



CARRIER MIDEA INDIA

**CORPORATE SOCIAL RESPONSIBILITY POLICY**  
**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.

These policies and procedures are framed to streamline the CSR activities of the Company to be in line with the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules framed thereunder.

**III POLICY IMPLEMENTATION**

**1. APPLICABILITY**

The Policy shall apply to all CSR projects, programs, activities undertaken by the Company in accordance with the CSR Policy in terms of section 135 of Companies Act 2013.

## 2. Scope:

The Scope covered under this CSR Policy is as under:

- i. CSR activities implemented by the Company on its own;
- ii. CSR activities implemented by the Company through own trust/society or group company trust/society;
- iii. CSR activities of the Company through an external registered trust/society or NGO with at least 3 years track record;
- iv. CSR activities in collaboration with its subsidiary / holding / associate companies;
- v. CSR activities implemented by the Company through a company established under section 8 of the Act by the Company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company.

## 3. CSR Committee:

- i. The CSR committee shall comprise of three or more directors as the Board may deem fit from time to time, to be appointed from amongst the Directors. The Board shall at its sole discretion, have the power to appoint any Director, remove any such Director so appointed and appoint another in his place. Any such appointment and /or removal shall be made by a resolution of the Board.
- ii. The Chairperson of the Committee shall be designated by the Board from among the Committee members.
- iii. The Company Secretary of the Company shall act as Secretary to the Committee.
- iv. The Board will have the power to reconstitute CSR Committee as and when required from time to time.
- vi. The CSR committee may meet as and when required. The CSR Committee shall be entitled to invite any person to attend its meetings and participate in the discussion and deliberations if it so thinks fit.
- vii. The quorum necessary for the transaction of business of CSR Committee shall be 2 members or 1/3rd of the total committee members, whichever is higher. A duly convened meeting of the Committee at which a quorum



is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee as provided herein and delegated by the Board from time to time.

viii. The CSR Committee shall –

- a) Recommend the specific CSR initiatives to be adopted by the Company and the amount of expenditure to be budgeted for the activities;
- b) Monitor or, appoint a senior official of the Company to monitor and report to the CSR Committee regarding functioning of the CSR Policy of the Company, its implementation and expenditure incurred periodically;
- c) Report to the Board the reasons for not spending the amount budgeted for CSR;
- d) Provide to the Board a responsibility statement that the implementation and monitoring of CSR Policy, is in compliance with the CSR Objectives and Policy of the Company;
- e) Frame any other bye laws, rules or procedures as it may deem fit for implementing the CSR Policy;
- f) CSR Committee may seek the assistance of any employee of the Company as it may deem fit to effectively discharge its duties.

#### **4. CSR ACTIVITIES :**

- A. The Company shall undertake such CSR activities as stated by this CSR Policy. In compliance with Rule 4(1) of the Companies (Corporate Social Responsibility) Rules 2014 (Annexure-I) and any future amendments, if any, these activities shall be undertaken by the Company as projects or programs or activities (either new or ongoing) and will exclude activities undertaken in the normal course of its business. The activities undertaken will be in line with the activities specified in Schedule VII of the Companies Act, 2013.
- B. Thrust Areas: While the Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII of the Act, however, at present, it proposes to undertake the relevant activities on priority basis in the following thrust areas:

- Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
  - 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;
  - Environment Sustainability, ecological balance
  - Promoting Health Care including preventive health care and sanitation
  - Technology Development
  - Poverty Alleviation
  - The Company may also contribute suitable amounts to PM Relief Fund or Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- C. The CSR activities shall be undertaken only in India.
- D. The CSR projects or programs or activities undertaken by Company that benefit only the employees of the Company or their families is also not considered as a CSR activities by the Company.
- E. Contribution of any amount directly or indirectly to political parties under section 182 of the Companies Act, 2013 is not considered as CSR activity.

## 5. **CSR EXPENDITURE**

- i. The Company shall spend at least 2% of average Net Profit of preceding three financial years, net profit being calculated in accordance with section 198 of the Companies Act, 2013.
- ii. CSR expenditure includes all expenditure including contribution to corpus, the projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
- iii. The surplus if any, arising out of the Corporate Social Responsibility projects or programs or activities does not forms part of the Business Profit of the Company.

- iv. The amount spent by the Company in India, is only taken into consideration for CSR activities.
- v. The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.
- vi. Where the Company fails to spend the stipulated amount in CSR activities, it shall provide for the reasons for not spending the amount, in Board's report.
- vii. Company may build CSR capacities of its own personnel as well as those of their implementing agencies through institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

## 6. IMPLEMENTATION PROCESS

- i. The CSR Policy shall be implemented by the CSR Committee under the broad policy and/or frame work laid down by the Board in this regard from time to time. CSR Committee may nominate a senior official of the Company to help execute and monitor implementation of the CSR activities.
- ii. The CSR Committee shall identify the CSR activities along with the geographical area to be undertaken by the Company.
- iii. The CSR Committee shall also estimate the total amount of expenditure to be incurred and time required by the Company for undertaking such CSR activities.
- iv. The time period/duration over which a particular project will be spread, will depend on its nature, extent of coverage and the intended impact of the project.
- v. The CSR Committee may authorize any of its members to approve the release of funds against the verified work plans in accordance with the approved budget for undertaking the CSR activities as approved. The authorized member shall periodically update the members of the Committee about the allocation / utilization of funds towards the CSR activities.



**7. MONITORING:**

- i. The Committee shall discuss the progress of each project undertaken and make any decision with respect to the project which it thinks fit.
- ii. The CSR Committee shall monitor the CSR expenditure on periodical basis and shall provide periodical report to the Board on the implementation of CSR activities.

**8. REPORTING:**

The Boards report shall include an annual report on Corporate Social Responsibility containing the particulars of the CSR activities in the manner as specified in the CSR Rules 2014.

**9. DISPLAY OF THE CSR POLICY IN THE WEBSITE OF THE COMPANY:**

The CSR policy shall be disclosed on the Company's website in the manner as specified in the CSR Rules 2014.

**10. GENERAL:**

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

## **Annexure A**

Activities permitted to be undertaken under corporate social responsibility as per Schedule VII of Companies Act 2014 and its amendments, if any, from time to time.

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;
- k) Various activities related to COVID-19 relating to promotion of healthcare, including preventive healthcare and sanitation and disaster management .