

# **Corporate Social Responsibility Policy**

**M/s. Christie's India Private Limited**

**Effective w.e.f. 6 September 2016**

# **Corporate Social Responsibility (CSR) Policy**

## **Introduction**

CSR in India has traditionally been seen as a philanthropic activity. While the corporate houses in India have been traditionally engaged in doing CSR activities voluntarily, the new CSR provisions put formal and greater responsibility on Companies to set out clear framework and process to ensure strict compliance.

The Companies Act 2013 (hereinafter referred to as 'the Act'), has introduced the idea of CSR to the forefront and through its "Comply-or-Explain" mandate

In accordance with the provisions of Section 135 of Companies Act, 2013 ("Act" and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility (CSR) Committee of M/s. Christie's India Private Limited ("the Company") was constituted by the Board of Directors of the Company at their meeting held on 6 September 2016.

The composition of the said Committee comprises of three directors viz., Mr. Navaz Shahrukh Sanjana, Ms. Sonal Singh and Mr. Nicholas George Hough.

## **CSR Objectives**

This Policy has been formulated in compliance with Section 135 of the Act and the rules made thereunder.

The policy has been established to fulfil the role of a socially responsible corporate entity to act in a socially responsible manner to contribute to the socioeconomic development of the communities we operate in, by building stronger, developed, sustainable communities and raise the quality of life of the people of the country.

## **Scope**

This Policy shall apply to all CSR projects/programmes/activities undertaken by the Company in India as per Schedule VII of the Act.

The Company will undertake CSR activities as may be recommended by the CSR committee and approved by the Board through such entity/organization as the committee may decide from time to time.

## **Responsibilities of the CSR Committee**

The responsibilities of the CSR Committee include:

1. Formulating and recommending to the Board of Directors the CSR Policy and indicating the activities to be undertaken by the Company, as specified in Schedule VII of the Act;
2. Recommending and reviewing the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
4. Monitoring the implementation of CSR Policy from time to time;
5. Undertaking any other matter as it may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

## **Location of the Activities**

The CSR committee will recommend the location of the CSR activities. However, the preference should be given to local areas and areas around the Company where it operates.

## **Role of the Board**

1. Constitute a CSR Committee or make changes as and when required.
2. Approve CSR policy and bring amendments in the policy as and when required.
3. Ensure disclosure of the contents of the CSR Policy on the company website, if available.
4. Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
5. The Board of the Company may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act as required under the Act and the Board shall ensure that the entity(ies) shall have an established track record of three years in undertaking similar programs or projects/activities;
6. Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy.
7. If the company fails to spend such amount, then it will disclose the reason for not spending the amount in the annual report.
8. The board report issued under clause(o) of sub section (3) of the section 134 shall include an annual report on CSR containing particulars as specified in the CSR rules as Annexure provided herein below as Annexure A..

## **CSR Activities and its Implementation**

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

Such activities shall be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

### **Areas of the CSR activities:**

1. Eradicating Hunger, Poverty and Malnutrition, promoting Preventive Health Care and Sanitation and including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

3. 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 including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
4. 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;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, and paraolympic sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
10. Rural development projects.

And other as may be recommended by the Board or the CSR committee within overall framework of Act and Rules.

### **Disqualifying Activities for CSR**

- CSR Rules prohibit the CSR projects and programs that are implemented by the Company for benefit of the employees of the Company and their families.
- CSR activities implemented outside India also fall outside the purview of the Rules and hence CSR expenditure on such activities will not be considered for inclusion in the CSR Report.
- Any amount directly or indirectly contributed towards any political party under Section 182 of the Act shall not be considered as CSR Spend.
- Activities that are undertaken by the Company in pursuance of its normal course of business will not be considered as CSR activities.
- One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc. would not be qualified as part of CSR expenditure.
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations such as labour laws would not be considered as CSR expenditure.

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

## **CSR Monitoring Framework**

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities as may be required and the prospective CSR projects and activities that the Company may undertake for the benefit of the Society at large.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee or external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

## **CSR Expenditure**

The Company shall, in every financial year, contribute a statutory minimum limit of at least 2% of the average Net Profits of the Company made during the three immediately preceding financial years for the CSR Expenditure.

CSR Expenditure shall include all the expenditure including contribution to corpus for CSR activities as the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

However, if the Company ceases to be covered under sub-section (1) of Section 135 of the Act for three financial years, then it shall not be required to, comply with the provisions laid down under sub-section (2) to (5) of the said section, till such time it meets the criteria specified in sub-section (1) of the Act.

## **CSR Reporting**

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

## **Frequency and Quorum of Meetings**

The meetings of the Committee could be held at such periodic intervals as may be required. The minimum two (2) members shall constitute a quorum for the Committee meeting.

## **Chairman**

The members of the Committee present at the meeting shall choose one amongst themselves to act as Chairman.

## **Minutes of the Committee Meeting**

The proceedings of all the meetings shall be entered in the minutes and signed by the Chairman of the Committee.

## **Amendments to the Policy**

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time.

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**FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT**

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for last three financial years;
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)
5. Details of CSR spent during the financial year.
  - a) Total amount to be spent for the financial year;
  - b) Amount unspent, if any;
  - c) Manner in which the amount spent during the financial year is detailed below.

S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs <b>Sub-heads:</b> (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency*
	<b>TOTAL</b>						

\*Give details of implementing agency:

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-  
(Director)

Sd/-  
(Chairman – CSR Committee)