution of CSR Committee

As per Section 135 of Companies Act 2013

135. (1) Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility

Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

- (2) The Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.
- (3) The Corporate Social Responsibility Committee shall,—
 - (a) 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;
 - (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
 - (c) monitor the Corporate Social Responsibility Policy of the company from time to time.
- (4) The Board of every company referred to in sub-section (1) shall,—
 - (a) after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed; and
 - (b) ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.
- (5) The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities

Provided further that if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount

(Explanation.—For the purposes of this section “average net profit” shall be calculated in accordance with the provisions of section 198.)

The Board has constituted CSR Committee on 18th March, 2016. The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirements.

The CSR Committee shall –

- a) Formulate and recommend CSR Policy to the Board of Directors as per the provisions of Companies Act, 2013 and rules made thereunder;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII of the Companies Act, 2013; and
- c) Monitor the Corporate Social Responsibility Policy if the Company, from time to time

2. Activities permitted to be undertaken under corporate social responsibility

The donations / contributions and community development activities may be undertaken by the Company in the following fields –

- a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) 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;
- d) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- e) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f) Measures for the benefit of armed forces veterans, war widows and their dependents;
- g) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- h) 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;

- i) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- j) Rural development projects;

3. Prohibited activities under CSR

The Company will abstain from carrying out following activities under CSR which may create dissatisfaction among any section of the Society:-

- a) Contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013
- b) Activities undertaken in pursuance of normal course of business of the company.
- c) Programs or activities undertaken for the benefit of only of the employees of the Company and their families.

4. Funding

The allocation of funds for CSR projects & activities will be restricted to the limits prescribed under the Companies Act, 2013 and the rules made there under.

5. Audit

All CSR activities and expenses made thereon will be subject to audit by the Company's Auditors.

6. Disclosure

The Board's Report shall give an annual report on CSR activities as per The Companies (Corporate Social Responsibility Policy) Rules 2014 giving details required thereunder.