

CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble

The Board of Directors (the “Board”) of Lambodhara Textiles Limited (the “Company”) has adopted the following policy and procedures with regard to Corporate Social Responsibility as below. The Board may review and amend this policy from time to time. This Policy will be applicable to the Company effective 1st April 2014. This Policy is in terms of Section 135 of the Companies Act 2013.

Philosophy

LAMBODHARA is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. The company has always contributed its might to enhancing societal sustainability along with economic and environmental sustainability. Company always believed that serving the community around it in some form is one of the purposes of its business. Enhancing human excellence and improving quality of life is Company’s endeavour. Corporate Social Responsibility (“CSR”) activities of Company are independent of the normal conduct of Company’s business. Going forward, CSR activities are expected to cover other areas too.

CSR Policy

It is Company’s CSR policy:

- To support schools, colleges, training institutes, balamandirs, study centres, universities, planetarium and other institutions for imparting education, vocational skills, livelihood enhancement projects and training to students.
- To establish and support scholarship and prizes at schools, colleges and other educational institutions,
- To contribute funds for technology incubators located within academic institutions which are approved by Central Government;
- To assist in the promotion of research and development in various fields of higher education in its widest and most comprehensive sense.
- To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
- To provide equal opportunities to beneficiaries of the Company's CSR Programmes as vendors or employees on merit;
- To promote or aid Rural Development 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

•

Implementation

To implement Company's CSR programmes through Company's employees or through external implementing agencies or through registered trusts, foundations and charitable organisations as may be decided by Company from time to time. In such cases, Company will specify the CSR programmes which may be undertaken by those trusts in accordance with their objects and administrative and accounting processes laid down in the respective trust deeds/memoranda and articles of association.

Governance

- Every year, the CSR committee of the board of directors of Company will place for the board's approval, a CSR plan delineating the CSR programmes to be carried out during the financial year and the specified budgets thereof. The board will consider and prove the CSR plan with any modifications that may be deemed necessary.
- The CSR committee will assign the task of implementation of the CSR plan within specified budgets and timeframes to such persons or bodies as it may deem fit.
- The persons/bodies to which the implementation is assigned will carry out such CSR programmes as determined by the CSR committee within the specified budgets and timeframes and provide feedback to the CSR committee on the progress thereon.
- The CSR committee shall review the implementation of the CSR programmes and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this policy.
- At the end of every financial year, the CSR committee will submit its report to the board.

CSR Expenditure

As a policy, Company has to spend up to 2% of the Average Net profits of the company made during the three immediately preceding financial years towards CSR activities. CSR expenditure will include all expenditure, direct or indirect, incurred by Company on CSR programmes undertaken in accordance with approved CSR plan.