

RSIC CSR POLICY

1. CONCEPT

1.1 SHORT TITLE & APPLICABILITY

- 1.1.1 This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large, is titled as the "RSIC CSR Policy".
- 1.1.2 This policy shall apply to all Corporate Social Responsibility (CSR) activities of RSIC. CSR projects, programmes, and activities shall be undertaken in India, in accordance with the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, from time to time, including,:
- (i) as self-executing project or programme or activity; and/or
 - (ii) as project or programme or activity through a company established under Section 8 of the Companies Act, 2013 or a registered trust or a registered society, established by RSIC, either singly or along with any other company; and/or
 - (iii) as project or programme or activity through a company established under Section 8 of the Companies Act, 2013 or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature; and/or
 - (iv) as project or programme or activity through a company established under Section 8 of the Companies Act, 2013 or a registered trust or a registered society, other than (ii) and (iii) above, which have an established track record of three years in undertaking similar projects or programmes or activity; and/or
 - (v) in collaboration with other companies provided these companies undertake projects or programmes or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programmes or activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014
 - (vi) as project or programme or activity through a Government Entity, decided by the CSR Committee/Board.

1.2 CSR VISION STATEMENT & OBJECTIVE

- 1.2.1 In alignment with the vision of the company, RSIC, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates with thrust on handcraft and handloom sector, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate, with environmental concern.

122 The objectives of the RSIC CSR Policy is to

- (i) Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- (ii) Directly or indirectly undertake projects or programmes or activities that benefit the communities and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace.
- (iii) Generate, through its CSR initiatives, a community goodwill for RSIC and help reinforce a positive and socially responsible image as corporate entity.

2. RESOURCES

2.1 Funding & Allocation

For achieving its CSR objectives through implementation of meaningful and sustainable CSR projects, programmes and activities, RSIC will allocate at least 2% of its average net profits made during immediately preceding three financial years, as its Annual CSR Budget. Net profit shall be assigned the meaning as per the Companies (Corporate Social Responsibility) Rules, 2014.

2.2 From the annual CSR Budget allocation, a provision will be made towards all or specific activities falling within the purview and/or related to and/or in conformity with activities as listed in schedule VII of the Companies Act 2013. However, emphasis will be laid on projects or programmes or activities broadly covered in following:

- (i) Distribution of equipment's / accessories to individual Handicraft/ Handloom Artisans/Weavers for enhancing their work efficiency.
- (ii) Training for upgrading skills of artisans /weavers related to handicraft/handloom sector.
- (iii) Training to Handicraft Artisans/ Weavers for designing products
- (iv) Distribution of tool kits to Handicraft Artisans / Weavers
- (v) Buyer Seller Meets, Exhibitions, Mela for Handicraft Artisans / Weavers
- (vi) Publicity of Handicraft Artisans' products / Weavers' products including Social Media Publicity
- (vii) Market facilitation to Handicraft Artisans / Weavers
- (viii) Exposure visit of Handicraft Artisans / Weavers for technology and market knowledge
- (ix) Facilitating of certification of Handicraft Artisans' products / Weavers' products
- (x) Ensuring environmental sustainability including plantations, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water; and
- (xi) Rural development projects.
- (xii) Health and education initiatives.

No CSR project or programme or activity that benefits only the employees of the company and / or their families shall be undertaken.

2.1 Unutilized Annual CSR Budget and Surplus

- 2.1.2 Any unspent / unutilized CSR allocation of a particular Financial Year shall be utilized as per the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 and its amendments thereof.
- 2.1.3 Surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the company.

3. **CSR COMMITTEE**

Constitution of CSR Committee of the Board of Directors of RSIC will be in accordance with the provisions of Companies Act, 2013.

4. **MODALITIES OF EXECUTION**

- 4.1 All projects or programmes or activities including expenditure thereof relating to CSR activities will be approved by the Board of Directors on the recommendations of the CSR Committee.
- 4.2 Proposal for all the projects or programmes or activities relating to CSR will be prepared in the format as per Annexure I of the CSR Policy specifying components of utilization of funds with schedule thereof and implementation schedule.
- 4.3 Entities covered under 1.1.2(iii/iv) will execute Memorandum of Understanding (MoU) with RSIC, as per the format to be prescribed, if allocated funds from the Annual CSR Budget. The MoU will incorporate the terms and conditions for the utilization of the CSR funds allocated.

5. **MONITORING**

Monitoring of projects or programmes or activities relating to the CSR will be project-wise or programme-wise and benchmarked to the respective implementation schedule and funds utilization schedule. Project-wise or programme-wise progress/status reports and/or funds utilization certificates will be obtained, as per requirement. Monitoring mechanism may include visits and/or meeting with the implementing agencies. RSIC shall reserve the sole discretion to withdraw/cancel CSR allocation relating to any project / programme/activity, fully or partially, and/or recall unutilized amount relating to any project/programme/activity, fully or partially, with or without assigning any reason(s) thereof.

6. **REPORTING**

Significant CSR activities and achievements will be reported as part of the Board's Report in RSIC's Annual Report and also as per any other statutory and regulatory reporting requirements.

7. PROJECT ASSESSMENT PARAMETERS

While assessing any project or programme or activity for support, the following factors will be given weightage:

- 7.1 Proposals which directly or indirectly support handloom and handicraft sector.
- 7.2 Proposals supporting skill development and employment generation.
- 7.3 Proposals which support development of rural, tribal, desert areas and urban slums in the state.
- 7.4 Projects supporting innovative delivery systems/approaches.
- 7.5 Projects with clear and measurable outcomes/deliverables.
- 7.6 Projects where matching funds up to 20% are committed by the agency/beneficiaries.
- 7.7 Project implementation period will be as per MoU.

8. AMENDMENTS

RSIC may amend its CSR Policy, from time to time, as may be required under the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 as amended from time to time.

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FORM FOR PROPOSAL

(Annexure 1 to RSIC CSR Policy)

(Attach separate sheets, where required)

1. Name (Entity) : _____

2. Address : _____

City _____ State _____ Pin _____

3. Contact details : (Mob) _____ (LL) _____ (Fax) _____

Email : _____

4. Details of the project/programme/activity:

(i) Purpose : _____

(ii) Location : _____

(iii) Capital Expenditure, if any (in lacs):

a) Buildings (New/Repair): _____

b) Equipment : _____

c) Others (Specify): _____

d) Total : _____

(iv) Operating Expenditure, if any (in lacs):

a) (Specify) _____

b) (Specify) _____

c) (Specify) _____

d) Total: _____

5. Contribution of the entity in the total expenditure ; _____

6. Justification for the project/programme/activity: _____

7. Outcome(s) envisaged: _____

8. Requirement of funds :

(in lacs)

Quarter (FY)			
I	II	III	IV

9. Implementation Schedule:

	Commencement (Date/Month)	Completion (Date/Month)
Capital expenditure Items		
a)		
b)		
Operating expenditure items		
a)		
b)		

10. Background of entity: _____

11. Track record in implementation of similar project/programme: _____

12. Contact persons (Name/Designation/Cell #/Email): _____

13. Bank account details for NEFT/RTGS transfer/cheque to be issued: _____

14. Other details, if any: _____

Date: _____

Signature of Head of Entity/Authorised
Signatory with