



PRECOT MERIDIAN LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

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CORPORATE SOCIAL RESPONSIBILITY POLICY

PREFACE

This policy shall apply to all Corporate Social Responsibility (CSR) initiatives and activities taken up at the units and other locations of Precot Meridian Limited (Precot), for the benefit of different segments of the society.

Precot through its CSR initiative continue to enhance value creation in the society and in the community through its services and initiatives so as to promote sustained growth for the society and community.

OBJECTIVE

The objective of CSR policy at Precot is to

- To directly or indirectly take up programmes that benefit the communities in & around the units of Precot and resulting in enhancing the quality of life & economic well-being of the locality.
- To generate, through its CSR initiatives, a community goodwill for Precot and help reinforce a positive & socially responsible image as a corporate entity
- 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 its stakeholders.

ALLOCATION

For achieving CSR objectives through implementation of the CSR programmes, the CSR committee will allocate every financial year a sum not more than 2 % of the average net profit of the immediately preceding three years of the Company. The committee will decide on the mode of execution of the activities.

CSR ACTIVITIES

The CSR activities at Precot shall include the following,

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water,

2. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects,
3. 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,
4. 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,
5. 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,
6. Measures for the benefit of armed forces veterans, war widows and their dependants,
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports,
8. 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, Scheduled Tribes, other back ward classes, minorities and women,
9. Contributions or fund provided to technology incubators located within academic institutions which are approved by the Central Government,
10. Rural development projects.

IDENTIFICATION OF PROGRAMMES

The Committee may identify the CSR programmes by any of the following methods:

- a. Internal assessment by units/corporate office of the company,
- b. Identification studies by professional institutions/agencies,
- c. Receipt of a proposal/request from district administration/local Panchayat etc.,

- d. Receipt of a proposal/request from voluntary organizations/local representatives etc.,

APPROVAL

The identified proposals will be required to be put up to the CSR Committee of the Board at the beginning of every financial year.

For meeting the requirements arising out of immediate & urgent situations, Managing Director is authorised to approve the proposals, the same may be ratified in the next CSR committee meeting.

IMPLEMENTATION

Once the programmes approved by the CSR Committee of the Board are communicated to the Units, the concerned unit managers shall initiate steps to implement the activities, they will be required to enter into an agreement with each of the executing/ implementing agency.

The committee may implement the CSR activities through a registered trust/registered society or may be jointly with any other company.

MONITORING AND REPORTING

To ensure effective implementation of the CSR programmes undertaken at each unit/ corporate office, a monitoring mechanism will be put in place by the unit in charge/ manager. The progress of CSR programmes under implementation at the unit level will be reported to corporate office on a quarterly basis.

The units/ corporate office will also try to obtain feedback from beneficiaries about the programmes.

CSR initiatives of the Company will also be reported in the Annual Report of the Company.

If necessary the committee may insist units/ corporate office to conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the high value programmes.

GENERAL

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.

The Company reserves the right to modify, cancel, add, or amend any of these Rules.
