

CORPORATE SOCIAL RESPONSIBILITY POLICY

PREAMBLE:

This policy, which encompasses the company's philosophy for outlining its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the 'Phoenix Lamps Limited's CSR Policy' ("hereinafter referred to as "Phoenix's CSR Policy").

As per the provisions of S. 135 of the Companies Act, 2013 companies falling in any one of the following categories have been mandatorily required to constitute CSR Committee and comply with other requirements.

Any company having either -

- Net Worth of Rs. 500 crores or more or
- Turnover of Rs. 1000 crores or more or
- Net Profit of Rs. 5 crores or more

As our Company has net profit of more than Rs. 5 crores for the Financial Year 2013-2014, CSR Policy as stated hereunder..

OBJECTIVES:

The main objective of Phoenix's CSR policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

The other objective of the Phoenix's CSR Policy is to:

- Ensure an increased commitment at all levels in the organisation to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities in & around its workcentres and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.



- To generate, through its CSR initiatives, community goodwill for Phoenix Lamps Limited and help reinforce a positive & socially responsible image of Phoenix Lamps Limited as a corporate entity.

NOT FOR EMPLOYEES ONLY:

The CSR activities of the Company shall not include any benefits which are exclusively for the employees of the Company or their family members.

CSR ACTIVITIES IN INDIA ONLY:

Expenditure is to be made in respect of CSR activities done in India only.

RESOURCES FOR CSR INITIATIVES:

For CSR Initiatives the Board of Directors shall allocate the annual budget which shall be at the minimum of 2% of the average profits of the Company for previous three years and profit for this purpose shall be as defined under S. 135 of the Companies Act, 2013 together with any Rules that may be notified in this regard.

SURPLUS FROM CSR PROJECTS OR PROGRAMS

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company.

SCOPE:

The Companies can undertake only such activities as are specified in Schedule VII to the Companies Act, 2013. These activities are mentioned below:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for

- reducing inequalities faced by socially and economically backward groups.
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
 - v. 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
 - vi. Measures for the benefit of armed forces veterans, war widows and their dependents
 - vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports
 - viii. Contribution to 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 Schedule Tribes, other backward classes, minorities and women
 - ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
 - x. Rural development projects.

MODALITIES OF EXECUTION :

1. CSR programmes will be undertaken under the supervision of the Managing Director and Chief Financial Officer in respect of specific projects approved by the CSR Committee.
2. CSR initiatives will follow a project based accountability approach to stress on the long term sustainability of CSR projects, where its action plan will be distinguished as '*Short-term*,' '*Middle-Term* & '*Long Term*'; qualified as

Short Term - 6 months to 1 year
Medium Term - 1 year to 2 years
Long Term - 2 year and above
3. Company can depute its own personnel or hire some outside agency for the execution of the projects. The selection of agency will be as per the requirements of Rules made for Section 135 of the Companies Act, 2013.



4. Initiatives of State Governments, District Administration, Local Administration as well as Central Government Departments! Agencies, Self-Help Groups, etc., would be synergized with the initiatives that may be taken by Phoenix Lamps.

Area of CSR activities:

By and large, it may be ensured that at least 60% of the CSR activities will be with reference to in and around the areas adjoining manufacturing plants of the Company.

MONITORING PROCESS:

1. The CSR Committee will conduct *impact studies* on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes.

The CSR Committee may ask the Company to try and obtain feedback from beneficiaries about the CSR Initiatives undertaken by the Phoenix Lamps.

2. In every six months the Board of Directors shall review the implementation of CSR

AMENDMENT IN CSR POLICY:

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time and as the Board may think fit.

